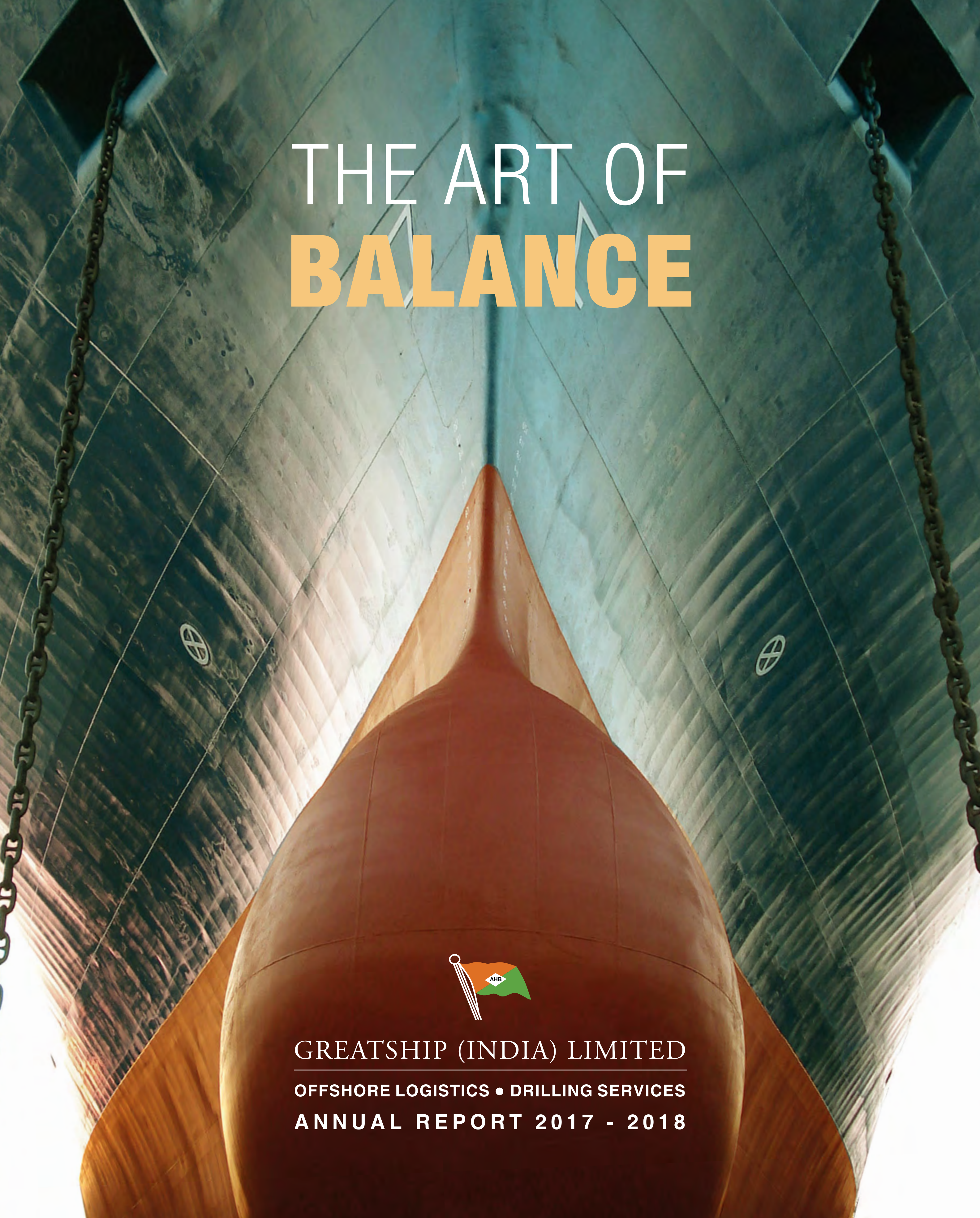


THE ART OF BALANCE

GREATSHIP (INDIA) LIMITED

OFFSHORE LOGISTICS • DRILLING SERVICES

ANNUAL REPORT 2017 - 2018

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS	
Chairman	Mr. Bharat K. Sheth
Managing Director	Mr. Ravi K. Sheth
Executive Director	Mr. P. R. Naware
	Mr. Anil Singhvi Mr. Keki Mistry Mr. Mathew Cyriac Mr. Shashank Singh Dr. Swaroop Rawal Mr. Vineet Nayyar
REGISTERED OFFICE	Indiabulls Finance Centre Tower 3, 23rd Floor Senapati Bapat Marg Elphinstone Road (West) Mumbai 400 013
CORPORATE IDENTITY NUMBER	U 63090 MH 2002 PLC 136326
AUDITORS	Deloitte Haskins & Sells LLP Chartered Accountants Indiabulls Finance Centre Tower 3, 27th - 32nd Floor Senapati Bapat Marg Elphinstone Road (West) Mumbai 400 013
CHIEF FINANCIAL OFFICER	Mr. G. Shivakumar
COMPANY SECRETARY	Ms. Amisha Ghia
WEBSITE	www.greatshipglobal.com

KEY PERFORMANCE INDICATORS (CONSOLIDATED)

5 YEARS AT A GLANCE

₹ in Crores

	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Profit & Loss A/c					
Revenues	1,604.73	1,659.16	1,875.81	1,431.15	1,001.54
Operating Profit (PBIDT)	986.99	953.74	1,228.51	885.87	541.88
Net Profit (PAT)	463.78	516.94	523.77	154.71	(374.88)
Balance Sheet					
What the Company owned					
Fixed Assets	5,617.29	6,630.77	5,258.62	4,709.87	4,272.14
Investments & Net Current Assets (net of long term portion of current liabilities & provisions)	660.06	797.27	1,068.87	1,243.81	927.57
Deferred Taxation (Net)	1.95	0.90	12.14	11.18	-
TOTAL	**6,279.30**	**7,428.94**	**6,339.63**	**5,964.86**	**5,199.71**
What the Company owed					
Loans	2,806.98	3,470.28	3,241.24	2,745.21	2,346.92
Shareholders' Funds					
Equity Share Capital	111.35	111.35	111.35	111.35	111.35
Preference Share Capital *	134.12	119.62	-	-	-
Reserves & Surplus	3,226.85	3,727.69	2,987.04	3,108.30	2,741.44
	3,472.32	3,958.66	3,098.39	3,219.65	2,852.79
TOTAL	**6,279.30**	**7,428.94**	**6,339.63**	**5,964.86**	**5199.71**

(US$ in Millions)

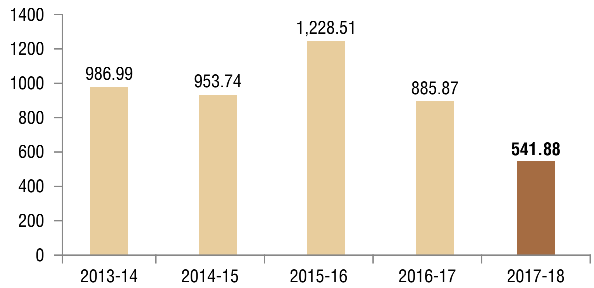
IN US DOLLARS	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Profit & Loss A/c					
Revenues (US$ mn)	266.12	271.42	287.26	213.25	155.33
Operating Profit (PBIDT)	163.68	156.02	188.13	132.00	84.04
PAT (US$ mn)	76.91	84.56	80.21	23.05	(58.14)
Balance Sheet					
What the Company owned					
Fixed Assets	937.46	1,060.92	793.75	726.27	655.49
Investments & Net Current Assets (net of long term portion of current liabilities & provisions)	110.16	127.58	161.34	191.81	142.31
Deferred Taxation (Net)	0.32	0.14	1.83	1.72	-
Total Assets	**1,047.94**	**1,188.64**	**956.92**	**919.79**	**797.80**
What the Company owed					
Loans	468.45	555.25	489.24	423.32	360.09
Shareholders' Funds					
Equity Share Capital	18.58	17.82	16.81	17.17	17.08
Preference Share Capital *	22.38	19.14	-	-	-
Reserves & Surplus	538.53	596.43	450.87	479.31	420.63
	579.49	633.39	467.68	496.48	437.71
TOTAL	**1,047.94**	**1,188.64**	**956.92**	**919.79**	**797.80**

	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Debt-equity Ratio	1.05:1	1.06:1	1.05:1	0.85:1	0.82:1
Net Debt-equity Ratio	0.86:1	0.86:1	0.76:1	0.49:1	0.46:1
Return On Operating Networth (%)	15.09%	14.33%	18.61%	4.90%	(12.36%)
Return On Operating Capital Employed (%)	10.44%	9.32%	10.32%	5.05%	(3.99%)
Earning Per Share (in ₹)	39.64	44.47	47.04	13.89	(33.67)

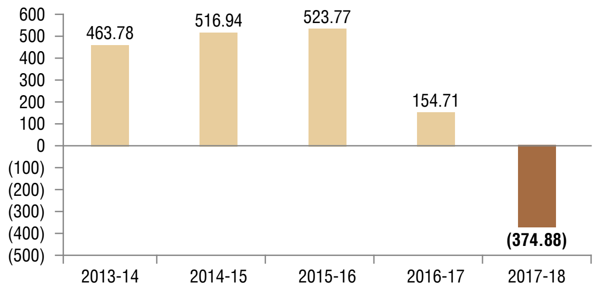
* As per Ind AS, Preference share capital has been designated as financial liability (Loans) wef April 1, 2015 .

5 YEARS TREND

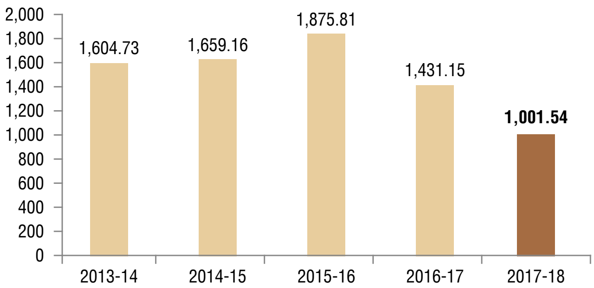
OPERATING PROFIT (PBIDT) (₹ in Crores)



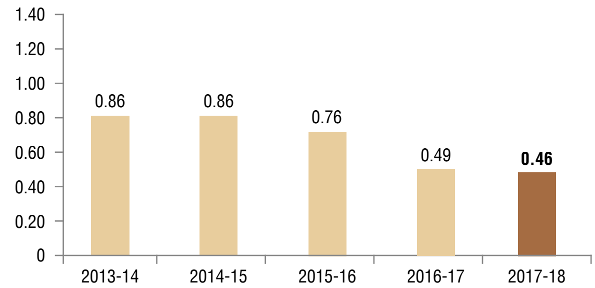
NET PROFIT (PAT) (₹ in Crores)



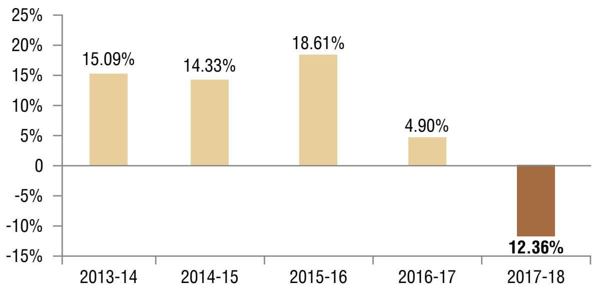
REVENUES (₹ in Crores)



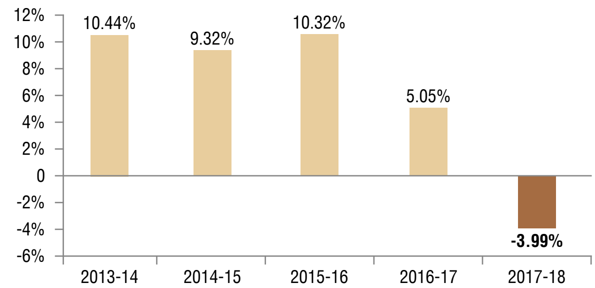
NET DEBT-EQUITY RATIO



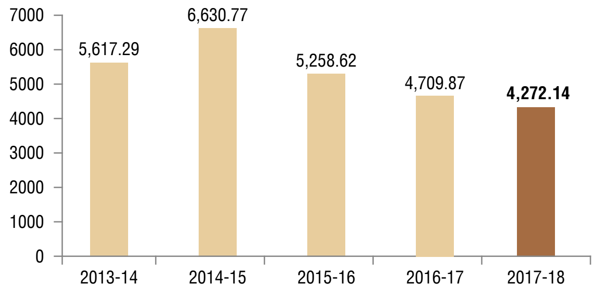
RETURN ON OPERATING NETWORTH (%)



RETURN ON OPERATING CAPITAL EMPLOYED (%)



FIXED ASSETS# (₹ in Crores)



Note

Return on Operating Networth & Return on Operating Capital Employed: Shareholders' Funds & Total capital employed has been reduced by capital employed in ships under construction as follows:

FY 14 ₹ 217 Crores ,FY 15 ₹ 0.48 Crores, FY 16 ₹ NIL Crores, FY 17 ₹ NIL crores and FY 18 ₹ 5.84 crores.

Figures are net of Impairment:

Impairment loss recognised in each FY are as follows:

FY 14 ₹ 8.12 Crores ,FY 15 ₹ NIL Crores, FY 16 ₹ 163.69 Crores, FY 17 ₹ 184.33 Crores and FY 18 ₹ 206.39 crores.

Dear Shareholders,

As another year in this unprecedented downturn in the offshore oil and gas services market comes to an end, we take this opportunity to update you on the state of offshore markets and your company's positioning through these difficult times.

In last year's management statement we highlighted the structural challenges faced by the offshore markets. Oil prices had recovered from the lows of 2016 and was trading in a range of high 40s and low 50s. The expectation was that any upside to oil prices would be capped by a ramp up in supply by shale players. Offshore E&P spending was subdued. Contracts were getting terminated or renegotiated. Every tender for services was keenly contested which brought down rates to marginally above operating costs. Financially unsustainable entities were undergoing restructurings and bankruptcies. Given the supply overhang of vessels and rigs, charter rates and utilization in these segments were not expected to improve.

By and large this script played out throughout FY 18 as well. However the big difference today is a sharply higher oil price. Despite record high shale (US) production, OPEC's adherence to production cuts and sharp drop in output in Venezuela and Libya has resulted in big inventory draws bringing OECD inventories down to 5 year averages. This together with geopolitical tensions and fairly robust demand growth provided strong support to oil prices.

At the prevailing oil prices, and factoring in the sharp reductions in field development costs, most offshore projects should be profitable. The last three years of very low investments is showing its effects in terms of accelerated field depletion rates and record low reserve replacement ratio. Given these circumstances, on the face of it, one would expect a sharp rebound in offshore E&P spending triggering an improvement in activity and demand for oil field services. Yet, so far, we do not see commensurate evidence of this happening in offshore oil field sector. This can be ascribed to a few key factors at play:

- **Capital allocation priorities of E&P Companies:** After burning their fingers on the long gestation offshore projects, E&P companies have shifted their preference towards short cycle onshore (Shale) projects. From risk management perspective, these projects are relatively easier to sanction. Hence for most E&P companies, offshore projects are last in line for capital allocation. This is evident in the big jump in onshore oil rig count (from ~320 rigs in 2016 to current ~ 800+).
- **Long lead times:** A corollary point to the above, it takes 2-3 years for large offshore projects to move from sanctioning to implementation. Hence lack of sanctioning in 2015 to 2017 will show up in lack of demand from 2018-2020. Hence a material pick-up in demand will probably take a while to materialise.
- **Skepticism on sustainability of the oil price:** While the spot oil has rallied on the back of artificial restraints on supplies, the long end of the oil forward curve has barely moved. This is an indication of market belief that eventually the oil markets will be well supplied through (a) formal withdrawal OPEC cuts or informal increased supply through lack of adherence by members at higher oil price (b) higher US onshore production and (c) eventual tapering off of demand growth in response to higher prices.

Despite these factors, the headwinds facing offshore markets have certainly abated. The NOCs and IOCs which have traditionally been big players in offshore oil and gas market and have limited exposure to onshore oil, will find it relatively easy to start committing new investments. After 3 years of double digit year on year declines, spending should start inching higher resulting in an improved demand for services. At the same time, vessels and rigs that have been stacked for long time face prohibitive reactivation costs and aversion from E&P operators. As a result a significant portion of stacked vessels and rigs may not return to the market.

Most market participants now believe that a bottom is in place for the offshore markets and the favourable adjustment from both sides will aid a recovery. However, there are varied opinions on the trajectory of the recovery. The early movers who have invested in assets or cleaned up balance sheets (and thus created maximum leverage to the recovery) and the brokerage houses are talking up the market and see quick structural adjustments and an imminent recovery. While banks and conservative owners, looking at the large imbalance that exists, see a much more gradual recovery.

In our last year's statement we talked about the severe financial stress prevalent in the offshore industry. Over the past one year many companies entered and emerged out of bankruptcy, restructuring processes. Due to conversion of debt to equity, most companies were left with very little debt and overnight got converted from the weakest balance sheet in the industry to the strongest balance sheets, highly geared towards the potential market recovery. However, as a result of these processes, pre-existing shareholders stake in these companies was diluted down to insignificant levels leaving them with virtually no participation in the potential recovery.

Financial Performance:

We entered the downturn with a reasonably strong contract backlog secured during the good years. Over the last 3 years this has cushioned us the brunt of the dreadful market conditions and helped us in reporting among the best financial performance in the industry. However as the old charters wind down and new fixtures get done at current market levels, this will have significant adverse impact on company's profitability.

Our business is characterized by a volatile revenue base and a relatively inflexible cost base. Hence drop in charter rates and utilisation and its impact on revenues flows straight down to the bottom line. However throughout this down turn we have focused on optimizing our operating costs without compromising on quality. In these uncertain markets, our credibility and financial stability has helped us attract the best talent available in the market and has provided great comfort to our suppliers and vendors. We have leveraged on these strengths in order to optimize our costs and to some extent soften the impact of drop in revenues.

For the financial year 2017-18, your company has shown a loss of INR 375 crores. While drop in revenues did affect our financial performance significantly, the primary reasons behind the reported losses are two non-cash costs namely impairment and deferred tax liability. Excluding these two non-cash items, the operating cash flows were reasonably strong.

During the year we undertook a big refinancing activity which extended the maturity of our debt repayments and reduced the annual cash outflows towards debt servicing, and has further enhanced our financial position. We ended the year with a cash balance of about USD 160 million on our balance sheet.

The gross debt on the balance sheet reduced from USD 423 million at the start of the year to USD 360 million. As a result, our net debt to equity ratio reduced marginally from 0.49 to 0.46.

Looking ahead:

During the last 3 years we have managed to secure business for many assets. However the pricing point for each contract has been significantly lower than previous contract. Offshore logistics and drilling market in India is primarily a long term business. Due to fixed tenure of tenders, as owner of vessels and rigs we have very little choice in choosing the tenure of contracts. As a result, capacity locked in at current low rates would adversely affect financial performance in the future despite a broader market recovery. We also expect that the Indian market, given the concentration of domestic players and localized competition would tend to lag any recovery in international markets.

Looking ahead, to the extent possible we would look to create optionality for deployment of our assets and yet maintain a reasonable contract backlog.

As we emerge from an unprecedented downturn, we can draw some satisfaction on how we managed this downturn relative to the industry. As the market recovery gathers steam, we remain hopeful of generating reasonable full cycle returns for the shareholder.

We sincerely thank all the stakeholders for their unwavering support throughout these challenging times.

Warm Regards

Bharat K. Sheth

Ravi K. Sheth

BOARD'S REPORT

Your Directors have pleasure in presenting the Sixteenth Annual Report for the year ended March 31, 2018.

FINANCIAL HIGHLIGHTS

The Financial Highlights of the Company for the current year and previous year on a standalone and consolidated basis are as under:

(₹ in Crores)

	STANDALONE		CONSOLIDATED	
PARTICULARS	Current Year	Previous Year	Current Year	Previous Year
Total Revenue	1057.00	1310.56	1001.54	1424.66
Total Expenses	591.19	913.12	611.97	694.73
Depreciation and amortisation expense	203.17	133.37	277.17	304.30
Impairment loss	166.50	157.52	206.39	184.33
Profit before tax	**96.14**	**106.55**	**(93.99)**	**241.30**
Less: Provision of tax				
- Current tax	71.00	84.42	70.89	85.63
- Deferred Tax	40.00	0.96	210.00	0.96
Profit/(Loss) for the year after tax	**(14.86)**	**21.17**	**(374.88)**	**154.71**
Retained Earnings				
Balance at the beginning of the year	**464.84**	**451.66**	**989.79**	**843.07**
Add: Profit/(Loss) for the year after tax	(14.86)	21.17	(374.88)	154.71
Add: Other Comprehensive Income	2.01	2.01	2.02	2.01
Less: Transfer to Tonnage Tax Reserve Account under section 115VT of the Income-tax Act, 1961	0.50	10.00	0.50	10.00
Balance at the end of the year	**451.49**	**464.84**	**616.43**	**989.79**

The highlights of the performance/operations of the Company are included in detail in the report on 'Management Discussion and Analysis' which is annexed as Annexure 1 to this Report.

DIVIDEND

The Company has made a loss during the financial year ended on March 31, 2018. Although the Company has sufficient accumulated profits and free reserves, there is a need to conserve resources in the face of the unfavourable market conditions plaguing the global offshore industry and accordingly, your directors have not recommended any dividend on equity shares for the year ended March 31, 2018.

Dividends on the Preference Shares of the Company for the financial year ended March 31, 2018 would be payable out of the accumulated profits of the Company on May 21, 2018 (May 20, 2018, being a non-working day), in accordance with the terms of preference shares:

1) ₹ 9.68 crores on 44,500,000 fully paid preference shares of face value of ₹ 10 each at the rate of 21.75% and

2) ₹ 13.64 crores on 60,624,000 fully paid preference shares of face value of ₹ 10 each at the rate of 22.50%.

The aggregate outflow of the Company on account of dividend for the year on Preference Shares would be ₹ 23.32 crores.

SHARE CAPITAL

The total paid up share capital of your Company as on March 31, 2018 is ₹ 111.35 crores comprising of 111,345,500 equity shares of ₹ 10 each and 105,124,000 preference shares of ₹ 10 each. The details of the total outstanding preference shares under two series as on March 31, 2018 are as under:

i) Series I - 44,500,000 preference shares of face value of ₹ 10 each with dividend rate of 21.75% p.a. and

ii) Series II - 60,624,000 preference shares of face value of ₹ 10 each with dividend rate of 22.50% p.a.

In November 2017, terms of Series II preference shares were modified to defer its redemption by seven years and the shares would now be redeemed in four equal annual instalments of 15,156,000 shares commencing from April 2025 instead of April 2018. All other terms remain unchanged.

EMPLOYEE STOCK OPTIONS

As on March 31, 2018, the total options outstanding were 151,060. The information on the Schemes as on March 31, 2018 is annexed as Annexure 3 to this Report.

In March 2018, the Board approved the proposal to allow encashment of all the remaining outstanding options as on March 31, 2018 under the existing Employee Stock Option Schemes.

SUBSIDIARIES

As on March 31, 2018, your Company has 5 wholly owned subsidiaries as under (together referred to as 'Subsidiaries'):

a) Greatship Global Energy Services Pte. Ltd., Singapore

b) Greatship Global Holdings Ltd., Mauritius

c) Greatship Global Offshore Services Pte. Ltd., Singapore

d) Greatship (UK) Limited, United Kingdom

e) Greatship Oilfield Services Limited, India

Your Company has till date invested ₹ 2068.91 crores (after considering impairment of ₹ 31.90 crores during the year) in its Subsidiaries. A statement pursuant to Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, containing the salient features of the financial statements of your Company's subsidiaries has been attached along with the financial statements of your Company.

Group Restructuring

During the previous financial year, your Company had commenced the group restructuring exercise whereby GIL had acquired full ownership of its Singapore subsidiary Greatship Global Energy Services Pte. Ltd. (GGES) in March 2017.

As a part of the restructuring exercise, during the year under review, your Company has acquired four jack-up rigs along with its Plant, Machinery & Equipments/Owner Furnished Equipments (the 'Rigs') from GGES in June 2017. As part consideration for acquisition of the Rigs, your Company has taken over the outstanding bank borrowings of GGES and the balance outstanding consideration is to be settled by June 2018, in accordance with the Memorandum of Agreement (as amended).

Further, during the year under review, the Board of Directors of your Company and its wholly owned subsidiary in Mauritius, Greatship Global Holdings Ltd. (GGHL), have approved a cross border merger of GGHL with your Company. Your Company and GGHL have commenced the process for the merger and made the necessary applications to the relevant authorities for their approval.

The summary of performance of Subsidiaries is as follows:

a) Greatship Global Energy Services Pte. Ltd., Singapore (GGES)

As mentioned above in June 2017, GGES has sold all its Rigs to the Company. GGES has incurred a profit of USD 8.54 Mn for the current financial year as against the loss of USD 198.54 Mn, after accounting for impairment of USD 223.7 Mn in the asset values, in the previous year.

b) Greatship Global Holdings Ltd., Mauritius (GGHL)

As mentioned above, during the year, GIL and GGHL have commenced the process of merger of GGHL with GIL. GGHL is the holding company of GGOS.

c) Greatship Global Offshore Services Pte. Ltd., Singapore (GGOS)

GGOS owns and operates three offshore support vessels which include one Anchor Handling Tug cum Supply Vessel (AHTSV) and two Multipurpose Platform Supply and Support Vessels (MPSSVs). GGOS, after accounting for an impairment of USD 15.62 Mn in asset values, incurred a loss of USD 20.14 Mn for the current financial year as against the loss of USD 19.96 Mn in the previous year, after accounting for an impairment of USD 16.32 Mn in asset values.

d) Greatship (UK) Limited, United Kingdom (GUK)

During the year under review, the term of the charter party for the remaining/second ROV Support Vessel (ROVSV) inchartered from the Company was completed. GUK's loss for the current financial year amounted to USD 0.02 Mn as against the profit of USD 0.41 Mn in the previous year.

e) Greatship Oilfield Services Limited, India (GOSL)

During the year under review, GOSL has been exploring possible business opportunities. GOSL has incurred certain expenses resulting into losses of Rs 0.04 crores for the current financial year (Previous Year: NIL).

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has in place adequate internal financial control systems commensurate with the nature of its business and the size of its operations. The Company has an internal control framework which establishes the essential components of internal controls.

These processes and controls include various activities such as approvals, authorisations, verifications, reconciliations, reviews of operating and financial performance, security of assets, segregation of duties, preventive and defective controls. The policies and procedures adopted by the Company ensure the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. These systems are tested from time to time through internal and external audits.

The internal audit covering the key business processes of the Company is carried out by a firm of external Chartered Accountants. In the beginning of the year, the scope of the internal audit is finalized in consultation with the Audit Committee. The audit reports with significant observations, if any and follow up actions thereon are reported to the Audit Committee.

In March 2018, based on the recommendation of Audit Committee, the Board of directors have appointed, Ernst & Young LLP as the internal auditors of your Company for F.Y. 2018-19 and for F.Y. 2019-20. Your Directors place on record their appreciation for the valuable services rendered by CNK & Associates LLP, (earlier A. J. Shah & Co.) the outgoing auditors, during their decade long association with the Company.

FINANCIAL PERFORMANCE (CONSOLIDATED)

The consolidated financial statements have been prepared by your Company in accordance with the requirements of Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of the

Companies Act, 2013 to the extent applicable. The audited consolidated financial statements of your Company and its Subsidiaries along with the Auditors' Report thereon form part of the Annual Report.

The consolidated net worth of the Group for financial year 2018 was ₹ 2852.79 crores as compared to ₹ 3219.65 crores for financial year 2017.

CORPORATE SOCIAL RESPONSIBILITY

The Company's CSR efforts are focused in the areas of promoting education and knowledge enhancement; eradicating hunger, poverty and malnutrition; and promoting health care and sanitation. A detailed Corporate Social Responsibility (CSR) Policy has been framed which is available on the Company's website: www.greatshipglobal.com.

The Company has been undertaking its CSR activities either by making direct contributions to NGOs/implementing agencies or through 'Great Eastern CSR Foundation', a company which has been incorporated as a subsidiary of The Great Eastern Shipping Company Limited under Section 8 of the Companies Act, 2013. The Annual Report on the CSR activities of the Company is annexed herewith as Annexure 4.

DIRECTORS

During the year, Mr. Berjis Desai resigned from the Board of Directors of the Company with effect from March 12, 2018 owing to professional work pressure. Your Directors place on record their appreciation for the significant contributions and valuable guidance given by Mr. Berjis Desai during his tenure as an Independent Director.

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Mr. Bharat K Sheth, shall retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, has offered himself for re-appointment. Necessary resolution for re-appointment of Mr. Bharat K. Sheth as aforesaid has been included in the Notice convening the ensuing Annual General Meeting.

The Company has received the declarations from all Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

The various details about the Board of Directors and the Committees are given in Annexure 2 to this Report.

Board Meetings

During the year, 5 meetings of the Board were held. The details of Board Meetings as well as Committee meetings are given in the Annexure 2 to this Report.

Appointment and Remuneration Policy

The Nomination & Remuneration Committee has framed policies for the appointment of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel and for remuneration of the Directors, Key Managerial Personnel and other employees, which have been adopted by the Board.

The aforesaid policies are annexed herewith as Annexure 5 and Annexure 6.

Evaluation of Board's Performance

The performance evaluation of the Board as well as that of its Committees (namely, Audit, Nomination & Remuneration and Corporate Social Responsibility) and individual Directors was carried out as per the Performance Evaluation Framework adopted by the Board. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors had at their meeting held on May 2, 2017 adopted the revised Performance Evaluation Framework of the Company with elaborate evaluation parameters. The manner in which the evaluation has been carried out is given in the Annexure 2 to this Report. The result of the evaluation is satisfactory and adequate and meets the requirement of the Company.

SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Council of the Institute of Company Secretaries of India.

DEBT FUND RAISING

During the current financial year, the amount of debt of the Company went up from ₹ 929.24 crores at the end of FY 17 to ₹ 2346.92 crores at the end of FY 18 as a result of transfer of outstanding borrowing from Greatship Global Energy Services Pte. Ltd. (GGES) on acquisition of the Rigs. However, the consolidated debt went down from ₹ 2745.21 crores for FY 17 to ₹ 2346.92 crores for FY 18. The standalone and consolidated debt includes liability related to redeemable preference share capital amounting to ₹ 352.49 crores at the end of FY 18 and ₹ 350.37 cores at the end of FY 17. The gross debt: equity ratio as on March 31, 2018 was 1.16 on standalone basis and 0.82 on consolidated basis.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of clause (c) of sub-section 3 and sub-section 5 of Section 134 of the Companies Act, 2013 (the "Act"), the Board of Directors hereby state that:

1. in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any;
2. they have selected accounting policies and applied them consistently and made judgements 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 or loss of the Company for that period;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the annual accounts on a going concern basis; and
5. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

RISK MANAGEMENT POLICY

Your Company has developed and implemented a Risk Management Framework for effective management of the risks faced by your Company.

Your Company maintains a Risk Register which includes the comprehensive list of all risks of the organization, further bifurcated into marketing & commercial risks, operational risks, compliance & taxation risks and financial & control risks. The risk register also documents the monitoring mechanism for each risk and the respective risk owner. Risk register and the Framework is reviewed periodically to monitor and evaluate its effectiveness and to strengthen the risk management system. The implementation of control measures for risk mitigation is monitored on a regular basis.

WHISTLE BLOWING POLICY/VIGIL MECHANISM

The Company has established a vigil mechanism (the whistle blowing policy) which provides an avenue for directors and employees to report genuine concerns or grievances. The vigil mechanism provides for adequate safeguards against victimisation of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

A copy of Whistle Blowing Policy is available on the Company's website: www.greatshipglobal.com

EXTRACT OF ANNUAL RETURN

The extract of Annual Return in form MGT 9 is annexed herewith as Annexure 7.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with related parties in form AOC 2 is annexed herewith as Annexure 8.

All the related party transactions have been entered into by the Company in the ordinary course of business and on arm's length basis.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

ENERGY CONSERVATION AND TECHNOLOGY ABSORPTION

In order to contribute to and prepare for a low carbon future, your Company has been undertaking various initiatives with regard to enhancing energy efficiency in its business operations.

Energy Saving Devices:

a) Your Company's fleet of modern vessels has been fitted with the latest series of diesel engines for power generation which have the low specific fuel consumption currently available in the market complying with the applicable regulations in force.

b) All the vessels are fitted with dynamic positioning system for position keeping when working alongside the installations. The new range of DP systems delivers higher reliability, efficiency and effectiveness. The systems provide flexibility for effective maritime operations using fully integrated system configured for optimum power and propulsion performance. Cargo/Project operations using the dynamic position system ensures optimal use of the propulsion equipment resulting in calibrated loading of propellers and thrusters appropriate for the environment that the vessels are subjected to thereby resulting in the low fuel consumption.

Wetted Surface Maintenance and Improved anti-fouling paints:

Hull coatings are designed to improve vessel performance while withstanding the rigors of commercial use. Tin free paints have been introduced to meet the current MARPOL legislations. These coatings use foul-release technology to provide a "green" easy to clean surface that will help improve hull longevity and performance and improve speed and fuel economy by up to 10%. On our fleet vessels, we have introduced application of premium anti-fouling paints resulting in significant fuel savings.

Regular docking of the vessels to ensure smooth and clean hull and propeller blades is recommended for achieving high speed and efficient vessel performance. Your Company's fleet vessels undergo regular cleaning of hull and propeller blades either in-water or in the dry dock.

Monitoring of vessel performance:

Considering the growing importance of conservation of energy and its impact on sustainable development, your Company has initiated a slew of measures to keep the fuel consumption and emissions optimal. The activities undertaken by the vessels and the fuel consumption in each of the modes are closely monitored.

Some of the operational measures implemented for “Lean Fuel Initiative” are as follows:

- Cruising outside the 500 meter zone on single engine in deep water locations when not required alongside installations,
- Anchoring in shallower waters,
- Tying up the vessels to the RIGs when discharging cargo for long durations,
- Proper planning of the logistics movements for accurate voyage planning thereby allowing for slow-steaming and higher efficiencies,
- Vessel voyage planning to make economic and optimal use of the ship’s propulsion, auto-pilot and heading control systems to achieve an improvement in open-sea efficiency

During the year, 7 vessels have been dry docked and 3 vessels have undergone under-water examination. There has been a significant improvement in the fuel efficiency of these vessels after the dry docking and hull cleaning during the under-water examination.

Reduction of Green House Gas Emission from Ships:

Carbon foot print of ships is measured in terms of Energy Efficiency Operational Indicator (EEOI) as per Guideline of International Maritime Organization MEPC.1/Circ.684. Your Company has established a Shipboard Energy Efficiency Management Plan (SEEMP) and has devised a SEEMP Operational Index Calculator. Each vessel evaluates their Operational Index on a continuous basis and the results are reported to the Fleet Management department for monitoring and future planning towards improvement in the performance.

Vessels which have not been contracted for operations have been “Cold Stacked” to avoid fuel consumption during the idling periods. Four vessels were “Cold Stacked” in FY 17-18.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of Foreign Exchange Earnings and Outgo are as follows:

a) Foreign Exchange earned and saved (on account of charter hire earnings, etc.)	₹ 1034.95 crores
b) Foreign Exchange used (including operating expenses, capital repayment, down payment for acquisition of assets, interest payment, etc.)	₹ 440.26 crores

AUDITORS

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants were appointed as the statutory auditors of the Company in the 15th Annual General Meeting (‘AGM’) held on August 07, 2017 and shall hold office until the conclusion of the 20th AGM of the Company to be held in the calendar year 2022. The Report given by the Auditors forms part of the financial statements of the Company. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

Necessary resolution for ratification of their appointment will be included in the Notice convening the ensuing Annual General Meeting.

SECRETARIAL AUDIT

M/s. Makarand M. Joshi & Co., Company Secretaries, were appointed to conduct the Secretarial Audit of the Company for the F.Y. 2017-18, in accordance with the provisions of Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report is annexed to this report as Annexure 9.

APPRECIATION

Your Directors express their sincere thanks to the Government of India, Ministry of Shipping, Ministry of Petroleum & Natural Gas, Ministry of Finance, Directorate General of Shipping, Port Authorities, Mercantile Marine Department, Central Board of Excise and Customs, GST Council and various other authorities, all customers, charterers, partners, vendors, bankers, insurance companies, Protection & Indemnity Clubs, shipping agents, consultants and advisors for their continued support throughout the year. Your Directors also acknowledge and appreciate the significant contributions made by all the employees of the Company.

Your Directors look forward to the continued support, guidance and fellowship of various authorities and agencies in the years to come.

For and on behalf of the
Board of Directors

Bharat K. Sheth
Chairman
(DIN: 00022102)

Mumbai, May 2, 2018

ANNEXURE 1 TO THE BOARD'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

The offshore services industry has been going through one of its worst phases in history, if not the worst, ever since the oil price dropped drastically in late 2014. Since then, every year has been progressively worse for your Company, and FY-18 continued this unfortunate trend. Your Company has been doing relatively better in terms of fleet utilisations and operating margins, compared to many of its peers in the industry. However as many of the previously fixed higher rates legacy contracts come to an end, the majority of the fleet now finds itself exposed to the full force of the downturn in this industry.

COMPANY PERFORMANCE

In FY 18, your Company recorded a total income of ₹ 1057.00 crores (previous year ₹ 1310.56 crores) on a standalone basis and ₹ 1001.54 crores (previous year ₹ 1424.66 crores) on a consolidated basis. The Company earned a profit before interest, depreciation (including impairment) and tax of ₹ 598.06 crores (previous year ₹ 449.71 crores) and ₹ 541.88 crores (previous year ₹ 885.87 crores) on a standalone and consolidated basis, respectively.

OFFSHORE LOGISTICS

Market trend and analysis

With demand for AHTSVs and PSVs dropping continuously since the end of 2014, the count of such vessels in idle / stacked conditions kept increasing year after year until more than 1000 vessels (or about a third of the present fleet) were added to such idle/stacked fleet by the start of FY-18. However, over the period of this year, such count of idle/stacked vessels did not increase further, which was indicative of the drop in demand having subsided during the year and vessel demand having stabilised, though at extremely low levels.

Such stabilisation of demand did not translate into stabilisation in dayrates as rates continued to slip in many markets. The Indian market, in which your Company has the majority of its fleet deployed presently, saw dayrates in long term tenders continue to slip through the year, even though the number of vessels working in India did not decrease. In fact, term demand for vessels in India has been remarkably steady over the recent years especially given the demand collapse witnessed across most other markets since end-2014. However, given the relative lack of opportunities worldwide, local owners reinforced their position while foreign owners increased their focus on the Indian market. Thus, the competitive situation in India increased considerably which has led to continuously declining rates in Indian tenders through this period. In addition, some Indian owners purchased cheap second-hand vessels,many a times old, stacked ones at throwaway prices, and offered them in Indian long term tenders at extremely competitive levels to win business for their new investments. This has further pressured the rates in the Indian tender business where vessel selection is driven primarily by dayrate pricing. Such situation has now led to the Indian market, despite having a relatively stable demand scenario, having some of the lowest operating dayrates in the world. Vessels are now operating at rate levels which are around one-third of those prevalent just 3-4 years previously. Needless to say, the operating margins at such earnings levels are quite minimal, if at all.

That is not to say that vessels deployed in markets other than India have fared any better in FY-18. Vessels owners exposed to the North Sea market continued to struggle, with about 130-150 AHTSVs and PSVs in layup in the region at any given time throughout the year. While there was a noticeable, but short-lived, spike in the market in July-August, with spot rates briefly touching 3-year highs, the overall returns for the year from this region were meagre as the rates slid back down to low levels during winter. However, there was improved sentiment amongst North Sea owners by the end of FY-18, on the back of an increased amount of term charter enquiry which caused term charter rate assessments to tick up a notch.

This minor optimism in the North Sea market has not trickled through to any other markets though, not even to one of its closest major markets of West Africa. The fact that there were only 15-20 drilling rigs working at any given time in the West African market this year, as compared to 75-odd rigs three years ago demonstrates the drop off in demand for offshore support vessels in the region. Thus, utilisations and rate levels for vessels in the West African market continued to bounce along the bottom this year.

Similarly, the South East Asian market did not experience much change as offshore activity remained muted with exploration activity being conspicuous by its absence. Discoveries of new, conventional oil and gas in the region in 2017 were a third of the amount discovered in 2016, which itself was a record low year. The number of vessels in the region decreased as owners moved some of their vessels to the Middle East, which like India, was another region where demand has been relatively steady. However, with the influx of vessels from other regions, fleet utilisation numbers have dropped off significantly over the past few years and dayrates levels have collapsed to half of what they used to be prior to the oil price crash.

Company Performance

The Company's average commercial utilisation level for the vessel fleet, on a percentage basis, was in the low to mid 80s levels for FY-18, similar to FY-17 on a comparable basis (the calculations for such commercial utilisation exclude the downtime incurred on account of drydocking and other technical causes). We had about 2 to 5 vessels idle, or in warm layup, at various times during the year, but all of them continued to find some intermittent work, thereby avoiding a long period of keeping their machinery unused.

At start of FY-19, all the vessels in our fleet have been either on contract or shortly expected to commence already secured contracts. Though some of these contracts are for a relatively shorter term, the Company still has over 80% of its operating days on the vessel fleet for the coming year covered under firm contracts.

Fleet Changes

During the year under review, there were no purchases, sales or deletions from the fleet. In addition, there were no ongoing newbuilding commitments this year too. As on March 31, 2018, the vessel fleet of the Group continues to stand at nineteen vessels which comprises of four Platform Supply Vessels (PSVs), eight Anchor Handling Tug cum Supply Vessels (AHTSVs), two Multipurpose Platform Supply and Support Vessels (MPSSVs) and five ROV Support Vessels (ROVSVs).

Outlook for offshore logistics market

With Brent crude oil price touching US$ 75 per barrel in 2018, a level which few would have predicted even a few months ago, it could be said that oil prices have somewhat surprised in the strength shown by them in recent months. This relatively strong price, combined with reduced operating costs, have resulted in many E&P companies experiencing, in the past quarter, their best quarterly cash flows since 2014. Even though end-March analysts' consensus estimate suggests that the mid-70s US$ per barrel would be closer to the ceiling than the floor for oil prices for remainder of the year, the expectation is for a high single-digit to low double-digit percentage growth in global E&P capex in this year. However, for many large E&P companies, this spending increase is likely to be directed more towards North American shale. Combined with the fact that they have also expressed an intent to maintain overall capex discipline, E&P capex in offshore areas is not expected to experience any positive impetus in the coming year. FY-19 is more likely to be a case of flattening out of the significant drops experienced in the past three years.

While ordering for new vessels has virtually disappeared, and there have been some limited moves to scrap / retire vessels, there continues to be a significant supply surplus in almost all markets and in all segments of the AHSTV and PSV space, including the overhang from newbuilding vessels waiting in shipyards. Thus, we would be surprised to see any meaningful and sustained improvement in the market in the year to come.

As mentioned earlier, the majority of the revenue days of the logistics fleet for FY-19 are covered under contracts. However, in spite of high utilisations, with earnings at barely above opex levels, the overall profitability in this business is likely to continue to remain challenged in the coming year.

DRILLING SERVICES

Market Trend and Analysis

The total number of rigs working through the year stayed largely constant, though this number was marginally up from the low of Jan-2017, largely due to a minor increase in the number of contracted jackup rigs in 2017. The total utilisation of the global rig fleet continued to be around the low-50s% mark, while the marketed utilisation (i.e. calculated by excluding the rigs no longer being marketed for work by rig owners) stayed largely at the mid-60s% levels throughout the year. Thus, we started the year with around 450 rigs under contract globally, and we ended the year with little addition to the same; again a sign of stabilisation of demand, though at inadequate levels considering the enormity of available supplies.

There has been some attempt to address the oversupply, with 2017 seeing close to 50 rigs being scrapped, 14 of which were jackup rigs. The semi-submersible rig segment has been seeing the greatest amount of scrapping / retirements over the past few years, which has begun to show up in increasing utilisations of the semi rig fleet, and noticeable increase in dayrates for high-specification semi-submersible rigs in the North Sea market.

However, despite such removals, there continue to be 300-350 rigs without contract presently, though marketed availability would be somewhat lower. Furthermore, the present orderbook shows about 120-130 rigs on order, though it is possible that some of these rigs may never get delivered.

Such dire conditions in the global market filtered through to the Indian market too even as demand in the Indian market for rigs has stayed fairly stable, as in the case of demand for offshore vessels. Long term requirements in the Indian market saw a surfeit of offers from both local and foreign rig owners with multiple rigs bidding for every requirement. Needless to say, term rates in the Indian market continued to collapse, and jack up term rates in the Indian market are today the lowest worldwide though lower operating costs in this region offer some consolation.

Company Performance

The Company continued to operate its 4 jackup rigs in the Indian market during this year. Greatdrill Chetna, which came off contract and was idle since FY-17, was successful in getting a contract in the above mentioned ONGC tender. However, it was January by the time she could commence the contract and thus the rig was not earning for about 9 months of FY-18. Along with Greatdrill Chetna, Greatdrill Chaaya was also successful in winning a contract in the same ONGC tender. Greatdrill Chaaya commenced her contract in the previous quarter too, and will work under that contract for a three year duration. Thus, as of the beginning of FY-19, all four rigs of the Company were working under term contracts, albeit two of them with rates in the Indian market (as mentioned above) that offer little operating margins. The other two rigs continue to operate at relatively better rates on legacy contracts.

Fleet Changes

There were no additions or deletions to the rig fleet during the year. There are no newbuilding rigs presently on order. During the year, your Company acquired ownership of all four jackup rigs from its subsidiary in Singapore – Greatship Global Energy Services Pte. Ltd. and registered them under Indian flag.

Outlook for Drilling Market

Given that the outlook for offshore E&P capex for the coming year, as mentioned in the previous section, is not for a rebound but more of a tailing off of the drops witnessed for the past three years, we do not expect a significant improvement in jackup rig activity for FY-19. However, it would not be surprising to see a minor uptick in the number of contracted rigs given that tendering activity has been on the up recently. We could also expect to see some more jackup rigs being scrapped in the coming year given the recent momentum in rig attrition. Even though both these factors would be positive for utilisation, the potential for newbuilding deliveries could dampen any improvement in utilisation and, in any case, any such improvement is likely to be marginal and thus a significant, general improvement in jackup rig market is unlikely. The outlook for floaters for the coming year, if anything, is slightly more pessimistic as deepwater drilling activity is expected to take even longer to witness meaningful growth.

The rig space was abuzz with corporate activity throughout last year, witnessing corporate restructurings, mergers driving consolidation in the rig space and last, but not the least, private equity driving transaction activity to snap up distressed assets. As a combination of the above activity and some long term optimism, based on flattening of demand and improvement in oil prices, it would be interesting to see if asset prices especially for jack ups move up from their current distressed levels, in spite of present earning and utilisation levels not justifying such a move .

As mentioned earlier, all four of the Company's rigs are now working on contracts and such contracts should continue through FY-19. Such revenue cover should mean that our performance outlook for the coming year should be subject to little variation and shielded from the short-term vagaries of the rig market.

QUALITY, HEALTH, SAFETY & ENVIRONMENT

During the year under review, the Company completed annual DOC Audit for verification of compliance towards the ISM (International Safety Management) Code with Nil Non Conformity. The audit was carried out by Directorate General of Shipping, Mumbai.

Annual Audit for verification of compliance towards ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Management System) and OHSAS 18001:2007 (Occupational Health and Safety Management System) for office, vessels and rigs were completed. These audits were carried out by Indian Register Quality Systems, Mumbai.

Greatship Global Offshore Services Pte. Ltd. (GGOS) completed annual audits for verification of compliance towards the ISM code, ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007 standards. These audits were carried out by Det Norske Veritas (DNV), Singapore.

All vessels are in compliance with the International Safety Management (ISM) Code, International Ships and Port Facility Security (ISPS) Code and Maritime Labour Convention (MLC) 2006 Code. Rigs are operating in the Indian Exclusive Economic Zone and are complying with the applicable Petroleum & Natural Gas (Safety in Offshore Operations) Rules, 2008.

The safety statistics for our fleet – Vessels and Rigs for the year under consideration is as under:

	GIL - Vessels	GGOS – Vessels	RIGS
Fatality	NIL	NIL	NIL
LTI (Loss Time Incident)	NIL	1	NIL
LTIF (Loss Time Incident Frequency Rate)	NIL	1.70	NIL
TRIF (Total Recordable Incident Frequency Rate)	1.60	1.70	1.05

All Fleet vessels & rigs carry out on board safety, environment and security training in the form of drills, safety movies and computer based training modules.

Onboard on job training is carried out. Onshore training is imparted in specialized courses such as SAP / ISM / ISPS / IMS / DP MAINTENANCE.

As per GIL's in-house scheme, Greatship Aarti was adjudged as the recipient of 'Best Ship Award 2017' and the 'Best House-keeping Award 2017' was won by Greatship Vidya. The ongoing scheme of GIL has strict evaluation criteria covering various operational, technical and HSE related criteria. The selection is based on a calendar year basis.

Greatship Prachi, a 2015 built PSV, rescued all 16 crew members of the OSV 'SCI Ratna' on 21st November, 2017. SCI Ratna subsequently sank off the coast of Mumbai.

IT INITIATIVES

During the year under review, your Company has undertaken the following IT activities to effectively meet the business requirements:

- Extensive enhancements were carried out in SAP in order to meet various GST related requirements which resulted in system readiness to capture all relevant information leading to accurate and timely compliances including filing of returns.
- The Information Security policy and framework was further strengthened which resulted in implementation of effective controls for information management.
- Cyber security initiatives were rolled out on vessels thereby enhancing the secure way of working and data exchange.
- Data backup routines have been enhanced resulting in data being backed up in both online and offline manner thereby increasing the data availability and recoverability.

HUMAN RESOURCES

During the year under review, your Company focused on aligning salaries for offshore employees keeping in mind the changed economic environment and preparing for future sustainability. Your company continued to actively engage and connect with staff through off-sites attended by offshore employees, office employees and management. Your company also continued its efforts to increase efficiency and controls in HR processes through automation.

For the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

As on March 31, 2018, the Company and its subsidiaries employed 137 personnel onshore (including contractual) and around 694 personnel offshore.

ANNEXURE 2 TO THE BOARD'S REPORT

CORPORATE GOVERNANCE

The provisions of the listing agreement to be entered into with the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited ("Stock Exchanges") ("Listing Agreement") with respect to corporate governance are not applicable to your Company as your Company is not listed with the Stock Exchanges. However, as a measure of good corporate governance practice we present the following report. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

BOARD OF DIRECTORS

Composition of the Board

As on date, the Board of Directors consists of nine directors and the Chairman is a Non-Executive Director. The Board is strengthened with higher number of independent directors which enables separation of the board function of governance and management. We believe that Board independence is essential to bring objectivity and transparency in the management and in the dealings of the Company. All independent directors are persons of eminence and bring a wide range of expertise and experience to the Board.

Attention is invited to the relevant item of notice of Annual General Meeting seeking approval for re-appointment of the retiring director.

Meetings of the Board

Dates for Board meetings in the ensuing year are decided in advance by the Board. Five Board Meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The Board Meetings were held on May 02, 2017, August 07, 2017, November 08, 2017, February 09-11, 2018 and March 21, 2018.

Agenda and Notes on Agenda are circulated to the Board of Directors, in advance, in the defined Agenda format generally seven days prior to the meeting of the Board of Directors. All material information is incorporated in the Agenda papers for facilitating meaningful and focused discussions at the meeting. The Board Members in consultation with the Chairman may bring up any matter for the consideration of the Board of Directors.

The Composition of the Board of Directors and their attendance at the Board Meetings held during the year and also number of other Directorships and Memberships of Committees as on March 31, 2018 are as follows:

Name of Director	Nature of Directorship	Number of Board Meetings Attended	As on March 31, 2018		
			Number of other directorship public*	Other Committee Memberships**	Chairperson of other Committees**
Mr. Bharat K. Sheth (DIN: 00022102)	Non Executive Chairman	5	1	1	NIL
Mr. Ravi K. Sheth (DIN: 00022121)	Managing Director	5	2	NIL	NIL

Name of Director	Nature of Directorship	Number of Board Meetings Attended	As on March 31, 2018		
			Number of other directorship public*	Other Committee Memberships**	Chairperson of other Committees**
Mr. P. R. Naware (DIN: 00041519)	Executive Director	5	NIL	NIL	NIL
Mr. Keki Misty (DIN: 00008886)	Independent Director	4	9	8	4
Mr. Vineet Nayyar (DIN: 00018243)	Independent Director	5	4	1	NIL
Mr. Shashank Singh (DIN: 02826978)	Independent Director	3	2	1	NIL
Mr. Anil Singhvi (DIN: 00239589)	Independent Director	5	5	3	1
Mr. Mathew Cyriac (DIN: 01903606)	Independent Director	5	2	1	1
Dr. Swaroop Rawal (DIN: 07119614)	Independent Director	5	NIL	NIL	NIL

1. *Mr. Berjis Desai has resigned from the Board of Directors of the Company w.e.f March 12, 2018*
2. **Excludes Directorships in Private Limited Companies, Foreign Companies and Section 8 Companies.*
3. ***Includes memberships of Audit and Stakeholders' Relationship Committees of other public companies. Membership includes Chairmanship of Committees.*

Separate Meeting of Independent Directors

A separate meeting of the Independent Directors of the Company was held on May 02, 2017 as stipulated by the Code of Conduct of Independent Directors under the Companies Act, 2013. Another meeting was held on May 2, 2018, wherein the Independent Directors discussed about the performance of Non-independent Directors, Chairman and the Board as whole and the quality, quantity and timeliness of the flow of information between the company management and the Board.

Independent Directors discuss the issues and concerns, if any with the Non-Executive Chairman.

Director's Induction & Familiarisation

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. The Company has a formal induction program including the presentation on the Company's business and other important aspects on induction of new Independent Director. The induction for Independent Directors include interactive sessions with Management.

Code of Conduct

The Board of Directors has adopted a 'Code of Business Conduct and Ethics for the Board of Directors and Members of Senior Management'. The Code mainly covers amongst other things, the duties and obligations of the officers covered under the Code. The Code of Conduct is posted on the website of the Company.

All the Board members and senior management personnel have confirmed compliance with the code for the financial year ended March 31, 2018. A declaration to that effect signed by the Managing Director is attached and forms part of the Annual Report of the Company.

Evaluation of Board's Performance

The Performance Evaluation Framework lays down the performance evaluation process and the performance parameters, as the basis for carrying out the evaluation of the Board and its Committees (namely, Audit, Nomination & Remuneration and Corporate Social Responsibility) and individual Directors, including the Chairman of the Board.

Accordingly, the performance evaluation of Board and the individual Directors including the Board Chairman for the financial year 2017-18 was done by each director by recording his/her evaluations in the Performance Evaluation Form based on the performance parameters laid down in the framework. Evaluation of the Executive Directors was based on the evaluation of the Company which was done on the basis of the presentation made by the Management. The Nomination & Remuneration Committee reviewed the performance of the Company and every director.

At a separate meeting, independent directors reviewed the performance of the Company, the Board as a whole and Non-Independent Directors (including Chairman) of the Company.

Based on the performance reviews of the Company, the Nomination and Remuneration Committee also decided the performance incentive pool for all the employees of the Company.

COMMITTEES OF THE BOARD OF DIRECTORS

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board of Directors have constituted several Committees with specific terms of reference/scope. The minutes of the meetings of all Committees of the Board of Directors are circulated to the directors or placed before the Board meetings for noting.

A) AUDIT COMMITTEE

i. The members of the Audit Committee as on date comprises of Independent Directors, Mr. Keki Mistry (Chairman), Mr. Anil Singhvi, Mr. Mathew Cyriac and Mr. P. R. Naware.

ii. During the year under review, eight meetings of the Audit Committee were held on April 18, 2017 May 2, 2017, June 21, 2017, August 07, 2017, November 08, 2017, January 16, 2018, February 09, 2018 and March 21, 2018.

Details of attendance of the members at the Committee meetings held during the year are as under:

Name of the Member	Number of meetings attended during FY18
Mr. Keki Mistry (Chairman)	7
Mr. Anil Singhvi$	1
Mr. Berjis Desai*	5
Mr. Mathew Cyriac$$	3
Mr. P. R. Naware	8

**has ceased to be a member pursuant to his resignation as the director of the Company w.e.f March 12, 2018*

$Appointed as a member w.e.f March 12, 2018

$$Appointed as a member w.e.f October 31, 2017

iii. The Audit Committee meetings are attended by the Chief Financial Officer, representatives of Internal Audit Firm and Statutory Auditors. Whenever required, the Chairman and other senior officials are requested to attend the meetings. Ms. Amisha Ghia, Company Secretary is the Secretary of the Committee.

iv. The terms of reference of the Audit Committee are broadly as under:

1) recommending to the Board the appointment, re-appointment, removal, remuneration and terms of appointment of auditors of the company;
2) review and monitor the auditor's independence and performance, and effectiveness of audit process;
3) examination of the financial statement and the auditors' report thereon;
4) approval or any subsequent modification of transactions of the company with related parties;
5) scrutiny of inter-corporate loans and investments;
6) valuation of undertakings or assets of the company, wherever it is necessary;
7) evaluation of internal financial controls and risk management systems;
8) monitoring the end use of funds raised through public offers and related matters;
9) overseeing the vigil mechanism established in accordance with the requirements of the Companies Act, 2013; and
10) such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such Committee and carry out any other function as may be required in relation to the above terms of reference.

B) NOMINATION AND REMUNERATION COMMITTEE

As on date, the Nomination and Remuneration Committee comprises of three Independent Directors, namely, Mr. Vineet Nayyar (Chairman), Mr. Keki Mistry and Mr. Mathew Cyriac.

During the year under review, two meetings of the Committee were held on May 02, 2017 and March 21, 2018 respectively.

Details of attendance of the members at the Committee meetings held during the year are as under:

Name of the Member	Number of meetings attended during FY18
Mr. Vineet Nayyar (Chairman)	2
Mr. Berjis Desai #	1
Mr. Keki Mistry	2
Mr. Mathew Cyriac*	1

**Appointed as a member w.e.f March 12, 2018*
 # has ceased to be a member pursuant to his resignation as the director of the Company w.e.f March 12, 2018

The terms of reference of the Nomination & Remuneration Committee are broadly as under:

1. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and to carry out evaluation of every director's performance;
2. Formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees and any other compensation related matters and issues; and

3. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such Committee and carry out any other function as may be required in relation to the above terms of reference.

Ms. Amisha Ghia, Company Secretary is the Secretary of the Committee.

Directors' Remuneration:

Remuneration to Directors is paid as determined by the Board/Nomination & Remuneration Committee in accordance with the Remuneration Policy of the Company, which is disclosed as part of Board's Report.

Details of Remuneration paid/to be paid to Whole Time Directors for FY 2017-2018

(Amt. in ₹)

Name of Director	Salary	Perquisites	Other Benefits#	Commission
Ravi K. Sheth, Managing Director	25,921,338	2,155,783	343,965	2,97,00,000
P. R. Naware, Executive Director	13,946,529	880,755	485,415	92,80,000

- *Salary includes contribution to provident fund and superannuation fund and does not include provisions made for Retirement Benefit Scheme for Managing Director*
- *Salary also excludes variable pay for previous financial year i.e. F.Y. 2016-17*
- *Commission for FY 2017-18 to be paid in FY 2018-19*
- *Mr. Ravi K Sheth and Mr. P. R. Naware are also entitled to gratuity in accordance with the Company's rules*
- *#does not form part of calculation of remuneration under section 198 of the Act*

a. Presently, there are no stock options granted to Mr. Ravi K Sheth and Mr. P. R. Naware

b. The Board has approved a Retirement Benefit Scheme for its Managing Director w.e.f April 1, 2012. The Scheme provides for provision of pension, medical reimbursement and other benefits to the retiring Managing Director. On the basis of actuarial valuation, in the current year the provision for pension payable to Managing Director on his retirement has been reduced by ₹ 0.21 crores (provision made for previous year: ₹ 1.49 crores).

c. The Company or Mr. Ravi K. Sheth shall be entitled to terminate his appointment by giving six month's notice in writing

d. The Company or Mr P. R. Naware shall be entitled to terminate his appointment by giving three month's notice in writing

Details of Remuneration paid/to be paid to the Non - Executive Directors for FY 2017-18:

(Amount in ₹)

Name of Director	Commission	Sitting Fees
Bharat K. Sheth	1,08,00,000	NIL
Keki Mistry	12,95,000	400,000
Berjis Desai*	9,12,083	200,000
Vineet Nayyar	9,20,000	500,000
Shashank Singh	7,20,000	300,000
Anil Singhvi	7,36,667	500,000
Mathew Cyriac	8,09,583	500,000
Swaroop Rawal	7,20,000	500,000
Total	**16,913,333**	**29,00,000**

* Resigned as a director w.e.f March 12, 2018

Since the total proposed commission payable to the non-executive directors for FY 2017-18 would exceed 1% of the net profits of the Company calculated in accordance with the provisions of section 198 of the Companies Act, 2013, the Company would be seeking necessary approval of its shareholder – The Great Eastern Shipping Co. Ltd. in a general meeting by way of a special resolution. The total managerial remuneration payable to all its directors, including the managing director and the whole-time director, will be within the limits of 11% of the net-profits of the Company.

The Company has no pecuniary relationship or transactions with its Non-Executive Directors other than payment of sitting fees and commission.

The Board of Directors have at their meeting held on May 2, 2018 accorded their consent to pay sitting fees of ₹ 1,00,000/- per meeting to the Independent Directors of the Company for attending the meetings of the Audit Committee or Nomination and Remuneration Committee of the Company commencing from FY 2018-19.

C) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee comprises of Independent Directors, namely, Mr. Shashank Singh (Chairman), Mr. Mathew Cyriac and Dr. Swaroop Rawal and Executive Director, Mr. P. R. Naware.

During the year under review, one meeting of the Committee was held on May 02, 2017, which was attended by all the members of the Committee except Mr Shashank Singh.

The terms of reference of the Corporate Social Responsibility Committee are boardly as under:

(a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013 and make any modifications or amendments to the policy, as may be required;

(b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a);

(c) monitor the Corporate Social Responsibility Policy of the Company from time to time and institute monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company; and

(d) carry out such other function as may be required, from time to time, to comply with the Section 135 of the Companies Act, 2013 read with the rules prescribed thereunder or in relation to the above terms of reference.

Ms. Amisha Ghia, Company Secretary is the Secretary of the Committee.

DECLARATION BY THE MANAGING DIRECTOR

REGARDING ADHERENCE TO THE COMPANY'S CODE OF CONDUCT

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, 2018.

For Greatship (India) Limited

Ravi K. Sheth
Managing Director

Date: May 2, 2018

ANNEXURE 3

TO THE BOARD'S REPORT

INFORMATION ON EMPLOYEE STOCK OPTION SCHEMES AS ON MARCH 31, 2018

Particulars	**Employee Stock Option Scheme 2007 - II ("ESOP 2007-II")**	**Employee Stock Option Scheme 2008 - II ("ESOP 2008-II")**	**Employee Stock Option Scheme 2010 ("ESOP 2010")**
Options granted	99,700	925,900	565,300
The pricing formula	These options were granted at a price of ₹ 100, which is the price at which certain Equity Shares were allotted to GESCO	These options were granted at a price of ₹ 135, which is above the price at which certain Equity Shares were allotted to GESCO	These options were granted at a price of ₹ 135, which is above the price at which certain Equity Shares were allotted to GESCO
Exercise price of options	₹ 100	₹ 135	₹ 135
Total Options vested	89,100	661,100	254,100
Options exercised	Nil	12,320*	Nil
Options encashed	84,500	634,200	211,580
Total number of Equity Shares arising as a result of exercise of options	Nil	Nil	Nil
Options forfeited/lapsed/cancelled	10,600	234,680	251,960
Variation in terms of options[@]	Please see Note 2 below	Nil	Nil
Money realised by exercise of options	Nil	Nil	Nil
Options outstanding (in force)	4,600	44,700	101,760

Particulars	Employee Stock Option Scheme 2007 - II ("ESOP 2007-II")	Employee Stock Option Scheme 2008 - II ("ESOP 2008-II")	Employee Stock Option Scheme 2010 ("ESOP 2010")
Person wise details of options granted (net of options encashed) to :			
(i) Senior Managerial Personnel	Nil	Nil	Nil
(ii) Any other employee who received a grant of options amounting to 5% or more of the options granted during the year ended March 31, 2017	Nil	Nil	Nil
(iii)Identified employees who are granted options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	Nil	Nil	Nil
Fully diluted EPS on exercise of options calculated in accordance with Accounting Standard (AS) 20 'Earning Per Share'	(₹1.33)	(₹1.33)	(₹1.33)
Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	NA	NA	NA

** were settled by payment of cash in accordance with the Scheme upon resignation by employee*

@Deputation or interim discontinuation of service of an employee at the discretion of the Company, is to be considered as continued employment under the various ESOP Schemes, as approved by the Nomination and Remuneration Committee of the Board of Directors.

Pursuant to the encashment scheme for Employee Stock Options (ESOPs) introduced in 2012 and 2015, a total of 1,417,420 options have been encashed at the fair value determined under the encashment scheme. As per the encashment proposal approved in the year 2015, if there was no IPO before March 2018, the option grantees under all Schemes were to be given the last opportunity to encash all their remaining stock options. Accordingly, the Board of Directors had at their meeting held on March 21, 2018 approved the said encashment proposal for the outstanding stock options under all the existing ESOP Schemes. Accordingly,the liability in respect of the outstanding options has also been measured at fair value determined in accordance with the encashment scheme.

The cumulative amount of employee stock option expense amortised upto March 31, 2018 of ₹ 0.37 crores (Previous year ₹ NIL) is included in current provisions and upto March 31, 2018 of ₹ NIL (previous year : ₹ 2.38 crores) is included in non-current provisions.

Note 1: Variation in terms of options – ESOP 2007-II:

Under ESOP 2007 – II, vesting conditions relating to continued employment with our Company was modified with effect from November 5, 2008, to provide for transfer of employment within the group companies.

Note 2: During the year under review, no grant of stock options was made under three existing Employee Stock Option Schemes to the employees of the Company, the parent company and the subsidiaries, in line with the Company's decision to not make any further grants under the existing Schemes.

ANNEXURE 4
TO THE BOARD'S REPORT

ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2017-18

1 The Corporate Social Responsibility Policy of the Company was approved by the Corporate Social Responsibility Committee at its meeting held on December 11, 2014 and the Board of Directors of the Company at their meeting held on January 27, 2015. Copy of the policy is available on the website of the Company: www.greatshipglobal.com.

The policy applies to all CSR projects/programmes undertaken by the Company as per liberal interpretations of activities listed in Schedule VII of the Companies Act, 2013 within the geographical limits of India towards the benefit of marginalized, disadvantaged, poor and deprived sections of the community and the environment.

As per the policy, in every financial year, the Company will spend at least 2% of the average profits over the past three financial years on Corporate Social Responsibility (CSR) causes.

The objectives of the Company's CSR policy are to:

1. Demonstrate commitment to the common good through responsible business practices and good governance.
2. Actively support the state's development agenda to ensure sustainable and equitable change.
3. Set high standards of quality in the delivery of services in the social sector by creating robust processes and replicable models.
4. Engender a sense of empathy and equity among employees of Greatship to motivate them to give back to the society.

The objectives of the Company's CSR policy are to:

a) Demonstrate commitment to the common good through responsible business practices and good governance.

b) Actively support the state's development agenda to ensure sustainable and equitable change.

c) Set high standards of quality in the delivery of services in the social sector by creating robust processes and replicable models.

d) Engender a sense of empathy and equity among employees of Greatship to motivate them to give back to the society.

The Company's CSR efforts will be focused in the areas of:

I. Promoting education and knowledge enhancement, including but not limited to:

a. Establishment and management of educational and knowledge enhancement infrastructure.

b. Provision of financial or othe r assistance to the needy and/or deserving students.

c. Providing financial assistance to any Agency involved in education, knowledge enhancement and sports

d. Contribution to technology incubators located within academic institutions which are approved by the Central Government.

II. Eradicating hunger, poverty, and malnutrition

III. Promoting health care and sanitation

The policy may be implemented directly by the Company or through Great Eastern CSR Foundation, a company incorporated by The Great Eastern Shipping Co. Ltd. (Parent Company) u/s 8 of the Companies Act, 2013 for undertaking CSR Activities.

2 The Corporate Social Responsibility Committee of the Company was constituted by the Board of Directors of the Company at its meeting held on April 29, 2014. The CSR Committee comprises of Mr. Shashank Singh, Chairman (Independent Director), Mr. Mathew Cyriac (Independent Director), Ms. SwaroopRawal (Independent Director) and Mr. P. R. Naware (Executive Director).

3 Average net profit of the Company calculated as per the provisions of Section 135 of the Companies Act, 2013 for last three financial years was ₹ 270crores.

4 The prescribed CSR Expenditure (2% of the average net profits as in point no. 3 above) is ₹ 5.40crores.

5 Details of CSR spent during the financial year are as follows:

a) Total amount to be spent for the financial year 2017-18- ₹ 5.40crores

b) Amount unspent – NIL

c) Manner in which the amount was spent during the financial year - The Company has contributed ₹ 1.73crores directly to the NGOs and the balance of ₹ 3.67crores to The Great Eastern CSR Foundation

The details of Company's CSR activities are enclosed as Annexure to this report.

6 The CSR committee hereby confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

Mr. Ravi K. Sheth
Managing Director
(DIN: 00022121)

Mr. Shashank Singh
Chairman – CSR Committee
(DIN: 02826978)

Mumbai, May 2, 2018

ANNEXURE TO THE ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2017-18

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent during the year on the projects or programs Sub-heads (1) Direct Expenditure on projects or program (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent Direct or through Implimenting agency
1	**MUKTANGAN (PARAGON CHARITABLE TRUST)** - a new model of education providing quality, child-centred, inclusive English-medium schooling to thousands of underprivileged children in Mumbai - has partnered with BMC to run a number of municipal schools in Mumbai, one of which is funded through our donations. Donation also towards supporting the teacher training program through which Muktangan transform high school educated slum youth into good quality teachers	Promoting Education	The Muktangan School supported by Great Eastern CSR Foundation (GECSRF) is in Prabhadevi, Mumbai, Maharashtra	₹ 4.31 cr (to be contributed over a period of 3 financial years)	Total funds utilized by organization: ₹ 0.95 cr	₹ 4.31 cr	Part of the amount was contributed through Great Eastern CSR Foundation and balance was contributed directly to Paragon Charitable Trust
2	**TEACH FOR INDIA (TEACH TO LEAD)** - a nationwide movement of outstanding college graduates and professionals who will commit two-years to teach full-time in under resourced schools and who will become lifelong leaders working from within various sectors towards the pursuit of equity in education Donation is being utilised for fully funding 46 fellows from Teach for India	Promoting education	The fellows being sponsored are from Pune and Delhi	₹ 6.91 cr (to be contributed over a period of 4 financial years)	Total funds utilized by organization: ₹ 1.71 cr	₹ 6.02 cr	Amount was contributed through Great Eastern CSR Foundation to Teach-To-Lead
3	**TAMARIND TREE TRUST** - A foundation based out of Dahanu that runs a school that provides quality English education for local tribal children through the utilization of e learning and digital technology. Donation is going towards the running of the Tamarind Tree School. Support is also going towards setting up a community supported wireless mesh network in the local region that will enable students to access the schools digital content at home.	Promoting education	Dahanu Taluka, Maharashtra	₹ 1.56 cr (to be contributed over a period of 3 financial years)	Total funds utilized by organization: ₹ 0.23 cr	₹ 1.26 cr	Amount was contributed through Great Eastern CSR Foundation to Tamarind Tree Trust
4	**LEND-A-HAND-INDIA** - an NGO that complements existing secondary school curricula with skills education, resulting in education that is relevant to employment. LAHI model is to provide vocational training (multiple trades to children giving an all-round exposure) to 9th to 12th class students Donation is going topwards helping LAHI to start their intervention in 10 new schools and enhance the quality of training in another 10 schools across Maharashtra.	Promoting livelihood development	Different schools across Maharashtra	₹ 3.66 cr (to be contributed over a period of 3 financial years)	Total funds utilized by organization: ₹ 1.30 cr	₹ 2.47 cr	Amount was contributed through Great Eastern CSR Foundation to Lend-A-Hand-India
5	**SWAYAM SHIKSHAN PRAYOG (SSP)** - an NGO that works towards promoting empowerment of women as leaders and entrepreneurs through self-help groups, social enterprises and community led initiatives. Donation is going towards creating livelihoods for 5000 women across 50 villages in Latur in Maharashtra in addition to sustainable solutions to drought and allied issues.	Promoting livelihood development	50 villages in Latur in Maharashtra	₹2.76 cr (to be contributed over a period of 2 financial years)	Total funds utilized by organization: ₹ 0.59 cr	₹ 2.02 cr	Part of the amount was contributed directly to SSP and part through the Great Eastern CSR Foundation
	Overall Overheads Expenditure incurred by Great Eastern CSR Foundation proportionate to the contribution made by the Company				₹ 47,073		

Note : Great Eastern CSR Foundation is evaluating various projects and the balance amount will be spent in due course.

ANNEXURE 5

TO THE BOARD'S REPORT

POLICY FOR APPOINTMENTS

Policy Adoption

This policy has been recommended by the Nomination and Remuneration Committee of the Company **('NRC')** at its meeting held on January 27, 2015 and adopted by the Board of Directors of the Company at its meeting held on January 27, 2015 and is applicable with effect from the said date.

Purpose

The primary objective of the Policy is to provide a framework and set standards for the appointment of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP)

APPOINTMENT POLICY FOR DIRECTORS

1. **Board Constitution**

   The Company believes that the Board membership should comprise directors with an appropriate balance of skills, experience, knowledge and the capacity and ability to lead the Company towards achieving sustainable development to enable the directors individually and the Board collectively, to:

   - discharge their responsibilities and duties under the law effectively and efficiently;
   - understand the business of the Company and the environment in which the Company operates so as to be able to agree with management the objectives, goals and strategic direction which will maximise shareholder value; and
   - assess the performance of management in meeting those objectives and goals.

   The requirement for appointment of an Independent Director will be arrived at by the Board in line with the requirements of the Companies Act, 2013 read with rules made thereunder and other regulatory requirements. Constitution of Board and skill sets may be factored in while considering appointment of Independent Director.

2. **Qualifications and Experience**

   Subject to the applicable provisions of the Companies Act, 2013 and the Company HR policy, NRC shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director and recommend to the Board his / her appointment.

   NRC has discretion to decide the adequacy of qualification, expertise and experience of such candidate.

3. **Attributes**

   The general attributes for Executive Directors and Independent Directors that are desired and adopted as criteria for appointment are detailed in Annexure – 1 with the guidelines.

4. **Appointment process**

   Matching the needs of the Company and enhancing the competencies of the Board are the basis for the NRC to select a candidate for appointment to the Board. In case required, the NRC may also take help from external consultants to identify potential directors.

   Recommendations of the NRC shall be placed before the Board of Directors for its consideration. After considering the recommendations of the Committee, the decision on the appointment of the Directors shall be taken by the Board of Directors. The appointment so made shall be subject to the approval of the shareholders.

   After the Director is appointed, a formal letter of appointment shall be issued to him / her by the Company.

APPOINTMENT POLICY FOR KEY MANAGERIAL PERSONNEL (KMP) AND SENIOR MANAGEMENT PERSONNEL (SMP)

1. **Review of organization structure and Competency Requirements**

   The appointment of KMP's and SMP's will be on the basis of requirements of the organization structure and detailed roles of positions within the structure for effective and efficient management of the business.

The management committee has discretion to decide the adequacy of qualification, expertise and experience for the concerned position. The management committee will consider the competency requirements in accordance with the Company's HR policies.

2. Appointment of KMP and SMP

KMP for appointment will be nominated by the Management Committee, recommended by the NRC to the Board for approval and appointed by the Board.

The appointment of personnel to Senior Management positions will be delegated to the Management Committee and their appointments will be noted by the Board.

Annexure 1: Criteria for appointment

I. Executive Directors

Attribute	Description
Competency requirements for Managing Director	• Leads the organization with overall responsibility for business strategy, capital allocation, business performance and risk management. • Ability to formulate and navigate businesss strategy based on the economic environment and opportunities • Ability to understand and mitigate business, operational and financial risks as appropriate for the offshore industry • Ability to lead the organization and manage stakeholder relationships with clients, shareholders and personnel
Competency requirements for other Executive Director(s)	• Leads business operations with responsibility for functional integration of core operating and corporate functions, resource allocation and business policies. • Ability to formulate and oversee business policies and risk management frameworks appropriate the business environment • Ability to match resource requirements for implementation of business plans • Ability to lead the organization and manage stakeholder relationships with clients, key partners, authorities and personnel

II. Independent Directors

Attribute	Description
Independence & Commitment	• Meets the criteria of independence as laid down in Section 149 of the Companies Act, 2013, as may be amended or substituted from time to time • Demonstrates commitment to invest the amount of time required to effectively discharge duties as an independent director
Business Values	• Identifies with the core values of the company and holds a reputation for integrity in running business • Is committed to establishing and / or maintaining high standards of corporate governance in the Company and other organizations associated with
Business Leadership experience	• Holds or has held a senior leadership position in an organization of business complexity at par or higher than that of the Company • Has experience of development and execution of business strategies through different phases of business or economic cycles
Board experience	• Possesses experience of serving on a board of directors as an executive director of a reputed company, or • Has experience of serving as an independent director of a reputed company
Stature in industry	• Holds a high degree of credibility in the general industry • Is professionally networked with a set of relationships across various institutions of the economy

ANNEXURE 6

TO THE BOARD'S REPORT

REMUNERATION POLICY

POLICY ADOPTION

This policy has been recommended by the Nomination and Remuneration Committee of the Company at its meeting held on January 27, 2015 and adopted by the Board of Directors of the Company at its meeting held on January 27, 2015,pursuant to Section 178 of the Companies Act, 2013 and is applicable with effect from the said date.

REMUNERATION POLICY FOR THE DIRECTORS

1. **Recommendation & approval authorities**

   a. **For Executive Directors**: The remuneration of the executive directors is recommended by the Nomination and Remuneration Committee (the 'Committee') and approved by the Board of Directors (the 'Board') and shareholders of the Company within the overall limits as may be prescribed under applicable laws.

   b. **For Non-Executive Directors**: The remuneration of the non-executive directors is approved by the Board of Directors (the 'Board') and shareholders of the Company within the overall limits as may be prescribed under applicable laws.

   c. **Independence of decisions**: Decisions regarding remuneration for executive directors is the responsibility of the Committee. Executive directors are not consulted directly by the Committee when making policy decisions.

2. **Forward looking nature**

   This Policy is a forward-looking document. It is hereby clarified that existing obligations of the Company under existing contracts, pension scheme, etc. which are outstanding at the time this Policy is approved shall continue to be honoured by the Company. It is the Company's policy to honour in full any pre-existing obligations that have been entered into prior to the effective date of this Policy.

EXECUTIVE DIRECTORS

Key Principles

Attracting and retaining requisite talent is a key objective of the Company's approach to remuneration. The core elements of salary, commission, benefits and pension continue to provide an effective, relatively simple, performance-based system that fits well with the nature of Company's business and strategy.

The remuneration policy for executive directors has been consistently guided by the following key principles, which represent the underlying approach of the Board and the Committee:

a) The remuneration structure of executive directors is designed to reflect the nature of business in which the Company operates. The industry has long term business cycles, is capital intensive, highly regulated and has significant safety and environmental risks requiring specific entrepreneurial skills and experience, which the Company must attract and retain.

b) A substantial proportion of executive directors' remuneration is linked to success in implementing the Company's strategy and varies with performance of the Company.

c) There is quantitative and qualitative assessment of each executive director's performance.

d) Total overall remuneration takes account of both the external market and company conditions to achieve a balanced and fair outcome.

e) Ensuring that executive directors are remunerated in a way that reflects the Company's long-term strategy. Consistent with this, a high proportion of executive directors' total remuneration has been, and will always be, strongly linked to the Company's performance.

Elements of remuneration

Executive directors' remuneration shall be divided into following elements:

1. **Consolidated Salary**

   a. **Inclusions in consolidated salary**: Consolidated Salary shall include basic salary and Company's contribution to Provident Fund, Superannuation Fund and all other allowances payable from time to time. Company's contribution to Provident Fund, Superannuation Fund allowances, etc. shall be as per the rules of the Company and determined as per the applicable laws, if any, from time to time.

   b. **Industry comparison**: While determining Consolidated Salary, salary levels and total remuneration paid by companies of similar size and stature engaged in shipping, offshore and other industries shall be considered by the Committee.

   c. **Revision of scales**: Scale of Consolidated Salary shall be fixed for a period of 5 years and shall be reviewed every five years thereafter or such other period as may be decided from time to time.

   d. **Annual review**: Actual Consolidated Salary payable every year shall be reviewed annually within the broader scale as aforesaid.

      Salary reviews consider both external competitiveness and internal consistency when determining if any increases should be applied. Salaries are compared against other shipping and offshore majors, but the Company also monitors market practice among companies of a similar size, geographic spread and business dynamic to the Company.

      Salary increases are not directly linked to performance. However a base-line level of personal contribution is needed in order to be considered for a salary increase and exceptional sustained contribution may be grounds for accelerated salary increases.

2. **Benefits**

   There are certain benefits, such as car-related benefits, insurance and medical benefits, etc. which are made available by the Company to its employees generally in accordance with its rules / terms of employment. Executive directors are entitled to receive those benefits.

   Annexure - 1 details the benefits applicable for Executive Directors.

3. **Reimbursements**

   Reimbursement of expenses incurred by the Managing Director(s) during business trips for travelling, boarding and lodging, including for their respective spouses will be provided by the Company.

   Reimbursement of expenses incurred by other Executive Director(s) during business trips for travelling, boarding and lodging will be provided by the Company.

4. **Commission**

   Commission is decided based on performance of executive directors as well as the Company.

   Commission may vary from time to time and shall be subject to the ceilings prescribed under the applicable law. In case of Managing Director(s)the commission payable shall be up to a maximum of four times of the annual Consolidated Salary.

NON-EXECUTIVE DIRECTORS

Key Principles

The principle which underpins the board's policy for the remuneration of NEDs is that the remuneration should be sufficient to attract, motivate and retain world-class non-executive talent. The remuneration practice should also be consistent with recognized best practice standards for NED remuneration.

Elements of Remuneration

1. **Sitting fees**

   The NEDs are paid sitting fees for attending meetings of the Board of Directors. It is presently ₹ 63,000 per meeting or as may be approved by the Board of Directors, from time to time.

2. **Commission**

   It provides a variable level of remuneration dependent on short-term performance of the Company, i.e. net profits every year.

Quantum of Commission is determined by the Board on a year to year basis. Additional commission is paid to the directors who hold Memberships/Chairmanships of various committees of Board of Directors as per the decision of the Board,over and above the Commission payable as a Director.

The Company does not provide share options or retirement benefits to NEDs.

Annexure – 1: Benefits applicable for Executive Directors

Managing Director:

The Company shall provide following benefits to Managing Director(s):

a) Transportation/conveyance facilities
b) Telecommunication facilities at residence
c) Leave encashment as per the rules of the Company
d) Reimbursement of medical expenses incurred for himself and his family
e) Life insurance cover as per the rules of the Company
f) Personal accident insurance cover as per the rules of the Company
g) Housing loan, subject to the rules of the Company
h) Fees of Clubs subject to a maximum of two clubs
i) Other benefits as applicable to other employees of the Company

In addition to the above, Managing Director(s) will also be entitled to payment of gratuity in accordance with the policy/rules of the Company in force or as may be approved by the Board of directors.

Managing Director(s) shall also be entitled to bonafide payment (which shall include providing perquisites) by way of pension in accordance with the scheme to be formulated by the Board of Directors or any Committee thereof from time to time, subject to the limits prescribed under applicable laws, if any.

A copy of the current Retirement Benefit Scheme for Managing Director is enclosed to this Policy as Annexure 2.

Other Executive Director(s):

The Company shall provide following benefits to other Executive Director(s) as per rules of the Company:

a) Transportation/conveyance facilities
b) Telecommunication facilities at residence
c) Leave encashment as per the rules of the Company
d) Reimbursement of medical expenses incurred for himself and his spouse
e) Life insurance cover as per the rules of the Company
f) Personal accident insurance cover as per the rules of the Company
g) Leave travel reimbursement/allowanceas per the rules of the Company
h) Membership Fees of Clubs, subject to a maximum of two clubs
i) Other benefits as applicable to other employees of the Company

In addition to the above, Executive Director(s) will also be entitled to payment of gratuity in accordance with the policy/rules of the Company in force or as may be approved by the Board of directors.

REMUNERATION POLICY FOR EMPLOYEES

1. Approving authority

The determination of each employee's remuneration is delegated to the Management Committee.

2. Forward looking nature

This Policy is a forward-looking document. It is hereby clarified that existing obligations of the Company under existing contracts, pension scheme, etc. which are outstanding at the time this Policy is approved shall continue to be honoured by the Company. It is the Company's policy to honour in full any pre-existing obligations that have been entered into prior to the effective date of this Policy.

3. Key Principles

The following principles are adopted as a framework for remuneration of all employees (including senior management and key managerial personnel).

a. Fixed and variable components:

The proportion of fixed and variable components in remuneration for personnel at different levels will be balanced to reflect short and long term performance objectives appropriate to the working of the Company and its goals.

b. Benchmarking compensation packages:

The overall compensation packages will be benchmarked with salaries paid at similar levels in the industry and calibrated to attract and retain the kind of talent the Company requires.

4. Elements of remuneration

The overall compensation of an employee shall be divided into the following elements:

a. Fixed Pay or the CTC:

The Fixed Pay or the CTC of an employee shallbroadly comprise of the below listed components:

- Basic
- HRA
- Car Fuel& Maintenance (own car/company car based on the eligibility as per grade)
- Conveyance Allowance
- LTA/Medical,
- Provident Fund,
- Superannuation Fund,
- National Pension Scheme,
- Leadership Compensation,
- Savings Allowance,
- Children Education Allowance,
- Self-development, etc.

Some of the components mentioned above are optional where employees can choose not to avail them. The sub-limits of each of these components as a percentage of Fixed Pay or CTC may differ for each employee based on his grade.

The Fixed Pay or the CTC of an employee shall be reviewed and revised annually by the Management Committee.

b. Variable Pay or Performance Incentive Pay:

Variable pay will be clearly linked to the performance of the Company and that of the employee. Performance of all employees shall be reviewed annually and shall be rated on a 5 point scale. Based on the Company's annual performance and the performance rating of the employee, the Variable Pay of the employee shall be determined by the Management Committee as a percentage of fixed pay on an annual basis.

c. Other Benefits:

The various other benefits, over and above the Fixed Pay and the Variable Pay, shall be as per the Company's HR Policy which will be decided by the Management Committee.

ANNEXURE 7

TO THE BOARD'S REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U63090MH2002PLC136326
2.	Registration Date	26 June 2002
3.	Name of the Company	Greatship (India) Limited
4.	Category/Sub-category of the Company	Public Company limited by shares
5.	Address of the Registered office & contact details	Indiabulls Finance Centre, Tower 3, 23rd Floor, Senapati Bapat Marg, Elphinstone Road (W), Mumbai, Maharashtra – 400 013
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE Company

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

S. No.	Name and description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Offshore Oilfield Services	**09101*** **09103***	100

*As per National Industrial Classification 2008

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	The Great Eastern Shipping Company Limited Ocean House134/A, Dr. Annie Besant Road, Worli, Mumbai, Maharashtra - 400018	L35110MH1948 PLC006472	Holding Company	100	2(46)
2	Greatship Oilfield Services Limited+ Indiabulls Finance Centre, Tower 3, 23rd Floor, Senapati Bapat Marg, Elphinstone Road (W), Mumbai, Maharashtra – 400 013	U74900MH2015 PLC266483	Subsidiary Company	100	2(87)(ii)
3	Greatship Global Holdings Ltd.+@ Abax Corporate Services Ltd. 6th Floor, Tower A 1, CyberCity, Ebène Mauritius	NA	Subsidiary Company	100	2(87)(ii)

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
4	Greatship (UK) Limited+ 10 Queen Street Place, London United Kingdom-EC4R 1AG	NA	Subsidiary Company	100	2(87)(ii)
5	Greatship Global Energy Services Pte. Ltd.+ 15 Hoe Chiang Road, Tower Fifteen, #06-03, Singapore 089316	NA	Subsidiary Company	100	2(87)(ii)
6	Greatship Global Offshore Services Pte. Ltd.# 15 Hoe Chiang Road, Tower Fifteen, #06-03, Singapore 089316	NA	Subsidiary Company	100	2(87)(ii)

+ wholly owned subsidiaries of Greatship (India) Limited

wholly owned subsidiary of Greatship Global Holdings Ltd.

@ application for merger of Greatship Global Holdings Ltd. with Greatship (India) Limited filed with National Company Law Tribunal.

IV. SHARE HOLDING PATTERN

Equity Share Capital Breakup as percentage of Total Equity

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	111,345,500	111,345,500	100	-	111,345,500	111,345,500	100	NIL
e) Banks/ FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	**-**	**111,345,500**	**111,345,500**	**100**	**-**	**111,345,500**	**111,345,500**	**100**	**NIL**
(2) Foreign									
NRIs – Individuals	-	-	-	-	-	-	-	-	-
Other – Individuals	-	-	-	-	-	-	-	-	-
Bodies Corp.	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Any other	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	-	**111,345,500**	**111,345,500**	**100**	-	**111,345,500**	**111,345,500**	**100**	**NIL**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	**111,345,500**	**111,345,500**	**100**	-	**111,345,500**	**111,345,500**	**100**	**NIL**

ii. Shareholding of Promoter-

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	%of Shares Pledged / encumbered to total shares	
1	The Great Eastern Shipping Company Limited	111,345,500	100	NIL	111,345,500	100	NIL	NIL

iii) Change in Promoters' Shareholding (THE GREAT EASTERN SHIPPING COMPANY LIMITED)

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year	111,345,500	100	111,345,500	100
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	No Change	No Change	111,345,500	100
3.	At the end of the year	111,345,500	100	111,345,500	100

iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year	NA			
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NA			
3.	At the end of the year	NA			

v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year	NIL			
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NA			
3.	At the end of the year	NIL			

V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in crores)

	Secured Loans excluding Preference & deposits & deferred finance charges	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (recasted as per IND AS)				
i) Principal Amount	579.42	NIL	NIL	2019.21
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	2.33	NIL	NIL	2.33
Total (i+ii+iii)	**581.75**	**NIL**	**NIL**	**581.75**
Change in Indebtedness during the financial year				
• Addition (excluding Refinancing)	1604.29	NIL	NIL	1604.29
• Reduction (excluding Refinancing)	(182.81)	NIL	NIL	(182.81)
• Addition to exchange impact	18.31	NIL	NIL	18.31
• Addition in Interest accrued but not due	1.40	NIL	NIL	1.40
Net Change	1441.19	NIL	NIL	1441.19
Indebtedness at the end of the financial year				
i) Principal Amount	2019.21	NIL	NIL	2019.21
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	3.73	NIL	NIL	3.73
Total (i+ii+iii)	**2022.94**	NIL	NIL	**2022.94**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in ₹)

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Ravi K. Sheth, Managing Director	Mr. P. R. Naware, Executive Director	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (i)	25,921,338/-	13,946,529/-	39,867,867/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (ii)	2,155,783/-	880,755/-	3,036,538/-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL
2	Stock Option (granted during the year)	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission - as % of profit (iii) - others, specify	 29,700,000/- NIL	 9,280,000/- NIL	 38,980,000/- NIL
5	Other Benefits#	343,965/-	485,415/-	829,380/-
	Total (i) + (ii) + (iii) = (A)	**57,777,121/-**	**24,107,284/-**	**81,884,405/-**
	Ceiling as per the Act (₹ in crores)	6.96	6.96	13.91

- *Salary includes contribution to provident fund and superannuation fund and does not include provisions made for Retirement Benefit Scheme for Managing Director*
- *Salary also excludes variable pay for previous financial year i.e. F.Y. 2016-17*
- *Commission for FY 2017-18 to be paid in FY 2018-19*
- *Mr. Ravi K Sheth and Mr. P. R. Naware are also entitled to gratuity in accordance with the Company's rules*
- *#does not form part of calculation of remuneration under section 198 of the Act*

Note: The Board has approved a Retirement Benefit Scheme for its Managing Director w.e.f April 1, 2012. The Scheme provides for provision of pension, medical reimbursement and other benefits to the retiring Managing Director. On the basis of actuarial valuation, in the current year the provision for pension payable to Managing Director on his retirement has been reduced by ₹ 0.21 crores (provision made for previous year: ₹ 1.49 crores.)

B. Remuneration to other directors

(Amount in ₹)

S. No.	Particulars of Remuneration	Name of Directors								Total Amount
		Mr. Bharat K. Sheth	Mr. Keki Mistry	Mr. Berjis Desai*	Mr. Vineet Nayyar	Mr. Shashank Singh	Mr. Anil Singhvi	Mr. Mathew Cyriac	Dr. Swaroop Rawal	
1	**Independent Directors**									
	Fee for attending board/ committee meetings	NA	400,000	200,000	500,000	300,000	500,000	500,000	500,000	2,900,000
	Commission@	NA	1,295,000	912,083	920,000	720,000	736,667	809,583	720,000	6,113,333
	Others, please specify	NA	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total (1)	**NA**	**1,695,000**	**1,112,083**	**1,420,000**	**1,020,000**	**1,236,667**	**1,309,583**	**1,220,000**	9,013,333

S. No.	Particulars of Remuneration	Name of Directors								Total Amount
		Mr. Bharat K. Sheth	Mr. Keki Mistry	Mr. Berjis Desai*	Mr. Vineet Nayyar	Mr. Shashank Singh	Mr. Anil Singhvi	Mr. Mathew Cyriac	Dr. Swaroop Rawal	
2	**Other Non-Executive Directors**									
	Fee for attending board/ committee meetings	NIL	NA	NA	NA	NA	NA	NA	NA	NA
	Commission@	10,800,000	NA	NA	NA	NA	NA	NA	NA	10,800,000
	Others, please specify	NIL	NA	NA	NA	NA	NA	NA	NA	NA
	Total (2)	**10,800,000**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**10,800,000**
	Total (B)=(1+2)	**10,800,000**	**1,695,000**	**1,112,083**	**1,420,000**	**1,020,000**	**1,236,667**	**1,309,583**	**1,220,000**	**19,813,333**
	Total Managerial Remuneration (A+B)									**101,697,738**
	Overall Ceiling as per the Act (₹ in crores)									15.30

@For FY 2017-18 approved by the Board of Directors at their meeting held on May 2, 2018. Since the total proposed commission payable to the non-executive directors for FY 2017-18 would exceed 1% of the net profits of the Company calculated in accordance with the provisions of section 198 of the Companies Act, 2013, the Company would be seeking necessary approval of its shareholder – The Great Eastern Shipping Co. Ltd. in a general meeting by way of a special resolution

** resigned w.e.f March 12, 2018*

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Amount in ₹)

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Ms. Amisha Ghia, Company Secretary	Mr. G. Shivakumar, Chief Financial Officer#	Total
1	Gross salary	NA			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961*		4,667,293/-	-	4,667,293/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		29,776/-	-	29,776/-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-	-	-
2	Stock Option (granted during the year)		-	-	-
3	Sweat Equity		-	-	-
4	Commission				
	- as % of profit		-		
	- others, specify				
5	Other benefits		247,738/-	-	247,738/-
	Total		4,944,807/-	-	4,944,807/-

** Salary includes variable pay for previous financial year, i.e. FY 2016-17. Ms. Amisha Ghia is also entitled to gratuity in accordance with the Company's rules*

 # Draws remuneration from the parent company, The Great Eastern Shipping Company Limited

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. Company					
Penalty					
Punishment			NIL		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			NIL		
Compounding					

ANNEXURE 8
TO THE BOARD'S REPORT

FORM NO. AOC -2

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

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

Details of contracts or arrangements or transactions not at arm's length basis : NIL

Details of material contracts or arrangement or transactions at arm's length basis:

The details of contracts/arrangements or transactions at arm's length basis and in the ordinary course of business of the Company for the year ended March 31, 2018 are as follows:

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions	Amount (₹ in crores)
1	The Great Eastern Shipping Co. Ltd.	Parent Company	Dividend Expense	Annual	Preference dividend paid by the Company as per the terms of preference shares issued by the Company	23.32
			Allotment of Training Slots	1 year	Service charges paid for allotment of training slots	1.84
			Payables	-	Outstanding amount payable as on March 31, 2018 in relation to service charges for allotment of training slots	0.75
2	Greatship (UK) Limited	Wholly Owned Subsidiary	Charter Hire Income	Several transactions during the year	Charter hire income on the vessel chartered by the Company	11.36
			Reimbursement of expenses	Several transactions during the year	Reimbursement of expenses incurred by the WOS for vessels chartered to WOS	3.18
			Receivables	-	Outstanding amount receivable as on March 31, 2018 in relation to charter hire of vessels and others, if any	0.05
			Payables	-	Outstanding amount payable for the vessels chartered to WOS and others, if any	12.37

3	Greatship Global Energy Services Pte. Ltd.	Wholly Owned Subsidiary	Dividend Received	Several transactions during the year	Interim divided and final dividend declared and paid by the WOS	147.44
			Corporate Guarantee commission received	Quarterly	Amount of commission received on corporate guarantees given by the Company	0.54
			Inchartering Expenses	Several transactions during the year	Inchartering expenses relating to jack-up rigs taken on bareboat charter from the WOS	73.05
			Payables	-	Outstanding amount payable as on March 31, 2018 in relation to purchase of rigs alongwith OFEs	856.11
			Purchase of Rigs	-	Purchase of the Greatdrill Chetna, Greatdrill Chitra, Greatdrill Chaaya and Greatdrill Chaaru (the "Rigs") along with the Owner Furnished Equipments at a fair market value of the Rigs	2451.27
4	Greatship Global Offshore Services Pte. Ltd.	Wholly Owned Subsidiary	Corporate Guarantee commission received	Quarterly	Amount of commission received on corporate guarantees given by the Company	0.34
5	Greatship Global Holdings Limited	Wholly Owned Subsidiary	Payables	-	Outstanding amount payable as on March 31, 2018 in relation to acquisition of shares of Greatship Global Energy Services Pte. Ltd.	1,037.21
6	Greatship Oilfield Services Limited	Wholly Owned Subsidiary	Investment in equity share capital	One-time	The Company has subscribed to 250,000 equity shares of face value of ₹ 10 each for cash at par	0.25
7	Great Eastern CSR Foundation	Fellow Subsidiary	Contribution towards CSR	Several transactions during the year	Contriubution towards CSR pursuant to Section 135 of the Companies Act, 2013	3.67
8	Ms. Nirja B. Sheth	Daughter of Mr. Bharat K. Sheth (Chairman of the Company)	Holding office or place of profit	With effect from December 1, 2016	Salary up to ₹ 25,00,000/- p.a (including performance incentive pays and periodic increments) and other benefits applicable to her designation/grade.	0.13

For and on behalf of the Board of Director

Bharat K. Sheth
Chairman
(DIN: 00022102)

Mumbai, May 2, 2018

ANNEXURE 9 TO THE BOARD'S REPORT

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
Greatship (India) Limited
Indiabulls Finance Centre,
Tower 3, 23rd Floor,
Senapati Bapat Marg,
Elphinstone Road (West),
Mumbai - 400013

We have conducted the secretarial audit of the compliance of Applicable Statutory provisions and the adherence to good corporate practices by Greatship (India) Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 (hereinafter referred as 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

(i) The Companies Act, 2013 (hereinafter the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under **(Not Applicable to the Company)**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under **(Not Applicable to the Company)**

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of External Commercial Borrowings and Overseas Direct Investment **(Foreign Direct Investment is not applicable to the Company during the Audit Period)**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act'**):-

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not Applicable to the Company)**

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 **(Not Applicable to the Company)**

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company)**

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable to the Company)**

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not Applicable to the Company)**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company)** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company)**;

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

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

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(Not Applicable to the Company)**.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards made there under.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the following law applicable specifically to the Company:

- The Merchant Shipping Act, 1958 and rules made there under.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The composition of the Board of Directors during the period under review was in compliance with the provisions of the Act.

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period

1. The Board of Directors of the Company had at their meeting held on 07th August, 2017 approved the merger of its Wholly-Owned Subsidiary, Greatship Global Holdings Limited, Mauritius with the Company.
2. The Company at its Extra-Ordinary General Meeting held on 10th November, 2017 accorded its consent pursuant to Section 180(1)(a) of the Act for creation of security/charge over its assets for securing the borrowings availed/to be availed by the Company.

For Makarand M. Joshi & Co.

Kumudini Bhalerao
Partner
Membership No. 6667
CP No. 6690

Place: Mumbai
Date: May 2, 2018

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

ANNEXURE ‘A’

To,
Greatship (India) Limited
Indiabulls Finance Centre,
Tower 3, 23rd Floor,
Senapati Bapat Marg,
Elphinstone Road (West),
Mumbai – 400013

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Makarand M. Joshi & Co.

Kumudini Bhalerao
Partner
FCS No: 6667
CP No. 6690

Place: Mumbai
Date: May 2, 2018

FLEET AS ON MARCH 31, 2018

GREATSHIP (INDIA) LIMITED AND ITS SUBSIDIARIES

Category	Vessel Name	Company#	DWT (MT)	Year Built	Average Age (Years)
OFFSHORE SUPPORT VESSELS					
Platform Supply Vessels					
1	m.v. Greatship Dipti	GIL	3,228	2005	
2	m.v. Greatship Dhriti	GIL	3,330	2008	
3	m.v. Greatship Dhwani	GIL	3,330	2008	
4	m.v. Greatship Prachi	GIL	4,000	2015	
4			**13,888**		**9.00**
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 Asmi	GIL	1,634	2009	
4	m.v. Greatship Ahalya	GIL	1,643	2009	
5	m.v. Greatship Aarti	GIL	1,650	2009	
6	m.v. Greatship Vidya	GIL	3,289	2012	
7	m.v. Greatship Vimla	GIL	3,310	2012	
8	m.v. Greatship Aditi	GGOS	2,045	2009	
8			**17,804**		**8.50**
Multi-purpose Platform Supply and Support Vessels					
1	m.v. Greatship Maya	GGOS	4,350	2009	
2	m.v. Greatship Manisha	GGOS	4,221	2010	
2			**8,571**		**8.50**
ROV Support Vessels					
1	m.v. Greatship Ramya	GIL	3,676	2010	
2	m.v. Greatship Rohini	GIL	3,700	2010	
3	m.v. Greatship Rashi	GIL	3,700	2011	
4	m.v. Greatship Roopa	GIL	3,600	2012	
5	m.v. Greatship Rachna	GIL	3,600	2012	
5			**18,276**		**7.00**

TOTAL OFFSHORE SUPPORT VESSELS

Number	**19**
Total Tonnage (dwt)	**58,539**
Average Age (years)	**8.21**

Category	Vessel Name	Company#	DWT (MT)	Year Built	Average Age (Years)
DRILLING UNITS					
350' Jack Up Rigs@					
1	Greatdrill Chitra	GIL	N.A.	2009	
2	Greatdrill Chetna	GIL	N.A.	2009	
3	Greatdrill Chaaya	GIL	N.A.	2013	
4	Greatdrill Chaaru	GIL	N.A.	2015	
4					**6.50**
TOTAL DRILLING UNITS					
Number	4				
Average Age (years)	6.50				

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.'
@ acquired from GGES on June 19, 2017

ACQUISITIONS/SALES DURING FY 2017-18 – NIL

TRANSACTIONS BETWEEN APRIL 1, 2018 TO MAY 2, 2018 - NIL

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GREATSHIP (INDIA) LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Greatship (India) Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 standalone Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal financial control relevant to the Company'spreparation of the standalone Ind AS 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 the accounting policies used and the reasonableness of theaccounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to usthe aforesaid standalone Ind AS 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 Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its loss, total comprehensive income, the changes in equity and cash flows for the year ended on that date.

Other Matter

The comparative financial statements of the Company for the year ended March 31, 2017 prepared in accordance with Ind AS included in these standalone Ind AS financial statements have been audited by the predecessor auditor. The report of the predecessor auditor on these comparative financial statements dated May 2, 2017 expressed an unmodified opinion.

Our opinion on the standalone Ind AS financial statements is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1) As required by Section 143(3) of the Act, based on our audit we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

   (e) On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Samir R. Shah
Partner
(Membership No. 101708)

Place: Mumbai
Date: May 2, 2018

ANNEXURE 'A'
TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date).

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Greatship (India) Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the"Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the criteria for internal financial control over financial reporting established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Samir R. Shah
Partner
(Membership No. 101708)

Place: Mumbai
Date: May 2, 2018

ANNEXURE 'B'

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of the Company's property, plant and equipment:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) The property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification, which, in our opinion, provides for physical verification of all the assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such physical verification.

(c) The Company does not have any immovable property and therefore the provisions of clause 3(i)(c) of the Order are not applicable.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Act. Therefore, provisions of the clause 3 (iii) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit within the meaning of Section 73 to Section 76 of the Act during the year and does not have any unpaid deposits as at March 31, 2018. Therefore, the provisions of clause 3(v) of the Order are not applicable to the Company.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act for business activities carried out by the Company. Therefore, the provisions of clause (vi) of the Order are not applicable to the Company.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2018 on account of disputes are given below:

Name of Statute	Nature of Dues	Period for which the amount relates	Forum where dispute is pending	Amount (₹ in Crores)
The Finance Act, 1994 (Service tax legislation)	Service Tax	FY 2009-10	Supreme Court, Delhi	**21.94**
The Finance Act, 1994 (Service tax legislation)	Service Tax	FY 2008-09 to 2014- 2015	CESTAT*	**282.07**

Name of Statute	Nature of Dues	Period for which the amount relates	Forum where dispute is pending	Amount (₹ in Crores)
Maharashtra Value Added Tax Act, 2002	MVAT	FY 2008-09 and FY 2013-14	Various Forum	**67.29**
Customs Act, 1962	Custom Duty	FY 2009-10 to 2013-14	Various Forum	**0.33**
Customs Act, 1962	Custom Duty	FY 2009-10	Commissioner of Custom	**14.55**
Income Tax Act, 1961	Income Tax	FY 2009-10 to FY 2012-13	Income Tax Appellate Tribunal	**22.77**

* Appeal filed post March 31, 2018

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not issued debentures and has not taken any loans or borrowings from financial institution or government.

(ix) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were raised other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of initial public offer or further public offer during the year.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of the Order are not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Act where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of clause (xiv) of the Order are not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding or subsidiary or persons connected with them. Therefore, the provisions of clause (xv) of the Order are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Samir R. Shah
Partner
(Membership No. 101708)

Place: Mumbai
Date: May 2, 2018

BALANCE SHEET

AS AT 31ST MARCH, 2018

	Notes	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	7	3,530.83	1,366.68
(b) Capital work-in-progress		5.77	-
(c) Intangible assets	8	0.22	0.13
(d) Financial assets			
(i) Investments	9	2,068.91	2,100.56
(ii) Deposits with bank	10	-	2.35
(iii) Other financial assets	11	1.21	1.21
(e) Non current tax assets (net)	12C	30.66	22.85
(f) Deferred tax assets (net)	12D	-	11.18
(g) Other non current assets	13	0.91	0.03
		5,638.51	**3,504.99**
2 Current assets			
(a) Inventories	14	77.31	83.35
(b) Financial assets			
(i) Investments	15	33.24	8.69
(ii) Trade receivables	16	82.82	127.61
(iii) Cash and cash equivalents	17	243.31	205.61
(iv) Bank balances other than cash and cash equivalents	18	291.50	218.01
(v) Other financial assets	19	96.01	8.33
(c) Other current assets	20	23.58	13.33
		847.77	**664.93**
TOTAL ASSETS		**6,486.28**	**4,169.92**
EQUITY AND LIABILITIES			
EQUITY			
(a) Share capital	21	111.35	111.35
(b) Other equity	22	1,902.61	1,898.23
		2,013.96	**2,009.58**
LIABILITIES			
1 Non-current liabilities			
(a) Financial liabilities			
Long term borrowings	23	2,137.46	809.00
(b) Provisions	24A	10.80	13.34
(c) Deferred tax liability	12D	37.76	-
(d) Other liabilities	25	22.86	25.01
		2,208.88	**847.35**
2 Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	26	57.07	63.32
(ii) Other financial liabilities	27	2,177.77	1,222.43
(b) Other current liabilities	28	17.10	18.09
(c) Provisions	24B	0.76	0.51
(d) Current tax liabilities (net)	12C	10.74	8.64
		2,263.44	**1,312.99**
TOTAL EQUITY AND LIABILITIES		**6,486.28**	**4,169.92**
Significant accounting policies	5		

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

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.: 117366W / W100018)

Samir R. Shah
Partner
(Membership No.: 101708)

Place : Mumbai
Date : May 2, 2018

For and on behalf of the Board of Directors

Ravi K. Sheth
Managing Director

P.R. Naware
Executive Director

G. Shivakumar
Chief Financial Officer

Amisha M. Ghia
Company Secretary

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2018

	Particulars	Notes	Year ended March 31, 2018 ₹ in Crores	Year ended March 31, 2017 ₹ in Crores
	Income			
I	Revenue from operations	29	893.84	1,292.37
II	Other income	30	163.16	18.19
III	**Total Income**		**1,057.00**	**1,310.56**
IV	**Expenses**			
	Employee benefits expense	31	195.34	229.23
	Finance costs	32	132.25	52.27
	Depreciation and amortisation expense	33	203.17	133.37
	Impairment loss	34	166.50	157.52
	Other expenses	35	263.60	631.62
	Total Expenses		**960.86**	**1,204.01**
V	**Profit before tax**		**96.14**	**106.55**
VI	Tax Expense			
	Current tax	12A	71.00	84.42
	Deferred tax (net and MAT credit)	12A	40.00	0.96
	Total tax expense		**111.00**	**85.38**
VII	**Profit / (Loss) for the year**		**(14.86)**	**21.17**
VIII	Other Comprehensive Income			
A	(i) Items that will not be reclassified subsequently to the Statement of Profit and Loss			
	- Remeasurements of the defined benefit plans		2.96	2.01
	(ii) Income tax on items that will not be reclassified subsequently to the Statement of Profit and Loss		(0.95)	-
B	(i) Items that will be reclassified subsequently to the Statement of Profit and Loss			
	- Net changes in fair value of hedging instruments in a cash flow hedge		25.23	3.44
	(ii) Income tax relating to items that will be reclassified subsequently to the Statement of Profit and Loss		(8.00)	-
	Total Other Comprehensive Income (A+B)		**19.24**	**5.45**
IX	**Total Comprehensive Income for the year (VII+VIII)**		**4.38**	**26.62**
	Earnings per equity share	36		
	[Nominal value per share ₹ 10 : previous year ₹ 10]			
	Basic and Diluted		(1.33)	1.90

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

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.: 117366W / W100018)

Samir R. Shah
Partner
(Membership No.: 101708)

Place : Mumbai
Date : May 2, 2018

For and on behalf of the Board of Directors

Ravi K. Sheth
Managing Director

P.R. Naware
Executive Director

G. Shivakumar
Chief Financial Officer

Amisha M. Ghia
Company Secretary

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Year ended March 31, 2018 ₹ in Crores	Year ended March 31, 2017 ₹ in Crores
Cash Flow From Operating Activities :		
Profit before tax	**96.14**	**106.55**
Adjustments for:		
Depreciation and amortisation expenses	203.17	133.37
Impairment loss on tangible assets	134.60	157.52
Impairment loss on investment in subsidiary	31.90	-
Finance costs	132.25	52.27
Profit on sale of vessel / other assets	(0.02)	(0.09)
Allowance for doubtful debts and advances (net)	(0.14)	1.64
Interest income	(6.20)	(6.06)
Dividend from foreign subsidiary	(147.44)	-
Dividend on current investments	(1.92)	(0.90)
Profit on sale of current investments	(0.04)	-
Corporate guarantee commission	(0.88)	(3.25)
Exchange differences on translation of foreign currency balances	(8.95)	(34.11)
Operating Profit Before Working Capital Changes :	**432.47**	**406.94**
Adjustments for working capital changes		
(Increase)/Decrease in Inventories	6.04	(0.21)
(Increase)/Decrease in Trade receivables	49.53	68.93
(Increase)/Decrease in Other financial assets and other current assets	(72.39)	11.18
Increase/(Decrease) in Trade payables	(6.69)	(60.14)
Increase/(Decrease) in Other financial liabilities, Provisions and other current liabilities	0.02	(21.65)
Cash Generated From Operations :	**408.98**	**405.05**
Taxes paid	(76.72)	(92.12)
Net Cash From Operating Activities :	**332.26**	**312.93**
Cash Flow From Investing Activities :		
Purchase of Property, plant and equipment	(1,657.97)	(20.86)
Proceeds from sale of Property, plant and equipment	0.04	6.09
Investment in subsidiary	(0.25)	-
Proceeds from sale of current investments	304.81	239.31
Purchase of current investments	(329.32)	(221.90)
Interest received	4.97	3.66
Dividend received on current investment	1.92	0.90
Dividend received from foreign subsidiary	147.44	-
Corporate guarantee commission received	0.88	3.25

Earmarked deposit placed with banks	-	(0.32)
Bank deposits having original maturity more than three months placed with banks	(374.38)	(396.01)
Bank deposits having original maturity more than three months redeemed with banks	313.71	303.10
Net Cash (Used In) Investing Activities :	**(1,588.15)**	**(82.78)**
Cash Flow From Financing Activities :		
Proceeds from long term borrowings	3,194.66	138.92
Repayment of long term borrowings	(1,773.17)	(347.15)
Interest paid	(114.34)	(22.59)
Dividend paid	(23.32)	(23.32)
Dividend distribution tax paid	-	(4.75)
Net Cash From / (Used In) Financing Activities :	**1,283.83**	**(258.89)**
Net Increase / (Decrease) In Cash And Cash Equivalents :	**27.94**	**(28.74)**
Cash and cash equivalents as at April 1, 2017	**205.61**	**234.23**
Gain on exchange rate changes in cash and cash equivalents	9.76	0.12
Cash and cash equivalents as at March 31, 2018	**243.31**	**205.61**

Note :

1 The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7 , 'Statement of Cash Flows'.

2 For Non cash items, refer note 27 to the Financial statements.

3 Reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities: Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirements.

₹ in Crores

Particulars	As at March 31, 2018	Cash flows (net)	Non-cash changes				As at March 31, 2017
			Fair value changes	Foreign exchange movement	Acquisition	Amortised cost to Profit and Loss (net)	
Foreign currency term loans from banks	1,994.43	1,421.49	-	18.31	-	(24.24)	578.87
Redeemable cumulative Preference shares capital	352.49	-	-	-	-	2.12	350.37
Total liabilities from financing activities	**2,346.92**	**1,421.49**	**-**	**18.31**	**-**	**(22.12)**	**929.24**

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

As per our Report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.: 117366W / W100018)

Samir R. Shah
Partner
(Membership No.: 101708)

Place : Mumbai
Date : May 2, 2018

For and on behalf of the Board of Directors

Ravi K. Sheth
Managing Director

P.R. Naware
Executive Director

G. Shivakumar
Chief Financial Officer

Amisha M. Ghia
Company Secretary

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2018

₹ in Crores

A EQUITY SHARE CAPITAL

Balance as at April 1, 2017	Changes in equity share capital during the year	Balance as at March 31, 2018
111.35	-	111.35

Balance as at April 1, 2016	Changes in equity share capital during the year	Balance as at March 31, 2017
111.35	-	111.35

B OTHER EQUITY

₹ in Crores

Particulars	Reserves and Surplus						Other Comprehensive Income	Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Tonnage Tax Reserve	Retained Earnings	Cash flow Hedging Reserve	
Balance as at April 1, 2017	**2.95**	**43.50**	**1,155.13**	**40.35**	**187.00**	**464.84**	**4.46**	**1,898.23**
(Loss) for the year	-	-	-	-	-	(14.86)	-	(14.86)
Other Comprehensive Income for the year, net of income tax	-	-	-	-	-	2.01	17.23	19.24
Transfer from Tonnage tax reserve to General reserve	-	-	-	42.00	(42.00)	-	-	-
Transfer from retained earnings to Tonnage tax reserve	-	-	-	-	0.50	(0.50)	-	-
Balance as at March 31, 2018	**2.95**	**43.50**	**1,155.13**	**82.35**	**145.50**	**451.49**	**21.69**	**1,902.61**

₹ in Crores

Particulars	Reserves and Surplus						Other Comprehensive Income	Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Tonnage Tax Reserve	Retained Earnings	Cash flow Hedging Reserve	
Balance as at April 1, 2016	**2.95**	**43.50**	**1,155.13**	**40.35**	**177.00**	**451.66**	**1.02**	**1,871.61**
Profit for the year	-	-	-	-	-	21.17	-	21.17
Other Comprehensive Income for the year, net of income tax	-	-	-	-	-	2.01	3.44	5.45
Transfer from retained earnings to Tonnage tax reserve	-	-	-	-	10.00	(10.00)	-	-
Balance as at March 31, 2017	**2.95**	**43.50**	**1,155.13**	**40.35**	**187.00**	**464.84**	**4.46**	**1,898.23**

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

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No.: 117366W / W100018)

Samir R. Shah
Partner
(Membership No.: 101708)

Place : Mumbai
Date : May 2, 2018

For and on behalf of Board of Directors

Ravi K. Sheth
Managing Director

P.R. Naware
Executive Director

G. Shivakumar
Chief Financial Officer

Amisha M. Ghia
Company Secretary

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2018

1 BACKGROUND

Greatship (India) Limited ("the Company") is a public Company domiciled in India and incorporated in the year 2002 under the provisions of the Companies Act,1956. The Company is engaged in providing offshore oilfield services with the principal activity of offshore logistics and drilling services. The Company presently owns and operates 4 Platform Supply Vessels (PSVs), 7 Anchor Handling Tug cum Supply Vessels (AHTSVs) and 5 Remotely Operated Vehicle Support Vessels (ROVSVs) in the Indian and International markets. The Company also owns and operates 4 Jack up Drilling Rigs. There have been no significant changes in the nature of these activities during the financial year. The Company is a subsidiary of The Great Eastern Shipping Company Limited (GESCO) which is listed on the National Stock Exchange (NSE) and at Bombay Stock Exchange (BSE).

The financial statements of the Company for the year ended March 31, 2018 were approved for issue in accordance with the resolution of the Board of Directors on May 2, 2018.

2 STATEMENT OF COMPLIANCE WITH IND AS

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

3 BASIS OF PREPARATION

The Financial Statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

4 USE OF ESTIMATES

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, disclosures of contingent assets and contingent liabilities as at the date of financial statements and the reported amounts of income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of property, plant and equipment, useful lives of property, plant and equipment, provision and contingent liabilities.

Impairment of property, plant and equipment

Determining whether a support vessel or a rig is impaired requires an estimation of value in use and fair value less cost of disposal. The key estimates made in the value in use calculation are those regarding discount rates, revenue and operating profit growth rates. The discount rate is estimated using pre-tax rates that reflect current market assessments of the time value of money. The fair values are estimated based on valuations provided by independent valuers considering latest transactions of similar assets.

Useful lives of property, plant & equipment

Useful lives of property, plant and equipment are reviewed at each year end based on the best available information. The lives are based on historical experience with similar assets as well as anticipation of future events.

Provisions & Contingent Liabilities

The Company is a party to certain legal disputes, the outcomes of which cannot be assessed with a high degree of certainty. A provision is recognised where, based on the legal views and advice, it is considered probable that an outflow of resources will be required to settle a present obligation that can be measured reliably. Disclosure of contingent liabilities is made in note 44 unless the possibility of a loss arising is considered remote. Management applies its judgement in determining whether or not a provision or contingent liability should be recorded.

5 SIGNIFICANT ACCOUNTING POLICIES

(a) Property, Plant & Equipment :

Property, plant and equipment (PPE) are stated at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenses related to acquisition, installation of the concerned assets and any attributable cost of bringing the asset to the condition of its intended use. Borrowing costs attributable to the acquisition or construction of a qualifying asset is also capitalised as part of the cost of the asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

(b) Intangible Assets :

Intangible assets are stated at acquisition cost less accumulated amortisation and accumulated impairment losses, if any. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition measured at difference between net disposal proceeds and the carrying amount of the asset, are recognised in profit and loss.

(c) Non-current assets held for sale :

Non-Current Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. A non current asset is classified as such only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less cost to sell.

(d) Depreciation and Amortisation

Depreciation is provided on straight line method, prorata to the period of use, so as to write off the original cost of the asset less its estimated residual value over the estimated useful life. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted on a prospective basis.

Estimated useful lives of the assets are as follows:

Particulars	Estimated useful life
Property, Plant & Equipment	
Fleet – Offshore Supply Vessels	20 years
Modern Rigs	30 years
Furniture and Fixtures, Office Equipment #	5 years
Computers	3 years
Vehicles #	4 years
Plant and Equipment #	3 to 10 years
Network Servers	6 years
Mobile Phones #	2 years
Leasehold improvements	Lease period
Intangible Assets	
Intangible Assets – Software licenses	5 years

Cost relating to Dry dock (special survey) which is mandatorily required to be carried out every five years as per the Classification Rules and Regulations is recognised in the carrying amount of the Fleet and Rig as a component and is depreciated over the period from the completion of survey till the estimated date for next special survey.

For these class of assets, based on internal technical assessment, the Management believes that the useful lives as given above best represents the period over which the Management expects the use of the assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

(e) Impairment :

The carrying amounts of the Company's intangible assets and property, plant and equipment are reviewed at the end of each reporting period 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 immediately in the statement of profit and loss in the period in which impairment takes place.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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 or depreciation) had no impairment loss been recognised for the asset in prior accounting periods. A reversal of an impairment loss is recognised immediately in the Statement of profit and Loss.

(f) Inventories :

Inventories of fuel oil on vessels and rigs, stores and spares on rigs and at warehouse are carried at lower of cost and net realizable value. Stores and spares delivered on board the vessels are charged to revenue. Stores and spares of Rigs are charged to revenue on consumption basis. Cost is ascertained on first-in-first-out basis for fuel oil and on weighted average basis for stores and spares on Rigs. Net realisable value represents the estimated selling price for inventories less all costs necessary to make the sale.

(g) Financial Instruments :

Initial Recognition

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Subsequent measurement

Financial Assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. The purchase and sale of financial assets are accounted for at trade date.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid financial instruments which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less.

Fixed deposit having residual maturity more than three months but less than twelve month from the reporting period is considered as part of bank balances other than cash and cash equivalent. Fixed deposit with residual maturity more than twelve months from reporting period is classified under other non current financial assets.

Financial Assets at amortised cost

Financial assets are subsequently measured at amortised cost if they are held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in the Statement of Profit and Loss and is included under the head “Other Income”.

Financial Assets at fair value through Other Comprehensive Income (FVTOCI)

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the ‘Reserve for equity instruments through other comprehensive income’. The cumulative gain or loss is not reclassified to the Statement of Profit and Loss on disposal of the investments.

The Company has not elected to present the changes in fair value of any equity instruments in other comprehensive income.

Financial assets at fair value through profit or loss (FVTPL)

Financials Assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the Statement of Profit and Loss.

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of Profit and Loss. The net gain or loss recognised in the Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset.

Investment in Subsidiaries

Investments in subsidiaries are measured at costs less impairment, if any.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset and financial guarantees not designated as at FVTPL.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss ("ECL") allowance for trade receivables, the Company has used a practical expedient as permitted under IND AS 109. This expected credit loss allowance is computed based on an amount equal to the life time expected credit losses.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company again measures impairment loss allowance for necessary reversal based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Financial liabilities and equity instruments
Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in ‘Finance costs’.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company’s obligations are discharged, cancelled or have expired. A substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Derivative financial instruments

The Company enters into a variety of derivative financial instruments like foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. Further details of derivative financial instruments are disclosed in Note 39.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Hedge accounting

The Company designates certain hedging instruments, which include derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk. Note 39 sets out details of the fair values of the derivative instruments used for hedging purposes.

Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in the Statement of Profit and Loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in the Statement of Profit and Loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss, and is included under the head "Gain on foreign currency transactions (net)".

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

In cases where the designated hedging instruments are options and forward contracts, the Company has an option, for each designation, to designate on an instrument only the changes in intrinsic value of the options and spot element of forward contracts respectively as hedges. In such cases, the time value of the options is accounted based on the type of hedged item which those options hedge.

In case of transaction related hedged item in the above cases, the change in time value of the options is recognised in other comprehensive income to the extent it relates to the hedged item and accumulated in a separate component of equity i.e. Reserve for time value of options and forward elements of forward contracts in hedging relationship. This separate component is removed and directly included in the initial cost or other carrying amount of the asset or the liability (i.e. not as a reclassification adjustment thus not affecting other comprehensive income) if the hedged item subsequently results in recognition of a non-financial asset or a non-financial liability. In other cases, the amount accumulated is reclassified to profit or loss as a reclassification adjustment in the same period in which the hedged expected future cash flows affect profit or loss.

In case of time-period related hedged item in the above cases, the change in time value of the options is recognised in other comprehensive income to the extent it relates to the hedged item and accumulated in a separate component of equity i.e. Reserve for time value of options and forward elements of forward contracts in hedging relationship. The time value of options at the date of designation of the options in the hedging relationships is amortised on a systematic and rational basis over the period during which the options' intrinsic value could affect profit or loss. This is done as a reclassification adjustment and hence affects other comprehensive income.

In cases where only the spot element of the forward contracts is designated in a hedging relationship and the forward element of the forward contract is not designated, the Group makes the choice for each designation whether to recognise the changes in forward element of fair value of the forward contracts in the Statement of Profit and Loss or to account for this element similar to the time value of an option (as described above).

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the Statement of Profit and Loss.

(h) Revenue Recognition :

Income from services - The Company earns revenue primarily from chartering of its vessels and rigs under long term contracts as well as on spot basis. Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from Charter hire contracts is recognised pro rata over the period of the contract as and when services are rendered. Revenue from Charter hire contracts is reported net of liquidated damages, offhire and downtime rebates.

Interest income is recognised on a time proportion using the effective interest method.

Dividend income is recognised when the right to receive dividend is established.

(i) Leases :

Operating lease

Lease arrangements where the risks and rewards incidental to ownership of an asset vest with the lessor, are recognised as operating lease. Operating lease payments are recognised on a straight line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly provides for future increases to compensate general inflation.

(j) Employee Benefits :

Short-Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, performance incentives, etc., are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

Post- Employment 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 Managing Director of the Company.

i. Defined Contribution Plans

   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 is considered as a defined benefit obligation. The Company's liability in respect of gratuity is provided for, on the basis of actuarial valuations, using the projected unit credit method, as at the date of the Balance Sheet. Actuarial losses / gains are recognised in Other Comprehensive Income.

Other Long Term Benefits

Accumulated compensated absences, which are expected to be availed or encashed within twelve months from the year end are treated as short term employee benefits. The expected cost of such absences is measured as the additional amount that is expected to be paid as a result of the unused entitlements as at the reporting date.

Accumulated compensated absences, which are expected to be availed or encashed beyond twelve months from the year end are treated as other long term employee benefits. The Company's liability is actuarially determined using the projected unit credit method at the end of each year. Actuarial gains / losses, comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the statement of profit and loss.

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. Consequent to the introduction of the encashment scheme, the liability in respect of outstanding options is measured at fair value as per the scheme and the difference in the fair value and the exercise price is amortized over the vesting period as employee compensation with a credit to provisions.

(k) Borrowing Costs :

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Other borrowing costs are recognised in the period in which they are incurred.

(l) Foreign currencies :

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR). The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to borrowing costs on those foreign currency borrowings;
- exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognized in the financial statements up to March 31, 2016 prepared under previous GAAP, are capitalized as a part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary item, whichever is earlier and charged to the Statement of Profit and Loss. The un-amortised exchange difference is carried under other equity as "Foreign currency monetary item translation difference account" net of tax effect thereon, where applicable.
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (refer hedging accounting policies); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

(m) Income taxes :

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. Income from shipping activities is assessed on the basis of deemed tonnage income of the Company.

Deferred tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured using tax rates and laws, enacted or substantively enacted as of the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as an income or expense in the period that includes the enactment or substantive enactment date. Deferred income taxes are not provided on the undistributed earnings of the subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they are relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

(n) Provisions and Contingent Liabilities :

Provisions are recognised in the financial statement in respect of present probable obligations (legal or constructive) as a result of past events if it is probable that the Company will be required to settle the obligation, and which can be reliably estimated.

Contingent liabilities are not recognised but disclosed unless the probability of an outflow of resources is remote. Contingent assets are disclosed where inflow of economic benefits is probable.

(o) Earnings per share :

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events, such as bonus issue, bonus element in a rights issue and shares split that have changed the number of equity shares outstanding without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(p) Government Grant :

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received. Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Government grants used to acquire non current asset are recognized as deferred revenue in the balance sheet and transferred to the Statement of Profit and Loss on a systematic basis over the useful lives of the related assets.

6 RECENT ACCOUNTING DEVELOPMENTS

Amendments to Ind AS that are notified and adopted by the Company :

“As per Companies (Indian Accounting Standards) (Amendment) Rules, 2017 dated March 17, 2017, Ministry of Corporate Affairs (MCA) has notified amendments to two new standards namely Ind AS 102 Share-based Payment and Ind AS 7 Statement of Cash Flows which have become effective from April 1, 2017.

The outstanding number of Company’s equity options and provision for the same on the basis of fair value is not significant and therefore amendment to Ind AS 102 does not have material effect on the financial information. Further, amendment to

Ind AS 7 pertains to additional disclosure requirement such as An entity will be required to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. Relevant disclosures in this regard has been provided in Note 3 to the Cash Flow Statement."

Standards issued but not yet effective :

MCA on 28 March 2018 notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 (the "Rules"). The Rules notify the new revenue standard Ind AS 115, Revenue from Contracts with Customers and also bring in amendment to existing Ind AS. The Rules shall be effective from reporting periods beginning on or after April 1, 2018.

- New revenue standard Ind AS 115 supersedes the existing standards Ind AS 18 – "Revenue" and Ind AS 11 – "Construction Contracts". The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

  i. Identification of the contracts with the customer

  ii. Identification of the performance obligations in the contract

  iii. Determination of the transaction price

  iv. Allocation of transaction price to the performance obligations in the contract (identified in step ii)

  v. Recognition of revenue when the Company satisfies a performance obligation.

- Appendix B, (Foreign Currency Transactions and Advance Considerations) to Ind AS 21, "The Effects of Changes in Foreign Exchange Rates" has been notified. The appendix clarifies that the date of the transaction, for the purpose of determining the exchange rate to use on initial recognition of related asset, expense or income, should be the date on which an entity has received or paid an advance consideration in a foreign currency.

  Considering the nature of business of the Company, Ind AS 11 on ""Construction Contracts"" does not have any impact on the financial information. With regard to other standards, the management is currently evaluating the impact on the Company's financial information.

7 PROPERTY, PLANT AND EQUIPMENT

₹ in Crores

Description	Fleet	Rigs	Leasehold improvements	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Computers	Total
Gross Block									
Balance as at April 1,2017	**2,238.43**	**-**	**5.30**	**21.56**	**1.03**	**8.59**	**2.12**	**3.29**	**2,280.32**
Additions	31.70	2,444.69	-	23.59	-	0.26	0.01	0.22	2,500.47
Disposals	(47.50)	(3.75)	-	-	-	(0.39)	-	(0.42)	(52.06)
Effect of foreign currency differences	1.39	-	-	-	-	-	-	-	1.39
Balance as at March 31, 2018	**2,224.02**	**2,440.94**	**5.30**	**45.15**	**1.03**	**8.46**	**2.13**	**3.09**	**4,730.12**
Accumulated Depreciation									
Accumulated Depreciation as at April 1, 2017	**658.18**	**-**	**5.04**	**4.18**	**1.00**	**5.90**	**1.88**	**2.86**	**679.04**
Depreciation for the year	109.39	84.90	0.26	6.61	0.03	1.47	0.14	0.30	203.10
Disposals	(47.50)	(3.75)	-	-	-	(0.38)	-	(0.42)	(52.05)
Accumulated Depreciation as at March 31, 2018	**720.07**	**81.15**	**5.30**	**10.79**	**1.03**	**6.99**	**2.02**	**2.74**	**830.09**
Impairment									
Impairment as at April 1, 2017	**234.60**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**234.60**
Impairment loss for the year (Refer note 34)	134.60	-	-	-	-	-	-	-	134.60
Disposals	-	-	-	-	-	-	-	-	-
Impairment as at March 31, 2018	**369.20**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**369.20**
Net Carrying amount as at March 31, 2018	**1,134.75**	**2,359.79**	**-**	**34.36**	**-**	**1.47**	**0.11**	**0.35**	**3,530.83**

7 PROPERTY, PLANT AND EQUIPMENT (Continue)

₹ in Crores

Description	Fleet	Rigs	Leasehold improve-ments	Plant and equipment	Furniture and fixtures	Vehicles	Office equip-ments	Computers	Total
Gross Block									
Balance as at April 1, 2016	**2,336.76**	**-**	**5.30**	**20.93**	**1.03**	**8.86**	**2.13**	**3.21**	**2,378.22**
Additions	15.10	-	-	0.63	-	0.32	0.02	0.08	16.15
Disposals	(105.64)	-	-	-	-	(0.59)	(0.03)	-	(106.26)
Effect of foreign currency differences	(7.79)	-	-	-	-	-	-	-	(7.79)
Balance as at March 31, 2017	**2,238.43**	**-**	**5.30**	**21.56**	**1.03**	**8.59**	**2.12**	**3.29**	**2,280.32**
Accumulated Depreciation									
Accumulated Depreciation as at April 1, 2016	**602.77**	**-**	**3.98**	**1.56**	**0.86**	**4.66**	**1.51**	**2.53**	**617.87**
Depreciation for the year	126.90	-	1.06	2.62	0.14	1.69	0.40	0.33	133.14
Disposals	(71.49)	-	-	-	-	(0.45)	(0.03)	-	(71.97)
Accumulated Depreciation as at March 31, 2017	**658.18**	**-**	**5.04**	**4.18**	**1.00**	**5.90**	**1.88**	**2.86**	**679.04**
Impairment									
Impairment as at April 1, 2016	**105.37**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**105.37**
Impairment loss for the year (Refer note 34)	157.52	-	-	-	-	-	-	-	157.52
Disposals	(28.29)	-	-	-	-	-	-	-	(28.29)
Impairment as at March 31, 2017	**234.60**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**234.60**
Net Carrying amount as at March 31, 2017	**1,345.65**	**-**	**0.26**	**17.38**	**0.03**	**2.69**	**0.24**	**0.43**	**1,366.68**

Fleet and Rigs with carrying amount of ₹ 3,228.46 crores (previous year : ₹ 1,048.90 crores) have been mortgaged/hypothecated against borrowings, the details relating to which have been described in Note 23.

8 INTANGIBLE ASSET

₹ in Crores

Description	Computer Software
Gross Block	
Balance as at April 1, 2017	**4.95**
Additions	0.16
Disposals	-
Balance as at March 31, 2018	**5.11**
Accumulated Amortisation	
Balance as at April 1, 2017	**4.82**
Amortisation for the year	0.07
Disposals	-
Balance as at March 31, 2018	**4.89**
Net Carrying amount as at March 31, 2018	**0.22**

Description	Computer Software
Gross Block	
Balance as at April 1, 2016	**4.95**
Additions	-
Disposals	-
Balance as at March 31, 2017	**4.95**
Accumulated Amortisation	
Balance as at April 1, 2016	**4.59**
Amortisation for the year	0.23
Disposals	-
Balance as at March 31, 2017	**4.82**
Net Carrying amount as at March 31, 2017	**0.13**

9 INVESTMENTS - NON CURRENT

	As at March 31, 2018		As at March 31, 2017	
Investment in Equity Instruments - fully paid up				
(Unquoted - valued at cost)				
Subsidiaries	**No. of Shares**	**₹ in Crores**	**No. of Shares**	**₹ in Crores**
Greatship Global Energy Services Pte. Ltd., Singapore	2,640,066	1,111.78	2,640,066	1,143.68
Greatship Global Holdings Ltd., Mauritius	222,201,774	954.61	222,201,774	954.61
Greatship (UK) Ltd.	500,000	2.26	500,000	2.26
Greatship Oilfield Services Limited	260,000	0.26	10,000	0.01
Aggregate amount of unquoted investments		**2,068.91**		**2,100.56**
Aggregate amount of unquoted investments		**2,068.91**		**2,100.56**
Aggregate amount of impairment in value of investments (refer note 34)		**31.90**		**-**

Information about subsidiaries

Sr. No.	Name of the Company	Country of Incorporation	Principal Activity	Proportion of equity interest As at March 31, 2018	Proportion of equity interest As at March 31, 2017
1	Greatship Global Holdings Ltd. (GGHL) (Incorporated on May 30, 2007)	Mauritius	Invest in companies owning and operating offshore vessels and drilling units.	100%	100%
2	Greatship Global Energy Services Pte. Ltd. (GGES) (subsidiary of GGHL up to March 28, 2017 and direct subsidiary of the Company thereafter) (Incorporated on October 23, 2006)	Singapore	Owning, chartering and operating mobile offshore drilling units.	100%	100%
3	Greatship Global Offshore Services Pte. Ltd. (GGOS) (subsidiary of GGHL) (Incorporated on May 08, 2007)	Singapore	Owning and operating offshore supply vessels.	100%	100%
4	Greatship (UK) Ltd. (GUK) (Incorporated on October 29, 2010)	UK	Operating offshore supply and support vessels.	100%	100%
5	Greatship Oilfield Services Ltd., (GOSL) (Incorporated on July 9, 2015)	India	Offshore Oilfield Services.	100%	100%

10 DEPOSITS WITH BANKS

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Earmarked balances with Banks		
Margin deposits with Banks with remaining maturity of more than twelve months	-	2.35
	-	**2.35**

11 OTHER FINANCIAL ASSETS - NON CURRENT

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
(Unsecured, considered good)		
Security deposits	1.21	1.21
	1.21	**1.21**

12 INCOME TAXES

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
A. Income tax expense comprise of the following :		
Current tax expense for the year	71.00	84.42
Deferred tax	40.00	0.96
	111.00	**85.38**
B. The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in the Statement of Profit and Loss is as follows :		
Profit before tax	**96.14**	**106.55**
Indian statutory income tax rate	34.61%	34.61%
Expected income tax expense	33.27	36.88
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Loss attributable to tonnage tax activity	66.19	46.63
Income exempt from Income tax	(0.54)	(10.94)
Expense not deductible for tax purpose	19.22	12.81
Tax on Income at different rates	(10.17)	-
Others (net)	3.03	-
Total income tax expense	**111.00**	**85.38**

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
C. Tax assets and liabilities		
Non current tax assets (net)	30.66	22.85
Current tax liabilities (net)	10.74	8.64

D. Significant components of net deferred tax assets and liabilities for the year ended March 31, 2018 are as follows :

(₹ in Crores)

	Balance as at April 1, 2017	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2018
Deferred tax assets / (liabilities) in relation to:				
Property, Plant and equipment	10.89	(96.98)	-	(86.09)
Allowance for doubtful debts	0.20	(0.31)	-	(0.11)
Defined benefit obligation	0.09	(0.09)	(0.95)	(0.95)
MAT credit entitlement	-	60.00	-	60.00
Fair value of hedging instruments in a cash flow hedge	-	-	(8.00)	(8.00)
Others	-	(2.62)	-	(2.62)
Net deferred tax assets / (liabilities)	11.18	(40.00)	(8.95)	(37.76)

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2017 are as follows :

(₹ in Crores)

	Balance as at April 1, 2016	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2017
Deferred tax assets / (liabilities) in relation to:				
Property, Plant and equipment	12.02	(1.13)	-	10.89
Allowance for doubtful debts	-	0.20	-	0.20
Defined benefit obligation	0.12	(0.03)	-	0.09
Net deferred tax assets / (liabilities)	12.14	(0.96)	-	11.18

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 temporary differences.

13 OTHER NON CURRENT ASSETS

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
(Unsecured, considered good)		
Capital advances	0.91	0.03
	0.91	**0.03**

14 INVENTORIES

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Stores and spares	2.07	3.61
Stores and spares on board rigs	60.91	64.43
Fuel Oil	14.33	15.31
	77.31	**83.35**

1. Inventories are carried at lower of cost and net realisable value.
2. Inventories of stores and spares on rigs and fuel oil on vessels and rigs are recognised as expense on consumption, and stores and spares relating to vessels are recognised as expense when delivered on board the vessels. The cost of inventories recognised as an expense is ₹ 85.87 crores (previous year: ₹ 81.82 crores).

15 INVESTMENTS - CURRENT

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Investments in mutual funds : Unquoted		
(Valued at fair value through Profit and Loss)	33.24	8.69
	33.24	**8.69**
Aggregate amount of unquoted investments	**33.24**	**8.69**
Aggregate amount of impairment in value of investments	-	-

16 TRADE RECEIVABLES

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Unsecured		
- Considered good *	82.82	127.61
- Considered doubtful	3.38	3.52
	86.20	131.13
Less: Allowances for doubtful receivables	(3.38)	(3.52)
	82.82	**127.61**
* Includes dues from subsidiaries Greatship (UK) Limited	0.05	-

Trade receivables are recognised at their original invoiced amounts which represent their fair values on initial recognition. Trade receivables are considered to be of short duration and are not discounted.

Trade receivables are derived from revenue earned from customers having high credit quality and strong financials. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on an amount equal to life time expected credit losses.

The movement in expected credit loss during the year is as follows :

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Balances as at the beginning of the year	3.52	1.87
Add: Current year allowance	2.01	2.09
Less: Reversal during the year	(2.15)	(0.44)
Balances as at the end of the year	3.38	3.52

17 CASH AND CASH EQUIVALENTS

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Balances with banks		
-Current accounts	210.46	172.38
-Deposits with original maturity less than three months	32.85	33.23
Cash in hand *	-	-
	243.31	**205.61**
* Less than ₹ 1 lac	**243.31**	**205.61**

18 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Earmarked balances with bank	2.48	-
Term deposits with maturity more than three months but less than twelve months	289.02	218.01
	291.50	**218.01**

19 OTHER FINANCIAL ASSETS - CURRENT

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Derivatives designated as Cash flow hedges		
- Foreign exchange forward contracts / Interest rate swaps	30.33	4.41
Unbilled revenue *	65.68	3.92
	96.01	**8.33**
* Includes unbilled revenue from subsidiary Greatship (UK) Ltd.	**-**	**3.64**

20 OTHER CURRENT ASSETS

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Prepayments	4.34	4.14
Advances to suppliers, masters, agents and others	8.30	4.91
Security deposits	2.37	2.68
Unutilised government grants (refer note 43) #	8.57	1.60
	23.58	**13.33**

represents unutilised amount of duty saved on capital goods imported, including spares, under the Served from India Scheme (SFIS).

21 SHARE CAPITAL

	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	₹ In Crores	No. of Shares	₹ In Crores
Authorised				
Equity Shares of par value ₹10/- each	135,000,000	135.00	135,000,000	135.00
		135.00		**135.00**
Issued, subscribed and paid up				
Equity Shares of par value ₹10/- fully paid up	111,345,500	111.35	111,345,500	111.35
Total		**111.35**		**111.35**

(a) Reconciliation of the number of shares and amount outstanding at the beginning and end of the year :

	As at March 31, 2018		As at March 31, 2017	
Details	No. of Shares	₹ In Crores	No. of Shares	₹ In Crores
Equity Shares of par value ₹10/- fully paid up				
Outstanding at the beginning of the year	111,345,500	111.35	111,345,500	111.35
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	**111,345,500**	**111.35**	**111,345,500**	**111.35**

(b) Rights, preferences and restrictions attached to shares :

Equity Shares :

The holders of equity shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.

(c) Shares held by the holding Company :

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Equity Shares	111.35	111.35

111,345,500 equity shares (previous year: 111,345,500 equity shares) are held by The Great Eastern Shipping Company Limited along with Nominees.

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

Name of Shareholder	As at March 31, 2018		As at March 31, 2017	
	% of Holding	No. of Shares held	% of Holding	No. of Shares held
Equity Shares				
The Great Eastern Shipping Company Limited, the holding Company along with its Nominees	100%	111,345,500	100%	111,345,500

The Company's immediate and ultimate Holding Company is "The Great Eastern Shipping Company Limited", a Company incorporated in India, as defined under Ind AS-110 "Consolidated Financial Statements" and Ind AS-24 "Related Party Disclosures".

(e) No shares are allotted as fully paid up pursuant to contract (s) without payment being received in cash during the period of five years immediately preceding the reporting date.

(f) No shares are allotted as fully paid up by way of bonus shares and no shares have been bought back during five years immediately preceding the reporting date.

(g) Employee Stock Option Scheme :

The employee stock options of the Company were granted under five different Employee Stock Option Schemes ('Scheme/s') to the employees of the Company, the parent Company and the subsidiaries. Out of the five Schemes, two Schemes - ESOP 2007 and ESOP 2008 - I have been closed with the encashment of all outstanding stock options under those Schemes. All the ESOPs are in respect of the Company's shares where each stock option is equivalent to one equity share.

During the year, no grant of stock options were made under any of the Schemes in line with the Company's decision to not make any further grants under the existing Schemes. There was no forfeiture of options under any Scheme during the year.

The total options outstanding as on March 31, 2018 is 151,060 (previous year : 151,060).

The particulars of the various Schemes and movements during the year under review are summarized as under:

Sr. No.	Particulars	ESOP 2007-II	ESOP 2008-II	ESOP 2010
1.	Date of Grant	28/01/08	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	20/11/07	28/01/08	18/03/10
3.	Date of Shareholders' Approval	21/11/07	31/01/08	23/04/10
4.	Options approved	200,000	1,710,000	1,028,900

Sr. No.	Particulars	ESOP 2007-II	ESOP 2008-II	ESOP 2010
5.	Options outstanding at the beginning of the year	4,600	44,700,	101,760
6.	Options granted during the year	–	–	–
7.	Options cancelled/ forfeited during the year	–	–	–
8.	Options Exercised during the year	–	–	–
9.	Options encashed during the year	–	–	–
10.	Options outstanding at the end of the year	4,600	44,700	101,760
11.	Exercise Price/Weighted Average Exercise Price	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
13.	Exercisable at end of the year	–	–	–
14.	Method of Settlement	Equity	Equity/Cash	Equity
15.	Vesting period from the date of grant	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 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)

Pursuant to the encashment introduced in 2012 and 2015, a total of 1,417,420 options have been encashed at the fair value determined under the encashment scheme. As per the encashment proposal approved in the year 2015, if there was no IPO before March 2018, the option grantees under all Schemes were to be given the last opportunity to encash all their remaining stock options. Accordingly, the Board of Directors had at their meeting held on March 21, 2018 approved the said encashment proposal for the outstanding stock options under all the existing ESOP Schemes. Accordingly, the liability in respect of the outstanding options has also been measured at fair value determined in accordance with the encashment scheme.

The cumulative amount of employee stock option expense amortised upto March 31, 2018 of ₹ 0.37 crores (previous year : ₹ NIL) is included in current provisions and upto March 31, 2018 of ₹ NIL (previous year : ₹ 2.38 crores) is included in non-current provisions.

22 OTHER EQUITY

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Summary of Other Equity		
Reserves and Surplus		
Capital reserve	2.95	2.95
Capital redemption reserve	43.50	43.50
Securities premium reserve	1,155.13	1,155.13
General reserve	82.35	40.35
Tonnage Tax reserve	145.50	187.00
Retained earnings	451.49	464.84
Other Comprehensive Income		
Cash flow Hedging reserve	21.69	4.46
	1,902.61	**1,898.23**

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Reserves and Surplus		
Capital reserve		
Balance at the beginning and at the end of the year	**2.95**	**2.95**
Capital redemption reserve		
Balance at the beginning of the year	43.50	43.50
Securities premium reserve		
Balance at the beginning and at the end of the year	1,155.13	1,155.13
General reserve		
Balance at the beginning of the year	40.35	40.35
Add: Transfer from Tonnage tax reserve	42.00	-
Balance at the end of the year	**82.35**	**40.35**
Tonnage Tax Reserve		
Balance at the beginning of the year	187.00	177.00
Add: Transfer from Retained earnings	0.50	10.00
Less: Transfer to General reserve on utilisation	(42.00)	-
Balance at the end of the year	**145.50**	**187.00**

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Retained earnings		
Balance at the beginning of the year	464.84	451.66
Add: (Loss) / Profit for the year	(14.86)	21.17
Add: Other Comprehensive Income for the year	2.01	2.01
Less: Transfer to Tonnage Tax Reserve Account under section 115VT of the Income Tax Act, 1961	(0.50)	(10.00)
Balance at the end of the year	451.49	464.84
Items of Other Comprehensive Income		
Cash flow Hedging Reserve		
Balance at the beginning of the year	4.46	1.02
Add : Fair value gain on derivative contracts designated as cash flow hedges (net)	17.23	3.44
Balance at the end of the year	21.69	4.46
	1,902.61	**1,898.23**

Nature of reserves

Capital reserve

The Company recognises profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act 2013.

General reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

Tonnage Tax reserve

Tonnage Tax Reserve created as per the provisions of the Section 115VT of the Income-tax Act, 1961, whereby a minimum of 20% of book profits from the tonnage tax activities are to be utilised for acquiring new ships within 8 years.

Retained Earnings

Retained Earnings are the profits that the Company has earned till date, less any transfers to reserves and dividend distributions to the shareholders.

Cash flow Hedging reserve

The cash flow hedging reserve is the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The gains or losses arising thereon are reclassified to the Statement of Profit and Loss.

23 LONG TERM BORROWINGS

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Secured - at amortised cost		
Foreign currency term loans from banks	1,994.43	578.87
Less: Current maturities of long term borrowings (included in Note 27)	(205.73)	(117.91)
Less: Interest accrued but not due on long term borrowings (included in Note 27)	(3.73)	(2.33)
	1,784.97	458.63
Unsecured - at amortised cost		
Redeemable cumulative Preference shares capital		
21.75 % Cumulative Redeemable Preference Shares of par value ₹10/- fully paid up	170.62	168.50
22.5% Cumulative Redeemable Preference Shares of par value ₹10/- fully paid up	181.87	181.87
	352.49	350.37
	2,137.46	**809.00**

a. Foreign currency term loans are secured by mortgage on the vessels and rigs, assignment of earnings, charge on earnings account and insurance contracts/policies of respective vessels and rigs (refer note 7). The loans carry interest at the rate of LIBOR plus 176 to 215 bps (previous year : LIBOR plus 176 to 195 bps) and are repayable in quarterly / half yearly instalments over two to seven years.

The maturity profile of foreign currency term loans from banks is as below:

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
1-2 years	343.81	81.31
2-3 years	189.79	212.39
3-4 years	153.13	59.14
4-5 years	206.57	22.67
Beyond 5 years	913.84	84.98
	1,807.14	460.49
Less: Unamortised finance charges	(22.17)	(1.86)
	1,784.97	458.63

b. Preference Shares :

(i) The 21.75% 44,500,000 cumulative redeemable preference shares of face value ₹ 10/- each were issued at a premium of ₹ 20/- per share on preferential basis to the Holding Company, “The Great Eastern Shipping Company Limited”, redeemable at a premium of ₹ 30.90/- per share in four equal annual tranches of 11,125,000 shares each commencing from April 1, 2021, as per the terms of issue (modified from time to time) of these preference shares.

Subsequent to year end, the Company has approached the Holding Company to further modify the existing terms of issue of the said preference shares by deferring the redemption in four equal annual tranches of 11,125,000 shares each commencing from April 1, 2025 instead of April 1, 2021 and thereby increasing the dividend rate from existing 21.75% p.a. to 24.60% p.a., effective FY18-19, in order to maintain the same effective yield of 7% to the Holding Company.

As per the terms, the Company also has an option of early redemption by providing one month’s notice to the Holding Company. The redemption can be in part or in full subject to a minimum of 25 lakhs shares at a time. In case of early redemption, the premium on redemption would be determined at such time so as to provide an effective yield to maturity of 7% to the Holding Company. The cumulative redeemable preference shares do not contain any equity component.

(ii) The 22.5% 60,624,000 Cumulative Redeemable Preference Shares of face value ₹10/- each, issued at a premium of ₹20/- per share on preferential basis to the Holding Company, “The Great Eastern Shipping Company Limited” and redeemable at a premium of ₹ 20 per share. During the year, the terms of redemption of the said preference shares were modified by the Board of Directors deferring the redemption, which was scheduled to begin in April 2018, upto April 2025 i.e. the said preference shares would now be redeemed in four equal annual tranches of 15,156,000 shares each commencing from April 1, 2025.

The Company has an option of early redemption by providing one month’s notice to the Holding Company. Early redemption can be in part or in full subject to a minimum of 25 lakhs shares at a time. The cumulative redeemable preference shares do not contain any equity component.

24 PROVISIONS

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
A. Non current		
Provision for employee benefits		
- Provision for compensated absences (refer note 31)	0.44	0.39
- Director's Retirement Benefit Plan (refer note 31)	10.36	10.57
- Employee Stock Options Scheme (refer note 21 (g))	-	2.38
	10.80	**13.34**
B. Current		
Provision for employee benefits		
- Provision for compensated absences (refer note 31)	0.39	0.51
- Employee Stock Options Scheme (refer note 21 (g))	0.37	-
	0.76	**0.51**

25 OTHER NON-CURRENT LIABILITIES

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Government grants #	22.86	25.01
	22.86	**25.01**

represents unamortised amount of duty saved on capital goods imported, including spares, under the Served from India Scheme (SFIS).

26 TRADE PAYABLES

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Payable to micro, small and medium enterprises	3.89	1.55
Payable to others	53.18	61.77
[includes ₹ 12.37 crores (previous year : ₹ 42.87 crores) due to a subsidiary]		
	57.07	**63.32**

Disclosure of amounts due to Micro, Small and Medium enterprises is based on information available with the Company regarding the status of the suppliers as defined under 'The Micro, Small and Medium Enterprises Development Act, 2006' (MSMED). Interest on principal amount overdue as on March 31, 2018 is ₹ 0.05 crores (previous year : ₹ 0.02 crores). No interest has been paid during the year to suppliers registered under the MSMED Act.

Trade payables are recognised at their original invoices amounts which represents their fair values on initial recognition. Trade payables are considered to be of short duration and are not discounted and the carrying values are assumed to approximate their fair values.

27 OTHER FINANCIAL LIABILITIES

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Current maturities of long term borrowings	205.73	117.91
Interest accrued but not due on long term borrowings	3.73	2.33
Other Liabilities of Related Parties (refer note below)	1,893.32	1,032.04
Preference dividend payable including dividend distribution tax	28.11	28.07
Other Payables :		
- Employee benefits	21.07	21.47
- Accrued expenses	25.81	20.61
	2,177.77	**1,222.43**

Note :

i) During the previous year, the Company had acquired 23,57,813 equity shares of Greatship Global Energy Services Pte. Ltd. (GGES) from its wholly owned subsidiary Greatship Global Holdings Limited (GGHL) for a purchase consideration of USD 159.14 million on March 28, 2017, thereby making GGES a direct wholly owned subsidiary of the Company. The approval of the Reserve Bank of India was obtained for acquisition of said shares by keeping the purchase consideration outstanding for a period upto twelve months from the date the transfer of shares i.e. March 28, 2017. During the current year, on Company's request, RBI has allowed additional time upto September 27, 2018 to settle the said outstanding consideration.

ii) During the current year, the Company has acquired four Jackup Rigs (along with its Plant, Machinery & Equipments/ Owner Furnished Equipments) from wholly owned subsidiary Greatship Global Energy Services Pte. Ltd. (GGES) for a purchase consideration of USD 380.16 million. As a part consideration for the said acquisition, the Company has taken over outstanding bank borrowings of GGES to the extent of USD 248.80 million by way of an ECB and the balance purchase consideration of USD 131.36 million is to be settled by June 2018 in accordance with the terms of the Memorandum of Agreement (as may have been amended from time to time).

28 OTHER CURRENT LIABILITIES

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
- Statutory Liabilities	6.21	16.49
- Capital Creditors	2.32	-
Government grants (refer note 43) #	8.57	1.60
	17.10	**18.09**

represents unutilised amount of duty saved on capital goods imported, including spares, under the Served from India Scheme (SFIS).

29 REVENUE FROM OPERATIONS

	Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
Sale of services		
Charter hire income (refer note 41)	890.73	1,291.90
Other operating revenues		
Insurance claims	3.11	0.47
	893.84	**1,292.37**

30 OTHER INCOME

		Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
a	Interest income:		
	on deposits with banks (at amortised cost)	6.20	4.65
	on income tax refund	-	1.41
b	Dividend income:		
	Dividend from foreign subsidiary (designated at cost)	147.44	-
	Dividend on current investments (at FVTPL)	1.92	0.90
c	Other non-operating income:		
	Gain on derivatives transactions (net)	0.65	0.52
	Income from Government grants (amortised)	5.81	7.05
	Profit on sale of vessel / other assets	0.02	0.09
	Corporate guarantee commission	0.88	3.25
	Miscellaneous income	0.20	0.32
	Profit on sale of current investments	0.04	-
		163.16	**18.19**

31 EMPLOYEE BENEFITS EXPENSES

	Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
Salaries and wages	178.88	210.36
Contribution to provident and other funds (refer note below)	7.09	8.54
Share based payments to employees (refer note 21(g))	(2.01)	0.08
Staff welfare expenses	11.38	10.25
	195.34	**229.23**

a) Defined Contribution Plans :

The Company has recognised the following contributions in the Statement of Profit and Loss. The contributions payable under these plans are at the rates specified in the rules of the respective schemes.

Particulars	Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
Contribution to Provident Fund	2.38	3.10
Contribution to Superannuation Fund	0.30	0.34
Contribution to National Pension Scheme	0.34	0.35
Contribution to Seamens' Provident Fund	0.92	0.89
Contribution to Seamens' Pension Annuity Fund	0.64	0.66
Contribution to Seamens' Gratuity Fund	0.23	0.22

General Description:

i) Provident Fund :

In accordance with the Indian law, all eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employee and employer (at a determined rate) contribute monthly. The Company contributes as specified under the law to the Government administered provident fund plan. A part of the Company's contribution is transferred to the Government administered pension fund. This plan is a defined contribution plan as the obligation of the employer is limited to the monthly contributions made to the fund. The contributions made to the fund are recognised as an expense in the Statement of Profit and Loss under employee benefit expenses.

ii) Superannuation Fund :

In addition to gratuity benefits, employees have the option to become a member of the Superannuation Fund Trust set up by the Company and receive benefits thereunder. It is a defined contribution plan. The Company makes contributions to the trust in respect of the said employees until their retirement or resignation. The Company recognises such contributions as an expense when incurred. The Company has no further obligation beyond its contribution.

iii) National Pension Scheme (NPS) :

NPS is an additional option for offering retirement benefits to the employees. NPS is designed on defined contribution basis wherein the Company contributes to the employees account.

There is no defined benefit that would be available at the time of exit from the system and the accumulated wealth depends on the contributions made and the income generated from the investment of such wealth. The Company recognises such contributions as an expense when incurred. The Company has no further obligation beyond its contribution.

iv) Seamen's Provident Fund :

The Company's contribution towards Provident Fund in respect of seamen i.e. crew who sail on Company's ships is paid to the Seamen's Provident Fund as per the National Maritime Board Agreement.

iv) Seamen's Pension Annuity Fund :

The Company's contribution towards Annuity in respect of seamen is paid to the Seamen's Annuity Fund as per the National Maritime Board Agreement.

v) Seamen's Gratuity Fund :

The Company's contribution towards Gratuity in respect of seamen is paid to the Seafarer's Welfare Fund Society as per the National Maritime Board Agreement.

b) Defined Benefit Plans and Other Long-Term Employee Benefits :

Valuations in respect of Gratuity, Pension Plan for whole time director and Compensated Absences have been carried out by an independent actuary, as at the Balance Sheet date as per Projected Unit Credit Method. The following table sets out the status of the Gratuity provision, Pension plan and Compensated absences :

₹ in Crores

	Gratuity		Pension Plan		Compensated Absences	
Actuarial Assumption	**As at March 31, 2018**	**As at March 31, 2017**	**As at March 31, 2018**	**As at March 31, 2017**	**As at March 31, 2018**	**As at March 31, 2017**
a) Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.
b) Interest / Discount Rate	7.65%	6.94%	7.40%	6.94%	7.65%	6.94%
c) Rate of increase in compensation						
Shore Staff	5.00%	5.00%	-	-	5.00%	5.00%
Rig Staff	3.00%	3.00%	-	-	-	-
d) Expected average remaining service						
Shore Staff	7.77	7.84	-	-	7.77	7.84
Rig Staff	15.05	15.09	-	-	-	-
e) Employee Attrition rate						
Shore Staff	8.00%	8.00%	-	-	8.00%	8.00%
Rig Staff	1.50%	1.50%	-	-	-	-
f) Weighted average remaining duration of Defined Benefit Obligation						
Shore Staff	4.93	5.10	-	-	-	-
Rig Staff	10.37	9.50	-	-	-	-

IALM (2006-08) Ult. - Indian Assured Lives Mortality (2006-08) Ultimate

₹ in Crores

Actuarial Assumption	Gratuity		Pension Plan		Compensated Absences	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
i) Change in Present Value of Obligations :						
Present value obligation at the beginning of the year	10.57	9.95	10.57	9.07	0.51	0.54
Interest Cost	0.71	0.70	0.74	0.68	0.03	0.04
Current Service Cost	2.34	2.93	-	-	0.07	0.05
Benefits Paid	(0.66)	(1.22)	-	-	(0.02)	(0.03)
Transfer in	-	-	-	-	-	-
Actuarial (Gain) / loss on Obligation	(2.05)	(1.79)	(0.95)	0.82	(0.10)	(0.09)
Present value obligation at the end of the year	10.91	10.57	10.36	10.57	0.49	0.51
ii) Fair Value of Plan Assets :						
Opening Fair Value of Plan Assets	11.24	10.74	-	-	-	-
Return on Plan Assets (excluding Interest Income)	(0.04)	1.04	-	-	-	-
Interest Income	0.76	0.65	-	-	-	-
Employer's Contribution	-	0.02	-	-	0.02	0.03
Benefits Paid	(0.66)	(1.21)	-	-	(0.02)	(0.03)
Fair Value of Plan Assets at the end of the year	11.30	11.24	-	-	-	-

The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets.

iii) Return on plan assets :						
Actual Return on Plan Assets	0.72	1.69	-	-	-	-
Interest Income	(0.76)	(0.65)	-	-	-	-
Return on plan assets excluding interest income	(0.04)	1.04	-	-	-	-
iv) Acturial Gain/Loss on obligation						
Due to Demographic Assumption	-	(0.23)	-	-	-	-
Due to Financial Assumption	(0.53)	(0.24)	-	-	(0.01)	0.01
Due to experience	(1.51)	(1.32)	(0.95)	0.82	(0.09)	(0.10)
Total Actuarial (Gain)/Loss	(2.04)	(1.79)	(0.95)	0.82	(0.10)	(0.09)

₹ in Crores

Actuarial Assumption	Gratuity As at March 31, 2018	Gratuity As at March 31, 2017	Pension Plan As at March 31, 2018	Pension Plan As at March 31, 2017	Compensated Absences As at March 31, 2018	Compensated Absences As at March 31, 2017
v) Amounts Recognised in the Balance Sheet:						
Present Value of obligation at the end of the Year	(10.91)	(10.57)	(10.36)	(10.57)	(0.44)	(0.51)
Fair Value of Plan Assets at the end of the year	11.30	11.24	-	-	-	-
Funded Status	0.39	0.67	(10.36)	(10.57)	(0.44)	(0.51)
Short Term Liability	-	-	-	-	(0.39)	(0.39)
Net Assets / (Liability) recognised in the balance sheet	0.39	0.67	(10.36)	(10.57)	(0.83)	(0.90)
vi) Expenses Recognised in the Statement of Profit and Loss						
Current Service Cost	2.34	2.93	-	-	0.07	0.05
Interest Cost (Net)	(0.05)	0.05	0.74	0.68	0.03	0.04
Actuarial Gain/(Loss) recognised for the period	-	-	-	-	(0.10)	(0.09)
Expenses recognised in the profit and loss account	2.29	2.98	0.74	0.68	-	-
vii) Other Comprehensive Income (OCI)						
Actuarial (Gain)/Loss recognized for the year	(2.05)	(1.79)	(0.95)	0.82	-	-
Return on Plan Assets excluding net interest	0.04	(1.04)	-	-	-	-
Total Actuarial (Gain)/Loss recognized in (OCI)	(2.01)	(2.83)	(0.95)	0.82	-	-
viii) Investment Details (% invested)						
HDFC Life Defensive Management Fund II	100%	100%	-	-	-	-
ix) Asset Liability Comparisons						
Present Value of Defined benefit obligation	(10.91)	(10.57)	(10.36)	(10.57)	(0.50)	(0.51)
Plan assets	11.30	11.24	-	-	-	-
Surplus or (Deficit) in the plan	0.39	0.67	(10.36)	(10.57)	(0.50)	(0.51)
Experience adjustments on plan assets	(0.04)	1.04	-	-	-	-

x) **Sensitivity Analysis**	**DR : Discount Rate**		**ER : Salary Escalation Rate**	
	PVO DR +1%	PVO DR -1%	PVO ER +1%	PVO ER -1%
Gratuity				
Present Value of Obligation	10.23	11.68	11.53	10.31
Pension Plan				
Present Value of Obligation	9.08	12.70	-	-
Compensated Absences				
Present Value of Obligation	0.48	0.52	0.52	0.48

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

xi) **Expected Payout**	**First**	**Second**	**Third**	**Fourth**	**Fifth**	**Six to Ten years**
Gratuity						
Present Value of Obligation	1.12	1.84	0.90	1.63	1.14	4.44
Pension Plan						
Present Value of Obligation	-	-	-	-	-	-
Compensated Absences						
Present Value of Obligation	0.06	0.13	0.06	0.10	0.06	0.23

General Description:

i) Gratuity :

Gratuity is payable to eligible employees 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.

The defined benefit plans are administered by a separate fund that is legally separated from the Company. The Company's investment strategy in respect of its funded plans is implemented within the framework of the applicable statutory requirements.

The plans expose the Company to a number of actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment / Interest Risk

The Company is exposed to investment/interest risk if the return on the invested fund falls below the discount rate used to arrive at present value of the benefit.

Longevity Risk

The Company is not exposed to risk of the employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.

Salary Risk

The Company is exposed to higher liability if the future salaries rise more than assumption of salary escalation.

The Company does an Asset - Liability matching study each year in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles.

ii) Pension Plan :

Under the Company's Retirement Benefit Scheme for the Managing Director, the Managing Director is entitled to the benefits of the scheme only after attaining the age of 62 years, except for retirement due to physical disability or death while in office, in which case, the benefits shall start on his retirement due to such physical disability or death. The benefits are in the form of monthly pension @ 50% of his last drawn monthly salary subject to maximum of ₹ 1.25 crores 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 include reimbursement of medical expense for self and spouse, overseas medical treatment upto ₹ 0.50 crores for self/spouse, office space including office facilities in the Company's or parent Company's office premises. Benefits also include use of Company's car including reimbursement of driver's salary during his lifetime and in the event of his demise, his spouse will be entitled to avail the said benefit during her lifetime.

iii) Compensated Absences :

Eligible employees can carry forward and encash leave upto superannuation, death, permanent disablement and resignation subject to maximum accumulation allowed at 15 days. The leave over and above 15 days for all employees is encashed and paid to employees, subject to maximum of 20 days on June 30, every year.

32 FINANCE COSTS

	Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
Interest on term loans from banks	69.45	20.44
Finance charges (upfront fees, agency fees, prepayment fees)	20.64	1.78
Effective interest cost on redeemable preference shares		
Dividend on redeemable preference shares	23.32	23.32
Dividend distribution tax on redeemable preference shares #	0.05	4.75
Amortisation of redemption premium on redeemable preference shares	2.12	1.98
Exchange differences regarded as an adjustment to borrowing cost	16.67	-
	132.25	**52.27**

The provision of dividend distribution tax payable on redeemable preference shares of previous year amounting to ₹ 4.75 crores was adjusted against credit of taxes paid under section 115BBD of Income-tax Act, 1961 on dividend received from foreign subsidiary.

33 DEPRECIATION AND AMORTISATION EXPENSE

	Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
Depreciation on tangible assets (refer note 7)	203.10	133.14
Amortisation on intangible assets (refer note 8)	0.07	0.23
	203.17	**133.37**

34 IMPAIRMENT LOSS

	Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
Impairment of tangible assets (refer note 7)	134.60	157.52
Impairment loss allowance on investment in subsidiary	31.90	-
	166.50	**157.52**

The Company carried out a review of the recoverable amounts of fleet and rigs owing to further fall in charter hire rates, and recognised impairment loss of ₹ 134.60 crores on twelve vessels (previous year: ₹ 147.87 crores on seven vessels). The recoverable amounts [(₹ 724.39 crores for ten vessels (Previous Year: ₹ 377.59 crores for four vessels)] and [(₹ 123.83 crores for two vessels (Previous Year: ₹ 139.43 crores for three vessels)] were determined on the basis of their value in use and fair value (level 3) respectively. The discount rate used in measuring value in use was 6.50% p.a. (Previous Year: 5.80% p.a.).

During the previous financial year, the Company had sold "Greatship Disha" at a price lower than its carrying amount, consequently the Company had booked an impairment loss of ₹ 9.65 crores to write down the asset to its net realisable value.

Recoverable amount of investment in Greatship Global Energy Services Pte. Limited, a subsidiary, was determined based on the recoverable amount determined considering net assets value.

35 OTHER EXPENSES

	Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
Fuel, oil & water	23.89	12.93
Hire of chartered rigs, vessels and equipments	79.21	473.54
Consumption of stores and spares	61.98	68.89
Technical management fees	1.75	0.68
Agency fees	1.30	1.24
Port Dues	1.11	1.12
Repairs and maintenance		
- Rigs and vessels	21.70	20.04
- Buildings	0.08	0.13
- Others	1.99	1.91
Insurance		
- Fleet insurance	12.69	20.41
- Others	1.54	1.54
Travelling and conveyance expenses	6.36	8.17
Communication expenses	7.12	7.84
Rent	6.06	5.86
Rates and taxes	0.01	0.01
Brokerage and commission	0.09	-
Payment to Auditors (refer note 37)	0.38	0.55
Allowance / (Reversal) for doubtful debts and advances (net)	(0.14)	1.64
Expenditure on Corporate Social Responsibility (refer note 40)	5.40	5.16
Loss / (Gain) on foreign currency transactions (net)	10.23	(25.51)
Miscellaneous expenses	20.85	25.47
	263.60	**631.62**

36 EARNINGS PER SHARE

		Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
Profit / (Loss) attributable to Equity share holders (₹ In crores) (A)		(14.86)	21.17
Weighted average number of Equity shares for basic and diluted EPS (B)		111,345,500	111,345,500
Face value of per Equity share	₹	10.00	10.00
Basic and Diluted earnings per share (A / B)	₹	(1.33)	1.90

37 PAYMENT TO AUDITORS

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
a) Audit Fees (including Limited Review)	0.35	0.35
b) In Other Capacity		
- Tax Audit	-	0.05
- Taxation Matters	-	0.12
- Certification & Other Services	0.03	0.03
	0.38	**0.55**

38 RELATED PARTY DISCLOSURE

I) List of Related Parties

a) Holding Company :

The Great Eastern Shipping Company Ltd.

b) Subsidiary Companies :

Greatship Global Holdings Ltd., Mauritius

Greatship Global Energy Services Pte. Ltd., Singapore

Greatship Global Offshore Services Pte. Ltd., Singapore

Greatship (UK) Ltd., UK

Greatship Global Offshore Management Services Pte. Ltd., Singapore *

GGOS Labuan Ltd., Malaysia #

Greatship Oilfield Services Limited, India

Deregistered on March 04, 2017

c) Fellow Subsidiaries :

The Great Eastern Chartering LLC (FZC), Sharjah

The Greatship (Singapore) Pte. Ltd., Singapore

The Great Eastern Chartering (Singapore) Pte. Ltd., Singapore

Great Eastern CSR Foundation., India

d) Key Management Personnel :

Executive Directors

Mr. Ravi K. Sheth

Mr. P.R. Naware

Non-Executive Directors

Mr. Bharat K. Sheth

Mr. Keki Mistry

Mr. Berjis Desai (upto 12th March 2018)

Mr. Vineet Nayyar

Mr. Shashank Singh

Mr. Anil Chandanmal Singhvi

Mr. Mathew Cyriac

Ms. Swaroop Rawal

Others

Mr. G. Shivakumar - Chief Financial Officer

Ms. Amisha Ghia - Company Secretary

e) Relative of Key Management Personnel :

Ms. Nirja B. Sheth - Daughter of Chairman

Mr. Pushkar Naware - Son of Executive Director

f) Other Related party

Greatship (India) Limited Employees Gratuity Trust - Post employment benefit plan of Greatship group

II) Details of transactions with related parties during the year

(₹ in Crores)

Nature of transaction	Holding Company Year ended March 31, 2018	Holding Company Year ended March 31, 2017	Subsidiary Companies Year ended March 31, 2018	Subsidiary Companies Year ended March 31, 2017	Fellow Subsidiaries Year ended March 31, 2018	Fellow Subsidiaries Year ended March 31, 2017	Key Management Personnel and Relatives Year ended March 31, 2018	Key Management Personnel and Relatives Year ended March 31, 2017
Transactions during the year:								
Corporate Guarantees Given	-	-	-	#867.69	-	-	-	-
Purchase of Rigs	-	-	**2,451.27**	-	-	-	-	-
Investment in Equity Share Capital	-	-	**0.25**	-	-	-	-	-
Purchase of Investment	-	-	-	1,062.75	-	-	-	-
Corporate Guarantee Commission received	-	-	**0.88**	3.25	-	-	-	-
Dividend Paid	**23.32**	23.32	-	-	-	-	-	-
Contribution paid towards CSR	-	-	-	-	**3.67**	2.44	-	-
Inchartering Expenses	-	-	**73.05**	449.57	-	-	-	-
Charter Hire Income	-	-	**11.36**	44.94	-	-	-	-
Sale of assets	-	-	-	0.89	-	-	-	-
Dividend received	-	-	**147.44**	-	-	-	-	-
Executive Directors								
Short term benefits	-	-	-	-	-	-	8.77	9.03
Post employment benefits	-	-	-	-	-	-	**(0.21)**	1.54
Non-executive directors								
Commission paid	-	-	-	-	-	-	**1.69**	1.92
Sitting fees paid	-	-	-	-	-	-	**0.29**	0.39
Others								
Short term benefits	-	-	-	-	-	-	**0.61**	0.81
Post employment benefits	-	-	-	-	-	-	**0.01**	0.01
Service charges for allotment of training slots	**1.84**	1.86	-	-	-	-	-	-
Transfer of liability towards retirement benefits of employees (net)	-	0.02	-	-	-	-	-	-
Re-imbursement of expenses paid / (received)	-	-	**3.18**	5.91	-	-	-	-

Nature of transaction	Holding Company		Subsidiary Companies		Key Management Personnel and Relatives	
	As at March 31, 2018	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017
Outstanding Balances						
Receivables	**-**	-	**0.05**	3.64	**-**	-
Payables	**0.75**	1.29	**1,905.69**	1,074.91	**-**	-
Corporate Guarantees Given	**-**	-	**-**	977.03	**-**	-
Remuneration payable						
Executive Directors	**-**	-	**-**	-	**14.25**	14.67
Non-executive Directors	**-**	-	**-**	-	**1.69**	1.92

Note :

represents guarantees issued on account of refinancing of the loans by a subsidiary. Guarantees issued under the earlier loans of subsidiary were cancelled on refinancing.

Terms and conditions of transactions with related parties

All Related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis.

39 FINANCIAL INSTRUMENTS

(a) Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The capital structure of the Company consists of net debt (borrowings as detailed in note 23 and offset by cash and bank balances and current investments) and total equity of the Company.

The Company is not subject to any externally imposed capital requirements.

The Company's risk management committee reviews the capital structure of the Company on a regular basis considering the cyclicity of business.

The gearing ratio at the end of the reporting period is as follows:

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Debt*	2,346.92	929.24
Less : Cash and bank balances including current investments	(568.05)	(434.66)
Net debt	**1,778.87**	**494.58**
Total equity	**2,013.96**	**2,009.58**
Net debt to equity ratio	**0.88**	**0.25**

*Debt includes Foreign currency term loans from banks and Cumulative redeemable preference share capital.

The significant increase in the gearing ratio as at March 31, 2018 is mainly on account of additional borrowings relating to acquisition of rigs.

(b) Financial assets and liabilities

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instruments are disclosed in Note 5 (g) to the financial statements.

The carrying value of financial instruments by categories are as follows :

₹ in Crores

	Carrying value as on	
	March 31, 2018	March 31, 2017
Financial Assets		
Measured at Amortised Cost		
Cash and cash equivalents	243.31	205.61
Other financial assets	1.21	3.56
Bank balances other than cash and cash equivalents	291.50	218.01
Trade receivables	82.82	127.61
Unbilled Revenue	65.68	3.92
Measured at Fair value through profit and loss		
Current Investments	33.24	8.69
Derivative contracts	0.66	-
Measured at Fair value through OCI		
Derivative contracts	29.67	4.41
	748.09	**571.81**
Financial Liabilities		
Measured at Amortised Cost		
Foreign currency term loans from banks	1,994.43	578.87
Preference share capital including redemption premium	352.49	350.37
Preference dividend payable including dividend distribution tax	28.11	28.07
Trade payables	57.07	63.32
Other financial liabilities	1,940.20	1,074.12
	4,372.30	**2,094.75**

The management considers that the carrying amounts of above financial assets and financial liabilities approximate their fair values.

Fair value hierarchy

The following table present assets and liabilities measured at fair value and classified by the level of the following fair value measurements hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Year ended March 31, 2018	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores	Level	Valuation technique and key inputs
Financial Assets				
Investments in liquid mutual funds	33.24	8.69	Level 2	The mutual funds are valued at the Net asset value of the respective units.
Derivative financial instruments	30.33	4.41	Level 2	Discounted cash flows. Future cash flows are estimated based on forward exchange/ interest rates and contract forward/ interest rates discounted at a rate that reflects the credit risk of various counterparties.

(c) Derivative financial instrument and risk management

The Company uses foreign exchange forward contracts, currency & interest swaps and options to hedge its exposure to movements in foreign exchange rates and variable interest rates. The Company does not use the foreign exchange forward contracts, currency & interest swaps and options for trading or speculation purposes.

The Company has identified certain derivative contracts entered into to hedge foreign currency risk of firm commitments and interest swaps as hedge instruments that qualify as effective cash flow hedges. The mark to market gain / (loss) on such derivative contracts is recorded in the hedging reserve.

I) Derivative instruments in hedging relationship (Cashflow Hedges) :

(i) Forward exchange contracts:

	As at March 31, 2018		As at March 31, 2017	
Details	**Purchase**	**Sale**	**Purchase**	**Sale**
Total no. of Contracts	12	-	4	-
Notional amount of Foreign Currency (USD Million)	3	-	4	-
Amount in Hedging reserve (loss) (₹ in crores)	-	-	(0.13)	-
Maturity Period	upto 12 months	-	upto 3 months	-

(ii) Interest rate swap contracts:

Details	As at March 31, 2018	As at March 31, 2017
Total no. of Contracts	11	3
Principal Notional Amount (USD million)	170	29
Amount in Hedging Reserve gain (₹ in crores)	29.69	4.59
Maturity Period	upto 78 months	upto 73 months

The above mentioned derivative contracts having been entered into to hedge foreign currency risk of firm commitments and the interest rate risk, have been designated as hedge instruments that qualify as effective cash flow hedges. The mark-to-market gain on these derivative contracts outstanding as on March 31, 2018 amounting to gain of ₹ 29.69 crores [previous year : ₹ 4.46 crores (net)] has been recorded in the Cash flow hedging reserve as on March 31, 2018.

The interest rate swaps are entered to hedge quarterly interest payments from variable to fixed on borrowings. Fair value gains and losses on the interest rate swaps recognised in Cash flow Hedging Reserve are transferred to the Statement of Profit and Loss as part of interest expense on settlement.

The currency forward and option contracts were entered to hedge transactions denominated in foreign currency. The currency forwards and options have maturity dates that coincide with the expected occurrence of these transactions. Gains and losses recognised in the hedging reserve are transferred to the Statement of Profit and Loss on settlement.

II) Derivative instruments not in hedging relationship :

Interest rate collar contracts :

Details	As at March 31, 2018	As at March 31, 2017
Total no. of Contracts	3	-
Principal Notional Amount (USD million)	29	-
Gain/(Loss) recognised in the Statement of Profit and Loss during the year (₹ in crores)	0.65	-
Maturity Period	upto 78 months	-

The interest rate collar contracts mentioned under “Derivative instruments not in hedging relationship” above, economically hedge the underlying exposures but hedge accounting is not opted for the same.

The interest rate collar contracts are entered to cap the floating interest rate liability. If interest rate rises above a certain level this will start acting as interest rate swap.

Gains / (Losses) on the derivative contracts mentioned under (II) above, are transferred to the Statement of Profit and Loss. The mark-to-market loss on these derivative contracts outstanding as on March 31, 2018 amounting to ₹ 0.65 crores (previous Year : ₹ NIL) has been recorded in the Statement of Profit and Loss.

(d) Market risk

i) Foreign currency risk

The Company uses forward covers, interest rate swaps and options to protect against the volatility associated with the foreign currency transactions.

The Company exposure to unhedged foreign currency is listed below :

	Currency in Millions		₹ in Crores	
Details	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Foreign currency term loans from banks				
USD	309.81	85.22	2,019.21	552.64
Financial liabilities				
USD	297.57	169.24	1,939.42	1,097.51
EUR	0.65	0.17	5.23	1.20
JPY	11.08	5.22	0.68	0.30

Details	Currency in Millions		₹ in Crores	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
NOK	0.49	0.60	0.41	0.45
SGD	0.05	0.06	0.23	0.28
AED	0.08	-	0.15	-
GBP	0.01	0.01	0.14	0.11
Financial assets				
USD	10.72	21.34	69.85	138.37
EUR	0.20	0.14	1.63	0.94
SGD	-	0.01	-	0.05
GBP	-	0.01	-	0.10
Cash and cash equivalents and Bank balances other than cash and cash equivalents				
USD	79.02	62.64	515.02	406.25
EUR	0.21	0.04	1.70	0.25
SGD	0.15	0.15	0.74	0.71
GBP	0.05	0.07	0.48	0.55
Net currency exposure				
USD	(517.64)	(170.48)	(3,373.76)	(1,105.53)
EUR	(0.24)	0.01	(1.90)	0.01
JPY	(11.08)	(5.22)	(0.68)	(0.30)
NOK	(0.49)	(0.60)	(0.41)	(0.45)
SGD	0.10	0.10	0.51	0.48
AED	(0.08)	-	(0.15)	-
GBP	0.04	0.07	0.34	0.54

A 5% strengthening / weakening of Indian Rupee against key currencies to which the Company is exposed (net of hedge), with all other variables being held constant, would have led to approximately a Gain / Loss of ₹ 168.80 crores (previous year : ₹ 55.26 crores) in the Statement of Profit and Loss.

ii) Interest rate risk

The Company generally borrows at variable rates and uses interest rate swaps as cash flow hedges of future interest payments, which have the economic effect of converting borrowings from floating rates to fixed rates. Under the interest rate swaps, the Company agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

Interest rate sensitivity

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates.

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in Indian rupees and US dollars with a mix of fixed and floating rates of interest. The Company hedges its US dollar interest rate risk through interest rate swaps and interest rate collars to reduce the floating interest rate risk. The Company has exposure to interest rate risk, arising principally on changes in LIBOR rates. The risk is managed by the Company by the use of interest rate swap and interest rate collar contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The following table provides a break-up of the Company's fixed and floating rate borrowings:

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Fixed rate borrowings (Redeemable Preference shares)	352.49	350.37
Floating rate borrowings (Foreign currency term loans from banks)	1,994.43	578.87
Total borrowings	**2,346.92**	**929.24**

The sensitivity analysis below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

As at March 31, 2018, the term loans from banks amounting to ₹ 720.54 crores (previous year: ₹ 394.54 crores) are exposed to interest risks.

If interest rate had been 50 basis points higher or lower and all other variables were held constant, the Company's profit for the year would increase or decrease by ₹ 4.34 crores (previous year: ₹ 3.07 crores). As impact of interest rate movement on loan outstanding on undelivered vessel is capitalised, this is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings on delivered rigs / vessels.

(e) Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risk. The major class of financial asset of the Company is trade receivables, cash and cash equivalents and derivatives. For credit exposures to customer, management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

As the Company does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

Trade receivables :

The trade receivables of the Company comprise 1 debtor (previous year: 1 debtor) that individually represented 73.70% (previous year: 84.20%) of trade receivables. Due to the nature of the Company's operations, revenue and receivable are typically concentrated amongst a relatively niche customer base. The Company has policies in place to ensure that contracts are with customers of stable financial standing and appropriate credit history.

Customer credit risk is managed by the Company and subject to established policy, procedures and control relating to customer risk management.

The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

The history of trade receivables shows a negligible allowance for bad and doubtful debts.

Cash and Cash Equivalents, derivatives and mutual fund investments :

Credit risk on cash and cash equivalents is limited as the Company invests in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investments in liquid mutual funds units from reputed funds. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

***Exposure to credit risk* :**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 748.08 crores as at March 31, 2018 and ₹ 571.81 crores as at March 31, 2017, being the total of the carrying amount of balances and deposits with banks, trade receivables, mutual fund investments and other financial assets including derivatives instruments.

(i) Financial assets that are neither past due nor impaired

 Trade and other receivables that are neither past due nor impaired are credit worthy debtors with good payment record with the Company.

 The Company's trade receivables not past due include receivables amounting to ₹ 39.13 crores (previous year: ₹ 104.06 crores).

(ii) Financial assets that are past due and/ or impaired

 There is no other class of financial assets that is past due and/or provided for except for trade receivables.

 The ageing analysis of the trade receivables of the Company that are past due but not provided as doubtful debts is as follows:

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Overdue	42.78	23.38
- Less than 180 days	0.90	0.17
- More than 180 days	**43.68**	**23.55**

The carrying amount of trade receivables provided as doubtful debts are as follows:

Overdue	3.38	3.52
- More than 365 days	(3.38)	(3.52)
Less: Allowance for doubtful debts	-	-

(f) Liquidity risk

Liquidity risk refers to the risk in which the Company may not be able to meet its short-term obligations. In the management of liquidity risk, the Company monitors and maintains a level of cash and cash equivalents and current investment deemed adequate by the management to finance the Company's operations and mitigate effects of fluctuations in cash flows.

The following table shows the maturity analysis of the group's non derivative financial liabilities based on contractually agreed undiscounted cash flows:

₹ in Crores

	Payable within 1 year	Payable within 2 - 5 years	More than 5 years	Total
As at 31st March 2018				
Borrowings	209.46	873.38	911.59	1,994.43
Trade payables	57.07	-	-	57.07
Other financial liabilities	1,940.20	-	-	1,940.20
Preference share capital including redemption premium	-	127.96	224.53	352.49
Preference dividend payable including dividend distribution tax	28.11	-	-	28.11
	2,234.84	1,001.34	1,136.12	4,372.30
As at 31st March 2017				
Borrowings	120.24	373.77	84.86	578.87
Trade payables	63.32	-	-	63.32
Other financial liabilities	1,074.12	-	-	1,074.12
Preference share capital including redemption premium	-	268.82	81.55	350.37
Preference dividend payable including dividend distribution tax	28.07	-	-	28.07
	1,285.75	642.59	166.41	2,094.75

40 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Consequent to the requirement of section 135 of The Companies Act 2013, the Company has contributed ₹ 3.67 crores (previous year: ₹ 2.44 crores) to Great Eastern CSR Foundation and ₹ 1.73 crores (previous year: ₹ 2.72 crores) to NGOs towards CSR expenditure:

	Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
(a) Gross amount required to be spent by the Company during the year.	5.40	5.16
(b) Amount spent in cash for purposes other than for construction / acquisition of any asset during the year	5.40	5.16

The areas of CSR activities are

1. Promoting education and knowledge enhancement, including but not limited to:
   a. Establishment and management of educational and knowledge enhancement infrastructure.
   b. Provision of financial or other assistance to the needy and/or deserving students.
   c. Providing financial assistance to any Agency involved in education, knowledge enhancement and sports.
   d. Contribution to technology incubators located within academic institutions which are approved by the Central Government.
2. Eradicating hunger, poverty, and malnutrition.
3. Promoting health care and sanitation.

as specified under Schedule III of The Companies Act 2013.

41 SEGMENT REPORTING

The Company is engaged only in Offshore Oilfield Services segment and there are no separate reportable segments as per Accounting Standard Ind AS 108 “Operating Segments” .

Revenue from Operations :

Particulars	Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
Revenue from customers outside India	11.57	51.13
Revenue from customers within India	879.16	1,240.77
Total	**890.73**	**1,291.90**

Substantial assets of the Company are vessels / rigs, which are not identifiable to any geographical location. In view of this, geographical segment wise reporting is not applicable.

42 OPERATING LEASE

Operating Lease Commitments - where the Company is a lessee

The Company had taken four rigs on operating lease for periods ranging between 1 to 3 years in the previous year which were subsequently bought in the current year. Premises taken on leave & license basis which is similar in substance to an operating lease are also included in the leasing arrangements here under:

Particulars	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
a) Total Future Minimum Lease payments		
- Not later than 1 year	8.40	329.78
- Later than 1 year and not later than 5 years	12.27	368.11
b) Lease payments recognised in the Statement of Profit and Loss for the period.	81.82	459.27

Vessels taken/given on time charter hire are not considered as operating lease.

43 GOVERNMENT GRANTS

The Company receives government assistance in the form of Served from India Scheme (SFIS) , which are issued to eligible Indian service providers having free foreign exchange earnings. It can be utilised for duty-free imports of office & professional equipment, spares, furniture and consumables or any other items notified by the Government from time to time.

Following are the balances of SFIS license held by the Company :

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Balance at the beginning of the year	1.60	6.48
Licenses received during the year	10.78	-
Licenses expired during the year	(0.14)	-
Licenses utilised during the year	(3.67)	(4.88)
Balance at the end of the year	8.57	1.60

There are no unfulfilled conditions and other contingencies attached to the above government grants.

44 CONTINGENT LIABILITIES

		As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
a)	Corporate guarantees given on behalf of subsidiary companies	-	977.03
b)	Claims against the Company not acknowledged as debt:		
i)	Service Tax	304.23	405.30
	Demand pertains to jurisdictional applicability on charter hire, excess utilisation of CENVAT Credit, supply of fuel / diesel by the charterers* and non-payment of service tax under reverse charge mechanism# on various input services received from foreign vendors.		
ii)	Customs duty Demand pertains to wrong classification of Marine Gas Oil/HFHSD and vessels imported.	14.88	15.43
iii)	Value Added Tax ('VAT') / Central Sales Tax ('CST') Demand pertains to levy of Maharashtra VAT / CST on Time charter hire of Rigs / vessels considering the same to be a 'deemed sale' transaction.	69.29	3.88
iv)	Demand for Income tax disputed by the Company	22.77	22.54

Amounts pertaining to point (b) above are excluding interest and penalty.

*Service tax authorities had issued Show Cause Notices as to why service tax is not payable on value of fuel provided by Customers as per the terms of various service contracts. The service tax authorities have issued a Order-in-Original confirming service tax demand in part.

Service tax authorities had issued Show Cause Notices as to why service tax under Reverse Charge Mechanism is not payable on payment made to foreign vendors towards Bareboat Charter of rigs and certain other services. The service tax authorities have issued a Order-in-Original confirming entire service tax demand.

In both the above matters, appeal has been filed against the said orders before the appropriate Appellate Authorities.

Notes :

I) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements / decisions pending with various forums / authorities.

II)The Company's pending litigations comprise of claims pertaining to proceedings pending with Income Tax, Custom, Sales Tax / VAT, Service Tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions were required or disclosed as contingent liabilities where applicable, in its financial statements. Considering the merits of cases under dispute, the Company expects that the possibility of demands getting confirmed is remote.

45 CAPITAL COMMITMENTS

Estimated amount of contracts, net of advances paid thereon, remaining to be executed on capital account and not provided for - ₹ 0.11 crores (previous year ₹ 2,465.34 crores).

46 The particulars of guarantees and investments covered under section 186 of The Companies Act 2013 are disclosed under Note 9 and Note 38 respectively.

47 SUBSEQUENT EVENTS

There are no significant subsequent events that would require adjustments or disclosures in the financial statements.

STATEMENT PERTAINING TO SUBSIDIARIES

FORM AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCATE COMPANIES / JOINT VENTURES

PART 'A': SUBSIDIARIES

(₹ in Crores)

Sr. No.	Name of the Subsidiary	Greatship Global Holdings Ltd.*	"Greatship Global Offshore Services Pte. Ltd. @	Greatship Global Energy Services Pte. Ltd.*	Greatship (UK) Limited*	Greatship Oilfield Services Limited*
1	Date from which it became a subsidiary	30-May-07	8-May-07	23-Oct-06	29-Oct-10	9-Jul-15
2	Reporting Period	31-Mar-18	31-Mar-18	31-Mar-18	31-Mar-18	31-Mar-18
3	Reporting currency	USD	USD	USD	USD	INR
4	Exchange Rate as on 31.03.2018	₹ 65.175	₹ 65.175	₹ 65.175	₹ 65.175	NA
5	Share Capital	1,448.20	463.14	1,101.22	3.26	0.26
6	Reserves & Surplus	52.52	(38.04)	7.31	16.30	(0.04)
7	Total Assets	1,500.87	445.44	1,109.97	55.65	0.22
8	Total Liabilities	0.15	20.34	1.44	36.09	0#
9	Investments (Excludes investment in subsidiaries)	-	-	-	-	-
10	Turnover	-	77.66	77.01	20.16	-
11	Profit/(Loss) before taxation	(0.78)	(131.28)	56.04	(0.63)	(0.04)
12	Provision for taxation	-	-	0.38	(0.49)	-
13	Profit/(Loss) after taxation	(0.78)	(131.28)	55.66	(0.14)	(0.04)
14	Proposed Dividend - Equity	-	-	-	-	-
15	% of shareholding	100%	100%	100%	100%	100%

Amount less than ₹ 1 lakh

* Wholly owned Subsidiary of Greatship (India) Limited

@Wholly-owned subsidiary of Greatship Global Holdings Limited

Notes:

1. Greatship Oilfield Services Limited is yet to commence operations
2. Figures include foreign currency translation adjustment.

PART 'B' : ASSOCIATES AND JOINT VENTURES - NOT APPLICABLE

For and behalf of the Board

Bharat K. Sheth	**Ravi K. Sheth**	**G. Shivakumar**	**Amisha Ghia**
Chairman	Managing Director	Chief Financial Officer	Company Secretary

Mumbai, May 2, 2018

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GREATSHIP (INDIA) LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **Greatship (India) Limited** (hereinafter referred to as "the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive loss), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive loss, consolidated statement of changes in equity and consolidated cash flowsof the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent's preparation of the consolidated Ind AS 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 the accounting policies used and the reasonableness of the accounting estimates made by the Parent's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

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 reports of other auditors on separate financial statements/ financial information of the subsidiaries referred to below in the Other Matters paragraph, the aforesaid consolidated Ind AS 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 Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2018, and their consolidated loss, consolidated total comprehensive loss, consolidated statement of changes in equity and their consolidated cash flows and for the year ended on that date.

Other Matters

(a) We did not audit the financial statements/ financial information of 4 subsidiaries, whose financial statements/ financial information reflect total assets of ₹ 3,110.44 crores as at March 31, 2018, total revenues of ₹ 173.26 crores and net cash outflows amounting to ₹ 214.22 for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

(b) The comparative financial statements of the Group for the year ended March 31, 2017 prepared in accordance with Ind AS included in these consolidated Ind AS financial statements have been audited by the predecessor auditor. The report of the predecessor auditor on these comparative financial statement dated May 2, 2017 expressed an unmodified opinion.

Our opinion on the consolidated Ind AS financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of other auditors on separate financial statements/ financial information of subsidiaries incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Parent as on March 31, 2018 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”, which is based on the auditors’ reports of the Parent and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for the reasons stated therein.

(g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

  i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

  ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

  iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies incorporated in India.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm’s Registration No. 117366W/W-100018)

Samir R. Shah
Partner
(Membership No. 101708)

Place: Mumbai
Date: May 2, 2018

ANNEXURE 'A'
TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Greatship (India) Limited (hereinafter referred to as "the Parent") as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on internal financial control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by theICAI.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Samir R. Shah
Partner
(Membership No. 101708)

Place: Mumbai
Date: May 2, 2018

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2018

Particulars	Notes	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	9	4,266.07	4,709.74
(b) Capital work-in-progress		5.84	-
(c) Intangible assets	10	0.23	0.13
(d) Financial assets			
(i) Deposits with bank	11	-	2.35
(i) Other financial assets	12	1.52	1.52
(e) Non current tax assets (net)	13C	30.66	22.85
(f) Deferred tax assets (net)	13D	-	11.18
(g) Other non current assets	14	2.85	0.03
		4,307.17	**4,747.80**
2 Current assets			
(a) Inventories	15	79.73	84.35
(b) Financial assets			
(i) Investments	16	33.24	8.69
(ii) Trade receivables	17	93.28	159.05
(iii) Cash and cash equivalents	18	564.83	741.15
(iv) Bank balances other than cash and cash equivalents	19	447.33	413.59
(v) Other financial assets	20	96.01	10.90
(c) Other current assets	21	24.56	15.42
		1,338.98	**1,433.15**
TOTAL ASSETS		**5,646.15**	**6,180.95**
EQUITY AND LIABILITIES			
EQUITY			
(a) Share capital	22	111.35	111.35
(b) Other equity	23	2,741.44	3,108.30
		2,852.79	**3,219.65**
LIABILITIES			
1 Non-current liabilities			
(a) Financial liabilities			
Long term borrowings	24	2,137.46	2,372.27
(b) Provisions	25A	11.82	14.29
(c) Deferred tax liability (net)	13D	207.75	-
(d) Other liabilities	26	22.86	25.01
		2,379.89	**2,411.57**
2 Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	27	96.14	72.89
(ii) Other financial liabilities	28	288.02	445.75
(b) Other current liabilities	29	17.16	18.15
(c) Provisions	25B	0.82	0.57
(d) Current tax liabilities (Net)	13C	11.33	12.37
		413.47	**549.73**
TOTAL EQUITY AND LIABILITIES		**5,646.15**	**6,180.95**
Significant accounting policies	7		

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

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.: 117366W / W100018)

Samir R. Shah
Partner
(Membership No.: 101708)

Place : Mumbai
Date : May 2, 2018

For and on behalf of Board of Directors

Ravi K. Sheth
Managing Director

P.R. Naware
Executive Director

G. Shivakumar
Chief Financial Officer

Amisha M. Ghia
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2018

	Particulars	Notes	Year ended March 31, 2018 ₹ in Crores	Year ended March 31, 2017 ₹ in Crores
	Income			
I	Revenue from Operations	30	973.38	1,407.71
II	Other Income	31	28.16	16.95
III	**Total Income**		**1,001.54**	**1,424.66**
IV	**Expenses**			
	Employee benefits expense	32	238.06	283.26
	Finance costs	33	152.31	155.94
	Depreciation and amortization expense	34	277.17	304.30
	Impairment Loss	35	206.39	184.33
	Other expenses	36	221.60	255.53
	Total Expenses		**1,095.53**	**1,183.36**
V	**Profit before tax**		**(93.99)**	**241.30**
VI	Tax Expense			
	Current tax	13A	70.89	85.63
	Deferred tax (net and MAT credit)	13A	210.00	0.96
	Total tax expense		**280.89**	**86.59**
VII	**Profit / (Loss) for the year**		**(374.88)**	**154.71**
VIII	**Other Comprehensive Income**			
A	(i) Items that will not be reclassified subsequently to the Statement of Profit and Loss			
	- Remeasurements of the defined benefit plans		2.96	2.01
	(ii) Income tax relating to items that will not be reclassified subsequently to the Statement of Profit and Loss		(0.94)	-
B	(i) Items that will be reclassified subsequently to the Statement of Profit and Loss			
	- Exchange difference on net investment in subsidiaries		(6.35)	(50.96)
	- The effective portion of gains and loss on hedging instruments in a cash flow hedge		20.35	15.50
	(ii) Income tax relating to items that will be reclassified subsequently to the Statement of Profit and Loss		(8.00)	-
	Total Other Comprehensive Income (A+B)		**8.02**	**(33.45)**
IX	**Total Comprehensive Income for the year (VII+VIII)**		**(366.86)**	**121.26**
	Total Comprehensive Income for the year attributable to :			
	- Owners of the Company		(366.86)	121.26
	- Non controlling interests		-	-
			(366.86)	**121.26**
	Earnings per equity share			
	[Nominal value per share ₹ 10 : previous year ₹ 10]			
	Basic and Diluted	37	(33.67)	13.89

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

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.: 117366W / W100018)

Samir R. Shah
Partner
(Membership No.: 101708)

Place : Mumbai
Date : May 2, 2018

For and on behalf of the Board of Directors

Ravi K. Sheth
Managing Director

P.R. Naware
Executive Director

G. Shivakumar
Chief Financial Officer

Amisha M. Ghia
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
Cash Flow From Operating Activities :		
Profit before tax:	(93.99)	241.30
Adjustments for:		
Depreciation and amortisation expenses	277.17	304.30
Impairment loss on tangible assets	206.39	184.33
Finance costs	152.31	155.94
(Profit) / Loss on vessels / other assets	(0.02)	0.05
Allowance for doubtful debts and advances (net)	10.81	1.64
Interest income	(14.18)	(10.88)
Dividend on current investments	(1.92)	(0.90)
Profit on sale of current investments	(0.04)	-
Exchange differences on translation of foreign currency balances	(25.16)	(17.64)
Operating Profit Before Working Capital Changes :	**511.37**	**858.14**
Adjustments for working capital changes		
Decrease in Inventories	4.63	0.70
Decrease in Trade receivables	91.02	60.76
(Increase) / Decrease in Other financial assets and other current assets	(71.93)	11.13
(Decrease) in Trade payables	(11.08)	(3.39)
Increase / (Decrease) in Other financial liabilities, Provisions and other current liabilities	1.33	(22.79)
Cash Generated From Operations :	**525.34**	**904.55**
Taxes paid	(79.76)	(94.17)
Net Cash From Operating Activities :	**445.58**	**810.38**
Cash Flow From Investing Activities :		
Purchase of Property, plant and equipment	(61.44)	(41.35)
Proceeds from sale of Property, plant and equipment	0.04	105.15
Proceeds from sale of current investments	304.81	239.31
Purchase of current investments	(329.32)	(221.90)
Interest received	14.61	8.28
Dividend received on current investment	1.92	0.90
Earmarked deposits placed with banks	-	(0.32)
Deposits in margin account placed with banks	(3.91)	-
Deposits in margin account redeemed with banks	21.62	7.67
Bank deposits having original maturity more than three months placed with banks	(726.26)	(638.00)
Bank deposits having original maturity more than three months redeemed with banks	687.85	558.04
Net Cash From (Used In) Investing Activities :	**(90.08)**	**17.78**

Particulars	Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
Cash Flow From Financing Activities :		
Proceeds from long term borrowings	1,590.36	1,852.40
Repayment of long term borrowings	(1,968.14)	(2,313.06)
Interest paid	(143.12)	(104.88)
Dividend paid	(23.32)	(23.32)
Dividend distribution tax paid	-	(4.75)
Net Cash (Used In) Investing Activities :	**(544.22)**	**(593.61)**
Net Increase / (Decrease) In Cash And Cash Equivalents :	**(188.72)**	**234.55**
Cash and Cash Equivalents as at April 1, 2017	741.15	512.48
Gain / (Loss) on exchange rate changes in cash and cash equivalents	12.40	(5.88)
Cash and Cash Equivalents as at March 31, 2018	**564.83**	**741.15**

Note :

1 The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

2 Reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities:
Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirements.

₹ in Crores

Particulars	As at March 31, 2018	Cash flows (net)	Non-cash changes				As at March 31, 2017
			Fair value changes	Foreign exchange movement	Acquisition	Amortised cost to Profit and Loss (net)	
Foreign currency term loans from banks	1,994.43	(377.78)	-	10.08	-	(32.71)	2,394.84
Redeemable cumulative Preference shares capital	352.49	-	-	-	-	2.12	350.37
Total liabilities from financing activities	**2,346.92**	**(377.78)**	**-**	**10.08**	**-**	**(30.59)**	**2,745.21**

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

As per our Report attached hereto

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.: 117366W / W100018)

Samir R. Shah
Partner
(Membership No.: 101708)

Place : Mumbai
Date : May 2, 2018

Ravi K. Sheth
Managing Director

P.R. Naware
Executive Director

G. Shivakumar
Chief Financial Officer

Amisha M. Ghia
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2018

₹ in Crores

A EQUITY SHARE CAPITAL

Balance as at April 01, 2017	Changes in equity share capital during the year	Balance as at March 31, 2018
111.35	-	111.35

Balance as at April 01, 2016	Changes in equity share capital during the year	Balance as at March 31, 2017
111.35	-	111.35

B OTHER EQUITY

Particulars	Reserves and Surplus						Other Comprehensive Income		Total
	Capital Reserve	Capital Re-demption Reserve	Securities Premium Reserve	General Reserve	Tonnage Tax Reserve	Retained Earnings	Foreign Currency Translation Reserve	Cash flow Hedging Reserve	
Balance as at April 01, 2017	**2.95**	**43.50**	**1,155.13**	**40.35**	**187.00**	**989.79**	**680.25**	**9.33**	**3,108.30**
Loss for the year	-	-	-	-	-	(374.88)	-	-	(374.88)
Other Comprehensive income for the year, net of income tax	-	-	-	-	-	2.02	(6.35)	12.35	8.02
Transfer from Tonnage tax reserve to General reserve	-	-	-	42.00	(42.00)	-	-	-	-
Transfer from retained earnings to Tonnage tax reserve	-	-	-	-	0.50	(0.50)	-	-	-
Balance as at March 31, 2017	**2.95**	**43.50**	**1,155.13**	**82.35**	**145.50**	**616.43**	**673.90**	**21.68**	**2,741.44**

Particulars	Reserves and Surplus						Other Comprehensive Income		Total
	Capital Reserve	Capital Re-demption Reserve	Securities Premium Reserve	General Reserve	Tonnage Tax Reserve	Retained Earnings	Foreign Currency Translation Reserve	Cash flow Hedging Reserve	
Balance as at April 01, 2016	**2.95**	**43.50**	**1,155.13**	**40.35**	**177.00**	**843.07**	**731.21**	**(6.17)**	**2,987.04**
Profit for the year	-	-	-	-	-	154.71	-	-	154.71
Other Comprehensive income for the year, net of income tax	-	-	-	-	-	2.01	(50.96)	15.50	(33.45)
Transfer from retained earnings to Tonnage tax reserve	-	-	-	-	10.00	(10.00)	-	-	-
Balance as at March 31, 2017	**2.95**	**43.50**	**1,155.13**	**40.35**	**187.00**	**989.79**	**680.25**	**9.33**	**3,108.30**

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

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No.: 117366W / W100018)

Samir R. Shah
Partner
(Membership No.: 101708)

Place : Mumbai
Date : May 2, 2018

For and on behalf of Board of Directors

Ravi K. Sheth
Managing Director

P.R. Naware
Executive Director

G. Shivakumar
Chief Financial Officer

Amisha M. Ghia
Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2018

1 BACKGROUND

Greatship (India) Limited ("the Company") is a public Company domiciled in India and incorporated in the year 2002 under the provisions of the Companies Act,1956. Greatship (India) Limited, the holding Company and its wholly owned subsidiaries (collectively referred to as Group) is engaged in providing offshore oilfield services with the principal activity of offshore logistics and drilling services. The Group presently owns and operates 4 Platform Supply Vessels (PSVs), 8 Anchor Handling Tug cum Supply Vessels (AHTSVs), 2 Multipurpose Platform Supply and Support Vessels (MPSSVs) and 5 Remotely Operated Vehicle Support Vessels (ROVSVs) in the Indian and International markets. The Group also owns and operates 4 Jack up Drilling Rigs. There have been no significant changes in the nature of these activities during the financial year. The Company is a subsidiary of The Great Eastern Shipping Company Limited (GESCO) which is listed on the National Stock Exchange (NSE), Bombay Stock Exchange (BSE) and at the Luxemburg Stock Exchange.

The consolidated financial statements of the Group for the year ended March 31, 2018 were approved for issue in accordance with the resolution of the Board of Directors on May 2, 2018.

2 STATEMENT OF COMPLIANCE WITH IND AS

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standard) Rules amended from time to time.

3 BASIS OF PREPARATION

The consolidated financial Statements have been prepared on the going concern and historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

4 BASIS OF CONSOLIDATION

The consolidated financial statements relate to Greatship (India) Limited ("the Holding Company") and its wholly owned subsidiaries together referred to as "the Group".

The consolidation of accounts of the Company with its subsidiaries has been prepared in accordance with Ind AS 110 'Consolidated Financial Statements'. The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to use its power to affect its returns by using its power over the entity.

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 intra group unrealised profits or losses are fully eliminated.

In case of foreign subsidiaries, revenue items are consolidated at the average rates of exchange prevailing during the period. All assets and liabilities are converted at the exchange rates prevailing at the end of the period. Exchange gain / (loss) arising on conversion are recognised under foreign currency translation reserve in the consolidated balance sheet and under other comprehensive income under the statement of Profit and loss account.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

The financial statements of the subsidiaries used in the consolidation are drawn upto the same reporting date as that of the Company i.e. March 31, 2018.

5 INFORMATION ON SUBSIDIARIES

The subsidiary companies considered in the consolidated financial statements are;

Sr. No.	Name of the Company	Country of Incorporation	Percentage of voting power	
			Current Year	Previous Year
1.	Greatship Global Holdings Ltd. (GGHL) (Incorporated on May 30, 2007)	Mauritius	100%	100%
2.	Greatship Global Energy Services Pte. Ltd. (GGES) (subsidiary of GGHL up to March 28, 2017 and direct subsidiary of the Company thereafter) (incorporated on October 23, 2006)	Singapore	100%	100%
3.	Greatship Global Offshore Services Pte. Ltd. (GGOS) (subsidiary of GGHL) (incorporated on May 08, 2007)	Singapore	100%	100%
4.	Greatship (UK) Ltd. (GUK) (incorporated on October 29, 2010)	UK	100%	100%
5.	GGOS Labuan Ltd., (GGOLL) ** (subsidiary of GGOS) (Incorporated on June 25, 2014)	Malaysia	-	100%
6.	Greatship Oilfield Services Ltd., (GGOSL) (Incorporated on July 9, 2015)	India	100%	100%

** Deregistered on March 04, 2017

6 USE OF ESTIMATES

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Group to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, disclosures of contingent assets and contingent liabilities as at the date of financial statements and the reported amounts of income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of property, plant and equipment, useful lives of property, plant and equipment, provision and contingent liabilities.

Impairment of property, plant & equipment

Determining whether a support vessel or a rig is impaired requires an estimation of value in use and fair value less cost of disposal. The key estimates made in the value in use calculation are those regarding discount rates, revenue and operating profit growth rates. The discount rate is estimated using pre-tax rates that reflect current market assessments of the time value of money. The fair values are estimated based on valuations provided by independent valuers considering latest transactions of similar assets.

Useful lives of property, plant & equipment

Useful lives of property, plant and equipment are reviewed at each year end based on the best available information. The lives are based on historical experience with similar assets as well as anticipation of future events.

Provisions & Contingent Liabilities

The Group is a party to certain legal disputes, the outcomes of which cannot be assessed with a high degree of certainty. A provision is recognised where, based on the legal views and advice, it is considered probable that an outflow of resources will be required to settle a present obligation that can be measured reliably. Disclosure of contingent liabilities is made in Note 44 unless the possibility of a loss arising is considered remote. Management applies its judgement in determining whether or not a provision or contingent liability should be recorded.

7 SIGNIFICANT ACCOUNTING POLICIES

(a) Property, Plant & Equipment :

Property, plant and equipment (PPE) are stated at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenses related to acquisition, installation of the concerned assets and any attributable cost of bringing the asset to the condition of its intended use. Borrowing costs attributable to the acquisition or construction of a qualifying asset is also capitalised as part of the cost of the asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

(b) Intangible Assets :

Intangible assets are stated at acquisition cost less accumulated amortisation and accumulated impairment losses, if any. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or loses on derecognition measured at difference between net disposal proceeds and the carrying amount of the asset, are recognised in profit and loss.

(c) Non-current assets held for sale :

Non-Current Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. A non current asset is classified as such only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less cost to sell.

(d) Depreciation and Amortisation

Depreciation is provided on straight line method, prorata to the period of use, so as to write off the original cost of the asset less its estimated residual value over the estimated useful life.The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted on a prospective basis.

Estimated useful lives of the assets are as follows:

Particulars	Estimated useful life
Property, Plant & Equipment	
Fleet – Offshore Supply Vessels	20 years
Modern Rigs	30 years
Furniture and Fixtures, Office Equipment #	5 years
Computers	3 years
Vehicles #	4 years
Plant and Equipment #	3 to 10 years
Network Servers	6 years
Mobile Phones #	2 years
Leasehold improvements	Lease period
Intangible Assets	
Intangible Assets – Software licenses	5 years

Cost relating to Dry dock (special survey) which is mandatorily required to be carried out every five years as per the Classification Rules and Regulations is recognised in the carrying amount of the Fleet and Rig as a component and is depreciated over the period from the completion of survey till the estimated date for next special survey.

For these class of assets, based on internal technical assessment, the Management believes that the useful lives as given above best represents the period over which the Management expects the use of the assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

(e) Impairment :

The carrying amounts of the Group's intangible assets and property, plant and equipment are reviewed at the end of each reporting period 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 immediately in the statement of profit and loss in the period in which impairment takes place.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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 or depreciation) had no impairment loss been recognised for the asset in prior accounting periods. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

(f) Inventories :

Inventories of fuel oil on vessels and rigs, stores and spares on rigs and at warehouse are carried at lower of cost and net realizable value. Stores and spares delivered on board the vessels are charged to revenue. Stores and spares of Rigs are charged to revenue on consumption basis. Cost is ascertained on first-in-first-out basis for fuel oil and on weighted average basis for stores and spares on Rigs. Net realisable value represents the estimated selling price for inventories less all costs necessary to make the sale.

(g) Financial Instruments :

Initial Recognition

Financial assets and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Subsequent measurement

Financial Assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. The purchase and sale of financial assets are accounted for at trade date.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid financial instruments which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less.

Fixed deposit having residual maturity more than three months but less than twelve month from the reporting period is considered as part of bank balances other than cash and cash equivalent. Fixed deposit with residual maturity more than twelve months from reporting period is classified under other non current financial assets.

Financial Assets at amortised cost

Financial assets are subsequently measured at amortised cost if they are held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in the Statement of Profit and Loss and is included under the head “Other Income”.

Financial Assets at fair value through Other Comprehensive Income (FVTOCI)

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

The Group has not elected to present the changes in fair value of any equity instruments in other comprehensive income.

Financial assets at fair value through profit or loss (FVTPL)

Financials Assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the Statement of Profit and Loss.

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of Profit and Loss. The net gain or loss recognised in the Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset.

Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset and financial guarantees not designated as at FVTPL.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss ("ECL") allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on an amount equal to the life time expected credit losses.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group again measures impairment loss allowance for necessary reversal based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in 'Finance costs'.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of IND AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. A substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Derivative financial instruments

The Group enters into a variety of derivative financial instruments like foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. Further details of derivative financial instruments are disclosed in Note 39.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Hedge accounting

The Group designates certain hedging instruments, which include derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk. Note 39 sets out details of the fair values of the derivative instruments used for hedging purposes.

Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in the Statement of Profit and Loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in the Statement of Profit and Loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss, and is included under the head "Gain / Loss on foreign currency transactions (net)".

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

In cases where the designated hedging instruments are options and forward contracts, the Group has an option, for each designation, to designate on an instrument only the changes in intrinsic value of the options and spot element of forward contracts respectively as hedges. In such cases, the time value of the options is accounted based on the type of hedged item which those options hedge.

In case of transaction related hedged item in the above cases, the change in time value of the options is recognised in other comprehensive income to the extent it relates to the hedged item and accumulated in a separate component of equity i.e. Reserve for time value of options and forward elements of forward contracts in hedging relationship. This separate component is removed and directly included in the initial cost or other carrying amount of the asset or the liability (i.e. not as a reclassification adjustment thus not affecting other comprehensive income) if the hedged item subsequently results in recognition of a non-financial asset or a non-financial liability. In other cases, the amount accumulated is reclassified to the Statement of Profit and Loss as a reclassification adjustment in the same period in which the hedged expected future cash flows affect profit or loss.

In case of time-period related hedged item in the above cases, the change in time value of the options is recognised in other comprehensive income to the extent it relates to the hedged item and accumulated in a separate component of equity i.e. Reserve for time value of options and forward elements of forward contracts in hedging relationship. The time value of options at the date of designation of the options in the hedging relationships is amortised on a systematic and rational basis over the period during which the options' intrinsic value could affect profit or loss. This is done as a reclassification adjustment and hence affects other comprehensive income.

In cases where only the spot element of the forward contracts is designated in a hedging relationship and the forward element of the forward contract is not designated, the Group makes the choice for each designation whether to recognise the changes in forward element of fair value of the forward contracts in the Statement of Profit and Loss or to account for this element similar to the time value of an option (as described above).

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the Statement of Profit and Loss.

Hedges of net investments in foreign operations

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated under the heading of foreign currency translation reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss, and is included under the head "Gain / Loss on foreign currency transactions (net)".

Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.

(h) Revenue Recognition:

Income from services - The Group earns revenue primarily from chartering of its vessels and rigs under long term contracts as well as on spot basis. Revenue is recognised to the extent that it is probable that economic benefits will flow to the Group and the revenue can be reliably measured.

Revenue from Charter hire contracts is recognised pro rata over the period of the contract as and when services are rendered. Revenue from Charter hire contracts is reported net of liquidated damages, offhire and downtime rebates.

Interest income is recognised on a time proportion basis using the effective interest method.

Dividend income is recognised when the right to receive dividend is established.

(i) Leases:

Operating Lease

Lease arrangements where the risks and rewards incidental to ownership of an asset vest with the lessor, are recognised as operating lease. Operating lease payments are recognised on a straight line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly provides for future increases to compensate general inflation.

(j) Employee Benefits:

Short-Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, performance incentives, etc., are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

Post- Employment 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 Managing Director of the Company.

i. Defined Contribution Plans

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 is considered as a defined benefit obligation. The Group's liability in respect of gratuity is provided for, on the basis of actuarial valuations, using the projected unit credit method, as at the date of the Balance Sheet. Actuarial losses / gains are recognised in the statement of Other Comprehensive Income.

Other Long Term Benefits

Accumulated compensated absences, which are expected to be availed or encashed within twelve months from the year end are treated as short term employee benefits. The expected cost of such absences is measured as the additional amount that is expected to be paid as a result of the unused entitlements as at the reporting date.

Accumulated compensated absences, which are expected to be availed or encashed beyond twelve months from the year end are treated as other long term employee benefits. The Group's liability is actuarially determined using the projected unit credit method at the end of each year. Actuarial gains / losses, comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the statement of profit and loss.

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. Consequent to the introduction of the encashment scheme, the liability in respect of outstanding options is measured at fair value as per the scheme and the difference in the fair value and the exercise price is amortized over the vesting period as employee compensation with a credit to provisions.

(k) Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Other borrowing costs are recognised in the period in which they are incurred.

(l) Foreign currencies:

The functional currency of the Group is determined on the basis of the primary economic environment in which it operates. The functional currency of the Holding Company is Indian National Rupee (INR). The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to borrowing costs on those foreign currency borrowings;
- exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognized in the financial statements for the year ended March 31, 2016 prepared under previous GAAP, are capitalized as a part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary item, whichever is earlier and charged to the Statement of Profit and Loss. The un-amortised exchange difference is carried under other equity as "Foreign currency monetary item translation difference account" net of tax effect thereon, where applicable.
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (refer hedging accounting policies); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

(m) Income taxes:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. Income from shipping activities is assessed on the basis of deemed tonnage income of the Group.

Deferred tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured using tax rates and laws, enacted or substantively enacted as of the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as an income or expense in the period that includes the enactment or substantive enactment date. Deferred income taxes are not provided on the undistributed earnings of the subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.
Current and deferred tax are recognised in the Statement of Profit and Loss, except when they are related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group.

(n) Provisions and Contingent Liabilities :

Provisions are recognised in the consolidated financial statement in respect of present probable obligations (legal or constructive) as a result of past events if it is probable that the Group will be required to settle the obligation, and which can be reliably estimated.

Contingent liabilities are not recognised but disclosed unless the probability of an outflow of resources is remote. Contingent assets are disclosed where inflow of economic benefits is probable.

(o) Earnings per share:

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events, such as bonus issue, bonus element in a rights issue and shares split that have changed the number of equity shares outstanding without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(p) Government Grant:

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants used to acquire non current asset are recognized as deferred revenue in the balance sheet and transferred to the Satement of Profit and Loss on a systematic basis over the useful lives of the related assets.

8 RECENT ACCOUNTING DEVELOPMENTS

Amendments to Ind AS that are notified and adopted by the Group :

As per Companies (Indian Accounting Standards) (Amendment) Rules, 2017 dated March 17, 2017, Ministry of Corporate Affairs (MCA) has notified amendments to two new standards namely Ind AS 102 Share-based Payment and Ind AS 7 Statement of Cash Flows which have become effective from April 1, 2017.

The outstanding number of Group's equity options and provision for the same on the basis of fair value is not significant and therefore amendment to Ind AS 102 does not have material effect on the financial information. Further, amendment to Ind AS 7 pertains to additional disclosure requirement such as "An entity will be required to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes." Relevant disclosures in this regard has been provided in Note 2 to the Consolidated Cash Flow Statement.

Standards issued but not yet effective :

MCA on 28 March 2018 notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 (the "Rules"). The Rules notify the new revenue standard Ind AS 115, Revenue from Contracts with Customers and also bring in amendment to existing Ind AS. The Rules shall be effective from reporting periods beginning on or after April 1, 2018.

- New revenue standard Ind AS 115 supersedes the existing standards Ind AS 18 – "Revenue" and Ind AS 11 – "Construction Contracts". The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

  i. Identification of the contracts with the customer

  ii. Identification of the performance obligations in the contract

  iii. Determination of the transaction price

  iv. Allocation of transaction price to the performance obligations in the contract (identified in step ii)

  v. Recognition of revenue when the Company satisfies a performance obligation.

- Appendix B, (Foreign Currency Transactions and Advance Considerations) to Ind AS 21, "The Effects of Changes in Foreign Exchange Rates" has been notified. The appendix clarifies that the date of the transaction, for the purpose of determining the exchange rate to use on initial recognition of related asset, expense or income, should be the date on which an entity has received or paid an advance consideration in a foreign currency.

  Considering the nature of business of the Group, Ind AS 11 on "Construction Contracts" does not have any impact on the financial information. With regard to other standards, the management is currently evaluating the impact on the Group's financial information.

9 PROPERTY, PLANT AND EQUIPMENT

₹ in Crores

Description	Fleet	Rigs	Leasehold Improvements	Plant & equipment	Furniture & fixtures	Vehicles	Office equipments	Computers	Total
Gross Block									
Balance as at April 1, 2017	**2,688.24**	**3,242.50**	**5.30**	**48.75**	**1.96**	**8.59**	**2.12**	**4.17**	**6,001.63**
Additions	37.34	10.57	-	6.43	0.02	0.26	0.02	0.23	54.87
Disposals	(53.36)	(3.75)	-	-	-	(0.39)	-	-	(57.50)
Effect of foreign currency differences	1.39	(18.50)	-	(0.15)	-	-	-	-	(17.26)
Translation Exchange difference	2.31	-	-	-	-	-	-	-	2.31
Balance as at March 31, 2018	**2,675.92**	**3,230.82**	**5.30**	**55.03**	**1.98**	**8.46**	**2.14**	**4.40**	**5,984.05**
Accumulated Depreciation									
Balance as at April 1, 2017	**738.59**	**261.20**	**5.04**	**13.48**	**1.85**	**5.90**	**1.88**	**3.61**	**1,031.55**
Depreciation for the year	138.94	129.05	0.26	6.77	0.06	1.47	0.14	0.41	277.10
Disposals	(53.36)	(3.75)	-	-	-	(0.38)	-	-	(57.49)
Effect of foreign currency differences	-	(1.49)	-	(0.05)	-	-	-	-	(1.54)
Translation Exchange difference	0.78	-	-	-	-	-	-	-	0.78
Balance as at March 31, 2018	**824.95**	**385.01**	**5.30**	**20.20**	**1.91**	**6.99**	**2.02**	**4.02**	**1,250.40**
Impairment									
Impairment as at April 1, 2017	**260.34**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**260.34**
Impairment loss for the year (refer note 35)	206.39	-	-	-	-	-	-	-	206.39
Disposals	-	-	-	-	-	-	-	-	-
Translation Exchange difference	0.85	-	-	-	-	-	-	-	0.85
Impairment as at March 31, 2018	**467.58**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**467.58**
Net Carrying amount as at March 31, 2018	**1,383.39**	**2,845.81**	**-**	**34.83**	**0.07**	**1.47**	**0.12**	**0.38**	**4,266.07**

Description	Fleet	Rigs	Leasehold Improvements	Plant & equipment	Furniture & fixtures	Vehicles	Office equipments	Computers	Total
Gross Block									
Balance as at April 1, 2016	**2,789.68**	**3,312.50**	**5.30**	**48.71**	**1.91**	**8.86**	**2.13**	**4.21**	**6,173.30**
Additions	20.94	-	-	0.63	0.07	0.32	0.02	0.10	22.08
Disposals	(104.84)	-	-	-	-	(0.59)	(0.03)	(0.12)	(105.58)
Effect of foreign currency differences	(7.79)	-	-	-	-	-	-	-	(7.79)
Translation Exchange difference	(9.75)	(70.00)	-	(0.59)	(0.02)	-	-	(0.02)	(80.38)
Balance as at March 31, 2017	**2,688.24**	**3,242.50**	**5.30**	**48.75**	**1.96**	**8.59**	**2.12**	**4.17**	**6,001.63**
Accumulated Depreciation									
Balance as at April 1, 2016	654.56	133.40	3.98	6.55	1.72	4.66	1.51	3.29	809.67
Depreciation for the year	157.95	135.17	1.06	7.19	0.15	1.69	0.40	0.46	304.07
Disposals	(71.49)	-	-	-	-	(0.45)	(0.03)	(0.12)	(72.09)
Translation Exchange difference	(2.43)	(7.37)	-	(0.26)	(0.02)	-	-	(0.02)	(10.10)
Balance as at March 31, 2017	**738.59**	**261.20**	**5.04**	**13.48**	**1.85**	**5.90**	**1.88**	**3.61**	**1,031.55**

Description	Fleet	Rigs	Leasehold Improvements	Plant & equipment	Furniture & fixtures	Vehicles	Office equipments	Computers	Total
Impairment									
Impairment as at April 1, 2016	**105.37**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**105.37**
Impairment loss for the year (refer note 35)	184.33	-	-	-	-	-	-	-	184.33
Disposals	(28.29)	-	-	-	-	-	-	-	(28.29)
Translation Exchange difference	(1.07)	-	-	-	-	-	-	-	(1.07)
Impairment as at March 31, 2017	**260.34**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**260.34**
Net Carrying amount as at March 31, 2017	**1,689.31**	**2,981.30**	**0.26**	**35.27**	**0.11**	**2.69**	**0.24**	**0.56**	**4,709.74**

Fleet and Rigs with carrying amount of ₹ 3,228.46 crores (previous year : ₹ 4,326.97 crores) have been mortgaged/hypothecated against borrowings, the details relating to which have been described in Note 24.

10 INTANGIBLE ASSET

₹ in Crores

Description	Computer Software
Gross Block	
Balance as at April 1, 2017	**4.95**
Additions	0.17
Disposals	-
Balance as at March 31, 2018	**5.12**
Accumulated Amortisation	
Balance as at April 1, 2017	**4.82**
Amortisation for the year	0.07
Disposals	-
Balance as at March 31, 2018	**4.89**
Net Carrying amount as at March 31, 2018	**0.23**

Description	Computer Software
Gross Block	
Balance as at April 1, 2016	**4.95**
Additions	-
Disposals	-
Balance as at March 31, 2017	**4.95**
Accumulated Amortisation	
Balance as at April 1, 2016	**4.59**
Amortisation for the year	0.23
Disposals	-
Balance as at March 31, 2017	**4.82**
Net Carrying amount as at March 31, 2017	**0.13**

11 DEPOSITS WITH BANK

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Earmarked balances with Bank		
Margin deposits with Banks with remaining maturity of more than twelve months	-	2.35
	-	**2.35**

12 OTHER FINANCIAL ASSETS - NON CURRENT

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
(Unsecured, considered good)		
Security deposits	1.52	1.52
	1.52	**1.52**

13 INCOME TAXES

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
A. Income tax expense comprise of the following :		
Current tax expense for the year	70.89	85.63
Deferred tax	210.00	0.96
	280.89	**86.59**
B. The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in the Statement of Profit and Loss is as follows :		
Profit before tax	**(93.99)**	**241.30**
Indian statutory income tax rate	34.61%	34.61%
Expected income tax expense	(32.53)	83.51
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Loss attributable to tonnage tax activity	66.19	46.63
Income exempt from income tax	64.76	(53.47)
Expenses not deductible for tax purpose	189.22	10.96
Tax on Income at different rates	(10.17)	(1.04)
Others (net)	3.42	-
Total income tax expense	**280.89**	**86.59**

C. Tax assets and liabilities

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Non current tax assets (net)	30.66	22.85
Current tax liabilities (net)	11.33	12.37

D. Significant components of net deferred tax assets and liabilities for the year ended March 31, 2018 are as follows :

(₹ in Crores)

	Balance as at April 1, 2017	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2018
Deferred tax assets / (liabilities) in relation to:				
Property, Plant and equipment	10.89	(266.62)	-	(255.73)
Allowance for doubtful debts	0.20	(0.31)	-	(0.11)
Defined benefit obligation	0.09	(0.09)	(0.94)	(0.94)
MAT credit entitlement	-	60.00	-	60.00
Fair value of hedging instruments in a cash flow hedge	-	-	(8.00)	(8.00)
Others	-	(2.98)	-	(2.98)
Net deferred tax assets / (liabilities)	11.18	(210.00)	(8.94)	(207.75)

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2017 are as follows :

(₹ in Crores)

	Balance as at April 1, 2016	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2017
Deferred tax assets / (liabilities) in relation to:				
Property, Plant and equipment	12.02	(1.13)	-	10.89
Allowance for doubtful debts	-	0.20	-	0.20
Defined benefit obligation	0.12	(0.03)	-	0.09
Net deferred tax assets / (liabilities)	12.14	(0.96)	-	11.18

Pursuant to the introduction of Section 115VA under the Income-tax Act, 1961, the Group in India 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 Group and no deferred tax is applicable to such income as there are no temporary differences.

Income from operation of vessels operating outside the limits of the port of Singapore is also exempt under section 13A of the Singapore Income tax act.

Deferred income tax are not provided on undistributed earnings of the subsidiaries amounting to ₹ 37.82 crores as it is probable that the temporary differences will not reverse in the foreseeable future.

14 OTHER NON CURRENT ASSETS

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
(Unsecured, considered good)		
Capital advances	2.85	0.03
	2.85	**0.03**

15 INVENTORIES

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Stores and spares	2.07	3.61
Stores and spares on board rigs	60.90	64.43
Fuel Oil	16.76	16.31
	79.73	84.35

a. Inventories are carried at lower of cost and net realisable value.

b. Inventories of stores and spares on rigs and fuel oil on vessels and rigs are recognised as expense on consumption, and stores and spares relating to vessels are recognised as expense when delivered on board the vessels. The cost of inventories recognised as an expense is ₹ 93.67 crores (previous year: ₹ 91.00 crores).

16 INVESTMENTS - CURRENT

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Investments in mutual funds : Unquoted		
(Valued at fair value through Profit and Loss)	33.24	8.69
	33.24	**8.69**
Aggregate amount of unquoted investments	**33.24**	**8.69**
Aggregate amount of impairment in value of investments	-	-

17 TRADE RECEIVABLES

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Unsecured		
- Considered good	93.28	159.05
- Considered doubtful	14.45	3.52
	107.73	162.57
Less: Allowance for doubtful trade receivables	(14.45)	(3.52)
	93.28	159.05

Trade receivables are recognised at their original invoiced amounts which represent their fair values on initial recognition. Trade receivables are considered to be of short duration and are not discounted.

Trade receivables are derived from revenue earned from customers having high credit quality and strong financials. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on an amount equal to life time expected credit losses.

The movement in expected credit loss during the year is as follows:

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Balances as at the beginning of the year	3.52	17.79
Add: Current year allowance	13.08	2.09
Less: Reversal during the year	(2.15)	(16.36)
Balances as at the end of the year	14.45	3.52

18 CASH AND CASH EQUIVALENTS

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Balances with banks		
- Current accounts	521.79	691.40
- Deposits with original maturity less than three months	43.00	49.72
Cash in hand	0.04	0.03
	564.83	**741.15**

19 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Earmarked balances with bank	6.39	21.51
Term deposits with maturity more than three months but less than twelve months	440.94	392.08
	447.33	**413.59**

20 OTHER FINANCIAL ASSETS - CURRENT

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Derivatives designated as Cash flow hedges		
- Foreign exchange forward contracts / Interest rate swaps	30.33	9.28
Unbilled revenue	65.68	1.62
	96.01	**10.90**

21 OTHER CURRENT ASSETS

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Prepayments	4.82	4.59
Advances to suppliers, masters, agents and others	8.67	6.42
Security deposits	2.50	2.81
Unutilised government grants (refer note 42) #	8.57	1.60
	24.56	**15.42**

represents unutilised amount of duty saved on capital goods imported, including spares, under the Served from India Scheme (SFIS).

22 SHARE CAPITAL

	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	₹ In Crores	No. of Shares	₹ In Crores
Authorised				
Equity Shares of par value ₹10/- each	135,000,000	135.00	135,000,000	135.00
		135.00		**135.00**
Issued, subscribed and paid up				
Equity Shares of par value ₹10/- fully paid up	111,345,500	111.35	111,345,500	111.35
Total		**111.35**		**111.35**

(a) Reconciliation of the number of shares and amount outstanding at the beginning and end of the year :

	As at March 31, 2018		As at March 31, 2017	
Details	No. of Shares	₹ In Crores	No. of Shares	₹ In Crores
Equity Shares of par value ₹10/- fully paid up				
Outstanding at the beginning of the year	111,345,500	111.35	111,345,500	111.35
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	**111,345,500**	**111.35**	**111,345,500**	**111.35**

(b) Rights, preferences and restrictions attached to equity shares:

***Equity Shares*:**

The holders of equity shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.

(c) Shares held by the holding Company :

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Equity Shares	111.35	111.35

111,345,500 equity shares (previous year : 111,345,500 equity shares) are held by The Great Eastern Shipping Company Limited along with its Nominees.

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

Name of Shareholder	As at March 31, 2018		As at March 31, 2017	
	% of Holding	No. of Shares held	% of Holding	No. of Shares held
Equity Shares				
The Great Eastern Shipping Company Limited, the holding Company along with its Nominees	100%	111,345,500	100%	111,345,500

The Company's immediate and ultimate Holding Company is "The Great Eastern Shipping Company Limited", a Company incorporated in India, as defined under Ind AS-110 "Consolidated Financial Statements" and Ind AS-24 "Related Party Disclosures".

(e) No shares are allotted as fully paid up pursuant to contract (s) without payment being received in cash during the period of five years immediately preceding the reporting date.

(f) No shares are allotted as fully paid up by way of bonus shares and no shares have been bought back during five years immediately preceding the reporting date.

(g) Employee Stock Option Scheme:

The employee stock options of the Company were granted under five different Employee Stock Option Schemes ('Scheme/s') to the employees of the Company, the parent Company and the subsidiaries. Out of the five Schemes, two Schemes - ESOP 2007 and ESOP 2008 - I have been closed with the encashment of all outstanding stock options under those Schemes. All the ESOPs are in respect of the Company's shares where each stock option is equivalent to one equity share.

During the year, no grant of stock options were made under any of the Schemes in line with the Company's decision to not make any further grants under the existing Schemes. There was no forfeiture of options under any Scheme during the year.

The total options outstanding as on March 31, 2018 is 151,060 (previous year : 151,060).

The particulars of the various Schemes and movements during the year under review are summarized as under:

Sr. No.	Particulars	ESOP 2007-II	ESOP 2008-II	ESOP 2010
1.	Date of Grant	28/01/08	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	20/11/07	28/01/08	18/03/10
3.	Date of Shareholders' Approval	21/11/07	31/01/08	23/04/10
4.	Options approved	200,000	1,710,000	1,028,900
5.	Options outstanding at the beginning of the year	4,600	44,700	101,760
6.	Options granted during the year	–	–	–
7.	Options cancelled/ forfeited during the year	–	–	–
8.	Options Exercised during the year	–	–	–
9.	Options encashed during the year	–	–	–
10.	Options outstanding at the end of the year	4,600	44,700	101,760
11.	Exercise Price/Weighted Average Exercise Price	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
13.	Exercisable at end of the year	–	–	–
14.	Method of Settlement	Equity	Equity/Cash	Equity
15.	Vesting period from the date of grant	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 holding Company " The Great Eastern Shipping Co. Ltd." (includes transfer within group companies)	Continued employment with the holding Company or subsidiaries (includes transfer within group companies)	Continued employment with the holding Company or subsidiaries (includes transfer within group companies)

Pursuant to the encashment introduced in 2012 and 2015, a total of 1,417,420 options have been encashed at the fair value determined under the encashment scheme. As per the encashment proposal approved in the year 2015, if there was no IPO before March 2018, the option grantees under all Schemes were to be given the last opportunity to encash all their remaining stock options. Accordingly, the Board of Directors had at their meeting held on March 21, 2018 approved the said encashment proposal for the outstanding stock options under all the existing ESOP Schemes. Accordingly, the liability in respect of the outstanding options has also been measured at fair value determined in accordance with the encashment scheme.

The cumulative amount of employee stock option expense amortised upto March 31, 2018 of ₹ 0.37 crores (previous year : ₹ NIL) is included in current provisions and upto March 31, 2018 of ₹ NIL (previous year : ₹ 2.38 crores) is included in non-current provisions.

23 OTHER EQUITY

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Summary of Other Equity		
Reserves and Surplus		
Capital Reserve	2.95	2.95
Capital redemption reserve	43.50	43.50
Securities premium reserve	1,155.13	1,155.13
General reserve	82.35	40.35
Tonnage Tax reserve	145.50	187.00
Retained earnings	616.43	989.79
Other Comprehensive Income		
Foreign currency translation reserve	673.90	680.25
Cash flow Hedging reserve	21.68	9.33
	2,741.44	**3,108.30**

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Reserves and Surplus		
Capital reserve		
Balance at the beginning and at the end of the year	**2.95**	**2.95**
Capital redemption reserve		
Balance at the beginning and at the end of the year	43.50	43.50
Securities premium reserve		
Balance at the beginning and at the end of the year	**1,155.13**	**1,155.13**
General reserve		
Balance at the beginning of the year	40.35	40.35
Add: Transfer from Tonnage tax reserve	42.00	-
Balance at the end of the year	**82.35**	**40.35**

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Tonnage Tax reserve		
Balance at the beginning of the year	187.00	177.00
Add: Transfer from Retained earnings	0.50	10.00
Less: Transfer to General reserve on utilisation	(42.00)	-
Balance at the end of the year	**145.50**	**187.00**
Retained earnings		
Balance at the beginning of the year	989.79	843.07
Add: (Loss) / Profit for the year	(374.88)	154.71
Add: Other Comprehensive income for the year	2.02	2.01
Less: Transfer to Tonnage Tax Reserve Account under section 115VT of the Income Tax Act, 1961	(0.50)	(10.00)
Balance at the end of the year	**616.43**	**989.79**
Items of Other Comprehensive Income		
Foreign currency translation reserve		
Balance at the beginning of the year	680.25	731.21
Add / (Less): Exchange differences on net investments in subsidiaries	(6.35)	(50.96)
Balance at the end of the year	**673.90**	**680.25**
Cash flow Hedging reserve		
Balance at the beginning of the year	9.33	(6.17)
Add : Fair value gain on derivative contracts designated as cash flow hedges (net)	12.35	15.50
Balance at the end of the year	**21.68**	**9.33**
	2,741.44	**3,108.30**

Nature of reserves

Capital reserve

The Company recognises profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act 2013.

General reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

Tonnage Tax reserve

Tonnage Tax Reserve created as per the provisions of the Section 115VT of the Income-tax Act, 1961, whereby a minimum of 20% of book profits from the tonnage tax activities are to be utilised for acquiring new ships within 8 years.

Foreign currency translation reserve

This reserve represents balances of Exchange differences on monetary items considered as part of net investment in foreign operations. All resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

Retained Earnings

Retained Earnings are the profits that the Group has earned till date, less any transfers to reserves and dividend distributions to the shareholders.

Cash flow Hedging reserve

The Cash Flow Hedging Reserve is the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The gains or losses arising thereon are transferred to the Statement of Profit and Loss on settlement.

24 LONG TERM BORROWINGS

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Secured - at amortised cost		
Foreign currency term loans from banks	1,994.43	2,394.84
Less: Current maturities of long term borrowings (included in note 28)	(205.73)	(362.14)
Less: Interest accrued but not due on long term borrowings (included in note 28)	(3.73)	(10.80)
	1,784.97	2,021.90
Unsecured - at amortised cost		
Redeemable Cumulative Preference share capital		
21.75% Cumulative Redeemable Preference Shares of par value ₹10/- fully paid up	170.62	168.50
22.5% Cumulative Redeemable Preference Shares of par value ₹10/- fully paid up	181.87	181.87
	352.49	350.37
	2,137.46	**2,372.27**

a. Foreign currency term loans are secured by mortgage of the vessels and rigs, assignment of earnings, charge on earnings account and insurance contracts/policies of respective vessels and rigs (refer note 9). The loans carry interest at the rate LIBOR plus 176 to 215 bps (previous year: LIBOR plus 176 to 195 bps and are repayable in quarterly / half yearly instalments over two to seven years.

The maturity profile of foreign currency term loans from banks is as below:

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
1-2 years	343.81	325.55
2-3 years	189.79	456.62
3-4 years	153.13	270.29
4-5 years	206.57	222.62
Beyond 5 years	913.84	748.68
	1,807.14	2,023.76
Less: Unamortised finance charges	(22.17)	(1.86)
	1,784.97	2,021.90

b. Preference Shares :

The total outstanding preference shares include the below:

(i) The 21.75% 44,500,000 cumulative redeemable preference shares of face value ₹ 10/- each were issued at a premium of ₹ 20/- per share on preferential basis to the Holding Company, “The Great Eastern Shipping Company Limited”, redeemable at a premium of ₹ 30.90/- per share in four equal annual tranches of 11,125,000 shares each commencing from April 1, 2021, as per the terms of issue (modified from time to time) of these preference shares.

Subsequent to year end, the Company has approached the Holding Company to further modify the existing terms of issue of the said preference shares by deferring the redemption in four equal annual tranches of 11,125,000 shares each commencing from April 1, 2025 instead of April 1, 2021 and thereby increasing the dividend rate from existing 21.75% p.a. to 24.60% p.a., effective FY18-19, in order to maintain the same effective yield of 7% to the Holding Company.

As per the terms, the Company also has an option of early redemption by providing one month’s notice to the Holding Company. The redemption can be in part or in full subject to a minimum of 25 lakhs shares at a time. In case of early redemption, the premium on redemption would be determined at such time so as to provide an effective yield to maturity of 7% to the Holding Company. The cumulative redeemable preference shares do not contain any equity component.

(ii) The 22.5% 60,624,000 Cumulative Redeemable Preference Shares of face value ₹10/- each, issued at a premium of ₹ 20/- per share on preferential basis to the Holding Company, “The Great Eastern Shipping Company Limited” and redeemable at a premium of ₹ 20 per share. During the year, the terms of redemption of the said preference shares were modified by the Board of Directors deferring the redemption, which was scheduled to begin in April 2018, upto April 2025 i.e. the said preference shares would now be redeemed in four equal annual tranches of 15,156,000 shares each commencing from April 1, 2025.

The Company has an option of early redemption by providing one month’s notice to the Holding Company. Early redemption can be in part or in full subject to a minimum of 25 lakhs shares at a time. The cumulative redeemable preference shares do not contain any equity component.

25 PROVISIONS

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
A. Non-current		
Provision for employee benefits		
- Provision for gratuity (refer note 32)	0.85	0.79
- Provision for compensated absences (refer note 32)	0.61	0.55
- Director's Retirement Benefit Plan (refer note 32)	10.36	10.57
-Employee Stock Options Scheme (refer note 22 (g))	-	2.38
	11.82	**14.29**
B. Current		
Provision for employee benefits		
- Provision for compensated absences (refer note 32)	0.45	0.57
- Employee Stock Options Scheme (refer note 22 (g))	0.37	-
	0.82	**0.57**

26 OTHER NON-CURRENT LIABILITIES

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Government grants #	22.86	25.01
	22.86	**25.01**

represents unamortised amount of duty saved on capital goods imported, including spares, under the Served from India Scheme (SFIS).

27 TRADE PAYABLES

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Sundry creditors	96.14	72.89
	96.14	**72.89**

Trade payables are recognised at their original invoices amounts which represents their fair values on initial recognition. Trade payables are considered to be of short duration and are not discounted and the carrying values are assumed to approximate their fair values.

28 OTHER FINANCIAL LIABILITIES

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Current maturities of long term borrowings	205.73	362.14
Interest accrued but not due on long term borrowings	3.73	10.80
Preference dividend payable including dividend distribution tax	28.11	28.07
Other Payables :		
- Employee benefits	24.19	23.72
- Accrued expenses	26.26	21.02
	288.02	**445.75**

29 OTHER CURRENT LIABILITIES

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Other Payables :		
- Statutory Liabilities	6.20	16.49
- Capital creditors	2.32	-
Government grants (refer note 42) #	8.57	1.60
Income received in advance	0.07	0.06
	17.16	**18.15**

#represents unutilised amount of duty saved on capital goods imported, including spares, under the Served from India Scheme (SFIS).

30 REVENUE FROM OPERATIONS

	Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
Sale of services		
Charter hire income (refer note 41)	970.24	1,407.24
Other operating revenues		
Insurance claims	3.14	0.47
	973.38	**1,407.71**

31 OTHER INCOME

		Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
a	Interest income:		
	on deposits with banks (at amortised cost)	14.18	9.47
	on income tax refund	-	1.41
b	Dividend income:		
	Dividend on current investments (designated at FVTPL)	1.92	0.90
c	Other non-operating income:		
	Profit on sale of vessel / other assets	0.02	-
	Reversal of doubtful debt provisions of earlier years	-	4.03
	Gain / (Loss) on foreign currency transactions (net)	5.22	(7.01)
	Gain on derivatives transactions (net)	0.65	0.52
	Income from Government grants (amortised)	5.81	7.21
	Miscellaneous income	0.32	0.42
	Profit on sale of current investments (at FVTPL)	0.04	-
		28.16	**16.95**

32 EMPLOYEE BENEFITS EXPENSES

	Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
Salaries, wages and allowances	216.94	256.77
Contribution to provident and other funds (Refer note below)	7.73	9.30
Share based payments to employees (refer note 22(g))	(2.01)	0.08
Staff welfare expenses	15.40	17.11
	238.06	**283.26**

a) Defined Contribution Plans :

The Group has recognised the following contributions in the Statement of Profit and Loss. The contributions payable under these plans are at the rates specified in the rules of the respective schemes.

Contribution to Provident Fund	2.38	3.86
Contribution to Central Provident Fund	0.63	0.74
Contribution to Superannuation Fund	0.30	0.34
Contribution to National Pension Scheme	0.34	0.35
Contribution to Seamens' Provident Fund	0.92	0.89
Contribution to Seamens' Pension Annuity Fund	0.64	0.66
Contribution to Seamens' Gratuity Fund	0.23	0.22

General Description:

i) Provident Fund :

In accordance with the Indian law, all eligible employees of the Group are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employee and employer (at a determined rate) contribute monthly. The Group contributes as specified under the law to the Government administered provident fund plan. A part of the Group's contribution is transferred to the Government administered pension fund. This plan is a defined contribution plan as the obligation of the employer is limited to the monthly contributions made to the fund. The contributions made to the fund are recognised as an expense in the Statement of Profit and Loss under employee benefit expenses.

In accordance with the Singapore law, all eligible employees (Singapore citizens and Permanent Residents in Singapore) of the Group are entitled to receive benefits under the Central provident fund, a defined contribution plan, based on age brackets, in which both the employee and employer (at a determined rate) contribute monthly. The Group contributes as specified under the law to the Government administered provident fund plan. This plan is a defined contribution plan as the obligation of the employer is limited to the monthly contributions made to the fund. The contributions made to the fund are recognised as an expense in profit and loss under employee benefit expenses.

ii) Superannuation Fund :

In addition to gratuity benefits, employees have the option to become a member of the Superannuation Fund Trust set up by the Group and receive benefits thereunder. It is a defined contribution plan. The Group makes contributions to the trust in respect of the said employees until their retirement or resignation. The Group recognises such contributions as an expense when incurred. The Group has no further obligation beyond its contribution.

iii) National Pension Scheme (NPS) :

NPS is an additional option for offering retirement benefits to the employees. NPS is designed on defined contribution basis wherein the Group contributes to the employees account.

There is no defined benefit that would be available at the time of exit from the system and the accumulated wealth depends on the contributions made and the income generated from the investment of such wealth. The Group recognises such contributions as an expense when incurred. The Group has no further obligation beyond its contribution.

iv) Seamen's Provident Fund :

The Group's contribution towards Provident Fund in respect of seamen i.e. crew who sail on Group's ships is paid to the Seamen's Provident Fund as per the National Maritime Board Agreement.

v) Seamen's Pension Annuity Fund :

The Group's contribution towards Annuity in respect of seamen is paid to the Seamen's Annuity Fund as per the National Maritime Board Agreement.

vi) Seamen's Gratuity Fund :

The Group's contribution towards Gratuity in respect of seamen is paid to the Seafarer's Welfare Fund Society as per the National Maritime Board Agreement.

b) Defined Benefit Plans & Other Long-Term Employee Benefits :

Valuations in respect of Gratuity, Pension Plan for whole time director and Compensated Absences have been carried out by an independent actuary, as at the Balance Sheet date under the projected Unit Credit Method. The following table sets out the status of the Gratuity provision and compensated absences plans:

(₹ in Crores)

	Gratuity		Pension Plan		Compensated Absences	
Actuarial Assumption	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017
a) Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.
b) Interest / Discount Rate	7.65%	6.94%	7.40%	6.94%	7.65%	6.94%
c) Rate of increase in compensation						
Shore Staff	5.00%	5.00%	-	-	5.00%	5.00%
Rig Staff	3.00%	3.00%	-	-	-	-
d) Expected average remaining service						
Shore Staff	7.77	7.84	-	-	7.77	7.84
Rig Staff	15.05	15.09	-	-	-	-
Subsidiary Shore Staff	5.91	6.33	-	-	-	-
e) Employee Attrition rate						
Shore Staff & Subsidiary Shore Staff	8.00%	8.00%	-	-	8.00%	8.00%
Rig Staff	1.50%	1.50%	-	-	-	-
f) Weighted average remaining duration of Defined Benefit Obligation						
Shore Staff	4.93	5.10	-	-	-	-
Rig Staff	10.37	9.50	-	-	-	-

IALM (2006-08) Ult. - Indian Assured Lives Mortality (2006-08) Ultimate

	Gratuity		Pension Plan		Compensated Absences	
	As at March 31, 2018	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017
i) Change in Present Value of Obligations :						
Present value obligation at the beginning of the year	11.44	10.70	10.57	9.07	0.51	0.54
Interest Cost	0.77	0.75	0.74	0.68	0.03	0.04
Current Service Cost	2.42	3.02	-	-	0.07	0.05

(₹ in Crores)

	Gratuity		Pension Plan		Compensated Absences	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Benefits Paid	(0.66)	(1.22)	-	-	(0.02)	(0.03)
Transfer in	-	-	-	-	-	-
Actuarial (Gain) / loss on Obligation	(2.11)	(1.81)	(0.95)	0.82	(0.10)	(0.09)
Present value obligation at the end of the year	11.87	11.45	10.36	10.57	0.49	0.51
ii) Fair Value of Plan Assets :						
Opening Fair Value of Plan Assets	11.24	10.74	-	-	-	-
Return on Plan Assets (excluding Interest Income)	(0.04)	1.04	-	-	-	-
Interest Income	0.76	0.66	-	-	-	-
Employer's Contribution	-	0.02	-	-	0.02	0.03
Benefits Paid	(0.66)	(1.22)	-	-	(0.02)	(0.03)
Fair Value of Plan Assets at the end of the year	11.30	11.24	-	-	-	-

The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets.

	Gratuity		Pension Plan		Compensated Absences	
iii) Return on plan assets :						
Actual Return on Plan Assets	0.72	1.70	-	-	-	-
Interest Income	(0.76)	(0.66)	-	-	-	-
Return on plan assets excluding interest income	(0.04)	1.04	-	-	-	-
iv) Actuarial Gain/Loss on obligation						
Due to Demographic Assumption	-	(0.23)	-	-	-	-
Due to Financial Assumption	(0.56)	(0.22)	-	-	(0.01)	0.01
Due to experience	(1.54)	(1.36)	(0.95)	0.82	(0.09)	(0.10)
Total Actuarial (Gain)/Loss	(2.10)	(1.81)	(0.95)	0.82	(0.10)	(0.09)
v) Amounts Recognised in the Balance Sheet:						
Present Value of obligation at the end of the Year	(11.87)	(11.45)	(10.36)	(10.57)	(0.44)	(0.51)
Fair Value of Plan Assets at the end of the year	11.30	11.24	-	-	-	-
Funded Status	(0.57)	(0.21)	(10.36)	(10.57)	(0.44)	(0.51)

(₹ in Crores)

Actuarial Assumption	Gratuity		Pension Plan		Compensated Absences	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Short Term Liability	-	-	-	-	(0.39)	(0.39)
Net Assets / (Liability) recognised in the balance sheet	(0.57)	(0.21)	(10.36)	(10.57)	(0.83)	(0.90)
vi) Expenses Recognised in the Statement of Profit and Loss						
Current Service Cost	2.42	3.02	-	-	0.07	0.05
Interest Cost (Net)	0.01	0.10	0.74	0.68	0.03	0.04
Actuarial Gain/(Loss) recognised for the period	-	-	-	-	(0.10)	(0.09)
Expenses recognised in the profit and loss account	2.43	3.12	0.74	0.68	-	-
vii) Other Comprehensive Income (OCI)						
Actuarial (Gain)/Loss recognized for the year	(2.11)	(1.81)	(0.95)	0.82	-	-
Return on Plan Assets excluding net interest	0.04	(1.04)	-	-	-	-
Total Actuarial (Gain)/Loss recognized in (OCI)	(2.07)	(2.85)	(0.95)	0.82	-	-
viii) Investment Details (% invested)						
HDFC Life Defensive Management Fund II	92%	92%	-	-	-	-
ix) Asset Liability Comparisons						
Present Value of Defined benefit obligation	(11.87)	(11.45)	(10.36)	(10.57)	(0.50)	(0.51)
Plan assets	11.30	11.24	-	-	-	-
Surplus or (Deficit) in the plan	(0.57)	(0.21)	(10.36)	(10.57)	(0.50)	(0.51)
Experience adjustments on plan assets	(0.04)	1.04	-	-	-	-

x) Sensitivity Analysis	**DR : Discount Rate**		**ER : Salary Escalation Rate**	
	PVO DR + 1%	**PVO DR - 1%**	**PVO ER + 1%**	**PVO ER - 1%**
Gratuity				
Present Value of Obligation	11.16	12.68	12.51	11.25
Pension Plan				
Present Value of Obligation	9.08	12.70	-	-
Compensated Absences				
Present Value of Obligation	0.48	0.52	0.52	0.48

The senitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in consumption would occure in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in balance sheet.

There was no change in the method and assumptions used in preparing the sensitivity analysis from prior years.

xi) Expected Payout	**First**	**Second**	**Third**	**Fourth**	**Fifth**	**Six to Ten years**
Gratuity						
Present Value of Obligation	1.22	2.14	1.17	1.70	1.21	4.95
Pension Plan						
Present Value of Obligation	-	-	-	-	-	-
Compensated Absences						
Present Value of Obligation	0.06	0.13	0.06	0.10	0.06	0.23

General Description:

i) Gratuity :

Gratuity is payable to eligible employees 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. This benefit is applicable only to the employees of the parent Company and the figures given above are in respect of the parent Company only.

The defined benefit plans are administered by a separate fund that is legally separated from the Group. The Group's investment strategy in respect of its funded plans is implemented within the framework of the applicable statutory requirements.

The plans expose the Group to a number of actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment / Interest Risk

The Group is exposed to investment/interest risk if the return on the invested fund falls below the discount rate used to arrive at present value of the benefit.

Longevity Risk

The Group is not exposed to risk of the employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.

Salary Risk

The Group is exposed to higher liability if the future salaries rise more than assumption of salary escalation.

The Group does an Asset - Liability matching study each year in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles.

ii) Pension Plan :

Under the Company's Retirement Benefit Scheme for the Managing Director, the Managing Director is entitled to the benefits of the scheme only after attaining the age of 62 years, except for retirement due to physical disability or death while in office, in which case, the benefits shall start on his retirement due to such physical disability or death. The benefits are in the form of monthly pension @ 50% of his last drawn monthly salary subject to maximum of ₹ 1.25 crores 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 include reimbursement of medical expense for self and spouse, overseas medical treatment upto ₹ 0.50 crores for self/spouse, office space including office facilities in the Company's or parent Company's office premises. Benefits also include use of Company's car including reimbursement of driver's salary during his lifetime and in the event of his demise, his spouse will be entitled to avail the said benefit during her lifetime.

iii) Compensated Absences :

Eligible employees can carry forward and encash leave upto superannuation, death, permanent disablement and resignation subject to maximum accumulation allowed at 15 days. The leave over and above 15 days for all employees is encashed and paid to employees, subject to maximum of 20 days on June 30, every year.

33 FINANCE COSTS

	Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
Interest on term loans from banks	89.04	81.02
Finance charges (upfront fees, agency fees, prepayment fees)	21.11	44.87
Effective interest cost on redeemable preference shares		
Dividend on redeemable preference shares	23.32	23.32
Dividend distribution tax on redeemable preference shares #	0.05	4.75
Amortisation of redemption premium on redeemable preference shares	2.12	1.98
Exchange differences regarded as an adjustment to borrowing cost	16.67	-
	152.31	**155.94**

The provision of dividend distribution tax payable on redeemable preference shares of previous year amounting to ₹ 4.75 crores was adjusted against credit of taxes paid under section 115BBD of Income-tax Act, 1961 on dividend received from foreign subsidiary.

34 DEPRECIATION AND AMORTISATION EXPENSE

	Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
Depreciation on tangible assets (refer note 9)	277.10	304.07
Amortisation on intangible assets (refer note 10)	0.07	0.23
	277.17	**304.30**

35 IMPAIRMENT LOSS

	Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
Impairment of tangible assets (refer note 9)	206.39	184.33
	206.39	**184.33**

The Group carried out a review of the recoverable amounts of fleet and rigs owing to further fall in charter hire rates, and recognised impairment loss of ₹ 206.39 crores on fifteen vessels (Previous Year: ₹ 174.68 crores on eight vessels). The recoverable amounts [(₹ 724.39 crores for ten vessels (Previous Year: ₹ 424.48 crores for five vessels)] and [(₹ 364.98 crores for five vessels (Previous Year: ₹ 139.43 crores for three vessels)] were determined on the basis of their value in use and fair value (level 3) respectively. The discount rate used in measuring value in use was 6.50% p.a. (Previous Year: 5.80% p.a.).

The Company also estimated the fair value of the fleet, which is based on the recent market prices of assets with similar age, obsolescence, transactions in the market, general market trends, quotes from owners. The fair value is less than the value in use and hence the recoverable amount of the relevant assets has been determined on the basis of their value in use. The discount rate used in measuring value in use was 6.5% (Previous year: 5.80%) per annum.

During the previous financial year, the Company had sold "Greatship Disha" at a price lower than its carrying amount, consequently the Group has booked an impairment loss of ₹ 9.65 crores to write down the asset to its net realisable value.

36 OTHER EXPENSES

	Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
Fuel, oil & water	25.66	16.08
Hire of chartered rigs, vessels and equipments	8.04	32.56
Consumption of stores and spares	68.01	74.92
Technical management fees	2.21	2.34
Agency fees	3.23	3.17
Port Dues	1.33	1.71
Repairs and maintenance		
- Rigs and vessels	24.79	24.89
- Buildings	0.16	0.13
- Others	2.03	1.95
Insurance		
- Fleet insurance	13.90	22.40
- Others	1.73	1.72
Travelling and conveyance expenses	8.90	11.87
Communication expenses	8.51	9.77
Rent	7.06	6.89
Rates and taxes	0.03	0.01
Brokerage and commission	1.10	0.80
Payment to Auditors	0.69	0.91
Allowance for doubtful debts and advances (net)	10.81	1.64
Expenditure on Corporate social responsibility (refer note 40)	5.40	5.16
Loss on sale of vessel	-	0.05
Miscellaneous expenses	28.01	36.56
	221.60	**255.53**

37 EARNINGS PER SHARE

		Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
Profit / (Loss) attributable to Equity share holders (₹ in crores) (A)		(374.88)	154.71
Weighted average number of Equity shares for basic and diluted EPS (B)		111,345,500	111,345,500
Face value of per Equity share	₹	10.00	10.00
Basic and Diluted earnings per share (A/B)	₹	(33.67)	13.89

38 RELATED PARTY DISCLOSURE

(i) List of Related Parties

a) **Holding Company :**

The Great Eastern Shipping Company Ltd.

b) **Fellow Subsidiaries :**

The Great Eastern Chartering LLC (FZC), Sharjah

The Greatship (Singapore) Pte. Ltd., Singapore

The Great Eastern Chartering (Singapore) Pte. Ltd., Singapore

Great Eastern CSR Foundation., India

c) **Key Management Personnel :**

Executive Directors

Mr. Ravi K. Sheth

Mr. P.R. Naware

Non-Executive Directors

Mr. Bharat K. Sheth

Mr. Keki Mistry

Mr. Berjis Desai (upto 12th March 2018)

Mr. Vineet Nayyar

Mr. Shashank Singh

Mr. Anil Chandanmal Singhvi

Mr. Mathew Cyriac

Ms. Swaroop Rawal

Other

Mr. G. Shivakumar - Chief Financial Officer

Ms. Amisha Ghia - Company Secretary

d) **Relative of Key Management Personnel :**

Ms. Nirja B. Sheth - Daughter of Chairman

Mr. Pushkar Naware - Son of Executive Director

e) **Other related party:**

Greatship (India) Limited Employees Gratuity Trust - Post employment benefit plan of Greatship group

(ii) **Transactions with related parties**

(₹ in Crores)

Nature of transaction	Holding Company		Fellow Subsidiaries		Key Management Personnel and Relatives	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Transactions during the year:						
Dividend Paid	**23.32**	23.32	-	-	-	-
Contribution paid towards CSR	-	-	**3.67**	2.44	-	-
Executive Directors						
Short term benefits	-	-	-	-	**8.77**	9.03
Post employment benefits	-	-	-	-	**(0.21)**	1.54
Share based payment	-	-	-	-	-	-
Non-executive directors						
Commission paid	-	-	-	-	**1.69**	1.92
Sitting fees paid	-	-	-	-	**0.29**	0.39
Others						
Short term benefits	-	-	-	-	**0.61**	0.81
Post employment benefits	-	-	-	-	**0.01**	0.01
Share based payment	-	-	-	-	-	-
Rent Received	-	-	**0.18**	0.20	-	-
Service charges for allotment of training slots	**1.84**	1.86	-	-	-	-
Transfer of liability towards retirement benefits of employees (net)	-	0.02	-	-	-	-

Nature of transaction	Holding Company		Key Management Personnel and Relatives	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Outstanding Balances				
Payables	0.75	1.29	-	-
Remuneration payable				
Executive Directors	-	-	14.25	14.67
Non-executive directors	-	-	1.69	1.92

Terms and conditions of transactions with related parties

All Related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis.

39 FINANCIAL INSTRUMENTS

(a) Capital Management

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Group.

The capital structure of the Group consists of net debt (borrowing as detailed in note 24 and offset by cash and bank balances and current investments) and total equity of the Group.

The Group is not subject to any externally imposed capital requirements.

The Group's risk management committee reviews the capital structure of the Group on a regular basis considering the cyclicity of business.

The gearing ratio at the end of the reporting period is as follows :

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Debt*	2,346.92	2,745.21
Less: Cash and bank balances including current investments	(1,045.40)	(1,165.78)
Net debt	**1,301.52**	**1,579.43**
Total equity	**2,852.79**	**3,219.65**
Net debt to equity ratio	**0.46**	**0.49**

*Debt includes Foreign currency term loans from banks and Cumulative redeemable preference share capital.

(b) Financial assets and liabilities

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instruments are disclosed in Note 7 (g) to the financial statements.

The carrying value of financial instruments by categories are as follows :

₹ in Crores

	Carrying value as on	
	March 31, 2018	March 31, 2017
Financial Assets		
Measured at Amortised Cost		
Cash and cash equivalents	564.83	741.15
Other financial assets	1.52	1.52
Bank balances other than cash and cash equivalents	447.33	413.59
Deposits with banks	-	2.35
Trade receivables	93.28	159.05
Unbilled Revenue	65.68	1.62
Measured at Fair value through profit and loss		
Current Investments	33.24	8.69
Derivative contracts	0.66	-
Measured at Fair value through OCI		
Derivative contracts	29.67	9.28
	1,236.21	**1,337.25**
Financial Liabilities		
Foreign currency term loans from banks	1,994.43	2,394.84
Preference share capital including redemption premium	352.49	350.37
Preference dividend payable including dividend distribution tax	28.11	28.07
Trade payables	96.14	72.89
Other financial liabilities	50.45	44.74
	2,521.62	**2,890.91**

The management considers that the carrying amounts of above financial assets and financial liabilities approximate their fair values.

Fair value hierarchy

The following table presents assets and liabilities measured at fair value and classified by the level of the following fair value measurements hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Financial Assets	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores	Level	Valuation technique and key inputs
Investments in liquid mutual funds	33.24	8.69	Level 2	The mutual funds are valued at the Net asset value of the respective units.
Derivative financial instruments	30.33	9.28	Level 2	Discounted cash flows. Future cash flows are estimated based on forward exchange/ interest rates and contract forward/ interest rates discounted at a rate that reflects the credit risk of various counterparties.

(c) Derivative financial instrument and risk management

The Group uses foreign exchange forward contracts, currency & interest swaps and options to hedge its exposure to movements in foreign exchange rates and variable interest rates. The Group does not use the foreign exchange forward contracts, currency and interest swaps and options for trading or speculation purposes.

The Group has identified certain derivative contracts entered into to hedge foreign currency risk of firm commitments and interest swaps as hedge instruments that qualify as effective cash flow hedges. The mark to market gain / (loss) on such derivative contracts is recorded in the hedging reserve.

I) Derivative instruments in hedging relationship (Cashflow Hedges) :

(i) Forward exchange contracts:

	As at March 31, 2018		As at March 31, 2017	
Details	**Purchase**	**Sale**	**Purchase**	**Sale**
Total no. of Contracts	12	-	4	-
Notional amount of Foreign Currency (USD in Million)	3	-	4	-
Amount in Hedging reserve (loss) (₹ in crores)	-	-	(0.13)	-
Maturity Period	upto 12 months	-	upto 3 months	-

(ii) Interest rate swap contracts:

Details	As at March 31, 2018	As at March 31, 2017
Total no. of Contracts	11	17
Principal Notional Amount (USD million)	170	221
Amount in Hedging Reserve gain (₹ in crores)	29.69	9.46
Maturity Period	upto 78 months	upto 73 months

The above mentioned derivative contracts having been entered into to hedge foreign currency risk of firm commitments and the interest rate risk, have been designated as hedge instruments that qualify as effective cash flow hedges.

The mark-to-market gain on these derivative contracts outstanding as on March 31, 2018 amounting to gain of ₹ 29.69 crores [previous year: ₹ 9.33 crores] has been recorded in the Cash flow hedging reserve as on March 31, 2018.

The interest rate swaps are entered to hedge quarterly interest payments on borrowings. Fair value gains and losses on the interest rate swaps recognised in Cash flow Hedging Reserve are transferred to the Statement of Profit and Loss as part of interest expense on settlement.

The currency forward and option contracts were entered to hedge transactions denominated in foreign currency. The currency forwards and options have maturity dates that coincide with the expected occurrence of these transactions. Gains and losses recognised in the hedging reserve are transferred to the statement of profit and loss on settlement.

II) Derivative instruments not in hedging relationship :

Interest rate collar contracts :

Details	As at March 31, 2018	As at March 31, 2017
Total no. of Contracts	3	-
Principal Notional Amount (USD million)	29	-
Gain/(Loss) recognised in the Statement of Profit and Loss during the year (₹ in crores)	0.65	-
Maturity Period	upto 78 months	-

The interest rate collar contracts mentioned under “Derivative instruments not in hedging relationship” above, economically hedge the underlying exposures but hedge accounting is not opted for the same.

The interest rate collar contracts are entered to cap the floating interest rate liability. If interest rate rises above a certain level this will start acting as interest rate swap.

Gains on the derivative contracts mentioned under (II) above, are transferred to the Statement of Profit and Loss. The mark-to-market loss on these derivative contracts outstanding as on March 31, 2018 amounting to ₹ 0.65 crores (previous Year : ₹ NIL) has been recorded in the Statement of Profit and Loss.

(d) Market risk

i) Foreign currency risk

The Group uses forward covers, interest rate swaps and options to protect against the volatility associated with the foreign currency transactions.

The Group’s exposure to unhedged foreign currency is listed below:

	Currency in Millions		₹ in Crores	
Details	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Foreign currency term loans from banks				
USD	309.81	85.22	2,019.21	552.64
Financial liabilities				
USD	5.18	3.49	33.73	22.61
BRL	21.64	22.05	42.32	45.12
SGD	1.37	1.50	6.80	6.97
EUR	0.69	0.21	5.53	1.46

Details	Currency in Millions		₹ in Crores	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
GBP	0.22	0.22	2.00	1.77
SAR	0.49	0.29	0.84	0.51
JPY	11.18	5.39	0.69	0.31
NOK	0.49	0.78	0.41	0.59
AED	0.08	0.09	0.15	0.15
ZAR	-	0.83	-	0.40
DKK	-	0.01	-	0.01
Financial assets				
USD	10.71	20.78	69.80	134.74
BRL	-	1.78	-	3.64
SGD	0.30	0.23	1.51	1.05
EUR	0.33	0.16	2.68	1.11
GBP	-	0.01	-	0.12
NOK	0.02	0.05	0.01	0.04
Cash and cash equivalents and Bank balances other than cash and cash equivalents				
USD	79.02	62.64	515.02	406.25
SGD	0.18	0.50	0.87	2.31
EUR	0.21	0.04	1.70	0.25
GBP	0.05	0.07	0.48	0.55
Net currency exposure				
USD	(225.26)	(5.29)	(1,468.12)	(34.26)
BRL	(21.64)	(20.27)	(42.32)	(41.48)
SGD	(0.89)	(0.77)	(4.42)	(3.61)
EUR	(0.15)	(0.01)	(1.15)	(0.10)
GBP	(0.17)	(0.14)	(1.53)	(1.10)
SAR	(0.49)	(0.29)	(0.84)	(0.51)
JPY	(11.18)	(5.39)	(0.69)	(0.31)
NOK	(0.47)	(0.73)	(0.40)	(0.55)
AED	(0.08)	(0.09)	(0.15)	(0.15)
ZAR	-	(0.83)	-	(0.40)
DKK	-	(0.01)	-	(0.01)

The un-hedged foreign currency exposures have been given in respect of currencies other than functional currency of the respective enterprises.

A 5% strengthening / weakening of Indian Rupee against key currencies to which the group is exposed (net of hedge), with all other variables being held constant, would have led to approximately a Gain / Loss of ₹ 75.98 crores (previous year: ₹ 4.12 crores) in the Statement of Profit and Loss.

ii) Interest rate risk

The Group generally borrows at variable rates and generally uses interest rate swaps as cash flow hedges of future interest payments, which have the economic effect of converting borrowings from floating rates to fixed rates. Under the interest rate swaps, the Group agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

Interest rate sensitivity

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates.

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in Indian rupees and US dollars with a mix of fixed and floating rates of interest. The Group hedges its US dollar interest rate risk through interest rate swaps and interest rate collars to reduce the floating interest rate risk. The Group has exposure to interest rate risk, arising principally on changes in LIBOR rates. The risk is managed by the Group by the use of interest rate swap and interest rate collar contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The following table provides a break-up of the Company's fixed and floating rate borrowings:

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Fixed rate borrowings (Redeemable Preference shares)	352.49	350.37
Floating rate borrowings (Foreign currency term loans from banks)	1,994.43	2,394.84
Total borrowings	2,346.92	2,745.21

The sensitivity analysis below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

As at March 31, 2018, the term loans from banks amounting to ₹ 720.54 crores (previous year: ₹ 956.99 crores) are exposed to interest risks.

If interest rate had been 50 basis points higher or lower and all other variables were held constant, the Group's profit for the year would have increased/decreased by ₹ 4.34 crores (previous year: ₹ 7.47 crores).

(e) Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. The credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risk. The major class of financial asset of the Group is trade receivables. For credit exposures to customer, management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

As the Group does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

Trade receivables :

The trade receivables of the Group comprise 1 debtor (previous year: 1 debtor) that individually represented 65.38% (previous year: 67.56%) of trade receivables. Due to the nature of the Group's operations, revenue and receivable are typically concentrated amongst a relatively niche customer base. The Group has policies in place to ensure that contracts are with customers of stable financial standing and appropriate credit history.

Customer credit risk is managed by the Group and subject to established policy, procedures and control relating to customer risk management.

The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

The history of trade receivables shows a negligible allowance for bad and doubtful debts.

Cash and Cash Equivalents, derivatives and mutual fund investments :

Credit risk on cash and cash equivalents is limited as the Group invests in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investments in liquid mutual funds units from reputed funds. For derivative and financial instruments, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

Exposure to credit risk :

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 1,236.21 crores as at March 31, 2018 and ₹ 1,337.25 crores as at March 31, 2017, being the total of the carrying amount of balances and deposits with banks, trade receivables, mutual fund investments and other financial assets including derivatives instruments.

(i) Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are credit worthy debtors with good payment record with the group.

The group's trade receivables not past due include receivables amounting to ₹ 48.31 crores (previous year: ₹ 117.61 crores).

(ii) Financial assets that are past due and/ or impaired

There is no other class of financial assets that is past due and/or provided for except for trade receivables.

The ageing analysis of the trade receivables of the group that are past due but not provided as doubtful debts is as follows:

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Overdue	43.73	36.86
- Less than 180 days	1.24	4.58
- More than 180 days	44.97	41.44

The carrying amount of trade receivables provided as doubtful debts are as follows:

Overdue - more than 365 days	3.38	3.52
Less than 365 days but impaired	11.07	-
Less: Allowance for doubtful trade receivables	**(14.45)**	**(3.52)**
	-	-

(f) Liquidity risk

Liquidity risk refers to the risk in which the group may not be able to meet its short-term obligations. In the management of liquidity risk, the group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate effects of fluctuations in cash flows.

The following table shows the maturity analysis of the group's non derivative financial liabilities based on contractually agreed undiscounted cash flows :

₹ in Crores

	Payable within 1 year	Payable within 2 - 5 years	More than 5 years	Total
As at 31st March 2018				
Foreign currency term loans from banks	209.46	873.38	911.59	1,994.43
Trade payables	96.14	-	-	96.14
Preference share capital including redemption premium	-	127.96	224.53	352.49
Preference dividend payable including dividend distribution tax	28.11	-	-	28.11
Other financial liabilities	50.45	-	-	50.45
	384.16	1,001.34	1,136.12	2,521.62
As at 31st March 2017				
Foreign currency term loans from banks	372.94	1,273.33	748.57	2,394.84
Trade payables	72.89	-	-	72.89
Preference share capital including redemption premium	-	268.82	81.55	350.37
Preference dividend payable including dividend distribution tax	28.07	-	-	28.07
Other financial liabilities	44.74	-	-	44.74
	518.64	1,542.15	830.12	2,890.91

40 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Consequent to the requirement of section 135 of The Companies Act 2013, the Group has contributed ₹ 3.67 crores (previous year: ₹ 2.44 crores) to Great Eastern CSR Foundation and ₹ 1.73 crores (previous year: ₹ 2.72 crores) to NGOs towards CSR expenditure :

	Year Ended March 31, 2018 ₹ in Crores	Year Ended March 31, 2017 ₹ in Crores
(a) Gross amount required to be spent by the Group during the year.	5.40	5.16
(b) Amount spent in cash for purposes other than for construction / acquisition of any asset during the year	5.40	5.16

The areas of CSR activities are

1. Promoting education and knowledge enhancement, including but not limited to:
   a. Establishment and management of educational and knowledge enhancement infrastructure.
   b. Provision of financial or other assistance to the needy and/or deserving students.
   c. Providing financial assistance to any Agency involved in education, knowledge enhancement and sports.
   d. Contribution to technology incubators located within academic institutions which are approved by the Central Government.
2. Eradicating hunger, poverty, and malnutrition.
3. Promoting health care and sanitation.

as specified under Schedule III of The Companies Act 2013.

41 SEGMENT REPORTING

The Group is engaged only in Offshore Oilfield Services segment and there are no separate reportable segments as per Ind AS 108 “Operating Segments”.

Revenue from Operations :

Particulars	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Revenue from customers outside India	91.11	166.47
Revenue from customers within India	879.13	1,240.77
Total	970.24	1,407.24

Substantial assets of the Group are vessels / rigs, which are not identifiable to any geographical location. In view of this, geographical segment wise reporting is not applicable.

42 GOVERNMENT GRANTS

The Group receives government assistance in the form of Served from India Scheme (SFIS) License, which are issued to eligible Indian service providers having free foreign exchange earnings. It can be utilised for duty-free imports of office & professional equipment, spares, furniture and consumables or any other items notified by the Government from time to time.

Following are the balances of SFIS license held by the Group :

	As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
Balance at the beginning of the year	1.60	6.48
Licenses received during the year	10.78	-
Licenses expired during the year	(0.14)	
Licenses utilised during the year	(3.67)	(4.88)
Balance at the end of the year	**8.57**	**1.60**

There are no unfulfilled conditions and other contingencies attached to the above government grants.

43 OPERATING LEASE

Operating Lease Commitments – where the Group is a lessee

The Group has taken premises on leave & license basis which is similar in substance to an operating lease. The lease has varying terms and renewal rights.

Particulars	**As at March 31, 2018 ₹ in Crores**	As at March 31, 2017 ₹ in Crores
a) Total Minimum Lease payments		
- Not later than 1 year	9.34	11.07
- Later than 1 year and not later than 5 years	12.27	17.16
- Later than 5 years	-	-
b) Lease payments recognised in the Statement of Profit and Loss for the year.	9.77	19.31

Vessels taken/given on time charter hire are not considered as operating lease.

44 CONTINGENT LIABILITIES

		As at March 31, 2018 ₹ in Crores	As at March 31, 2017 ₹ in Crores
a)	Claims against the Group not acknowledged as debts:		
i)	Service Tax	304.23	405.30
	Demand pertains to jurisdictional applicability on charter hire, excess utilisation of CENVAT Credit, supply of fuel / diesel by the charterers* and non-payment of service tax under reverse charge mechanism# on various input services received from foreign vendors.		
ii)	Customs duty	14.88	15.43
	Demand pertains to wrong classification of Marine Gas Oil/HFHSD and vessels imported.		
iii)	Value Added Tax ('VAT') / Central Sales Tax ('CST') Demand pertains to levy of Maharashtra VAT / CST on Time charter hire of Rigs / vessels considering the same to be a 'deemed sale' transaction.	69.29	3.88
iv)	Demand for Income tax disputed by the Group	22.77	22.54

Amounts pertaining to point (b) above are excluding interest and penalty.

* Service tax authorities had issued Show Cause Notices as to why service tax is not payable on value of fuel provided by Customers as per the terms of various service contracts. The service tax authorities have issued a Order-in-Original confirming service tax demand in part.

Service tax authorities had issued Show Cause Notices as to why service tax under Reverse Charge Mechanism is not payable on payment made to foreign vendors towards Bareboat Charter of rigs, etc. The service tax authorities have issued a Order-in-Original confirming entire service tax demand.

In both the above matters, appeal has been filed against the said orders before the appropriate Appellate Authorities.

Notes :

I) It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements / decisions pending with various forums / authorities.

II) The Company's pending litigations comprise of claims pertaining to proceedings pending with Income Tax, Custom, Sales Tax / VAT, Service Tax and other authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions were required or disclosed as contingent liabilities where applicable, in its financial statements. Considering the merits of cases under dispute, the Group expects that the possibility of demands getting confirmed is remote.

45 CAPITAL COMMITMENTS

Estimated amount of contracts, net of advances paid thereon, remaining to be executed on capital account and not provided for - ₹ 0.11 crores (previous year: ₹ NIL).

46 SUBSEQUENT EVENTS

There are no significant subsequent events that would require adjustments or disclosures in the financial statements.

47 ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013.

(₹ In Crores)

Name of Enterprise	FY 2017-18							
	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
Parent								
Greatship (India) Limited	70.60%	2,013.96	3.96%	(14.86)	240.00%	19.24	(1.19%)	4.38
Indian subsidiary								
Greatship Oilfield Services Limited	0.01%	0.22	-	(0.04)	-	-	-	(0.04)
Foreign subsidiary								
Greatship Global Holdings Ltd.	52.60%	1,500.45	0.21%	(0.78)	-	-	0.21%	(0.78)
Greatship Global Energy Services Pte. Ltd.	38.86%	1,108.53	(14.69%)	55.07	-	-	(15.01%)	55.07
Greatship Global Offshore Services Pte. Ltd.	14.90%	425.10	34.65%	(129.88)	(60.62%)	(4.86)	36.73%	(134.74)
Greatship (UK) Ltd.	0.69%	19.56	0.04%	(0.14)	-	-	0.04%	(0.14)
	177.66%	5,067.82	24.17%	(90.63)	179.38%	14.38	20.78%	(76.25)
InterCompany Eliminations / Adjustments	(77.66%)	(2,215.03)	75.83%	(284.25)	(79.38%)	(6.36)	79.22%	(290.61)
Total	**100.00%**	**2,852.79**	**100.00%**	**(374.88)**	**100.00%**	**8.02**	**100.00%**	**(366.86)**

Name of Enterprise	FY 2016-17							
	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
Parent								
Greatship (India) Limited	62.42%	2,009.58	13.69%	21.17	(16.30%)	5.45	21.95%	26.62
Indian subsidiary								
Greatship Oilfield Services Limited	-	0.01	-	-	-	-	-	-
Foreign subsidiary								
Greatship Global Holdings Ltd.	46.39%	1,493.75	35.59%	55.06	-	-	45.41%	55.06
Greatship Global Energy Services Pte. Ltd.	37.34%	1,202.31	(861.22%)	(1,332.38)	(30.53%)	10.22	(1090.40%)	(1,322.16)
Greatship Global Offshore Services Pte. Ltd.	17.17%	552.94	(86.59%)	(133.96)	(5.50%)	1.84	(108.96%)	(132.12)
Greatship (UK) Ltd.	0.61%	19.60	1.76%	2.72	-	-	2.24%	2.72
	163.93%	5,278.19	(896.76%)	(1,387.39)	(52.33%)	17.51	(1129.75%)	(1,369.88)
InterCompany Eliminations / Adjustments	(63.93%)	(2,058.54)	996.76%	1,542.10	152.33%	(50.96)	1229.75%	1,491.14
Total	**100.00%**	**3,219.65**	**100.00%**	**154.71**	**100.00%**	**(33.45)**	**100.00%**	**121.26**

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