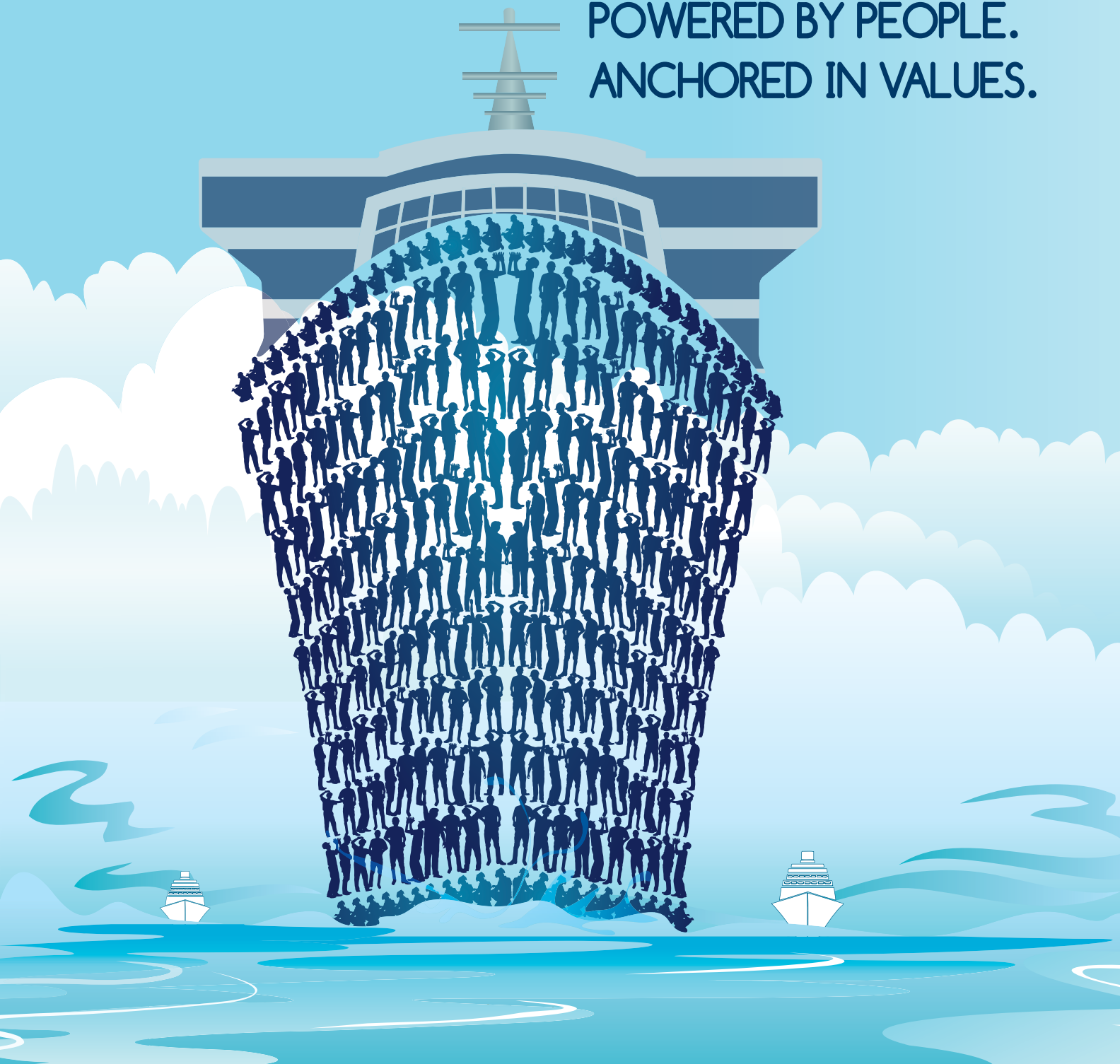


65th

Annual Report 2012-13



POWERED BY PEOPLE.
ANCHORED IN VALUES.





CHAIRMAN'S STATEMENT

Dear Shareholders,

The financial year 2012-13 proved to be yet another challenging year for the shipping industry. The markets moved further down on the back of steady inflow of new deliveries and anaemic cargo growth. Weak global macro-economic environment, rising geo-political tensions, and subdued commodity demand from western countries dragged the charter rates to new lows.

The year gone by witnessed many high profile bankruptcies and restructurings amongst shipowners across the world. The trend is expected to continue with the difficult operating environment and restricted financing avenues, especially for the weaker ship owners.

Given the fairly difficult industry environment, I am happy to report that your Company has fared relatively well. For the financial year 2012-13, your Company has recorded a net profit of ₹ 146.26 crores on a standalone basis and ₹ 537.76 crores on a consolidated basis. Treading on the path of caution has paid its rewards. With a healthy consolidated cash and cash equivalent balance of ₹ 4085.11 crores at end of 31 March 2013 and a modest net debt, your Company is in fact poised to not only ride this prolonged rough patch but also have the flexibility and opportunity to expand in the low part of the cycle.


In the offshore business, Greatship (India) Limited (GIL), with its modern high-quality fleet of 21 support vessels and 3 Jackup Rigs, has already made its mark operating with leading exploration and production companies in India and overseas. The combination of modern vessels, experienced management team, and quality operations has permitted GIL to build a position as a high quality service provider to the E & P industry. This is borne out by the awards received from customers. GIL contributed ₹ 430.72 crores to our consolidated net profit in FY2012-13.

Though the profits of Great Eastern Shipping itself did not show any significant growth over the previous year, the consolidated profits were considerably higher. Keeping this in mind, the Board of your Company has recommended a final dividend of ₹ 4.50 per share, resulting in a total dividend of ₹ 7.50 per share for the year. The total outflow on account of dividend is expected to be ₹ 114.24 crores (excluding tax thereon).

Looking ahead, the business environment remains under considerable pressure and the outlook still does not seem to show any major improvement in the demand-supply balance. Structural changes in the trade patterns, especially for the tanker segment will have a significant impact on tonnage movement. In the case of the dry bulk segment, China and India continue to dominate trade, and the state of their economies will drive the cargo movement growth.

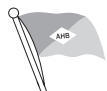
Even though the situation does not look encouraging, I firmly believe that your Company's strong management acumen, ability to invest in downturns, financial conservatism, and adhering to stringent quality standards will significantly mitigate the risks and help in riding this down cycle. For this, I request all my colleagues and stakeholders to provide the same support which they have provided us earlier.

With warm regards,



K.M.Sheth
Executive Chairman





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NOTICE

NOTICE is hereby given that the Sixty Fifth Annual General Meeting of THE GREAT EASTERN SHIPPING CO. LTD. will be held at Rama Watumal Auditorium, K. C. College, Churchgate, Mumbai -400 020 on Thursday, August 08, 2013 at 03.00 p.m. (I.S.T.) to transact the following business :

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013 and the Profit and Loss Account for the year ended on that date together with the Auditors' and Directors' Report thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Vineet Nayyar, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Ms. Asha Sheth, who retires by rotation and being eligible, offers herself for reappointment.
5. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:
 "RESOLVED THAT M/s. Kalyaniwalla & Mistry, Chartered Accountants (Registration No. 104607W) be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

By Order of the Board

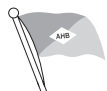
Jayesh M. Trivedi
Company Secretary

Mumbai, May 06, 2013

Registered Office :
Ocean House, 134/A,
Dr. Annie Besant Road,
Worli, Mumbai 400 018

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. The instrument appointing a Proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time of holding the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from July 30, 2013 to August 08, 2013 (both days inclusive).
4. The dividend declared at the Meeting will be made payable on or after August 08, 2013, as applicable, in respect of shares held in physical form to those Members whose names appear on the Register of Members of the Company after giving effect to all valid share transfers lodged with the Company on or before the end of business hours on July 29, 2013 and in respect of shares held in the electronic form to those 'Deemed Members' whose names appear in the statement of Beneficial Ownership furnished by the National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL) as on that date.
5. Pursuant to Section 205A of the Companies Act, 1956, all unclaimed dividends upto the 40th dividend for the year 1993- 94 paid by the Company on October 5, 1994 have been transferred to the General Revenue Account of the Central Government. Members who have not encashed the Dividend Warrants for the said period are requested to claim the amount from the Registrar of Companies, Maharashtra, C/o. Central Government Office Building, A Wing, 2nd Floor, Next to Reserve Bank of India, CBD Belapur 400 614.
6. Consequent to the amendment to Sub-section (5) of Section 205A vide Companies (Amendment) Act, 1999, the Company has transferred the unclaimed dividend for the year 2004-05 (51st final dividend), 2005-06 (52nd 1st interim dividend) and 2005-06 (52nd 2nd interim dividend) to the Investor Education and Protection Fund. All unclaimed dividend for the year 2005-06 (52nd 3rd interim dividend) will be due for transfer to the Investor Education and Protection Fund on May 28, 2013. Shareholders who have not encashed the Dividend Warrants are requested to claim the amount from the Company's Share Department at the Registered Office of the Company.
7. The information as required under clause 49 (iv)(g) of the listing agreement in respect of directors being re-appointed is annexed hereto.



ANNEXURE TO NOTICE

INFORMATION AS REQUIRED UNDER CLAUSE 49 (IV)(G) OF THE LISTING AGREEMENT IN RESPECT OF DIRECTORS BEING RE-APPOINTED.

(A) MR. VINEET NAYYAR

Mr. Vineet Nayyar holds a Master's degree in Development Economics from Williams College, Massachusetts. He has varied experience in Government, multilateral financial institutions and corporate sector. He was the member of the Indian Administrative Service. He has held major assignments such as:

1970-73: Secretary, Agriculture, State of Haryana.

1973-78: Director, Department of Economic Affairs, Ministry of Finance, Government of India.

He has held various prestigious positions in The World Bank, Washington DC:

1978-86: Chief, Petroleum Department, Europe, Middle East and North Africa. Chief and Head of Energy Department, East Asia and Pacific.

1991-95: Chief and Head of Energy, Finance and Infrastructure Departments, East Asia and Pacific.

During this period he led the first Energy mission to China and was responsible for the privatization of Infrastructure in Philippines, reorganisation of the Central Bank of Philippines and financial reforms and reorganisation of the Central Bank of South Korea, etc.

He was the Promoter and Vice Chairman of HCL Technologies. He was also the founder and Chief Executive Officer of HCL Perot Systems. He was also the Chairman and Managing Director of Gas Authority of India Limited (GAIL). As the first regular Chairman of GAIL he was responsible for setting up the HBJ pipeline, gas fractionation plants and the startup of Auriya Petro Chemical Plant.

He is currently Executive Vice Chairman of Tech Mahindra Ltd. and Chairman of Satyam Computer Services Ltd.

Mr. Vineet Nayyar holds 23,005 equity shares in the Company. He is also a Director on the Board of following public limited companies:

- Tech Mahindra Ltd.
- CanvasM Technologies Ltd.
- Mahindra Logisoft Business Solutions Ltd.
- Satyam Computer Services Ltd.
- Comviva Technologies Limited
- Kotak Mahindra Old Mutual Life Insurance Ltd.
- The Mahindra Holidays & Resorts India Ltd.
- Greatship (India) Ltd.
- Power Exchange India Ltd

Mr. Vineet Nayyar is also a member/chairman of the following committees:

NAME OF COMPANY	NAME OF THE COMMITTEE	MEMBER / CHAIRMAN
Tech Mahindra Ltd.	Investor Grievance-cum-share transfer Committee	Member
Tech Mahindra Ltd.	Securities Allotment Committee	Chairman
Tech Mahindra Ltd.	Executive Committee	Chairman
The Mahindra Holidays & Resorts India Ltd.	Remuneration Committee	Member
Greatship (India) Ltd	Remuneration Committee	Chairman

(B) MS. ASHA V. SHETH

Ms. Asha V. Sheth is a B.A. from Isabella Thoburn College, U.P. She was invited to be a Director on the Board of the Company in the year 1992-93. She is the wife of Late Mr. Vasant J. Sheth who was the Founder Director and later on Chairman of the Company who subsequently steered the growth of the Company till 1992 when he expired. The Company decided to have a Foundation namely Vasant J. Sheth Memorial Foundation (VJSM) in his memory and Ms. Asha V. Sheth was invited to be the Chairperson of the Foundation. Significant activities of the Foundation are in the area of Shipping and Maritime affairs.

As on date Ms. Asha V. Sheth holds 21,24,081 Equity Shares of the Company. She is a member of the Shareholders / Investors' Grievance Committee of the Company.

BOARD OF DIRECTORS

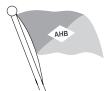
K. M. Sheth	EXECUTIVE CHAIRMAN
Bharat K. Sheth	DEPUTY CHAIRMAN & MANAGING DIRECTOR
Asha V. Sheth	
Cyrus Guzder	
Keki Mistry	
Vineet Nayyar	
Berjis Desai	
Rajiv B. Lall	
Ravi K. Sheth	EXECUTIVE DIRECTOR

COMMITTEES

AUDIT COMMITTEE	SHAREHOLDER/INVESTORS' GRIEVANCE COMMITTEE	REMUNERATION COMMITTEE
Keki Mistry CHAIRMAN	Cyrus Guzder CHAIRMAN	Cyrus Guzder CHAIRMAN
Cyrus Guzder	Bharat K. Sheth	Berjis Desai
Berjis Desai	Asha V. Sheth	Keki Mistry

Jayesh M. Trivedi COMPANY SECRETARY

REGISTERED OFFICE	SHARE TRANSFER AGENT	AUDITORS
Ocean House 134/A, Dr. Annie Besant Road Worli Mumbai 400 018 Tel : 022-66613000/24922200 Fax : 022-24925900 E-mail* : shares@greatship.com (*Investor Relations) Web : www.greatship.com	Sharepro Services (India) Pvt. Ltd. 13 A/B, Samhita Warehousing Complex, 2 nd floor Sakinaka Telephone Exchange Lane Off Andheri-Kurla Road, Sakinaka, Andheri (E) Mumbai 400 072 Tel : 022-67720300/67720400 Fax : 022-28591568 E-mail: sharepro@shareproservices.com	Kalyaniwalla & Mistry Kalpataru Heritage 127, Mahatma Gandhi Road Mumbai 400 001



RISK MANAGEMENT

Shipping is one of the most cyclical industries and hence is fraught with its own challenges. To manage risk is therefore one of the key elements in its operations. Great Eastern is fully cognizant of this and has a well laid out policy on identifying and tackling the various risk parameters. The main objective of management is to strike a balance between pursuing growth and business opportunities, and the need to manage the fluctuations in freight rates, currencies and other markets, along with maintaining operational and safety standards.

Great Eastern has consistently identified and worked on managing the following risks:

- 1) **Technical or Operational risk:** This is the risk associated with the operation and safe running of the ships. These are managed by having stringent measures for quality and safety of people and cargo on board. Constant training and focused development to upgrade the skills on board is done so that the employees are fully geared to meet all possible challenges.
- 2) **Market risk:** The Company is operating in the tramp shipping business and owns crude and product tankers and dry bulk carriers, a significant portion of which are operated on the spot market. This inherently has an element of risk due to change in freight markets, bunker prices and counterparty risk. While management of fluctuation in freight rates is possible through long term charters, contracts of affreightment, etc., fluctuation in bunker prices can be offset through hedging transactions or by taking fixed price contracts with suppliers. Counterparty risk can be minimized by dealing with large, well reputed charterers with good credit standing.
- 3) **Financial markets and liquidity risk:** This is the risk associated with the financial position and cash flows of the Company. Liquidity risk may arise from inability to meet financial obligations, including loan

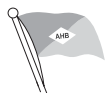
repayments and payments for vessel acquisitions. This is dealt with by keeping low leverage and by keeping substantial liquidity at all times, which not only enables the Company to capitalize on any opportunities that may arise, but also provides a buffer to meet external obligations in bad markets. Financial market risk may arise on account of exchange fluctuations, change in interest rates etc. Since the majority of the revenues of the Company are denominated in US dollars, there is a translation risk as the Company has to report its financial performance in INR. Also, since most of the External Commercial Borrowings (ECBs) raised by the Company are based on floating rate, the Company is exposed to changes in interest rates. These risks are managed by actively hedging the net open FX exposure and the floating/fixed rate liability.

Risk Management Strategy of Great Eastern Shipping

- The Company has traditionally used a mix of long term time charters, contracts of affreightment and spot charters to manage the risk on revenues to some extent. For the year ended March 31, 2013, the Company has 49% of its revenues from time charters and 51% from spot charters.
- As on March 31, 2013, 78% of the Company's loan portfolio was on fixed interest rates, and the balance 22% on floating rates.
- As on March 31, 2013, the Company has sold forward a total of USD 57million for FY 2013-14.
- As on March 31, 2013, the Company's gross debt equity ratio was 0.73 : 1 while its net debt equity ratio was 0.09 : 1.
- As on March 31, 2013, the Company had a total of treasury investments and bank balance of ₹ 3199.67crores.



Visit to 'Jag Pankhi' and 'Jag Lata' by Mr. Bharat K. Sheth, Deputy Chairman & Managing Director



DIRECTORS' REPORT

Your Directors are pleased to present the 65th Annual Report on the business and operations of your Company and Audited Accounts for the financial year ended March 31, 2013.

FINANCIAL PERFORMANCE

The financial results of the Company (standalone) for the financial year ended March 31, 2013 are presented below:

₹ in crores

	2012-13	2011-12
Total Revenue	2033.79	2011.92
Total Expenses	1876.53	1846.58
Profit before tax	157.26	165.34
Less : Tax Expenses	11.00	22.00
Profit for the period	146.26	143.34
Add : Profit as per last Balance Sheet	2922.62	2947.76
Less :		
-Transfer to Tonnage tax reserve	10.00	20.00
-Transfer to General reserve	15.00	14.50
-Transfer to Debenture redemption reserve	15.00	20.00
-Interim Dividend on Equity Shares	45.70	45.69
-Proposed Dividend on Equity Shares	68.54	53.30
-Dividend Distribution Tax	9.66	14.99
Balance Carried Forward	2904.98	2922.62

DIVIDEND ON EQUITY SHARES

During the year, your Directors declared and paid interim dividend of ₹ 3/- per share resulting in an outflow of ₹ 53.11 crores (inclusive of tax on dividend). Your Directors recommend a final dividend of ₹ 4.50/- per share resulting in an outflow of ₹ 70.79 crores (inclusive of tax on dividend). The dividend will be paid after your approval at the ensuing Annual General Meeting. The aggregate outflow on account of the equity dividend for the year would be ₹ 123.90 crores of (inclusive of tax on dividend). This represents a payout ratio of 84.71% (previous year 79.51%).

ALLOTMENT OF FURTHER SHARES

During the year, the Company allotted 32,400 Equity Shares of ₹ 10 each pursuant to the order received from The Special Court (Trial of Offences relating to Transactions in Securities) Act, 1992 which were held in abeyance. With this, the paid up Share Capital of the Company stands increased to ₹ 152,32,20,840 divided into 15,23,22,084 Equity Shares of ₹ 10/- each.

MANAGEMENT DISCUSSION AND ANALYSIS

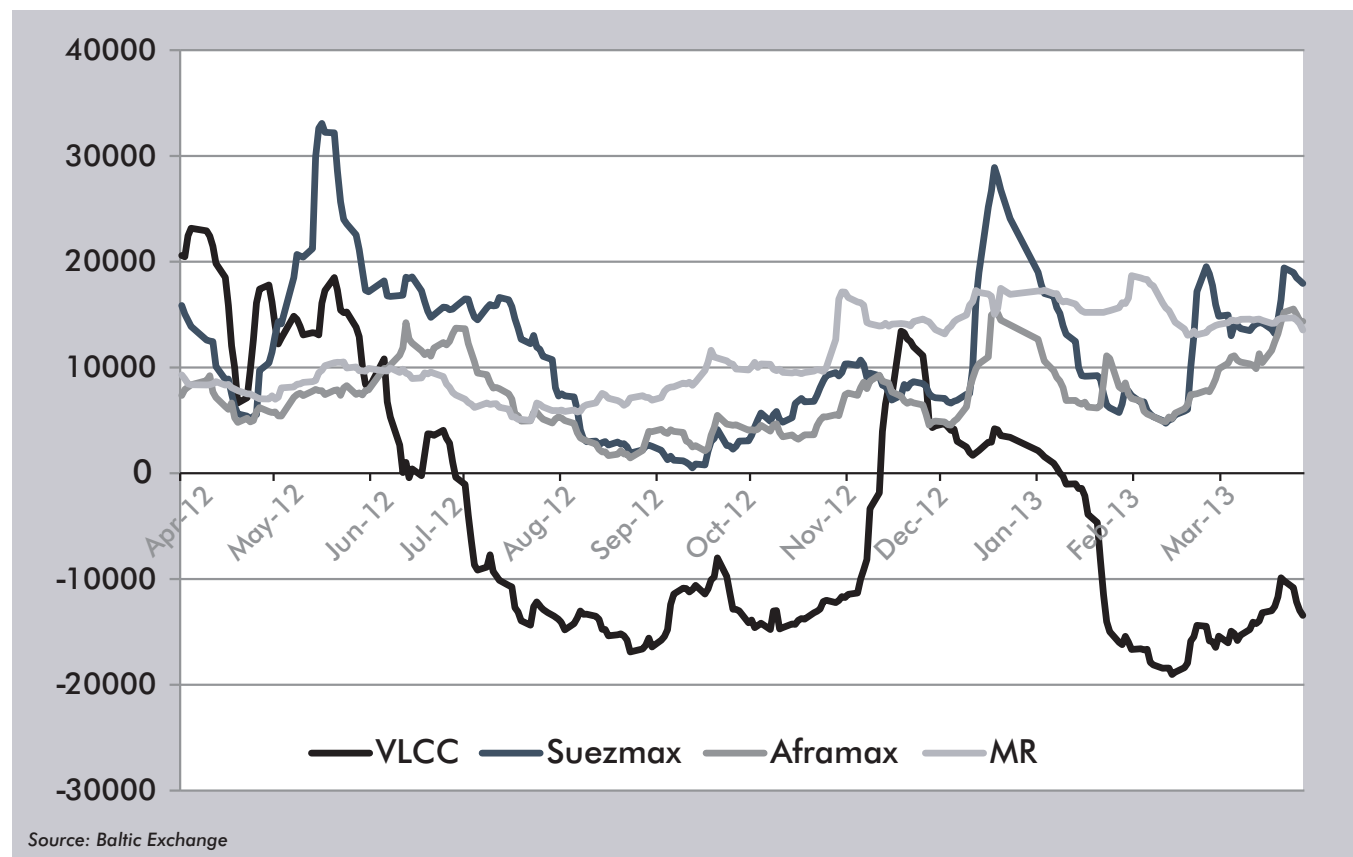
COMPANY PERFORMANCE

In FY 12-13, the Company recorded total income of ₹ 2033.79 crores (Previous year ₹ 2011.92 crores) and earned a PBITD of ₹ 729.71 crores (previous year ₹ 781.26 crores).

TANKER BUSINESS

MARKET TREND AND ANALYSIS

Tanker average time charter equivalent earnings over the year (\$ per day)



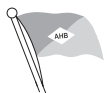
The crude tanker market remained depressed throughout FY 12-13. A sharp drop in tonnage demand coupled with steady fleet addition kept the charter rates under pressure. Shutdown of a major refinery in Venezuela (in Q2 FY 12-13) and continued decline in the US imports added to the woes resulting in lower fleet utilization. Some improvement in the crude tanker rates was witnessed in HY2 FY 12-13 on back of seasonal winter demand and increase in the Middle East exports. But this was short lived and the charter rates slid back to lower base. Compared to crude segment, the product tanker market remained relatively firm. Disruption of refineries on the US east coast due to Hurricane Sandy, improved demand from the Asian economies and emergence of new trade routes of distillates from US to South American countries like Peru & Chile kept the product tanker charter rates stable. But any meaningful improvement in the charter rates was dismissed by the excessive fleet supply in the market.

At the end of the FY 12-13, the world tanker fleet increased by 3.9% to 498.8 mn dwt as against 480.1 mn dwt at the end of FY 11-12.

COMPANY PERFORMANCE

The tanker business accounted for around 82% of the Company's net revenues and 95% of the operating profits.

In FY 12-13, around 50% of the tanker earnings were derived from the period market. Crude tankers, inclusive of 'spot' and 'period', earned an average TCY of \$17,700/day (previous year \$19,000/day). Product carriers, inclusive of 'spot' and 'period', earned an average TCY of \$15,000/day (previous year \$15,300/day).



TANKER FLEET CHANGES

As of 31st March 2013, the tanker fleet of your Company stood at 23 tankers aggregating 1.86 mn dwt, with an average age of 10.43 years as against 24 tankers aggregating 1.88 mn dwt with an average age of 9.36 years as on 31st March 2012.

During the year, your Company took delivery of:

- Very Large Gas Carrier (VLGC) 'Jag Vidhi' in Aug-12

During the year, your Company sold & delivered the following tankers:

- New Building Very Large Crude Carrier (VLCC) 'Vasant J Sheth' in May-12
- Medium Range Product Carrier 'Jag Pradip' in Jun-12
- LPG Carrier 'Jag Viraj' in Jun-12

During the year, your Company contracted to sell its 1988 built General Purpose (GP) product carrier 'Jag Parwar' with delivery in Q1 FY 13-14. Subsequently the Company delivered the vessel to the buyers in Q1 FY 13-14.

During FY 12-13, your Company placed an order for one Medium Range product carrier which will be delivered in Q4FY14-15.

Subsequent to the year, your Company contracted to sell its 1999 built Aframax crude carrier 'Jag Leela'. The vessel will be delivered to the buyers in H1FY 13-14.

OUTLOOK FOR THE TANKER MARKET

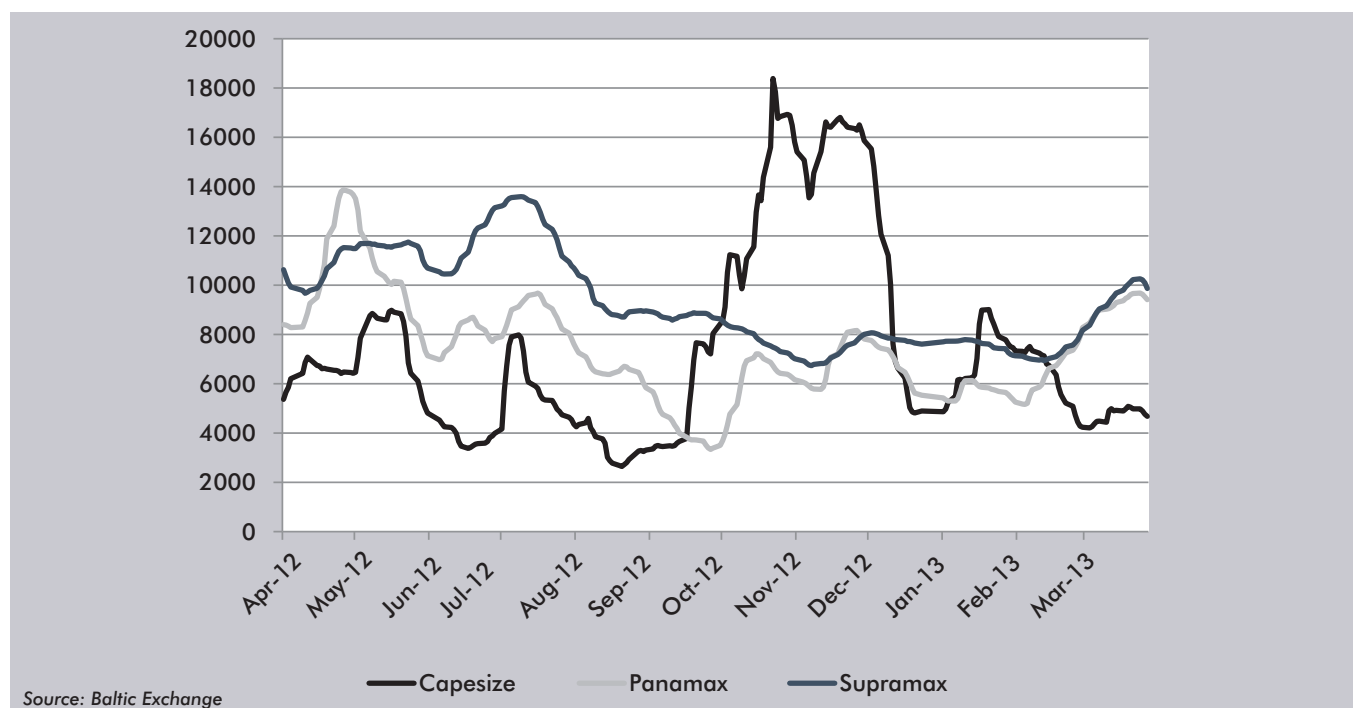
In view of the sluggish global macroeconomic environment, IEA has forecast oil demand growth of only 0.9% to 90.6 mn bpd. Muted demand from the EU countries and declining US oil imports are the key factors causing lower growth. With US turning out to be net exporter of distillates, the product tanker market has already started to witness a structural change in the trade pattern and the same impact is expected to continue going forward. Even though some positive signals like increase in scrapping activities are seen, excessive supply coupled with uncertain oil demand will keep the tanker markets volatile.

The global tanker orderbook stands at about 53.9 mn dwt or 10.8% of the fleet at the end of March 2013.

DRY BULK BUSINESS

MARKET TREND AND ANALYSIS

Dry bulk average time charter equivalent earnings over the year (\$ per day)



Echoing the previous financial year, FY 12-13 also registered a steady supply of new vessels in the market which reflected in the subdued charter rates for dry bulk vessels. Although steady expansion in the demand was witnessed across all major commodities, excessive new fleet growth kept a lid on any potential improvement in the freight rates. Citing difficult operating environment, scrapping too picked up and a record 32.08 mn dwt got scrapped in FY 12-13.

At the end of the FY 12-13, the world dry bulk fleet increased by 9.2% to 690.5 mn dwt as against 632.3 mn dwt at the end of FY 11-12.

COMPANY PERFORMANCE

The dry bulk fleet contributed around 18% of the Company's net revenues and 5% of the operating profits.

In FY 12-13 the average TCY for dry bulk vessels, inclusive of 'spot' and 'period', was approximately \$9,800/day as compared to \$15,500/day in the previous year.

DRY BULK FLEET CHANGES

As of 31st March 2013, the dry bulk fleet of your Company stood at 9 vessels aggregating 0.67 mn dwt, with an average age of 8.04 years as compared to 10 vessels aggregating 0.74 mn dwt with an average age of 7.9 years on 31st March 2012.

During the year, your Company sold & delivered:

- Panamax bulk carrier 'Jag Arnav' in Mar-13

Subsequent to the year, the Company contracted to sell its 1997 built Handymax dry bulk carrier 'Jay Ravi'. The vessel will be delivered to the buyers in Q1 FY 13-14.

OUTLOOK FOR THE DRY BULK MARKET

Amidst the situation of new fleet overhang, the global commodity demand is expected to show some improvement in CY2013. Asian economies, largely China & India, will be the key for this commodity growth. However, any disruption in the demand from China can have a serious impact on the dry bulk trade. Going forward, slowing down of new deliveries in combination with world trade recovery should help in reducing the demand supply mismatch in this segment.

The global dry bulk orderbook stands at about 127.3 mn dwt or 18.4% of the fleet at the end of March 2013.

ASSET VALUES

During FY 12-13 second-hand values for modern crude tankers witnessed a drop of about 10-15% while product tanker witnessed a drop of about 5% vis-à-vis start of financial year. Second-hand values of modern dry bulk carriers dropped by about 10-15% during the same period. New building prices dropped by about 5-10% for crude tankers. However, new building prices for product tankers more or less remained same during the financial year. New building prices for dry bulk carriers witnessed a drop of about 5% for the same period.

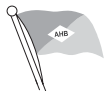
RISKS AND CONCERNS

Economic risk: Shipping is a global business whose performance is closely linked to the state of the global economy. Therefore, the earnings of your Company could be impacted negatively if the global economic situation does not improve over the longer term.

Volatility : Over and above the economic risks the shipping industry is impacted by numerous short term and regional factors, like political fallouts, weather changes etc. This results in great amount of volatility in the freight market, which in turn impacts your Company's earnings.

Your Company has attempted to hedge some of this risk by entering into time charters for part of its fleet.

Shipboard personnel : Indian officers continue to be in great demand all over the world. Given the unfavorable tax status conferred on a seafarer sailing on Indian-flagged vessels, it is becoming increasingly difficult for your Company to source officers capable of meeting the modern day challenges of worldwide trading. This is more relevant for tanker personnel and may become a hindrance to growth.



OPEC action : If the OPEC decides to cut output, this combined with inventories and increased new building deliveries, could negatively impact the demand for tankers.

European financial crisis : The on-going European financial crisis can further depress the already subdued demand in the Euro zone.

Chinese economy : As we have seen in the recent past that China has been the main driving factor of the shipping demand; in case there is a major downward shift in the Chinese economy, this along with increased new building deliveries could have negative impact on shipping.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements have been prepared by your Company in accordance with Generally Accepted Accounting Principles in India, the Accounting Standards issued by The Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956 to the extent applicable. The audited Consolidated Financial Statements together with Auditors' Report thereon form part of the Annual Report.

The group recorded a consolidated net profit of ₹ 537.76 crores for the year under review as compared to ₹ 316.55 crores for the previous year. The net worth of the group as on March 31, 2013 was ₹ 6341.76 crores as compared to ₹ 5995.93 crores for the previous year.

SUBSIDIARIES

Greatship (India) Limited

Greatship (India) Limited (GIL) has successfully completed 7 years of operations. The Company, one of India's largest offshore oilfield services provider, has recorded steady financial performance for this year, as in the last 6 years.

GIL has recorded a profit after tax of ₹ 166.33 crores on a standalone basis and ₹ 430.72 crores on a consolidated basis for the year ended March 31, 2013 as compared to ₹ 90.19 crores and ₹ 220.23 crores, respectively, for the year ended March 31, 2012. The consolidated net worth of GIL for financial year 2013 was ₹ 2889.63 crores as compared to ₹ 2455.77 crores for financial year 2012.

During the year, upon acquisition of shares of GIL from Mr. Ravi K. Sheth (jointly held with Mrs. Amita R. Sheth), GIL became a wholly owned subsidiary of your Company.

Subsequent to the year, on April 2, 2013, GIL redeemed 1.45 crores Preference Shares with the dividend rate of 7.5% p.a. held by your Company at ₹ 40.90/- per share (including the redemption premium of ₹ 30.90 per share) in accordance with the terms of issue. As on date, the total share capital held by your Company in GIL comprises of 11.13 crores equity shares of ₹ 10 each totalling in value to ₹ 1298.09 crores and ₹ 13.41 crores preference shares of ₹ 10 each totalling in value to ₹ 402.372 crores.

GIL, alongwith its subsidiaries, currently owns and operates twenty one vessels and three jack up drilling rigs. The operating fleet of twenty one vessels comprises of four Platform Supply Vessels (PSVs), nine Anchor Handling Tug cum Supply Vessels (AHTSVs), two Multipurpose Platform Supply & Support Vessels (MPSSVs) and six ROV (Remotely Operated Vehicle) Support Vessels (ROVSVs).

GIL has the following wholly owned subsidiaries:

- a) Greatship Global Energy Services Pte. Ltd., Singapore
- b) Greatship Global Offshore Services Pte. Ltd., Singapore
- c) Greatship Global Holdings Ltd., Mauritius
- d) Greatship Subsea Solutions Singapore Pte. Ltd., Singapore
- e) Greatship Subsea Solutions Australia Pty Limited, Australia

- f) Greatship (UK) Limited, United Kingdom
- g) Greatship Global Offshore Management Services Pte. Ltd., Singapore

Subsequent to the end of the year, Greatship Subsea Solutions Australia Pty Limited has made an application to Australian Securities and Investments Commission for voluntary deregistration of the company.

Other subsidiaries

Apart from GIL and its subsidiaries, your Company has the following wholly-owned subsidiaries:

- a) The Great Eastern Shipping Co. London Ltd.
- b) The Greatship (Singapore) Pte. Ltd.
- c) The Great Eastern Chartering LLC (FZC)
- d) The Great Eastern Chartering (Singapore) Pte. Ltd. (wholly owned subsidiary of The Great Eastern Chartering LLC (FZC) incorporated on April 17, 2013.)

Subsidiaries' accounts

Ministry of Corporate Affairs, vide General Circular No : 2 /2011 dated February 08, 2011, has granted a general exemption to companies under Section 212(8) of the Companies Act, 1956. Pursuant to the said Circular, the Board of Directors of your Company has, by passing a resolution, given consent for not attaching the balance sheets, profit and loss accounts, reports of the Board of Directors, reports of the Auditors, etc. of the subsidiaries with the Balance Sheet of your Company as required under Section 212 of the Companies Act, 1956.

Accordingly, copies of the balance sheets, profit and loss accounts, reports of the Board of Directors, reports of the Auditors, etc. of the subsidiary companies have not been attached to the Balance Sheet of your Company as at March 31, 2013. As per the terms of the said Circular, a statement containing brief financial details of the subsidiaries of the Company for the year ended March 31, 2013 is included in the Annual Report.

The annual accounts of the subsidiary companies and the related detailed information shall be made available to shareholders of the Company and subsidiary companies seeking such information at any point of time. The annual accounts of the subsidiary companies have been kept for inspection by any shareholder at the registered office of the Company and of the subsidiary companies concerned. The Company shall furnish a hard copy of details of accounts of subsidiaries to any shareholder on demand.

DEBT FUND RAISING

During the year, the Company did not raise any funds by way of debt. In the previous year, ₹ 452.57 crores were raised towards capital expenditure for building tangible assets and general corporate purposes. As on March 31, 2013, the Company's gross debt equity ratio was 0.73:1 and net (of cash) debt : equity ratio was 0.09:1.

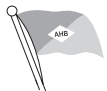
QUALITY, SAFETY, HEALTH & ENVIRONMENT

Environment Protection

In order to contribute to and prepare for a sustainable future your Company has undertaken various initiatives with regard to protection of environment and enhancing energy efficiency in its business operation.

During the year your Company offered 18 of her vessels for DNV's (Major Ship Classification Society headquartered in Norway) Triple-E environmental and energy efficiency rating. Three vessels achieved Level 2 rating **as the first vessels globally** while 15 vessels achieved Level 3 rating.

Triple-E is a voluntary scheme of DNV for rating of ships on the basis of Energy, Efficiency and Environmental performance of individual ships. Under the scheme ships are rated in 4 stages, 1 being the highest and 4 being the lowest.



The rating means in practice that the Company and its vessels have been found to comply with an industry-leading level of environmental performance. To achieve the rating, the Company has focused on training and making employees aware of environmental issues, established clear energy efficiency targets and implemented these on board, implemented an advanced performance and analysis tool to monitor the efficiency of fleet vessels and have included energy efficiency as part of management review process. By establishing energy efficiency baselines for individual ships and defining concrete Key Performance Indicators based on these your Company can monitor and measure the improvement of vessel operational efficiency year by year. In addition, the Triple-E ratings are a symbol of Company's efforts to run vessels in the most efficient way possible and reduce carbon footprint.

Carbon footprint of ships is measured in terms of Energy Efficiency Operational Indicator (EEOI) as per Guideline of International Maritime Organization MEPC.1/Circ.684. EEOI of your fleet vessels in loaded passages has reduced by 11.9% in 2012 compared to 2010 level.

In order to reduce Green House Gas emission, as per revised MARPOL Convention, Annex VI which has entered into force from 1st January 2013, all ships are required to be inspected and certified to International Energy Efficiency Certificates.

Jag Aabha, a Product Carrier was offered to DNV for voluntary certification, as a trial measure in July 2012. Following satisfactory verification she was issued with Statement of Compliance to Energy Efficiency as per MARPOL Convention, Annex VI. She was globally the first vessel to have received such certificate from DNV and first among Indian flag vessels.

Maritime Labour Convention

Maritime Labour Convention (MLC) adopted by International Labour Organization, establishing minimum requirements for almost all aspects of working and living conditions on board ships is entering into force from 20th August 2013. Your Company has proactively implemented the requirements from December 2011.

Based on Government of India's specific requirements issued in early February 2013 related to conditions of employment, hours of work and rest, accommodation, recreational facilities, food and catering, health protection, medical care, welfare and social security protection, Company procedures have been fine-tuned and implemented.

As per Convention requirement all vessels are required to be inspected by Flag Administration or their Recognized Organization and on ensuring satisfactory compliance are to be duly certified to demonstrate compliance.

Jag Padma is the first among all Indian flag vessels to be so verified and certified. Rest of your Company fleet is being offered for Inspection and Certification at convenient ports to achieve certification well before deadline of 20th August 2013.

Training

During the year, Skill Enhancement Training for shipboard Fitters and Pumpmen has been added to the various types of competency enhancement trainings that are being provided to floating staff. This refresher course of 2 weeks duration has been initiated at Great Eastern Institute of Maritime Studies and during the year 10 Fitters in 2 batches have undergone the training.

Awards

During the year 16 vessels of your Company were conferred award by United States Coast Guards in recognition of these vessels participation and contribution under their The Automated Mutual-Assistance Vessel Rescue System (AMVER).

AMVER is a unique, computer-based, and voluntary global ship reporting system used worldwide by search and rescue authorities to arrange for assistance to persons in distress at sea. With AMVER, rescue coordinators can identify participating ships in the area of distress and divert the best-suited ship or ships to respond. AMVER's mission is to quickly provide search and rescue authorities, on demand, accurate information on the positions and characteristics of vessels near a reported distress.

GREAT EASTERN INSTITUTE OF MARITIME STUDIES (GEIMS)

During the 7th year of operation of your Company's training Institute in Lonavala, following further training facilities alongwith infrastructure were added in order to enhance the quality of training being imparted:

- Augmentation of Fire Fighting Training Facility by incorporating fixed Low Expansion Foam & fixed Dry Chemical Powder fire extinguishing systems for firefighting on LPG Tankers as required by D.G. Shipping and in accordance to STCW 2010 Regulations. The existing fire training mock up has been provided with 2 skids for conducting training in use of both Low Expansion Foam & Dry Chemical Powder fire extinguishing systems, to meet the current regulations for fighting oil fires on tankers.
- Electronic Chart Display and Information System (ECDIS) Training Simulator was commissioned, a simulator with 6 student stations for training of the GES floating staff in operation of the ECDIS systems being installed on GES vessels. The same has been approved by the DGS for GEIMS to conduct the course.
- Boiler Automation & Inert Gas (IG) System Simulator was installed which emulates the microprocessor based Boiler & IG control systems installed onboard GES vessels for conduct of training both at the pre sea as well as post sea level.
- Augmentation of Full Mission Engine Room Simulator (FMERS) with a soft screen based state of art Transas TECHSIM 5000 Engine Simulator. The first phase of this simulator with 3 student stations has been commissioned. This is a soft screen simulator depicting a 2007 built Aframax Liquid Cargo Tanker and will supplement the existing hard panel FMERS simulator, installed earlier in 2011. Hard panel simulators are being replaced with soft panel simulators in view of the flexibility in application of the hardware for various vessels and engine configurations.

The Institute obtained approval of DG Shipping for conduct of course titled "Security Training for Seafarers with Designated Security Duties" and is providing the training for floating staff as required by STCW 2010.

Construction of additional accommodation of eight row houses for faculty was undertaken which is expected to be completed by June 2013.

During the year three batches with a total of 120 TNOCs, four batches of GMEs with a total of 160 cadets and one batch of 39 ETO Cadets were trained.

The total number of cadets trained so far is 1724.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

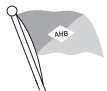
Your Company has instituted internal control systems which are adequate for the nature of its business and the size of its operations. In the beginning of the year, the scope of the audit exercise and the key business processes and selected risk areas to be audited are decided in consultation with the Audit Committee. The Internal Audit is carried out by a firm of external Chartered Accountants and covers all departments. All significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee comprises of 3 Independent Directors with the Chairman being a person well qualified and conversant with matters pertaining to Accounts and Finance. The Audit Committee met 4 times during the year.

IT INITIATIVES

IT has become the backbone of business processes over the last few years. Many operational processes, both existing and new, have been automated, using latest technologies. IT has enabled people who are directly involved in day to day business operations by equipping them with live and real time data and in turn has increased the efficiency and productivity of the organization.

Some of the major initiatives completed in this financial year are as follows.

- As part of the regular software applications development to automate the manual processes, the following are the major initiatives completed
 - SeaScape: The top level Business Analytic, which captures shipwise revenue and expense budgets and pulls actual



expenditure figures from live transactions of ERP and drill down to P/L level on real time. The system also has enriched "What If" analysis for different business scenarios.

This system has fetched the IT Department the prestigious EDGE award this year.

- Treasury System: Treasury transactions are captured in the automated system, with real time monitoring of performance and exposures.
- Touch Your MIS: This software, which is targeted for senior and middle management group, will enable them to get their respective daily operational and analysis data in one touch in their mobile device (Tablet/smart phone).

HUMAN RESOURCES

The twin focus areas during the year for your Company with respect to its human resources were *employee engagement and learning and development*.

Your Company participated in the annual employee engagement study conducted by Blessing White during the financial year. The engagement levels are healthy vis a vis Industry/Global and National scores. Your Company is working on plans to address some of the concern areas highlighted in the survey.

A comprehensive learning and development plan was rolled out during the year. The needs were identified based on *Talent Genome*- the 360 degree feedback, performance reviews and focus group discussions. Diverse themes of functional and leadership programs were held which included programs on Oil & Gas, Maritime laws, Leading self and others, Effective communication and Collaboration. The key message for the employees was that while it is a transition time for the industry and the organization, your Company is committed to develop employee capability through continuous learning process enabling them to produce higher outputs and realize their true potential.

The employee attrition stood at 4%. Your company had employee strength of 192 on shore and 480 floating as on March 31, 2013.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Vineet Nayyar and Ms. Asha Sheth are liable to retire by rotation and being eligible, offer themselves for re-appointment. Necessary resolutions for their re-appointment have been included in the Notice convening the ensuing Annual General Meeting.

CORPORATE GOVERNANCE

Your Company was Corporate Governance compliant much before SEBI stipulated deadline in the year 2005. Your Company has complied with the mandatory provisions of Clause 49 of the Listing Agreement, relating to Corporate Governance. A separate section on Corporate Governance forms part of the Directors' Report and the certificate from the Company's Auditors confirming the compliance of conditions on Corporate Governance is included in the Annual Report. Your Company has also complied with the 'Corporate Governance -Voluntary Guidelines 2009' issued by the Ministry of Corporate Affairs, to the extent disclosed in the Annual Report.

RISK MANAGEMENT PROCESS

In accordance with requirements of Clause 49 of the Listing Agreement, your Company has established a Risk Management mechanism to manage significant risks faced by your Company. The programme is built upon the foundation of the risk management process and practices followed by the Company over a period of time. During the year, your Company has strengthened the mechanism with a view to manage risks in a more structured way and making risk management process an integral part of decision making process.

The Risk Management framework and reporting regime enables the Company to assess and demonstrate whether its significant risks are properly identified and controlled, and to potentially eliminate unnecessary control related overheads.

The Risk Management framework involves risk identification, assessment, treatment / action plan, review and reporting as a continuous process.

Your Directors believe that your Company has a sound risk assessment and minimisation mechanism in place.

DIRECTORS RESPONSIBILITY STATEMENT

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

- i. in preparation of the annual accounts, the applicable accounting standards had been followed (alongwith proper explanation relating to material departures) and that there are no material departures;
- ii. they have, selected the accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis.

COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

Pursuant to Notification No. GSR 1029 dated 31.12.1988 your Company is not required to furnish prescribed information regarding conservation of energy and technology absorption, as Shipping Industry is not covered by the schedule to the said rules. The details of Foreign Exchange Earnings and Outgo are :

	₹ in crores
(a) Foreign Exchange earned on account of freight, charter hire earnings, etc.	1427.47
(b) Foreign Exchange used including operating expenses, capital repayment, down payments for acquisition of ships (net of loan), interest payment, etc.	1753.01

PARTICULARS OF EMPLOYEES

Statement pursuant to Section 217(2A) of the Companies Act, 1956 (Act), read with the Companies (Particulars of Employees) Rules, 1975, is annexed to this Report. As contemplated by Section 219 of the Act, members are provided with abridged accounts. Members desirous of receiving the Statement pursuant to Section 217(2A) will be provided the same on receipt of written request from them.

AUDITORS

Messrs Kalyaniwalla & Mistry, the Auditors of your Company, who hold office until the conclusion of the forthcoming Annual General Meeting being eligible, offer themselves for re-appointment.

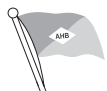
APPRECIATION

Your Directors express their sincere thanks to all customers, charterers, vendors, investors, shareholders, shipping agents, bankers, insurance companies, protection and indemnity clubs, consultants and advisors for their continued support throughout the year. Your Directors also sincerely acknowledge the significant contributions made by all the employees for their dedicated services to the Company. Your Directors look forward to their continued support.

For and on behalf of the
Board of Directors

K.M. Sheth
Executive Chairman

Mumbai, May 06, 2013



CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes that sound corporate practices based on openness, credibility and accountability is essential to its long-term success. These practices will ensure the Company, having regard to competitive exigencies, conduct its affairs in such a way that would build the confidence of its various stakeholders in it, and its Board's integrity.

2. BOARD OF DIRECTORS

The current policy is to have an appropriate mix of Executive and Independent Directors to maintain the independence of the Board of Directors (hereinafter referred to as 'Board') and to separate the Board functions of governance and management. The Board has an optimum combination of Executive and Non-Executive Directors and comprises of 9 Directors as on March 31, 2013 of which 6 are Non-Executive Directors. As the Company has an Executive Chairman, as per the requirements of Clause 49 of the Listing Agreement, 50% of the Board should comprise of Independent Directors. Accordingly the Company has 5 Independent Directors. The composition of the Board, Number of Directorships, Memberships/Chairmanships in public companies and details of shares of the Company held by the Non-Executive Directors as on March 31, 2013 are as follows:

NAME OF THE DIRECTOR	NO. OF OTHER DIRECTORSHIPS [#]	OTHER COMMITTEE MEMBERSHIP [@]	CHAIRPERSON OF OTHER COMMITTEES [@]	SHARES OF THE COMPANY HELD BY THE NON EXECUTIVE DIRECTORS
<i>Executive Directors (Promoters)</i>				
Mr. K. M. Sheth	-	-	-	-
Mr. Bharat K. Sheth	1	-	-	-
Mr. Ravi K. Sheth	2	1	-	-
<i>Non Executive Director (Promoter Group)</i>				
Ms. Asha V. Sheth	-	-	-	2124081
<i>Independent Directors</i>				
Mr. Cyrus Guzder	3	1	1	986
Mr. Keki Mistry	13	9	3	640
Mr. Vineet Nayyar	9	1	-	23005
Mr. Berjis Desai	9	7	1	800
Dr. Rajiv B. Lall	7	3	-	500

[#] Excludes Directorships in private limited companies, foreign companies and Section 25 companies.

[@] Includes memberships of Audit and Shareholders' Grievance Committee of other companies. Membership includes Chairmanship of Committees.

Mr. K. M. Sheth is the father of Mr. Bharat K. Sheth and Mr. Ravi K. Sheth.

As per the provisions of the Companies Act, 1956, 1/3rd of the Directors liable to retire by rotation are required to retire every year. Accordingly, Mr. Vineet Nayyar and Ms. Asha Sheth are liable to retire by rotation at the 65th Annual General Meeting and are eligible for re-appointment.

Attention of the members is invited to the relevant item of the Notice of the Annual General Meeting seeking their approval for the aforesaid re-appointments. The information as required under Clause 49 (IV)(G) of the Listing Agreement is annexed to the Notice of the Annual General Meeting.

Code of Conduct

All personnel to whom the Code of Conduct is applicable have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2013. A declaration to this effect, duly signed by the Deputy Chairman & Managing Director, is annexed hereto.

Board Meetings

The Board Meetings of the Company are governed by a structured agenda. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. All items on the Agenda are backed by comprehensive background information to enable the Board to take informed decisions. Agenda papers are generally circulated well in advance of the meeting of the Board.

During the year ended March 31, 2013, five Board Meetings were held on May 03, 2012, August 09, 2012, November 02-04, 2012, February 07, 2013 and March 15, 2013. The attendance of Directors at the Board Meetings held during the year 2012-13 is as follows:

NAME OF THE DIRECTOR	NO. OF MEETINGS ATTENDED
Mr. K. M. Sheth	5
Mr. Bharat K. Sheth	4
Mr. Ravi. K. Sheth	4
Ms. Asha V. Sheth	5
Mr. Cyrus Guzder	4
Mr. Keki Mistry	4
Mr. Vineet Nayyar	4
Mr. Berjis Desai	5
Dr. Rajiv B. Lall	2

3. COMMITTEES

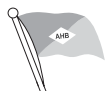
To focus effectively on the issues and ensure expedient resolution of the diverse matters, the Board has constituted a set of Committees with specific terms of reference/scope. The Committees operate as empowered agents of the Board as per their charter/terms of reference. The inputs and details required for their decisions are provided by the executives/management. Targets set by them, as agreed with the management, are reviewed periodically and mid-course corrections are also carried out. The minutes of the meetings of all Committees of the Board are placed before the Board for discussions/noting.

A) AUDIT COMMITTEE

The management is primarily responsible for internal controls and financial reporting process. The Board of Directors have entrusted the Audit Committee to supervise these processes and thus ensure accurate and timely disclosures that maintain transparency, integrity and quality of financial controls and reporting.

Terms of Reference

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending the appointment and removal of internal and external auditor, fixation of audit fee and also approval for payment for any other services.
- Reviewing with management the annual financial statements before submission to the Board, focusing primarily on :
 - Any change in accounting policies and practices.
 - Major accounting entries based on exercise of judgment by management.
 - Qualifications in draft audit report.
 - Significant adjustments arising out of audit.



- The going concern assumption.
- Compliance with accounting standards.
- Compliance with stock exchange and legal requirements concerning financial statements.
- Any related party transactions i.e., transactions by the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of the Company at large.
- Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function.
- Discussion with internal auditors on any significant findings and follow up thereon.
- 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.
- Discussion with external auditors, before the audit commences on nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing the Company's financial and risk management policies.
- 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.

Composition of Audit Committee

The Committee comprises of 3 Independent Directors, namely, Mr. Keki Mistry (Chairman), Mr. Cyrus Guzder and Mr. Berjis Desai. The Committee met four times on May 03, 2012, August 09, 2012, November 02, 2012 and February 07, 2013. Details of attendance of the members at the Committee meetings held during the year 2012-13 is as follows:

	MR. KEKI MISTRY (CHAIRMAN)	MR. CYRUS GUZDER	MR. BERJIS DESAI
Number of meetings attended	4	3	4

The Audit Committee Meetings are attended by the Chief Financial Officer, representatives of Internal Auditors and Statutory Auditors. Whenever required, the Deputy Chairman & Managing Director and other senior officials of the Company are requested to attend the meetings. Mr. Jayesh M. Trivedi, Company Secretary, is the Secretary of the Committee.

B) REMUNERATION COMMITTEE

Terms of Reference

The Remuneration Committee is empowered to recommend the Company's policy on specific remuneration packages for Wholtime Directors including pension rights and any other compensation related matters and issues within the framework of the provisions and enactments governing the same.

Composition of Remuneration Committee

The Committee comprises of 3 Independent Directors, namely, Mr. Cyrus Guzder (Chairman), Mr. Berjis Desai and Mr. Keki Mistry. The Committee met once on May 03, 2012. Details of attendance of members at the Committee meeting held during the year 2012-13 is as follows:

	MR. CYRUS GUZDER (CHAIRMAN)	MR. BERJIS DESAI	MR. KEKI MISTRY
Number of meetings attended	1	1	1

Mr. Jayesh M. Trivedi, Company Secretary, is the Secretary of the Committee.

The Remuneration Policy

The Remuneration Committee of the Board is constituted in compliance with SEBI guidelines. The Committee is fully empowered to frame the compensation structure for the Wholtime Directors and review the same from time to time based on certain performance parameters, growth in business as well as profitability and also align the remuneration with the best practices prevailing in the industry.

Details of Remuneration paid/to be paid to all Directors for FY 2012-13

(Amount in ₹)			
NAME OF DIRECTOR	SALARY*	BENEFITS	COMMISSION
Mr. K. M. Sheth	25199988	2474100	9900000
Mr. Bharat K. Sheth	27000000	3126812	28800000
Mr. Ravi K. Sheth **	-	-	-
Mr. Cyrus Guzder	-	-	850000
Mr. Keki Mistry	-	-	925000
Mr. Vineet Nayyar	-	-	600000
Ms. Asha V. Sheth	-	-	625000
Mr. Berjis Desai	-	-	725000
Dr. Rajiv B. Lall	-	-	600000
Total	52199988	5600912	43025000

* Salary includes contribution to provident fund and superannuation fund and does not include contribution to Retirement Benefit Scheme for Wholetime Directors.

** Considering the time and efforts spent by Mr. Ravi K. Sheth for the business of Greatship (India) Limited (GIL) and its subsidiaries, entire remuneration to Mr. Ravi K. Sheth is paid by GIL.

- Commission to the Executive Directors is paid as determined by the Remuneration Committee based on certain performance parameters and profitability of the Company and is within the overall limit fixed by the members.
- Commission to the Non-Executive Directors is determined after taking into account profitability of the Company, the valuable guidance of the Directors for the various business initiatives and decisions at the Board level, membership/ chairmanship of various committees.
- Presently, the Company does not have a scheme for grant of stock options.
- The Company has no pecuniary relationship or transactions with its Non-Executive Directors other than payment of commission and dividend on equity shares held by them.
- The Remuneration Committee has formulated a Retirement Benefit Scheme for the Wholetime Directors. The Board approved Scheme has been made effective from January 01, 2005. The Scheme provides for provision of pension, medical reimbursements and other benefits to the retiring Wholetime Directors. On the basis of an actuarial valuation, an amount of ₹ 0.73 crores (₹ 2.37 crores was reversed during the previous year) has been provided during the year for pension payable to the Wholetime Directors on their retirement.

C) SHAREHOLDER/INVESTORS' GRIEVANCE COMMITTEE

The Shareholder/Investors' Grievance Committee oversees redressal of shareholders' and investors' grievances.

Terms of Reference

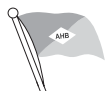
- Ensure redressal of shareholders' and investors' complaints relating to transfer of shares, non-receipt of balance sheet, etc.
- Redressal of investors' complaints in respect of non-receipt of dividends/ interests/ payments on redemption of preference shares, debentures, bonds or such other instruments, which are redeemable.

Composition of the Committee

As on date the Committee comprises of 2 Non-Executive Directors and 1 Executive Director namely Mr. Cyrus Guzder (Chairman), Ms. Asha V. Sheth and Mr. Bharat K. Sheth. The Committee met twice on May 03, 2012 and November 02, 2012. The details of attendance of the members at the Committee meetings held during the year 2012-13 is as follows:

	MR. CYRUS GUZDER (CHAIRMAN)	MS. ASHA V. SHETH	MR. BHARAT K. SHETH
Number of meetings attended	2	2	2

Mr. Jayesh M. Trivedi, Company Secretary, is the Compliance Officer of the Company.



During the year under review, 34 complaints were received from investors which were replied / resolved to the satisfaction of the investors. 01 request for transfer involving 72 shares and 13 requests for dematerialisation involving 9415 shares were pending for approval as on March 31, 2013. These pending requests were duly approved and dealt with by the Company.

4. RISK MANAGEMENT

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

Detailed notes on Risk Management are given in the Annual Report.

5. GENERAL MEETINGS

Next Annual General Meeting and date of Book Closure

Date	August 8, 2013
Time	3.00 p.m.
Venue	Rama Watumal Auditorium, K. C. College, Churchgate, Mumbai – 400 020
Dividend Payment Date	on or after August 8, 2013
Date of Book Closure	July 30, 2013 to August 8, 2013 (both days inclusive)

None of the items to be transacted at the ensuing Annual General Meeting are required to be passed by Postal Ballot.

General Body Meetings held during previous three financial years

The following are the details of General Body Meetings held during previous three financial years.

MEETING	TIME	LOCATION	SPECIAL RESOLUTIONS PASSED
62 nd Annual General Meeting	July 29, 2010 at 3.00 p.m.	Rama Watumal Auditorium, K. C. College, Churchgate, Mumbai – 400 020	<input type="checkbox"/> Re-appointment of Mr. K. M. Sheth as Wholetime Director designated as 'Executive Chairman'. <input type="checkbox"/> Re-appointment of Mr. Bharat K. Sheth as 'Deputy Chairman and Managing Director'. <input type="checkbox"/> Re-appointment of Mr. Ravi. K. Sheth as Wholetime Director designated as 'Executive Director'. <input type="checkbox"/> Payment of commission to Non Wholetime Directors.
63 rd Annual General Meeting	August 05, 2011 at 3.00 p.m.	Rama Watumal Auditorium, K. C. College, Churchgate, Mumbai – 400 020	<input type="checkbox"/> None
64 th Annual General Meeting	August 09, 2012 at 3.00 p.m.	Rama Watumal Auditorium, K. C. College, Churchgate, Mumbai – 400 020	<input type="checkbox"/> Consent to Ms. Nirja Sheth, relative of a Director of the Company, to hold and continue to hold an office or place of profit in Greatship (India) Limited, a subsidiary of the Company.

All resolutions moved at the last Annual General Meeting held on August 09, 2012 were passed unanimously by a show of hands by members attending the meeting.

All the Directors of the Company other than Mr. Bharat K. Sheth, Dr. Rajiv B. Lall and Mr. Vineet Nayyar attended the last Annual General Meeting held on August 09, 2012.

6. DISCLOSURES

- a) There were no transactions of material nature with its Promoters, the Directors or the Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. However, the Company has annexed to the accounts a list of related parties as per Accounting Standard 18 and the transactions entered into with them.
- b) There were no instances of non-compliances nor have any penalties, strictures been imposed by Stock Exchanges or SEBI or any statutory authority during the last 3 years on any matter related to capital markets.
- c) The senior management has made disclosures to the Board relating to all material financial and commercial transactions stating that they did not have personal interest that could result in a conflict with the interest of the Company at large.
- d) The Deputy Chairman & Managing Director and the Chief Financial Officer have issued a certificate to the Board in compliance with Clause 49 (V) of the Listing Agreement for the Financial Year ended March 31, 2013.

7. MEANS OF COMMUNICATION TO SHAREHOLDERS

Half-yearly report sent to each household of shareholders	No, as the Results of the Company are published in the newspapers, uploaded on the Company's website and press releases are also issued.
Quarterly, half yearly and annual results	Published in Business Standard, Free Press Journal and Navshakti.
Whether Company displays official news releases and presentations made to institutional investors or to the analysts on its website	Yes
Whether MD & A is a part of annual report	Yes

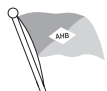
Website of the Company: www.greatship.com

Your Company's official press releases are available and archived on the corporate website 'www.greatship.com.' Presentations made to analysts, institutional investors and the media are posted on the website. The Company holds conference calls on declaration of its quarterly results, the transcripts of which are also posted on the website. The shareholders and general public visiting the website have greatly appreciated the contents and user friendliness of the corporate website.

8. SHAREHOLDERS INFORMATION

Financial Calendar

1st Quarterly Result	Second week of August 2013
2nd Quarterly Result	Second week of November 2013
3rd Quarterly Result	Second week of February 2014
4th Quarterly Result	April / May 2014

**Listing on Stock Exchanges**

STOCK EXCHANGE	STOCK CODE	ISIN NO.
Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street Mumbai - 400 001	500620	INE 017A01032
National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex Bandra (E), Mumbai - 400 051	GESHIP	INE 017A01032
GLOBAL DEPOSITORY RECEIPTS	NON CONVERTIBLE DEBENTURES	
Euro MTF Market - Luxembourg Stock Exchange Kredietbank S.A. Luxembourgeoise Societe Anonyme 43, Boulevard Royal, L-2955 Luxembourg, R. C. Luxembourg B 6395	Wholesale Debt Market - National Stock Exchange of India Ltd. Exchange Plaza Bandra-Kurla Complex, Bandra (E) Mumbai - 400 051	

Share Transfer System

Share Transfer requests received in physical form are registered within a period of 15 days. A Share Transfer Committee comprising of members of the Board meets once in a week to consider the transfer of shares. Requests for dematerialisation (demat) received from the shareholders are effected within an average period of 15 days.

Outstanding GDRs

67945 GDRs (equivalent to 339723 equity shares) were outstanding as on March 31, 2013.

Outstanding Warrants

No Warrants were outstanding as on March 31, 2013.

Plant Location

The Company has no plants.

Address for correspondence

COMPANY	TRANSFER AGENT	
Share Department Ocean House, 134-A, Dr. Annie Besant Road, Worli, Mumbai - 400 018 Tel : 022-66613000/24922200 Fax : 022-24925900 E-mail : shares@greatship.com Web : www.greatship.com	Sharepro Services (India) Pvt. Ltd. 13A/B, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Andheri (E), Mumbai - 400 072 Tel : 022-67720300/67720400 Fax : 022-28591568 E-mail: sharepro@shareproservices.com	912, Raheja Centre Free Press Journal Road, Nariman Point, Mumbai - 400 021 Tel : 022-22881569/66134700 Fax : 022-22825484

9. ADDITIONAL SHAREHOLDERS INFORMATION**Unclaimed Dividends**

Under the Companies Act, 1956, dividends that are unclaimed for a period of seven years are required to be transferred to the Investor Education and Protection Fund administered by the Central Government. An amount of ₹ 36,91,551, ₹ 49,02,656 & ₹ 34,79,088 being unclaimed 51st (Final) dividend, 52nd (1st Interim) dividend and 52nd (2nd Interim) dividend was transferred on July 30, 2012, December 06, 2012 and March 15, 2013 to the Investor Education and Protection Fund established by the Central Government under Section 205C of the Companies Act, 1956.

The following table gives the dates of dividend declaration or payment since 2006 and the corresponding dates when unclaimed dividend are due to be transferred to the Investor Education and Protection Fund.

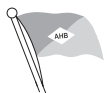
Due Dates of Transferring Unclaimed Dividend to The Investor Education and Protection Fund (IEPF)

YEAR	DIVIDEND NO.	TYPE	DATE OF DECLARATION	DUE DATE OF TRANSFER TO IEPF
2006	52 (I)	3rd Interim	28.04.2006	28.05.2013
2007	53 (I)	1st Interim	27.10.2006	26.11.2013
2007	53 (I)	2nd Interim	25.01.2007	24.02.2014
2007	53	Final	26.07.2007	25.08.2014
2008	54 (I)	1st Interim	19.10.2007	18.11.2014
2008	54 (I)	2nd Interim	29.01.2008	28.02.2015
2008	54 (I)	3rd Interim	02.05.2008	01.06.2015
2009	55 (I)	1st Interim	24.10.2008	23.11.2015
2009	55 (I)	2nd Interim	30.01.2009	01.03.2016
2009	55 (I)	3rd Interim	08.05.2009	07.06.2016
2009	56	Final	29.07.2010	28.08.2017
2010	57 (I)	1st Interim	29.10.2010	28.11.2017
2011	57	Final	05.08.2011	04.09.2018
2011	58	Interim	10.02.2012	11.03.2019
2011	58	Final	09.08.2012	08.09.2019
2012	59 (I)	1st Interim	07.02.2013	08.03.2020

The following table gives the details of unclaimed dividend amount since 2006.

Unclaimed Dividend as of March 31, 2013

YEAR	DIV. NO	TYPE	NO OF WARRANTS ISSUED	NO OF WARRANTS UNCLAIMED	% WARRANTS UNCLAIMED	AMOUNT OF DIVIDEND DECLARED (₹ LAKHS)	AMOUNT OF DIVIDEND UNCLAIMED (₹ LAKHS)	% OF DIVIDEND UNCLAIMED
2006	52	3rd Interim	114247	10148	8.88	6662	45.48	0.68
2007	53	Interim	115379	9340	8.10	6090	43.80	0.72
2007	53	2nd Interim	117090	9227	7.88	4568	32.72	0.72
2007	53	Final	100167	8661	8.65	6852	43.62	0.64
2008	54	Interim	95754	9059	9.46	6090	42.04	0.69
2008	54	2nd Interim	99140	9331	9.41	5329	36.44	0.68
2008	54	3rd Interim	98740	8883	9.00	11420	70.75	0.62
2009	55	Interim	102383	10414	10.17	3807	29.85	0.78
2009	55	2nd Interim	102554	10597	10.33	3807	29.97	0.79
2009	55	3rd Interim	102736	10087	9.82	4568	33.49	0.73
2010	56	Final	103472	9320	9.01	12183	80.02	0.66
2011	57	Interim	100936	10484	10.39	5330	41.72	0.78
2011	57	Final	95727	10084	10.53	6853	50.00	0.73
2011	58	Interim	93791	11351	12.10	4568	39.00	0.85
2012	58	Final	91277	10429	11.43	5330	42.02	0.79
2012	59	Interim	88563	15093	17.04	4569	58.32	1.28



Unclaimed Shares

As on March 31, 2013, 2,29,852 shares in physical form belonging to 3,491 shareholders remained unclaimed with the Company. The concerned shareholders are requested to claim their shares by writing to the Company / RTA.

As per the requirements of Listing Agreement, the Company has already sent the third reminder to holders of unclaimed shares in October 2012. If no response is received from the concerned shareholders, the Company is required to transfer all such shares into one folio in the name of "Unclaimed Suspense Account" and dematerialize the same with one of the Depository Participants.

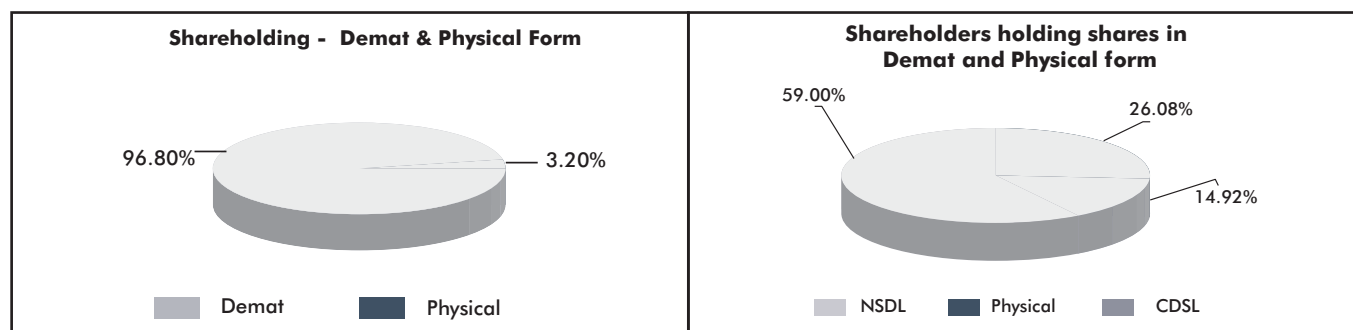
All corporate benefits in terms of securities accruing on such shares viz. bonus shares, split etc. shall also be credited to such Unclaimed Suspense Account. The voting rights on such shares shall remain frozen till the rightful owner claims the shares. As and when such owners approach the Company, their shares shall be transferred to them after proper verification.

Electronic Clearing Services for payment of dividend in case of shares held in physical form

To avoid the risk of loss/interception of dividend warrants in postal transit and/or fraudulent encashment, shareholders are requested to avail of NECS/ECS facility – where dividends are directly credited in electronic form to their respective bank accounts. This also ensures faster credit of dividend. The NECS/ECS application form can be obtained either from the Company's Share Transfer Agent's Office or the Registered Office of the Company.

Shareholders located in places where NECS/ECS facility is not available, may submit their bank details. This will enable the Company to incorporate this information on the dividend warrants and thus prevent fraudulent encashment.

Shares held in Dematerialised Form as on March 31, 2013

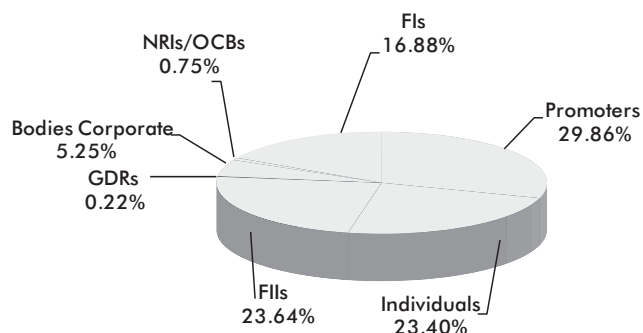


Shareholders holding shares in dematerialised form may note that:

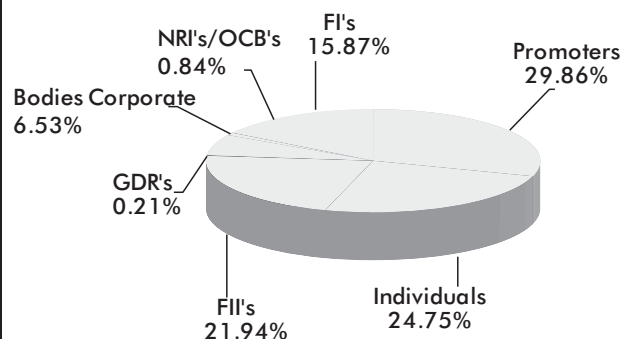
- Instructions regarding bank details which they wish to have incorporated on their dividend warrants must be submitted to their depository participants. As per the regulations of NSDL and CDSL, the Company is obliged to print the bank details on the dividend warrants, as furnished by these depositories to the Company.
- Instructions already given by them for shares held in physical form will not automatically be applicable to the dividend paid on shares held in electronic form.
- Instructions regarding change of address, nomination and power of attorney should be given directly to the depository participants. The Company cannot entertain any such requests directly from the shareholders.
- The Company provides NECS/ECS facility for shares held in electronic form and for reasons mentioned earlier, shareholders may wish to avail of this facility.

Shareholding Pattern

Shareholding Pattern as on March 31, 2013

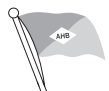


Shareholding Pattern as on March 31, 2012

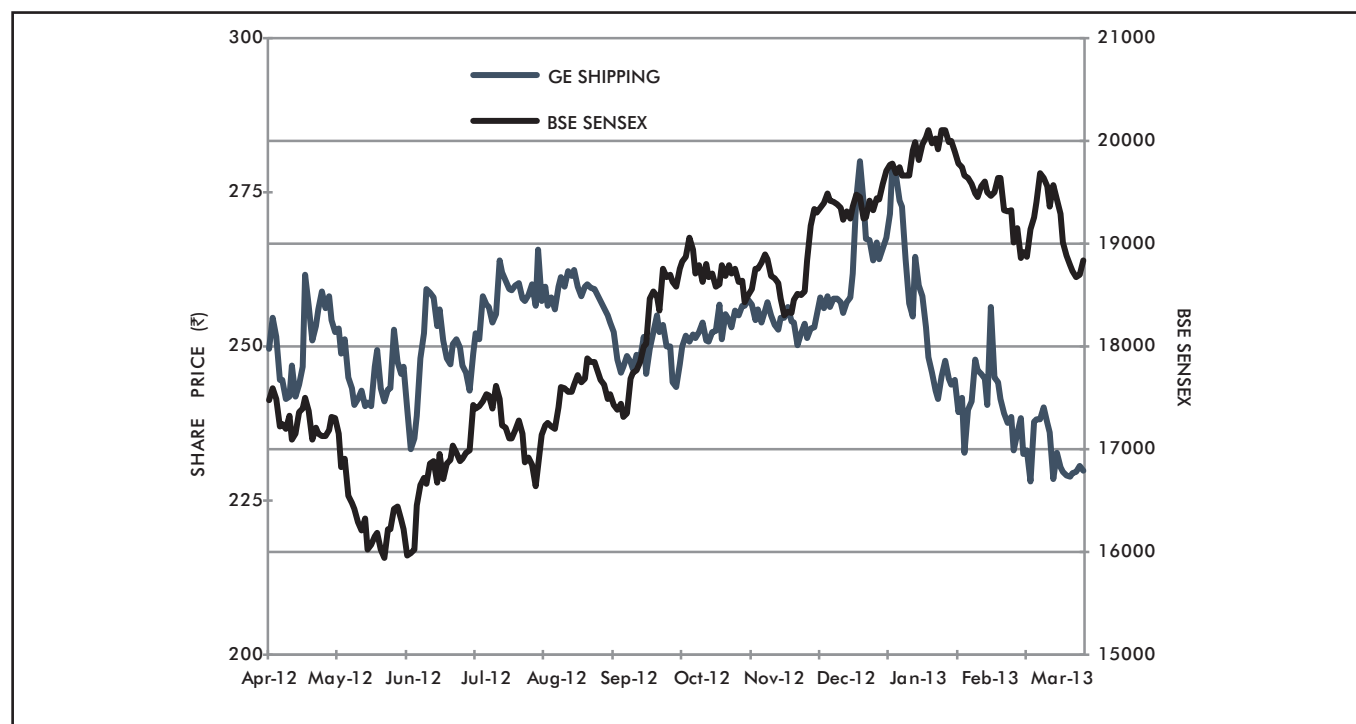


Distribution of Holdings as on March 31, 2013

NO. OF SHARES HELD		SHARE HOLDERS		SHARES	
FROM	TO	NUMBER	% TO TOTAL	NUMBER	% TO TOTAL
0	500	76656	86.941	8755158	5.748
501	1000	5526	6.267	3998849	2.625
1001	2000	2988	3.389	4233029	2.779
2001	3000	973	1.104	2407175	1.580
3001	4000	535	0.607	1878542	1.233
4001	5000	306	0.347	1393836	0.915
5001	10000	614	0.696	4336790	2.847
10001 AND ABOVE		572	0.649	125318705	82.272
TOTAL		88170	100.00	152322084	100.00



Company's Share price compared to BSE Sensex



Market Price Data - High / Low During Each Month in the Year 2012- 13

MONTH	MARKET PRICE (₹)		VOLUME SHARES
	HIGHEST	LOWEST	
APRIL 2012	271.00	235.00	352563
MAY 2012	260.00	233.30	486289
JUNE 2012	262.00	231.50	586029
JULY 2012	272.00	246.00	465427
AUGUST 2012	267.00	250.00	270010
SEPTEMBER 2012	257.45	242.30	191165
OCTOBER 2012	261.00	245.00	158454
NOVEMBER 2012	262.00	248.00	377516
DECEMBER 2012	291.50	251.00	397057
JANUARY 2013	284.60	239.00	243348
FEBRUARY 2013	260.70	231.00	339021
MARCH 2013	242.25	225.00	253034

Source : BSE

10. STATUS OF COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

Your Company continuously strives towards improving its Corporate Governance practices. Whilst your Company is fully compliant with the mandatory requirements of Clause 49 of the Listing Agreement, the status of compliance of non-mandatory requirements under Clause 49 of the Listing Agreement and Corporate Governance Voluntary Guidelines 2009 is as follows:

The Company has an Executive Chairman and therefore the issue of providing office to Non-Executive Chairman does not arise.

The Company has no specific tenure specified for Independent Directors. The tenure of Mr. Cyrus Guzder, Mr. Keki Mistry and Mr. Vineet Nayar exceeds period of 9 years.

All Independent Directors of the Company have the requisite qualifications and experience which is beneficial to the Company and which, in the opinion of the Company, would enable them to contribute effectively in their capacity as Independent Directors.

Shareholders' rights to receive financial results

The financial results of the Company for every quarter are extensively published in the newspapers and are also uploaded on the Company's website.

Audit qualifications

During the year under review there was no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure the regime of unqualified financial statements.

Training of Board members

During the Audit Committee and Board Meetings, the management and the working Directors give extensive briefings to the Board members on the business of the Company.

Mechanism for evaluating performance of Non-Executive Board members

The performance evaluation of the Non-Executive Board members is done by the Board annually based on the criteria of attendance at the Board/Committee meetings as also the contributions made at the said meetings.

Whistle Blower Policy

Over the past few years, the Company has instilled transparency and follows an open work culture. It also provides a two way open communication system, which aims to provide ample scope for employees to exchange their views and raise concerns protecting their integrity. This has reflected in maintaining a safe and congenial working environment. The Company is confident and takes pride in its proactiveness, which has resulted in building an enterprise comparable to global companies.

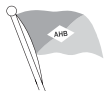
Nonetheless, the Company has established a Whistle Blower Policy with a view to provide a mechanism for employees to report to the management concerns about unethical behaviour, fraud, etc. The Policy also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the chairman of the Audit Committee.

Separation of Offices of Executive Chairman and Deputy Chairman & Managing Director

Mr. K. M. Sheth holds the office of Executive Chairman and Mr. Bharat K. Sheth holds the office of Deputy Chairman & Managing Director of the Company with separate roles and responsibilities attached to it.

Independent Directors to have the option and freedom to meet Company management periodically

Independent Directors have the option and freedom to interact with the Company management periodically. They are provided with all the support including the power to have access to additional information to enable them to study and analyze various information and data provided by the Company management.



DECLARATION BY THE DEPUTY CHAIRMAN & MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE COMPANY'S CODE OF CONDUCT

In accordance with Clause 49 sub-clause I (D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct laid down by the Company, as applicable to them for the Financial Year ended March 31, 2013.

For The Great Eastern Shipping Co. Ltd.

Bharat K. Sheth

Deputy Chairman & Managing Director

Date: May 06, 2013

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members,
The Great Eastern Shipping Company Limited,
Ocean House, 134/A, Dr. Annie Besant Road,
Worli, Mumbai - 400 018

We have examined the compliance of conditions of Corporate Governance by The Great Eastern Shipping Company Limited (the Company) for the year ended on March 31, 2013, as stipulated in Clause 49 of the Listing Agreements of the said Company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. 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 the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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.

For and on behalf of

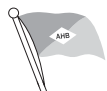
KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Regn. No. : 104607W

Daraius Z. Fraser
PARTNER
M. No. 42454

Mumbai : May 06, 2013



Main Engine area of one of our Product Carriers

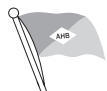


FLEET AS ON MARCH 31, 2013

CATEGORY	TYPE	VESSEL NAME	DWT (MT)	YR. BUILT	AV. AGE (YRS)
CRUDE OIL CARRIERS					
SUEZMAX					
	1	JAG LALIT	158,344	2005	
	2	JAG LOK	158,280	2005	
	3	JAG LATEEF	147,080	2000	
	4	JAG LAKSHITA	147,093	2000	
	4		610,797		10.41
AFRAMAX					
	1	JAG LYALL	110,531	2006	
	2	JAG LATA	105,716	2003	
	3	JAG LEELA	105,148	1999	
	4	JAG LAXMI	105,051	1999	
	5	JAG LAVANYA	105,010	2004	
	5		531,456		10.76
Total Tonnage (dwt)	1,142,253				
No.of Ships	9				
Average Age (yrs)	10.6				
% of Total Tonnage	45.1				
PRODUCT CARRIERS					
LONG RANGE ONE					
	1	JAG AABHA	74,841	2008	
	2	JAG AANCHAL	74,811	2008	
	3	JAG AMISHA	74,500	2009	
	4	JAG APARNA	74,859	2009	
	4		299,011		4.50
MEDIUM RANGE					
	1	JAG PAHEL	46,319	2004	
	2	JAG PANKHI	46,273	2003	
	3	JAG PADMA	47,172	1996	
	4	JAG PRAKASH	47,848	2007	
	5	JAG PUSHPA	47,848	2007	
	6	JAG PRERANA	47,824	2007	
	6		283,284		8.98
GENERAL PURPOSE					
	1	JAG PREETI	29,139	1981	
	2	JAG PRACHI	28,610	1991	
	3	JAG PARWAR	29,998	1988	
	3		87,747		26.35
Total Tonnage (dwt)	670,042				
No.of Ships	13				
Average Age (yrs)	9.3				
% of Total Tonnage	26.5				

FLEET AS ON MARCH 31, 2013

CATEGORY	TYPE		VESSEL NAME	DWT (MT)	YR. BUILT	AV. AGE (YRS)
GAS CARRIERS						
	VLGC					
		1	JAG VIDHI	49,701	1990	
		1		49,701		23.00
Total Tonnage (dwt)	49,701					
No.of Ships	1					
Average Age (yrs)	23.0					
% of Total Tonnage	2.0					
DRY BULK CARRIERS						
	CAPE SIZE					
		1	JAG ARJUN	164,796	1996	
		1		164,796		17.00
	KAMSARMAX					
		1	JAG AARATI	80,325	2011	
		2	JAG ADITI	80,325	2011	
		3	JAG ARYA	80,480	2011	
		3		241,130		2.00
	SUPRAMAX					
		1	JAG RATAN	52,179	2001	
		2	JAG RAHUL	52,364	2003	
		3	JAG RISHI	56,719	2011	
		4	JAG RANI	56,719	2011	
		4		217,981		6.30
	HANDYMAX					
		1	JAG RAVI	45,342	1997	
		1		45,342		16.00
Total Tonnage (dwt)	669,249					
No.of Ships	9					
Average Age (yrs)	8.0					
% of Total Tonnage	26.4					
FLEET TOTAL						
Total Tonnage (dwt)	2,531,245					
No.of Ships	32					
Average Age (yrs)	9.7					



ACQUISITIONS AND SALES DURING FY 2012-13

Acquisitions

CATEGORY	TYPE	VESSEL NAME	DWT(MT)	YEAR BUILT	MONTH OF ACQUISITION
Gas Carrier					
	VLGC	Jag Vidhi	49,701	1990	Aug-12
Crude Carrier					
	VLCC	Vasant J Sheth	318,000	2012	May-12

Sales

CATEGORY	TYPE	VESSEL NAME	DWT(MT)	YEAR BUILT	MONTH OF SALE
Crude Carrier					
	VLCC	Vasant J Sheth	318,000	2012	May-12
Product Carrier					
	Medium Range	Jag Pradip	45,684	1996	Jun-12
Gas Carrier					
	LPG Carrier	Jag Viraj	17,577	1991	Jun-12
Dry Bulk Carrier					
	Panamax	Jag Arnav	71,122	1995	Mar-13

VESSELS ON ORDER AS ON MAY 06, 2013

CATEGORY	TYPE	SHIPYARD	DWT(MT)	MONTH OF CONTRACTING	EXPECTED DELIVERY
Product Carrier					
	Medium Range	STX (Dalian) Shipbuilding Co. Ltd., China	50,000	Dec-12	Q4 FY15

TRANSACTIONS BETWEEN APRIL 01, 2013 TO MAY 06, 2013

Sales

CATEGORY	TYPE	VESSEL NAME	DWT(MT)	YEAR BUILT	MONTH OF SALE
Product Carrier					
	General Purpose	Jag Parwar	29,998	1988	Apr-13

Contracted for sale

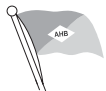
CATEGORY	TYPE	VESSEL NAME	DWT(MT)	YEAR BUILT	EXPECTED DELIVERY
Crude Carrier					
	Aframax	Jag Leela	105,148	1999	H1 FY14
Dry Bulk Carrier					
	Handymax	Jag Ravi	45,342	1997	Q1 FY14

SUBSIDIARY FLEET AS ON MARCH 31, 2013

Greatship (India) Limited and its Subsidiaries

CATEGORY	VESSEL NAME		COMPANY#	DWT (MT)	YEAR BUILT	AV. AGE (YRS)
OFFSHORE SUPPORT VESSELS	Platform Supply Vessels					
	1	m.v. Greatship Dishu	GIL	3,096	1999	
	2	m.v. Greatship Dipti	GIL	3,229	2005	
	3	m.v. Greatship Dhriti	GIL	3,318	2008	
	4	m.v. Greatship Dhvani	GIL	3,315	2008	
	4			12,958		8
	Anchor Handling Tug cum Supply Vessels					
	1	m.v. Greatship Anjali	GIL	2,188	2008	
	2	m.v. Greatship Amrita	GIL	2,045	2008	
	3	m.v. Greatship Akhila	GIL	1,639	2009	
	4	m.v. Greatship Asmi	GIL	1,634	2009	
	5	m.v. Greatship Ahalya	GIL	1,643	2009	
	6	m.v. Greatship Aarti	GIL	1,650	2009	
	7	m.v. Greatship Vidya	GIL	3,289	2012	
	8	m.v. Greatship Aditi	GGOS	2,045	2009	
	9	m.v. Greatship Vimla	GGOS	3,310	2012	
	9			19,443		3.6
	Multi-purpose Platform Supply and Support Vessels					
	1	m.v. Greatship Maya	GGOS	4,356	2009	
	2	m.v. Greatship Manisha	GGOS	4,362	2010	
	2			8,718		3.5
	ROV Support Vessels					
	1	m.v. Greatship Ramya	GIL	3,700	2010	
	2	m.v. Greatship Rohini	GIL	3,684	2010	
	3	m.v. Greatship Rashi	GIL	3,684	2011	
	4	m.v. Greatship Roopa	GIL	3,656	2012	
	5	m.v. Greatship Rachna	GIL	3,629	2012	
	6	m.v. Greatship Ragini	GGOS	3,628	2013	
	6			21,981		1.7
TOTAL OFFSHORE SUPPORT VESSELS						
Number	21					
Total Tonnage (dwt)	63,100					
Average Age (years)	3.9					
DRILLING UNITS						
	350' Jack Up Rig					
	1	Greatdrill Chitra	GGES	N.A.	2009	
	2	Greatdrill Chetna	GGES	N.A.	2009	
	3	Greatdrill Chaaya	GGES	N.A.	2013	
	3					2.7
TOTAL DRILLING UNITS						
Number	3					
Average Age (years)	2.7					

GIL stands for 'Greatship (India) Limited';
GGOS stands for 'Greatship Global Offshore Services Pte. Ltd.' and
GGES stands for 'Greatship Global Energy Services Pte. Ltd.'



TRANSACTIONS DURING FY 2012-13

Greatship (India) Limited and its Subsidiaries

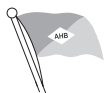
CATEGORY	VESSEL NAME	COMPANY	DWT (MT)	YEAR BUILT	MONTH OF AQUISITION/ SALE
ACQUISITIONS					
OFFSHORE SUPPORT VESSELS					
ROV Support Vessels					
	1 m.v. Greatship Roopa	GIL	3,656	2012	Jul-12
	2 m.v. Greatship Rachna	GIL	3,629	2012	Oct-12
	3 m.v. Greatship Ragini	GGOS	3,628	2013	Jan-13
DRILLING UNIT					
350' Jackup Rig					
	1 Greatdrill Chaaya	GGES	N.A.	2013	Jan-13
SALE					
OFFSHORE SUPPORT VESSEL					
Multi-purpose Platform Supply and Support Vessel					
	1 m.v. Greatship Mamta	GGOS	4,068	2010	Aug-12

THE YEAR AT A GLANCE (STANDALONE)

	March 31, 2013		March 31, 2012	
	₹ (in crores)	US\$ (in millions)	₹ (in crores)	US\$ (in millions)
(except for Earnings & Cash earnings per share)				
For the year				
Total Revenue	2033.79	376	2011.92	423
Operating Profit (PBIDT)	729.71	135	781.26	164
Net Profit	146.26	27	143.34	30
Cash Profit	509.59	94	479.48	101
PBIDT as a percentage of total revenue	35.88	35.88	38.83	38.83
Return on Equity (percentage)	2.89	2.89	2.70	2.70
Earnings per share (₹/US\$)	9.60	0.18	9.41	0.20
Cash earnings per share (₹/US\$)	33.74	0.62	31.48	0.66
Dividend amount	129.86	24	113.98	24
(Including tax on dividend)				
Capital Investment	551.66	102	1161.34	244
At the end of the year				
Total assets	9745.32	1795	9925.22	1951
Fixed assets	4508.81	831	4967.56	976
Total debt	3625.72	668	3874.42	761
Net worth	5000.79	921	5130.51	1008
Equity Capital	152.32	28	152.29	30

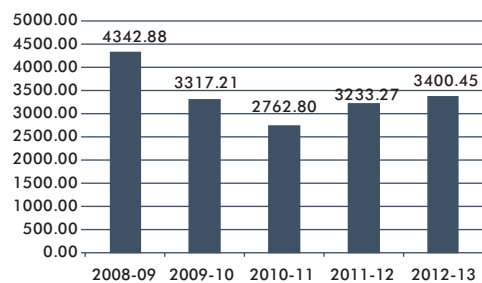
Figures in US\$ are arrived at by converting Rupee figures at the average conversion rate for all for the year items and at closing rate for all year end items, as given below, to facilitate comparison

₹ / US\$		
Exchange Rate	2012-13	2011-12
- Average	54.12	47.56
- Closing	54.29	50.88

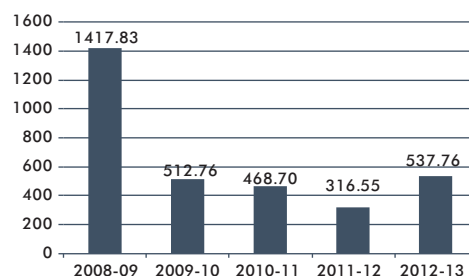


FINANCIAL HIGHLIGHTS (CONSOLIDATED)

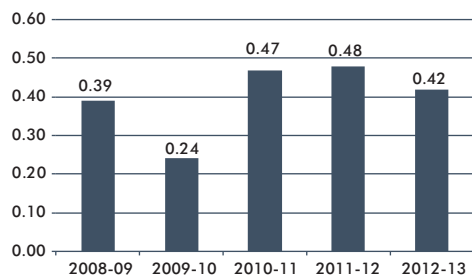
REVENUES ₹ in crores



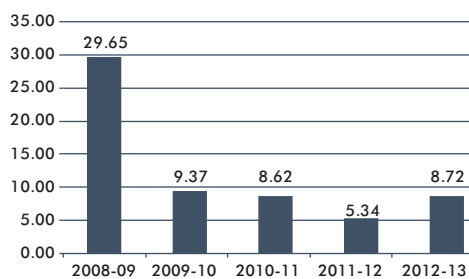
NET PROFIT FOR THE YEAR ₹ in crores



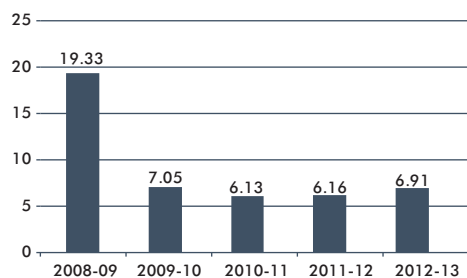
NET DEBT EQUITY RATIO



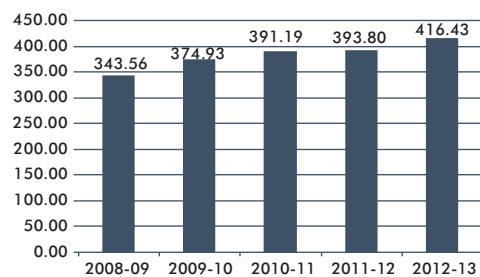
RETURN ON NETWORTH percent



RETURN ON CAPITAL EMPLOYED percent



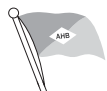
BOOK VALUE PER SHARE ₹ in crores



5 YEARS AT A GLANCE (CONSOLIDATED)

(₹ in crores)

	2008-09	2009-10	2010-11	2011-12	2012-13
PROFIT AND LOSS A/C					
Total Revenues	4342.88	3317.21	2762.80	3233.27	3400.45
Operating profit (PBIDT)	2091.72	1191.42	1274.95	1363.79	1553.26
Net Profit (PAT)	1417.83	512.76	468.70	316.55	537.76
BALANCE SHEET					
What the Company owned					
Fixed Assets	7579.96	7503.46	9084.31	9475.79	9703.89
Investments, net current assets and long term portion of current liabilities and provisions	1918.06	3575.77	2940.52	2969.75	3376.01
Deferred Taxation (Net)	-	0.70	0.88	1.31	1.18
TOTAL	9498.02	11079.93	12025.71	12446.85	13081.08
What the Company owed					
Loans (including current portion)	4265.92	5370.16	5957.43	6407.15	6739.32
Minority Interest	-	-	37.62	43.77	-
TOTAL	4265.92	5370.16	5995.05	6450.92	6739.32
Shareholders' Funds					
Equity Share Capital	152.29	152.29	152.29	152.29	152.32
Application Money - Equity Warrants	10.06	5.91	-	-	-
Reserves & surplus	5069.75	5551.57	5878.37	5843.64	6189.44
TOTAL	5232.10	5709.77	6030.66	5995.93	6341.76
Gross Debt-Equity ratio	0.82:1	0.93:1	0.99:1	1.07:1	1.06:1
Net Debt-Equity ratio	0.39:1	0.24:1	0.47:1	0.48:1	0.42:1
Return on Networth (%)	29.65	9.37	8.62	5.34	8.72
Earning per share (in ₹)	93.11	33.67	30.78	20.79	35.31



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT EASTERN SHIPPING COMPANY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **THE GREAT EASTERN SHIPPING COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- (e) On the basis of written representations received from the Directors as on March 31, 2013, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2013, from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For and on behalf of

Kalyaniwalla & Mistry

Chartered Accountants

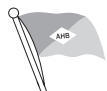
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Daraius Z. Fraser

Partner

M. No.: 42454

Mumbai: May 06, 2013.



Annexure to the Independent Auditor's Report

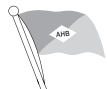
Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date:

1. Fixed Assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The Company has a program for physical verification of fixed assets at periodic intervals. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on such verification are not material and have been properly dealt with in the books of account.
 - c) In our opinion, there have been no significant disposals of fixed assets during the year which affect the going concern assumption.
2. Inventory:
 - a) The Management has conducted physical verification of inventory at reasonable intervals. In our opinion, the frequency of verification is reasonable.
 - b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. In view of the nature of the Company's business and scale of operations, quantities of fuel oil and diesel oil on board vessels are determined by physical count by the Master of the vessel.
 - c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on verification between the physical stocks and the book records and the same have been properly dealt with in the books of account.
3. The Company has neither granted nor taken any loans, secured or unsecured, to / from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchases of inventory and fixed assets. During the course of our audit, we have not observed any major weaknesses in the internal control system.
5. Transactions that need to be entered in the register maintained under section 301 of the Companies Act, 1956:
 - a) Based upon the audit procedures applied by us and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956, have been entered in the register required to be maintained under that section.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of ₹ 500,000 in respect of any party during the year, have been made at prices which are reasonable, having regard to prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 58A, 58AA, or any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder. No order has been passed by the Company Law Board, or National Company Law Tribunal, or Reserve Bank of India, or any Court, or any other Tribunal.
7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
8. According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956, in respect of any of the activities of the Company.
9. Statutory Dues:
 - a) According to the information and explanation given to us, except for the provident fund dues of floating staff, the Company is generally regular in depositing undisputed statutory dues, including dues pertaining to Investor Education and Protection Fund, Shore Staff Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Cess and any other statutory dues with the appropriate authorities. We have been informed that in respect of floating staff it is not possible to accurately ascertain the provident fund dues in view

of the nature of Company's activities. The Company regularly makes ad hoc payments to the appropriate authorities and on final determination, the balance, if any, is paid. We have been informed that there are no undisputed dues which have remained outstanding as at the end of the financial year, for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there are no dues of income-tax, sales tax, wealth tax, service tax, customs duty, excise duty or cess outstanding on account of any dispute, other than the following:

Name of the Statute	Nature of Dues	Amount (₹ in crores)	Period to which the amount relates	Forum where dispute is pending
The Tamilnadu General Sales Tax Act, 1959	Lease Tax	5.48	1995-96	The High Court at Madras
		9.25	1996-97	
		2.67	1997-98	
The Bombay Sales Tax Act, 1959	Sales Tax	0.071	1995-96	The High Court at Bombay
		0.073	1996-97	
		0.085	1997-98	
The Central Sales Tax Act, 1956		0.798	1998-99	The Sales Tax Appellate Tribunal
		0.870		
The Bombay Sales Tax Act, 1959		3.860		
		0.702		
The Bombay Sales Tax Act, 1959		0.995	2001-02	The Commissioner of Sales Tax (Appeal)
The Maharashtra VAT Act, 2005		0.001	2009-10	Sales Tax Officer
		0.002	2010-11	
The Maharashtra Land Revenue Code, 1966	Transfer charges for office premises under the scheme of demerger	1.24	2002-03	The High Court at Bombay
	Transfer Charges for office Premises	3.10	2003-04	The High Court at Bombay
The Finance Act, 1994	Service Tax	4.75	2005-06	Commissioner of Service Tax
Custom Act, 1962	Custom Duty regarding vessels at different ports	0.04	2009-10	Commissioner of Customs (Appeals), Jamnagar
		0.44	2010-11	CESTAT, Ahmedabad
		0.07	2011-12	
		0.02	2011-12	Commissioner of Customs (Appeals), Bhubaneswar
		5.56	2012-13	The High Court at Ahmedabad, Chennai and Bhubaneswar
Income Tax Act, 1961	Tax u/s 156	0.37	2012-13	Commissioner of Customs (Appeals), Jamnagar
		11.98	2008-09	Income Tax Appellate Tribunal, Mumbai



10. The Company does not have accumulated losses as at the end of the financial year, nor has it incurred cash losses in the current financial year, or in the immediately preceding financial year.
11. According to the information and explanations given to us and based on the documents and records produced before us, there has been no default in repayment of dues to banks or debenture holders. There are no dues to financial institutions.
12. According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
13. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund / societies.
14. The Company does not deal or trade in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the terms and conditions of guarantees given by the Company for loans taken by its subsidiaries from banks are not prima facie prejudicial to the interest of the Company.
16. In our opinion and according to the information and explanations given to us, the term loans availed by the Company were applied for the purpose for which the loans were obtained.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet, the Cash Flow Statement and other records examined by us, the Company has not used funds raised on short term basis for long term investment.
18. The Company has not made any preferential allotment of shares to any parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. According to the information and explanations given to us, the Company has created security in respect of the secured redeemable non-convertible debentures issued.
20. The Company has not raised any money through a public issue during the year.
21. Based upon the audit procedures performed by us, to the best of our knowledge and belief and according to the information and explanations given to us by the Management, no fraud on, or by the Company, has been noticed or reported during the year.

For and on behalf of

Kalyaniwalla & Mistry

Chartered Accountants

Firm Regn. No.: 104607W

Daraius Z. Fraser

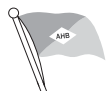
Partner

M. No.: 42454

Mumbai: May 06, 2013.



'Passing Out Ceremony' of GME XXII Batch
presided by Chief Guest, D. G. Shipping, Mr. Gautam Chatterjee
at Great Eastern Institute of Maritime Studies on April 09, 2013

**BALANCE SHEET** AS AT MARCH 31, 2013

				(₹ in crores)
Particulars	Note No.	Current Year	Previous Year	
EQUITIES AND LIABILITIES :				
I. Shareholders' Funds :				
(a) Share Capital	3	152.32	152.29	
(b) Reserves and Surplus	4	4848.47	4978.22	
		5000.79	5130.51	
II. Non-Current Liabilities :				
(a) Long-Term Borrowings	5	3160.96	3504.74	
(b) Long-Term Provisions	6	15.47	18.43	
		3176.43	3523.17	
III. Current Liabilities :				
(a) Trade Payables	7	156.49	112.55	
(b) Other Current Liabilities	8	612.43	507.72	
(c) Short-Term Provisions	6	799.18	651.27	
		1568.10	1271.54	
TOTAL		9745.32	9925.22	
ASSETS :				
I. Non-Current Assets :				
(a) Fixed Assets	9			
(i) Tangible Assets		4489.30	4737.01	
(ii) Capital Work-in-progress		19.51	230.55	
		4508.81	4967.56	
(b) Non-Current Investments	10	1752.61	1716.02	
(c) Long-Term Loans and Advances	11	9.82	17.00	
		6271.24	6700.58	
II. Current Assets :				
(a) Current Investments	12	1939.32	1247.79	
(b) Inventories	13	73.97	70.50	
(c) Trade Receivables	14	113.70	85.00	
(d) Cash and Bank Balances	15	1260.45	1661.88	
(e) Short-Term Loans and Advances	11	82.12	139.75	
(f) Other Current Assets	16	4.52	19.72	
		3474.08	3224.64	
TOTAL		9745.32	9925.22	
Summary of Significant Accounting Policies	2			

The accompanying notes are an integral part of the financial statements.

As per our Report attached hereto

For and on behalf of

Kalyaniwalla & Mistry

Chartered Accountants

Darius Z. Fraser

Partner

Jayesh M. Trivedi

Company Secretary

For and on behalf of the Board

K. M. Sheth

Bharat K. Sheth

Keki Mistry

Executive Chairman

Deputy Chairman & Managing Director

Director

Mumbai : May 6, 2013.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

(₹ in crores)

Particulars	Note No.	Current Year	Previous Year
Income :			
I. Revenue from Operations	17	1735.19	1709.62
II. Other Income	18	298.60	302.30
III. Total Revenue (I + II)		2033.79	2011.92
IV. Expenses :			
Employee Benefit Expenses	19	199.10	197.47
Other Expenses	20	1104.98	1033.19
Total Expenses		1304.08	1230.66
V. Earnings Before Finance Costs, Tax, Depreciation and Impairment Loss (III - IV)		729.71	781.26
VI. Depreciation		363.33	357.12
VII. Reversal of Impairment		-	(20.98)
VIII. Finance Costs	21	209.12	279.78
IX. Profit Before Tax (V - VI - VII - VIII)		157.26	165.34
X Tax expenses : Current Tax		11.00	22.00
XI. Profit for the Year (IX - X)		146.26	143.34
XII. Earnings per Equity Share :	23		
(Face value per share ₹ 10)			
- Basic		₹ 9.60	₹ 9.41
- Diluted		₹ 9.58	₹ 9.39
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of the financial statements.

As per our Report attached hereto

For and on behalf of the Board

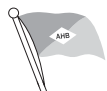
For and on behalf of
Kalyaniwalla & Mistry
Chartered Accountants
Daraius Z. Fraser
Partner

Jayesh M. Trivedi
Company Secretary

K. M. Sheth
Bharat K. Sheth
Keki Mistry

Executive Chairman
Deputy Chairman & Managing Director
Director

Mumbai : May 6, 2013.

**CASH FLOW STATEMENT** FOR THE YEAR ENDED MARCH 31, 2013

(₹ in crores)

	Current Year	Previous Year
A. Cash Flow From Operating Activities		
Net Profit Before Tax	157.26	165.34
Adjustments For :		
Depreciation	363.33	357.12
Reversal of Impairment	-	(20.98)
Interest Earned	(68.14)	(52.52)
Interest and Finance Charges	209.12	188.12
Dividend Income	(103.74)	(105.10)
Diminution in Value of Investments	1.76	2.20
Profit on Sale of Investments	(61.46)	(68.40)
Profit on Sale of Ships and Other Assets	(55.34)	(77.24)
Bad Debts and Advances Written Off	2.10	1.30
Provision/(Reversal of Provision) for Doubtful Debts and Advances (net)	2.33	(0.16)
Revaluation of Foreign Currency Balances	(9.53)	(120.46)
Operating Profit Before Working Capital Changes	437.69	269.22
Adjustments For :		
Trade and Other Receivables	28.65	(127.91)
Inventories	(3.47)	(13.44)
Trade and Other Payables	48.27	20.71
Cash Generated from Operations	511.14	148.58
Tax Paid	(10.39)	(28.63)
Net Cash From Operating Activities	500.75	119.95
B. Cash Flow From Investing Activities		
Purchase of Fixed Assets	(424.30)	(899.25)
Sale Proceeds of Fixed Assets	702.42	1204.90
Acquisition of Equity Shares in Subsidiaries	(36.59)	(98.28)
Purchase of Current Investments	(5342.95)	(7182.63)
Sale of Current Investments	4711.12	7685.61
Placement of Deposits with maturity period of more than three months	-	(736.76)
Withdrawal of Deposits with maturity period of more than three months	659.19	-
Margin Money Deposit placed	(62.46)	(27.64)
Interest Received	83.34	39.20
Dividend Received	103.74	105.10
Net Cash From/(Used in) Investing Activities	393.51	90.25

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013 (CONTD.)

(₹ in crores)

	Current Year	Previous Year
C. Cash Flow From Financing Activities		
Proceeds from Issue of Equity Shares from Abeyance Quota	0.03	-
Unpaid Dividend Account	0.50	0.15
Proceeds from Long-Term Borrowings	-	452.57
Repayments of Long-Term Borrowings	(392.77)	(485.61)
Dividend Paid	(99.00)	(114.37)
Dividend Distribution Tax Paid	(9.02)	(15.16)
Interest and Finance Charges Paid	(210.15)	(91.75)
Net Cash From / (Used in) Financing Activities	(710.41)	(254.17)
Net increase / (decrease) in Cash and Cash Equivalents	183.85	(43.97)
Cash and Cash Equivalents as at April 1, 2012 (refer note below)	623.90	667.87
Cash and Cash Equivalents as at March 31, 2013 (refer note below)	807.75	623.90
Note :		
Cash and Cash Equivalents	As at	As at
	March 31, 2013	March 31, 2012
Cash and Cash Equivalents (note 15)	836.53	640.73
Effect of Exchange Rate Changes [(Gain)/Loss]	(28.78)	(16.83)
Cash and Cash Equivalents as restated	807.75	623.90

As per our Report attached hereto

For and on behalf of the Board

For and on behalf of

Kalyaniwalla & Mistry

Chartered Accountants

Daraius Z. Fraser

Partner

Jayesh M. Trivedi

Company Secretary

K. M. Sheth**Bharat K. Sheth****Keki Mistry**

Executive Chairman

Deputy Chairman & Managing Director

Director

Mumbai : May 6, 2013.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013.

Note 1 : Corporate Information

The Great Eastern Shipping Company Ltd. (the Company) is a public limited company registered in India under the provision of the Companies Act, 1913. Its shares are listed at Bombay Stock Exchange and National Stock Exchange in India and at the Luxembourg Stock Exchange. The Company is a major player in the Indian Shipping industry.

Note 2 : Significant Accounting Policies

(a) Basis of Preparation :

The financial statements are prepared under the historical cost convention, in accordance with Generally Accepted Accounting Principles in India, the Accounting Standards notified under the Companies (Accounting standards) Rules, 2006 (as amended) and the provisions of the Companies Act, 1956 to the extent applicable.

(b) Use of Estimates :

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities as of the date of the financial statements and reported amounts of income and expenses during the period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from the estimates.

(c) Tangible Fixed Assets :

Tangible Fixed assets are stated at cost less accumulated depreciation and impairment. Cost includes expenses related to acquisition and borrowings cost during construction period. Exchange differences on repayment and year end translation of foreign currency liabilities relating to acquisition of assets are adjusted to the carrying cost of the assets. Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on maintaining fixed assets, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

(d) Investments :

- (i) Investments are classified into current and non-current investments.
- (ii) Non-current investments are carried at cost. Provision for diminution, if any, in the value of each non-current investment is made to recognise a decline, other than of a temporary nature.
- (iii) Investments which are classified as current investments are stated at lower of cost and fair value and the resultant decline, if any, is charged to the Statement of Profit and Loss.

(e) Inventories :

Inventories of fuel oil are carried at lower of cost or net realisable value. Cost is ascertained on first-in-first out basis.

(f) Incomplete Voyages :

Incomplete voyages represent freight received and direct operating expenses in respect of voyages which were not complete as at the Balance Sheet date. The freight received for incomplete voyages is shown under 'Income Received in Advance' and the direct operating expenses incurred for incomplete voyages are shown under 'Other Advances'.

(g) Borrowing Costs :

Borrowing costs include interest and ancillary cost incurred in connection with the arrangement of borrowings. Borrowing costs that are directly attributable to the acquisition / construction of the qualifying assets are capitalised as part of the cost of the asset, upto the date of acquisition / completion of construction. All other borrowing costs are expensed in the period they occur.

(h) Revenue Recognition :

Income from services : Freight and demurrage earnings are recognised on completed voyage basis. Charter hire earnings are accrued on time basis except where the charter party agreements have not been renewed/finalised, in which case it is recognised on provisional basis.

Interest : Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Dividends : Dividend income is recognised when the Company's right to receive dividend is established by the Balance Sheet date.

(i) Operating Expenses :

- (i) Fleet direct operating expenses are charged to the Statement of Profit and Loss on completed voyage basis.
- (ii) Stores and spares delivered on board the ships are charged to the Statement of Profit and Loss.
- (iii) Expenses on account of general average claims/damages to ships are written off in the year in which they are incurred. Claims against the underwriters are accounted for on acceptance of average adjustment by the adjustors.
- (iv) Bunker consumption cost, which is part of direct operating expenses, is charged to the Statement of Profit and

Loss on completed voyage basis. In case, the vessel is not fixed for next voyage as on the period-end date, the consumption cost is charged to the Statement of Profit and Loss as period cost from the date of previous voyage till the period-end date. If the vessel is fixed for next voyage by the period-end date, the bunker consumption cost for the period from the date of previous voyage till the period-end date is carried forward as incomplete voyage expenses as per the accounting policy on "Incomplete Voyages".

- (v) Dry-dock expenditure is recognised in the Statement of Profit and Loss to the extent of material supplied and services rendered in case of non-yard expenses. Yard material and services expenses are recognised in the Statement of Profit and Loss on completion of Dry-dock.

(i) Employee Benefits :

Liability is provided for retirement benefits of provident fund, superannuation, gratuity and leave encashment in respect of all eligible employees and for pension benefit to whole time directors of the Company.

(i) Defined Contribution Plan

Employee benefits in the form of Superannuation Fund, Provident Fund and other Seamen's Welfare Contributions are considered as defined contribution plans and the contributions are charged to the Statement of Profit and Loss of the period when the contributions to the respective funds are due.

(ii) Defined Benefit Plan

Retirement benefits in the form of Gratuity and the Pension plan for Whole-time Directors are considered as defined benefit obligations and are provided for on the basis of actuarial valuations, using the projected unit credit method, as at the date of the Balance Sheet.

(iii) Other Long Term Benefits

Long-term compensated absences are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Actuarial gain/losses, comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss.

(k) Depreciation on Tangible Fixed Assets :

- (i) Depreciation is provided so as to write off 95% of the original cost of the asset over the estimated useful life or at rates prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher. The basis for charging depreciation and the estimated useful life of the assets is as under :

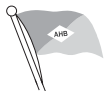
		Estimated Useful Life/ Depreciation Rate
Fleet		
-Single Hull Tankers	Straight line over balance useful life or 5%, whichever is higher	20 to 23 years
-Double Hull Tankers		20 to 25 years
-Dry Bulk Carriers		23 to 30 years
-Gas Carriers		27 to 30 years
Leasehold Land	Straight line	Lease period
Ownership Flats and Buildings	Written down value	5%
Furniture & Fixtures, Office Equipment, etc.	Straight line	5 years
Computers	Straight line	3 years
Vehicles	Straight line	4 years
Plant & Equipment	Straight line	10 years

- (ii) Depreciation on fleet is provided on prorata basis and on Other Assets depreciation is provided for the full year on additions and no depreciation is provided in the year of disposal.

- (iii) In case of assets depreciated under the straight line method, 95% of the original cost is written off over the estimated useful life. However, if an asset continues in operation beyond the useful life, as estimated by the management, the balance cost is depreciated in the subsequent year.

(l) Asset Impairment :

The carrying amounts of the Company's tangible and intangible assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognised in the Statement of Profit and Loss in the period in which impairment takes place.



Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortisation of depreciation) had no impairment loss been recognised for the asset in prior accounting periods.

(m) Foreign Exchange Transactions :

- (i) Transactions in foreign currency are recorded at standard exchange rates determined monthly. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the period end are translated at closing rates. The difference in translation of long term monetary assets and liabilities and realised gains and losses on foreign currency transactions relating to acquisition of depreciable capital assets are added to or deducted from the cost of the asset and depreciated over the balance life of the asset and in other cases accumulated in a Foreign Currency Monetary Item Translation Difference Account and amortised over the balance period of such long term asset/liability, but not beyond March 31, 2020 by recognition as income or expense. The difference in translation of all other monetary assets and liabilities and realised gains and losses on other foreign currency transactions are recognised in the Statement of Profit and Loss.
- (ii) Forward exchange contracts other than those entered into to hedge foreign currency risk of firm commitments or highly probable forecast transactions are translated at period end exchange rates and the resultant gains and losses as well as the gains and losses on cancellation of such contracts are recognised in the Statement of Profit and Loss, except in case of contracts relating to the acquisition of depreciable capital assets, in which case they are added or deducted from the cost of the assets. Premium or discount on such forward exchange contracts is amortised as income or expense over the life of the contract.
- (iii) Currency swaps which form an integral part of the loans are translated at closing rates and the resultant gains and losses are dealt with in the same manner as the translation differences of long term monetary assets and liabilities.

(n) Derivative Financial Instruments and Hedging :

The Company enters into derivative financial instruments to hedge foreign currency risk of firm commitments and highly probable forecast transactions, interest rate risk and bunker price risk. The method of recognising the resultant gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The carrying amount of a derivative designated as a hedge is presented as a current asset or a liability. The company does not enter into any derivatives for trading purposes.

Cash Flow Hedge :

Commodity future contracts, forward exchange contracts entered into to hedge foreign currency risks of firm commitments or highly probable forecast transactions, forward rate options, interest rate swaps and currency swaps which do not form an integral part of the loans, that qualify as cash flow hedges, are recorded in accordance with the principles of hedge accounting enunciated in Accounting Standard (AS) 30 – Financial Instruments : Recognition and Measurement. The gains or losses on designated hedging instruments that qualify as effective hedges is recorded in the Hedging Reserve account and is recognised in the Statement of Profit and Loss in the same period or periods during which the hedged transaction affects the Statement of Profit and Loss or is transferred to the cost of the hedged non-monetary asset upon acquisition. Gains or losses on the ineffective transactions are immediately recognised in the Statement of Profit and Loss. When a forecasted transaction is no longer expected to occur, the gains and losses that were previously recognised in the Hedging Reserve are transferred to the Statement of Profit and Loss immediately.

(o) Provision for Taxation :

Tax expense comprises both current and deferred tax.

- (i) Provision for current income-tax is made on the basis of the assessable income under the Income-tax Act, 1961. Income from shipping activities is assessed on the basis of deemed tonnage income of the Company.
- (ii) Deferred income-tax is recognised on timing differences, between taxable income and accounting income which originate in one period and are capable of reversal in one or more subsequent periods only in respect of the non-shipping activities of the Company. The tax effect is calculated on the accumulated timing differences at the year end based on tax rates and laws, enacted or substantially enacted as of the balance sheet date.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period.

(p) Provisions and Contingent Liabilities :

Provisions are recognised in the accounts in respect of present probable obligations, the amount of which can be reliably estimated.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.

Note 3 : Share Capital

	Current Year		Previous Year	
	Nos.	₹ in crores	Nos.	₹ in crores
Authorised :				
Equity Shares of ₹ 10 each	30,00,00,000	300.00	30,00,00,000	300.00
Preference Shares of ₹ 10 each	20,00,00,000	200.00	20,00,00,000	200.00
	50,00,00,000	500.00	50,00,00,000	500.00
Issued :				
Equity Shares of ₹ 10 each	15,27,08,445	152.71	15,27,08,445	152.71
	15,27,08,445	152.71	15,27,08,445	152.71
Subscribed and Fully Paid :				
Equity Shares of ₹ 10 each	15,23,22,084	152.32	15,22,89,684	152.29
Add : Forfeited shares (Amount : ₹ 30,358, Previous Year amount : ₹ 30,358)	2,518	-	2,518	-
	15,23,24,602	152.32	15,22,92,202	152.29

Reconciliation of the shares outstanding at the beginning and at the end of the financial year:

	Current Year		Previous Year	
	Nos.	₹ in crores	Nos.	₹ in crores
Equity Shares:				
Subscribed and fully paid:				
Balance as per the last financial statement	15,22,89,684	152.29	15,22,89,684	152.29
Shares held in abeyance allotted during the period [see note (e) below]	32,400	0.03	-	-
Closing balance	15,23,22,084	152.32	15,22,89,684	152.29

(a) Terms/Rights attached to Equity Shares :

The Company has only one class of equity shares having a face value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General meeting. Interim dividend is paid as recommended by the Board of Directors.

During the year ended March 31, 2013, the dividend per share (including interim dividend) recognised as distribution to equity shareholders was ₹ 7.50 (Previous Year ₹ 6.50 per share).

In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

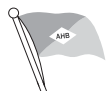
(b) Details of Shareholders holding more than 5% equity shares in the Company :

	As on 31/03/2013		As on 31/03/2012	
	Nos.	% holding	Nos.	% holding
Equity shares of ₹ 10 each fully paid				
Mr. Bharat Kanaiyalal Sheth	1,58,37,490	10.40%	1,59,35,607	10.46%
Mr. Ravi Kanaiyalal Sheth	1,43,62,504	9.43%	1,44,62,025	9.50%
Nalanda India Equity Fund Limited	1,05,24,139	6.91%	93,73,288	6.15%

(c) For the period of five years immediately preceding the date as at which the Balance Sheet is prepared :

- No shares were allotted pursuant to contracts without payment being received in cash.
- No bonus shares have been issued.
- No shares have been bought back.

(d) There are no securities convertible into equity/preference shares.**(e) Under orders from the Special Court (Trial of Offences relating to Transactions in Securities) Act, 1992, the allotment of 2,53,522 (Previous Year 2,85,922) rights equity shares of the Company have been kept in abeyance in accordance with section 206A of the Companies Act, 1956 till such time as the title of the bonafide owner is certified by the concerned Stock Exchanges. During the year, the Company has allotted 32,400 shares out of these shares kept in abeyance. An additional 40,608 (Previous Year 40,608) shares have also been kept in abeyance for disputed cases in consultation with the Bombay Stock Exchange.**

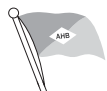


Note 4 : Reserves and Surplus

		(₹ in crores)	
		Current Year	Previous Year
(a) Capital Reserve :			
Balance as per last Financial Statement		15.98	15.98
(b) Capital Redemption Reserve :			
Balance as per last Financial Statement		238.54	238.54
(c) Securities Premium Account :			
Balance as per last Financial Statement		126.31	126.31
(d) Debenture Redemption Reserve :			
Balance as per last Financial Statement	77.50		57.50
Add : Amount Transferred from Surplus	15.00		20.00
		92.50	77.50
(e) Tonnage Tax Reserve Account under section 115VT of the Income tax Act, 1961 :			
Balance as per last Financial Statement	555.00		980.00
Add : Amount Transferred from Surplus	10.00		20.00
	565.00		1000.00
Less : Amount Transferred to General Reserve	225.00		445.00
		340.00	555.00
(f) Hedging Reserve Account (note 29) :			
Balance as per last Financial Statement	(575.19)		(172.28)
Add : Decrease/(Increase) during the year (net)	(136.98)		(402.91)
		(712.17)	(575.19)
(g) Foreign Currency Monetary Item Translation Difference Account :			
Debit balance added during the year	(17.25)		-
Less : Transferred to Statement of Profit and Loss during the year	2.12		-
		(15.13)	-
(h) General Reserve :			
Balance as per last Financial Statement	1617.46		1157.96
Add : Amount Transferred from Surplus	15.00		14.50
Add : Transfer from Tonnage Tax Reserve Account under section 115VT of the Income tax Act, 1961	225.00		445.00
		1857.46	1617.46
(i) Surplus :			
Balance as per last Financial Statement	2922.62		2947.76
Add : Profit for the Year	146.26		143.34
Less : Transfer to Tonnage Tax Reserve Account under section 115VT of the Income tax Act, 1961	10.00		20.00
	3058.88		3071.10
Less : Appropriations :			
Transfer to General Reserve	15.00		14.50
Transfer to Debenture Redemption Reserve	15.00		20.00
Interim Dividend on Equity Shares	45.70		45.69
Proposed Dividend on Equity Shares	68.54		53.30
Dividend Distribution Tax	9.66		14.99
	153.90		148.48
		2904.98	2922.62
		4848.47	4978.22

Note 5 : Long-Term Borrowings**(₹ in crores)**

	Non-current portion		Current maturities	
	Current Year	Previous Year	Current Year	Previous Year
(a) Bonds/Debentures :				
Secured :				
9.80% 2500 Redeemable Non-Convertible debentures of ₹ 10,00,000 each redeemable on July 03, 2019 [note (i) and (v) below]	250.00	250.00	-	-
Unsecured :				
Redeemable Non-Convertible Debentures of ₹ 10,00,000 each -				
(i) 9.70 % 1000 Debentures redeemable on January 18, 2023	100.00	100.00	-	-
(ii) 9.70 % 1000 Debentures redeemable on January 07, 2023	100.00	100.00	-	-
(iii) 9.70 % 500 Debentures redeemable on April 25, 2021	50.00	50.00	-	-
(iv) 9.70 % 1500 Debentures redeemable on April 15, 2021	150.00	150.00	-	-
(v) 9.70 % 1000 Debentures redeemable on February 02, 2021	100.00	100.00	-	-
(vi) 9.60 % 2000 Debentures redeemable on November 10, 2019	200.00	200.00	-	-
(vii) 9.75 % 2500 Debentures redeemable on August 20, 2019	250.00	250.00	-	-
(viii) 9.35 % 1000 Debentures redeemable on February 08, 2019	100.00	100.00	-	-
(ix) 9.40 % 1000 Debentures redeemable on January 06, 2019	100.00	100.00	-	-
(x) 9.19 % 1000 Debentures redeemable on December 24, 2018	100.00	100.00	-	-
(xi) 9.35 % 1000 Debentures redeemable on February 08, 2018	100.00	100.00	-	-
(xii) 9.40 % 1000 Debentures redeemable on January 06, 2018 [note (ii) and (v) below]	100.00	100.00	-	-
(b) Term Loans from Banks : [notes (iii) to (v) below]				
Foreign Currency Loans from Banks (secured)	1529.61	2003.84	512.04	412.71
Swap Adjustments (unsecured)	(68.65)	(199.10)	(47.28)	(43.03)
	1460.96	1804.74	464.76	369.68
Total (a + b)	3160.96	3504.74	464.76	369.68
Amount disclosed under the head "other current liabilities" (note 8)	-	-	464.76	369.68
	3160.96	3504.74	-	-



Notes :

- (i) 9.80% 2500 Secured Redeemable Non-Convertible Debentures of ₹ 10,00,000 each, redeemable on July 03, 2019, are secured by exclusive charge on specified ships with 1.25 times cover on the book value of ships and additional security by way of mortgage on immovable property of the Company.
- (ii) The Company maintains unencumbered assets (including cash and cash equivalents) of market value not less than outstanding face value amount of the Unsecured Debentures.
- (iii) Foreign currency loans availed from banks carry interest rates of LIBOR plus 62 to 179 bps for USD loans and LIBOR plus 62 to 75 bps for JPY loans. Some loans are on fixed rates basis. The principal re-payments are due half yearly.
These loans are secured by mortgage of specified ships and a financial covenant to maintain unencumbered assets.
- (iv) The Company has swapped the loans taken in JPY currency into USD currency as a condition precedent to the loan agreements. Consequent thereto, the swap balances outstanding at the year end are shown as an adjustment to the borrowings.
- (v) The repayments are as under :

	(₹ in crores)	
	Current Year	Previous Year
Period of repayment		
- between one to three years	861.76	866.46
- between three to five years	583.09	538.44
- over five years	1716.11	2099.84
	3160.96	3504.74

- (vi) The Company does not have any continuing default in repayment of loans and interest as at the reporting date.

Note 6 : Provisions

	(₹ in crores)			
	Long-term Provisions		Short-term Provisions	
	Current Year	Previous Year	Current Year	Previous Year
(i) Provision for Employee Benefits	15.47	18.43	5.13	6.79
(ii) Vessel Performance/Offhire Claims	-	-	5.06	10.18
(iii) Provision for Mark to Market Losses on Derivative Contracts considered as Cash Flow Hedges	-	-	712.24	573.42
(iv) Proposed Equity Dividend	-	-	68.54	53.30
(v) Provision for Dividend Distribution Tax	-	-	8.21	7.58
	15.47	18.43	799.18	651.27

The Company has recognised the following provisions in its accounts in respect of obligations arising from past events, the settlement of which is expected to result in an outflow embodying economic benefits.

	(₹ in crores)	
	Current Year	Previous Year
Vessel performance/offhire claims -		
Provision have been recognised for the estimated liability for under-performance of certain vessels and offhire claims under dispute		
Opening balance	10.18	7.45
Additions during the year	1.68	4.52
Reversed/paid during the year	(6.80)	(1.79)
Closing balance	5.06	10.18

Note 7 : Trade Payables

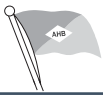
	(₹ in crores)	
	Current Year	Previous Year
(a) Dues to Micro, Small and Medium enterprises	-	-
(b) Due to Subsidiary Companies	0.42	1.25
(c) Others	156.07	111.30
	156.49	112.55

Notes :

- (i) According to the information available with the Company regarding the status of the suppliers as defined under the 'Micro, Small and Medium Enterprises Development Act, 2006', no amount is overdue as on the reporting date, to Micro, Medium and Small Enterprises on account of principal or interest.
- (ii) Trade payables are subject to confirmation, reconciliation and adjustments, if any.

Note 8 : Other Current Liabilities

	(₹ in crores)	
	Current Year	Previous Year
(a) Current Maturities of Long-Term Borrowings (See Note 5)	464.76	369.68
(b) Income Received in Advance	36.07	25.72
(c) Liabilities towards Investor Education and Protection Fund, not due - Unpaid dividend	7.19	7.69
(d) Other Liabilities	54.40	54.14
(e) Interest Accrued but not due on Borrowings	50.01	50.49
	612.43	507.72



Note 9 : Fixed Assets

(₹ in crores)

Particulars	Cost				Depreciation			Impairment			Net Block	
	As at April 1, 2012	Additions for the Year	Deductions for the Year	Other Adjustments [Note (d)]	As at March 31, 2013	Upto March 31, 2012	Adjustments/ Deductions for Assets Sold/ Discarded	Upto March 31, 2013	For the Year/ Transfer from Ships under construction [Note (c)]	Upto March 31, 2013	As at March 31, 2013	As at March 31, 2012
Tangible Assets												
Fleet	6585.51	634.25	876.29	124.89	6468.36	1827.55	229.46	1955.18	27.57	127.05	4386.13	4630.91
Land (Freehold and Perpetual Lease)	59.80	-	-	-	59.80	-	-	-	-	-	59.80	59.80
Ownership Flats and Buildings [Note (a)]	51.71	-	0.02	-	51.69	17.49	0.01	19.15	-	1.35	31.19	32.87
Plant and Equipment	10.86	0.97	-	-	11.83	3.69	-	4.81	-	-	7.02	7.17
Furniture, Fixtures and Office Equipment	29.80	1.30	0.32	-	30.78	26.79	0.31	28.23	-	-	2.55	3.01
Vehicles	12.69	1.29	2.30	-	11.68	9.44	2.07	9.07	-	-	2.61	3.25
TOTAL	6750.37	637.81	878.93	124.89	6634.14	1884.96	231.85	2016.44	27.57	128.40	4489.30	
Previous Year Figures	6179.40	1772.47	1419.33	217.83	6750.37	1792.34	264.50	1884.96	37.15	128.40	19.51	4737.01
Ships under construction/Capital Work-in-progress [Net of impairment loss ₹ 27.57 crores]											4508.81	4967.56

Notes :

- The ownership flats & buildings include ₹ 11,760 (Previous Year ₹ 11,760) being value of shares held in various co-operative societies.
- The deed of assignment in respect of the Company's leasehold property at Worli is yet to be transferred in the name of the Company.
- Impairment loss amounting to ₹ 27.57 crores relating to one ship under construction was recognised in the earlier year under Ships Under Construction account which was transferred to Fleet cost on delivery of the said ship from the shipyard and adjusted from the book value of the fleet on sale of the said ship.
- Other Adjustments include exchange loss/(gain) amounting to ₹ 124.89 crores on account of fluctuation of the rupee against foreign currencies and losses/(gains) on hedging contracts (including on cancellation of forward covers), relating to long term monetary items for acquisition of depreciable capital assets and losses/(gains) on forward contracts for hedging capital commitments for acquisition of depreciable assets.

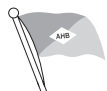
Note 10 : Non-current Investments

	Face Value ₹	Current Year		Previous Year	
		No. of shares	₹ in crores	No. of shares	₹ in crores
Trade Investments (valued at cost, fully paid unless stated otherwise)					
Equity Shares : Unquoted					
Subsidiaries :					
- The Great Eastern Shipping Co. London Ltd. of Stg. Pound 10 each		16,000	0.26	16,000	0.26
- The Greatship (Singapore) Pte. Ltd. of S\$ 1 each		500,000	1.15	500,000	1.15
- The Great Eastern Chartering L.L.C.(FZC) of AED 100 each		1,500	0.19	1,500	0.19
- Greatship (India) Ltd.	10	11,13,45,500	1305.14	10,92,42,000	1268.55
			1306.74		1270.15
Preference Shares : Unquoted					
Subsidiaries :					
- Greatship (India) Ltd.					
7.50% Cumulative Redeemable Preference Shares	10	8,80,00,000	264.00	8,80,00,000	264.00
22.50% Cumulative Redeemable Preference Shares	10	6,06,24,000	181.87	6,06,24,000	181.87
			445.87		445.87
			1752.61		1716.02
Aggregate amount of quoted investments			-		-
Aggregate amount of unquoted investments			1752.61		1716.02
Aggregate provision for diminution in value of investments			-		-

Note 11 : Loans and Advances**(Unsecured - Considered Good, unless otherwise stated)****(₹ in crores)**

	Long-term Loans and Advances		Short-term Loans and Advances	
	Current Year	Previous Year	Current Year	Previous Year
(a) Security Deposits	0.81	5.15	12.98	0.16
(Net of provision for doubtful long-term deposits ₹ 0.44 crores, Previous Year ₹ 0.44 crores)				
(b) Loans and Advances to Related Parties (see note below)	-	-	-	1.84
(c) Advance Payment of Income-tax and Tax Deducted at Source (net of provision for tax)	7.08	7.69	-	-
(d) Inter-Corporate Deposits	-	-	-	90.00
(e) Other Advances	1.93	4.16	69.14	47.75
	9.82	17.00	82.12	139.75

Note : Loans and Advances to Related Parties comprise of amount receivable from Greatship (India) Limited.



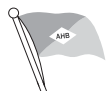
Note 12 : Current Investments

(At lower of cost and fair value - fully paid)

Mutual Funds :

	Face Value ₹	Current Year		Previous Year	
		No. of Units	₹ in crores	No. of Units	₹ in crores
Quoted					
Axis Fixed Term Plan Series 20 Fund - Dividend Payout	10	-	-	2,50,00,000	25.00
Birla Sunlife Short Term FMP Series 31 Dividend	10	-	-	3,00,00,000	30.00
DSP Black Rock FMP S32 - D	10	-	-	1,10,00,000	11.00
DSP Black Rock FMP S33 - D	10	-	-	1,50,00,000	15.00
DSP Black Rock FMP S36 - D	10	-	-	1,00,00,000	10.00
DWS Fixed Maturity Plan Series 5 Dividend Plan	10	-	-	70,00,000	7.00
JPM Fixed Maturity Plan Series 7 Dividend Plan	10	-	-	4,10,08,116	41.01
JPM Fixed Maturity Plan Series 6 Growth Plan	10	88,17,000	8.82	88,17,000	8.82
Kotak FMP Series 72 - Dividend	10	-	-	1,00,00,000	10.00
Kotak FMP Series 66 - Growth	10	-	-	2,00,00,000	20.00
Kotak Quarterly Interval Plan Series 1 - Growth	10	-	-	96,38,490	13.62
L&T FMP-V (February 368D A) - Dividend Payout	10	-	-	3,50,00,000	35.00
Reliance Monthly Interval Fund Series 1 Institutional Dividend Plan	10	-	-	39,96,842	4.00
Reliance Fixed Horizon Fund - XXI Series 8 Dividend Plan	10	-	-	40,00,000	4.00
Reliance Fixed Horizon Fund - XIX Series 4 Dividend Plan	10	-	-	2,15,00,000	21.50
Reliance Monthly Interval Fund Series 1 Institutional Growth Plan	10	-	-	13,80,148	2.00
Religare Fixed Maturity Series VIII Plan A Dividend Plan	10	-	-	2,50,00,000	25.00
Religare FMP Series XI Plan E - Growth Plan	10	-	-	1,05,10,000	10.51
SBI Debt Fund Series 59 Dividend	10	-	-	50,00,000	5.00
Tata Fixed Income Portfolio Fund Scheme C3 Growth	10	-	-	1,70,10,270	23.23
Tata Fixed Income Portfolio Fund Scheme A2 Growth	10	-	-	1,09,45,214	10.95
UTI Fixed Income Interval Fund Quarterly Plan Series -III- Institutional Dividend Plan - Re-investment	10	-	-	1,51,09,291	15.11
UTI Fixed Income Interval Fund Series II Quarterly Interval Plan VI -Institutional Dividend Plan Payout	10	-	-	99,97,401	10.00
UTI Fixed Term Income Fund Series XI - IV Dividend Plan Reinvestment	10	-	-	2,51,02,307	25.10
Unquoted					
Axis Banking Debt Fund - Direct Plan - Daily Dividend Reinvestment	1000	1,75,793	17.60	-	-
Baroda Pioneer PSU Bond Fund Growth	10	1,54,08,163	19.28	-	-
Birla Sun Life Floating Rate Long Term Institutional Plan Daily Dividend	10	-	-	20,70,613	20.71
Birla Sunlife Dynamic Bond Fund - Retail Plan - Monthly Dividend	10	-	-	6,06,14,136	63.70

	Face Value ₹	Current Year		Previous Year	
		No. of Units	₹ in crores	No. of Units	₹ in crores
Birla Sun Life Gilt Plus - Regular - Quarterly Dividend - Reinvestment	10	-	-	2,04,82,648	25.01
Birla Sunlife Short Term Fund - Monthly Dividend - Direct Plan	10	11,22,31,468	130.87	4,89,02,406	56.06
Birla Sun Life Short Term Fund Growth	10	-	-	27,31,451	10.49
Birla Sunlife Income Plus - Quarterly Dividend - Reinvestment	10	4,71,91,448	59.65	4,41,14,892	53.67
BNP Paribas Short Term Income Fund Direct Plan - Growth Option	10	3,82,57,893	50.38	-	-
Canara Robeco Indigo Fund - Regular Quarterly Dividend	10	1,68,53,757	17.07	1,57,33,614	15.79
DSP Black Rock Government Securities Fund - Direct Plan - Growth	10	2,76,38,315	105.29	-	-
DSP Black Rock Government Securities Fund - Direct Plan - Monthly Dividend	10	95,74,841	10.24	-	-
DWS Banking & PSU Debt Fund - Direct Plan - Growth	1000	1,55,13,000	15.51	-	-
Gold Bees	1000	1,95,334	45.81	1,92,532	44.93
ICICI Prudential Blended Plan B Direct Plan - Daily Dividend Option-I	10	12,67,66,298	127.91	-	-
ICICI Prudential Blended Plan B - Direct Plan - Growth Option - I	10	4,51,20,504	78.23	-	-
ICICI Prudential Gilt Fund Investment - Direct Plan - Growth	10	1,79,36,428	24.00	-	-
ICICI Prudential Ultra Short Term - Direct Plan - Growth	10	2,33,49,881	27.52	-	-
IDFC - SSIF - Short Term - Plan A - Growth	10	-	-	4,19,35,030	51.70
IDFC - SSIF - Short Term - Direct Plan - Growth	10	1,13,98,011	26.91	-	-
IDFC Dynamic Bond Fund Plan B Growth	10	3,62,82,405	50.18	44,61,060	5.55
IDFC Dynamic Bond Fund - Plan B - Dividend	10	-	-	5,07,49,977	54.14
IDFC Dynamic Bond Fund - Quarterly Dividend- (Direct Plan)	10	15,60,57,952	160.46	-	-
IDFC Money Manager Fund Investment Plan - Growth -(Direct Plan)	10	1,65,91,911	30.00	-	-
IDFC Money Manager Fund Investment Plan Inst. Plan B Daily Div	10	-	-	5,92,46,604	59.95
IDFC Money Manager Fund Investment Plan B Direct Plan Monthly Dividend Reinvestment	10	98,44,264	10.00	-	-
Kotak Gilt (Investment Regular) - Direct Plan - Quarterly Dividend	10	5,03,30,429	65.47	-	-
Kotak Gilt (Savings) - Direct Plan - Monthly Dividend	10	6,40,41,377	67.21	-	-
Kotak Gilt (Investment Regular) - Growth	10	76,15,063	30.70	-	-
Pinebridge India Short Term Fund Standard Growth	1000	1,72,129	24.07	-	-
Pramerica Short Term Floating Rate Fund Daily Dividend	1000	-	-	49,995	5.00
Pramerica Treasury Advantage Fund - Monthly Dividend Option - Reinvestment	1000	-	-	2,11,236	21.14



	Face Value ₹	Current Year		Previous Year	
		No. of Units	₹ in crores	No. of Units	₹ in crores
Pramerica Dynamic Bond Fund - Monthly Dividend	10	-	-	1,81,675	18.19
Reliance Dynamic Bond Fund - Dividend Plan	10	1,07,43,765	14.28	-	-
Reliance Medium Term Fund - Daily Direct Dividend Plan	10	3,43,61,085	58.74	-	-
Reliance Medium Term Fund - Direct Growth Plan - Growth Option	10	4,23,16,638	102.52	-	-
Reliance Short Term Fund - Direct Dividend Plan	10	5,34,99,413	58.12	-	-
Reliance Short Term Fund - Quarterly Dividend Plan	10	59,08,461	8.15	-	-
Religare Gilt Fund Short Duration Plan - Direct Plan Growth	10	4,16,65,914	53.34	-	-
Religare Short Term Fund - Direct Plan Growth	10	2,17,99,404	34.22	-	-
Religare Ultra Short Term Fund - Direct Plan Growth	1000	3,40,579	55.00	-	-
SBI Magnum Income Fund Savings Plus Bond Plan Daily Dividend	10	-	-	2,19,38,400	22.07
SBI Gold Fund Dividend	10	1,00,00,000	10.00	1,00,00,000	10.00
SBI Magnum Gilt Fund - Long Term - Direct Plan - Growth	10	2,91,58,231	68.88	-	-
SBI Magnum Gilt Short Term Fund Direct Plan Growth	10	3,14,62,278	72.20	-	-
SBI Magnum Insta Cash Fund Liquid Floater - Direct Plan - Daily Dividend Reinvestment	10	39,766	4.02	-	-
SBI Premier Liquid Fund - Direct Plan - Daily Dividend Reinvestment	10	49,897	5.01	-	-
SBI Magnum Insta Cash Fund Liquid Floater - Direct Plan - Growth	10	95,534	19.16	-	-
SBI Short Term Debt Fund - Direct Plan - Growth	10	6,02,18,704	80.50	-	-
SBI Short Term Debt Fund - Direct Plan - Weekly Dividend	10	8,71,51,409	92.00	-	-
Tata Liquid Super High Investment Fund Daily Dividend	1000	-	-	62,837	7.00
Tata Gilt Securities Fund - Dividend	10	-	-	1,31,80,145	15.55
Tata Liquid Super High Investment Fund Growth	10	-	-	51,830	10.26
UTI Dynamic Bond Fund - Dividend Plan - Re-investment	10	-	-	7,30,51,091	74.69
UTI Dynamic Bond Fund - Growth Plan	10	-	-	14,38,47,546	165.61
UTI Short Term Income Fund - Institutional Income Option - Growth Plan	10	-	-	4,29,12,238	53.73
Total Quoted and Unquoted Investments			1939.32		1247.79
Aggregate amount of quoted investments			8.82		382.85
Aggregate amount of unquoted investments			1930.50		864.94
			1939.32		1247.79
Market value of quoted investments			9.77		388.18
Aggregate diminution in value of investments considered above			1.76		2.20

Note 13 : Inventories**(Valued at lower of cost and net realisable value)**

	(₹ in crores)	
	Current Year	Previous Year
Fuel Oils	73.97	70.50
	73.97	70.50

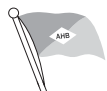
Note 14 : Trade Receivables**(Unsecured)**

	(₹ in crores)	
	Current Year	Previous Year
Outstanding for a period exceeding six months from the date they are due for payment		
- Considered Good	12.94	6.92
- Considered Doubtful	4.02	3.24
Others		
- Considered Good	100.76	78.08
- Considered Doubtful	2.60	1.04
	120.32	89.28
Less : Provision for Doubtful Receivables	6.62	4.28
	113.70	85.00

Trade receivables are subject to confirmation, reconciliation and adjustments, if any.

Note 15 : Cash and Bank Balances

	(₹ in crores)	
	Current Year	Previous Year
Cash and Cash Equivalents :		
(a) Balances with Banks :		
- On Current Accounts	836.34	492.03
- Deposits having Original Maturity of less than three months	-	148.69
(b) Cheques/Drafts on Hand	0.18	-
(c) Cash on Hand	0.01	0.01
	836.53	640.73
Other Bank Balances :		
(a) Deposits having Original Maturity for more than 3 months but less than 12 months	301.16	960.35
(b) Balances with Banks on Unpaid Dividend Account	7.19	7.69
(c) Margin Money Deposits	115.57	53.11
	423.92	1021.15
	1260.45	1661.88
Margin Money given as security :		
Margin Money Deposits comprise of deposits placed with banks under a lien against facilities given by the banks.	115.57	53.11

**Note 16 : Other Current Assets****(Unsecured - considered good, unless otherwise stated)****(₹ in crores)**

	Current Year	Previous Year
Interest Accrued	4.52	19.72
	4.52	19.72

Note 17 : Revenue from Operations**(₹ in crores)**

	Current Year	Previous Year
(a) Revenue from -		
- Freight and Demurrage	1234.50	1147.24
- Charter Hire	477.00	541.14
	1711.50	1688.38
(b) Other Operating Revenue	23.69	21.24
	1735.19	1709.62

Note 18 : Other Income**(₹ in crores)**

	Current Year	Previous Year
(a) Profit on Sale of Ships/Other Assets (net)	55.34	77.24
(b) Gain on Foreign Currency Transactions (net)	10.22	-
(c) Dividend -		
- from Subsidiary Companies	43.37	45.24
- from Units in Mutual Funds	60.37	59.86
	103.74	105.10
(d) Interest Income -		
- on Bank Deposits	59.73	38.05
- on Inter-Corporate Deposits	8.37	13.90
- on Others	0.04	0.57
	68.14	52.52
(e) Profit on Sale of Current Investments	59.70	66.20
[Net of Diminution in Value of Current Investments ₹ 1.76 crores (Previous Year ₹ 2.20 crores)]		
(f) Provision for Doubtful Debts and Advances Written Back (net)	-	0.16
(g) Miscellaneous Income	1.46	1.08
	298.60	302.30

Note 19 : Employee Benefit Expenses**(₹ in crores)**

	Current Year	Previous Year
(a) Salaries, Wages and Bonus	180.19	174.18
(b) Contribution to Provident and Other funds	6.75	9.59
(c) Staff Welfare Expenses	12.16	13.70
	199.10	197.47

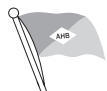
Note 20 : Other Expenses

	(₹ in crores)	
	Current Year	Previous Year
(a) Fuel Oil and Water	403.08	379.78
(b) Port, Light and Canal Dues	89.15	78.79
(c) Stevedoring, Despatch and Cargo Expenses	3.22	5.82
(d) Hire of Chartered Ships	291.58	263.76
(e) Brokerage and Commission	17.06	15.05
(f) Agency Fees	5.39	5.00
(g) Consumption of Spares and Stores	107.15	106.09
(h) Repairs and Maintenance -		
- Fleet	105.05	84.00
- Building	0.66	1.02
- Others	5.47	6.56
	111.18	91.58
(i) Insurance -		
- Fleet Insurance and Protection Club Fees	26.13	25.19
- Others	0.43	0.78
	26.56	25.97
(j) Rent	0.28	0.46
(k) Rates and Taxes	0.28	0.30
(l) Loss on Foreign Currency Transactions (net)	-	7.02
(m) Bad Debts and Advances Written off	2.10	1.30
(n) Provision for Doubtful Debts and Advances (net)	2.33	-
(o) Travelling Expenses	22.62	23.07
(p) Payment to Auditor (see note below)	1.08	0.86
(q) Miscellaneous Expenses	21.92	28.34
	1104.98	1033.19
Note :		
Payment to Auditor as -		
- Auditor	0.62	0.46
- For Taxation Matters	0.41	0.35
- For Company Law Matters	0.01	0.01
- For Management Services	0.02	-
- For Other Services	0.02	0.03
- For Reimbursement of Expenses (current year amount less than ₹ One Lakh)	-	0.01
	1.08	0.86

Note 21 : Finance Costs

	(₹ in crores)	
	Current Year	Previous Year
Interest	209.30	199.92
Other Borrowing Costs	0.37	2.48
Exchange Difference to the extent considered as an adjustment to Borrowing Costs (See Note below)	-	91.66
	209.67	294.06
Less : Pre-delivery Finance Costs Capitalised	0.55	14.28
	209.12	279.78

Note : In view of clarification dated August 9, 2012 received from Ministry of Corporate Affairs on treatment of "Effects of Changes in Foreign Exchange Rates", the adjustment of exchange difference to the borrowing costs is discontinued with effect from the year ended March 31, 2013.

**Note 22 : Tax Expenses**

Pursuant to the introduction of Section 115VA under the Income-tax Act, 1961, the Company has opted for computation of its income from shipping activities under the Tonnage Tax Scheme. Thus, income from the business of operating ships is assessed on the basis of the deemed Tonnage Income of the Company and no deferred tax is applicable to such income as there are no timing differences. The timing difference in respect of the non-tonnage activities of the Company are not material, in view of which provision for deferred taxation is not considered necessary.

Note 23 : Basic and Diluted Earnings per Share

	Current Year	Previous Year
(a) Net Profit After Tax (₹ in crores)	146.26	143.34
(b) Number of Equity Shares		
(i) Basic Earning per Share		
Number of Equity Shares as at the beginning of the year	15,22,89,684	15,22,89,684
Allotment of shares held in abeyance	32,400	-
Number of Equity Shares as at the end of the year	15,23,22,084	15,22,89,684
Weighted Average Number of Equity Shares	15,22,99,981	15,22,89,684
(ii) Diluted Earning per Share		
Weighted Average Number of Equity Shares	15,22,99,981	15,22,89,684
Add : Rights Shares kept in abeyance	3,16,233	3,26,530
Weighted Average Number of Equity Shares	15,26,16,214	15,26,16,214
(c) Face Value of Equity Share	₹ 10	₹ 10
(d) Earnings per Share		
- Basic	₹ 9.60	₹ 9.41
- Diluted	₹ 9.58	₹ 9.39

Note 24 : Disclosure pursuant to Accounting Standard (AS) 15 (Revised) "Employee Benefits"**A) Defined Contribution Plans :**

The Company has recognised the following amounts in the Statement of Profit and Loss for the year :

(₹ in crores)

	Current Year	Previous Year
Contribution to Employees Provident Fund	1.58	3.65
Contribution to Employees Superannuation Fund	2.99	2.95
Contribution to Employees Pension Scheme 1995	0.27	0.28
Contribution to Seamen's Provident Fund	0.41	0.37
Contribution to Seamen's Annuity Fund	0.65	0.65
Contribution to Seamen's Rehabilitation Fund	0.52	0.54
Contribution to Seamen's Gratuity Fund	0.25	0.09

B) Defined Benefit Plans and Other Long Term Benefits :

Valuations in respect of Gratuity, Pension Plan for Whole-time Directors and Leave Encashment have been carried out by an independent actuary, as at the Balance Sheet date on Projected Unit Credit method, based on the following assumptions:

(₹ in crores)

Actuarial Assumptions for the year	Gratuity		Pension Plan		Leave Encashment	
	Current Year	Previous year	Current Year	Previous year	Current Year	Previous year
(a) Discount Rate (p.a.)	8.00%	8.50%	8.00%	8.50%	8.00%	8.50%
(b) Rate of Return on Plan Assets	8.00%	8.00%	-	-	-	-
(c) Salary Escalation rate	4.00%-6.00%	4.00%-6.00%	-	-	6.00%	4.00%-6.00%
(d) Mortality	LIC-Ultimate 94-96	LIC-Ultimate 94-96	LIC-Ultimate 96-98	LIC-Ultimate 94-96	LIC-Ultimate 94-96	LIC-Ultimate 94-96
(e) Withdrawal rate	0.50%-7.50%	0.50%-9.50%	-	-	2.00%-7.50%	0.50%-9.50%
(f) Expected average remaining service (in years)	16.63	16.17	-	-	8.49	8.48

(i) Changes in present value of obligations :

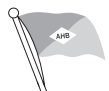
(₹ in crores)

	Gratuity		Pension Plan		Leave Encashment	
	Current Year	Previous year	Current Year	Previous year	Current Year	Previous year
Liability at the beginning of the year	13.42	12.56	16.36	18.97	2.32	2.53
Interest Cost	1.07	0.84	1.25	1.31	0.17	0.17
Current Service Cost	1.81	1.85	-	-	1.26	1.26
Benefits Paid	(1.56)	(1.30)	(0.10)	(0.20)	(0.07)	(0.05)
Benefits Transferred out	-	-	(3.32)	-	(0.67)	-
Actuarial (gain)/loss on obligations	(0.57)	(0.53)	(0.40)	(3.72)	(1.08)	(1.59)
Liability at the end of the year	14.17	13.42	13.79	16.36	1.93	2.32

(ii) Changes in Fair value of Plan Assets :

(₹ in crores)

	Gratuity		Pension Plan		Leave Encashment	
	Current Year	Previous year	Current Year	Previous year	Current Year	Previous year
Fair Value of Plan Assets at the beginning of the year	16.92	17.15	-	-	-	-
Adjustment to Opening Balance	(3.38)	(2.81)	-	-	-	-
Expected Return on Plan Assets	1.02	1.10	-	-	-	-
Employer's Contribution	-	-	0.10	0.20	0.07	0.05
Benefits Paid	(1.56)	(1.30)	(0.10)	(0.20)	(0.07)	(0.05)
Actuarial gain/(loss) on Plan Assets	3.97	2.78	-	-	-	-
Fair Value of Plan Assets at the end of the year	16.97	16.92	-	-	-	-



(iii) Actuarial Experience Adjustment :

(₹ in crores)

	Gratuity		Pension Plan		Leave Encashment	
	Current Year	Previous year	Current Year	Previous year	Current Year	Previous year
(Gain)/loss on obligation due to change in assumption	0.60	(0.09)	-	-	0.05	0.15
Experience (gain)/loss on obligation	(1.16)	(0.44)	-	-	(1.14)	(1.74)
Actuarial gain/(loss) on Plan Assets	3.97	2.78	-	-	-	-

(iv) Actual Return on Plan Assets :

(₹ in crores)

	Gratuity		Pension Plan		Leave Encashment	
	Current Year	Previous year	Current Year	Previous year	Current Year	Previous year
Expected Return on Plan Assets	1.02	1.10	-	-	-	-
Actuarial gain/(loss) on Plan Assets	3.97	2.78	-	-	-	-
Actual Return on Plan Assets	4.99	3.88	-	-	-	-

(v) Amount Recognised in the Balance Sheet :

(₹ in crores)

	Gratuity		Pension Plan		Leave Encashment	
	Current Year	Previous year	Current Year	Previous year	Current Year	Previous year
Liability at the end of the year	14.17	13.42	13.79	16.36	1.93	2.32
Fair Value of Plan Assets at the end of the year	16.97	16.92	-	-	-	-
Unrecognised past service cost	-	-	-	-	-	-
Amount recognised in the Balance Sheet	(2.80)	(3.50)	13.79	16.36	1.93	2.32

(vi) Expenses recognised in the Statement of Profit and Loss :

(₹ in crores)

	Gratuity		Pension Plan		Leave Encashment	
	Current Year	Previous year	Current Year	Previous year	Current Year	Previous year
Current Service Cost	1.81	1.85	-	-	1.26	1.26
Interest Cost	1.07	0.84	1.25	1.31	0.17	0.17
Expected Return on Plan Assets	(1.02)	(1.10)	-	-	-	-
Net Actuarial (gain)/loss to be recognised	(4.54)	(3.31)	(0.40)	(3.72)	(1.08)	(1.59)
Expenses recognised in Statement of Profit and Loss	(2.68)	(1.72)	0.85	(2.41)	0.35	(0.16)

(vii) Basis used to determine expected rate of return on assets :

Expected rate of return on investments is determined based on the assessment made by the Company at the beginning of the year on the return expected on its existing portfolio since these are generally held to maturity, along with the estimated incremental investments to be made during the year.

(viii) General Description of Significant Defined Benefit Plans :**Gratuity Plan :**

Gratuity is payable to all eligible employees of the Company on superannuation, death, permanent disablement and resignation in terms of the provisions of the Payment of Gratuity Act or as per the Company's Scheme whichever is more beneficial. Benefit would be paid at the time of separation based on the last drawn basic salary.

Pension Plan :

Under the Company's Pension Scheme for the whole-time Directors as approved by the Shareholders, all the whole-time Directors are entitled to the benefits of the scheme only after attaining the age of 62 years, except for retirement due to physical disability, in which case, the benefits shall start on his retirement. The benefits are in the form of monthly pension @ 50% of his last drawn monthly salary subject to maximum of ₹75 lakhs p.a. during his lifetime. If he predeceases the spouse, she will be paid monthly pension @ 50% of his last drawn pension during her lifetime. Benefits also include reimbursement of medical expense for self and spouse, overseas medical treatment upto ₹ 50 lakhs per illness, office space including telephone in the Company's office premises and use of Company's car including reimbursement of driver's salary and other related expenses during his lifetime.

Leave Encashment

All eligible employees can carry forward and encash leave upto superannuation, death, permanent disablement or resignation subject to maximum accumulation allowed upto 15 days. The leave over and above 15 days is encashed and paid to employees on June 30th every year as per the last drawn basic salary, except for union category employees who had exercised an option to freeze the accumulated leave balance as on June 30, 2008 (over and above 15 days). This frozen accumulated leave balance will be encashed as per the last drawn basic salary at the time of superannuation, death, permanent disablement, resignation or promotion to the non-union category.

(ix) Broad Category of Plan Assets relating to Gratuity as a percentage of total Plan Assets :

	Current Year	Previous Year
Government of India securities	6.00%	8.00%
State Government securities	2.00%	4.00%
Bonds	13.00%	20.00%
HDFC Defensive Managed Fund	79.00%	68.00%
Total	100.00%	100.00%

Note 25 : Segment information

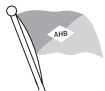
The Company is considered to be a single segment company engaged in shipping business. Consequently, the Company has in its primary segment only one reportable business segment. As per AS-17 'Segment Reporting' if a single financial report contains both consolidated financial statements and the separate financial statement of the parent, segment information need be presented only on the basis of the consolidated financial statements. Accordingly, information required to be presented under AS-17 'Segment Reporting' has been given in the consolidated financial statements.

Note 26 : Related Party Transactions**(I) List of Related Parties****(a) Parties where control exists :****Subsidiary Companies :**

The Great Eastern Shipping Co. (London) Ltd.

The Greatship (Singapore) Pte. Ltd.

The Great Eastern Chartering L.L.C. (FZC)



Greatship (India) Ltd. and its subsidiaries :

- Greatship Global Holdings Ltd., Mauritius.
- Greatship Global Energy Services Pte. Ltd., Singapore.
- Greatship Global Offshore Services Pte. Ltd., Singapore.
- Greatship Subsea Solutions Singapore Pte. Ltd., Singapore.
- Greatship Subsea Solutions Australia Pty. Ltd., Australia.
- Greatship (UK) Ltd., UK.
- Greatship Global Offshore Management Services Pte. Ltd., Singapore.

(b) Other related parties :

(i) Key Management Personnel :

- Mr. K. M. Sheth - Executive Chairman
- Mr. Bharat K. Sheth - Deputy Chairman and Managing Director
- Mr. Ravi K. Sheth - Executive Director

(II) Transactions with Related Parties :

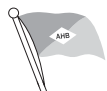
(₹ in crores)

Nature of Transaction	Subsidiary Companies		Key Management Personnel		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Services received from	5.77	43.49	-	-	5.77	43.49
- The Great Eastern Chartering L.L.C. (FZC)						
₹ 'NIL' (Previous Year : ₹ 40.01 crores)						
- The Greatship (Singapore) Pte. Ltd.						
₹ 5.77 crores (Previous Year : ₹ 3.48 crores)						
Dividend income	43.37	45.24	-	-	43.37	45.24
- Greatship (India) Ltd.						
₹ 43.37 crores (Previous Year : ₹ 20.75 crores)						
- The Great Eastern Chartering L.L.C. (FZC)						
₹ 'NIL' (Previous Year : ₹ 24.49 crores)						
Services rendered to	0.62	0.21	-	-	0.62	0.21
- Greatship (India) Ltd.						
₹ 0.62 crores (Previous Year : ₹ 0.21 crores)						
Reimbursement of expenses from	1.06	2.26	-	-	1.06	2.26
- Greatship (India) Ltd.						
₹ 1.06 crores (Previous Year : ₹ 2.26 crores)						
Finance Provided to	-	98.28	-	-	-	98.28
Equity shares contributions :						
- Greatship (India) Ltd.						
₹ 'NIL' (Previous Year : ₹ 98.28 crores)						
Purchase of fixed assets from	0.02	-	-	-	0.02	-
- Greatship (India) Ltd.						
₹ 0.02 crores (Previous Year : ₹ 'NIL')						
Sale of fixed assets to	0.25	-	-	-	0.25	-
- Greatship (India) Ltd.						
₹ 0.25 crores (Previous Year : ₹ 'NIL')						

(₹ in crores)

Nature of Transaction	Subsidiary Companies		Key Management Personnel		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Remuneration	-	-	10.38	8.66	10.38	8.66
- Mr. K. M. Sheth						
₹ 3.73 crores (Previous Year : ₹ 2.84 crores)						
- Mr. Bharat K. Sheth						
₹ 6.65 crores (Previous Year : ₹ 4.79 crores)						
- Mr. Ravi K. Sheth						
₹ 'NIL' (Previous Year : ₹ 1.03 crores)						
Transfer of liability towards retirement benefits of Mr. R. K. Sheth to	3.99	-	-	-	3.99	-
- Greatship (India) Ltd.						
₹ 3.99 crores (Previous Year : ₹ 'NIL')						
Purchase of investments from	-	-	36.59	-	36.59	-
- Mr. Ravi K. Sheth						
₹ 36.59 crores (Previous Year : ₹ 'NIL')						
Performance Guarantee given	129.30	-	-	-	129.30	-
- Greatship (India) Ltd.						
₹ 129.30 crores (Previous Year : ₹ 'NIL')						
Outstanding balance as on 31-03-2013 :						
Receivables	-	1.84	-	-	-	1.84
- Greatship (India) Ltd.						
₹ 'NIL' (Previous Year : ₹ 1.84 crores)						
Payables	0.42	1.25	-	-	0.42	1.25
- The Greatship (Singapore) Pte. Ltd.						
₹ 0.22 crores (Previous Year : ₹ 0.45 crores)						
- The Great Eastern Chartering L.L.C. (FZC)						
₹ 0.20 crores (Previous Year : ₹ 0.80 crores)						
Financial Guarantee given	108.80	123.22	-	-	108.80	123.22
- Greatship (India) Ltd.						
₹ 108.80 crores (Previous Year : ₹ 123.22 crores)						
Performance Guarantee given	1685.68	3271.76	-	-	1685.68	3271.76
- Greatship Global Energy Services Pte. Ltd.						
₹ 'NIL' (Previous Year : ₹ 491.03 crores)						
- Greatship (India) Ltd.						
₹ 1685.68 crores (Previous Year : ₹ 2780.73 crores)						

Note : The significant related party transactions are disclosed separately under each transaction. Dividend payments to Key Management Personnel have not been considered in the above disclosure.



Note 27 : Capital and Other Commitment

Estimated amount of contracts, net of advances paid thereon amounting to ₹ 18.99 crores (Previous Year ₹ 247.01 crores), remaining to be executed on capital account and not provided for - ₹ 158.40 crores (Previous Year ₹ 281.11 crores).

Note 28 : Contingent Liabilities

		(₹ in crores)	
Sr. No.	Particulars	Current Year	Previous Year
Claims against the Company, not acknowledged as debts :			
(a)	Sales Tax demands under BST Act, CST Act and VAT Act against which the Company has preferred appeals.	7.46	7.46
(b)	Lease Tax liability in respect of a matter decided against the Company, against which the Company has filed a revision petition in the Madras High Court.	17.40	17.40
(c)	Demand from the Office of the Collector & District Magistrate, Mumbai City and from Brihanmumbai Mahanagarpalika towards transfer charges for transfer of premises not acknowledged by the Company.	4.34	4.34
(d)	Demand for Custom Duty disputed by the Company [The Company has given bank guarantees amounting to ₹ 2.71 crores (Previous Year ₹ 'NIL') against the said Custom Duty demand which are included under 'Guarantees' below]	6.50	0.57
(e)	Demand for Service Tax disputed by the Company	4.75	4.75
(f)	Demand for income tax for the Assessment Year 2008-09	11.98	-
Guarantees :			
(a)	Guarantees given by banks counter guaranteed by the Company.	3.24	0.60
(b)	Guarantees by bank given on behalf of a subsidiary company.	-	2.16
(c)	Guarantees given to banks on behalf of subsidiaries.	108.80	121.06

The Company has also provided performance guarantees in favour of parties which have contracted with its subsidiaries which would require it to assume the benefits and costs of these contracts in the event the subsidiaries are not able to fulfill the same, in which event, the Company does not expect any net liability or outflow of resources.

Note 29 : Hedging Contracts

The Company uses foreign exchange forward contracts, currency and interest rate swaps and options to hedge its exposure to movements in foreign exchange rates. The use of these foreign exchange forward contracts, currency and interest rate swaps and options reduces the risk or cost to the Company and the Company does not use the foreign exchange forward contracts, currency and interest rate swaps and options for trading or speculation purposes.

The Company also uses commodity futures contracts for hedging the exposure to bunker price risk.

1 Derivative Instruments Outstanding :

i) Cash Flow Hedges :

(a) Commodity Futures Contracts for Import of Bunker :

Details	Current Year		Previous Year	
	Purchase	Sale	Purchase	Sale
Total No. of contracts outstanding	6	-	13	-
No. of units in MT under above contracts	19500	-	51000	-
Amount recognised in Hedging Reserve (loss)/gain (₹ in crores)	0.73	-	9.03	-
Maturity Period	Upto 1 Year	-	Upto 2 Years	-

(b) Forward Exchange Contracts :

Details	Current Year		Previous Year	
	Purchase	Sale	Purchase	Sale
Total No. of contracts outstanding	-	12.00	-	-
Foreign Currency Value (USD in million)	-	31.000	-	-
Amount recognised in Hedging Reserve (loss)/gain (₹ in crores)	-	0.83	-	-
Maturity Period	-	Upto 1 Year	-	-

(c) Forward Exchange Option Contracts :

Details	Current Year		Previous Year	
	Purchase	Sale	Purchase	Sale
Total No. of contracts outstanding	-	-	-	8
Foreign Currency Value (USD in million)	-	-	-	74.000
Amount recognised in Hedging Reserve (loss)/gain (₹ in crores)	-	-	-	(52.69)
Maturity Period	-	-	-	Upto 1 Year

(d) Interest Rate Swap Contracts :

Details	Current Year	Previous Year
Total No. of contracts outstanding	7	7
Principal Notional Amount (USD in million)	110.391	125.523
Amount recognised in Hedging Reserve (loss)/gain (₹ in crores)	(34.21)	(42.95)
Maturity Period	Upto 6 Years	Upto 7 Years

(e) Interest portion of Currency Swap Contracts :

Details	Currency	Current Year	Previous Year
Total No. of contracts outstanding		6	6
Principal Notional Amount (JPY in million)	JPY/USD	11094.165	13492.350
Amount recognised in Hedging Reserve (loss)/gain (₹ in crores)		(28.12)	(37.78)
Maturity Period		Upto 5 Years	Upto 6 Years

(f) Currency Swap Contracts :

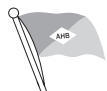
Details	Currency	Current Year	Previous Year
Total No. of contracts outstanding		13	13
Principal Notional Amount (₹ in crores)	INR/USD	1700.00	1700.00
Amount recognised in Hedging Reserve (loss)/gain (₹ in crores)		(651.47)	(449.03)
Maturity Period		Upto 10 Years	Upto 11 Years

ii) (a) Forward Exchange Contracts :

Details	Current Year		Previous Year	
	Purchase	Sale	Purchase	Sale
Total No. of contracts outstanding	2	11	3	6
Foreign Currency Value (USD in million)	5.830	26.000	4.554	16.000
Maturity Period	Upto 1 Month	Upto 9 Months	Upto 1 Month	Upto 6 Months

(b) Spot Currency Contracts :

Details	Current Year		Previous Year	
	Purchase	Sale	Purchase	Sale
Total No. of contracts outstanding	1	1	-	-
Foreign Currency Value (USD in million)	2.100	3.000	-	-
Maturity Period	Upto 1 Month	Upto 1 Month	-	-


(c) Principal portion of Currency Swap Contracts :

Details	Currency	Current Year	Previous Year
Total No. of contracts outstanding		6	6
Principal Notional Amount (JPY in million)	JPY/USD	11094.165	13492.350
Maturity Period		Upto 5 Years	Upto 6 Years

The above mentioned derivative contracts having been entered into to hedge foreign currency risk of firm commitments and highly probable forecast transactions and the interest rate risk, have been designated as hedge instruments that qualify as effective cash flow hedges. The mark-to-market loss / (gain) on the foreign exchange derivative contracts outstanding as on March 31, 2013 amounting to loss of ₹ 712.24 crores (Previous Year ₹ 573.42 crores) has been recorded in the Hedging Reserve Account.

In addition to above, the balance in Hedging Reserve Account also includes gain on cancellation of forward contracts amounting to ₹ 0.07 crores (Previous Year : loss of ₹ 1.77 crores) which will be recognised in the Statement of Profit and Loss in the same period or periods during which the hedged transaction affects profit and loss or is transferred to the cost of the hedged non-monetary asset upon acquisition in accordance with the principles of hedge accounting enunciated in Accounting Standard '(AS) 30 – Financial Instruments : Recognition and Measurement' as issued by the Institute of Chartered Accountants of India.

2 Un-hedged Foreign Currency Exposures as on March 31 :

Details	Currency	Current Year in millions	Previous Year in millions
Loan Liabilities and Payables	AED	0.997	0.773
	AUD	0.006	0.113
	CHF	0.006	0.002
	DKK	0.591	0.717
	EUR	0.902	0.241
	GBP	0.035	0.007
	JPY	39.157	41.037
	NOK	0.248	0.047
	SEK	0.220	-
	SGD	0.455	1.267
	USD	742.994	817.717
	ZAR	0.060	-
Receivables	AED	-	0.462
	AUD	0.003	0.230
	EUR	0.626	0.010
	GBP	0.016	0.001
	JPY	2.665	16.996
	SEK	0.213	-
	SGD	0.041	0.084
	USD	13.872	7.115
Bank Balances	AED	1.267	0.190
	DKK	0.333	0.124
	EUR	0.335	0.097
	GBP	0.158	0.078
	NOK	0.276	0.159
	SGD	0.148	0.310
	USD	178.351	207.987

Note 30

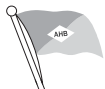
- (a) As a result of the peculiarities of the trading pattern, it is not possible to identify the heads of expenses based on the locus of consumption. Therefore it would not be feasible to provide the information relating to imports calculated on C.I.F. basis as prescribed by revised Schedule VI.

	Current Year	(₹ in crore) Previous Year
(b) Expenditure in foreign currency :		
Freight and Charter Hire	-	49.64
Fuel Expense	398.94	353.71
Stores and Spares	65.62	61.83
Repairs and Maintenance	83.31	68.10
Other Operating Expenses	181.52	195.93
Finance Costs	206.26	184.01
(c) Earnings in Foreign Exchange :		
Freight and Charter Hire	702.70	834.76
Profit on Sale of Ships	53.19	72.55
Interest and Dividends	21.89	42.86
Other Operating Income	2.64	4.31

- (d) The Company has not remitted any amount in foreign currencies on account of dividend during the year.

Note 31: General

Other information required by Schedule VI (Revised) of the Companies Act, 1956, has been given only to the extent applicable. Previous year's figures have been regrouped/restated wherever necessary to conform to current year's classification.



STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Name of Subsidiary	The Great Eastern Shipping Co. London Ltd.	The Greatship (Singapore) Pte. Ltd.	The Great Eastern Chartering LLC (FZC)	Greatship (India) Limited	Greatship Global Holdings Ltd. +	Greatship Offshore Services Pte. Ltd. \$	Greatship Global Energy Services Pte. Ltd. #	Greatship Subsea Solutions Singapore Pte. Ltd. *	Greatship Subsea Solutions Australia Pty. Limited **	Greatship (UK) Limited +	Greatship Global Offshore Management Services Pte. Ltd. *
Financial Year ended	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013
Date from which it became a Subsidiary	July 3, 1985	March 28, 1994	November 1, 2004	June 26, 2002	May 30, 2007	May 8, 2007	October 23, 2006	August 12, 2010	August 17, 2010	October 29, 2010	December 9, 2010
Extent of interest of the Holding Company in the Capital of the Subsidiary	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Net aggregate amount of the Subsidiary's profits less losses not dealt with in the Holding Company's Accounts (standalone)											
(i) Current Year	2,569,051	4,735,171	113,661,570	1,663,332,225	(913,972)	922,791,941	1,868,299,632	(176,439,188)	518,210,537	53,234,548	(20,841,822)
(ii) Previous Year	50,205,194	58,598,909	875,506,454	1,979,825,130	(8,024,641)	297,799,522	3,312,435,959	(165,049,378)	(607,624,478)	(69,782,429)	41,472,695
since it became a Subsidiary											
Net aggregate amount of the Subsidiary's profits less losses dealt with in the Holding Company's Accounts (standalone)											
(i) Current Year	-	-	-	-	-	-	-	-	-	-	-
(ii) Previous Year	-	-	-	-	-	-	-	-	-	-	-
since it became a Subsidiary											

Pursuant to General Circular No. 2/2011 dated February 8, 2011 issued by Ministry of Corporate Affairs, the Board of Directors of the Company has given consent for not attaching the balance sheet of the subsidiaries with the balance sheet of the Company as required under Section 212 of the Companies Act, 1956 by passing a resolution at its meeting held on May 06, 2013.

+ Greatship Global Holdings Ltd. and Greatship (UK) Limited are wholly owned subsidiaries of Greatship (India) Limited.

\$ Greatship Global Offshore Services Pte. Ltd. is a wholly owned subsidiary of Greatship Global Holdings Ltd.

The entire share capital of Greatship Global Energy Services Pte. Ltd. is held by Greatship (India) Limited and Greatship Global Holdings Ltd.

* Greatship Subsea Solutions Singapore Pte. Ltd. and Greatship Global Offshore Management Services Pte. Ltd. are wholly owned subsidiaries of Greatship Global Offshore Services Pte. Ltd.

** Greatship Subsea Solutions Australia Pty Limited, the wholly owned subsidiary of Greatship Subsea Solutions Singapore Pte. Ltd., has made an application to Australian Securities & Investments Commission for voluntary deregistration on April 26, 2013

For and on behalf of the Board

K. M. Sheth
Bharat K. Sheth
Keki Mistry

Executive Chairman
 Deputy Chairman & Managing Director
 Director

Jayesh M. Trivedi
 Company Secretary

Mumbai, May 06, 2013

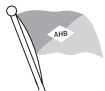
STATEMENT PURSUANT TO GENERAL CIRCULAR NO. 2/2011 DATED FEBRUARY 8, 2011 ISSUED BY MINISTRY OF CORPORATE AFFAIRS

₹ in crores

Name of Subsidiary	The Great Eastern Shipping Co. London Ltd.	The Greatship (Singapore) Pte. Ltd.	The Great Eastern Chartering LLC (FZC)	Greatship (India) Limited	Greatship Global Holdings Ltd.	Greatship Global Offshore Services Pte. Ltd.	Greatship Energy Services Pte. Ltd.	Greatship Global Services Pte. Ltd.	Greatship Subsea Solutions Singapore Pte. Ltd.	Greatship Subsea Solutions Australia Pty. Limited	Greatship (UK) Limited	Greatship Global Offshore Management Services Pte. Ltd.
Capital	1.32	1.31	0.22	259.97	1206.33	657.24	645.86	16.29	15.20	2.71		0.60
Reserves*	5.28	6.90	124.15	1,849.83	(0.95)	107.13	513.41	(35.26)	(13.01)	(2.12)		2.34
Total Assets	6.62	8.55	128.70	3,316.69	1276.97	1335.36	2936.18	89.77	17.59	50.20		9.40
Total Liabilities	6.62	8.55	128.70	3,316.69	1276.97	1335.36	2936.18	89.77	17.59	50.20		9.40
Investments (except in case of investment in subsidiaries)	-	-	-	-	-	-	-	-	-	-	-	-
Turnover	0.08	6.25	12.24	1,074.44	9.86	271.82	334.30	212.34	71.25	126.36		72.85
Profit/(Loss) before taxation*	0.26	0.53	11.37	201.33	(0.09)	94.15	186.89	(17.47)	51.82	5.32		(2.08)
Provision for taxation	-	(0.05)	-	35.00	-	1.87	0.06	0.18	-	-	-	-
Profit/(Loss) after taxation*	0.26	0.47	11.37	166.33	(0.09)	92.28	186.83	(17.64)	51.82	5.32		(2.08)
Dividend paid (Preference)	-	-	-	23.52**	-	-	-	-	-	-	-	-
Dividend proposed (Equity)	-	5.47	-	52.11**	-	-	-	-	-	-	-	-

*Figures include foreign currency translation adjustment

**Including dividend distribution tax



INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS THE GREAT EASTERN SHIPPING COMPANY LIMITED

We have audited the accompanying Consolidated Financial Statements of **THE GREAT EASTERN SHIPPING COMPANY LIMITED** ("the Company"), and its subsidiaries (collectively referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries as noted below, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;
- b) in the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements of certain subsidiaries whose financial statements reflect the Group's share of total assets of ₹4,338.55 crores as at March 31, 2013, the Group's share of total revenues of ₹420.32 crores and net cash flows amounting to ₹196.12 crores for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.

For and on behalf of

Kalyaniwalla & Mistry

Chartered Accountants

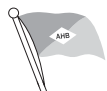
Firm Regn. No.: 104607W

Daraius Z. Fraser

Partner

M. No.: 42454

Mumbai: May 06, 2013.



CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2013.

			(₹ in crores)	
Particulars	Note No.	Current Year	Previous Year	
EQUITIES AND LIABILITIES :				
I. Shareholders' Funds :				
(a) Share Capital	5	152.32	152.29	
(b) Reserves and Surplus	6	6189.44	5843.64	
		6341.76	5995.93	
II. Minority Interest		-	43.77	
III. Non-Current Liabilities :				
(a) Long-Term Borrowings	7	5689.37	5672.46	
(b) Other Long-Term Liabilities	8	-	0.54	
(c) Long-Term Provisions	9	23.22	18.57	
		5712.59	5691.57	
IV. Current Liabilities :				
(a) Trade Payables	10	234.98	240.96	
(b) Other Current Liabilities	11	1269.99	963.04	
(c) Short-Term Provisions	9	889.72	746.12	
		2394.69	1950.12	
TOTAL		14449.04	13681.39	
ASSETS:				
I. Non-Current assets :				
(a) Fixed Assets	12			
(i) Tangible Assets		9681.56	8779.80	
(ii) Intangible Assets		2.82	3.50	
(iii) Non-current Asset Held for Sale		-	48.99	
(iv) Capital Work-in-progress		19.51	643.50	
		9703.89	9475.79	
(b) Non-current investments	13	-	-	
(c) Deferred Tax Assets (net)		1.18	1.31	
(d) Long-Term Loans and Advances	14	15.99	20.83	
(e) Other Non-Current Assets	15	97.85	29.65	
		9818.91	9527.58	
II. Current Assets :				
(a) Current Investments	16	2025.83	1315.39	
(b) Inventories	17	132.90	113.31	
(c) Trade Receivables	18	371.33	330.65	
(d) Cash and Bank Balances	19	1986.97	2143.63	
(e) Short-Term Loans and Advances	14	98.54	225.12	
(f) Other Current Assets	15	14.56	25.71	
		4630.13	4153.81	
TOTAL		14449.04	13681.39	
Summary of Significant Accounting Policies	1			

The accompanying notes are an integral part of the financial statements.

As per our Report attached hereto

For and on behalf of the Board

For and on behalf of

Kalyaniwalla & Mistry

Chartered Accountants

Daraius Z. Fraser

Partner

Jayesh M. Trivedi

Company Secretary

K. M. Sheth

Bharat K. Sheth

Keki Mistry

Executive Chairman

Deputy Chairman & Managing Director

Director

Mumbai : May 6, 2013.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013.

		(₹ in crores)	
Particulars	Note No.	Current Year	Previous Year
Income :			
I. Revenue from Operations	20	3006.69	2955.49
II. Other Income	21	393.76	277.78
III. Total Revenue (I + II)		3400.45	3233.27
Expenses :			
Employee Benefit Expenses	22	449.35	464.56
Other Expenses	23	1397.84	1404.92
Total Expenses		1847.19	1869.48
V. Earnings Before Finance Costs, Tax, Depreciation and Impairment Loss (III - IV)		1553.26	1363.79
VI. Depreciation		592.39	548.32
VII. Impairment/(Reversal of Impairment)		31.78	(1.00)
VIII. Finance Costs	24	344.71	437.32
IX. Profit Before Tax (V - VI - VII - VIII)		584.38	379.15
X. Tax Expenses:			
- Current Tax		44.97	58.72
- Deferred Tax		0.13	(0.43)
- Tax for Prior Years		1.52	-
		46.62	58.29
XI. Profit After Tax (IX - X)		537.76	320.86
XII. Minority Interest		-	4.31
XIII. Profit for the Year (XI - XII)		537.76	316.55
XIV. Earnings per Equity Share :	26		
(Face value per share ₹ 10)			
- Basic		₹ 35.31	₹ 20.79
- Diluted		₹ 35.24	₹ 20.74
Summary of Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.

As per our Report attached hereto

For and on behalf of

Kalyaniwalla & Mistry

Chartered Accountants

Daraius Z. Fraser

Partner

Jayesh M. Trivedi

Company Secretary

For and on behalf of the Board

K. M. Sheth

Bharat K. Sheth

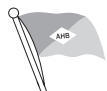
Keki Mistry

Executive Chairman

Deputy Chairman & Managing Director

Director

Mumbai : May 6, 2013.

**CONSOLIDATED CASH FLOW STATEMENT** FOR THE YEAR ENDED MARCH 31, 2013.

(₹ in crores)

	Current Year	Previous Year
A. Cash Flow From Operating Activities		
Net Profit Before Tax :	584.38	379.15
Adjustments For :		
Depreciation	592.39	548.32
Impairment/(Reversal of Impairment)	31.78	(1.00)
Interest Earned	(74.94)	(56.64)
Interest and Finance Charges	344.71	345.66
Dividend Income	(64.26)	(68.14)
Diminution in Value of Investments	1.76	2.20
Profit on Sale of Investments	(61.47)	(68.39)
Profit on Sale of Ships and Other Assets	(134.65)	(70.75)
ESOP Costs	-	(0.16)
Bad Debts and Advances Written Off	8.51	1.30
Provision/(Reversal of Provision) for Doubtful Debts and Advances (net)	(2.94)	0.63
Provision for Loss on Onerous Incharter Hire Contracts Written Back	-	(6.45)
Revaluation of Foreign Currency Balances	(11.32)	(76.82)
Operating Profit Before Working Capital Changes	1213.95	928.91
Adjustments For :		
Trade and Other Receivables	56.69	(189.72)
Inventories	(19.31)	(9.37)
Trade and Other Payables	49.21	79.66
Cash Generated From Operations	1300.54	809.48
Tax Paid	(44.72)	(64.00)
Net Cash From Operating Activities	1255.82	745.48
B. Cash Flow From Investing Activities		
Purchase of Fixed Assets	(1436.80)	(1497.85)
Sale Proceeds of Fixed Assets	1065.54	1263.93
Purchase of Current Investments	(5771.26)	(7716.26)
Sale of Current Investments	5120.54	8212.08
Acquisition of Equities in Subsidiaries	(36.59)	-
Placement of Deposits with maturity period of more than three months	-	(394.14)
Withdrawal of Deposits with maturity period of more than three months	550.48	-
Margin Money Deposit placed	(70.19)	(34.19)
Interest Received	105.18	44.16
Dividend Received	64.26	68.14
Net Cash From/(Used in) Investing Activities	(408.84)	(54.13)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013. (CONTD.)

(₹ in crores)

	Current Year	Previous Year
C. Cash Flow From Financing Activities		
ESOP Expenses	-	(0.14)
Proceeds from Issue of Equity Shares from Abeyance Quota	0.03	-
Unpaid Dividend	0.50	0.15
Proceeds from Long-Term Borrowings	1130.92	713.00
Repayments of Long-Term Borrowings	(1031.87)	(867.93)
Repayment of Finance Lease Obligations	(81.64)	(5.81)
Dividend Paid	(106.03)	(118.23)
Dividend Distribution Tax Paid	(9.02)	(15.16)
Interest and Finance Charges Paid	(344.99)	(225.80)
Net Cash From/(Used In) in Financing Activities	(442.10)	(519.92)
Net increase/(decrease) in Cash and Cash Equivalents	404.88	171.43
Cash and Cash Equivalents as at April 1, 2012 (refer note below)	934.68	1105.87
Cash and Cash Equivalents as at March 31, 2013 (refer note below)	1339.56	1277.30
Note :		
Cash and Cash Equivalents	As at March 31, 2013	As at March 31, 2012
Cash and Cash Equivalents (note 19)	1376.36	1331.08
Effect of Exchange Rate Changes [(Gain)/Loss]	(36.80)	(53.78)
Cash and Cash Equivalents as restated	1339.56	1277.30

As per our Report attached hereto

For and on behalf of the Board

For and on behalf of

Kalyaniwalla & Mistry

Chartered Accountants

Daraius Z. Fraser

Partner

Jayesh M. Trivedi

Company Secretary

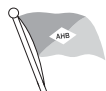
K. M. Sheth**Bharat K. Sheth****Keki Mistry**

Executive Chairman

Deputy Chairman & Managing Director

Director

Mumbai : May 6, 2013.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013.

Note 1 : Significant Accounting Policies

(a) Basis of Preparation :

The financial statements are prepared under the historical cost convention, in accordance with Generally Accepted Accounting Principles in India, the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the provisions of the Companies Act, 1956 to the extent applicable.

(b) Use of Estimates :

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities as of the date of the financial statements and reported amounts of income and expenses during the period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from the estimates.

(c) Tangible Fixed Assets :

Tangible fixed assets are stated at cost less accumulated depreciation and impairment. Cost includes expenses related to acquisition and borrowings cost during construction period. Exchange differences on repayment and year end translation of foreign currency liabilities relating to acquisition of assets are adjusted to the carrying cost of the assets. Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on maintaining fixed assets, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

(d) Intangible Fixed Assets :

Intangible fixed assets are stated at acquisition cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over the estimated useful lives.

(e) Investments :

- (i) Investments are classified into current and non-current investments.
- (ii) Non-current investments are carried at cost. Provision for diminution, if any, in the value of each non-current investment is made to recognise a decline, other than of a temporary nature.
- (iii) Investments which are classified as current investments are stated at lower of cost and fair value and the resultant decline, if any, is charged to the Statement of Profit and Loss.

(f) Inventories :

Inventories of fuel oil and stores & spares on rigs are carried at lower of cost or net realisable value. Cost is ascertained on first-in-first out basis for fuel oil and on weighted average basis for stores & spares on rigs.

(g) Incomplete Voyages :

Incomplete voyages comprise of freight received and direct operating expenses in respect of voyages which are not complete as at the Balance Sheet date. The freight received for incomplete voyages is shown under 'Income Received in Advance' and the direct operating expenses incurred for incomplete voyages are shown under 'Other Advances'.

(h) Borrowing Costs :

Borrowing costs include interest and ancillary cost incurred in connection with the arrangement of borrowings. Borrowing costs that are directly attributable to the acquisition / construction of the qualifying assets are capitalized as part of the cost of the asset, upto the date of acquisition / completion of construction. All other borrowing costs are expensed in the period they occur.

(i) Revenue recognition :

Income from services : Freight and demurrage earnings are recognised on completed voyage basis. Charter hire earnings are accrued on time basis except where the charter party agreements have not been renewed/finalised, in which case it is recognised on provisional basis.

Interest : Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Dividends : Dividend income is recognised when the company's right to receive dividend is established by the balance sheet date.

(i) Operating expenses :

- (i) Fleet direct operating expenses are charged to the Statement of Profit and Loss on completed voyage basis.
- (ii) Stores and spares delivered on board the ships are charged to the Statement of Profit and Loss. Spares on board Rigs are charged to the Statement of Profit and Loss on consumption basis.
- (iii) Expenses on account of general average claims/damages to ships are written off in the year in which they are incurred. Claims against the underwriters are accounted for on acceptance of average adjustment by the adjustors.
- (iv) Bunker consumption cost, which is part of direct operating expenses, is charged to the Statement of Profit and Loss on completed voyage basis. In case, the vessel is not fixed for next voyage as on the period-end date, the consumption cost is charged to the Statement of Profit and Loss as period cost from the date of previous voyage till the period-end date. If the vessel is fixed for next voyage by the period-end date, the bunker consumption cost for the period from the date of previous voyage till the period-end date is carried forward as incomplete voyage expenses as per the accounting policy on "Incomplete Voyages".
- (v) Dry-dock expenditure is recognised in the Statement of Profit and Loss to the extent of material supplied and services rendered in case of non-yard expenses. Yard material and services expenses are recognised in the Statement of Profit and Loss on completion of Dry-dock.

(k) Leases :**(i) Finance lease**

Lease of assets where the company assumes substantially the risk and rewards of ownerships are classified as finance leases. Assets held under finance leases are recognised as assets of the company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor (net of finance charges) is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Gains arising from sale and finance leaseback of the vessel is determined based on fair values. Sale proceeds in excess of fair values and excess of fair values over sale proceeds are deferred and amortised over the minimum lease terms.

(ii) Operating lease

Lease of assets in which a significant portion of the risk and rewards of ownership are retained are classified as operating leases.

Rentals payables under operating leases are charged to Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

(l) Employee Benefits :

Liability is provided for retirement benefits of provident fund, superannuation, gratuity and leave encashment in respect of all eligible employees and for pension benefit to Whole-time directors of the Company.

(i) Defined Contribution Plan

Employee benefits in the form of Superannuation Fund, Provident Fund and other Seamen's Welfare Contributions are considered as defined contribution plans and the contributions are charged to the Statement of Profit and Loss of the period when the contributions to the respective funds are due.

(ii) Defined Benefit Plan

Retirement benefits in the form of Gratuity and the Pension plan for Whole-time Directors are considered as defined benefit obligations and are provided for on the basis of actuarial valuations, using the projected unit credit method, as at the date of the Balance Sheet.

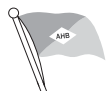
(iii) Other Long-Term Benefits

Long-term compensated absences are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Actuarial gain/losses, comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss.

(m) Employee Share based payments :

Equity settled stock options granted under the Company's Employee stock option (ESOP) schemes are accounted as per the accounting treatment prescribed by SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share based payments issued by ICAI. The intrinsic value of the option is recognised as employee compensation with a credit to employee stock option outstanding account. The employee compensation is charged to the Statement of Profit and Loss over the vesting period of the option.

**(n) Depreciation :**

- (i) Depreciation is provided so as to write off 95% of the original cost of the asset over the estimated useful life or at rates prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher. The basis for charging depreciation and the estimated useful life of the assets is as under:

		Estimated Useful life/ depreciation rate
Tangible Assets :		
Fleet		
-Single Hull Tankers	Straight line over balance useful life or 5%, whichever is higher	20 to 23 years
-Double Hull Tankers		20 to 25 years
-Dry Bulk Carriers		23 to 30 years
-Gas Carriers		27 to 30 years
-Offshore Supply Vessels		20 years
Modern Rig	Straight line	30 years
Leasehold Land	Straight line	Lease period
Ownership Flats and Buildings	Written down value	5%
Leasehold Improvements	Straight line	5 years
Furniture & Fixtures, Office Equipment, etc.	Straight line	5 years
Computers	Straight line	3 years
Vehicles	Straight line	4 years
Plant & Equipment – Others	Straight line	3 to 10 years
Intangible Assets :		
Software	Straight line	5 years

- (ii) Depreciation on fleet is provided on prorata basis and on Other Assets depreciation is provided for the full year on additions and no depreciation is provided in the year of disposal.
- (iii) In case of assets depreciated under the straight line method, 95% of the original cost is written off over the estimated useful life. However, if an asset continues in operation beyond the useful life, as estimated by the Management, the balance cost is depreciated in the subsequent year.

(o) Asset Impairment :

The carrying amounts of the Company's tangible and intangible assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognised in the Statement of Profit and Loss in the period in which impairment takes place.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortisation of depreciation) had no impairment loss been recognised for the asset in prior accounting periods.

(p) Foreign Exchange Transactions :

- (i) Transactions in foreign currency are recorded at standard exchange rates determined monthly. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the period end are translated at closing rates. The difference in translation of long term monetary assets and liabilities and realised gains and losses on foreign currency transactions relating to acquisition of depreciable capital assets are added to or deducted from the cost of the asset and depreciated over the balance life of the asset and in other cases accumulated in a Foreign Currency Monetary Item Translation Difference Account and amortised over the balance period of such long term asset/liability, but not beyond March 31, 2020 by recognition as income or expense. The difference in translation of all other monetary assets and liabilities and realised gains and losses on other foreign currency transactions are recognised in the Statement of Profit and Loss.

- (ii) Forward exchange contracts other than those entered into to hedge foreign currency risk of firm commitments or highly probable forecast transactions are translated at period end exchange rates and the resultant gains and losses as well as the gains and losses on cancellation of such contracts are recognised in the Statement of Profit and Loss, except in case of contracts relating to the acquisition of depreciable capital assets, in which case they are added to or deducted from the cost of the assets. Premium or discount on such forward exchange contracts is amortised as income or expense over the life of the contract.
- (iii) Currency swaps which form an integral part of the loans are translated at closing rates and the resultant gains and losses are dealt with in the same manner as the translation differences of long term monetary assets and liabilities.

(q) Derivative Financial Instruments and Hedging :

The Company enters into derivative financial instruments to hedge foreign currency risk of firm commitments and highly probable forecast transactions, interest rate risk and bunker price risk. The method of recognising the resultant gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The carrying amount of a derivative designated as a hedge is presented as a current asset or a liability. The Company does not enter into any derivatives for trading purposes.

Cash Flow Hedge :

Commodity future contracts, forward exchange contracts entered into to hedge foreign currency risks of firm commitments or highly probable forecast transactions, forward rate options, interest rate swaps and currency swaps which do not form an integral part of the loans, that qualify as cash flow hedges, are recorded in accordance with the principles of hedge accounting enunciated in Accounting Standard '(AS) 30 – Financial Instruments : Recognition and Measurement' as issued by the Institute of Chartered Accountants of India. The gains or losses on designated hedging instruments that qualify as effective hedges is recorded in the Hedging Reserve account and is recognised in the Statement of Profit and Loss in the same period or periods during which the hedged transaction affects Statement of Profit and Loss or is transferred to the cost of the hedged non-monetary asset upon acquisition. Gains or losses on the ineffective transactions are immediately recognised in the Statement of Profit and Loss. When a forecasted transaction is no longer expected to occur the gains and losses that were previously recognised in the Hedging Reserve are transferred to the Statement of Profit and Loss immediately.

(r) Provision for Taxation :

Tax expense comprises both current and deferred tax.

- (i) Current income tax is recognised at the amount expected to be paid to the tax authorities, using the tax rates and tax laws enacted or substantially enacted as at the Balance Sheet date. Income from shipping activities in India is assessed on the basis of deemed tonnage income of the Company. Foreign tax is recognised on accrual basis in accordance with the respective laws.
- (ii) Deferred income-tax is recognised on timing differences, between taxable income and accounting income which originate in one period and are capable of reversal in one or more subsequent periods only in respect of the non-shipping activities of the Company. The tax effect is calculated on the accumulated timing differences at the year end based on tax rates and laws, enacted or substantially enacted as of the Balance Sheet date.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period.

(s) Provisions and Contingent Liabilities :

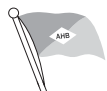
Provisions are recognised in the accounts in respect of present probable obligations, the amount of which can be reliably estimated.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group.

Note 2 : Basis of Consolidation

The consolidated financial statements relate to The Great Eastern Shipping Company Ltd., (GESCO) the Holding Company and its subsidiaries (collectively referred to as the Group). The consolidation of the financial statements of the Company with its subsidiaries has been prepared in accordance with the requirements of Accounting Standard (AS) 21 'Consolidated Financial Statements'. The financial statements of the parent and its subsidiaries are combined on a line by line basis and intra group balances, intra group transactions and unrealised profits or losses are fully eliminated.

In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Exchange gains/(losses) arising on conversion are recognised under Foreign Currency Translation Reserve.



Minority interest (upto previous year) in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the respective dates on which investments are made by the Holding Company in the Subsidiary Companies and further movements in their share in the equity, subsequent to the date of investment.

In the consolidated financial statements, 'Goodwill' represents the excess of the cost to the Company of its investment in the subsidiaries over its share of equity, at the respective dates on which the investments are made. Alternatively, where the share of equity as on the date of investment is in excess of cost of investment, it is recognised as 'Capital Reserve' in the consolidated financial statements.

Note 3 :

The financial statements of the subsidiaries used in the consolidation are drawn upto the same reporting date as that of the Holding Company i.e. March 31, 2013.

Note 4 :

The subsidiary companies considered in these consolidated financial statements are :

Sr. No.	Name of the Company	Country of Incorporation	% of Holding	
			Current Year	Previous Year
1	The Great Eastern Shipping Co. London Ltd.	U.K.	100%	100%
2	The Greatship (Singapore) Pte. Ltd.	Singapore	100%	100%
3	The Great Eastern Chartering L.L.C. (FZC)	U.A.E.	100%	100%
4	Greatship (India) Ltd. (100% holding with effect from 18/06/2012)	India	100%	98.11%
5	Greatship Global Holdings Ltd. (wholly owned subsidiary of Greatship (India) Ltd.)	Singapore		
6	Greatship Global Energy Services Pte. Ltd. (wholly owned subsidiary of Greatship Global Holdings Ltd.)	Mauritius		
7	Greatship Global Offshore Services Pte. Ltd. (wholly owned subsidiary of Greatship Global Holdings Ltd.)	Singapore		
8	Greatship Subsea Solutions Singapore Pte. Ltd. (wholly owned subsidiary of Greatship Global Offshore Services Pte. Ltd.)	Singapore		
9	Greatship Subsea Solutions Australia Pty. Ltd. (wholly owned subsidiary of Greatship Subsea Solutions Singapore Pte. Ltd.)	Australia		
10	Greatship (UK) Ltd. (wholly owned subsidiary of Greatship (India) Ltd.)	U.K.		
11	Greatship Global Offshore Management Services Pte. Ltd. (wholly owned subsidiary of Greatship Global Offshore Services Pte. Ltd.)	Singapore		

Note 5 : Share Capital

	Current Year		Previous Year	
	Nos.	(₹ in crores)	Nos.	(₹ in crores)
Authorised :				
Equity Shares of ₹ 10 each	30,00,00,000	300.00	30,00,00,000	300.00
Preference Shares of ₹ 10 each	20,00,00,000	200.00	20,00,00,000	200.00
	<u>50,00,00,000</u>	<u>500.00</u>	<u>50,00,00,000</u>	<u>500.00</u>
Issued :				
Equity Shares of ₹ 10 each	15,27,08,445	152.71	15,27,08,445	152.71
	<u>15,27,08,445</u>	<u>152.71</u>	<u>15,27,08,445</u>	<u>152.71</u>
Subscribed and Fully Paid :				
Equity Shares of ₹ 10 each	15,23,22,084	152.32	15,22,89,684	152.29
Add : Forfeited Shares (Amount : ₹ 30,358, Previous Year amount : ₹ 30,358)	2,518	-	2,518	-
	<u>15,23,24,602</u>	<u>152.32</u>	<u>15,22,92,202</u>	<u>152.29</u>
Subscribed and fully paid:				
Balance as per the last financial statement	15,22,89,684	152.29	15,22,89,684	152.29
Shares held in abeyance allotted during the period (see note (e) below)	32,400	0.03	-	-
Closing balance	<u>15,23,22,084</u>	<u>152.32</u>	<u>15,22,89,684</u>	<u>152.29</u>

(a) Terms/rights attached to equity shares :

The Holding Company has only one class of equity shares having a face value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General meeting. Interim dividend is paid as recommended by the Board of Directors.

During the year ended March 31, 2013, the dividend per share (including interim dividend) recognised as distribution to equity shareholders was ₹ 7.50 (Previous Year ₹ 6.50 per share).

In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

(b) Details of Shareholders holding more than 5% equity shares in the Holding Company :

	As on 31/03/2013		As on 31/03/2012	
	Nos.	% holding	Nos.	% holding
Equity Shares of ₹ 10 each fully paid				
Mr. Bharat Kanaiyalal Sheth	1,58,37,490	10.40%	1,59,35,607	10.46%
Mr. Ravi Kanaiyalal Sheth	1,43,62,504	9.43%	1,44,62,025	9.50%
Nalanda India Equity Fund Limited	1,05,24,139	6.91%	93,73,288	6.15%

(c) For the period of five years immediately preceding the date as at which the Balance Sheet is prepared :

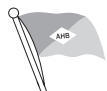
- No shares were allotted pursuant to contracts without payment being received in cash.
- No bonus shares have been issued.
- No shares have been bought back.

(d) There are no securities convertible into equity/preference shares.

(e) Under orders from the Special Court (Trial of Offences relating to Transactions in Securities) Act, 1992, the allotment of 2,53,522 (Previous Year 2,85,922) rights equity shares of the Company have been kept in abeyance in accordance with section 206A of the Companies Act, 1956 till such time as the title of the bonafide owner is certified by the concerned Stock Exchanges. During the year, the Company has allotted 32,400 shares out of these shares kept in abeyance. An additional 40,608 (Previous Year 40,608) shares have also been kept in abeyance for disputed cases in consultation with the Bombay Stock Exchange.

(f) Employee Stock Option Scheme :

The employee stock options of Greatship (India) Limited (GIL) were granted under five different Employee Stock Option Schemes ('Scheme/s') to the employees of GIL, the parent company and the subsidiaries. All the ESOPs are in respect of the GIL's shares where each stock option is equivalent to one equity share.



During the year under review, GIL has granted 1,36,800 options under ESOP 2010 as the last grant of options under the current Schemes. During the year, an encashment scheme was introduced by GIL granting an opportunity to the option grantees under all Schemes to encash all or part of their stock options vested upto March 31, 2012. The encashment scheme also provides for another window to be opened to encash stock options that would have vested as on March 31, 2015, if there is no IPO by that date.

During the year, a total of 7,65,940 options were encashed under the said encashment scheme and 56,900 options were forfeited, making the total options outstanding as on March 31, 2013 to 9,69,560. With the encashment of all the outstanding stock options under the Scheme ESOP 2008-I, the Scheme stands closed as on March 31, 2013.

The details of the various Schemes and movements during the year under review are summarised as under :

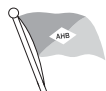
SR. NO.	PARTICULARS	ESOP 2007	ESOP 2007 - II	ESOP 2008 - I	ESOP 2008 - II	ESOP 2010
1	Date of Grant	10/08/07 28/01/08 05/05/09	28/01/08	12/02/08	23/10/08 19/03/09 05/05/09 24/07/09 23/10/09 28/12/09 18/03/10 30/04/10	23/09/10 30/04/11 24/10/11 27/04/12
2	Date of Board Approval	23/01/07	20/11/07	28/01/08	28/01/08	18/03/10
3	Date of Shareholders' Approval	27/03/07	21/11/07	31/01/08	31/01/08	23/04/10
4	Options approved*	10,00,000	2,00,000	1,00,000	17,10,000	10,28,900
5	Options outstanding at the beginning of the year	4,35,400	89,100	60,000	7,05,600	3,65,500
6	Options granted during the year	-	-	-	-	27/04/12 - 1,36,800
7	Options cancelled/forfeited during the year	-	-	-	4,740	52,160
8	Options exercised during the year	-	-	-	-	-
9	Options encashed during the year	3,38,980	63,500	60,000	2,70,600	32,860
10	Options outstanding at the end of the year	96,420	25,600	-	4,30,260	4,17,280
11	Exercise Price/Weighted Average Exercise Price	100	100	100	135	135
12	Exercise period from the date of vesting	One year from the date of vesting/listing whichever is later	One year from the date of vesting/listing whichever is later	One year from the date of vesting/listing whichever is later	One year from the date of vesting/listing whichever is later	One year from the date of vesting/listing whichever is later
13	Exercisable at end of the year	-	-	-	-	-
14	Method of Settlement	Equity/Cash	Equity	Equity	Equity/Cash	Equity
15	Vesting period from the date of grant	20% equally over a period of five years	One year	One year	20% equally over a period of five years	20% equally over a period of five years
16	Vesting conditions	Continued employment with the Company (includes transfer within group companies)	Continued employment with the holding company 'The Great Eastern Shipping Co. Ltd.' (includes transfer within group companies)	Continued employment with the holding company 'The Great Eastern Shipping Co. Ltd.' (includes transfer within group companies)	Continued employment with the Company or subsidiaries (includes transfer within group companies)	Continued employment with the Company or subsidiaries (includes transfer within group companies)

The employee stock options schemes are accounted based on the intrinsic value method. The compensation expense amount which is the difference between the exercise price of the option and the intrinsic value of the shares is amortised over the vesting period. Pursuant to the encashment scheme for Employee Stock Options (ESOPs) introduced by the Company, the cost of the options encashed at the fair value as determined under the scheme amounting to ₹ 2.50 crores (net of ₹ 2.12 crores transferred from Share Options Outstanding Account) has been recognised in the Statement of Profit and Loss as compensation expense. Since the encashment scheme also provides for another window to be opened in March 2015 to encash stock options that have vested till such date, the liability in respect of the outstanding options has also been measured at the fair value determined in accordance with the encashment scheme and the difference in the fair value and the exercise price is amortised over vesting period.

The cumulative amount of employee stock option expense amortised upto March 31, 2013 of ₹ 2.43 crores is included in long term provisions (Previous year ₹ 2.12 crores was included in Share Options Outstanding Account).

Note 6 : Reserves and Surplus

		(₹ in crores)	
		Current Year	Previous Year
(a) Capital Reserve :			
Balance as per last Financial Statement	18.93		18.93
Add : Addition during the year	2.11		-
		21.04	18.93
(b) Capital Redemption Reserve :			
Balance as per last Financial Statement	238.54		238.54
(c) Securities Premium Account :			
Balance as per last Financial Statement	153.74		153.74
(d) Debenture Redemption Reserve :			
Balance as per last Financial Statement	77.50		57.50
Add : Amount Transferred from Surplus	15.00		20.00
		92.50	77.50
(e) Tonnage Tax Reserve Account under section 115VT of the Income Tax Act, 1961 :			
Balance as per last Financial Statement	621.85		1036.85
Add : Amount Transferred from Surplus	40.00		30.00
	661.85		1066.85
Less : Amount Transferred to General Reserve	225.00		445.00
		436.85	621.85
(f) Statutory Reserves :			
Balance as per last Financial Statement	0.11		0.10
(g) Foreign Currency Translation Reserve :			
Balance as per last Financial Statement	266.74		39.67
Add : Gain/(Loss) on Foreign Currency Translation	86.41		227.07
		353.15	266.74
(h) Hedging Reserve Account (note 32) :			
Balance as per last Financial Statement	(641.24)		(186.46)
Add : Decrease/(Increase) during the Year (net)	(133.98)		(454.78)
		(775.22)	(641.24)
(i) Foreign Currency Monetary Item Translation Difference Account:			
Debit balance added during the year	(17.25)		-
Less : Transferred to Statement of Profit and Loss during the year	2.12		-
		(15.13)	-
(j) Employee Stock Options Outstanding :			
Balance as per last Financial Statement	2.12		2.42
Add : Compensation for Options granted during the Year	-		0.12
Less : Reversal on account of Lapsed Stock Options	2.12		0.42
		-	2.12
(k) General Reserve :			
Balance as per last Financial Statement	1610.54		1144.04
Add : Amount Transferred from Surplus	32.00		21.50
Add : Transfer from Tonnage Tax Reserve Account under section 115VT of the Income Tax Act, 1961	225.00		445.00
		1867.54	1610.54



		(₹ in crores)	
		Current Year	Previous Year
(l)	Surplus :		
	Balance as per last Financial Statement	3527.69	3404.08
	Add : Profit for the Year	537.76	316.55
	Less : Adjustment on cessation of Minority Interest in Subsidiary Company	27.38	-
	Less : Transfer to Tonnage Tax Reserve Account under section 115VT of the Income Tax Act, 1961	40.00	30.00
		3998.07	3690.63
	Less : Appropriations :		
	Transfer to General Reserve	32.00	21.50
	Transfer to Debenture Redemption Reserve	15.00	20.00
	Interim Dividend on Equity Shares	45.70	45.69
	Proposed Dividend on Equity Shares	68.54	53.72
	Dividend Distribution Tax	20.51	22.03
		181.75	162.94
		3816.32	3527.69
(m)	Minority Interest in the Reserves and Surplus	-	(32.87)
		6189.44	5843.64

Note 7 : Long-Term Borrowings

		(₹ in crores)			
		Non-current portion		Current maturities	
		Current Year	Previous Year	Current Year	Previous Year
(a)	Bonds/Debentures :				
	Secured :				
	9.80% 2500 Redeemable Non-Convertible debentures of ₹ 10,00,000 each redeemable on July 03, 2019	250.00	250.00	-	-
	[note (i) and (v) below]				
	Unsecured :				
	Redeemable Non-Convertible Debentures of ₹ 10,00,000 each -				
	(i) 9.70 % 1000 Debentures redeemable on January 18, 2023	100.00	100.00	-	-
	(ii) 9.70 % 1000 Debentures redeemable on January 07, 2023	100.00	100.00	-	-
	(iii) 9.70 % 500 Debentures redeemable on April 25, 2021	50.00	50.00	-	-
	(iv) 9.70 % 1500 Debentures redeemable on April 15, 2021	150.00	150.00	-	-
	(v) 9.70 % 1000 Debentures redeemable on February 02, 2021	100.00	100.00	-	-
	(vi) 9.60 % 2000 Debentures redeemable on November 10, 2019	200.00	200.00	-	-
	(vii) 9.75 % 2500 Debentures redeemable on August 20, 2019	250.00	250.00	-	-
	(viii) 9.35 % 1000 Debentures redeemable on February 08, 2019	100.00	100.00	-	-
	(ix) 9.40 % 1000 Debentures redeemable on January 06, 2019	100.00	100.00	-	-
	(x) 9.19 % 1000 Debentures redeemable on December 24, 2018	100.00	100.00	-	-
	(xi) 9.35 % 1000 Debentures redeemable on February 08, 2018	100.00	100.00	-	-
	(xii) 9.40 % 1000 Debentures redeemable on January 06, 2018	100.00	100.00	-	-
	[note (ii) and (v) below]				
(b)	Term Loans from Banks				
	Foreign Currency Loans from Banks (secured)	4058.02	4167.29	1097.23	787.68
	Swap Adjustments (unsecured)	(68.65)	(269.47)	(47.28)	(56.65)
	[notes (iii) to (v) below]				
	Subtotal :	3989.37	3897.82	1049.95	731.03
(c)	Finance Lease Obligations [note (vi)]	-	75.86	-	3.95
(d)	Deferred Loss on Sale and Leaseback Transaction	-	(1.22)	-	(0.29)
	Total (a + b + c + d)	5689.37	5672.46	1049.95	734.69
	Amount disclosed under the head "other current liabilities" (note 11)	-	-	1049.95	734.69
		5689.37	5672.46	-	-

Notes :

- (i) 9.80% 2500 Secured Redeemable Non-Convertible Debentures of ₹ 10,00,000 each, redeemable on July 03, 2019, are secured by exclusive charge on specified ships with 1.25 times cover on the book value of ships and additional security by way of mortgage on immovable property of the Company.
- (ii) The Company maintains unencumbered assets (including cash and cash equivalents) of market value not less than outstanding face value amount of the Unsecured Debentures.
- (iii) Foreign currency loans availed from banks carry interest rates of LIBOR plus 62 to 600 bps for USD loans and LIBOR plus 62 to 75 bps for JPY loans. Some loans are on fixed rate basis. The principal repayments are due quarterly/half yearly.

These loans are secured by mortgage of specified ships, a financial covenant to maintain unencumbered assets, assignment of shipbuilding contracts, assignment of earning, charge on earning account, assignment of swap contracts and insurance contracts/policies of specified vessels. The Holding Company has issued guarantees as securities for some loans.

- (iv) The Company has swapped the loans taken in JPY currency into USD currency as a condition precedent to the loan agreements. Consequent thereto, the swap balances outstanding at the year end are shown as an adjustment to the borrowings.
- (v) The repayments of Bonds/Debentures and Term Loans from Banks are as under :

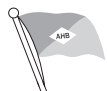
(₹ in crores)		
Period of repayment	Current Year	Previous Year
- between one to three years	2093.44	1712.73
- between three to five years	1486.55	1310.84
- over five years	2109.38	2574.25
	<u>5689.37</u>	<u>5597.82</u>

- (vi) In 2009, the Group entered into lease agreement whereby a motor vessel with net book value of ₹100.98 crores (previous year ₹94.64 crores) was sold and leased back. The loss arising from this sale and lease back transaction is deferred and amortised over the lease period of 8 years commencing from 10 September 2009. During the current financial year, the remaining finance lease liabilities relating to the said motor vessel were repaid in full and the deferred loss balance charged to the Statement of Profit and Loss.

The obligation under finance lease was secured by irrevocable and unconditional bareboat charter guarantee from the bareboat charter guarantor. The obligations in respect of the vessel taken under finance lease arrangement was as under:

(₹ in crores)		
Details	Current Year	Previous Year
Due within one year	-	12.08
Due within two to five years	-	44.58
Due over five years	-	65.81
	-	122.47
Less : Interest on finance charges allocated to future periods	-	42.66
	<u>-</u>	<u>79.81</u>

The finance lease had an effective interest rate of 10.30% (Previous Year 10.30%) per annum.



(vii) The (loss) on the above sale and lease back transactions was deferred and amortised as under :

(₹ in crores)		
Details	Current Year	Previous Year
Deferred (loss)	(1.51)	(1.80)
Transfer to Statement of Profit and Loss	1.51	0.29
	-	(1.51)

(viii) The Group does not have any continuing default in repayment of loans and interest as at the reporting date.

Note 8 : Other Long-Term Liabilities

(₹ in crores)		
	Current Year	Previous Year
Trade Payables (see notes below)		
(i) Outstanding Dues to Micro, Small and Medium Enterprises	-	-
(ii) Other Trade Payables	-	0.54
	-	0.54

Notes :

- (i) According to the information available with the Company regarding the status of the suppliers as defined under the 'Micro, Small and Medium Enterprises Development Act, 2006', no amount is overdue as on the reporting date, to Micro, Medium and Small Enterprises on account of principal or interest.
- (ii) Trade payables are subject to confirmation, reconciliation and adjustments, if any.

Note 9 : Provisions

(₹ in crores)				
	Long-term Provisions		Short-term Provisions	
	Current Year	Previous Year	Current Year	Previous Year
(i) Provision for Employee Benefits	23.22	18.57	17.87	18.82
(ii) Vessel Performance/Offhire Claims	-	-	5.06	10.18
(iii) Provision for Mark to Market Losses on Derivative Contracts considered as Cash Flow Hedges	-	-	779.19	648.78
(iv) Proposed Equity Dividend	-	-	68.54	53.72
(v) Provision for Dividend Distribution Tax	-	-	19.06	14.62
	23.22	18.57	889.72	746.12

The Company has recognised the following provisions in its accounts in respect of obligations arising from past events, the settlement of which is expected to result in an outflow embodying economic benefits.

(₹ in crores)		
	Current Year	Previous Year
Vessel performance/offhire claims -		
Provision have been recognised for the estimated liability for under-performance of certain vessels and offhire claims under dispute		
Opening balance	10.18	7.45
Additions during the year	1.68	4.52
Reversed/paid during the year	(6.80)	(1.79)
Closing balance	5.06	10.18

Note 10 : Trade Payables

	(₹ in crores)	
	Current Year	Previous Year
(a) Dues to Micro, Small and Medium Enterprises	-	-
(b) Others	234.98	240.96
	234.98	240.96

Notes :

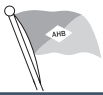
- (i) According to the information available with the Company regarding the status of the suppliers as defined under the 'Micro, Small and Medium Enterprises Development Act, 2006', no amount is overdue as on the reporting date, to Micro, Medium and Small Enterprises on account of principal or interest.
- (ii) Trade payables are subject to confirmation, reconciliation and adjustments, if any.

Note 11 : Other Current Liabilities

	(₹ in crores)	
	Current Year	Previous Year
(a) Current Maturities of Long Term Borrowings [see note 7(b)]*	1049.95	731.03
(b) Current Maturities of Finance Lease Payables [see note 7(c)]	-	3.95
(c) Current Amortisation of Deferred Loss on Sale and Leaseback Transaction [see note 7(d)]	-	(0.29)
(d) Income Received in Advance	37.73	25.72
(e) Liabilities towards Investor Education and Protection Fund, not due		
- Unpaid dividend	7.19	7.69
(f) Deposits received	10.86	-
(g) Other Liabilities	98.65	108.40
(h) Interest Accrued but not due on Borrowings	65.61	63.66
(i) Liability Associated with Asset Held for Sale	-	22.88
	1269.99	963.04

*Notes :

Current Maturities of Long-Term Borrowings includes ₹ 111.97 crores (previous year ₹ 'NIL') relating to a long-term borrowing reclassified as current as on the Balance Sheet date due to proposed refinancing arrangement.



Note 12 : Fixed Assets

Particulars	Cost					Depreciation			Impairment			Net Block			
	As at April 1, 2012	Additions for the Year	Adjustments/ Deductions for the Year [Note (d)]	Other Adjustments [Note (f)]	As at March 31, 2013	Upto March 31, 2012	Adjustments/ Deductions for Assets sold/ Discarded	For the year The year	Upto March 31, 2013	Upto March 31, 2012	Adjustments/ Deductions for assets sold/ Discarded [Note (c)]	For the year/ Transfer from Ships under Construction [Note (c)]	Upto March 31, 2013	As at March 31, 2013	As at March 31, 2012
Tangible Assets :															
Fleet	9051.29	1161.70	1191.47	254.74	9276.26	2095.79	253.42	498.13	2340.50	127.05	27.57	33.52	133.00	6802.76	6828.45
Plant and Equipment															
- Rigs	1813.54	917.84	-	121.54	2852.92	110.93	(7.67)	72.69	191.29	-	-	-	-	2661.63	1702.61
- Others	95.58	57.58	3.22	5.13	155.07	31.73	(1.54)	11.77	45.04	-	-	-	-	110.03	63.85
Leased Vessel	95.64	-	95.64	-	-	13.37	13.37	-	-	-	-	-	-	-	82.27
Land (Freehold and Perpetual Lease)	59.80	-	-	-	59.80	-	-	-	-	-	-	-	-	59.80	59.80
Ownership Flats and Buildings [Note (a)]	51.71	-	0.02	-	51.69	17.49	0.01	1.67	19.15	1.35	-	-	1.35	31.19	32.87
Furniture, Fixtures and Office Equipment	37.44	10.46	3.81	0.14	44.23	32.27	3.14	4.04	33.17	-	-	-	-	11.06	5.17
Vehicles	15.79	3.41	3.03	-	16.17	11.01	2.66	2.73	11.08	-	-	-	-	5.09	4.78
Sub-Total (A)	11220.79	2150.99	1297.19	381.55	12456.14	2312.59	263.39	591.03	2640.23	128.40	27.57	33.52	134.35	9681.56	8779.80
Intangible Assets :															
Software	5.84	0.72	0.26	0.01	6.31	2.34	0.21	1.36	3.49	-	-	-	-	2.82	3.50
Sub-Total (B)	5.84	0.72	0.26	0.01	6.31	2.34	0.21	1.36	3.49	-	-	-	-	2.82	3.50
Grand Total (A+B)	11226.63	2151.71	1297.45	381.56	12462.45	2314.93	263.60	592.39	2643.72	128.40	27.57	33.52	134.35	9684.38	
Previous Year Figures	9828.64	2201.62	1419.53	615.90	11226.63	2010.95	244.34	548.32	2314.93	128.40	37.15	37.15	128.40	-	8783.30
Non Current Asset Held For Sale [Net of Impairment Loss ₹ 'NIL'(Previous Year ₹ 21.37 crores)]														-	48.99
Ships under construction/Capital Work-in-progress [Net of impairment loss ₹ 'NIL' (Previous Year ₹ 27.57 crores)] [see Note (c)]														19.51	643.50
														9703.89	9475.79

Notes :

- The ownership flats and buildings include ₹ 11,760 (Previous Year ₹ 11,760) being value of shares held in various co-operative societies.
- The deed of assignment in respect of the Company's leasehold property at Worli is yet to be transferred in the name of the Company.
- Impairment loss amounting to ₹ 27.57 crores relating to one ship under construction was recognised in the earlier year under Ships Under Construction account which was transferred to Fleet cost on delivery of the said ship from the shipyard and adjusted from the book value of the fleet on sale of the said ship.
- Adjustments/deductions for the year include certain Plant and Equipment amounting to ₹ 'NIL' (previous year ₹ 76.60 crores) in the Rigs classified from Rigs to Plant and Equipment for a more accurate presentation of category of assets.
- During the current year, the Group has changed the estimated useful life for two of its second hand Platform Supply Vessels (PSVs) so as to depreciate the asset over 20 years from date of building as against date of acquisition. The depreciation charge for the year is higher by ₹ 5.72 crores consequent to change.
- Other Adjustments include amount of exchange loss/(gain) on account of fluctuation of the rupee against foreign currencies and losses/(gains) on hedging contracts (including on cancellation of forward covers), relating to long term monetary items for acquisition of depreciable capital assets, losses/(gains) on forward contracts for hedging capital commitments for acquisition of depreciable assets and exchange difference on translation of foreign currency balances of the foreign subsidiaries.

Note 13 : Non-current Investments

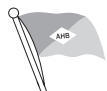
	Current Year		Previous Year	
	No. of shares	₹ in crores	No. of shares	₹ in crores
Trade Investments (valued at cost, fully paid unless stated otherwise)				
Equity Shares : Unquoted				
Seachange Maritime L.L.C.	11,04,000	65.15	11,04,000	61.06
Less : Provision for Diminution in Value of Investment		65.15		61.06
		-		-

Note 14 : Loans and Advances**(Unsecured - Considered Good, unless otherwise stated)****(₹ in crores)**

	Long-term Loans and Advances		Short-term Loans and Advances	
	Current Year	Previous Year	Current Year	Previous Year
(a) Security Deposits (Net of provision for doubtful long-term deposits ₹ 0.44 crores, Previous Year ₹ 0.44 crores)	2.28	2.66	13.23	8.59
(b) Advance Payment of Income-tax and Tax Deducted at Source (net of provision for tax)	0.77	2.43	-	-
(c) Inter-Corporate Deposits	-	-	-	90.00
(d) Amount recoverable on termination of Ship building contract	11.01	11.58	-	-
(e) Other Advances (Net of provision for doubtful short-term advances ₹ 2.02 crores, Previous Year ₹ 6.80 crores)	1.93	4.16	85.31	126.53
	15.99	20.83	98.54	225.12

Note 15 : Other Assets**(Unsecured - considered good, unless otherwise stated)****(₹ in crores)**

	Non-current		Current	
	Current Year	Previous Year	Current Year	Previous Year
(a) Non-current Bank Balances (note 19)	70.66	-	-	-
(b) Unamortised Ancillary Cost of arranging the Borrowings	25.54	29.65	9.22	5.94
(c) Interest Accrued	1.65	-	5.34	19.77
	97.85	29.65	14.56	25.71

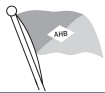


Note 16 : Current Investments (At lower of cost and fair value - fully paid)

Mutual Funds :

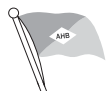
	Face Value ₹	Current Year		Previous Year	
		No. of Units	₹ in crores	No. of Units	₹ in crores
Quoted					
Axis Fixed Term Plan Series 20 Fund - Dividend Payout	10	-	-	2,50,00,000	25.00
Birla Sunlife Short Term FMP Series 31 Dividend	10	-	-	3,00,00,000	30.00
Canara Robeco Interval Series 2 - Quarterly Plan 2 - Inst Dividend Fund	10	-	-	50,00,000	5.00
DSP Black Rock FMP S32 - D	10	-	-	1,10,00,000	11.00
DSP Black Rock FMP S33 - D	10	-	-	1,50,00,000	15.00
DSP Black Rock FMP S36 - D	10	-	-	1,00,00,000	10.00
DWS Fixed Maturity Plan Series 5 Dividend Plan	10	-	-	70,00,000	7.00
JPM Fixed Maturity Plan Series 7 Dividend Plan	10	-	-	4,10,08,116	41.01
JPM Fixed Maturity Plan Series 6 Growth Plan	10	88,17,000	8.82	88,17,000	8.82
Kotak FMP Series 72 - Dividend	10	-	-	1,00,00,000	10.00
Kotak FMP Series 66 - Growth	10	-	-	2,00,00,000	20.00
Kotak Quarterly Interval Plan Series 1 - Growth	10	-	-	96,38,490	13.62
Kotak Quarterly Interval Plan Series 2 - Dividend	10	-	-	19,99,944	2.00
Kotak Quarterly Interval Plan Series 4 - Dividend	10	-	-	59,98,320	6.00
L&T FMP-V (February 368D A) - Dividend Payout	10	-	-	3,50,00,000	35.00
Reliance Monthly Interval Fund Series 1 Institutional Dividend Plan	10	-	-	39,96,842	4.00
Reliance Fixed Horizon Fund - XXI Series 8 Dividend Plan	10	-	-	40,00,000	4.00
Reliance Fixed Horizon Fund - XIX Series 4 Dividend Plan	10	-	-	2,15,00,000	21.50
Reliance Monthly Interval Fund Series 1 Institutional Growth Plan	10	-	-	13,80,148	2.00
Religare Fixed Maturity Series VIII Plan A Dividend Plan	10	-	-	2,50,00,000	25.00
Religare FMP Series XI Plan E - Growth Plan	10	-	-	1,05,10,000	10.51
SBI Debt Fund Series 59 Dividend	10	-	-	50,00,000	5.00
Tata Fixed Income Portfolio Fund Scheme C3 Growth	10	-	-	1,70,10,270	23.23
Tata Fixed Income Portfolio Fund Scheme A2 Growth	10	-	-	1,09,45,214	10.95
UTI Fixed Income Interval Fund Quarterly Plan Series -III- Institutional Dividend Plan - Re-investment	10	-	-	1,51,09,291	15.11
UTI Fixed Income Interval Fund Series II Quarterly Interval Plan VI -Institutional Dividend Plan Payout	10	-	-	99,97,401	10.00
UTI Fixed Income Interval Fund Quarterly Plan Series III DDP	10	30,22,346	3.03	-	-
UTI Fixed Term Income Fund Series XI - IV Dividend Plan Reinvestment	10	-	-	2,51,02,307	25.10
UTI Fixed Term Income Fund Series XIV VI (366 days)	10	51,32,712	5.13	-	-

	Face Value ₹	Current Year		Previous Year	
		No. of Units	₹ in crores	No. of Units	₹ in crores
Unquoted					
Axis Banking Debt Fund - Direct Plan - Daily Dividend Reinvestment	1000	1,75,793	17.60	-	-
Baroda Pioneer PSU Bond Fund Growth	10	1,54,08,163	19.28	-	-
Birla Sun Life Floating Rate Fund-STP-Daily Div -Reinvestment	100	-	-	8,04,136	8.04
Birla Sun Life Floating Rate Long Term Institutional Plan Daily Dividend	10	-	-	20,70,613	20.71
Birla Sun Life Gilt Plus - Regular - Quarterly Dividend - Reinvestment	10	-	-	2,04,82,648	25.01
Birla Sun Life Short Term Fund Growth	10	-	-	27,31,451	10.49
Birla Sunlife Cash Plus DD Regular Plan Reinvestment	100	11,14,160	11.16	-	-
Birla Sunlife Dynamic Bond Fund - Retail Plan - Monthly Dividend	10	-	-	6,06,14,136	63.70
Birla Sunlife Floating Rate Fund LTP DD Regular Plan Reinvestment	100	20,65,695	20.69	-	-
Birla Sunlife Income Plus - Quarterly Dividend - Reinvestment	10	4,71,91,448	59.65	4,41,14,892	53.67
Birla Sunlife Short Term Fund - Monthly Dividend - Direct Plan	10	11,22,31,468	130.87	4,89,02,406	56.06
BNP Paribas Short Term Income Fund Direct Plan - Growth Option	10	3,82,57,893	50.38	-	-
Canara Robeco Floating Rate Short Term Daily Dividend Reinvestment Fund	10	-	-	97,92,406	10.05
Canara Robeco Indigo Fund - Regular Quarterly Dividend	10	1,68,53,757	17.07	1,57,33,614	15.79
Canara Robeco Liquid Fund regular Daily Dividend Reinvestment Fund	1000	18,282	1.84	-	-
Canara Robeco Treasury Advantage Super Institutional Daily Dividend Reinvestment Fund	1000	-	-	41,359	5.13
DSP Black Rock Government Securities Fund - Direct Plan - Monthly Dividend	10	95,74,841	10.24	-	-
DSP Black Rock Government Securities Fund - Direct Plan - Growth	10	2,76,38,315	105.29	-	-
DWS Banking & PSU Debt Fund - Direct Plan - Growth	1000	1,55,13,000	15.51	-	-
Gold Bees	1000	1,95,334	45.81	1,92,532	44.93
ICICI Prudential Blended Plan B Direct Plan - Daily Dividend Option-I	10	12,67,66,298	127.91	-	-
ICICI Prudential Blended Plan B Institutional Daily Dividend Option - II	10	-	-	51,01,811	5.11
ICICI Prudential Blended Plan B - Direct Plan - Growth Option - I	10	4,51,20,504	78.23	-	-
ICICI Prudential Gilt Fund Investment - Direct Plan - Growth	10	1,79,36,428	24.00	-	-
ICICI Prudential Ultra Short Term - Direct Plan - Growth	10	2,33,49,881	27.52	-	-



	Face Value ₹	Current Year		Previous Year	
		No. of Units	₹ in crores	No. of Units	₹ in crores
ICICI Prudential Ultra Short Term Regular Plan DDR	10	1,49,71,823	15.06	-	-
IDFC - SSIF - Short Term - Direct Plan - Growth	10	1,13,98,011	26.91	-	-
IDFC - SSIF - Short Term - Plan A - Growth	10	-	-	4,19,35,030	51.70
IDFC Cash Fund Daily Dividend Regular Plan	1000	60,216	6.01	-	-
IDFC Dynamic Bond Fund - Quarterly Dividend- (Direct Plan)	10	15,60,57,952	160.46	-	-
IDFC Dynamic Bond Fund - Plan B - Dividend	10	-	-	5,07,49,977	54.14
IDFC Dynamic Bond Fund Plan B Growth	10	3,62,82,405	50.18	44,61,060	5.55
IDFC Money Manager Fund Investment Plan - Growth -(Direct Plan)	10	1,65,91,911	30.00	-	-
IDFC Money Manager Fund Investment Plan B Direct Plan Monthly Dividend Reinvestment	10	98,44,264	10.00	-	-
IDFC Money Manager Fund Investment Plan Inst. Plan B Daily Div	10	-	-	5,92,46,604	59.95
IDFC Ultra Short Term Fund Daily Dividend	10	-	-	20,72,559	2.08
Kotak Gilt (Investment Regular) - Direct Plan - Quarterly Dividend	10	5,03,30,429	65.47	-	-
Kotak Gilt (Investment Regular) - Growth	10	76,15,063	30.70	-	-
Kotak Gilt (Savings) - Direct Plan - Monthly Dividend	10	6,40,41,377	67.21	-	-
Kotak Liquid Scheme Plan A Daily Dividend	1000	16,513	2.02	-	-
Pinebridge India Short Term Fund Standard Growth	1000	1,72,129	24.07	-	-
Pramerica Dynamic Bond Fund - Monthly Dividend	10	-	-	1,81,675	18.19
Pramerica Short Term Floating Rate Fund Daily Dividend	1000	-	-	49,995	5.00
Pramerica Treasury Advantage Fund - Monthly Dividend Option - Reinvestment	1000	-	-	2,11,236	21.14
Reliance - Treasury Plan - Institutional Option - Daily Dividend Option	1000	46,954	7.18	-	-
Reliance Dynamic Bond Fund - Dividend Plan	10	1,07,43,765	14.28	-	-
Reliance Liquid Fund - Treasury Plan-Liquid Floater Regular Plan - Daily Dividend	10	-	-	13,22,364	2.02
Reliance Liquidity Fund-Daily Dividend Reinvestment Option	1000	-	-	55,58,489	5.56
Reliance Medium Term Fund - Daily Direct Dividend Plan	10	3,43,61,085	58.74	-	-
Reliance Medium Term Fund - Direct Growth Plan - Growth Option	10	4,23,16,638	102.52	-	-
Reliance Short Term Fund - Direct Dividend Plan	10	5,34,99,413	58.12	-	-
Reliance Short Term Fund - Quarterly Dividend Plan	10	59,08,461	8.15	-	-
Religare Gilt Fund Short Duration Plan - Direct Plan Growth	10	4,16,65,914	53.34	-	-

	Face Value ₹	Current Year		Previous Year	
		No. of Units	₹ in crores	No. of Units	₹ in crores
Religare Short Term Fund - Direct Plan Growth	10	2,17,99,404	34.22	-	-
Religare Ultra Short Term Fund - Direct Plan Growth	1000	3,40,579	55.00	-	-
SBI Gold Fund Dividend	10	1,00,00,000	10.00	1,00,00,000	10.00
SBI Magnum Gilt Fund - Long Term - Direct Plan - Growth	10	2,91,58,231	68.88	-	-
SBI Magnum Gilt Short Term Fund Direct Plan Growth	10	3,14,62,278	72.20	-	-
SBI Magnum Income Fund Savings Plus Bond Plan Daily Dividend	10	-	-	2,19,38,400	22.07
SBI Magnum Insta Cash Fund	1000	59,683	6.03	-	-
SBI Magnum Insta Cash Fund Liquid Floater - Direct Plan - Daily Dividend Reinvestment	10	39,766	4.02	-	-
SBI Premier Liquid Fund - Direct Plan - Daily Dividend Reinvestment	10	49,897	5.01	-	-
SBI Magnum Insta Cash Fund Liquid Floater - Direct Plan - Growth	10	95,534	19.16	-	-
SBI Short Term Debt Fund - Direct Plan - Growth	10	6,02,18,704	80.50	-	-
SBI Short Term Debt Fund - Direct Plan - Weekly Dividend	10	8,71,51,409	92.00	-	-
Sundaram Money Fund Regular Daily Dividend Reinvestment	10	82,76,577	8.36	30,64,991	3.09
Tata Gilt Securities Fund - Dividend	10	-	-	1,31,80,145	15.55
Tata Liquid Super High Investment Fund Daily Dividend	1000	-	-	62,837	7.00
Tata Liquid Super High Investment Fund Growth	10	-	-	51,830	10.26
TATA Liquidity Management Fund - Daily Dividend	1000	-	-	60,154	6.03
UTI Dynamic Bond Fund - Dividend Plan - Re-investment	10	-	-	7,30,51,091	74.69
UTI Dynamic Bond Fund - Growth Plan	10	-	-	14,38,47,546	165.61
UTI Money Market Fund - Institutional Daily Dividend - Re-Investment	1000	-	-	74,686	7.49
UTI Short Term Income Fund - Institutional Income Option - Growth Plan	10	-	-	4,29,12,238	53.73
Total Quoted and Unquoted Investments			2025.83		1315.39
Aggregate amount of quoted investments			16.98		395.85
Aggregate amount of unquoted investments			2008.85		919.54
			2025.83		1315.39
Market value of quoted investments			17.93		401.18
Aggregate diminution in value of investments considered above			1.76		2.20



Note 17 : Inventories
(Valued at lower of cost and net realisable value)

	(₹ in crores)	
	Current Year	Previous Year
(a) Stores and Spares on Board Rig	47.47	34.32
(b) Fuel Oils	85.43	78.99
	132.90	113.31

Note 18 : Trade Receivables
(Unsecured)

	(₹ in crores)	
	Current Year	Previous Year
Outstanding for a period exceeding six months from the date they are due for payment		
- Considered Good	14.99	10.57
- Considered Doubtful	24.65	38.00
Others		
- Considered Good	356.34	320.08
- Considered Doubtful	2.60	1.04
	398.58	369.69
Less : Provision for Doubtful Receivables	27.25	39.04
	371.33	330.65

Trade receivables are subject to confirmation, reconciliation and adjustments, if any.

Note 19 : Cash and Bank Balances

	(₹ in crores)			
	Non-current		Current	
	Current Year	Previous Year	Current Year	Previous Year
Cash and Cash Equivalents :				
(a) Balances with Banks :				
- On Current Accounts	-	-	1281.72	807.23
- Deposits having Original Maturity of less than three months	-	-	94.39	523.80
(b) Cheques/Drafts on Hand	-	-	0.18	-
(c) Cash on Hand	-	-	0.07	0.05
Sub Total (A)	-	-	1376.36	1331.08
Other Bank Balances :				
(a) Deposits with Original Maturity for more than 12 months	70.66	-	-	-
(b) Deposits having Original Maturity for more than 3 months but less than 12 months	-	-	451.85	724.85
(c) Balances with Banks on Unpaid Dividend Account	-	-	7.19	7.69
(d) Margin Money Deposits	-	-	151.57	80.01
Sub Total (B)	70.66	-	610.61	812.55
TOTAL (A+B)	70.66	-	1986.97	2143.63
Less : Amount disclosed under non-current assets [note 15 (a)]	70.66	-	-	-
	-	-	1986.97	2143.63
Margin Money given as security :				
Margin Money Deposits comprise of -				
(i) deposits placed with banks under a lien against facilities given by the banks.	-	-	115.57	53.11
(ii) deposit with banks in margin / reserve accounts	-	-	36.00	26.90

Note 20 : Revenue from Operations

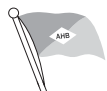
	(₹ in crores)	
	Current Year	Previous Year
(a) Revenue from -		
- Freight and Demurrage	1234.38	1158.69
- Charter Hire	1747.67	1775.56
	2982.05	2934.25
(b) Other Operating Revenue	24.64	21.24
	3006.69	2955.49

Note 21 : Other Income

	(₹ in crores)	
	Current Year	Previous Year
(a) Profit on Sale of Ships/Other Assets (net)	134.65	70.75
(b) Gain on Foreign Currency Transactions (net)	53.35	6.76
(c) Dividend from Units in Mutual Funds	64.26	68.14
(d) Interest Income -		
- on Bank Deposits	66.18	42.12
- on Inter-Corporate Deposits	8.37	13.90
- on Others	0.39	0.62
	74.94	56.64
(e) Profit on Sale of Current Investments	59.71	66.20
[Net of Diminution in Value of Current Investments ₹ 1.76 crores (Previous Year ₹ 2.20 crores)]		
(f) Provision for Loss on Onerous Incharter Hire Contract Written Back (net)	-	6.45
(g) Provision for Doubtful Debts and Advances Written Back	2.94	-
(h) Miscellaneous Income	3.91	2.84
	393.76	277.78

Note 22 : Employee Benefit Expenses

	(₹ in crores)	
	Current Year	Previous Year
(a) Salaries, Wages and Bonus	401.01	415.91
(b) Contribution to Provident and Other funds	12.42	17.00
(c) Employee Stock Option Scheme	4.93	(0.16)
(d) Staff Welfare Expenses	30.99	31.81
	449.35	464.56

**Note 23 : Other Expenses**

	(₹ in crores)	
	Current Year	Previous Year
(a) Fuel Oil and Water	430.91	415.99
(b) Port, Light and Canal Dues	90.91	82.67
(c) Stevedoring, Despatch and Cargo Expenses	3.22	6.48
(d) Hire of Chartered Ships	346.07	367.76
(e) Brokerage and Commission	18.47	18.25
(f) Agency Fees	7.99	10.12
(g) Consumption of Spares and Stores	166.29	164.98
(h) Repairs and Maintenance -		
- Fleet	129.19	105.31
- Building	0.75	1.08
- Others	7.14	7.68
	137.08	114.07
(i) Insurance -		
- Fleet Insurance and Protection Club Fees	55.31	46.28
- Others	1.61	1.99
	56.92	48.27
(j) Rent	7.99	7.82
(k) Rates and Taxes	0.31	0.88
(l) Bad Debts and Advances Written off	8.51	1.89
(m) Provision for Doubtful Debts and Advances	-	0.63
(n) Travelling Expenses	37.52	43.90
(o) Miscellaneous Expenses	85.65	121.21
	1397.84	1404.92

Note 24 : Finance Costs

Interest	348.58	313.46
Other Borrowing Costs	16.46	9.38
Exchange Difference to the extent considered as an adjustment to Borrowing Costs (see note below)	-	129.01
	365.04	451.85
Less : Pre-delivery Finance Costs Capitalised	20.33	14.53
	344.71	437.32

Note : In view of clarification dated August 9, 2012 received from Ministry of Corporate Affairs on treatment of "Effects of Changes in Foreign Exchange Rates", the adjustment of exchange difference to the borrowing costs is discontinued with effect from the year ended March 31, 2013.

Note 25 : Tax Expenses

Pursuant to the introduction of Section 115VA under the Income-tax Act, 1961, the Group has opted for computation of its income from Indian shipping activities under the Tonnage Tax Scheme. Thus income from the business of operating ships is assessed on the basis of the deemed Tonnage Income and no deferred tax is applicable to such income as there are no timing differences. Deferred tax asset in respect of non-tonnage income as at the end of the year is ₹ 1.18 crores. (Previous Year ₹ 1.31 crores).

Deferred tax asset in respect of the non-tonnage income of the Group for the period is comprised of :

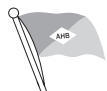
Particulars	Current Year	(₹ in crores) Previous Year
Difference in depreciation as per books and tax depreciation	1.12	1.19
Expenditure allowable for tax purposes on payment basis	0.06	0.12
	1.18	1.31

Charter hire income of the Singapore subsidiaries is exempt from income tax under section 13A of Singapore Income Tax Act as income is derived from rigs/vessels operating outside the limits of the port of Singapore. Future tax benefits arising from excess of tax written down value over book value of assets have not been recognised since there is no reasonable certainty of their recovery in future years.

No deferred tax asset has been recognised for Mauritian subsidiary as it is not probable that future taxable profit will be available against which the unused tax losses can be utilised.

Note 26 : Basic and Diluted Earnings per Share

	Current Year	Previous Year
(a) Net Profit After Tax (₹ in crores)	537.76	316.55
(b) Number of Equity Shares		
(i) Basic Earning per Share :		
Number of Equity Shares as at the beginning of the year	15,22,89,684	15,22,89,684
Allotment of shares held in abeyance	32,400	-
Number of Equity Shares as at the end of the year	15,23,22,084	15,22,89,684
Weighted Average Number of Equity Shares	15,22,99,981	15,22,89,684
(ii) Diluted Earning per Share :		
Weighted Average Number of Equity Shares	15,22,99,981	15,22,89,684
Add : Rights Shares kept in abeyance	3,16,233	3,26,530
Weighted Average Number of Equity Shares	15,26,16,214	15,26,16,214
(c) Face Value of Equity Share	₹ 10	₹ 10
(d) Earnings per Share :		
- Basic	₹ 35.31	₹ 20.79
- Diluted	₹ 35.24	₹ 20.74



Note 27 : Segment Reporting

a) Primary segment reporting by business segment :

(₹ in crores)

	Shipping		Offshore		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue :						
Total Revenue	2044.03	2027.15	1400.59	1227.04	3444.62	3254.19
Less : Inter Segment Revenue					44.17	20.92
Net Revenue					3400.45	3233.27
Results :						
Profit before tax and interest	327.21	402.42	601.88	414.05	929.09	816.47
Less : Interest					344.71	437.32
Total Profit before tax					584.38	379.15
Provision for taxation :						
- Current tax					44.97	58.72
- Deferred Tax					0.13	(0.43)
- Tax for Prior Years					1.52	-
Profit for the year after tax :					537.76	320.86
Less : Minority Interest					-	4.31
Net Profit					537.76	316.55
Other Information :						
Assets	8129.07	8341.43	6319.20	5337.53	14448.27	13678.96
Liabilities	1058.26	934.53	309.70	343.78	1367.96	1278.31
Capital Expenditure	551.66	1161.34	1156.28	668.27	1707.94	1829.61
Depreciation	363.33	357.13	229.06	191.19	592.39	548.32

b) Secondary segment reporting by geographical segment :

(i) Segment-wise Revenue :

(₹ in crores)

	Current Year	Previous Year
Revenue - outside India	1270.38	1450.65
Revenue - within India	2130.07	1782.62
	3400.45	3233.27

(ii) Substantial assets of the Group are ships/rigs, which are operating across the world, in view of which they cannot be identified by any particular geographical segment.

(iii) In view of (ii) above the total cost incurred during the year, geographical segment-wise is not ascertainable.

Note 28 : Operating Lease**Operating Lease Commitments – where the Group is a lessee**

The Group has taken premises and equipments on leave and license basis which is similar in substance to an operating lease. The lease has varying terms and renewal rights. The particulars of leasing arrangement are as under :

(₹ in crores)		
Details	Current Year	Previous Year
(i) Total Future Minimum Lease payments		
- Not later than 1 year	6.32	7.11
- Later than 1 year and not later than 5 years	13.64	19.28
- Later than 5 years	-	-
(ii) Lease payments recognised in the Statement of Profit and Loss for the year ₹ 7.99 crores (Previous Year ₹ 7.82 crores)		

Note 29 : Related Party Transactions

(I) List of Related Parties

Related parties with whom transactions have taken place during the year

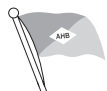
(a) Key Management Personnel :

Mr. K. M. Sheth	- Executive Chairman
Mr. Bharat K. Sheth	- Deputy Chairman and Managing Director
Mr. Ravi K. Sheth	- Executive Director
Mr. P. R. Naware	- Executive Director (of Greatship (India) Ltd. and its subsidiary companies)
Ms. Nirja B. Sheth	- Daughter of Deputy Chairman and Managing Director

(II) Transactions with Related Parties :

(₹ in crores)		
Nature of Transaction	Key Management Personnel	
	Current Year	Previous Year
Remuneration	18.09	13.86
- Mr. K. M. Sheth ₹ 3.73 crores (Previous Year : ₹ 2.84 crores)		
- Mr. Bharat K. Sheth ₹ 6.65 crores (Previous Year : ₹ 4.79 crores)		
- Mr. Ravi K. Sheth ₹ 5.14 crores (Previous Year : ₹ 5.03 crores)		
- Mr. P. R. Naware ₹ 2.43 crores (Previous Year : ₹ 1.07 crores)		
- Ms. Nirja B. Sheth ₹ 0.14 crores (Previous Year : ₹ 0.13 crores)		
Purchase of investments by Holding Company from	36.59	-
- Mr. Ravi K. Sheth ₹ 36.59 crores (Previous Year : ₹ 'NIL')		

Note : Dividend payments to Key Management Personnel have not been considered in the above disclosure.



Note 30 : Capital and Other Commitment

Estimated amount of contracts, net of advances paid thereon amounting ₹ 22.33 crores (Previous Year ₹ 247.01 crores), remaining to be executed on capital account and not provided for - ₹ 173.40 crores (Previous Year ₹ 1492.05 crores).

Note 31 : Contingent liabilities

		(₹ in crores)	
Sr. No.	Particulars	Current Year	Previous Year
Claims against the Group, not acknowledged as debts :			
(a)	Sales Tax demands under BST Act, CST Act and VAT Act against which the respective Company in the Group has preferred appeals.	7.46	7.46
(b)	Lease Tax liability in respect of a matter decided against a Company in the Group, against which the respective Company has filed a revision petition in the Madras High Court.	17.40	17.40
(c)	Demand from the Office of the Collector and District Magistrate, Mumbai City and from Brihanmumbai Mahanagarpalika towards transfer charges for transfer of premises not acknowledged by a Company in the Group.	4.34	4.34
(d)	Custom Duty Payable for clearance of a vessel under DFCEC Scheme.	-	8.82
(e)	Demand for Service Tax disputed by the respective Companies	32.21	31.99
(f)	Demand for income tax for various Assessment Years	14.56	-
(g)	Demand for Custom Duty disputed by the respective Companies [The Holding Company has given bank guarantees amounting to ₹ 2.71 crores (Previous Year ₹ 'NIL') against the said Custom Duty demand which are included under 'Guarantees' below]	7.22	0.69
Guarantees :			
(a)	Guarantees given by banks including performance and bid bonds, counter guaranteed by the respective Companies in the Group.	113.17	127.30
(b)	Guarantees given to banks on behalf of subsidiaries.	108.80	121.06

The Holding Company has also provided performance guarantees in favour of parties which have contracted with its subsidiaries which would require it to assume the benefits and costs of these contracts in the event the subsidiaries are not able to fulfill the same, in which event, the Holding Company does not expect any net liability or outflow of resources.

Note 32 : Hedging Contracts

The Group uses foreign exchange forward contracts, currency and interest rate swaps and options to hedge its exposure to movements in foreign exchange rates. The use of these foreign exchange forward contracts, currency and interest rate swaps and options reduces the risk or cost to the Group and the Group does not use the foreign exchange forward contracts, currency and interest rate swaps and options for trading or speculation purposes.

The Group also uses commodity futures contracts for hedging the exposure to bunker price risk.

1 Derivative Instruments Outstanding :

i) Cash Flow Hedges :

a) Commodity Futures Contracts for Import of Bunker :

Details	Current Year		Previous Year	
	Purchase	Sale	Purchase	Sale
Total No. of contracts outstanding	6	-	13	-
No. of units in MT under above contracts	19500	-	51000	-
Amount recognised in Hedging Reserve (loss)/ gain (₹ in crores)	0.73	-	9.03	-
Maturity Period	Upto 1 Year	-	Upto 2 Year	-

(b) Forward Exchange Contracts :

Details	Current Year		Previous Year	
	Purchase	Sale	Purchase	Sale
Total No. of contracts outstanding	-	36	-	12
Foreign Currency Value (USD in million)	-	49.000	-	6.000
Amount recognised in Hedging Reserve (loss)/gain (₹ in crores)	-	(2.87)	-	(2.66)
Maturity Period	- Upto 1 Year		-	Upto 1 Year

(c) Cross Currency Forward Exchange Contracts :

Details	Current Year	Previous Year
Total No. of contracts outstanding	-	1
Cross Currency Australian Dollars to US Dollars (in millions)	-	1.04
Amount recognised in Hedging Reserve (loss)/gain (₹ in crores)	-	0.06
Maturity Period	-	Upto 3 Months

(d) Forward Exchange Option Contracts :

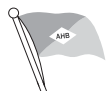
Details	Current Year		Previous Year	
	Purchase	Sale	Purchase	Sale
Total No. of contracts outstanding	-	-	-	68
Foreign Currency Value (USD in million)	-	-	-	98.000
Amount recognised in Hedging Reserve (loss)/gain (₹ in crores)	-	-	-	(62.96)
Maturity Period	-	-	-	Upto 1 Year

(e) Interest Rate Swap Contracts :

Details	Current Year	Previous Year
Total No. of contracts outstanding	21	17
Principal Notional Amount (USD in million)	408.215	376.301
Amount recognised in Hedging Reserve (loss)/gain (₹ in crores)	(85.03)	(93.10)
Maturity Period	Upto 8 Years	Upto 9 Years

(f) Interest portion of Currency Swap Contracts :

Details	Currency	Current Year	Previous Year
Total No. of contracts outstanding		11	11
Principal Notional Amount (JPY in million)	JPY/USD	15893.228	19203.977
Amount recognised in Hedging Reserve (loss)/gain (₹ in crores)		(40.55)	(40.81)
Maturity Period		Upto 6 Years	Upto 7 Years


(g) Currency Swap Contracts :

Details	Currency	Current Year	Previous Year
Total No. of contracts outstanding		13	13
Principal Notional Amount (₹ in crores)	INR/USD	1700.00	1700.00
Amount recognised in Hedging Reserve (loss)/gain (₹ in crores)		(651.47)	(449.03)
Maturity Period		Upto 10 Years	Upto 11 Years

ii) (a) Forward Exchange Contracts :

Details	Current Year		Previous Year	
	Purchase	Sale	Purchase	Sale
Total No. of contracts outstanding	2	11	3	6
Foreign Currency Value (USD in million)	5.830	26.000	4.554	16.000
Maturity Period	Upto 1 Month	Upto 9 Months	Upto 1 Month	Upto 6 Months

(b) Spot Currency Contracts :

Details	Current Year		Previous Year	
	Purchase	Sale	Purchase	Sale
Total No. of contracts outstanding	1	1	-	-
Foreign Currency Value (USD in million)	2.100	3.000	-	-
Maturity Period	Upto 1 Month	Upto 1 Month	-	-

(c) Principal portion of Currency Swap Contracts :

Details	Currency	Current Year	Previous Year
Total No. of contracts outstanding		11	11
Principal Notional Amount (JPY in million)	JPY/USD	15893.228	19203.977
Maturity Period		Upto 6 Years	Upto 7 Years

The above mentioned derivative contracts having been entered into to hedge foreign currency risk of firm commitments and highly probable forecast transactions and the interest rate risk, have been designated as hedge instruments that qualify as effective cash flow hedges. The mark-to-market loss / (gain) on the foreign exchange derivative contracts outstanding as on March 31, 2013 amounting to loss of ₹ 779.19 crores (Previous Year ₹ 639.47 crores) has been recorded in the Hedging Reserve Account.

In addition to above, the balance in Hedging Reserve Account also includes gain on cancellation of forward contracts amounting to ₹ 3.97 crores (Previous Year : loss of ₹ 1.77 crores) which will be recognised in the Statement of Profit and Loss in the same period or periods during which the hedged transaction affects profit and loss or is transferred to the cost of the hedged non-monetary asset upon acquisition in accordance with the principles of hedge accounting enunciated in Accounting Standard '(AS) 30 – Financial Instruments : Recognition and Measurement' as issued by the Institute of Chartered Accountants of India.

2 Un-hedged Foreign Currency Exposures as on March 31 :

Details	Currency	Current Year in millions	Previous Year in millions
Loan Liabilities and Payables	AED	0.997	0.773
	AUD	0.428	7.278
	BRL	20.620	7.399
	CHF	0.006	0.002
	DKK	0.591	0.717
	EUR	0.902	0.241
	GBP	0.187	0.568
	JPY	39.672	41.037
	NOK	0.248	0.047
	SEK	0.220	-
	SGD	2.360	4.355
	USD	1327.533	1337.289
	ZAR	0.060	-
Receivables	AED	-	0.462
	AUD	0.012	2.825
	BRL	14.113	6.222
	EUR	0.626	0.010
	GBP	0.016	0.001
	JPY	2.665	16.996
	SEK	0.213	-
	SGD	0.041	0.084
	USD	29.514	53.270
Bank Balances	AED	1.267	0.190
	AUD	0.760	2.699
	DKK	0.333	0.124
	EUR	0.335	0.097
	GBP	0.158	0.078
	NOK	0.276	0.159
	SGD	0.874	0.310
	USD	294.664	270.974

Note 33 : General

The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Parent Company for its separate financial statements. Previous year's figures have been regrouped/restated wherever necessary to conform to current year's classification.

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