GREATSHIP

10th

ANNIVERSARY
2006 -16

AHB

GREATSHIP (INDIA) LIMITED

OFFSHORE LOGISTICS • DRILLING SERVICES

ANNUAL REPORT 2015 - 2016

CONTENTS

GREATSHIP

10th

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CORPORATE INFORMATION

DIRECTORS

Chairman
Mr. Bharat K. Sheth

Managing Director
Mr. Ravi K. Sheth

Executive Director
Mr. P. R. Naware

Mr. Anil Singhvi
Mr. Berjis Desai
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
Kalyaniwalla & Mistry
Chartered Accountants
Kalpataru Heritage
127, Mahatma Gandhi Road
Mumbai- 400001

Chief Financial Officer
Mr. G. Shivakumar

Company Secretary
Ms. Amisha Ghia

Web Site
www.greatshipglobal.com

KEY PERFORMANCE INDICATORS (CONSOLIDATED)

5 YEARS AT A GLANCE

(₹ in Crores)

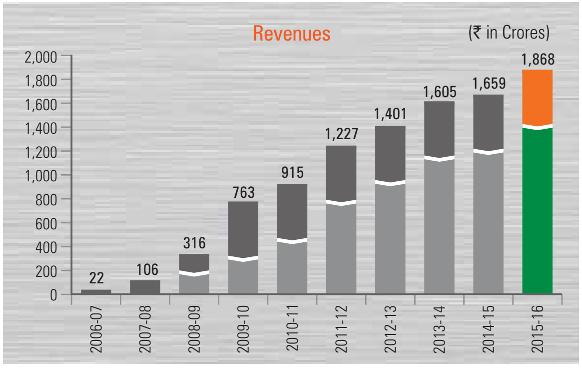
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Profit & Loss A/c					
Revenues	1,227.04	1,401.46	1,604.73	1,659.16	1,867.83
Operating Profit (PBIDT) (after adjusting impairment)	605.24	862.72	986.99	953.74	1,195.32
Net Profit (PAT)	220.23	430.72	463.78	516.94	508.44
Balance Sheet					
What the Company owned					
Fixed Assets	4,508.22	5,195.08	5,617.29	6,630.77	6,346.99
Investments & Net Current Assets and long term portion of current liabilities and provisions	480.48	806.98	660.06	797.27	1,113.02
Deferred Taxation (Net)	1.31	1.18	1.95	0.90	0.57
TOTAL	**4,990.01**	**6,003.24**	**6,279.30**	**7,428.94**	**7,460.58**
What the Company owed					
Loans	**2,534.24**	**3,113.60**	**2,806.98**	**3,470.28**	**2,910.01**
Shareholders' Funds					
Equity Share Capital	111.35	111.35	111.35	111.35	111.35
Preference Share Capital	148.62	148.62	134.12	119.62	105.12
Employee Stock Options Outstanding	2.12	-	-	-	-
Reserves & Surplus	2,193.68	2,629.67	3,226.85	3,727.69	4,334.10
	2,455.77	**2,889.64**	**3,472.32**	**3,958.66**	**4,550.57**
TOTAL	**4,990.01**	**6,003.24**	**6,279.30**	**7,428.94**	**7,460.58**

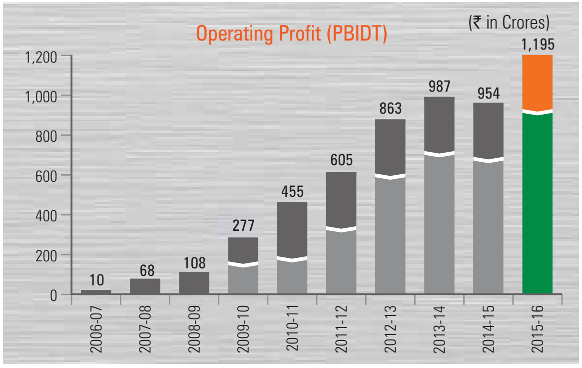
(US$ in Millions)

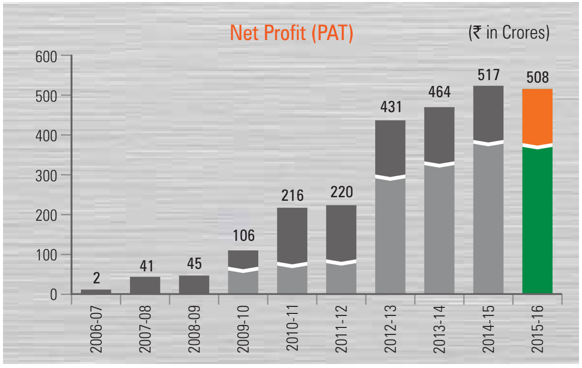
IN US DOLLARS	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Profit & Loss A/c					
Revenues (US$ mn)	258.00	258.95	266.12	271.42	286.04
Operating Profit (PBIDT) (after adjusting impairment)	127.26	159.41	163.68	156.02	183.05
PAT (US$ mn)	46.31	79.59	76.91	84.56	77.86
Balance Sheet					
What the Company owned					
Fixed Assets	886.05	956.91	937.46	1,060.92	958.04
Investments & Net Current Assets and long term portion of current liabilities and provisions	94.43	148.64	110.16	127.56	168.00
Deferred Taxation (Net)	0.26	0.22	0.32	0.14	0.09
TOTAL	**980.74**	**1,105.77**	**1,047.95**	**1,188.63**	**1,126.12**
What the Company owed					
Loans	**498.08**	**573.51**	**468.45**	**555.25**	**439.25**
Shareholders' Funds					
Equity Share Capital	21.88	20.51	18.58	17.82	16.81
Preference Share Capital	29.21	27.38	22.38	19.14	15.87
Employee Stock Options Outstanding	0.42	-	-	-	-
Reserves & Surplus	431.15	484.37	538.54	596.42	654.19
	482.66	**532.26**	**579.49**	**633.39**	**686.88**
TOTAL	**980.74**	**1,105.77**	**1,047.95**	**1,188.63**	**1,126.12**

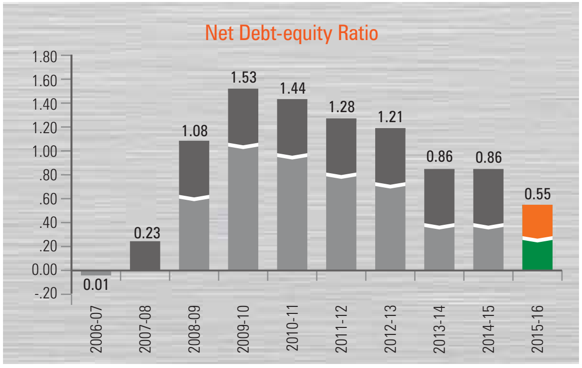
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Debt-equity Ratio	1.48:1	1.46:1	1.05:1	1.06:1	0.76:1
Net Debt-equity Ratio	1.28	1.21	0.86	0.86	0.55
Return On Operating Networth (%)	11.78%	17.46%	15.09%	14.33%	11.95%
Return On Operating Capital Employed (%)	8.77%	10.70%	10.44%	9.32%	8.23%
Earning Per Share (in ₹.)	18.28	36.57	39.64	44.47	43.14

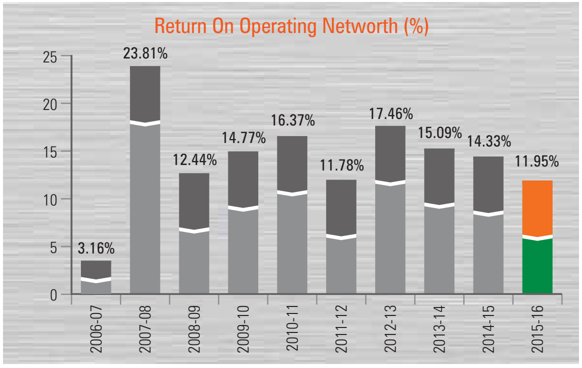
10 YEARS TREND

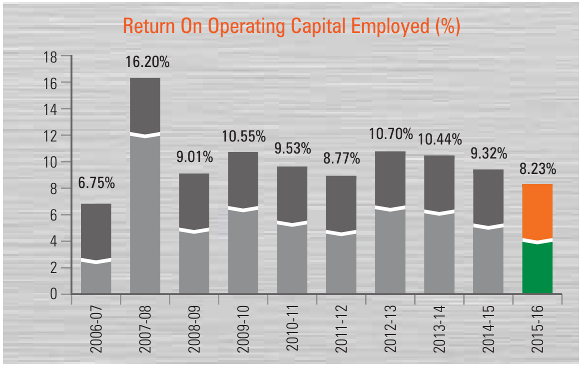


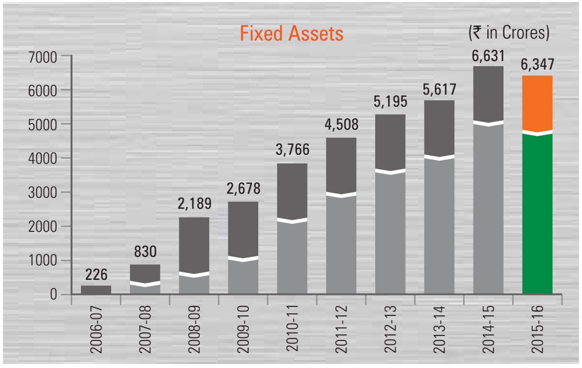












Note:

1. Debt Equity Ratio:
   Preference shares capital including premium payable on redemption of preference shares (₹ 315.37 Crores) have been considered under Debt instead of Equity.

2. 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 07 ₹ 137 Crores, FY 08 ₹ 462 Crores, FY 09 ₹ 1,283 Crores, FY 10 ₹ 547 Crores, FY 11 ₹ 336 Crores, FY 12 ₹ 414 Crores, FY 13 ₹ NIL, FY 14 ₹ 217 Crores , FY 15 ₹ 0.39 Crores and FY 16 ₹ NIL.

3. Impairment loss recognised in each FY are as follows: FY 07 ₹ NIL, FY 08 ₹ NIL, FY 09 ₹ NIL, FY 10 ₹ NIL, FY 11 ₹ NIL, FY 12 ₹ 19.98 Crores, FY 13 ₹ 31.78 Crores, FY 14 ₹ 8.12 Crores , FY 15 ₹ NIL and FY 16 ₹ 144.55 Crores.

Dear Stakeholders,

Your company commenced operations a decade ago, on 1st April 2006, with a single platform supply vessel, Greatship Disha, and with a single client in India. During the 10 years gone by, your company:

- Has built the largest, integrated offshore asset base in India, comprising 21 vessels and 4 jack up rigs, which have been deployed in most geographies with established E&P companies worldwide,
- Has, through its vessel operations, participated in complex services such as geotechnical / geophysical, well stimulation, deepwater fracking, windfarm installation, underwater pipeline inspection, sand control operations, etc in diverse sea state conditions and in diverse geographies from the Falkland Islands, to the North Sea, to Brunei and to icy waters off Sakhalin Island in Russia,
- Has, through its jack up rig operations, drilled the deepest offshore well in India at 6000 metres, the deepest High Temperature High Pressure Well at 5250 metres and been the only Indian driller of choice for the Panna Mukta Tapti field consortium in India
- Has established a worldwide reputation as a high quality service provider, winning awards/accolades from most of its clients it has served.

Throughout this decade, your Company has grown steadily with a well grounded philosophy of financial prudence. Virtually every year from FY 2006-16 has seen a steady growth in revenues and profits with the most recent year registering the best operational performance thus far. Our people, both offshore and onshore, are amongst the very best in the industry, driven by your company's motto of delivering performance through sheer passion for perfectly executing the tasks before them.

As you are aware, the oil industry is presently experiencing the worst recession in over two decades. The fall in oil prices has led to a 30-50% cut in E&P spending and this, along with an unprecedented supply of new buildings, has created a significant surplus of every kind of asset not seen in the history of this industry. Utilizations of oil rigs and vessels have declined to 50-60% across asset classes. The outlook for our industry is extremely hazy, both in terms of demand and supply of the asset classes we are in. We are essentially unsure of the range within which oil prices would stabilize, the direction in which E&P spending would occur, whether in offshore exploration or for shallower onshore prospects such as shale and the speed at which the present overcapacity would be rebalanced through scrapings of older assets.

Your company has entered this uncertain period with a reasonable contract cover for its assets, a conservative leverage position and with a zero outstanding order book. Our profitability in the next few years will be adversely impacted as old contracts are repriced to reflect the current market scenario. Our objective, however, over the next few years would be to keep striving for the best possible utilization of our assets. We will be extremely selective and cautious in identifying opportunities for fleet expansion and only at levels which we believe represent a highly compelling case for investment. Broadly, we will steady the ship for rough waters ahead, so that we remain well positioned to be a strong player whenever the industry takes a turn for the better.

Lastly, we would like to sincerely thank all our stakeholders for their unstinted support to us over these past 10 years and look forward to an equally satisfying working relationship in the years ahead.

With Regards,

Bharat K. Sheth

Ravi K. Sheth

BOARD'S REPORT

Your Directors have pleasure in presenting the Fourteenth Annual Report for the year ended March 31, 2016.

FINANCIAL HIGHLIGHTS

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

	STANDALONE		CONSOLIDATED	
PARTICULARS	Current Year ₹ in Crores	Previous Year ₹ in Crores	Current Year ₹ in Crores	Previous Year ₹ in Crores
Total Revenue	1651.67	1332.94	1867.83	1659.16
Total Expenses	1089.35	1000.65	776.63	817.42
Depreciation and amortisation expense	134.17	126.33	347.14	290.98
Impairment loss on fixed assets	86.23	-	144.55	-
Profit before tax	**341.92**	**205.96**	**599.51**	**550.76**
Less: Provision of tax				
- Current tax	86.67	30	90.74	32.75
- Deferred Tax	0.33	0.08	0.33	1.07
Profit for the year after tax	**254.92**	**175.88**	**508.44**	**516.94**
Less: Transfer to Tonnage Tax Reserve Account under section 115VT of the Income-tax Act, 1961	25.00	35.00	25.00	35.00
Add: Balance brought forward from previous year	403.79	344.97	1493.90	1094.02
Amount available for appropriation	**633.71**	**485.85**	**1977.34**	**1575.96**
Dividend on 21.75% (P.Y. 7.5%) Preference Shares	9.68	4.43	9.68	4.43
Dividend on 22.5% Preference Shares	13.64	13.64	13.64	13.64
Proposed Dividend on Equity Shares	-	50.11	-	50.11
Dividend distribution tax on equity and preference dividends	4.75	13.88	4.75	13.88
Balance at the end of the year	**605.64**	**403.79**	**1949.27**	**1493.90**

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

Although the Company has made a profit during the financial year ended on March 31, 2016, considering the downturn in global offshore industry and in order to conserve resources for the challenging times ahead, your directors have not recommended any dividend on equity shares for the year ended March 31, 2016.

Dividends on the Preference Shares of the Company for the financial year ended March 31, 2016 would be payable on May 20, 2016, in accordance with the terms of preference shares:

1) ₹ 11.65 crores (including dividend distribution tax of ₹ 1.97 crores) on 44,500,000 fully paid preference shares of face value of ₹ 10 each at the rate of 21.75% (dividend rate revised from 7.5% to 21.75% effective FY16) and
2) ₹ 16.42 crores (including dividend distribution tax of ₹ 2.78 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 ₹ 28.07 crores (including dividend distribution tax of ₹ 4.75 crores).

SHARE CAPITAL

During the year under review, your Company has revised the terms of issue of one of the series of preference shares with the dividend rate of 7.5%. The redemption of the outstanding preference shares under the said series has been deferred upto April 2021 i.e. the shares would now be redeemed in four annual tranches of 11,125,000 shares starting from April 2021. In order to retain the effective yield without changing the redemption premium, the annual dividend rate has been increased from 7.5% to 21.75% p.a., effective FY 2016. All other terms remain unchanged.

As on March 31, 2016, the outstanding preference shares under the two series were as under:

i) 44,500,000 preference shares with dividend rate of 21. 75% p.a. and

ii) 60,624,000 preference shares with dividend rate of 22.5% p.a.

The total paid up share capital of your Company as on date is ₹ 216.47crores comprising of 111,345,500 equity shares of ₹ 10 each and 105,124,000 preference shares of ₹ 10 each.

EMPLOYEE STOCK OPTIONS

As on March 31, 2016, the total options outstanding were 151,060 (net of encashed). The information on the Schemes as on March 31, 2016 is annexed as Annexure 3 to this Report.

SUBSIDIARIES

As on March 31, 2016, the Company has 6 wholly owned subsidiaries as under (together referred to as 'Subsidiaries'):

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

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

c) Greatship Global Holdings Ltd., Mauritius

d) Greatship (UK) Limited, United Kingdom

e) GGOS Labuan Ltd., Malaysia

f) Greatship Oilfield Services Limited, India (Incorporated on July 09, 2015)

Your Company has till date invested ₹ 1037.81 crores in its Subsidiaries. Subsidiaries of your Company are making substantial contribution to the overall business of the Group.

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.

The summary of performance of Subsidiaries is as follows:

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

GGHL is the holding company of Greatship Global Energy Services Pte. Ltd. (GGES), Singapore and Greatship Global Offshore Services Pte. Ltd. (GGOS), Singapore.

i. Greatship Global Energy Services Pte. Ltd., Singapore

GGES currently owns four Jack-up rigs which have been bareboat chartered to GIL. The Company's profit after tax for the current financial year amounted to USD 42.51 Mn as against the profit of USD 36.27 Mn in the previous year.

ii. Greatship Global Offshore Services Pte. Ltd., Singapore

GGOS owns and operates four offshore support vessels which include one Anchor Handling Tug cum Supply Vessels (AHTSV), two Multipurpose Platform Supply and Support Vessels (MPSSVs) and one ROV Support Vessels (ROVSV). The Company incurred a loss of USD 6 Mn for the current financial year as against the profit of USD 18.75 Mn in the previous year.

GGOS Labuan Ltd. (GLL), Malaysia

GLL was incorporated in June 2014 as a wholly owned subsidiary of GGOS to pursue business opportunities in the Malaysian market. However, it has not commenced any operations as yet.

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

During the year under review, GUK continued to operate the two ROV Support Vessels (ROVSVs) inchartered from GIL. The Company's profit after tax for the current financial year amounted to USD 1.55 Mn as against the profit of USD 1.22 Mn in the previous year.

c) Greatship Oilfield Services Ltd. (GOSL)

During the year under review, GIL incorporated a wholly owned subsidiary in Mumbai on July 9, 2015. However, it did not carry any operations during the year.

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.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared by your Company in accordance with the requirements of Generally Accepted Accounting Principles in India, the Accounting Standards issued by The Institute of Chartered Accountants of India and the provisions of the Companies Act, 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 the year under review was ₹ 4550.57 crores as compared to ₹ 3958.66 crores for the previous year.

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 alongwith its parent company, The Great Eastern Shipping Company Limited, through 'Great Eastern CSR Foundation', a company which has been incorporated 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

On recommendation of Nomination and Remuneration Committee, Dr. (Mrs.) Swaroop Rawal was appointed as an Additional Director and Independent Director of the Company w.e.f. March 12, 2015. At the last Annual General Meeting (AGM) held on August 07, 2015, Dr. Swaroop Rawal has been appointed as an Independent Director not liable to retire by rotation for a period of two consecutive years with effect from the date of the AGM.

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 resolutions for the re-appointment of Mr. Bharat K. Sheth as aforesaid shall be 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, 6 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 remuneration policy for 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. The manner in which the evaluation has been carried out is given in the Annexure 2 to this Report.

DEBT FUND RAISING

During the current financial year, the amount of debt of the Company went down from ₹ 1007.11 crores at the end of FY 15 to ₹ 805.60 crores at the end of FY 16, however, the consolidated debt went down from ₹ 3470.28 crores for FY 15 to ₹ 2910.01 crores for FY 16. The gross debt:equity ratio as on March 31, 2016 was 0.33 on standalone basis and 0.64 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 along with 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.

During the year under review, the department risk manuals were reviewed and a comprehensive list was made of all risks of the organization, which was further bifurcated into marketing & commercial risks, operational risks, compliance & taxation risks, financial & control risks and organizational risks. The risk register also documents the monitoring mechanism for each risk and the respective risk owner. Periodic reviews are undertaken to monitor and evaluate the effectiveness of Framework and revisions are made to the risk register 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 make 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 8.

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 9.

All the related party transactions have been entered into by the Company in the ordinary course of business and on arm's length basis. However, below mentioned transaction, though entered into in the ordinary course of business, may not strictly be treated on arm's length basis:

- Company has obtained 'Served From India Scheme' scrips of a value of upto ₹ 1 crore from GE Shipping by way of transfer under the Foreign Trade Policy for no consideration. The details of the transaction are included in the above mentioned Annexure 9.

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.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Statement pursuant to Section 197 of the Companies Act 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to this Report as Annexure 7.

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, the Company has been undertaking various initiatives with regard to enhancing energy efficiency in its business operations.

Energy Saving Devices:

a) Our 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 our 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%. Regular docking of the vessels to ensure smooth and clean hull is recommended for high speed and efficient vessel performance. Our fleet vessels undergo regular cleaning of hull either in-water or in the dry dock and application of premium anti-fouling paints resulting in significant fuel savings.

Monitoring of vessel performance :

Considering the growing importance of conservation of energy and its impact on sustainable development, the 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, 6 vessels have been dry docked and 5 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. The 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.

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.)	₹ 1625.61 crores
b)	Foreign Exchange used (including operating expenses, capital repayment, down payment for acquisition of assets, interest payment, etc.)	₹ 926.14 crores

AUDITORS

M/s. Kalyaniwalla & Mistry, Chartered Accountants hold office until the conclusion of the 15th Annual General Meeting of the Company to be held in the calendar year 2017.

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. 2015-16, 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 10.

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 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

Mumbai, May 3, 2016

ANNEXURE 1 - TO THE BOARD'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY PERFORMANCE

In FY 16, your Company recorded a total income of ₹ 1651.67 crores (previous year ₹ 1332.94 crores) on a standalone basis and ₹ 1867.83 crores (previous year ₹ 1659.16 crores) on a consolidated basis. The Company earned a PBIDT (after adjusting impairment) of ₹ 591.31 crores (previous year ₹ 374.24 crores) and ₹ 1195.32 crores (previous year ₹ 953.74 crores) on a standalone and consolidated basis, respectively.

OFFSHORE LOGISTICS

Market trend and analysis

The state of the global offshore logistics market during the past year can be garnered from the fact that more than 500 OSVs (Offshore Support Vessels) have joined the fleet of idle / stacked up vessels in the period from Apr-15 to Mar-16 from a total overall fleet of about 3,500 vessels. It was a year in which the market conditions were bad to start with, and got progressively worse thereafter. Consequently, utilisation levels for the global OSV fleet dropped significantly and, presently, only 45% of these vessels are working on term contracts, while the rest of the fleet is idle/ stacked or working in the spot market. Dayrates have collapsed and are now about half, or in some cases, just a third of the levels that they were about two years ago.

In the North Sea market alone, there are about 110-120 OSVs laid up at the present time. During the year, dayrates for Platform Support Vessels (PSVs) operating in the North Sea spot market (U.K. sector) largely ranged between GBP 2,000 and GBP 12,000. The Anchor Handling Tug Supply Vessels (AHTSVs) fared somewhat better in that higher volatility caused dayrates, for a mid-size AHTSV, to range from GBP 4,000 per day to as high as GBP 50,000; such high rates prevailing only during a short-lived spike in that market driven by weather considerations. However, the averages for both segments for the year were towards the lower end of their respective ranges and overall fleet utilisations were dismal.

With West Africa being one of the vertices of the erstwhile “golden triangle” of deepwater development, the other two being Brazil and US Gulf of Mexico, activity in the West African region was particularly hard hit with the drop off in deepwater drilling. In fact, for a large part of the year, one of the increased sources of activity for AHTSVs was the movement of old rigs out of West Africa for scrapping. While there was a sprinkling of activity in the region, day rates deteriorated during the year and ended the year close to operating cost levels for most asset classes.

The Middle East proved to be best of a bad lot as activity in the region proved to be relatively resilient with long term tenders being issued out of Saudi Arabia, Qatar and UAE. As might be expected, these tenders were awarded at significantly lower dayrate levels compared to past tenders. Furthermore, even existing firm contracts were renegotiated by charterers in the region to achieve discounts on contracted dayrates.

In comparison, the Asia Pacific was one of the hardest hits as significant capex cuts and project deferrals in the region ensured that there was a reduction in OSV demand, which was also largely filled by local-flagged vessels taking advantage of local content regulations. A consultancy report detailing the capex deferrals in the upstream industry stated that “the largest gas projects delayed were in Mozambique, Australia, Malaysia and Indonesia, which in combination hold 85 per cent of the total volume of deferred reserves”. The Australian market saw employment of a significant number of vessels on legacy long-cycle LNG projects, but even those vessels returned back to the market as the work wound down to a close during the latter part of the year.

The Indian market saw couple of large, multi-vessel requirements tendered by ONGC during the year continuing the trend of steady, though not growing, demand from the Indian market. However, such demand attracted significant amount of new supply into the market, sharply increasing the competition until the rates established in the Indian market turned out to be some of the lowest term rates seen anywhere globally.

Company Performance

During the year under review, the Company’s average commercial utilisation level i.e. excluding downtime on account of dry docking and other technical causes, for the vessel fleet, was in excess of 90%. These superior utilisation levels, as compared to market benchmarks, were achieved as result of a significant proportion of our fleet being covered under long term charters in better market conditions, and because the Company managed to roll over / extend contracts for many vessels that completed the firm periods of their existing contracts.

However, it has to be said that utilisation levels sloped downwards through the year and some vessels were idle or in “warm lay up” at different times during the year. However, with machinery being maintained and periodically operated by a reduced crew during the “warm lay up”, even those vessels managed to get back to work in a seamless fashion, as and when they found employment.

Other than declining utilisations, there was also a significant impact on business income from lower vessel earning levels as not only did contracts roll over at reduced day rates, but also due to discounts that were negotiated on ongoing contracts; many of which were extended in return.

In the early part of the year, the Company sold one 80-T bollard pull AHTSV, the Greatship Akhila, to Vietnamese buyers at a price which would be difficult to replicate in present market conditions.

Fleet Changes

During the year under review, as mentioned above, your Company sold one AHTSV 'Greatship Akhila' in June 2015. There was no addition to the fleet during the year under review, and there were no ongoing newbuilding commitments this year, as has been the case for the past three years. As on March 31, 2016, the operating vessel fleet of the Group stood at twenty one vessels which includes five Platform Supply Vessels (PSVs), eight Anchor Handling Tug cum Supply Vessels (AHTSVs), two Multipurpose Platform Supply and Support Vessels (MPSSVs) and six ROV Support Vessels (ROVSVs).

Outlook for offshore logistics market

Though oil prices have recently bounced off their 13-year lows, touched in early part of 2016, prices would probably need to go higher and sustained for a meaningful period of time before the offshore services market begins to see the benefit of such oil and gas price movements. It is unlikely that we would see such positive developments in the short term as analysts are forecasting a ~20%+ drop in global E&P capex for 2016. Coming on the back of a similar drop last year, this would be only the second occurrence of such a double dip in E&P capex in the past 30 years, which underlines the gravity of the current downturn.

In such an environment, we believe that markets will remain subdued for the coming year. The Company's offshore vessel business financials are likely to worsen in the coming year as more vessels face the prospects of lower utilisations and increasing idle / laid-up periods with many vessels coming off their long term charters in the coming year.

DRILLING SERVICES

Market Trend and Analysis

The ferocity of the present downturn in the offshore drilling space was brought home by a few companies in this space filing for bankruptcy protection or undergoing debt restructuring during the year. Percentage utilisations dropped across all rig categories, such drops estimated to be in the range of 10-20 percentage points; one of the highest drops on record in the last 30 years. It is estimated that there are about 150 less offshore rigs working today as compared to a year ago, as rig demand has dropped precipitously. In addition to lower drilling demand driven by the aforesaid drop in E&P capex, exploration and appraisal drilling in many areas, such as the North Sea, was at multi-year lows as E&P capex was preferentially focused on production and life of field activities.

In the jackup rig segment, there are an estimated ~80 lesser rigs working today as compared to a year earlier and total fleet utilisation is down to an extent that almost one-third of the total jackup fleet is currently idle / stacked up. A significant number of such idle rigs are old and are unlikely to ever see active work again after being cold stacked. Dayrates have tumbled and, illustratively, jackup rigs in South East Asia that were being contracted at mid-US$100K dayrate levels less than two years ago, broke below the US$100K per day barrier at the start of the financial year and the last known contract in the market was reportedly around the US$ 70K per day mark.

The Indian market followed suit and the dayrates for tenders awarded this year represented a 25-30% drop for jackup rigs and an even greater drop in rates for some floater segments.

These dire market conditions have triggered a supply side response as there have been, practically, no newbuildings rigs ordered in this year. Furthermore, a majority of rigs that were earlier slated to be delivered during FY-16 had their deliveries deferred to later years, resulting in only 20-odd rig deliveries being recorded during this period. Such delivery slowdown combined with a significantly increased retirement / scrapping of rigs lead to a reduction in overall fleet supply during the year; being the first such reduction in rig numbers in a decade. It has to be noted though that a significant number of the retired /scrapped rigs were cold stacked and were not a part of the actively marketed rig fleet.

It is estimated that there are presently 170 to 200 rigs on order, of which more than 100 are jackup rigs. Only 10% of these jackup rigs on order / under construction are estimated to have firm contracts posing a serious question mark on whether all of these rigs will get delivered as scheduled, and for some orders, whether they will get delivered at all.

Company Performance

The Company operated 4 jackup rigs in the Indian market during this year. Three rigs operated on long term contracts through the year, while the existing term contract for the one of the rigs - Greatdrill Chitra, came to an end in the last quarter of FY-16. However, prior to such contract completion, a new term contract was signed for this rig, which commenced in the first week of April 2016 for a period of 3 years. It was notable that the rigs were operated with minimal downtime and had negligible LTIs displaying the high operational and HSE standards to which our rig operations are run.

Fleet Changes

There were no additions or deletions to the rig fleet during the year. There are no newbuilding rigs presently on order.

Outlook for Drilling Market

While the downturn in the offshore drilling space could be said to have commenced in earnest about year and a half back, any meaningful turnaround in the coming year looks unlikely. With upstream E&P capex forecasted to continue its y-o-y decline, the demand picture for rigs is likely to stay challenged. It has to be said that the recent efficiencies and overall cost deflation achieved in the upstream O&G space of late have improved the economics of offshore E&P, and oil prices have bounced off their bottom recently, both of which are positive developments. However, these trends of commodity price increases and cost readjustments would need to be sustained over a longer period before we see a meaningful impact on the offshore drilling demand. Presently, there is limited appetite to launch large offshore projects and/or carry out exploratory drilling, which had been driving drilling demand growth in the past years. We would probably need to wait longer till such demand comes back in a meaningful fashion and, meanwhile, there continues to be the overhang of the aforementioned newbuilding supply. Thus, considering all the above factors, it would seem that the drilling market could continue to be negative over the coming year.

While the Company has a large part of the rig fleet covered in the coming year, the lower day rates contracts and the uncertainty associated with the earnings of the uncovered operating days could be a negative for the financial performance of the drilling business in FY-17 However, the Company seems to be better placed among its peers to weather this industry downturn given its revenue coverage, nil investment commitments and an all-modern fleet that is being managed with excellent operational and safety metrics.

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. The audit was carried out by Directorate General of Shipping, Mumbai.

Annual Audits for verification of compliance towards ISO 9001:2008 (Quality Management System), ISO 14001:2004 (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 Det Norske Veritas (DNV), Mumbai.

Greatship Global Offshore Services Pte. Ltd. (GGOS) also 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	Nil	2
LTIF (Loss Time Incident Frequency Rate)	0	0	0.45
TRIF (Total Recordable Incident Frequency Rate)	2.43	0	0.68

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.

IT INITIATIVES

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

- IT applications were re-engineered to operate from Vessels resulting in better productivity and access to information on board vessels.
- The Information Security Framework is being further strengthened through additional user access monitoring mechanisms.
- Upgradation of the existing SAP version to the latest HANA version to be implemented during the course of this year.
- Communications on board vessels have been further enhanced.
- IT application penetration and usage has been further increased with successful conversion of existing manual processes to system based workflows and approval processes.

HUMAN RESOURCES

During the year under review, your Company focused on realigning salaries for offshore employees keeping in mind the changed economic environment and preparing for future sustainability. Your Company also undertook initiatives for improving connect and engagement with its staff by incorporating feedback mechanism for all shore based employees and organizing off-sites for offshore employees. The performance management system has also been redesigned to capture a holistic view of employees with a view to channel efforts towards preparing for the future.

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, 2016, the Company and its subsidiaries employed 149 personnel onshore (including contractual) and around 1100 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 ten 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 items of notice of Annual General Meeting seeking approval for re-appointment of directors.

Meetings of the Board
Dates for Board meetings in the ensuing year are decided in advance by the Board. The Meetings of the Board are generally held at the Company's registered office located at Indiabulls Finance Centre, Tower 3, 23rd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai – 400013. Six 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 April 27, 2015, July 01, 2015, August 05, 2015, November 06-07, 2015, February 01, 2016 and March 10, 2016. The Offsite board meeting was held at Jaipur on November 06-07, 2015.

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, 2016 are as follows:

Name of Director	Nature of Directorship	No. of Board Meetings Attended	As on March 31, 2016		
			Number of other directorships*	Other Committee Memberships**	Chairperson of other Committees**
Mr. Bharat K. Sheth (DIN: 00022102)	Non Executive Chairman	6	1	1	NIL
Mr. Ravi K. Sheth (DIN: 00022121)	Managing Director	5	2	NIL	NIL
Mr. P. R. Naware (DIN: 00041519)	Executive Director	6	NIL	NIL	NIL
Mr. Keki Misty (DIN: 00008886)	Independent Director	4	9	8	2
Mr. Berjis Desai (DIN: 00153675)	Independent Director	5	9	7	3
Mr. Vineet Nayyar (DIN: 00018243)	Independent Director	3	4	1	NIL
Mr. Shashank Singh (DIN: 02826978)	Independent Director	2	2	1	NIL
Mr. Anil Singhvi (DIN: 00239589)	Independent Director	5	6	4	2
Mr. Mathew Cyriac (DIN: 01903606)	Independent Director	5	6	3	1
Dr. Swaroop Rawal (DIN: 07119614)	Independent Director	6	NIL	NIL	NIL

1. **Excludes Directorships in Private Limited Companies, Foreign Companies and Section 8 Companies.*
2. ***Includes memberships of Audit and Stakeholders' Relationship Committees of other companies. Membership includes Chairmanship of Committees.*

Separate Meeting of Independent Directors

A separate meeting of the Independent Directors of the Company was held on April 27, 2015 as stipulated by the Code of Conduct of Independent Directors under the Companies Act, 2013. Another meeting was held on May 03, 2016, 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 initiated 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, 2016. 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 of Board and the individual Directors including the Board Chairman 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) and Mr. Berjis Desai and Managing Director, Mr. Ravi K. Sheth.

ii. During the year under review, five meetings of the Audit Committee were held on April 27, 2015, August 05, 2015, November 06, 2015, December 09, 2015 and February 01, 2016.

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 FY16
Mr. Keki Mistry (Chairman)	5
Mr. Berjis Desai	3
Mr. Ravi K. Sheth	5

iii. The Audit Committee meetings are attended by the Executive Director, 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

The Nomination and Remuneration Committee comprises of three Independent Directors, namely, Mr. Vineet Nayyar (Chairman), Mr. Keki Mistry and Mr. Berjis Desai.

During the year under review, one meeting of the Committee was held on April 27, 2015, which was attended by all the 3 independent directors.

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 maybe 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 2015-16:

(Amt. in ₹)

Name of Director	Salary*	Benefits	Commission#
Ravi K. Sheth, Managing Director	25,000,000	4,034,309	35,000,000/-
P. R. Naware, Executive Director	14,500,000	4,244,559@	10,500,000/-

* Salary includes contribution to provident fund and superannuation fund and does not include contribution to Retirement Benefit Scheme for Managing Director

@ Includes payment towards encashment of Employee Stock Options

To be paid in FY 2016-17. Commission for FY 2014-15 was paid during FY 2015-16

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, an amount of ₹ 2.80 crores (previous year ₹ 3.20 crores) was provided during the year for pension payable to Managing Director on his retirement.

Details of Remuneration paid/to be paid to the Non - Executive Directors for FY 2015-16:

(Amt. in ₹)

Name of Director	Commission	Sitting Fees
Bharat K. Sheth	13,000,000	NIL
Keki Mistry	1,295,000	300,000
Berjis Desai	995,000	375,000
Vineet Nayyar	920,000	225,000
Shashank Singh	720,000	150,000
Anil Singhvi	720,000	375,000
Mathew Cyriac	720,000	375,000
Swaroop Rawal	720,000	450,000
Total	**19,090,000**	**2,250,000**

In accordance with approval of the Board, all the independent directors shall be paid a remuneration of ₹ 720,000 by way of fixed commission for financial year 2015-16 and a commission depending upon their positions in the Committees. In addition, they are also paid sitting fees for attending the meetings of the Board.

Commission to Executive Directors and Non-Executive directors was decided by the Board of Directors within the overall limit fixed by the members.

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, the Committee was re-constituted to include Dr. Swaroop Rawal, Independent Director as a member of the Committee.

During the year under review, one meeting of the Committee was held on October 23, 2015, which was attended by all the members of the Committee.

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.

GREATSHIP 10th ANNIVERSARY 2006-16

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, 2016.

For Greatship (India) Limited

Ravi K. Sheth
Managing Director

Date: May 03,2016

ANNEXURE 3
TO THE BOARD'S REPORT

INFORMATION ON EMPLOYEE STOCK OPTION SCHEMES AS ON MARCH 31, 2016.

Particulars	Employee Stock Option Scheme 2007 ("ESOP 2007")	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	656,300	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 The Great Eastern Shipping Company Limited ("GESCO")	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	₹ 100	₹ 135	₹ 135
Total Options vested	394,100	89,100	661,100	215,400
Options exercised	114,960*	Nil	12,320*	Nil
Options encashed	427,140	84,500	634,200	211,580
Total number of Equity Shares arising as a result of exercise of options	Nil	Nil	Nil	Nil
Options forfeited/lapsed/cancelled	114,200	10,600	234,680	251,960
Variation in terms of options @	Please see Note 1 below	Please see Note 2 below	Nil	Nil
Money realised by exercise of options	Nil	Nil	Nil	Nil
Options outstanding (in force)	--	4,600	44,700	101,760
Person wise details of options granted (net of options encashed) to :				
(i) Senior Managerial Personnel	Nil	Nil	Nil	Nil

Particulars	Employee Stock Option Scheme 2007 ("ESOP 2007")	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")
(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, 2016	Nil	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	Nil
Fully diluted EPS on exercise of options calculated in accordance with Accounting Standard (AS) 20 'Earning Per Share'	₹20.37	₹ 20.37	₹ 20.37	₹ 20.37
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	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.

The employee stock options schemes had been accounted on the intrinsic value method upto the year ended March 31, 2016. The compensation expense amount which is the difference between the exercise price of the option and the intrinsic value of the shares was amortised over the vesting period.

Pursuant to the encashment scheme for Employee Stock Options (ESOPs) introduced by the Company during 2012, 651,480 options were encashed at the fair value determined under the scheme during the year March 31, 2016. Since the encashment scheme also provides for another window to be opened in March 2018 to encash stock options that have vested till such date, the liability in respect of the outstanding options has also been measured at the fair value determined in accordance with the encashment scheme and the difference in the fair value and the exercise price is amortised over vesting period.

The cumulative amount of employee stock option expense amortised upto March 31, 2016 of ₹ 2.30 crores (Previous year ₹ 1.37 crores) is included in long term provisions & ₹ Nil (Previous year ₹ 9.80 crores) in short term provisions.

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

a) The provisions of ESOP 2007 relating to the exercise of the vested options by settlement in cash prior to listing of the shares of our Company were modified with effect from August 18, 2008, to be settled at a value to be determined at five times the EPS as per the latest audited consolidated financial statements of our Company instead of determining the value as per the latest audited financial statements of our Company.

b) Under ESOP 2007, vesting conditions relating to continued employment with our Company were modified with effect from August 18, 2008 to provide for the transfer of employment within the Group Companies.

Note 2: 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 3: During the year under review, no grant of stock options was made under the four 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 F.Y. 2015-16

1 The CSR policy of the Company is placed on the Company's website 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 Company's CSR efforts will be focused in the areas of:

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

   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. The Company along with the Parent Company, through the efforts of the Foundation, has identified and partnered with a number of different NGOs in the education, vocational training, and health care and sanitation sector, namely, Ahoka Univerisity, Masoom, Pratham, 3.2.1 Foundation, Xavier's Resource Centre for the Visually Challenged (XRCVC), Helen Keller Institute for Deaf & Deafblind, Antarang Foundation, Muktangan, Teach for India, Swades Foundation, Tamarind Tree Trust and Lend-A-Hand-India.

2 The CSR Committee comprises of Mr. Shashank Singh, Chairman (Independent Director), Mr. Mathew Cyriac (Independent Director), Ms. Swaroop Rawal (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 ₹ 209.61 crores.

4 The prescribed CSR Expenditure (2% of the average net profits as in point no. 3 above) is ₹ 4.20 crores.

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

(1) Total amount to be spent for the financial year 2015-16- ₹ 4.20 crores

(2) Amount unspent – NIL

(3) Manner in which the amount was spent during the financial year - The Company has contributed the entire amount of ₹ 4.20 crores to The Great Eastern CSR Foundation.

The details of the amount spent by The Great Eastern CSR Foundation 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

Mr. Shashank Singh
Chairman - CSR Committee

Mumbai, May 03, 2016

ANNEXURE TO THE ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2015-16

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 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
	CSR Contribution by Great Eastern CSR Foundation						
1.	MUKTANGAN - 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 by GECSRF. Donation will also go 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	3 Years: FY 2015-16: ₹ 1.15 cr FY 2016-17: ₹ 1.43 cr FY 2017-18: ₹ 1.73 cr	**Total funds utilized by organization: ₹ 0.76 cr** Direct Expenditure: ₹ 0.70 cr Overheads: ₹ 0.06 cr	₹ 0.86 cr	Amount was contributed by Great Eastern CSR Foundation to Paragon Charitable Trust
2.	TEACH FOR INDIA - 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 - GECSRF is fully funding 46 fellows from Teach for India	Promoting Education	Of the 46 fellows being sponsored by Company's CSR funds, 8 are from Delhi and 38 are from Pune.	1 year: FY 2015-16:₹ 1.60 cr	**Total funds utilized by organization: ₹ 1.60 cr** Direct Expenditure: ₹ 1.60 cr Overheads: NIL	₹ 1.60 cr	Amount was contributed by Great Eastern CSR Foundation to Teach for India
3.	SWADES FOUNDATION - a grassroots execution foundation, operating with a 360 degree focus of empowering Rural India - The Donation to Swades goes towards: • Education & livelihood interventions in 5 Gram Panchayats • 360 degree development of 1 Gram Panchayats	Promoting water, health care, education and sanitation	Two Gram Panchayats in Mahad Block, Raigad, Maharashtra	1 year: FY 2015-16: ₹ 1.02 cr	**Total funds utilized by organization: ₹ 0.68 cr** Direct Expenditure: ₹ 0.68 cr Overheads: NIL	₹ 1.02 cr	Amount was contributed by Great Eastern CSR Foundation to Society to Heal, Aid, Restore Educate (SHARE)
4.	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	Promoting Education	Dahanu Taluka, Maharashtra	1 year: FY 2015-16: ₹ 0.36 cr	**Total funds utilized by organization: ₹ 0.21 cr** Direct Expenditure: ₹ 0.20 cr Overheads: ₹ 0.01 cr	₹ 0.36 cr	Amount was contributed by Great Eastern CSR Foundation to Tamarind Tree Trust
5.	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 top wards helping LAHI to start their intervention in 10 new schools and enhance the quality of training in another 10 schools across Maharashtra.	Promoting vocational training	Different schools across Maharashtra	3 years: FY 2016-17: ₹. 1.37 cr FY 2017-18: ₹. 1.19 cr FY 2018-19: ₹. 1.19 cr	**Total funds utilized by organization: ₹ 0.04 cr** Direct Expenditure: ₹ 0.04 cr Overheads: NIL	₹ 0.55 cr	Amount was contributed by Great Eastern CSR Foundation to Lend-A-Hand-India
	Overall Overheads Expenditure incurred by Great Eastern CSR Foundation proportionate to the contribution made by the Company				₹ 0.17 cr		

10TH ANNIVERSARY 2006 - 2016

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 ₹ 75,000 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 shall broadly 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 8

TO THE BOARD'S REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2016

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	11201	100

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	U74900MH201 5PLC266483	Subsidiary Company	100+	2(87)(ii)
3	Greatship Global Holdings Ltd. Abax Corporate Services Ltd 6th Floor, Tower A, 1, Cyber City Ebène Mauritius	NA	Subsidiary Company	100+	2(87)(ii)
4	Greatship (UK) Limited Tower Bridge House St Katharine's Way, London E1W 1DD	NA	Subsidiary Company		2(87)(ii)

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
5	Greatship Global Offshore Services Pte. Ltd. 15 Hoe Chiang Road Tower Fifteen, #06-03 Singapore 089316	NA	Subsidiary Company	100[+] 100[$]	2(87)(ii)
6	Greatship Global Energy Services Pte. Ltd. 15 Hoe Chiang Road Tower Fifteen #06-03 Singapore 089316	NA	Subsidiary Company	100[#]	2(87)(ii)
7	GGOS Labuan Ltd. Lot A020, Level 1, Podium Level Financial Park, Jalan Merdeka, 87000, Labuan F.T. Malaysia.	NA	Subsidiary Company	100[*]	2(87)(ii)

+ Greatship Oilfield Services Limited, Greatship Global Holdings Ltd. and Greatship (UK) Limited are wholly owned subsidiaries of Greatship (India) Limited. Greatship Oilfield Services Limited was incorporated on July 9, 2015

$ Greatship Global Offshore Services Pte. Ltd. (GGOS) is a wholly owned subsidiary of Greatship Global Holdings Ltd.

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

* GGOS Labuan Ltd. is a wholly owned subsidiary of GGOS

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									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-

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	
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 deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1007.11	NIL	NIL	1007.11
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	4.25	NIL	NIL	4.25
Total (i+ii+iii)	**1011.36**	**NIL**	**NIL**	**1011.36**
Change in Indebtedness during the financial year				
• Addition	NIL	NIL	NIL	NIL
• Reduction	258.55	NIL	NIL	258.55
• Addition due to exchange impact	57.04	NIL	NIL	57.04
• Reduction in Interest accrued but not due	0.73	NIL	NIL	0.73
Net Change	**(202.24)**	**NIL**	**NIL**	**(202.24)**
Indebtedness at the end of the financial year				
i) Principal Amount	805.60	NIL	NIL	805.60
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	3.52	NIL	NIL	3.52
Total (i+ii+iii)	**809.12**	**NIL**	**NIL**	**809.12**

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*	25,549,034/-	13,915,981/-	39,465,015/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,997,121/-	4,508,231/-#	6,505,352/-
	(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	NIL	NIL	NIL
	- others, specify@	35,000,000/-	10,500,000/-	45,500,000/-
5	Other Benefits	2,236,291/-	391,422/-	2,627,713/-
	Total (A)	64,782,446/-	29,315,634/-	94,098,080/-
	Ceiling as per the Act (₹ in crores)	17.77	17.77	35.53

* *Salary excludes variable pay (commission) for previous financial year, i.e. FY 2014-15 which was paid in FY 2015-16.*

\# Includes payment towards encashment of Employee Stock Options

@ *For FY 2015-16 approved by the Board of Directors at their meeting held on May 03, 2016*

$ *Mr. Ravi K. Sheth and Mr. P. R. Naware are also entitled to gratuity in accordance with the Company's rules*

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, an amount of ₹ 2.80 crores (previous year ₹ 3.20 crores) was provided during the year for pension payable to Managing Director on his retirement.

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	300,000	375,000	225,000	150,000	375,000	375,000	450,000	2,250,000
	Commission@	NA	1,295,000	995,000	920,000	720,000	720,000	720,000	720,000	6,090,000
	Others, please specify	NA	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total (1)	NA	1,595,000	1,370,000	1,145,000	870,000	1,095,000	1,095,000	1,170,000	8,340,000
2	Other Non-Executive Directors									
	Fee for attending board/ committee meetings	NIL	NA	NA	NA	NA	NA	NA	NA	NA
	Commission@	13,000,000	NA	NA	NA	NA	NA	NA	NA	13,000,000
	Others, please specify	NIL	NA	NA	NA	NA	NA	NA	NA	NA
	Total (2)	13,000,000	NA	NA	NA	NA	NA	NA	NA	13,000,000
	Total (B)=(1+2)	13,000,000	1,595,000	1,370,000	1,145,000	870,000	1,095,000	1,095,000	1,170,000	21,340,000
	Total Managerial Remuneration (A+B)									116,641,739
	Overall Ceiling as per the Act (₹ in crores)									39.39

@ *For FY 2015-16 approved by the Board of Directors at their meeting held on May 03, 2016*

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*		4,289,077/-	4,000,000/-	8,289,077/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		428,272/-	2,431,100/-	2,859,372/-
	(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		245,144/-	-	245,144/-
	Total		4,962,493/-	6,431,100/-	11,393,593/-

* Salary includes variable pay for previous financial year, i.e. FY 2014-15. Ms. Amisha Ghia is also entitled to gratuity in accordance with the Company's rules

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	NIL				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NIL				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment					
Compounding					

10TH ANNIVERSARY 2006 - 2016

ANNEXURE 9
TO THE BOARD'S REPORT

FORM NO. AOC -2 - PARTICULARS OF CONTRACTS WITH RELATED PARTIES

(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 -

The details of the contracts/arrangements or transactions entered into during the year ended March 31, 2016, which are not at arm's length basis 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	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
1.	The Great Eastern Shipping Company Limited ("GE Shipping")	Parent Company	Trasnfer of 'Served From India Scheme' (SFIS) scrips from GE Shipping	N.A.	The Company has obtained SFIS scrips of a value of upto ₹ 1 crore from GE Shipping by way of transfer under the Foreign Trade Policy for no consideration	The Company had estimated that the available SFIS scrips may not be sufficient to cover the custom duty payable by the Company for its planned procurement activity and accordingly requested GE Shipping for transfer of SFIS scrips of a value upto ₹ 1 crore. Since GE Shipping may not be able to utilize their scrips fully before the expiry period and they may lapse, GE Shipping agreed to transfer the scrips to the Company for no consideration.	1-Feb-16	NIL	N.A.

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 for the year ended March 31, 2016 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	Date(s) of approval by the Board	Amount paid as advances, if any:
1.	Greatship Global Energy Services Pte. Ltd. ("GGES")	Wholly Owned Subsidiary	Bareboat Charter Agreement with GGES for bareboat charter of jack-up rig 'Greatdrill Chitra'	3 years but co-terminus with the Company's charter with ONGC	The Company has entered into Bareboat Charter Agreement on February 10, 2016 with GGES for a period of 3 years to be co-terminus with the Company's charter with ONGC for "Greatdrill Chitra"	1-Feb-16	NIL

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	Several transactions during the year	Dividend paid by the Company as per the terms of equity & preference shares issued by the Company	68.17
			Part redemption of Preference Shares	Annual	Proceeds of part redemption of preference shares paid as per the terms of preference shares issued by the Company	59.31
			Allotment of Training Slots	Several transactions during the year	Service charges paid for allotment of training slots	1.06
			Transfer of liability towards retirement benefit of employees	Several transactions during the year	Retirement benefits of employees transferred from the Company	0.07
			Payables	-	Outstanding amount payable to the Parent Company as on March 31, 2016	0.69

2.	Greatship (UK) Limited	Wholly Owned Subsidiary	Loan Prepaid	-	Prepayment of loan advanced by the Company	6.85
			Interest income on loan	Annual	Interest income on loan advanced by the Company	0.23
			Charter Hire Income	Several transactions during the year	Charter hire income on the vessels chartered by the Company	74.25
			Reimbursement of expenses	Several transactions during the year	Reimbursement of expenses incurred by the WOS for vessels chartered to WOS	10.17
			Receivables	-	Outstanding amount receivable as on March 31, 2016 in relation to charter hire of vessels and others, if any	6.85
			Payables	-	Outstanding amount payable to the WOS for the vessels chartered to WOS and others, if any	18.97
3.	Greatship Global Energy Services Pte. Ltd.	Wholly Owned Subsidiary	Corporate Guarantee commission received	Quarterly	Amount of commission received on corporate guarantees given by the Company	4.47
			Transfer of inventory	-	Inventory transferred on incharter of Rig	0.34
			Payables	-	Outstanding amount payable as on March 31, 2016 in relation to incharter of rigs and others, if any	83.32
			Inchartering Expenses	Several transactions during the year	Inchartering expenses relating to jack-up rigs taken on bareboat charter from the WOS	531.82
			Corporate Guarantees	-	Outstanding amount of corporate guarantees given by the Company as on March 31, 2016	931.97

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	0.66
			Corporate Guarantees	-	Outstanding amount of corporate guarantees given by the Company as on March 31, 2016	192.35
5.	Greatship Oilfield Services Limited	Wholly Owned Subsidiary	Investment in Equity Share Capital	-	Subscribed to 10,000 equity shares of ₹ 10/ eaach for cash at par	0.01
6.	Great Eastern CSR Foundation	Fellow Subsidiary	Contriubution towards CSR	-	Contriubution towards CSR pursuant to Section 135 of the Companies Act, 2013	4.2

For and on behalf of the
Board of Directors

Bharat K. Sheth
Chairman

Mumbai, May 3, 2016

ANNEXURE 10 TO THE BOARD'S REPORT

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

[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,2016 **('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, 2016 according to the provisions of:

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under **(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, 1992/2015 **(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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014 and its amendments notified on 18th September, 2015 **(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 **(Notified with effect from 1st July, 2015).**

(ii) The Listing Agreements entered into by the Company with stock exchanges and 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 changes in the composition of the Board of Directors that took place during the period under review were carried out 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 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 there was no specific event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc.

For Makarand M. Joshi & Co.

Kumudini Paranjape
Partner
Membership No. 6667
CP No. 6690

Place: Mumbai
Date: 3 May 2016

FLEET AS ON MARCH 31, 2016

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 Disha	GIL	3,096	1999	
2	m.v. Greatship Dipti	GIL	3,228	2005	
3	m.v. Greatship Dhriti	GIL	3,330	2008	
4	m.v. Greatship Dhwani	GIL	3,330	2008	
5	m.v. Greatship Prachi	GIL	4,000	2015	
5			16,984		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		6.50
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		6.50
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	
6	m.v. Greatship Ragini*	GGOS	3,600	2013	
6			21,876		4.67

TOTAL OFFSHORE SUPPORT VESSELS

Number	21
Total Tonnage (dwt)	65,235
Average Age (years)	6.57

Category	Vessel Name	Company #	DWT (MT)	Year Built	Average Age (Years)
DRILLING UNITS					
350' Jack Up Rig					
1	Greatdrill Chitra	GGES	N.A.	2009	
2	Greatdrill Chetna	GGES	N.A.	2009	
3	Greatdrill Chaaya	GGES	N.A.	2013	
4	Greatdrill Chaaru	GGES	N.A.	2015	
4					4.50

TOTAL DRILLING UNITS

Number	4
Average Age (years)	4.50

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.'

* GGOS has contracted to sell the vessel, Greatship Ragini in April 2016. Greatship Ragini would be delivered to the buyers during FY 2016-17.

TRANSACTIONS DURING FY 2015-16

GREATSHIP (INDIA) LIMITED AND ITS SUBSIDIARIES

Category	Vessel Name	Company#	DWT (MT)	Year Built	Month Of Aquisition/Sale
SALE					
OFFSHORE SUPPORT VESSEL					
Anchor Handling Tug cum Supply Vessel					
1	m.v. Greatship Akhila	GIL	1,639	2009	Jun-15

GIL stands for 'Greatship (India) Limited'

PLATFORM SUPPLY VESSELS

M.V. GREATSHIP DISHA (2006)

M.V. GREATSHIP DIPTI (2007)

M.V. GREATSHIP DHRITI (2008)

M.V. GREATSHIP DHWANI (2008)

M.V. GREATSHIP PRACHI (2015)

MULTI-PURPOSE PLATFORM SUPPLY AND SUPPORT VESSELS

M.V. GREATSHIP MAYA (2009)

M.V. GREATSHIP MANISHA (2010)

ANCHOR HANDLING TUG CUM SUPPLY VESSELS

M.V. GREATSHIP ANJALI (2008)

M.V. GREATSHIP AMRITA (2008)

M.V. GREATSHIP ASMI (2009)

M.V. GREATSHIP ADITI (2009)

M.V. GREATSHIP AHALYA (2009)

M.V. GREATSHIP VIDYA (2012)

M.V. GREATSHIP VIMLA (2012)

ROV SUPPORT VESSELS

M.V. GREATSHIP RAMYA (2010)

M.V. GREATSHIP ROHINI (2010)

M.V. GREATSHIP RASHI (2011)

M.V. GREATSHIP ROOPA (2012)

M.V. GREATSHIP RACHNA (2012)

M.V. GREATSHIP RAGINI (2013)

DRILLING UNITS

GREATDRILL CHETNA (2009)

GREATDRILL CHITRA (2009)

GREATDRILL CHAAYA (2013)

GREATDRILL CHAARU (2015)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GREATSHIP (INDIA) LTD.

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Greatship (India) Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2016, Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 these standalone 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 financial statements based on 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 standalone financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1) As required by the Companies (Auditor's Report) Order, 2016("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure 'A'a statement on the matters specified in paragraphs 3 and 4 of the Order.
2) As required by section 143(3) of the Act, we report that:
    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of written representations received from the directors as on March 31, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 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 'B'; and,

(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, in our opinion and to the best of our information and according to the explanations given to us, we further report that:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements– Refer Note 31 to the standalone 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 – Refer Notes 2 (o) and 36 to the standalone financial statements.

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

For Kalyaniwalla & Mistry
Chartered Accountants
Firm Registration No. 104607W

Roshni R. Marfatia
Partner
Membership No: 106548

Place : Mumbai
Date: May 3, 2016

ANNEXURE 'A'
TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Report for the year ended March 31, 2016:

Statement on Matters Specified in paragraphs 3 and 4 of the Companies (Auditors Report) Order,2016

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   (b) The fixed assets are physically verified by the management as per a phased programme of verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were reported on such verification.

   (c) The company does not have any immoveable property and hence the provisions of sub clause (c) of paragraph 3(i) of the Companies (Auditors Report) Order, 2016 are not applicable.

2. The management has conducted physical verification of inventory at reasonable intervals and no material discrepancies were noticed on physical verification of inventories as compared to the book records.

3. The Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, the provisions of clause 3(iii) of the Order are not applicable.

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities given.

5. The Company has not accepted any deposits from the public within the meaning of section 73 to 76 of the Act and the rules framed thereunder. Therefore the provisions of clause 3(v) of the Order are not applicable to the Company.

6. As informed to us, the maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Act in respect of the activities carried on by the Company.

7. (a) According to the information and explanations given to us and the books and records as produced and examined by us, in our opinion, the Company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities, where applicable. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2016 for a period of more than six months from the date of becoming payable.

   (b) According to the books of account and records as produced and examined by us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute, other than the following;

Name of Statute	Nature of Dues	Amount (₹ in lakhs)	Period for which the amount relates	Forum where dispute is pending
The Central Excise and Customs Act, 1962	Service Tax	10	FY. 2006-07 to 2008-09	Commissioner of Service Tax (Appeals)
The Central Excise and Customs Act, 1962	Service Tax	2,194	FY. 2009-10 to 2011-12	Supreme Court, Mumbai
The Central Excise and Customs Act, 1962	Service Tax	3,561	2008 – 2013	Commissioner of Service Tax
The Central Excise and Customs Act, 1962	Service Tax	13,813	FY. 2009-10 to FY. 2011-12	Commissioner of Service Tax
The Central Excise and Customs Act, 1962	Service Tax	5821+ 5195	FY. 2013-14	Commissioner of Service Tax
The Central Excise and Customs Act, 1962	Service Tax	5174+ 4762	FY. 2014-15	Commissioner of Service Tax

Name of Statute	Nature of Dues	Amount (₹ in lakhs)	Period for which the amount relates	Forum where dispute is pending
Maharashtra Value Added Tax Act, 2002	VAT	8,351	FY 2008-09	Deputy Commissioner (Appeals)
The Central Excise and Customs Act, 1962	Custom Duty	110	FY. 2009-10 to FY. 2013 -14	Various Forums
The Central Excise and Customs Act, 1962	Custom Duty	1,455	FY 2010-11	Commissioner of Customs
Income-tax Act, 1961	Income Tax	775	FY 2009-10	Income Tax Appellate Tribunal
Income-tax Act, 1961	Income Tax	943	FY 2010-11	Income Tax Appellate Tribunal

8. According to the information and explanations given to us and based on the documents and records produced before us, the Company has not defaulted in repayment of loans or borrowings to banks. The Company does not have any loans or borrowing from a financial institution or government and has not issued any debentures.

9. As informed to us, the term loans obtained by the Company were applied for the purpose for which they were obtained. No moneys were raised either by way of initial public offer or further public offer (including debt instruments) by the Company during the year.

10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or fraud on the Company by its officers or employees has been noticed or reported during the year.

11. According to the information and explanations given to us and based on the documents and records produced before us, managerial remuneration has been provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company.

13. According to the information and explanations given to us and based on the documents and records produced before us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and the details thereof have been disclosed in the Financial Statements as required by the applicable accounting standards.

14. According to the information and explanations given to us and based on our examination of the records, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. According to the information and explanations given to us and based on our examination of the records, the Company has not has entered into any non cash transactions with directors or persons connected with him.

16. The Company is not required to be registered under section 45- IA of the Reserve Bank of India Act, 1934. Thus the provisions of clause 3(xvi) of the Order are not applicable.

For Kalyaniwalla & Mistry
Chartered Accountants
Firm Registration No. 104607W

Roshni R. Marfatia
Partner
Membership No: 106548

Place: Mumbai
Date: May 3, 2016

ANNEXURE 'B'
TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 2 (f) 'Report on Other Legal and Regulatory Requirements' of our Report for the year ended March 31, 2016:

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

We have audited the internal financial controls over financial reporting of Greatship (India) Ltd.("the Company") as at March 31, 2016 in conjunction with our audit of the 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 ('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 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 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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, 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, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Kalyaniwalla & Mistry
Chartered Accountants
Firm Registration No. 104607W

Roshni R. Marfatia
Partner
Membership No: 106548

Place: Mumbai
Date: May 3, 2016

BALANCE SHEET
AS AT 31ST MARCH 2016

	Notes	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Shareholder's funds			
Share capital	3	216.47	230.97
Reserves and surplus	4	2,208.47	2,024.63
		2,424.94	**2,255.60**
Non current liabilities			
Long term borrowings	5	528.42	787.51
Other long term liabilities	6	55.51	53.88
Long term provisions	7	11.76	8.68
		595.69	**850.07**
Current liabilities			
Trade payables	8	96.44	77.61
Other current liabilities	9	336.04	267.56
Short term provisions	10	37.23	104.44
		469.71	**449.61**
Total		**3,490.34**	**3,555.28**
ASSETS			
Non current assets			
Fixed assets			
Tangible assets	11	1,733.14	1,938.50
Intangible assets	12	0.36	0.72
Capital work-in-progress		-	0.39
Non-current investments	13	1,037.81	1,037.80
Deferred tax assets (net)	14	0.57	0.90
Long-term loans and advances	15	15.28	12.11
Other non-current assets	16	136.66	3.64
		2,923.82	**2,994.06**
Current assets			
Current investments	17	26.10	100.40
Inventories	18	83.14	82.75
Trade receivables	19	204.30	166.25
Cash and bank balances	20	234.23	176.35
Short-term loans and advances	21	16.37	34.28
Other current assets	22	2.38	1.19
		566.52	**561.22**
Total		**3,490.34**	**3,555.28**

Significant accounting policies 2

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

As per our report attached hereto

For **KALYANIWALLA & MISTRY**
Chartered Accountants
Registration No.: 104607W

Roshni R. Marfatia
Partner
Membership No.:106548
Mumbai, May 3, 2016

For and on behalf of the Board

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 2016

	Notes	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Revenue :			
Revenue from operations	23	1,593.92	1,290.61
Other income	24	57.75	42.33
Total Revenue		**1,651.67**	**1,332.94**
Expenses :			
Employee benefits expense	25	270.75	237.03
Finance cost	26	28.99	41.95
Depreciation and amortisation expense	27	134.17	126.33
Impairment loss	28	86.23	-
Other expenses	29	789.61	721.67
Total expenses		**1,309.75**	**1,126.98**
Profit before tax		**341.92**	**205.96**
Tax expense :			
- Current tax		86.67	30.00
- Deferred tax		0.33	0.08
		87.00	**30.08**
Profit for the year		**254.92**	**175.88**
Earnings per equity share:	30		
[Nominal value per share ₹ 10 : previous year ₹ 10]			
- Basic		20.37	13.84
- Diluted		20.37	13.84

Significant accounting policies 2

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

As per our report attached hereto

For **KALYANIWALLA & MISTRY**
Chartered Accountants
Registration No.: 104607W

Roshni R. Marfatia
Partner
Membership No.:106548
Mumbai, May 3, 2016

For and on behalf of the Board

Ravi K. Sheth
Managing Director

P.R. Naware
Executive Director

G. Shivakumar
Chief Financial Officer

Amisha M. Ghia
Company Secretary

10TH ANNIVERSARY 2006 - 2016

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2016

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Cash Flow From Operating Activities :		
Net Profit before tax	341.92	205.96
Adjustments for		
Depreciation and amortisation expenses	134.17	126.33
Impairment loss	86.23	-
Finance cost	28.99	41.95
(Profit) / Loss on sale of vessel / other assets	(25.16)	0.29
Bad debts written off	-	17.23
Provision for doubtful debts and advances (net)	0.81	(16.17)
Interest income	(1.85)	(3.41)
Dividend on current investments	(1.39)	(1.15)
Profit on sale of current investments	-	(0.10)
Corporate guarantee commission	(5.13)	(5.95)
Unrealised exchange differences	15.14	(8.01)
Exchange difference on settlement of monetary item	(2.34)	(17.66)
Operating Profit Before Working Capital Changes :	**571.39**	**339.31**
Adjustments for working capital changes		
(Increase)/Decrease in inventories	(0.39)	(16.57)
(Increase)/Decrease trade receivables	(45.60)	33.16
(Increase)/Decrease loans and advances	17.94	(22.72)
Increase/(Decrease) trade payables, other liabilities and provisions	16.55	40.69
Cash Generated From Operations :	**559.89**	**373.87**
Income tax paid	(96.18)	(33.34)
Net Cash From Operating Activities :	**463.71**	**340.53**
Cash Flow From Investing Activities :		
Capital expenditure on fixed assets including capital advances	(9.96)	(141.92)
Proceeds from sale of vessel / other assets	82.96	0.40
Investment in subsidiary	(0.01)	-
Proceeds from sale of current investments	266.68	268.56
Purchase of current investments	(192.39)	(309.22)
Interest received	0.73	3.39
Dividend received	1.39	1.15
Corporate guarantee commission received	5.13	5.95
(Increase)/Decrease in earmarked bank balances	(2.00)	10.25
Bank deposit not considered as cash & cash equivalents - (placed) / matured	(130.35)	-
Net Cash From/(Used In) Investing Activities :	**22.18**	**(161.44)**
Cash Flow From Financing Activities :		
Proceeds from long term borrowings	-	624.08
Repayment of long term borrowings	(258.55)	(709.98)

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Interest paid	(28.12)	(43.86)
Dividend paid	(68.17)	(63.69)
Dividend distribution tax paid	(13.88)	(10.82)
Redemption of preference shares	(59.31)	(59.31)
Proceeds from loan to subsidiary	6.85	81.54
Net Cash Used In Financing Activities :	**(421.18)**	**(182.04)**
Net Increase/(Decrease) In Cash And Cash Equivalents :	**64.71**	**(2.95)**
Cash and cash equivalents as at April 1, 2015	**176.35**	**176.18**
Effect of exchange rate changes [(Loss) / Gain] on cash and cash equivalents	(6.83)	3.12
Cash and cash equivalents as at March 31, 2016 (See note below)	**234.23**	**176.35**
Note: Components of Cash and Cash equivalents		
Balances with banks		
-Current accounts	234.22	130.59
-Deposits with maturity less than 3 months	-	45.75
Cash in hand	0.01	0.01
	234.23	**176.35**

As per our report attached hereto

For **KALYANIWALLA & MISTRY**
Chartered Accountants
Registration No.: 104607W

Roshni R. Marfatia
Partner
Membership No.:106548
Mumbai, May 3, 2016

For and on behalf of the Board

Ravi K. Sheth
Managing Director

P.R. Naware
Executive Director

G. Shivakumar
Chief Financial Officer

Amisha M. Ghia
Company Secretary

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

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 & operates 5 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 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.

2 Significant Accounting Policies

(a) Basis of Preparation :

These financial statements are prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis to comply in all material aspects with Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current and non current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of services rendered and the time between the rendering of the services and their realization in cash and cash equivalent, the company has ascertained it's operating cycle as twelve months for the purpose of current - non current classification of assets & liabilities.

(b) Use of Estimates :

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. However, uncertainty about these assumptions and estimates could result in the outcomes requiring material adjustment to the carrying amounts of assets and liabilities in future periods.

(c) Tangible Fixed Assets :

Tangible Fixed assets 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. Exchange differences on repayment and year end translation of foreign currency liabilities and fair value gains or losses on qualifying cash flow hedges, that are transferred from Hedging Reserve relating to acquisition of depreciable capital assets are adjusted to the carrying cost of the assets.

(d) Intangible Fixed Assets :

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

(e) Asset Impairment :

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

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

(f) Borrowing Costs :

Borrowing costs that are directly attributable to the acquisition or construction of the qualifying assets are added to the cost of the asset, upto the date of acquisition or completion of construction. Other borrowing costs are recognised in the period in which they are incurred except for transaction costs which are amortised over period of the loan.

(g) Investments :

Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as long term investments.

Current investments are stated at lower of cost and fair value on an individual basis and the resultant decline, if any, is charged to revenue. Long-term investments are carried at cost. Provision for diminution, if any, in the value of each long-term investment is made to recognise a decline, other than of a temporary nature.

(h) Inventories :

Inventories of fuel oil on vessels, rigs, stores & spares on rigs and at warehouse are carried at lower of cost or 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.

(i) Revenue Recognition :

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.

(a) Income from services : Revenue from Charter hire contracts are recognised pro rata over the period of the contract as and when services are rendered.

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

(c) Dividends : Dividend income is recognised when the right to receive dividend is established.

(j) Operating lease:

Lease of assets in which a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payables under operating leases are charged to the statement of profit and loss on a straight line basis over the period of lease.

(k) Employee Benefits :

Liability is provided for retirement benefits of provident fund, superannuation, gratuity and compensated absences in respect of all eligible employees.

(a) Defined Contribution Plan

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

(b) 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 the statement of profit and loss in the period in which they arise.

(c) 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 costs 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.

(l) 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.

(m) Depreciation and Amortisation :

Depreciation is provided on the 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 as estimated by the Management (on technical evaluation) or over the estimated useful life as prescribed under the Schedule II to the Companies Act, 2013, whichever is lower. In respect of assets other than fleet, the residual value is not material and has thus been considered as NIL. The residual value in case of vessels has been estimated on the basis of Light Displacement Weight (LDT) of the Vessels and the prevailing average rate for steel scrap.

Tangible Fixed Assets:	Estimated Useful life
Tangible Fixed Assets:	
Fleet	
- Offshore Supply Vessels	20 years
Furniture & Fixtures, Office Equipment #	5 years
Computers	3 years
Vehicles #	4 years
Plant & Equipment #	3 to 10 years
Network Servers	6 years
Mobile Phones #	2 years
Leasehold Improvements	Lease period
Intangible Fixed Assets:	
Software	5 years

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.

(n) Foreign Exchange Transactions :

Transactions in foreign currency are recorded at standard exchange rates determined monthly. Non monetary items, which are measured in terms of historical costs denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the year end are translated at closing rates. In accordance with Notification no. G.S.R. 225(E) dated March 31, 2009 and subsequent clarification by circular no. 25/2012 dated August 09, 2012 issued by Ministry of Coporate Affairs, Government of India, the Company has opted for adjusting the exchange difference arising on long term foreign currency monetary borrowings relating to acquistion of depreciable assets to the cost of those assets . Exchange differences arising on a monetary item that, in substance, forms part of the Company's net investment in a non integral foreign operation is accumulated in the Foreign Currency Translation Reserve until the disposal of the net investment. The difference in translation of all other monetary assets and liabilities and realised gains and losses on other foreign currency transactions are recognised in the statement of profit & loss.

Forward exchange contracts other than those entered into to hedge foreign currency risk of firm commitments or highly probable forecast transactions are translated at period end exchange rates and the resultant gains and losses as well as the gains and losses on cancellation of such contracts are recognised in the statement of profit and loss, except in case of contracts relating to the acquisition of depreciable capital assets, in which case they are added to or deducted from the cost of the asset. Premium or discount on such forward exchange contracts is amortised as income or expense over the life of the contract.

Currency swaps which form an integral part of the loans are translated at closing rates and the resultant gains and losses are dealt with in the same manner as the translation differences of long term monetary items.

(o) Derivative Financial Instruments and Hedging :

The Company enters into derivative financial instruments to hedge foreign currency risk of firm commitments and highly probable forecast transactions and interest rate risk. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company documents at the inception of the transaction, the relationship between the hedging instrument and hedged items as well as its risk management objective and strategies for undertaking various hedged transactions. The carrying amount of a derivative designated as a hedge is presented as a mark - to - market gain / (loss) on derivative contracts under other current assets / provisions. The company does not enter into any derivatives for trading purposes.

Forward exchange contracts entered into to hedge foreign currency risks of firm commitments or highly probable forecast transactions, forward rate options, currency and interest rate swaps that qualify as cash flow hedges are recorded in accordance with the principles of hedge accounting enunciated in Accounting Standard (AS) 30 – Financial Instruments: Recognition and Measurement. The gains or losses on designated hedging instruments that qualify as effective hedges are recorded in the Hedging Reserve and are recognised in the statement of profit and loss in the same period or periods during which the hedged transaction affects profit or loss or are transferred to the cost of the hedged non-monetary asset upon acquisition.

Gains or losses on ineffective hedge transactions are immediately recognised in the statement of profit and loss. When a forecasted transaction is no longer expected to occur the gains and losses that were previously recognised in the Hedging Reserve are immediately transferred to the statement of profit and loss.

(p) Provision for Taxation :

Tax expense comprises both current and deferred tax.

Current income-tax is recognised at the amount expected to be paid to the tax authorities, using the tax rates and tax laws, enacted or substantially enacted as at the balance sheet date. Income from shipping activities is assessed on the basis of deemed tonnage income of the Company.

Deferred income-tax is recognised on timing differences, between taxable income and accounting income which originate in one period and are capable of reversal in one or more subsequent periods only in respect of the non-shipping activities of the Company. The tax effect is calculated on the accumulated timing differences at the year end based on tax rates and laws, enacted or substantially enacted as of the balance sheet date. Deferred Tax Assets are recognised and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realised. Deferred tax assets are not recognized on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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

(q) Provisions and Contingent Liabilities :

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

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company. No disclosure is made in case of possible obligations in respect of which likelihood of outflow of resources is remote.

(r) Cash and Cash Equivalents :

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with maturities of three months or less, which are subject to an insignificant risk of change in value. For the purpose of presentation in the standalone statement of cash flows, the cash and cash equivalents is net of short term fixed deposit collateralised for bank guarantees.

(s) 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.

3 Share Capital

	As at March 31,2016		As at March 31,2015	
	No. of Shares	₹ In Crores	No. of Shares	₹ In Crores
Authorised				
Equity Shares of par value ₹ 10/-	135,000,000	135.00	135,000,000	135.00
Preference Shares of par value ₹ 10/-	229,000,000	229.00	229,000,000	229.00
		364.00		364.00
Issued, subscribed and paid up				
Equity Shares of par value ₹ 10/- fully paid up	111,345,500	111.35	111,345,500	111.35
21.75% (previous year: 7.5%) Cumulative Redeemable Preference Shares of par value ₹ 10/- fully paid up	44,500,000	44.50	59,000,000	59.00
22.5% Cumulative Redeemable Preference Shares of par value ₹ 10/- fully paid up	60,624,000	60.62	60,624,000	60.62
Total		216.47		230.97

(a) Reconciliation of shares outstanding at the end of the year :

	As at March 31,2016		As at March 31,2015	
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
21.75% (previous year: 7.5%) Cum Redeemable Preference Shares of par value ₹ 10/- fully paid up				
Outstanding at the beginning of the year	59,000,000	59.00	73,500,000	73.50
Less: Redeemed during the year	14,500,000	14.50	14,500,000	14.50
Outstanding at the end of the year	44,500,000	44.50	59,000,000	59.00
22.5% Cum Redeemable Preference Shares of par value ₹ 10/- fully paid up				
Outstanding at the beginning of the year	60,624,000	60.62	60,624,000	60.62
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	60,624,000	60.62	60,624,000	60.62

(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.

Preference Shares :

(a) The 7.5% Cumulative Redeemable Preference Shares of par value ₹ 10/- each were issued at a premium of ₹ 20/- per share on preferential basis to the Holding Company, "The Great Eastern Shipping Company Ltd" in the year 2008-09.The said shares were to be redeemed at a premium of ₹ 30.90 per share in six annual installments from April 1,2013 to April 1,2018.

During the year, the terms of the outstanding 44,500,000 preference shares have been modified by the Board of Directors of the company, increasing the rate of dividend from 7.5% to 21.75% p.a. effective FY 2016 and deferring the redemption of the said shares in four installments from April 1,2021 to April 1,2024 as under:

i. 11,125,000 Preference Shares on April 1, 2021

ii. 11,125,000 Preference Shares on April 1, 2022

iii. 11,125,000 Preference Shares on April 1, 2023

iv. 11,125,000 Preference Shares on April 1, 2024

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.

(b) The 22.5% Cumulative Redeemable Preference Shares of par value ₹ 10/- each, issued at a premium of ₹ 20/- per share on preferential basis to the Holding Company, "The Great Eastern Shipping Company Ltd", are to be redeemed at a premium of ₹ 20/- per share in four annual installments from April 1, 2018 as per the revised terms as under :

i. 15,156,000 Preference Shares on April 1, 2018

ii. 15,156,000 Preference Shares on April 1, 2019

iii. 15,156,000 Preference Shares on April 1, 2020

iv. 15,156,000 Preference Shares on April 1, 2021

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.

(c) Shares held by The Great Eastern Shipping Company Limited, the holding company :

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Equity Shares	111.35	111.35
111,345,500 (Previous year 111,345,500) shares		
Preference Shares		
44,500,000 21.75% (previous year: 59,000,000 7.5%) Cumulative Redeemable Preference Shares	44.50	59.00
60,624,000 22.5% (previous year: 60,624,000 22.5%) Cumulative Redeemable Preference Shares	60.62	60.62

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

Name of Shareholder	As at March 31,2016 % of Holding	As at March 31,2016 No. of Shares held	As at March 31,2015 % of Holding	As at March 31,2015 No. of Shares held
Equity Shares				
The Great Eastern Shipping Company Limited	100%	111,345,500	100%	111,345,500
21.75% (previous year: 7.5%) Cumulative Redeemable Preference Shares				
The Great Eastern Shipping Company Limited	100%	44,500,000	100%	59,000,000
22.5% Cumulative Redeemable Preference Shares				
The Great Eastern Shipping Company Limited	100%	60,624,000	100%	60,624,000

The Company's immediate and ultimate Holding Company is "The Great Eastern Shipping Company Limited", a company incorporated in India, as defined under AS-21, Consolidated Financial Statements and AS-18 Related Party disclosures.

(e) Shares allotted as fully paid up pursuant to contract (s) without payment being received in cash during the period of five years immediately preceeding the reporting date - NIL

(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 preceeding the reporting date.

(g) Employee Stock Option Scheme :

The employee stock options of the Company were granted under 5 different Employee Stock Option Schemes ('Scheme/s') to the employees of the Company, the parent company and the subsidiaries. ESOP 2008 - I scheme was closed on March 31, 2013 with the encashment of all the options under the scheme. All the ESOPs are in respect of the Company's shares where each stock option is equivalent to one equity share.

During the year under review, no grant of stock options were made under any of the 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.

During the year under review, as per the Encashment Scheme approved in the year 2012, the option grantees under all Schemes were given an opportunity to encash all or part of their vested options as on March 31, 2015 and accordingly 651,480 options were encashed by the option grantees. If there is no IPO by March 31, 2018, similar window would be opened to encash the remaining stock options (there would be no unvested stock options at that time). With this encashment, a total of 1,417,420 options have been encashed under the said Encashment Scheme, including 765,940 options encashed in 2012. With the encashment of all the outstanding stock options under the Scheme ESOP 2007, the Scheme stands closed as on March 31, 2016.

During the year, a total of 9,340 options were forfeited, making the total options outstanding as on March 31, 2016 to 151,060 (net of encashed).

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

Sr. No.	PARTICULARS	ESOP 2007	ESOP 2007-II	ESOP 2008-II	ESOP 2010
1.	Date of Grant	10/08/07 28/01/08 05/05/09	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

Sr. No.	PARTICULARS	ESOP 2007	ESOP 2007-II	ESOP 2008-II	ESOP 2010
2.	Date of Board Approval	23/01/07	20/11/07	28/01/08	18/03/10
3.	Date of Shareholders' Approval	27/03/07	21/11/07	31/01/08	23/04/10
4.	Options approved	1,000,000	200,000	1,710,000	1,028,900
5.	Options outstanding at the beginning of the year	88,160	25,600	408,300	289,820
6.	Options granted during the year	--	--	--	--
7.	Options cancelled/ forfeited during the year	--	--	--	9,340
8.	Options Exercised during the year	--	--	--	--
9.	Options encashed during the year	88,160	21,000	363,600	178,720
10.	Options outstanding at the end of the year	--	4,600	44,700	101,760
11.	Exercise Price/Weighted Average Exercise Price	100	100	135	135
12.	Exercise period from the date of vesting	One year from the date of vesting/listing whichever is later	One year from the date of vesting/listing whichever is later	One year from the date of vesting/listing whichever is later	One year from the date of vesting/listing whichever is later
13.	Exercisable at end of the year	--	--	--	--
14.	Method of Settlement	Equity/Cash	Equity	Equity/Cash	Equity
15.	Vesting period from the date of grant	20% equally over a period of five years	One year	20% equally over a period of five years	20% equally over a period of five years
16.	Vesting conditions	Continued employment with the Company (includes transfer within group companies)	Continued employment with the holding Company "The Great Eastern Shipping Co. Ltd." (includes transfer within group companies)	Continued employment with the Company or subsidiaries (includes transfer within group companies)	Continued employment with the Company or subsidiaries (includes transfer within group companies)

The employee stock options schemes had been accounted on the intrinsic value method upto the year ended March 31, 2016.The compensation expense amount which is the difference between the exercise price of the option and the intrinsic value of the shares was amortised over the vesting period.

Pursuant to the encashment scheme for Employee Stock Options (ESOPs) introduced by the Company during 2012, 651,480 options were encashed at the fair value determined under the scheme during the year ended March 31, 2016. Since the encashment scheme also provides for another window to be opened in March 2018 to encash stock options that have vested till such date, the liability in respect of the outstanding options has also been measured at the fair value determined in accordance with the encashment scheme and the difference in the fair value and the exercise price is amortised over vesting period.

The cumulative amount of employee stock option expense amortised upto March 31, 2016 of ₹ 2.30 crores (Previous year ₹ 1.37 crores) is included in long term provisions & ₹ NIL in Short term provisions (Previous year ₹ 9.80 crores).

4 RESERVES & SURPLUS

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
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	29.00	14.50
Add: Transfer from General reserve on redemption of preference shares	14.50	14.50
Balance at the end of the year	**43.50**	**29.00**
PREFERENCE SHARE CAPITAL REDEMPTION RESERVE		
Balance at the beginning of the year	241.38	256.14
Add: Transfer from securities premium reserve	19.32	30.05
Less: Utilised for redemption of preference shares	(44.81)	(44.81)
Balance at the end of the year	**215.89**	**241.38**
SECURITIES PREMIUM RESERVE		
Balance at the beginning of the year	1,152.99	1,183.04
Less: Transfer to preference share capital redemption reserve	(19.32)	(30.05)
Balance at the end of the year	**1,133.67**	**1,152.99**
FOREIGN CURRENCY TRANSLATION RESERVE		
Balance at the beginning of the year	1.74	15.51
Add: Exchange differences on monetary items considered as part of net investment in non integral foreign operation	-	0.26
Less: Transfer to statement of profit & loss on realisation	(1.74)	(14.03)
Balance at the end of the year	**-**	**1.74**
GENERAL RESERVE		
Balance at the beginning of the year	54.85	69.35
Less: Transfer to Capital redemption reserve	(14.50)	(14.50)
Balance at the end of the year	**40.35**	**54.85**
HEDGING RESERVE		
Balance at the beginning of the year	(4.07)	(14.96)
(Less) / Add : Fair value (loss) / gain on derivative contracts designated as cash flow hedges (net)	3.54	10.89
Balance at the end of the year	**(0.53)**	**(4.07)**
TONNAGE TAX RESERVE		
Balance at the beginning of the year	142.00	107.00
Add: Transfer from statement of profit and loss	25.00	35.00
Balance at the end of the year	**167.00**	**142.00**
SURPLUS IN STATEMENT OF PROFIT AND LOSS		
Balance at the beginning of the year	403.79	344.97
Add: Profit for the year	254.92	175.88

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Less: Transfer to Tonnage Tax Reserve Account under section 115VT of the Income Tax Act, 1961	(25.00)	(35.00)
Profit available for appropriation	**633.71**	**485.85**
Less: Appropriations:		
Dividend on preference shares	23.32	18.07
Proposed dividend on equity shares	-	50.11
Dividend distribution tax	4.75	13.88
Balance at the end of the year	**605.64**	**403.79**
	2,208.47	**2,024.63**

5 LONG TERM BORROWINGS

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Secured :		
Foreign currency term loans from banks	528.42	787.51
	528.42	**787.51**

Foreign currency term loans are secured by mortgage of the vessels, assignment of earnings, charge on earnings account, assignment of swap contracts and insurance contracts/policies of respective vessels. Additionally, The Great Eastern Shipping Company Limited, the holding company has issued corporate guarantees as security for some loans to the extent of ₹ NIL (previous year ₹ 14.57 crores). The loans carry interest at the rate LIBOR plus 100 to 400 bps and are repayable in quarterly / half yearly installments over 4-8 years.

Loans taken in JPY currency have been swapped into USD as a condition precedent to the loan agreements.

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

₹ In Crores

		1-2 years	2-3 years	3-4 years	4-5 years	Beyond 5 years
Foreign currency term loans from banks	CY	153.70	87.99	203.10	46.54	37.10
	PY	218.68	160.62	98.64	207.23	102.34

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

6 OTHER LONG TERM LIABILITIES

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Trade Payables - due to Subsidiary	55.51	53.88
	55.51	**53.88**

7 LONG TERM PROVISIONS

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Provision for employee benefits		
- Provision for compensated absences	0.39	0.31
- Director's Retirement Benefit Plan	9.07	7.00
- Employee Stock Options Scheme (refer note 3 (g))	2.30	1.37
	11.76	**8.68**

8 TRADE PAYABLES

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Dues of micro, small and medium enterprises	1.84	0.99
Dues of other creditors	94.60	76.62
(includes ₹ 46.79 crores; previous year ₹ 35.34 crores due to subsidiary)		
	96.44	**77.61**

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). Amounts overdue on account of principal amount and interest thereon as on March 31, 2016 is ₹ 0.01 crores (previous year ₹ 0.35 crores). No interest has been paid during the year to suppliers registered under the MSMED Act.

9 OTHER CURRENT LIABILITIES

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Current maturities of long term borrowings*	277.17	219.60
Interest accrued but not due on long term borrowings	3.52	4.25
Other Payables :		
- Employee benefits	29.15	26.42
- Statutory Liabilities	18.74	15.34
- Creditors for capital expenses	5.01	-
- Accrued expenses	2.45	1.95
	336.04	267.56

* Current maturities of long term borrowings includes ₹ 74.53 crores (previous year ₹ NIL) relating to a long term borrowing reclassified as current consequent to proposed refinancing arrangement.

10 SHORT TERM PROVISIONS

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Provision for employee benefits		
- Provision for compensated absences	0.52	0.28
- Employee Stock Options Scheme (refer note 3 (g))	-	9.80
	0.52	**10.08**
Others:		
- Provision for income tax	8.64	8.64
(net of advance payment of tax and tax deducted at source ₹ 105.88 crores; previous year ₹ 105.88 crores)		
- Provision for mark to market losses on derivative contracts	-	3.66
- Preference dividend	23.32	18.07
- Proposed equity dividend	-	50.11
- Provision for dividend distribution tax	4.75	13.88
	37.23	**104.44**

11 TANGIBLE ASSETS

₹ in Crores

	GROSS BLOCK					DEPRECIATION				IMPAIRMENT		NET BLOCK	
PARTICULARS	As at April 1, 2015	Additions	Disposals	Adjustments *	As at March 31, 2016	Upto April 1, 2015	For the year	Disposals	Upto March 31, 2016	For the year	Upto March 31, 2016	As at March 31, 2016	As at March 31, 2015
Fleet	2,402.84	-	80.78	57.03	2,379.09	515.86	123.66	23.08	616.44	86.23	86.23	1,676.42	1,886.98
Leasehold improvements	5.30	-	-	-	5.30	2.92	1.06	-	3.98	-	-	1.32	2.38
Plant & equipment	56.09	13.07	-	-	69.16	13.11	6.31	-	19.42	-	-	49.74	42.98
Furniture & fixtures	1.02	0.01	-	-	1.03	0.72	0.14	-	0.86	-	-	0.17	0.30
Vehicles	7.17	2.09	0.40	-	8.86	3.10	1.88	0.32	4.66	-	-	4.20	4.07
Office equipments	2.08	0.15	0.11	-	2.12	1.22	0.40	0.11	1.51	-	-	0.61	0.86
Computers	3.30	0.12	0.21	-	3.21	2.37	0.36	0.20	2.53	-	-	0.68	0.93
Total	2,477.80	15.44	81.50	57.03	2,468.77	539.30	133.81	23.71	649.40	86.23	86.23	**1,733.14**	**1,938.50**
Previous Year - Total	2,287.73	149.32	1.37	42.12	2,477.80	414.80	125.52	1.02	539.30	-	-		

* Adjustments represents foreign currency loss on repayment and year end translation of foreign currency liabilities relating to acquisition of depreciable capital assets adjusted to carrying cost of assets ₹ 57.03 crores (previous year ₹ 42.12 crores)

12 INTANGIBLE ASSETS

₹ in Crores

	GROSS BLOCK					DEPRECIATION				IMPAIRMENT		NET BLOCK	
PARTICULARS	As at April 1, 2015	Additions	Disposals	Adjustments *	As at March 31, 2016	Upto April 1, 2015	For the year	Disposals	Upto March 31, 2016	For the year	Upto March 31, 2016	As at March 31, 2016	As at March 31, 2015
Software	4.95	-	-	-	4.95	4.23	0.36	-	4.59	-	-	0.36	0.72
Total	4.95	-	-	-	4.95	4.23	0.36	-	4.59	-	-	0.36	0.72
Previous Year-Total	6.02	0.30	1.37	-	4.95	4.45	0.81	1.03	4.23	-	-		

13 NON CURRENT INVESTMENT

	Face Value	No. of Shares	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Trade Investments (valued at cost)				
Investments in subsidiaries				
Unquoted Equity instruments - fully paid up				
Greatship Global Energy Services Pte. Ltd., Singapore	USD 64	282,252	80.93	80.93
Greatship Global Energy Services Pte. Ltd., Singapore	USD 1	1	*	*
Greatship Global Holdings Ltd., Mauritius	USD 1	222,201,774	954.61	954.61
Greatship (UK) ltd.	USD 1	500,000	2.26	2.26
Greatship Oilfield Services Limited	INR 10	10,000	0.01	-
Other Investments (valued at cost)				
Great Eastern CSR Foundation			-	*
Aggregate amount of unquoted investments			**1,037.81**	**1,037.80**

* indicates amount less than ₹ 1 lac.

14 DEFERRED TAX

Pursuant to the introduction of Section 115 VA under the Indian Income Tax Act, 1961, the Company has opted for computation of it's income from shipping activities under the Tonnage Tax Scheme. Thus income from the business of operating ships is assessed on the basis of deemed Tonnage Income of the Company and no deferred tax is applicable to such income as there are no timing differences.

Deferred tax asset in respect of the non-tonnage income of the company is comprised of:

Particulars	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Difference in depreciation as per books and tax	0.45	0.84
Expenditure allowable for tax purposes on payment basis	0.12	0.06
Total	**0.57**	**0.90**

15 LONG TERM LOANS & ADVANCES

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Unsecured considered good		
Capital advances	0.33	0.42
Security deposits	1.21	1.21
Loans and advances to related parties *	-	6.25
Advance Payment of Income Taxes	13.74	4.23
(net of provision for income tax ₹ 164.17 crores; previous year ₹ 77.54 crores)		
	15.28	**12.11**
* Loans and advances to related parties represents loans to subsidiaries as under :		
Greatship (UK) Limited	-	6.25
	-	**6.25**

16 OTHER NON CURRENT ASSETS

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Long term deposits with banks with original maturity more than 12 months	132.68	-
Deposit with Bank in margin / reserve accounts	2.00	-
Unamortised finance charges	1.98	3.64
	136.66	**3.64**

17 CURRENT INVESTMENTS

Investments in Mutual Funds

(Valued at lower of cost and fair value)

Unquoted	Face Value INR	As at March 31,2016 No. of units	As at March 31,2016 Rs in Crores	As at March 31,2015 No. of units	As at March 31,2015 Rs in Crores
UTI - Money Market Fund - Institutional Plan - Daily Dividend Reinvestment	1000	65,212	6.54	-	-
UTI - Floating Rate Fund - STP - Regular Plan - Daily Dividend Reinvestment	1000	96,606	10.40	-	-
Reliance Medium Term Fund - Daily Dividend Plan	10	2,397,102	4.10	-	-
Reliance Liquid Fund Treasury Plan - Institutional Option-Daily Dividend	1000	33,100	5.06	130,873	20.01
ICICI Prudential Money Market Fund - Regular Plan Daily Dividend	100	-	-	1,501,097	15.03
Kotak Liquid Scheme Plan A-Daily Dividend	1000	-	-	163,928	20.05
HDFC Cash Management Fund Savings Plan - Daily Dividend Reinvestment	10	-	-	29,393,268	31.26
IDFC Cash Fund-Daily Dividend (Regular Plan)	1000	-	-	100,233	10.03
SBI Magnum Insta Cash Fund Liquid Floater -Regular Plan Daily Dividend	1000	-	-	39,833	4.02
Aggregate amount of unquoted Investments			**26.10**		**100.40**

18 INVENTORIES

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
(Valued at lower of cost and net realisable value)		
Stores & spares in warehouse & in transit to Rigs / Vessels	2.02	0.77
Stores & spares on board rigs	66.01	66.52
Fuel Oils	15.11	15.47
	83.14	**82.75**

19 TRADE RECEIVABLES

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Unsecured, considered good unless stated otherwise		
Outstanding for a period exceeding six months from the date they are due for payment		
- Considered good	7.71	4.94
- Considered doubtful	1.87	1.06
	9.58	6.00
- Provision for doubtful receivables	(1.87)	(1.06)
	7.71	4.94
Outstanding for a period less than six months from the date they are due for payment		
- Considered good	196.59	161.31
(includes ₹ 6.85 crores; previous year ₹ 6.75 crores due from a subsidiary)		
	204.30	**166.25**

20 CASH AND BANK BALANCES

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Cash and Cash Equivalents		
Balances with banks		
-Current accounts	234.22	130.59
-Deposits with maturity less than 3 months	-	45.75
Cash in hand	0.01	0.01
	234.23	176.35

21 SHORT TERM LOANS & ADVANCES

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Unsecured, considered good, unless stated otherwise		
Advances recoverable in cash or in kind	7.21	13.05
Agents current accounts	0.25	0.31
Deposits	3.40	13.35
Prepayments	5.49	7.57
Receivable for mark to market gain on derivative contracts	0.02	-
	16.37	**34.28**

22 OTHER CURRENT ASSETS

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Interest accrued on bank deposits	1.23	0.11
Unamortised finance charges	1.15	1.08
	2.38	**1.19**

23 REVENUE FROM OPERATIONS

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Charter hire income (refer note 38)	1,591.11	1,286.55
Other Operating Income :		
- Insurance claims	2.81	4.06
	1,593.92	**1,290.61**

24 OTHER INCOME

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Interest income		
- on deposits with banks	1.62	0.51
- on inter company loans	0.23	2.90
Dividend on current investments	1.39	1.15
Profit on sale of current investments	-	0.10
Profit on sale of vessel / other assets	25.16	-
Corporate guarantee commission	5.13	5.95
Miscellaneous income	1.31	0.47
Gain on foreign currency transactions (net)	22.91	31.25
	57.75	**42.33**

25 EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Salaries, wages & allowances	251.63	220.02
Contribution to provident & other funds	8.57	5.32
Employee stock option encashment scheme expense	0.55	2.01
Staff welfare expenses	10.00	9.68
	270.75	**237.03**

26 FINANCE COST

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Interest on term loans from banks	26.99	34.98
Finance charges	2.00	6.97
	28.99	**41.95**

27 DEPRECIATION AND AMORTISATION EXPENSE

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Depreciation on tangible assets	133.81	125.52
Depreciation on intangible assets	0.36	0.81
	134.17	**126.33**

28 IMPAIRMENT LOSS

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Impairment loss on tangible assets	86.23	-
	86.23	-

During the financial year, the Company has reviewed the carrying amount of its fleet consequent to the steep fall in oil prices and resultant fall in charter hire rate for its supply vessels as well as the fall in market value of such vessels, the company has made provision for impairment loss on four supply vessels aggregating to ₹ 86.23 crores as the carrying amount of the said vessels was lower than its recoverable amount.

29 OTHER EXPENSES

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Fuel, oil & water	16.20	26.70
Hire of chartered rigs, vessels and equipments	562.32	443.74
Consumption of stores and spares	86.45	85.45
Technical management fees	1.52	2.61
Agency fees	1.73	4.86
Port Dues	0.45	1.48
Repairs and maintenance		
- Rigs and vessels	27.69	39.24
- Buildings	0.27	0.08
- Others	1.92	1.42
Insurance		
- Fleet insurance	24.97	32.11
- Others	1.34	1.20

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Contribution towards CSR activities (refer note 37)	4.20	4.06
Loss on sale of Fixed assets	-	0.29
Travelling and conveyance expenses	10.51	14.84
Communication expenses	9.48	7.57
Rent	5.71	5.33
Rates and taxes	0.03	0.08
Brokerage and commission	-	0.28
Payment to Auditors (refer note 33)	1.09	0.66
Bad debts written off	-	17.23
Provision for doubtful debts and advances (net)	0.81	(16.17)
Loss on Cancellation of Hedging Contracts	-	6.45
Miscellaneous expenses	32.92	42.16
	789.61	**721.67**

30 EARNINGS PER SHARE

		Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Basic and Diluted earnings per share			
Profit for the year		254.92	175.88
Less : Dividend on Cumulative Preference Shares		23.32	18.07
Less : Dividend distribution tax on preference dividend		4.75	3.68
Profit attributable to Equity share holders		**226.86**	**154.13**
Number of Equity Shares as on April 1		111,345,500	111,345,500
Number of Equity shares as on March 31		111,345,500	111,345,500
Weighted average number of Equity shares outstanding during the year		111,345,500	111,345,500
Face value of per Equity Share	₹	10	10
Basic earnings per share	₹	20.37	13.84
Diluted earnings per share	₹	20.37	13.84

31 CONTINGENT LIABILITIES

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
a) Guarantees given by banks	228.27	193.86
b) Corporate guarantees given on behalf of subsidiary companies	1,124.32	2,174.05
c) Claims against the Company not acknowledged as debt:		
i) Demand for Service Tax disputed by the Company	405.30	306.06
Above includes service tax claims pertaining to jurisdictional applicability on charter hire, excess utilisation of CENVAT Credit, supply of fuel /		

	Year ended March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
diesel by the charterers and non-payment of service tax under reverse charge mechanism on various input services received from foreign vendors		
ii) Demand for Customs duty disputed by the Company (pertaining to mis-classification of Marine Gas Oil/HFHSD and of vessel Greatship Dhwani)	15.65	15.65
iii) Demand for Maharashtra State VAT disputed by the Company (incl. interest and penalty) pertaining to non-payment of MVAT liability on charter hire of Rigs considering it to be a 'deemed sale' transaction	83.52	83.52
iv) Demand for income tax disputed by the Company	17.17	19.50

Amounts for points (i),(ii) & (iv) above are excluding interest and penalty.

32 CAPITAL COMMITMENTS

Estimated amount of contracts, net of advances paid thereon, remaining to be executed on capital account and not provided for - ₹ 0.21 crores (previous year ₹ 2.60 crores).

33 AUDITORS REMUNERATION

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
a) Audit Fees (including Limited Review)	0.35	0.30
b) In Other Capacity		
- Tax Audit	0.05	0.03
- Taxation Matters	0.42	0.26
- Certification & Other Services	0.27	0.07
	1.09	**0.66**

34 EMPLOYEE BENEFITS

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, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Contribution to Provident Fund	3.53	2.71
Contribution to Superannuation Fund	0.32	0.21
Contribution to National Pension Scheme	0.33	0.31
Contribution to Seamens' Provident Fund	0.42	0.32
Contribution to Seamens' Pension Annuity Fund	0.70	0.68
Contribution to Seamens' Gratuity Fund	0.20	0.20

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 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 for the Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
a) Discount Rate (per annum)	7.46%	8.00%	7.46%	8.00%	7.46%	8.00%
b) Rate of Return on Plan Assets	NA	NA	-	-	NA	NA
c) Salary Escalation Rate						
Shore Staff	5.00%	9.00%	-	-	5.00%	9.00%
Rig Staff	5.00%	6.00%	-	-	-	-
d) 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.
e) Attrition rate - Shore Staff	8.00%	8.00%	-	-	8.00%	8.00%
f) Attrition rate - Rig Staff	6.00%	7.00%	-	-	-	-
g) Expected average remaining service - Shore Staff	8.13	8.34	-	-	8.13	8.34
h) Expected average remaining service - Rig Staff	9.91	8.92	-	-	-	-

	Gratuity		Pension Plan		Compensated Absences	
i) Change in Benefit Obligation :	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Liability at the beginning of the year	6.82	5.13	7.00	3.79	0.36	0.33
Interest Cost	0.54	0.45	0.56	0.34	0.03	0.03
Current Service Cost	2.77	2.28	-	-	0.06	0.68
Benefits Paid	(0.26)	(0.26)	-	-	(0.04)	(0.04)
Actuarial (Gain) / loss on Obligation	0.09	(0.78)	1.51	2.86	0.12	(0.64)
Liability at the end of the year	9.95	6.82	9.07	7.00	0.54	0.36

	Gratuity		Pension Plan		Compensated Absences	
ii) Fair Value of Plan Assets :	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Fair Value of Plan Assets at the beginning of the year	6.98	5.20	-	-	-	-
Expected Return on Plan Assets	0.63	0.42	-	-	-	-
Employer's Contribution	3.70	0.97	-	-	0.04	0.04
Benefits Paid	(0.26)	(0.26)	-	-	(0.04)	(0.04)
Actuarial Gain / (loss) on Plan Assets	(0.31)	0.65	-	-	-	-
Fair Value of Plan Assets at the end of the year	10.74	6.98	-	-	-	-
Funded Status (including unrecognised past service cost)	0.79	0.16	(9.07)	(7.00)	(0.54)	0.36

	Gratuity		Pension Plan		Compensated Absences	
iii) Actual Return on Plan Assets :	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Expected Return on Plan Assets	0.63	0.42	-	-	-	-
Actuarial Gain / (loss) on Plan Assets	(0.31)	0.65	-	-	-	-
Actual Return on Plan Assets	0.32	1.07	-	-	-	-

	Gratuity		Pension Plan		Compensated Absences	
iv) Amount Recognised in the Balance Sheet	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Liability at the end of the Year	9.95	6.82	9.07	7.00	0.54	0.36
Fair Value of Plan Assets at the end of the year	10.74	6.98	-	-	-	-
Funded Status	0.79	0.16	(9.07)	(7.00)	(0.54)	(0.36)
Unrecognised past Service Cost	-	-	-	-	-	-
Amount Recognised in Balance Sheet	0.79	0.16	(9.07)	(7.00)	(0.54)	(0.36)

v) Expenses Recognised in the Statement of Profit & Loss	Gratuity		Pension Plan		Compensated Absences	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Current Service Cost	2.77	2.28	-	-	0.06	0.68
Interest Cost	0.54	0.45	0.56	0.34	0.03	0.03
Actuarial return on Plan Assets	(0.63)	(0.42)	-	-	-	-
Net Acturial (Gain) / Loss to be recognised	0.40	(1.43)	1.51	2.86	0.12	(0.64)
Expenses recognised in the profit and loss	3.07	0.88	2.07	3.20	0.21	0.07

vi) Investment Details (% invested)	Gratuity	
	Current Year	Previous Year
HDFC Life Defensive Management Fund II	100%	100%

vii) Other disclosures	Gratuity				
	2015-16	2014-15	2013-14	2012-13	2011-12
Present Value of Defined benefit obligation	9.95	6.82	5.13	4.34	1.77
Fair value of plan assets	10.74	6.98	5.20	4.34	1.78
Surplus or (Deficit) in the plan	0.79	0.16	0.07	(0.00)	0.01

vii) Other disclosures	Compensated Absences				
	2015-16	2014-15	2013-14	2012-13	2011-12
Present Value of Defined benefit obligation	0.54	0.36	0.33	0.30	0.16
Fair value of plan assets	-	-	-	-	-
Surplus or (Deficit) in the plan	-	-	-	-	-

viii) Experience History	Gratuity				
	2015-16	2014-15	2013-14	2012-13	2011-12
(Gain)/Loss on obligation due change in Assumption	(0.61)	0.17	(0.58)	(0.15)	(0.09)
Experience (Gain)/Loss on obligation	0.69	(0.95)	(0.94)	0.81	0.01
Actuarial Gain/(Loss) on plan assets	(0.31)	0.65	(0.10)	(0.03)	0.03

viii) Experience History	Compensated Absences				
	2015-16	2014-15	2013-14	2012-13	2011-12
(Gain)/Loss on obligation due change in Assumption	(0.10)	0.00	(0.01)	0.01	(0.01)
Experience (Gain)/Loss on obligation	0.22	(0.65)	(0.51)	(0.42)	(0.42)
Actuarial Gain/(Loss) on plan assets	-	-	-	-	-

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.

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 RELATED PARTY DISCLOSURE

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
GGOS Labuan Ltd., Malaysia
Greatship Oilfield Services Limited, Mumbai*
*Incorporated on July 09, 2015

c) **Fellow Subsidiaries :**

The Great Eastern Chartering LLC (FZC), Sharjah
The Great Eastern Shipping Company London Ltd., London
(Voluntarily wound up on March 31, 2016)
The Greatship (Singapore) Pte. Ltd., Singapore
The Great Eastern Chartering (Singapore) Pte. Ltd., Singapore
Great Eastern CSR Foundation.,India

d) **Key Management Personnel :**

Mr. Ravi K. Sheth	-	Managing Director
Mr. P.R. Naware	-	Executive Director
Mr. G. Shivakumar	-	Chief Financial Officer
Ms. Amisha Ghia	-	Company Secretary

e) **Relative of Key Management Personnel :**

Mr. Bharat K. Sheth	-	Non-Executive Chairman
Ms. Nirja B. Sheth	-	Daughter of Chairman
Mr. Pushkar Naware	-	Son of Executive Director

Transactions with related parties

₹ in Crores

Nature of transaction	Holding Company Year ended March 31, 2016	Holding Company Year ended March 31, 2015	Subsidiary Companies Year ended March 31, 2016	Subsidiary Companies Year ended March 31, 2015	Fellow Subsidiaries Year ended March 31, 2016	Fellow Subsidiaries Year ended March 31, 2015	Key Management Personnel and Relatives Year ended March 31, 2016	Key Management Personnel and Relatives Year ended March 31, 2015
Transactions during the year:								
Corporate Guarantees Given / (Received)								
Greatship Global Energy Services Pte. Ltd.			-	387.50				
Loan Given and (Returned)								
Greatship Global Holdings Ltd.			-	(81.54)				
Greatship (UK) Ltd.			(6.85)	-				
Transfer of inventory on incharter of rig								
Greatship Global Energy Services Pte. Ltd.			0.34	14.08				
Investment in Equity Share Capital								
Great Eastern CSR Foundation					-	*		
Greatship Oilfield Services Limited			0.01	-				
Interest Income on Loan								
Greatship Global Holdings Ltd.			-	2.68				
Greatship (UK) Ltd.			0.23	0.22				
Corporate Guarantee Commission received								
Greatship Global Energy Services Pte. Ltd.			4.47	5.02				
Greatship Global Offshore Services Pte. Ltd.			0.66	0.93				
Dividend Paid								
The Great Eastern Shipping Company Ltd.	68.17	63.69						
Contribution paid towards CSR								
Great Eastern CSR Foundation					4.20	4.06		
Inchartering Expenses								
Greatship Global Energy Services Pte. Ltd.			531.82	418.68				
Charter Hire Income								
Greatship (UK) Ltd.			74.25	70.04				
Remuneration Paid								
Ravi K Sheth							8.87	10.05
P R Naware							3.06	2.52
G Shivakumar							0.64	0.40
Amisha Ghia							0.49	0.40
Nirja B Sheth (Relative of Director)							0.24	0.17
Pushkar P Naware (Relative of Director)							0.24	0.16
Commission paid								
Bharat K. Sheth							1.30	1.40
Shares redeemed								
7.5% Cumulative Redeemable Preference Shares	59.31	59.31						
Service charges for allotment of training slots	1.06	0.23						
Transfer of Served from India Scheme (SFIS)	- **	-						
Transfer of liability towards retirement beneifts of employees (net)	0.07	0.02						
Re-imbursement of Expenses Paid/(Received)								
Greatship (UK) Ltd.			10.17	12.29				
Greatship Global Energy Services Pte. Ltd.			-	1.42				
Outstanding Balances as on 31.03.2016								
Receivables								
Greatship (UK) Ltd.			6.85	6.75				
Payables	0.69	0.15						
Greatship Global Energy Services Pte. Ltd.			83.32	79.71				
Greatship (UK) Ltd.			18.97	9.51				
Loans and Advances								
Greatship (UK) Ltd.			-	6.25				
Corporate Guarantees Given / (Received) as on 31.03.2016	-	(14.57)						
Greatship Global Energy Services Pte. Ltd.			931.97	1,888.75				
Greatship Global Offshore Services Pte. Ltd.			192.35	285.30				

Note :

i) The significant related party transactions are disclosed separately under each transaction.

ii) * indicates amount less than ₹ 1 lac.

iii) ** Transfer of SFIS worth ₹ 1 Crore from Holding Company.

36 HEDGING CONTRACTS

The Company uses foreign exchange forward contracts, currency & interest swaps and options to hedge its exposure to movements in foreign exchange 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 highly probable forecast transactions 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.

a) Derivative instruments outstanding:

(i) Forward exchange contracts:

Details	Year ended March 31, 2016		Year ended March 31, 2015	
	Purchase	Sale	Purchase	Sale
Total no. of Contracts	-	24	-	12
Notional amount of Foreign Currency (USD in Million)	-	12	-	12
Amount recognised in Hedging reserve (loss)/ gain (₹ in Crores)	-	1.12	-	0.33
Maturity Period	-	Upto 12 months	-	Upto 12 months

(ii) Interest rate swap contracts:

Details	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Total No. of contracts	-	1
Principal Notional Amount (USD million)	-	5
Amount recognised in Hedging Reserve (loss) / gain (₹ in Crores)	-	(0.62)
Maturity Period	-	Upto 12 months

(iii) Currency swap contracts:

Details	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Total No. of contracts	3	5
Principal Notional Amount (USD million)	14	28
Principal Notional Amount (JPY million)	(1427)	(2974)
Amount recognised in Hedging Reserve (loss) / gain (₹ In Crores)	(1.65)	(3.78)
Maturity Period	Upto 32 months	Upto 44 months

b) The above mentioned derivative contracts having been entered into to hedge foreign currency risk of firm commitments and highly probable forecast transactions and the interest rate risk, have been designated as hedge instruments that qualify as effective cash flow hedges. The mark-to-market (loss) / gain on the foreign exchange derivative contracts outstanding as on March 31, 2016 amounting to loss of (₹ 0.53 crores) [Previous year (₹ 4.07 crores)] has been recorded in the hedging reserve account as on March 31, 2016.

The interest rate swaps are entered to hedge floating semi-annual interest payments on borrowings. Fair value gains and losses on the interest rate swaps recognised in Hedging Reserve are transferred to the Statement of Profit and Loss as part of interest expense over the period of borrowings.

The currency forward and option contracts were entered to hedge highly probable forecast 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 prior to occurrence of these transactions are transferred to the statement of profit and loss, except for forwards used to hedge highly probable forecast foreign currency purchases relating to construction of new vessels / rig, whose gains and losses are included in the cost of the assets and recognised in the statement of profit and loss over the estimated useful lives as part of depreciation expense.

c) Un-hedged foreign currency exposures as on March 31, 2016 :

Details	Year ended March 31, 2016	Year ended March 31, 2015
Loan liabilities and Payables		
(USD in millions)	143	181
(JPY in millions)	4	6
Receivables		
(USD in millions)	20	17
Bank Balances		
(USD in millions)	55	26

37 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Consequent to the requirement of section 135 of The Companies Act 2013, the company has contributed to Great Eastern CSR Foundation towards CSR expenditure:

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
(a) Gross amount required to be spent by the Company during the year.	4.20	4.06
(b) Amount spent in cash for purposes other than for construction/ acquisition of any asset during the year	4.20	4.06

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 VII of The Companies Act 2013.

38 SEGMENT REPORTING

a) **Primary segment reporting by business segment:**

The Company is engaged only in Offshore Oilfield Services segment and there are no separate reportable segments as per Accounting Standard (AS) 17 'Segment Reporting.'

b) **Secondary segment reporting by geographical segment:**

i) Segment-wise Revenue from Operations and Sales:

Particulars	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Revenue from customers outside India	100.67	158.82
Revenue from customers within India	1,493.25	1,131.79
Total	**1,593.92**	**1,290.61**

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

(iii) In view of (ii) above the total cost incurred during the year ended March 31, 2016 geographical segment wise reporting is not applicable.

39 OPERATING LEASE

Operating Lease Commitments - where the company is lessee

The Company has taken four Rigs on operating lease for periods ranging between 3 to 5 years. Premises taken on leave & license basis which is similar in substance to an operating lease are also included in the leasing arrangements here under:

Details	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
a) Total Future Minimum Lease payments		
- Not later than 1 year	458.85	491.66
- Later than 1 year and not later than 5 years	710.63	875.70
b) Lease payments recognised in the statement of profit and loss for the period.	540.88	424.00
c) Vessels taken/given on time charter hire are not considered as operating lease.		

40 a) Considering the nature of the Company's business, where capital goods in the nature of vessels & rigs are imported under essentiality certificate with a condition to re-export and stores & spares are consumed in India & abroad depending on the location of the assets at the time of consumption, it is not feasible to provide the information relating to imports calculated on C.I.F basis as prescribed under revised schedule VI.

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
b) Expenditure in foreign currency		
Incharter Expenses	534.62	440.30
Fuel Expenses	10.78	26.57
Stores & Spares	52.40	44.38
Repairs and Maintenance	9.07	16.15
Other Operating Expenses	19.68	75.27
Interest	28.99	41.95

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
c) Earnings in foreign currency		
Charter Hire	1,591.63	1,286.55
Insurance claim received	0.22	4.06
Corporate Guarantee Commission	5.13	5.95
Profit on sale of vessel	26.21	-
Interest Income	1.51	3.37
Miscellaneous Income	0.91	0.14

d) The Company did not have any non resident shareholders and has not remitted any dividend amount in foreign currencies during the year.

41 Particulars of loans,guarantees and investments covered under section 186 of The Companies Act 2013.

Loans to subsidiaries have been given for acquisition of assets and augmenting working capital reguirements. (Refer note 15)

The particulars of the Company's investments in wholly owned subsidiaries is disclosed in note 13.

The company has also provided corporate guarantees to the lender banks of the subsidiaries for availing term loans for acquisition of assets.

42 Previous year figures have been regrouped wherever necessary to confirm to current year classification.

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 / ASSOCIATE COMPANIES / JOINT VENTURES

PART 'A': SUBSIDIARIES

₹ in Crores

Sr. No.	Name of Subsidiary	Greatship Global Holdings Ltd.	Greatship Global Offshore Services Pte. Ltd.	Greatship Global Energy Services Pte. Ltd.	Greatship (UK) Limited	GGOS Labuan Ltd.	Greatship Oilfield Services Ltd.
1	Reporting Period	31/03/2016	31/03/2016	31/03/2016	31/03/2016	31/03/2016	31/03/2016
2	Reporting currency	USD	USD	USD	USD	USD	INR
3	Exchange Rate as on 31.03.2016	₹ 66.25	₹ 66.25	₹ 66.25	₹ 66.25	₹ 66.25	NA
4	Share Capital	1,472.09	470.77	1,119.39	3.31	- *	0.01
5	Reserves & Surplus	(0.45)	206.69	1,413.84	14.02	-	-
6	Total Assets	1,473.39	887.86	4,459.29	71.63	-*	0.01
7	Total Liabilities	1.75	210.39	1,926.06	54.29	-	-
8	Investments (Excludes investment in subsidiaries)	-	-	-	-	-	-
9	Turnover	-	164.59	540.71	135.44	-	-
10	Profit/(Loss) before taxation	(0.29)	(38.95)	284.01	12.85	-	-
11	Provision for taxation	-	1.51	0.01	2.62	-	-
12	Profit/(Loss) after taxation	(0.29)	(40.46)	284.00	10.23	-	-
13	Proposed Dividend	-	-	-	-	-	-
14	% of shareholding	100%	100%	100%	100%	100%	100%

Notes:

- Figures include foreign currency translation adjustment

*USD 1 (₹ 66.25)

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

For and on behalf of the Board

Bharat K. Sheth
Chairman

Ravi K. Sheth
Managing Director

G. Shivakumar
Chief Financial Officer

Amisha Ghia
Company Secretary

Mumbai, May 03, 2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GREATSHIP (INDIA) LTD.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Greatship (India) Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the "Group"), which comprise the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated 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 and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the 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 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2016, their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of four subsidiaries, whose consolidated financial statements reflect total assets of ₹ 5,296.99 crores as at March 31, 2016, total revenues of ₹ 294.49 crores and net cash outflows amounting to ₹ 182.65 crores for the year ended on that date as considered in the consolidated 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 financial statements, insofar as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the report of the other auditors.

Our opinion on the consolidated financial statements 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 the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, 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 financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2016 and taken on record by the Board of Directors of the Holding Company and the report of the auditors of the subsidiary company incorporated in India , none of the Directors of the Holding Company, is disqualified as on March 31, 2016, 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'

(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, in our opinion and to the best of our information and according to the explanations given to us:

  i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 33 to the Consolidated Financial Statements.

  ii. The Group 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 – Refer Notes 4(o) and 37 to the Consolidated Financial Statements.

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

For and on behalf of
Kalyaniwalla & Mistry
Chartered Accountants
Registration No. 104607W

Roshni R. Marfatia
Partner
Membership No: 106548

Mumbai
Date: May 3, 2016

ANNEXURE 'A'
TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para (f) under 'Report on Other Legal and Regulatory Requirements' section of our Report for the year ended March 31, 2016:

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

We have audited the internal financial controls over financial reporting of **Greatship (India) Ltd.** ("the Holding Company") and its subsidiary company incorporated in India as at March 31, 2016 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company and its subsidiary company incorporated in India 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 ('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 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 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 and its subsidiary company 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, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Kalyaniwalla & Mistry
Chartered Accountants
Firm Registration No. 104607W

Roshni R. Marfatia
Partner
Membership No: 106548

Place: Mumbai
Date: May 3, 2016

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH 2016

	Notes	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	5	216.47	230.97
Reserves and surplus	6	4,334.10	3,727.69
		4,550.57	**3,958.66**
Non current liabilities			
Long term borrowings	7	2,318.27	2,893.72
Long term provisions	8	12.65	9.29
		2,330.92	**2,903.01**
Current liabilities			
Trade payables	9	105.25	101.52
Other current liabilities	10	663.33	643.81
Short term provisions	11	49.24	119.01
		817.82	**864.34**
Total		**7,699.31**	**7,726.01**
ASSETS			
Non current assets			
Fixed assets			
Tangible assets	12	6,346.63	6,629.66
Intangible assets	13	0.36	0.72
Capital work-in-progress		-	0.39
Non-Current Investments	14	-	*
Deferred tax assets (net)	15	0.57	0.90
Long-term loans and advances	16	15.59	6.16
Other non-current assets	17	314.29	20.64
		6,677.44	**6,658.47**
Current assets			
Current Investments	18	26.10	100.40
Inventories	19	85.09	83.72
Trade receivables	20	228.88	199.39
Cash and bank balances	21	565.68	637.78
Short-term loans and advances	22	18.38	38.09
Other current assets	23	10.92	8.16
Non-Current Asset classified as held for sale	24	86.82	-
		1,021.87	**1,067.54**
Total		**7,699.31**	**7,726.01**

Significant accounting policies 4

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

As per our report attached hereto

For **KALYANIWALLA & MISTRY**
Chartered Accountants
Registration No.: 104607W

Roshni R. Marfatia
Partner
Membership No.:106548
Mumbai, May 3, 2016

For and on behalf of the Board

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 2016

	Notes	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Revenue :			
Revenue from operations	25	1,809.60	1,598.92
Other income	26	58.23	60.24
Total Revenue		**1,867.83**	**1,659.16**
Expenses :			
Employee benefits expense	27	336.18	314.64
Finance cost	28	104.12	112.00
Depreciation and amortisation expense	29	347.14	290.98
Impairment loss	30	144.55	-
Other expenses	31	336.33	390.78
Total expenses		**1,268.32**	**1,108.40**
Profit before tax		**599.51**	**550.76**
Tax expense:			
- Current tax		90.74	32.75
- Deferred tax		0.33	1.07
		91.07	**33.82**
Profit for the year		**508.44**	**516.94**
Earnings per equity share:	32		
[Nominal value per share ₹ 10 : previous year ₹ 10]			
- Basic		43.14	44.47
- Diluted		43.14	44.47
Significant accounting policies	4		

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

As per our report attached hereto

For **KALYANIWALLA & MISTRY**
Chartered Accountants
Registration No.: 104607W

Roshni R. Marfatia
Partner
Membership No.:106548
Mumbai, May 3, 2016

For and on behalf of the Board

Ravi K. Sheth
Managing Director

P.R. Naware
Executive Director

G. Shivakumar
Chief Financial Officer

Amisha M. Ghia
Company Secretary

10TH ANNIVERSARY 2006 - 2016

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2016

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
A. CASH FLOW FROM OPERATING ACTIVITIES :		
PROFIT BEFORE TAX:	599.51	550.76
Adjustments for:		
Depreciation	347.14	290.98
Impairment loss	144.55	-
Finance costs	104.12	112.00
(Profit) / Loss on sale of vessel / other assets (net)	(25.69)	(21.58)
Bad debts written off	-	17.23
Provision for bad and doubtful debts (net)	13.69	(13.53)
Interest income	(4.39)	(2.34)
Dividend on current investments	(1.39)	(1.15)
Profit on sale of current investments	-	(0.10)
Fair value gain on derivative financial instruments	-	(1.34)
Unrealised foreign exchange (gain) / loss	14.19	(6.32)
Exchange difference on settlement of monetary item	(2.34)	(17.66)
Effect of exchange differences on translation of assets and liabilities	9.00	12.65
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES :	**1,198.39**	**919.60**
Adjustment for:		
(Increase) / Decrease Inventory	(1.32)	(15.39)
(Increase) / Decrease Trade receivables	(30.45)	5.71
(Increase) / Decrease Loans and advances	19.91	(10.14)
Increase / (Decrease) Trade payables, other liabilities and provisions	(21.47)	57.51
	(33.33)	**37.69**
CASH GENERATED FROM OPERATIONS :	**1,165.06**	**957.29**
Taxes paid	(98.60)	(35.02)
NET CASH FROM OPERATING ACTIVITIES :	**1,066.46**	**922.27**
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Capital expenditure on fixed assets including capital advances	(10.09)	(1,103.28)
Proceeds from sale of vessel / other assets	83.50	24.33
Proceeds from sale of current investments	266.68	268.56
Purchase of current investments	(192.39)	(309.22)
Interest received	2.92	1.96
Dividend received	1.39	1.15
(Increase) / Decrease in earmarked bank balances	(3.54)	10.25
Bank deposit not considered as cash & cash equivalents - (placed) / matured	(320.25)	-
NET CASH USED IN INVESTING ACTIVITIES :	**(171.78)**	**(1,106.25)**
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from long term borrowings	453.81	1,874.07
Repayment of long term borrowings	(1,218.91)	(1,328.51)

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Interest paid	(106.14)	(113.14)
Dividend paid	(68.17)	(63.69)
Dividend distribution tax paid	(13.88)	(10.82)
Redemption of preference shares	(59.31)	(59.31)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES :	**(1,012.60)**	**298.60**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS :	**(117.92)**	**114.62**
Cash and Cash Equivalents as at April 1, 2015	611.10	480.50
Effect of exchange rate changes [(Loss) / Gain] on cash and cash equivalents	19.30	15.98
Cash and Cash Equivalents as at Mar 31, 2016 (See note below)	**512.48**	**611.10**

	March 31, 2016	March 31, 2015
Note: Components of Cash and Cash equivalents		
Cash & Cash Equivalents as		
Balances with banks		
- Current accounts	503.83	380.38
- Deposits with original maturity less than 3 months	8.60	230.70
Cash in hand	0.05	0.02
	512.48	**611.10**

As per our report attached hereto

For **KALYANIWALLA & MISTRY**
Chartered Accountants
Registration No.: 104607W

Roshni R. Marfatia
Partner
Membership No.:106548
Mumbai, May 3, 2016

For and on behalf of the Board

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, 2016

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 5 Platform Supply Vessels (PSVs), 8 Anchor Handling Tug cum Supply Vessels (AHTSVs), 2 Multipurpose Platform Supply and Support Vessels (MPSSVs) and 6 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.

2 Basis of Consolidation

The consolidated financial statements relate to Greatship (India) Limited and its wholly owned subsidiaries. The consolidation of accounts of the Company with its subsidiaries has been prepared in accordance with Accounting Standard (AS) 21 'Consolidated Financial Statements'. The financial statements of the parent and its subsidiaries are combined on a line by line basis and intra group balances, intra group transactions and 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.

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, 2016.

3 Information on Subsidiaries

The subsidiary companies considered in the consolidated financial statements are:

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) (Incorporated on October 23, 2006)	Singapore	100%	100%
3. Greatship Global Offshore Services Pte. Ltd. (GGOS) (subsidiary of GGHL) (Incorporated on May 8, 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%	100%
6. Greatship Oilfield Services Limited (GGOSL) (Incorporated on July 09, 2015)	Mumbai	100%	-

4 Significant Accounting Policies

(a) Basis of Preparation:

These financial statements are prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis to comply in all material aspects with Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current and non current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of services rendered and the time between the rendering of the services and their realization in cash and cash equivalent, the company has ascertained it's operating cycle as twelve months for the purpose of current - non current classification of assets & liabilities.

(b) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. However, uncertainty about these assumptions and estimates could result in the outcomes requiring material adjustment to the carrying amounts of assets and liabilities in future periods.

(c) Tangible Fixed Assets :

Tangible Fixed assets 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. Exchange differences on repayment and year end translation of foreign currency liabilities and fair value gains or losses on qualifying cash flow hedges, that are transferred from Hedging Reserve relating to acquisition of depreciable capital assets are adjusted to the carrying cost of the assets.

(d) Intangible Fixed Assets :

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

(e) Asset Impairment:

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

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

(f) Non-current assets classified as held for sale:

Non-current assets are classified as assets held-for-sale and carried at the lower of carrying amount and fair value less cost to sale if their carrying amount is receovered principally through a sale transaction rather than through continuing use. The assets are not depreciated or amortised while they are classified as held-for-sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in statements of comprehensive income.

(g) Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition or construction of the qualifying assets are added to the cost of the asset, upto the date of acquisition or completion of construction. Other borrowing costs are recognised in the period in which they are incurred except for transaction costs which are amortised over period of the loan.

(h) Investments:

Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as long term investments.

Current investments are stated at lower of cost and fair value on an individual basis and the resultant decline, if any, is charged to revenue. Long-term investments are carried at cost. Provision for diminution, if any, in the value of each long-term investment is made to recognise a decline, other than of a temporary nature.

(i) Inventories:

Inventories of fuel oil on vessels, rigs, stores & spares on rigs and at warehouse are carried at lower of cost or 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.

(j) Revenue Recognition:

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.

(a) Income from services : Revenue from Charter hire contracts are recognised pro rata over the period of the contract as and when services are rendered.

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

(c) Dividends : Dividend income is recognised when the right to receive dividend is established.

(k) Lease:

Company is the Lessee

(a) Finance lease:

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

Gain / (loss) arising from sale and finance leaseback of the vessel is determined based on fair values. Sale proceeds in excess of fair values and the excess of fair value over sale proceeds are deferred and amortised over the minimum lease terms.

(b) Operating lease :

Lease of assets in which a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payables under operating leases are charged to the statement of profit and loss on a straight line basis over the period of lease.

(l) Employee Benefits :

Liability is provided for retirement benefits of provident fund, superannuation, gratuity and compensated absences in respect of all eligible employees.

(a) Defined Contribution Plan :

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

(b) 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 the statement of profit and loss in the period in which they arise.

(c) 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 costs 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 period 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.

(m) Employee Share based payments:

Equity settled stock options granted under the Company's Employee stock option (ESOP) schemes are accounted as per the accounting treatment prescribed by SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines,1999 and the Guidance Note on Accounting for Employee Share based payments issued by ICAI. 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.

(n) Depreciation and Amortisation :

Depreciation is provided on the 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 as estimated by the Management (on technical evaluation) or over the estimated useful life as prescribed under the Schedule II to the Companies Act, 2013, whichever is lower. In respect of assets other than fleet, the residual value is not material and has thus been considered as nil. The residual value in case of vessels has been estimated on the basis of Light Displacement Weight (LDT) of the Vessels and the prevailing average rate for steel scrap. The residual value in case of rigs has been estimated at 5% of the cost of the rig.

Tangible Fixed Assets:	Estimated Useful life
Tangible Fixed Assets:	
Fleet	
- Offshore Supply Vessels	20 years
- Modern Rig	30 years
Furniture & Fixtures, Office Equipment #	5 years
Computers	3 years
Vehicles #	4 years
Plant & Equipment #	3 to 10 years
Network Servers	6 years
Mobile Phones #	2 years
Leasehold Improvements	Lease period
Intangible Fixed Assets:	
Software	5 years

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.

(o) Foreign Exchange Transactions:

Transactions in foreign currency are recorded at standard exchange rates determined monthly. Non monetary items, which are measured in terms of historical costs denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the year end are translated at closing rates. In accordance with Notification no. G.S.R. 225(E) dated March 31, 2009 and subsequent clarification by circular no. 25/2012 dated August 09, 2012 issued by Ministry of Coporate Affairs, Government of India, the Company has opted for adjusting the exchange difference arising on long term foreign currency monetary borrowings relating to acquistion of depreciable assets to the cost of those assets. Exchange differences arising on a monetary item that, in substance, forms part of the Company's net investment in a non integral foreign operation is accumulated in the Foreign Currency Translation Reserve until the disposal of the net investment. The difference in translation of all other monetary assets and liabilities and realised gains and losses on other foreign currency transactions are recognised in the statement of profit & loss.

Forward exchange contracts other than those entered into to hedge foreign currency risk of firm commitments or highly probable forecast transactions are translated at period end exchange rates and the resultant gains and losses as well as the gains and losses on cancellation of such contracts are recognised in the statement of profit and loss, except in case of contracts relating to the acquisition of depreciable capital assets, in which case they are added to or deducted from the cost of the asset. Premium or discount on such forward exchange contracts is amortised as income or expense over the life of the contract.

Currency swaps which form an integral part of the loans are translated at closing rates and the resultant gains and losses are dealt with in the same manner as the translation differences of long term monetary items.

(p) Derivative Financial Instruments and Hedging:

The Company enters into derivative financial instruments to hedge foreign currency risk of firm commitments and highly probable forecast transactions and interest rate risk. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company documents at the inception of the transaction, the relationship between the hedging instrument and hedged items as well as its risk management objective and strategies for undertaking various hedged transactions. The carrying amount of a derivative designated as a hedge is presented as a mark - to - market gain / (loss) on derivative contracts under provisions. The company does not enter into any derivatives for trading purposes.

Forward exchange contracts entered into to hedge foreign currency risks of firm commitments or highly probable forecast transactions, forward rate options, currency and interest rate swaps that qualify as cash flow hedges are recorded in accordance with the principles of hedge accounting enunciated in Accounting Standard (AS) 30 – Financial Instruments: Recognition and Measurement. The gains or losses on designated hedging instruments that qualify as effective hedges are recorded in the Hedging Reserve and are recognised in the statement of profit and loss in the same period or periods during which the hedged transaction affects profit or loss or are transferred to the cost of the hedged non-monetary asset upon acquisition.

Gains or losses on ineffective hedge transactions are immediately recognised in the statement of profit and loss. When a forecasted transaction is no longer expected to occur the gains and losses that were previously recognised in the Hedging Reserve are immediately transferred to the statement of profit and loss.

(q) Provision for Taxation:

Tax expense comprises both current and deferred tax.

Current income-tax is recognised at the amount expected to be paid to the tax authorities, using the tax rates and tax laws, enacted or substantially enacted as at the balance sheet date. Income from shipping activities in India is assessed on the basis of deemed tonnage income of the Company. Foreign tax is recognised on accrual basis in accordance with the respective laws.

Deferred income-tax is recognised on timing differences, between taxable income and accounting income which originate in one period and are capable of reversal in one or more subsequent periods only in respect of the non-shipping activities of the Company. The tax effect is calculated on the accumulated timing differences at the year end based on tax rates and laws, enacted or substantially enacted as of the balance sheet date. Deferred Tax Assets are recognised and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realised. Deferred tax assets are not recognized on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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

(r) Provisions and Contingent Liabilities:

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

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group. No disclosure is made in case of possible obligations in respect of which likelihood of outflow of resources is remote.

(s) Cash and Cash Equivalents :

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with maturities of three months or less, which are subject to an insignificant risk of change in value. For the purpose of presentation in the consolidated statement of cash flows, the cash and cash equivalents is net of short term fixed deposit collateralised for bank guarantees.

(t) 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.

5 Share Capital

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	₹ In Crores	No. of Shares	₹ In Crores
Authorised				
Equity Shares of par value ₹ 10/-	135,000,000	135.00	135,000,000	135.00
Preference Shares of par value ₹ 10/-	229,000,000	229.00	229,000,000	229.00
		364.00		**364.00**
Issued, subscribed and paid up				
Equity Shares of par value ₹ 10/- fully paid up	111,345,500	111.35	111,345,500	111.35
21.75% (previous year: 7.5%) Cumulative Redeemable Preference Shares of par value ₹ 10/- fully paid up	44,500,000	44.50	59,000,000	59.00
22.5% Cumulative Redeemable Preference Shares of par value ₹ 10/- fully paid up	60,624,000	60.62	60,624,000	60.62
Total		**216.47**		**230.97**

(a) Reconciliation of shares outstanding at the end of the year :

Details	As at March 31, 2016		As at March 31, 2015	
	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**
21.75% (previous year: 7.5%) Cum Redeemable Preference Shares				
Outstanding at the beginning of the year	59,000,000	59.00	73,500,000	73.50
Less: Redeemed during the year	14,500,000	14.50	14,500,000	14.50
Outstanding at the end of the year	**44,500,000**	**44.50**	**59,000,000**	**59.00**
22.5% Cum Redeemable Preference Shares of par value ₹ 10/- fully paid up				
Outstanding at the beginning of the year	60,624,000	60.62	60,624,000	60.62
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	**60,624,000**	**60.62**	**60,624,000**	**60.62**

(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.

Preference Shares:

(a) The 7.5% Cumulative Redeemable Preference Shares of par value ₹ 10/- each were issued at a premium of ₹ 20/- per share on preferential basis to the Holding Company, "The Great Eastern Shipping Company Ltd" in the year 2008-09.The said shares were to be redeemed at a premium of ₹ 30.90 per share in six annual installments from April 1,2013 to April 1,2018.

During the year, the terms of the outstanding 44,500,000 preference shares have been modified by the Board of Directors of the company, increasing the rate of dividend from 7.5% to 21.75% p.a. effective FY 2016 and deferring the redemption of the said shares in four installments from April 1,2021 to April 1,2024 as under:

i. 11,125,000 Preference Shares on April 1, 2021

ii. 11,125,000 Preference Shares on April 1, 2022

iii. 11,125,000 Preference Shares on April 1, 2023

iv. 11,125,000 Preference Shares on April 1, 2024

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.

(b) The 22.5% Cumulative Redeemable Preference Shares of par value ₹ 10/- each, issued at a premium of ₹ 20/- per share on preferential basis to the Holding Company, "The Great Eastern Shipping Company Ltd", are to be redeemed at a premium of ₹ 20/- per share in four annual installments from April 1, 2018 as per the revised terms as under :

i. 15,156,000 Preference Shares on April 1, 2018

ii. 15,156,000 Preference Shares on April 1, 2019

iii. 15,156,000 Preference Shares on April 1, 2020

iv. 15,156,000 Preference Shares on April 1, 2021

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.

(c) Shares held by The Great Eastern Shipping Company Limited, the holding company :

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Equity Shares	111.35	111.35
111,345,500 (Previous year 111,345,500) shares		
Preference Shares		
44,500,000 21.75% (previous year: 59,000,000 7.5%) Cumulative Redeemable Preference Shares	44.50	59.00
60,624,000 22.5% (previous year: 60,624,000 22.5%) Cumulative Redeemable Preference Shares	60.62	60.62

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

Name of Shareholder	As at March 31, 2016 % of Holding	As at March 31, 2016 No. of Shares held	As at March 31, 2015 % of Holding	As at March 31, 2015 No. of Shares held
Equity Shares				
The Great Eastern Shipping Company Limited	100%	111,345,500	100%	111,345,500
21.75% Cumulative Redeemable Preference Shares				
The Great Eastern Shipping Company Limited	100%	44,500,000	100%	59,000,000
22.5% Cumulative Redeemable Preference Shares				
The Great Eastern Shipping Company Limited	100%	60,624,000	100%	60,624,000

The company's immediate and ultimate Holding Company is "The Great Eastern Shipping Company Limited", a company incorporated in India, as defined under AS-21 Consolidated Financial Statements and AS-18 Related Party Disclosures.

(e) Shares allotted as fully paid up pursuant to contract(s) without payment being received in cash during the period of five years immediately preceeding the reporting date - NIL

(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 preceeding the reporting date.

(g) Employee Stock Option Scheme :

The employee stock options of the Company were granted under 5 different Employee Stock Option Schemes ('Scheme/s') to the employees of the Company, the parent company and the subsidiaries. ESOP 2008 - I scheme was closed on March 31, 2013 with the encashment of all the options under the scheme. All the ESOPs are in respect of the Company's shares where each stock option is equivalent to one equity share.

During the year under review, no grant of stock options were made under any of the 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.

During the year under review, as per the Encashment Scheme approved in the year 2012, the option grantees under all Schemes were given an opportunity to encash all or part of their vested options as on March 31, 2015 and accordingly 651,480 options were encashed by the option grantees. If there is no IPO by March 31, 2018, similar window would be opened to encash the remaining stock options (there would be no unvested stock options at that time). With this encashment, a total of 1,417,420 options have been encashed under the said Encashment Scheme, including 765,940 options encashed in 2012. With the encashment of all the outstanding stock options under the Scheme ESOP 2007, the Scheme stands closed as on March 31, 2016.

During the year, a total of 9,340 options were forfeited, making the total options outstanding as on March 31, 2016 to 151,060 (net of encashed).

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

Sr. No.	PARTICULARS	ESOP 2007	ESOP 2007-II	ESOP 2008-II	ESOP 2010
1.	Date of Grant	10/08/07 28/01/08 05/05/09	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	23/01/07	20/11/07	28/01/08	18/03/10
3.	Date of Shareholders' Approval	27/03/07	21/11/07	31/01/08	23/04/10
4.	Options approved	1,000,000	200,000	1,710,000	1,028,900

Sr. No.	PARTICULARS	ESOP 2007	ESOP 2007-II	ESOP 2008-II	ESOP 2010
5.	Options outstanding at the beginning of the year	88,160	25,600	408,300	289,820
6.	Options granted during the year	--	--	--	--
7.	Options cancelled/ forfeited during the year	--	--	--	9,340
8.	Options Exercised during the year	--	--	--	--
9.	Options encashed during the year	88,160	21,000	363,600	178,720
10.	Options outstanding at the end of the year	--	4,600	44,700	101,760
11.	Exercise Price/Weighted Average Exercise Price	100	100	135	135
12.	Exercise period from the date of vesting	One year from the date of vesting/listing whichever is later	One year from the date of vesting/listing whichever is later	One year from the date of vesting/listing whichever is later	One year from the date of vesting/listing whichever is later
13.	Exercisable at end of the year	--	--	--	--
14.	Method of Settlement	Equity/Cash	Equity	Equity/Cash	Equity
15.	Vesting period from the date of grant	20% equally over a period of five years	One year	20% equally over a period of five years	20% equally over a period of five years
16.	Vesting conditions	Continued employment with the Company (includes transfer within group companies)	Continued employment with the holding Company "The Great Eastern Shipping Co. Ltd." (includes transfer within group companies)	Continued employment with the Company or subsidiaries (includes transfer within group companies)	Continued employment with the Company or subsidiaries (includes transfer within group companies)

The employee stock options schemes had been accounted on the intrinsic value method upto the year ended March 31, 2016.The compensation expense amount which is the difference between the exercise price of the option and the intrinsic value of the shares was amortised over the vesting period.

Pursuant to the encashment scheme for Employee Stock Options (ESOPs) introduced by the Company during 2012, 651,480 options were encashed at the fair value determined under the scheme during the year ended March 31, 2016. Since the encashment scheme also provides for another window to be opened in March 2018 to encash stock options that have vested till such date, the liability in respect of the outstanding options has also been measured at the fair value determined in accordance with the encashment scheme and the difference in the fair value and the exercise price is amortised over vesting period.

The cumulative amount of employee stock option expense amortised upto March 31, 2016 of ₹ 2.30 crores (Previous year ₹ 1.37 crores) is included in long term provisions & ₹ NIL in Short term provisions (Previous year ₹ 9.80 crores).

6 RESERVES & SURPLUS

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
CAPITAL RESERVE		
Balance at the beginning and the end of the year	2.95	2.95
CAPITAL REDEMPTION RESERVE		
Balance at the beginning of the year	29.00	14.50
Transfer from General reserve on redemption of preference shares	14.50	14.50
Balance at the end of the year	**43.50**	**29.00**

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
PREFERENCE SHARE CAPITAL REDEMPTION RESERVE		
Balance at the beginning of the year	241.38	256.14
Add: Transfer from securities premium reserve	19.32	30.05
Less: Utilised for redemption of preference shares	(44.81)	(44.81)
Balance at the end of the year	**215.89**	**241.38**
SECURITIES PREMIUM RESERVE		
Balance at the beginning of the year	1,152.99	1,183.04
Less: Transfer to preference share capital redemption reserve	(19.32)	(30.05)
Balance at the end of the year	**1,133.67**	**1,152.99**
FOREIGN CURRENCY TRANSLATION RESERVE		
Balance at the beginning of the year	619.69	524.93
Add: Exchange difference on net investment in subsidiaries	171.25	108.78
(Less): Transfer to statement of profit & loss on realisation	(1.74)	(14.02)
Balance at the end of the year	**789.20**	**619.69**
GENERAL RESERVE		
Balance at the beginning of the year	54.85	69.35
Less: Transfer to Capital redemption reserve	(14.50)	(14.50)
Balance at the end of the year	**40.35**	**54.85**
HEDGING RESERVE		
Balance at the beginning of the year	(9.07)	(25.10)
(Less) / Add : Fair value (loss) / gain on derivative contracts designated as cash flow hedges (net)	1.34	16.03
Balance at the end of the year	**(7.73)**	**(9.07)**
TONNAGE TAX RESERVE		
Balance at the beginning of the year	142.00	107.00
Add : Transfer from statement of profit and loss	25.00	35.00
Balance at the end of the year	**167.00**	**142.00**
SURPLUS IN STATEMENT OF PROFIT AND LOSS		
Balance at the beginning of the year	1,493.90	1,094.02
Add : Profit for the year	508.44	516.94
Less: Transfer to Tonnage Tax Reserve Account under section 115VT of the Income Tax Act, 1961	(25.00)	(35.00)
Amount available for appropriation	**1,977.34**	**1,575.96**
Less: Appropriations:		
Dividend on preference shares	23.32	18.07
Proposed dividend on equity shares	-	50.11
Dividend distribution tax	4.75	13.88
Balance at the end of the year	**1,949.27**	**1,493.90**
	4,334.10	**3,727.69**

10TH ANNIVERSARY 2006 - 2016

GREATSHIP 10th ANNIVERSARY 2006-16

7 LONG TERM BORROWINGS

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Secured		
Foreign currency term loans from banks	2,318.27	2,893.72
	2,318.27	**2,893.72**

Foreign currency term loans are secured by mortgage of the vessels, assignment of ship building contracts, assignment of earning, charge on earnings account, assignment of swap contracts and insurance contracts / policies of respective vessels. Additionally, The Great Eastern Shipping Company Limited, the holding company has issued guarantees as security for some loans to the extent of ₹ NIL (previous year ₹ 14.57 crores). The loans carry interest at the rate LIBOR plus 100 to 400 bps and are repayable in quarterly / half yearly installments over 4-8 years.

Loans taken in JPY currency have been swapped into USD as a condition precedent to the loan agreements.

Maturity profile of foreign currency term loan from banks

₹ In Crores

		1-2 years	2-3 years	3-4 years	4-5 years	Beyond 5 years
Foreign currency term loans from banks	CY	895.57	370.51	862.57	133.61	56.01
	PY	575.64	950.00	368.81	833.02	166.25

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

8 LONG TERM PROVISIONS

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Provision for employee benefits		
- Provision for compensated absences	0.60	0.45
- Director's Retirement Benefit Plan	9.07	7.00
- Gratuity	0.68	0.47
- Employee Stock Options Encashment Scheme (refer note 5 (g))	2.30	1.37
	12.65	**9.29**

9 TRADE PAYABLES

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Sundry creditors	105.25	101.52
	105.25	**101.52**

10 OTHER CURRENT LIABILITIES

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Current maturities of long term borrowings*	591.74	576.56
Interest accrued but not due on long term borrowings	12.41	13.42
Deposit received from customers	-	6.25
Other Payables :		
- Employee benefits	32.55	29.84
- Statutory liabilities	18.74	15.34
- Creditors for capital expenses	5.01	-
- Accrued expenses	2.88	2.40
	663.33	**643.81**

* Current maturities of long term borrowings includes ₹ 74.53 crores (previous year ₹ NIL) relating to a long term borrowing reclassified as current consequent to proposed refinancing arrangement.

11 SHORT TERM PROVISIONS

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Provision for employee benefits		
- Provision for compensated absences	0.65	0.33
- Employee Stock Options Encashment Scheme (refer note 5 (g))	-	9.80
	0.65	10.13
Others :		
- Provision for income tax (net of advance payment of tax and tax deducted at source ₹ 105.88 crores; previous year ₹ 105.88 crores)	13.35	11.46
- Provision for mark to market losses on derivative contracts	7.17	15.36
- Preference dividend	23.32	18.07
- Proposed equity dividend	-	50.11
- Provision for dividend distribution tax	4.75	13.88
	49.24	**119.01**

12 TANGIBLE ASSETS

₹ in Crores

PARTICULARS	GROSS BLOCK						DEPRECIATION					IMPAIRMENT		NET BLOCK	
	As at April 1, 2015	Additions	Deductions/ Adjustments **	Translation Exchange Difference	Other Adjustments*	As at March 31, 2016	Upto April 1, 2015	For the year	Deductions/ Adjustments **	Translation Exchange Difference	Upto March 31, 2016	For the year	Upto March 31, 2016	As at March 31, 2016	As at March 31, 2015
Fleet	3,191.71	-	253.95	50.64	57.03	3,045.43	695.61	163.12	50.26	11.94	820.41	86.23	86.23	2,138.79	2,496.10
Rigs	4,401.64	-	-	264.10	-	4,665.74	447.31	147.14	-	28.93	623.38	-	-	4,042.36	3,954.33
Leasehold Improvements	5.30	-	-	-	-	5.30	2.92	1.06	-	-	3.98	-	-	1.32	2.38
Plant & Equipment	269.17	13.16	-	12.79	-	295.12	98.86	32.49	-	5.53	136.88	-	-	158.24	170.31
Furniture & Fixtures	1.84	0.02	-	0.05	-	1.91	1.54	0.14	-	0.05	1.73	-	-	0.18	0.30
Vehicles	7.17	2.09	0.40	-	-	8.86	3.10	1.88	0.32	-	4.66	-	-	4.20	4.07
Office Equipments	2.09	0.15	0.11	-	-	2.13	1.22	0.40	0.11	-	1.51	-	-	0.62	0.87
Computers	4.22	0.15	0.20	0.05	-	4.22	2.92	0.55	0.20	0.03	3.30	-	-	0.92	1.30
Total	7,883.14	15.57	254.66	327.63	57.03	8,028.71	1,253.48	346.78	50.89	46.48	1,595.85	86.23	86.23	6,346.63	6,629.66
Previous Year - Total	6,359.90	1,329.41	2.80	154.51	42.12	7,883.14	961.22	290.17	2.32	4.41	1,253.48	-	7.63		

* Other Adjustments represents foreign currency loss on repayment and year end translation of foreign currency liabilities relating to acquisition of depreciable capital assets adjusted to the carrying cost of assets ₹ 57.03 Crores (previous year ₹ 42.12 Crores).

** Deductions/Adjustments from fleet for the current year includes one vessel classified as Asset Held for sale and removed from Gross Block ₹ 173.96 crore, Accumulated depreciation ₹ 27.18 crore, Net Block ₹ 145.98 crore (Refer Note 24).

13 INTANGIBLE ASSETS

₹ in Crores

PARTICULARS	GROSS BLOCK						DEPRECIATION					IMPAIRMENT		NET BLOCK	
	As at April 1, 2015	Additions	Disposals	Translation Exchange Difference	Other Adjustments*	As at March 31, 2016	Upto April 1, 2015	For the year	Disposals	Translation Exchange Difference	Upto March 31, 2016	For the year	Upto March 31, 2016	As at March 31, 2016	As at March 31, 2015
Software	4.95	-	-	-	-	4.95	4.23	0.36	-	-	4.58	-	-	0.36	0.72
Total	4.95	-	-	-	-	4.95	4.23	0.36	-	-	4.58	-	-	0.36	0.72
Previous Year - Total	6.02	0.30	1.37	-	-	4.95	4.45	0.81	1.03	-	4.23	-	-		

14 NON CURRENT INVESTMENTS

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Non trade Investment (valued at cost)		
Great Eastern CSR Foundation	-	*
Nil (previous year:1) Share of ₹ 10		
Aggregate amount of unquoted investments	-	-

** indicates amount less than ₹ 1 lac.*

15 DEFERRED TAX

Pursuant to the introduction of Section 115 VA under the Indian Income Tax Act, 1961, the Indian Company has opted for computation of it's income from shipping activities under the Tonnage Tax Scheme. Thus income from the business of operating ships is assessed on the basis of deemed Tonnage Income of the Company and no deferred tax is applicable to such income as there are no timing differences.

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

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Particulars		
Difference in depreciation as per books and tax	0.45	0.84
Expenditure allowable for tax purposes on payment basis	0.12	0.06
Total	**0.57**	**0.90**

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

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

16 LONG TERM LOANS & ADVANCES

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Unsecured, considered good		
Capital Advances	0.33	0.42
Security deposits	1.52	1.51
Advance Payment of Income Taxes	13.74	4.23
(net of provision for income tax ₹ 164.17 crores; previous year ₹ 77.54 crores)		
	15.59	**6.16**

17 OTHER NON CURRENT ASSETS

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Long term deposits with banks with original maturity more than 12 months	299.21	-
Deposit with bank in margin / reserve accounts	2.00	-
Unamortised finance charges	13.08	20.64
	314.29	**20.64**

18 CURRENT INVESTMENTS

Investments in Mutual Funds

(Valued at lower of cost and fair value)

Unquoted	Face Value INR	As at March 31,2016		As at March 31,2015	
		No. of units	₹ in Crores	No. of units	₹ in Crores
UTI - Money Market Fund - Institutional Plan - Daily Dividend Reinvestment	1,000	65,212	6.54	-	-
UTI - Floating Rate Fund - STP - Regular Plan - Daily Dividend Reinvestment	1,000	96,606	10.40	-	-
Reliance Medium Term Fund - Daily Dividend Plan	10	2,397,102	4.10	-	-
Reliance Liquid Fund Treasury Plan - Institutional Option-Daily Dividend	1,000	33,100	5.06	130,873	20.01
ICICI Prudential Money Market Fund - Regular Plan Daily Dividend	100	-	-	1,501,097	15.03
Kotak Liquid Scheme Plan A-Daily Dividend	1,000	-	-	163,928	20.05
HDFC Cash Management Fund Savings Plan - Daily Dividend Reinvestment	10	-	-	29,393,268	31.26
IDFC Cash Fund-Daily Dividend (Regular Plan)	1,000	-	-	100,233	10.03
SBI Magnum Insta Cash Fund Liquid Floater -Regular Plan Daily Dividend	1,000	-	-	39,833	4.02
Aggregate amount unquoted Investments			**26.10**		**100.40**

19 INVENTORIES

(Valued at lower of cost and net realisable value)	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Stores and spares in warehouse & in transit to Rigs / Vessels	2.02	0.77
Stores & spares on board rigs	66.01	66.51
Fuel Oils	17.06	16.44
	85.09	**83.72**

20 TRADE RECEIVABLES

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Unsecured, considered good unless stated otherwise		
Outstanding for a period exceeding six months		
from the date they are due for payment		
- Considered good	4.83	8.49
- Considered Doubtful	4.77	3.76
Outstanding for a period less then six months		
from the date they are due for payment		
- Considered good	224.05	190.90
- Considered Doubtful	13.02	-
	246.67	203.15
- Provision for doubtful receivables	(17.79)	(3.76)
	228.88	**199.39**

21 CASH & BANK BALANCES

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Cash and Cash Equivalents		
Balances with banks		
- Current accounts	503.83	380.38
- Deposits with original maturity less than 3 months	8.60	230.70
Cash in hand	0.05	0.02
	512.48	611.10
Other bank balances		
Balances with banks in margin / reserve accounts	29.82	26.68
Deposits with banks having original maturity more than 3 months but less than 12 months	23.38	-
	565.68	**637.78**

22 SHORT TERM LOANS & ADVANCES

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Unsecured, considered good, unless stated otherwise		
Advances recoverable in cash or in kind	8.39	14.17
Agents current accounts	0.25	0.31
Deposits	3.53	13.35
Prepayments	6.21	10.26
	18.38	38.09

23 OTHER CURRENT ASSETS

	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Interest accrued on bank deposits	2.34	0.80
Unamortised finance charges	8.58	7.36
	10.92	**8.16**

24 NON CURRENT ASSETS CLASSSIFIED AS HELD FOR SALE

During the financial year, the company is committed to a plan to sell a vessel in its present condition and classifies the carrying amounts of the vessel (Note 12) as held for sale at that date. A firm purchase commitment is obtained and the completion of sale is highly probable within one year.

Reclassification from tangible fixed assets :	As at March 31, 2016 ₹ in Crores	As at March 31, 2015 ₹ in Crores
Gross Block (refer Note 12)	173.16	-
Accumulated depreciation	(27.18)	-
Net Block	145.98	-
Impairment loss	(59.16)	-
Total	**86.82**	-

25 REVENUE FROM OPERATIONS

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Charter hire income (refer note 39)	1,805.18	1,594.37
Other operating income		
Insurance claims	4.42	4.55
	1,809.60	**1,598.92**

26 OTHER INCOME

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Interest income		
- on deposits with banks	4.39	2.34
Dividend on current investments	1.39	1.15
Profit on sale of current investments	-	0.10
Profit on sale of vessels / other assets	25.69	21.57
Miscellaneous income	1.48	0.73
Gain on foreign currency transactions (net)	25.28	34.35
	58.23	**60.24**

27 EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Salaries, wages & allowances	308.12	285.63
Contribution to provident & other funds	9.24	5.91
Employee stock option encashment scheme expense	0.55	2.01
Staff welfare expenses	18.27	21.09
	336.18	**314.64**

28 FINANCE COST

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Interest on term loans from banks	90.23	92.24
Finance charges	13.89	19.76
	104.12	**112.00**

29 DEPRECIATION AND AMORTISATION EXPENSE

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Depreciation on tangible assets	346.78	290.17
Depreciation on intangible assets	0.36	0.81
	347.14	**290.98**

30 IMPAIRMENT LOSS

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Impairment loss on tangible assets	86.23	-
Impairment loss on assets held for sale	58.32	-
	144.55	-

During the financial year, the Company has reviewed the carrying amount of its fleet consequent to the steep fall in oil prices and resultant fall in charter hire rate for its supply vessels as well as the fall in market value of such vessels, the company has made provision for impairment loss on four supply vessels aggregating to ₹ 86.23 crores as the carrying amount of the said vessels was lower than its recoverable amount.

31 OTHER EXPENSES

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Fuel, oil & water	18.69	27.06
Hire of chartered rigs, vessels and equipments	45.37	46.11
Consumption of stores and spares	97.19	103.06
Technical management fees	3.62	5.34
Agency fees	2.96	6.37
Port Dues	2.63	4.59
Repairs and maintenance		
- Rigs and vessels	35.56	49.96
- Buildings	0.27	0.08
- Others	1.96	1.46
Insurance		
- Fleet	27.67	35.12
- Others	1.54	1.39
Contribution towards CSR activities (refer note 38)	4.20	4.06
Travelling and conveyance expenses	14.13	19.72
Communication expenses	11.76	10.22
Rent	6.69	6.34
Rates and taxes	0.03	0.08
Brokerage and commission	3.37	5.11
Payment to Auditors	1.51	1.07
Bad debts written off	-	17.23
Provision for doubtful debts and advances	13.69	(13.53)
Loss on cancellation of Hedging Contracts	-	6.45
Miscellaneous expenses	43.49	53.49
	336.33	**390.78**

32 EARNINGS PER SHARE

Basic and Diluted earnings per share	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Profit for the year	508.44	516.94
Less : Dividend on Cumulative Preference Shares	23.32	18.07
Less : Dividend distribution tax on preference dividend	4.75	3.68
Profit attributable to Equity share holders	480.37	495.19
Number of Equity shares as on April 1	111,345,500	111,345,500
Number of Equity shares as on March 31	111,345,500	111,345,500

		Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Weighted average number of Equity shares outstanding during the year		111,345,500	111,345,500
Face value of Equity share	₹	10	10
Basic earnings per share	₹	43.14	44.47
Diluted earnings per share	₹	43.14	44.47

33 CONTINGENT LIABILITIES

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
a) Guarantees given by banks	228.27	193.86
b) Claims against the Company not acknowledged as debts:		
i) Demand for Service Tax disputed by the Company	405.30	306.06
Above includes service tax claims pertaining 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) Demand for Customs duty disputed by the Company (pertaining to mis-classification of Marine Gas Oil/HFHSD and of vessel Greatship Dhwani)	15.65	15.65
iii) Demand for Maharashtra State VAT disputed by the Company (incl. interest and penalty) pertaining to non-payment of MVAT liability on charter hire of Rigs considering it to be a 'deemed sale' transaction	83.52	83.52
iv) Demand for income tax disputed by the Company	17.17	19.50

Amounts for points (i),(ii) & (iv) above are excluding interest and penalty.

34 CAPITAL COMMITMENTS

Estimated amount of contracts, net of advances paid thereon, remaining to be executed on capital account and not provided for - ₹ 0.21 crores (previous year ₹ 2.60 crores).

35 EMPLOYEE BENEFITS

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.

	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Contribution to Provident Fund	4.18	3.27
Contribution to Superannuation Fund	0.32	0.21
Contribution to National Pension Scheme	0.33	0.31
Contribution to Seamens' Provident Fund	0.42	0.32
Contribution to Seamens' Pension Annuity Fund	0.70	0.68
Contribution to Seamens' Gratuity Fund	0.20	0.20

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 for the Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
a) Discount Rate (per annum)	7.46%	8.00%	7.46%	8.00%	7.46%	8.00%
b) Rate of Return on Plan Assets	NA	NA	-	-	NA	NA
c) Salary Escalation Rate						
Shore Staff	5.00%	9.00%	-	-	5.00%	9.00%
Rig Staff	5.00%	6.00%	-	-	-	-
d) 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.
e) Attrition rate - Shore Staff	8.00%	8.00%	-	-	8.00%	8.00%
f) Attrition rate - Rig Staff	6.00%	7.00%	-	-	-	-
g) Expected average remaining service - Shore Staff	8.13	8.34	-	-	8.13	8.34
h) Expected average remaining service - Rig Staff	9.91	8.92	-	-	-	-
i) Expected average remaining service - Subsidiary Staff	6.72	7.34	-	-	-	-

	Gratuity		Pension Plan		Compensated Absences	
i) Change in Benefit Obligation :	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Liability at the beginning of the year	7.33	5.53	7.00	3.79	0.49	0.46
Interest Cost	0.58	0.49	0.56	0.34	0.03	0.03
Current Service Cost	2.84	2.38	-	-	0.14	0.68
Benefits Paid	(0.26)	(0.26)	-	-	(0.04)	(0.04)
Actuarial (Gain) / loss on Obligation	0.22	(0.81)	1.51	2.86	0.12	(0.64)
Liability at the end of the year	10.70	7.33	9.07	7.00	0.75	0.49

	Gratuity		Pension Plan		Compensated Absences	
ii) Fair Value of Plan Assets :	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Fair Value of Plan Assets at the beginning of the year	6.98	5.20	-	-	-	-
Expected Return on Plan Assets	0.63	0.42	-	-	-	-
Employer's Contribution	3.70	0.97	-	-	0.04	0.04
Benefits Paid	(0.26)	(0.26)	-	-	(0.04)	(0.04)
Actuarial Gain / (loss) on Plan Assets	(0.31)	0.65	-	-	-	-
Fair Value of Plan Assets at the end of the year	10.74	6.98	-	-	-	-
Funded Status (including unrecognised past service cost)	0.04	(0.35)	(9.07)	(7.00)	(0.75)	(0.49)

	Gratuity		Pension Plan		Compensated Absences	
iii) Actual Return on Plan Assets :	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Expected Return on Plan Assets	0.63	0.42	-	-	-	-
Actuarial Gain / (loss) on Plan Assets	(0.31)	0.65	-	-	-	-
Actual Return on Plan Assets	0.32	1.07	-	-	-	-

	Gratuity		Pension Plan		Compensated Absences	
iv) Amount Recognised in the Balance Sheet	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Liability at the end of the Year	10.70	7.33	9.07	7.00	0.75	0.49
Fair Value of Plan Assets at the end of the year	10.74	6.98	-	-	-	-
Funded Status	0.04	(0.35)	(9.07)	(7.00)	(0.75)	(0.49)
Unrecognised past Service Cost	-	-	-	-	-	-
Amount Recognised in Balance Sheet	0.04	(0.35)	(9.07)	(7.00)	(0.75)	(0.49)

v) Expenses Recognised in the Statement of Profit & Loss	Gratuity		Pension Plan		Compensated Absences	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Current Service Cost	2.84	2.38	-	-	0.14	0.68
Interest Cost	0.58	0.49	0.56	0.34	0.03	0.03
Acturial return on Plan Assets	(0.63)	(0.42)	-	-	-	-
Net Actuarial (Gain) / Loss to be recognised	0.53	(1.46)	1.51	2.86	0.12	0.64
Expenses recognised in the profit and loss	3.31	0.99	2.07	3.20	0.30	1.36

vi) Investment Details (% invested)	Gratuity	
	Current Year	Previous Year
HDFC Life Defensive Management Fund II	100%	100%

vii) Other disclosures	Gratuity				
	2015-16	2014-15	2013-14	2012-13	2011-12
Present Value of Defined benefit obligation	10.70	7.22	5.53	4.67	1.77
Fair value of plan assets	10.74	6.98	5.20	4.34	1.78
Surplus or (Deficit) in the plan	0.04	(0.24)	(0.32)	(0.33)	0.01

vii) Other disclosures	Compensated Absences				
	2015-16	2014-15	2013-14	2012-13	2011-12
Present Value of Defined benefit obligation	0.54	0.36	0.33	0.68	0.16
Fair value of plan assets	-	-	-	-	-
Surplus or (Deficit) in the plan	-	-	-	-	-

viii) Experience History	Gratuity				
	2015-16	2014-15	2013-14	2012-13	2011-12
(Gain)/Loss on obligation due change in Assumption	(0.67)	0.18	(0.59)	(0.15)	(0.09)
Experience (Gain)/Loss on obligation	0.89	(0.99)	(0.98)	1.04	0.01
Actuarial Gain/(Loss) on plan assets	(0.31)	0.65	(0.10)	(0.03)	0.03

viii) Experience History	Compensated Absences				
	2015-16	2014-15	2013-14	2012-13	2011-12
(Gain)/Loss on obligation due change in Assumption	(0.10)	0.00	(0.01)	0.01	(0.01)
Experience (Gain)/Loss on obligation	0.22	(0.65)	(0.51)	(0.57)	(0.42)
Actuarial Gain/(Loss) on plan assets	-	-	-	-	-

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.

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.

36 RELATED PARTY DISCLOSURE

List of Related Parties

a) **Holding Company :**

The Great Eastern Shipping Company Ltd.

b) **Fellow Subsidiaries :**

The Great Eastern Chartering LLC (FZC), Sharjah
The Great Eastern Shipping Company London Ltd., London
(Voluntarily woundup on March 31,2016)
The Greatship (Singapore) Pte. Ltd., Singapore
The Great Eastern Chartering (Singapore) Pte. Ltd., Singapore
Great Eastern CSR Foundation., India

c) **Key Management Personnel :**

Mr. Ravi K. Sheth - Managing Director
Mr. P.R. Naware - Executive Director
Mr. G. Shivakumar - Chief Financial Officer
Ms. Amisha Ghia - Company Secretary

d) **Relative of Key Management Personnel :**

Mr. Bharat K. Sheth - Non-Executive Chairman
Ms. Nirja B. Sheth - Daughter of Chairman
Mr. Pushkar Naware - Son of Executive Director

Transactions with related parties

₹ in Crores

Nature of transaction	Holding Company		Fellow Subsidiaries		Key Management Personnel and Relatives	
	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
Transactions during the year:						
Investment in Equity Share Capital						
Great Eastern CSR Foundation			-	*		
Dividend Paid						
The Great Eastern Shipping Company Ltd.	**68.17**	63.69				
Contribution paid towards CSR						
Great Eastern CSR Foundation			**4.20**	4.06		
Remuneration Paid						
Ravi K Sheth					**8.87**	10.05
P R Naware					**3.06**	2.52
G Shivakumar					**0.64**	0.40
Amisha Ghia					**0.49**	0.40
Nirja B Sheth (Relative of Director)					**0.24**	0.17
Pushkar P Naware (Relative of Director)					**0.24**	0.16

₹ in Crores

Transactions with related parties Nature of transaction	Holding Company Year ended March 31, 2016	Holding Company Year ended March 31, 2015	Fellow Subsidiaries Year ended March 31, 2016	Fellow Subsidiaries Year ended March 31, 2015	Key Management Personnel and Relatives Year ended March 31, 2016	Key Management Personnel and Relatives Year ended March 31, 2015
Commission Paid						
Bharat K. Sheth					**1.30**	1.40
Rent Received						
The Greatship (Singapore) Pte. Ltd.			**0.20**	0.20		
Shares redeemed						
7.5% Cumulative Redeemable Preference shares	**59.31**	59.31				
Service charges for allotment of training slots	**1.06**	0.23				
Transfer of Served from India Scheme (SFIS)	- **	-				
Transfer of liability towards retirement beneifts of employees (net)	**0.07**	0.02				
Outstanding Balances as on 31.03.2016						
Payables	**0.69**	0.15				
Corporate Guarantees Given / (Received)	-	(14.57)				

Note :

i) The significant related party transactions are disclosed separately under each transaction.

ii) * indicates amount less than ₹ 1 lac.

iii) ** Transfer of SFIS worth ₹ 1 Crore from Holding Company

37 HEDGING CONTRACTS

The Group uses foreign exchange forward contracts, currency & interest swaps and options to hedge its exposure to movements in foreign exchange rates. The Group does not use the foreign exchange forward contracts, currency & 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 highly probable forecast transactions 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.

a) Derivative instruments outstanding:

(i) Forward exchange contracts:

Details	Year ended March 31, 2016		Year ended March 31, 2015	
	Purchase	Sale	Purchase	Sale
Total no. of Contracts	-	24	-	12
Notional amount of Foreign Currency (USD in Million)	-	12	-	12
Amount recognised in Hedging reserve (loss) / gain (₹ in crores)	-	1.12	-	0.33
Maturity Period	-	Upto 12 months	-	Upto 12 months

(ii) Interest rate swap contracts:

Details	Year ended March 31, 2016	Year ended March 31, 2015
Total No. of contracts	11	14
Principal Notional Amount (USD million)	150	225
Amount recognised in Hedging Reserve (loss) / gain (₹ in crores)	(7.20)	(5.61)
Maturity Period	Upto 55 months	Upto 66 months

(iii) Currency swap contracts:

Details	Year ended March 31, 2016	Year ended March 31, 2015
Total No. of contracts	3	5
Principal Notional Amount (USD million)	14	28
Principal Notional Amount (JPY million)	(1427)	(2974)
Amount recognised in Hedging Reserve (loss) / gain (₹ In crores)	(1.65)	(3.78)
Maturity Period	Upto 32 months	Upto 44 months

b) The above mentioned derivative contracts having been entered into to hedge foreign currency risk of firm commitments and highly probable forecast transactions and the interest rate risk, have been designated as hedge instruments that qualify as effective cash flow hedges. The mark-to-market (loss) / gain on the foreign exchange derivative contracts outstanding as on March 31, 2016 amounting to loss of (₹ 7.73 crores) [previous year (₹ 9.07 crores)] has been recorded in the hedging reserve as on March 31, 2016.

The interest rate swaps are entered to hedge floating semi-annual interest payments on borrowings. Fair value gains and losses on the interest rate swaps recognised in Hedging Reserve are transferred to the Statement of Profit and Loss as part of interest expense over the period of borrowings.

The currency forward and option contracts were entered to hedge highly probable forecast 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 prior to occurrence of these transactions are transferred to the statement of profit and loss, except for forwards used to hedge highly probable forecast foreign currency purchases relating to construction of new vessels / rig, whose gains and losses are included in the cost of the assets and recognised in the statement of profit and loss over the estimated useful lives as part of depreciation expense.

c) Un-hedged foreign currency exposures as on March 31, 2016 :

Details	Year ended March 31, 2016	Year ended March 31, 2015
Loan liabilities and Payables		
(USD in millions)	444	562
(JPY in millions)	6	15
(SGD in millions)	1	1
(BRL in millions)	21	19
(NOK in millions)	- *	1
(AED in millions)	- *	1
Receivables		
(USD in millions)	23	34
(BRL in millions)	2	5
Bank Balances		
(USD in millions)	129	99
(SGD in millions)	- *	1

The un-hedged foreign currency exposures have been given in respect of currencies other than reporting currency of the respective enterprise.

* Amount less than 1 Million

38 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Consequent to the requirement of section 135 of The Companies Act 2013, the company has contributed to Great Eastern CSR Foundation towards CSR expenditure:

Details	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
(a) Gross amount required to be spent by the Company during the year.	4.20	4.06
(b) Amount spent in cash for purposes other than for construction/ acquisition of any asset during the year	4.20	4.06

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 VII of The Companies Act 2013.

39 SEGMENT REPORTING

a) Primary segment reporting by business segment:

The Group is engaged only in Offshore Oilfield Services segment and there are no separate reportable segments as per Accounting Standard (AS) 17 'Segment Reporting.'

b) Secondary segment reporting by geographical segment:

(i) Segment-wise Revenue from Operations and Sales:

Particulars	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
Revenue from customers outside India	316.35	467.13
Revenue from customers within India	1,493.26	1,131.79
Total	**1,809.61**	**1,598.92**

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

(iii) In view of (ii) above the total cost incurred during the year ended March 31, 2016 geographical segment wise reporting is not applicable.

40 Additional Information, as required under Schedule III to the Companies Act, 2013.

(₹ in Crores)

Name of Enterprise	FY 2015-16			
	Net assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
Parent				
Greatship (India) Limited	53.29%	2,424.94	50.14%	254.92
Indian subsidiary				
Greatship Oilfield Services Limited	0.00%	0.01	0.00%	-
Foreign subsidiary				
Greatship Global Holdings Ltd.	32.34%	1,471.64	(0.06%)	(0.28)
Greatship Global Energy Services Pte. Ltd.	55.67%	2,533.23	55.06%	279.93
Greatship Global Offshore Services Pte. Ltd.	14.89%	677.47	(7.84%)	(39.88)
Greatship (UK) Ltd.	0.38%	17.34	1.98%	10.09
GGOS Labuan Ltd.		*		*
	156.57%	7,124.63	99.28%	504.78
Intercompany Eliminations / Adjustments	(56.57%)	(2,574.06)	0.72%	3.66
Total	**100.00%**	**4,550.57**	**100.00%**	**508.44**

* indicates amount less than ₹ 1 lac.

(₹ in Crores)

Name of Enterprise	FY 2014-15			
	Net assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
Parent				
Greatship (India) Limited	56.98%	2,255.60	34.02%	175.88
Foreign subsidiary				
Greatship Global Holdings Ltd.	35.08%	1,388.61	(0.03%)	(0.18)
Greatship Global Energy Services Pte. Ltd.	53.66%	2,124.14	42.19%	218.08
Greatship Global Offshore Services Pte. Ltd.	17.10%	676.86	21.82%	112.79
Greatship (UK) Ltd.	0.17%	6.70	1.44%	7.44
GGOS Labuan Ltd.		*		*
	162.98%	6,451.91	99.43%	514.01
Intercompany Eliminations / Adjustments	(62.98%)	(2,493.25)	0.57%	2.93
Total	**100.00%**	**3,958.66**	**100.00%**	**516.94**

* indicates amount less than ₹ 1 lac.

GREATSHIP 10th ANNIVERSARY 2006-16

41 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. The particulars of leasing arrangement are as under :

Details	Year ended March 31, 2016 ₹ in Crores	Year ended March 31, 2015 ₹ in Crores
a) Total Future Minimum Lease payments		
- Not later than 1 year	10.68	6.63
- Later than 1 year and not later than 5 years	26.42	3.89
- Later than 5 years	-	-
b) Lease payments recognised in the statement of profit and loss for the year.	10.04	6.34
c) Vessels taken/given on time charter hire are not considered as operating lease.		

42 Previous year figures have been regrouped wherever necessary to confirm to current year classification.

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