TIDING OVER ROUGH WATERS

GREATSHIP (INDIA) LIMITED

OFFSHORE LOGISTICS • DRILLING SERVICES

ANNUAL REPORT 2016 - 2017

CONTENTS

Seated from left: Mr. Keki Mistry, Mr. Ravi K Sheth, Mr. Bharat K Sheth, Mr. Vineet Nayyar, Dr. Swaroop Rawal, Ms. Amisha Ghia, Standing from left: Mr. Shashank Singh, Mr. Pradyumna R Naware, Mr. Anil Singhvi, Mr. Mathew Cyriac, Mr. Berjis Desai, Mr. Tapas Icot, Mr. G Shivakumar

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 LLP Chartered Accountants Kalpataru Heritage 127, Mahatma Gandhi Road Mumbai 400 001
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 2012-13	FY 2013-14	FY 2014-15	FY 2015-16#	FY 2016-17#
Profit & Loss A/c					
Revenues	1,401.46	1,604.73	1,659.16	1,875.81	1,431.15
Operating Profit (PBIDT) (after adjusting impairment)	862.72	986.99	953.74	1,228.51	885.87
Net Profit (PAT)	430.72	463.78	516.94	523.77	154.71
Balance Sheet					
What the Company owned					
Fixed Assets	5,195.08	5,617.29	6,630.77	5,258.62	4,709.87
Investments & Net Current Assets (net of long term portion of current liabilities & provisions)	806.97	660.06	797.27	1,068.87	1,243.81
Deferred Taxation (Net)	1.18	1.95	0.90	12.14	11.18
TOTAL	**6,003.23**	**6,279.30**	**7,428.94**	**6,339.63**	**5,964.86**
What the Company owed					
Loans	3,113.60	2,806.98	3,470.28	3,241.24	2,745.21
Shareholders' Funds					
Equity Share Capital	111.35	111.35	111.35	111.35	111.35
Preference Share Capital *	148.62	134.12	119.62	-	-
Reserves & Surplus	2,629.66	3,226.85	3,727.69	2,987.04	3,108.30
	2,889.63	2,472.32	3,958.66	3,098.39	3,219.65
TOTAL	**6,003.23**	**6,279.30**	**7,428.94**	**6,339.63**	**5,964.86**

(US$ in Millions)

IN US DOLLARS	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16#	FY 2016-17#
Profit & Loss A/c					
Revenues	258.95	266 .12	271.42	287.26	213.25
Operating Profit (PBIDT) (after adjusting impairment)	159.41	163.68	156.02	188.13	132.00
PAT	79.59	76.91	84.56	80.21	23.05
Balance Sheet					
What the Company owned					
Fixed Assets	956.91	937.46	1,060.92	793.75	726.27
Investments & Net Current Assets (net of long term portion of current liabilities & provisions)	148.64	110.16	127.58	161.34	191.81
Deferred Taxation (Net)	0.22	0.32	0.14	1.83	1.72
TOTAL	**1,105.77**	**1,047.94**	**1,188.64**	**956.92**	**919.80**
What the Company owed					
Loans	573.51	468.45	555.25	489.24	423.32
Shareholders' Funds					
Equity Share Capital	20.51	18.58	17.82	16.81	17.17
Preference Share Capital *	27.38	22.38	19.14	-	-
Reserves & Surplus	484.37	538.53	596.43	450.87	479.31
	532.26	579.49	633.39	467.68	496.48
TOTAL	**1,105.77**	**1,047.94**	**1,188.64**	**956.92**	**919.80**

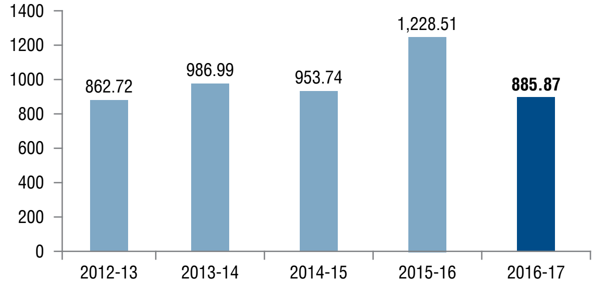
	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16#	FY 2016-17#
Debt-equity Ratio	1.46:1	1.05:1	1.06:1	1.05:1	0.85:1
Net Debt-equity Ratio	1.21:1	0.86:1	0.86:1	0.76:1	0.49:1
Return On Operating Networth	17.46%	15.09%	14.33%	18.61%	4.90%
Return On Operating Capital Employed	10.70%	10.44%	9.32%	10.32%	5.05%
Earning Per Share (in ₹)	36.57	39.64	44.47	47.04	13.89

The Group has prepared the opening balance sheet as per IND AS as of April1, 2015 (the transition date), by recognising all assets and liabilities whose recognition is required by IND AS, not recognising items of assets or liabilities which are not permitted by IND AS, by reclassifying items from previous GAAP to IND AS as required under IND AS, and applying IND AS measurement of recognised assets and liabilities.

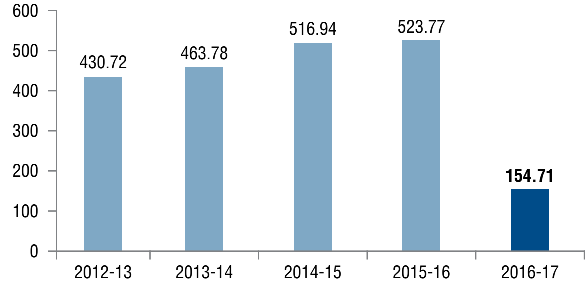
* As per IND AS, Preference share capital has been designated as financial liability (Loans) wef April 1, 2015.

5 YEARS TREND

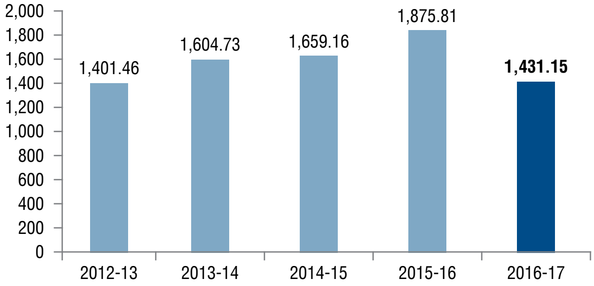
OPERATING PROFIT (PBIDT) (₹ in Crores)
(after adjusting impairment)



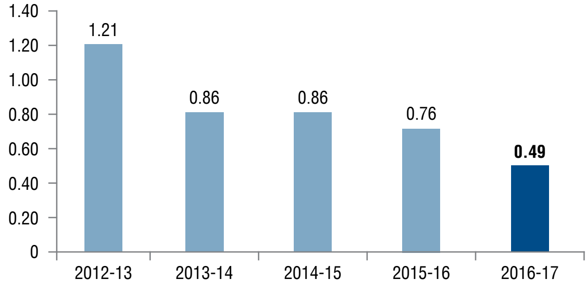
NET PROFIT (PAT) (₹ in Crores)



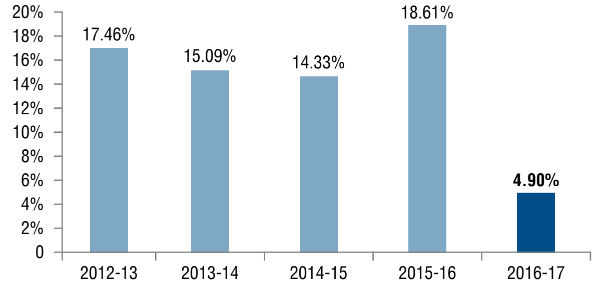
REVENUES (₹ in Crores)



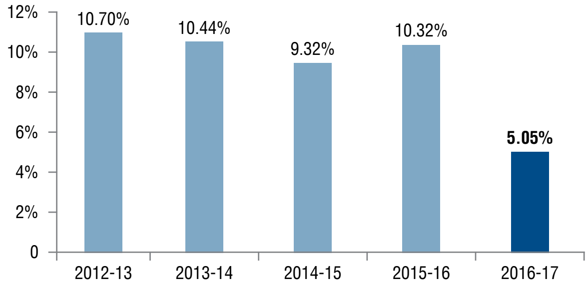
NET DEBT-EQUITY RATIO



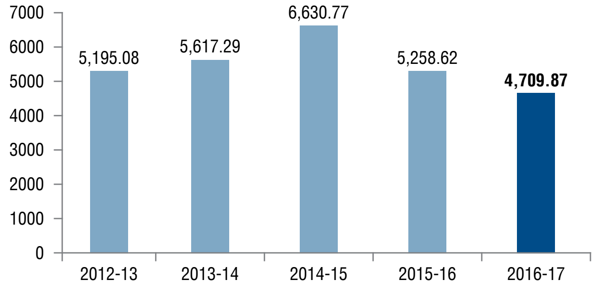
RETURN ON OPERATING NETWORTH (%)



RETURN ON OPERATING CAPITAL EMPLOYED (%)



FIXED ASSETS* (₹ in Crores)



Note

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

FY 13 ₹ NIL Crores, FY 14 ₹ 217 Crores ,FY 15 ₹ 0.48 Crores, FY 16 ₹ NIL Crores and FY 17 ₹ NIL crores.

* Figures are net of Impairment:

Impairment loss recognised in each FY are as follows:

FY 13 ₹ 31.78 Crores, FY 14 ₹ 8.12 Crores ,FY 15 ₹ NIL Crores and FY 16 ₹ 163.69 Crores and FY 17 ₹ 184.33 Crores.

MANAGEMENT STATEMENT

Dear Stakeholders,

The Offshore Oil & Gas industry is going through one of the worst downturns on record. For people involved in this business for decades, a normal cyclical downturn doesn't really come as a surprise. However, the scale & prolonged nature of this downturn has taken everyone by surprise.

In an absolute sense, the last two years of sharp cuts in E&P spending, together with an increase in the number of available assets has left the market with a huge structural demand supply imbalance. As a result, the utilisation level across all sectors has fallen off sharply. Charter rates for most categories are now hovering at levels just over their operating costs.

As a response to the collapse in demand, a record number of vessels and rigs have been cold stacked/idled. Many new building orders are stranded at the yards with owners either deferring delivery or walking away entirely from the project. However, the scale of imbalance between supply and demand is so large that it would take many years of only supply side adjustments for the market to balance. The only way towards a meaningful recovery for offshore Oil & Gas services is through an improvement on the demand side.

For many decades OPEC was the only swing producer in the oil markets, which by adjusting the total volume of crude oil supplied into the market, could influence the price of oil. However, over the past few years, shale oil and gas producers have emerged as substantial sources of new supply over whom OPEC has little control. Over the next few years, the equation between these two swing producers will be the key to supply and the level of oil prices.

It must also be pointed out that in recent years concerns have swung from peak supply to peak demand, with the shift towards renewables and emergence of electric cars posing a potential long term threat to an increase in demand from conventional fossil based energy sources.

An improvement in oil price is the most critical factor for triggering a revival of demand in the services provided by us. Such a revival is plausible owing to (a) a decline in rates in production from existing fields due to lack of investments. (b) Challenges to growth in shale production due to high decline in production rates of shale wells and (c) slower discoveries of new shale or offshore acreage.

These factors and a few others may create a supply side pressure on oil a few years down the line and may trigger an oil rally to more reasonable levels.

En masse Restructurings:

In good times many companies in the Offshore Oil & Gas space expanded aggressively on the back of leverage. They also managed to deploy their expensively bought assets on long term contract with E&P companies at handsome charter rates. However, with the collapse in contracting activity, vessels and rigs came off contract and started idling. Their miseries were further accentuated by E&P companies terminating many so called long term contracts done at the top of the market. By some estimates, the offshore oil & gas services industry has seen contract terminations worth USD 11 Billion. This has left companies saddled with debt funded expensive assets and little operating cash flows. In almost all the geographies, large companies with multi-decade existence and worldwide presence have seen a severe erosion in their liquidity.

As a result, the industry has already seen a large amount of balance sheet restructurings with lenders converting a large part of debt into equity and existing shareholders getting diluted to miniscule levels, thus leaving them with no upside in case of a market recovery. On the other hand, shareholders in companies that have retained the ability to survive this market without much restructuring are best placed to benefit from an eventual recovery.

Until about 10 years back, the Offshore Logistics and Drilling market in India was dominated by international companies with a very few local players. However, over the past few years, Indian players have aggressively expanded their fleet and have gradually replaced a large part of the international service providers. This replacement demand resulted in a secular growth in the Indian fleet. With availability of term contracts & financing, many players expanded with aggressive leverage. Hence, many of them are not geared to handle this downturn and are now facing severe financial distress.

Pillars of Strength: Strong Balance Sheet, revenue visibility

Amidst all the carnage, your company has churned out a respectable financial performance for this year. While we have not been spared from the downturn and have seen a visible drop in utilization, prudent chartering decisions with due recognition of the market conditions have helped us in securing new/rollover business despite stiff competition. This together with the contract coverage accrued from fixtures done prior to the downturn has aided us in turning out a reasonably strong financial performance given the circumstances. The reported profit of INR 154.71 crores is a substantial drop compared to last financial year but the operating cash flows for the year has resulted in substantial improvement in our financial position. On a consolidated level, the liquidity (cash & cash equivalent) has gone up from USD 135.14 Million as on 31st March 2016 to USD 179.77 Million as on 31st March 2017. At the same time the gross bank debt has gone down from USD439.25 Million as on 31st March 2016 to USD 368.07 Million as on 31st March 2017. As a result our net debt to equity ratio has come down from 0.75 to 0.49.

Looking ahead, despite limited new contracting opportunities, we still have a reasonable contract backlog. This contract backlog and liquidity provides us the ability to price assets competitively and still continue on the path of deleveraging.

In these challenging times, our focus would be to maintain quality of operations, keep costs under control without any compromise on maintenance of our fleet and ensure adequate liquidity in the eventuality of an extended downturn.

The last year has seen a big collapse in asset prices. Many modern assets are available in the market at a fraction of their peak prices. However, these prices do not necessarily present a very compelling case for investing as eventual returns will be highly dependent on longevity of the downturn. For now, we will continue to closely monitor the developments. Any significant investment in the business will be done only once we have better clarity on some of the structural issues that are likely to impact the fundamentals of this business in the long term.

As we navigate these extremely challenging market circumstances, we bank on the quality of our team (both onshore and offshore) and the unwavering support from all the stakeholders and look forward to take this group forward to the best of our ability.

Warm Regards

Bharat K. Sheth

Ravi K. Sheth

BOARD'S REPORT

Your Directors have pleasure in presenting the Fifteenth Annual Report for the year ended March 31, 2017.

FINANCIAL HIGHLIGHTS

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

(₹ in Crores)

PARTICULARS	STANDALONE		CONSOLIDATED	
	Current Year	Previous Year*	Current Year	Previous Year*
Total Revenue	1336.07	1659.64	1431.15	1875.81
Total Expenses	938.63	1097.81	701.22	776.42
Depreciation and amortisation expense	133.37	146.40	304.30	320.28
Impairment loss on fixed assets	157.52	105.37	184.33	163.69
Profit before tax	**106.55**	**310.06**	**241.30**	**615.42**
Less: Provision of tax				
- Current tax	84.42	86.67	85.63	90.74
- Deferred Tax	0.96	0.91	0.96	0.91
Profit for the year after tax	**21.17**	**222.48**	**154.71**	**523.77**
Less: Transfer to Tonnage Tax Reserve Account under section 115VT of the Income-tax Act, 1961	10.00	35.00	10.00	35.00
Add: Balance brought forward from previous year	453.57	326.40	844.98	416.52
Amount available for appropriation	**464.74**	**513.88**	**989.69**	**905.29**
Equity dividend including DDT paid during the year	-	(60.31)	-	(60.31)
Balance at the end of the year	**464.74**	**453.57**	**989.69**	**844.98**
Other Comprehensive Income for the year	**5.45**	**(1.19)**	(33.45)	105.87
Total Comprehensive Income for the year	**26.62**	**221.29**	121.26	629.64

** Restated as per IND AS*

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.

INDIAN ACCOUNTING STANDARDS

The Ministry of Corporate Affairs (MCA) on February 16, 2015, notified that Indian Accounting Standards (IND AS) are applicable to certain classes of companies from April 1, 2016 with a transition date of April 1, 2015. IND AS has replaced the previous Indian GAAP prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. IND AS is applicable to the Company from April 1, 2016. The reconciliations and descriptions of the effect of the transition from previous GAAP to IND AS have been set out in Note 7 in the notes to accounts in the standalone financial statement and in Note 9 in the notes to accounts in the consolidated financial statement.

DIVIDEND

Although the Company has made a profit during the financial year ended on March 31, 2017, considering the market conditions in the offshore industry, there is a need to conserve resources for the challenging times ahead and accordingly, your directors have not recommended any dividend on equity shares for the year ended March 31, 2017.

Dividends on the Preference Shares of the Company for the financial year ended March 31, 2017 would be payable on May 20, 2017, in accordance with the terms of preference shares:

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

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

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

SHARE CAPITAL

The total paid up share capital of your Company as on March 31, 2017 is ₹ 216.47crores comprising of 111,345,500 equity shares of ₹ 10 each and 105,124,000 preference shares of ₹ 10 each. The total outstanding preference shares were issued under the two series 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.

EMPLOYEE STOCK OPTIONS

As on March 31, 2017, the total options outstanding were 151,060 (net of encashed). The information on the Schemes as on March 31, 2017 is annexed as Annexure 3 to this Report.

SUBSIDIARIES

As on March 31, 2017, the Company has 5 wholly owned subsidiaries as under (together referred to as 'Subsidiaries'):

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

b) Greatship Global Holdings Ltd., Mauritius

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

d) Greatship (UK) Limited, United Kingdom

e) Greatship Oilfield Services Limited, India

Your Company has till date invested ₹ 2100.56 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.

During the year under review, the Company commenced group restructuring exercise whereby the Company has acquired full ownership of its Singapore subsidiary, Greatship Global Energy Services Pte. Ltd. (GGES) and further has also decided to acquire the jack-up rigs owned by GGES.

The summary of performance of Subsidiaries is as follows:

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

Subsequent to acquisition of all shares of GGES from GGHL by the Company, GGES has become the direct 100% wholly owned subsidiary of the Company w.e.f March 28, 2017. GGES currently owns four Jack-up rigs and GGES has committed to sell all its four jack-up rigs to the Company. GGES, after accounting for impairment of USD 223.7 Mn in the asset values on account of assets being held for sale, incurred a loss of USD 198.54 Mn for the current financial year as against the profit of USD 42.87 Mn in the previous year.

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

During the year, GGHL sold all the shares held by it in GGES, representing 89.3% of share capital of GGES, to the Company and recognized a gain on disposal of its holding in GGES. GGHL is the holding company of GGOS.

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

GGOS owns and operates three offshore support vessels which include one Anchor Handling Tug cum Supply Vessel (AHTSV) and two Multipurpose Platform Supply and Support Vessels (MPSSVs). GGOS, after accounting for an impairment of USD 16.32 Mn in asset values, incurred a loss of USD 19.96 Mn for the current financial year as against the loss of USD 5.33 Mn in the previous year, after accounting for an impairment of USD 8.93 Mn in asset values. During the year, GGOS's wholly owned subsidiary, GGOS Labuan Ltd., Malaysia was struck off with effect from March 4, 2017.

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

During the year under review, the term of the charter party for one of the ROV Support Vessels (ROVSVs) inchartered from the Company was completed and GUK continued to operate the other ROV Support Vessel (ROVSV) inchartered from the Company. GUK's profit after tax for the current financial year amounted to USD 0.41 Mn as against the profit of USD 1.55 Mn in the previous year.

d) Greatship Oilfield Services Limited, India (GOSL)

GOSL did not carry out 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.

FINANCIAL PERFORMANCE (CONSOLIDATED)

The consolidated financial statements have been prepared by your Company in accordance with the requirements of Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of the Companies Act, 2013 to the extent applicable. The audited consolidated financial statements of your Company and its Subsidiaries along with the Auditors' Report thereon form part of the Annual Report.

The consolidated net worth of the Group for financial year 2017 was ₹ 3,219.65 crores as compared to ₹ 3,098.39 crores for financial year 2016.

CORPORATE SOCIAL RESPONSIBILITY

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

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

DIRECTORS

At the last Annual General Meeting (AGM) held on September 9, 2016, the following Independent Directors have been re-appointed as Independent Directors not liable to retire by rotation for the period as mentioned below with effect from September 20, 2016:

Name of the Director	Tenure of appointment
Mr. Shashank Singh	5 years
Mr. Mathew Cyriac	5 years
Mr. Anil Singhvi	4 years
Mr. Berjis Desai	4 years
Mr. Keki Mistry	4 years
Mr. Vineet Nayyar	2 years

In accordance with the provisions of section 152(6) of the Companies Act, 2013, Mr. P. R. Naware, shall retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, has offered himself for re-appointment.

Dr. Swaroop Rawal was appointed as an independent director of the Company for a term of 2 years, not liable to retire by rotation at the Annual General Meeting (AGM) held on August 07, 2015. Accordingly, the term of appointment of Dr. Swaroop Rawal would be expiring in August 2017. The Company has received a notice in writing from a member along with the deposit of the requisite amount under section 160 of the Companies Act, 2013, proposing her re-appointment as the Independent Director of the Company, for a term of one year w.e.f August 7, 2017.

Necessary resolutions for the re-appointment of Mr. P. R. Naware and Dr. Swaroop Rawal as aforesaid have been included in the Notice convening the ensuing Annual General Meeting.

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

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

Board Meetings

During the year, 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 for remuneration of the Directors, Key Managerial Personnel and other employees, which have been adopted by the Board.

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

Evaluation of Board's Performance

The performance evaluation of the Board as well as that of its Committees (namely, Audit, Nomination & Remuneration and Corporate Social Responsibility) and individual Directors was carried out as per the Performance Evaluation Framework adopted by the Board. The manner in which the evaluation has been carried out is given in the Annexure 2 to this Report.

As a measure of good corporate governance practice, on recommendation of the Nomination and Remuneration Committee, the Board of Directors have on May 2, 2017 voluntarily adopted a revised Performance Evaluation Framework with elaborate evaluation parameters in conformation with the Guidance Note on Board Evaluation as issued by SEBI.

DEBT FUND RAISING

During the current financial year, the amount of debt of the Company went down from ₹1146.46 crores at the end of FY 16 to ₹ 929.24 crores at the end of FY 17, however, the consolidated debt went down from ₹ 3241.24 crores for FY 16 to ₹ 2745.21 crores for FY 17. The standalone and consolidated debt includes liability related to redeemable preference share capital amounting to ₹ 350.37 crores at the end of FY 17 and ₹ 348.38 cores at the end of FY 16. The gross debt: equity ratio as on March 31, 2017 was 0.46 on standalone basis and 0.85 on consolidated basis.

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

RISK MANAGEMENT POLICY

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

Your Company maintains a Risk Register which includes the comprehensive list of all risks of the organization, further bifurcated into marketing & commercial risks, operational risks, compliance & taxation risks and financial & control risks. The risk register also documents the monitoring mechanism for each risk and the respective risk owner. 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 and steps are taken to make the implementation of risk management process more effective. 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.

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, 4 vessels have been dry docked and 2 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.)	₹ 1297.19 crores
b) Foreign Exchange used (including operating expenses, capital repayment, down payment for acquisition of assets, interest payment, etc.)	₹ 903.26 crores

AUDITORS

Pursuant to the provisions of section 139 of the Companies Act, 2013, Kalyaniwalla & Mistry LLP were appointed as the statutory auditors of the Company at the Annual General Meeting held on September 20, 2014, to hold office until the conclusion of the ensuing Annual General Meeting of the Company.

Accordingly, on March 15, 2017, the Audit Committee and the Board of Directors had considered and recommended to the shareholders for approval, the appointment of Deloitte Haskins & Sells LLP, Chartered Accountants (Registration No. 117366W/ W - 100018), as the statutory auditors of the Company, for a period of five years i.e. from the conclusion of the ensuing Annual General Meeting ('AGM') upto the conclusion of the 20th AGM of the Company to be held in the calendar year 2022.

Necessary resolution for their appointment has been 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. 2016-17, 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
(DIN: 0000022102)

Mumbai, May 2, 2017

ANNEXURE 1 TO THE BOARD'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

The past year of FY17 was one of the worst years experienced in the history of the offshore services industry. Coming into 2014, the offshore services industry had experienced a decade of healthy demand growth, save for a momentary pause in 2009. During this period, new vessels and rigs were being continuously ordered and delivered from the shipyards, but such supply growth was absorbed relatively comfortably by the growing demand. However, such demand growth came to a screeching halt in late 2014 and, in fact, went into reverse, as commodity prices declined and consequently reduced cash flows at E&P companies led to sharp cuts in capital spending. Consequently, the market has witnessed a persistent demand drop in the past thirty months which, combined with supply of new assets from legacy orders, has led to a situation of a large proportion of the total available supply of drilling rigs and offshore support vessels (OSVs) being surplus to requirements. Such situation has invariably lead to low fleet utilisations and all manner of offshore assets have been stacked en masse, and operating margins on working assets have dropped to insignificant levels. Given this calamitous market situation, it was hardly surprising that the year was marked by many corporate events in the industry, such as debt restructurings, mergers and acquisitions, bankruptcy protection filings and even liquidation.

COMPANY PERFORMANCE

In FY 17, your Company recorded a total income of ₹ 1336.07 crores (previous year ₹ 1659.64 crores) on a standalone basis and ₹ 1431.15 crores (previous year ₹ 1875.81 crores) on a consolidated basis. The Company earned a PBIDT (after adjusting impairment) of ₹ 449.71 crores (previous year ₹ 615.82 crores) and ₹ 885.87 crores (previous year ₹ 1228.51 crores) on a standalone and consolidated basis, respectively.

OFFSHORE LOGISTICS

Market trend and analysis

In our FY16 report, it was stated that "*more than 500 OSVs (Offshore Support Vessels) have joined the fleet of idle / stacked up vessels*" during that year. With demand continuing to drop sharply during FY17 too, another 300+ OSVs have been added to this idle fleet this year, which brings the cumulative number of stacked OSVs since the beginning of the downturn to more than a thousand vessels. Less than 40% of the total Anchor Handling Tug Supply Vessel (AHTSV) and Platform Support Vessel (PSVs) fleet are presently working on term charters, which is one of the lowest levels in the past 30 years, if not longer. Such a global downturn has spared no geographies and all the markets that your Company's fleet worked in the last year i.e. India, Middle East, NW Europe, Africa, Brazil and Asia Pacific, have felt the brunt of this demand collapse.

In the NW European market (primarily North Sea) alone, there are about 160-170 OSVs laid up at the present time, about 50 more than last year. During the year, even as the industry marked the 50th anniversary of the first wildcat well drilled in the region, drilling activity fell to a record low and demand for support vessels dropped correspondingly. However, the massive withdrawal of vessels from the active fleet achieved by the means of above-mentioned stacking, arrested the drop in marketed utilisations and dayrates to a certain extent.

At the peak in late-2014, the number of OSVs working on term charters in the West African market was close to 300 vessels, which has dropped to less than half presently. E&P companies have selectively deprioritized deepwater exploration and large, greenfield offshore projects in the prevailing oil price environment, which has removed the mainstays of vessel demand in the West African offshore space.

In relative contrast, Asia Pacific has traditionally been a shallow water area with mostly mature offshore fields, where the impact of the drop in E&P capex has manifested in the drop off in field development. It has been estimated that capex sanctioned for offshore field development in the region in 2016 had dropped to around one fourths of the level seen on an annual basis in the heydays of 2010-2013. Thus, activity in the region was markedly lower, and dayrates for a typical, workhorse AHTSV were down to a third of the levels witnessed a couple of years earlier.

The Middle Eastern and Indian markets were the two markets where demand, while not registering any meaningful growth, continued to hold up relatively well during the year. However, the contagion of dropping demand from all the other regions affected these markets too. Vessels from other areas found their way to the Middle East seeking employment, and the market quickly became oversaturated. Meanwhile, in India, the long term tenders from ONGC attracted offers from new vessels, both from foreign owners and from existing Indian owners buying such new tonnage in the hope of finding employment for the same in these tenders. These developments have led to cutthroat competition in the Indian tenders with the results that the dayrates established in the market are one of the lowest in the world. Unfortunately, the dayrates determined in these new tenders were also used to mark down the dayrates of vessels previously contracted for long term charters using the termination clauses in their contracts.

Company Performance

In keeping with the outlook given in the previous year's report, the Company's average commercial utilisation level for the vessel fleet declined from levels that were in excess of 90% last year to below 80% this year. The calculations for such commercial utilisation exclude the downtime incurred on account of drydocking and other technical causes. Such lower utilisations were a result of some vessels not finding term re-employment after coming off hire from completed term contracts, either due to client's reduced requirements or as a result of the aforementioned extreme competition for every scrap of business, even at sub-economic rates. Nevertheless, even such sub-par utilisation level of our fleet as experienced this year, compares favourably to market benchmarks, and it was helped by vessels that were without term contracts continuing to find sporadic work on the spot market. However, the leading driver of our relative outperformance in fleet utilisation was our success in achieving term employment for a large proportion of our fleet that came off contract this year.

The Company was also successful in concluding the deals for, and executing, the sales of two vessels during the year. Given that such a large proportion of the global OSV fleet is surplus to demand, there is limited buying interest in the market and thus, though challenging, achieving these sales was a beneficial means of reducing exposure to uncontracted vessels in current market conditions.

Fleet Changes

During the year under review, your Company sold two vessels as mentioned above; interestingly, the two vessels were the ROVSV "Greatship Ragini", which was our youngest vessel, and the PSV "Greatship Disha" was our oldest vessel in the fleet at the time. 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 four years. As on March 31, 2017, the operating vessel fleet of the Group stood at nineteen vessels which comprises of four Platform Supply Vessels (PSVs), eight Anchor Handling Tug cum Supply Vessels (AHTSVs), two Multipurpose Platform Supply and Support Vessels (MPSSVs) and five ROV Support Vessels (ROVSVs).

Outlook for offshore logistics market

Crude oil prices have ranged between US$ 45 and US$ 60 per barrel for the last few months, and present analyst consensus estimates are for the oil prices to continue in a similar range for the coming months. Given such oil price outlook, global E&P capex is expected to show an increase in 2017, albeit a marginal one, for the first time in three years. However, it is also anticipated that such capex growth will be focused on non-offshore development, particularly U.S. shale, while global offshore E&P spend is not expected to experience any increase in the coming year. Hence, we do not expect any material growth in vessel demand in FY18, though it may stabilize around the present low levels.

On the supply side, we have already noted a surplus of more than a 1000 OSVs that are presently idle or in layup. In addition, there are more than 300 AHTSVs and PSVs presently on order which, even as the delivery of the entire orderbook remains uncertain, present an additional counterbalance to a growth in vessel demand, whenever that may happen.

In such a market environment, utilisations of our vessel fleet are unlikely to improve in the coming year, and earnings per vessel operating day are expected to be lower on a year-on-year basis. However, even with such outlook for decrease in profitability, the Company's vessel utilisation and operational performance is expected to continue to compare favourably with industry peers, while its sound financial position within an overall struggling industry will continue to reassure its various stakeholders.

DRILLING SERVICES

Market Trend and Analysis

As of end-FY17, there were about 450 offshore drilling rigs (jackups and floaters) under contract, of which about 300 were jackups. In contrast, about three years ago, there were approximately 750 rigs under contract, of which about 450 were jackups. The above statistics paint a stark picture of the drop in demand for offshore rigs since the beginning of the sharp decrease in commodity prices and resultant curtailment of capex by E&P companies. As upstream companies prioritized their capital expenditure, exploratory drilling felt the earliest impact because exploration expenses can be suspended more easily, or adjusted along the way than expenses that are linked to fields in operation and approved development projects. Thus, the industry finds itself with rig utilisation levels having dropped to unprecedented levels now, and dayrates for new contracts being at subsistence levels.

Such downturn that begin in 2014 came on the back of a decade of almost uninterrupted growth in rig demand, which had kicked off a sustained bout of investment. Thus, when the crisis hit, there were a significant number of newbuilding rigs on order and under construction in various yards around the world. While contracts with shipyards were renegotiated and deliveries were deferred, there continue to be about 145-150 rigs on order, comprising of approximately 100 jackups and the rest being floaters. Most of these newbuilding rigs are without contracts and it remains to be seen when, and if, all of them will be delivered. The silver lining on the supply side has been the pickup in rig retirements since the beginning of the downturn; for example, more than 30 jackups have been retired in the past two and a half years.

Developments in the Indian market, where the Company operates its entire rig fleet, were fairly representative of happenings in the offshore rig space globally. For almost every tender, the number of rigs offered were an order of magnitude greater than the number of rigs required. Given such competition, it was inevitable that the dayrates established were at a fraction of the levels seen a few years ago, with floater rates in a recent Indian tender setting a new low globally for long term contracts.

Company Performance

The Company operated 4 jackup rigs in the Indian market during this year. Three rigs continued to operate on long term contracts through the year, while the Greatdrill Chetna completed her 3-year contract with ONGC (Oil & Natural Gas Corporation) registering excellent operational metrics during the contract period, and came free in the last quarter of FY17. This rig is presently idle, and could continue to be so for an extended period which, while being par for the course for any drilling contractor, is an unfortunate “first” for Greatship’s drilling business.

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

As mentioned above, the jackup rig market has seen an unprecedented decline in demand leading to a significant surplus of rigs in all geographies, including the Indian market. While global rig demand seemed to have stabilised in the last quarter of FY17, it is too early to determine if such stabilisation is sustainable and, even if it were so, stabilisation at around present record low utilisation levels of around 60%, would hardly constitute a reason for any optimism regarding the market. Given the E&P capex outlook mentioned in the previous section, it is unlikely that we would see the necessary demand growth, at least in the coming year, to trigger a turnaround in the fortunes of the global jackup market. As a result, the surplus of available rigs in the Indian jackup market is also likely to continue. Thus, with one of ours rigs idle presently, and another likely to come off contract in the coming year, we continue to have a subdued outlook regarding the financial prospects for our drilling business for FY18. However, without the burden of pending investment and a strong balance sheet, the drilling business will continue to be a sound footing with a continuing operational focus on technical and safety metrics.

QUALITY, HEALTH, SAFETY & ENVIRONMENT

During the year under review, the Company completed the 5 yearly Renewal DOC Audit for verification of compliance towards the ISM (International Safety Management) Code with Nil Non Conformity. The audit was carried out by Directorate General of Shipping, Mumbai.

Annual 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	1	NIL
LTIF (Loss Time Incident Frequency Rate)	NIL	1.63	NIL
TRIF (Total Recordable Incident Frequency Rate)	1.09	3.27*	0.23

*includes one MTI (Medical Treatment Injuriy) recorded during the year

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:

- SAP platform was significantly enhanced by implementation of HANA which resulted in latest features being available to users as well as better performance and improved data access.
- Automation of incident and abnormality reporting process was carried out for all rigs resulting in consistent reporting and monitoring of timely closure as well as the entire knowledge base being available for future reference and learning
- Majority of QHSE related activities and processes across all vessels were made system based thereby improving accuracy and availability of critical information in line with requirements of various business audits.
- 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 organizing off-sites for offshore employees as a way of interacting and exchanging ideas amongst offshore employees, office and management as well as having a shared vision in light of changed industry scenario. Increased automation has been introduced in many HR processes and future roadmap includes further automation with a view to enhance efficiency and controls.

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, 2017, the Company and its subsidiaries employed 142 personnel onshore (including contractual) and around 422 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. 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 May 3, 2016, August 5, 2016, November 11, 2016, January 6, 2017, January 31, 2017 and March 15, 2017.

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, 2017 are as follows:

Name of Director	Nature of Directorship	Number of Board Meetings Attended	As on March 31, 2017		
			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	6	2	NIL	NIL
Mr. P. R. Naware (DIN: 00041519)	Executive Director	6	NIL	NIL	NIL

Name of Director	Nature of Directorship	Number of Board Meetings Attended	As on March 31, 2017		
			Number of other directorships*	Other Committee Memberships**	Chairperson of other Committees**
Mr. Keki Misty (DIN: 00008886)	Independent Director	5	9	8	4
Mr. Berjis Desai (DIN: 00153675)	Independent Director	6	9	7	2
Mr. Vineet Nayyar (DIN: 00018243)	Independent Director	5	4	1	NIL
Mr. Shashank Singh (DIN: 02826978)	Independent Director	6	2	NIL	NIL
Mr. Anil Singhvi (DIN: 00239589)	Independent Director	6	5	4	2
Mr. Mathew Cyriac (DIN: 01903606)	Independent Director	5	3	NIL	NIL
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 May 3, 2016 as stipulated by the Code of Conduct of Independent Directors under the Companies Act, 2013. Another meeting was held on May 02, 2017, wherein the Independent Directors discussed about the performance of Non-independent Directors, Chairman and the Board as whole and the quality, quantity and timeliness of the flow of information between the company management and the Board.

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

Director's Induction & Familiarisation

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

Code of Conduct

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

All the Board members and senior management personnel have confirmed compliance with the code for the financial year ended March 31, 2017. 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 for the financial year 2016-17 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 Mr. P. R. Naware. During the year under review, Mr. P. R. Naware was appointed as a member of the Audit Committee w.e.f August 5, 2016 and Mr. Ravi K. Sheth ceased to be a member of the Audit Committee w.e.f August 5, 2016.

ii. During the year under review, eight meetings of the Audit Committee were held on May 3, 2016, August 5, 2016, November 11, 2016, January 6, 2017, January 31, 2017 (Two meetings), February 18, 2017 and March 15, 2017.

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 FY17
Mr. Keki Mistry (Chairman)	7
Mr. Berjis Desai	8
Mr. Ravi K. Sheth*	2
Mr. P. R. Naware**	6

* has ceased to be a member of the Audit Committee w.e.f August 5, 2016.

**has been appointed as a member of the Audit Committee w.e.f August 5, 2016.

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

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

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

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

B) NOMINATION AND REMUNERATION COMMITTEE

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, two meetings of the Committee were held on May 3, 2016 and August 5, 2016 respectively.

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

Name of the Member	Number of meetings attended during FY17
Mr. Vineet Nayyar (Chairman)	1
Mr. Berjis Desai	2
Mr. Keki Mistry	2

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 2016-17:

(Amt. in ₹)

Name of Director	**Salary***	**Benefits**	**Commission#**
Ravi K. Sheth, Managing Director	25,000,000	3,897,937	31,500,000/-
P. R. Naware, Executive Director	14,500,000	738,808	9,500,000/-

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

#To be paid in FY 2017-18. Commission for FY 2015-16 was paid during FY 2016-17

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 1.49 crores (previous year ₹ 2.80 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 2016-17:

(Amount in ₹)

Name of Director	**Commission**	**Sitting Fees**
Bharat K. Sheth	13,000,000	NIL
Keki Mistry	1,295,000	500,000
Berjis Desai	995,000	600,000
Vineet Nayyar	920,000	500,000
Shashank Singh	720,000	600,000
Anil Singhvi	720,000	600,000
Mathew Cyriac	720,000	500,000
Swaroop Rawal	720,000	600,000
Total	**19,090,000**	**3,900,000**

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 2016-17 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 under review, one meeting of the Committee was held on July 20, 2016, 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.

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, 2017.

For Greatship (India) Limited

Ravi K. Sheth
Managing Director

Date: May 2, 2017

ANNEXURE 3

TO THE BOARD'S REPORT

INFORMATION ON EMPLOYEE STOCK OPTION SCHEMES AS ON MARCH 31, 2017

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

Particulars	Employee Stock Option Scheme 2007 - II ("ESOP 2007-II")	Employee Stock Option Scheme 2008 - II ("ESOP 2008-II")	Employee Stock Option Scheme 2010 ("ESOP 2010")
Person wise details of options granted (net of options encashed) to :			
(i) Senior Managerial Personnel	Nil	Nil	Nil
(ii) Any other employee who received a grant of options amounting to 5% or more of the options granted during the year ended March 31, 2017	Nil	Nil	Nil
(iii)Identified employees who are granted options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	Nil	Nil	Nil
Fully diluted EPS on exercise of options calculated in accordance with Accounting Standard (AS) 20 'Earning Per Share'	₹1.90	₹1.90	₹1.90
Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	NA	NA	NA

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

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

Pursuant to the encashment scheme for Employee Stock Options (ESOPs) introduced by the Company, 1,417,420 options were encashed at the fair value determined under the encashment scheme. 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, 2017 of ₹ 2.38 crores (March 31, 2016: ₹ 2.30 crores; April 1, 2015: ₹ 1.37 crores) is included in non current provisions and ₹ NIL (March 31, 2016: NIL ; April 1, 2015: ₹ 9.80 crores) in current provisions.

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

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

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

ANNEXURE 4

TO THE BOARD'S REPORT

ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2016-17

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, livelihood development, and health care and sanitation sector, namely, Ashoka University, Masoom, Pratham, Teach-For-India, Muktangan, 3.2.1 Education Foundation, Tamarind Tree Trust, Xavier's Resource Centre for the Visually Challenged (XRCVC), Helen Keller Institute for Deaf & Deafblind, Swades Foundation, Antarang Foundation, Lend-A-Hand-India (LAHI), Swayam Shikshan Prayog (SSP), Maan Deshi Foundation and SNEHA

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 ₹ 258 crores.

4 The prescribed CSR Expenditure (2% of the average net profits as in point no. 3 above) is ₹ 5.16 crores.

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

(1) Total amount to be spent for the financial year 2016-17 - ₹ 5.16 crores

(2) Amount unspent – NIL

(3) Manner in which the amount was spent during the financial year - The Company has contributed ₹ 2.72 crores directly to the NGOs and the balance of ₹ 2.44 crores to The Great Eastern CSR Foundation.

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

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

Mr. Ravi K. Sheth
Managing Director
(DIN: 0000022121)

Mr. Shashank Singh
Chairman – Corporate Social Responsibility Committee
(DIN: 0002826978)

Mumbai, May 02 ,2017

ANNEXURE TO THE ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2016-17

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent during the year on the projects or programs Sub-heads (1) Direct Expenditure on projects or program (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent Direct or through Implimenting agency
1	**MUKTANGAN (PARAGON CHARITABLE TRUST)** - a new model of education providing quality, child-centred, inclusive English-medium schooling to thousands of underprivileged children in Mumbai - has partnered with BMC to run a number of municipal schools in Mumbai, one of which is funded through our donations. Donation also towards supporting the teacher training program through which Muktangan transform high school educated slum youth into good quality teachers	Promoting Education	The Muktangan School supported by Great Eastern CSR Foundation (GECSRF) is in Prabhadevi, Mumbai, Maharashtra	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: ₹ 0.83 cr	₹ 2.58 cr	Part of the amount was contributed through Great Eastern CSR Foundation and balance was contricuted directly to Paragon Charitable Trust
2	**TEACH FOR INDIA (TEACH TO LEAD)** - a nationwide movement of outstanding college graduates and professionals who will commit two-years to teach full-time in under resourced schools and who will become lifelong leaders working from within various sectors towards the pursuit of equity in education Donation is being utilised for fully funding 46 fellows from Teach for India	Promoting education	The fellows being sponsored are from Pune and Delhi	4 years: FY 2015-16: ₹ 1.60 cr FY 2016-17 ₹ 1.77 cr FY 2017-18 ₹ 2.65 cr FY 2018-19 ₹ 0.86 cr	Total funds utilized by organization: ₹ 1.61 cr	₹ 3.37 cr	Amount was contributed through Great Eastern CSR Foundation to Teach-To-Lead
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	6 Gram Panchayats in Raigad, Maharashtra	1 year: FY 2015-16: ₹ 1.02 cr	Total funds utilized by organization: ₹ 0.34 cr	₹ 1.02 cr	Amount was contributed through 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. Support is also going towards setting up a community supported wireless mesh network in the local region that will enable students to access the schools digital content at home.	Promoting education	Dahanu Taluka, Maharashtra	2 years: FY 2015-16: ₹ 0.36 cr FY 2016-17: ₹ 0.59 cr	Total funds utilized by organization: ₹ 0.46 cr	₹ 0.95 cr	Amount was contributed through 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 topwards helping LAHI to start their intervention in 10 new schools and enhance the quality of training in another 10 schools across Maharashtra.	Promoting livelihood development	Different schools across Maharashtra	3 years: FY 2016-17: ₹ 1.09 cr FY 2017-18: ₹ 1.38 cr FY 2018-19 ₹ 1.19 cr	Total funds utilized by organization: ₹ 0.98 cr	₹ 1.78 cr	Amount was contributed through Great Eastern CSR Foundation to Lend-A-Hand-India
6	**SWAYAM SHIKSHAN PRAYOG (SSP)** - an NGO that works towards promoting empowerment of women as leaders and entrepreneurs through self-help groups, social enterprises and community led initiatives. Donation is going towards creating livelihoods for 5000 women across 50 villages in Latur and Osmanabad in Maharashtra in addition to sustainable solutions to drought and allied issues.	Promoting livelihood development	50 villages in Latur and Osmanabad in Maharashtra	1 Year: FY 2016-17: ₹ 1.29 cr	Total funds utilized by organization: ₹ 0.26 cr	₹ 1.29 cr	Amount was contributed directly to SSP
	Overall Overheads Expenditure incurred by Great Eastern CSR Foundation proportionate to the contribution made by the Company				₹ 83,772		

ANNEXURE 5

TO THE BOARD'S REPORT

POLICY FOR APPOINTMENTS

Policy Adoption

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

Purpose

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

APPOINTMENT POLICY FOR DIRECTORS

1. Board Constitution

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

• discharge their responsibilities and duties under the law effectively and efficiently;

• understand the business of the Company and the environment in which the Company operates so as to be able to agree with management the objectives, goals and strategic direction which will maximise shareholder value; and

• assess the performance of management in meeting those objectives and goals.

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

2. Qualifications and Experience

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

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

3. Attributes

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

4. Appointment process

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

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

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

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

1. Review of organization structure and Competency Requirements

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

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

2. Appointment of KMP and SMP

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

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

Annexure 1: Criteria for appointment

I. Executive Directors

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

II. **Independent Directors**

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

ANNEXURE 6
TO THE BOARD'S REPORT

REMUNERATION POLICY

POLICY ADOPTION

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

REMUNERATION POLICY FOR THE DIRECTORS

1. Recommendation & approval authorities

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

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

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

2. Forward looking nature

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

EXECUTIVE DIRECTORS

Key Principles

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

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

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

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

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

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

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

Elements of remuneration

Executive directors' remuneration shall be divided into following elements:

1. **Consolidated Salary**

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

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

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

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

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

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

2. **Benefits**

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

   Annexure - 1 details the benefits applicable for Executive Directors.

3. **Reimbursements**

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

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

4. **Commission**

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

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

NON-EXECUTIVE DIRECTORS

Key Principles

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

Elements of Remuneration

1. **Sitting fees**

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

2. **Commission**

   It provides a variable level of remuneration dependent on short-term performance of the Company, i.e. net profits every year. Quantum of Commission is determined by the Board on a year to year basis. Additional commission is paid to the directors who hold Memberships/Chairmanships of various committees of Board of Directors as per the decision of the Board, over and above the Commission payable as a Director.

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

Annexure – 1: Benefits applicable for Executive Directors

Managing Director:

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

a) Transportation/conveyance facilities

b) Telecommunication facilities at residence

c) Leave encashment as per the rules of the Company

d) Reimbursement of medical expenses incurred for himself and his family

e) Life insurance cover as per the rules of the Company

f) Personal accident insurance cover as per the rules of the Company

g) Housing loan, subject to the rules of the Company

h) Fees of Clubs subject to a maximum of two clubs

i) Other benefits as applicable to other employees of the Company

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

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

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

Other Executive Director(s):

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

a) Transportation/conveyance facilities

b) Telecommunication facilities at residence

c) Leave encashment as per the rules of the Company

d) Reimbursement of medical expenses incurred for himself and his spouse

e) Life insurance cover as per the rules of the Company

f) Personal accident insurance cover as per the rules of the Company

g) Leave travel reimbursement/allowance as 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 31.03.2017

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

I. REGISTRATION & OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

*As per National Industrial Classification 2008

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

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

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
4	Greatship (UK) Limited+ Tower Bridge House, St Katharine's Way, London E1W 1DD	NA	Subsidiary Company	100	2(87)(ii)
5	Greatship Global Energy Services Pte. Ltd. $ 15 Hoe Chiang Road, Tower Fifteen, #06-03, Singapore 089316	NA	Subsidiary Company	100	2(87)(ii)
6	Greatship Global Offshore Services Pte. Ltd. #* 15 Hoe Chiang Road, Tower Fifteen, #06-03, Singapore 089316	NA	Subsidiary Company	100$	2(87)(ii)

+ wholly owned subsidiaries of Greatship (India) Limited.

$ wholly owned subsidiary of Greatship (India) Limited w.e.f. March 28, 2017

wholly owned subsidiary of Greatship Global Holdings Ltd.

*During the year under review, GGOS Labuan Ltd., the wholly owned subsidiary of Greatship Global Offshore Services Pte. Ltd., has been voluntarily struck off w.e.f March 4, 2017

IV. SHARE HOLDING PATTERN

Equity Share Capital Breakup as percentage of Total Equity

i. Category-wise Share Holding

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

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

ii. Shareholding of Promoter-

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

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

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

iv) Shareholding Pattern of top ten Shareholders:

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

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

v) Shareholding of Directors and Key Managerial Personnel:

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

V) INDEBTEDNESS

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

(₹ in crores)

	Secured Loans excluding Preference & deposits & deferred finance charges	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (recasted as per IND AS)				
i) Principal Amount	**798.26**	NIL	NIL	**798.26**
ii) Interest due but not paid	**NIL**	NIL	NIL	**NIL**
iii) Interest accrued but not due	**2.96**	NIL	NIL	**2.96**
Total (i+ii+iii)	**801.22**	NIL	NIL	**801.22**
Change in Indebtedness during the financial year				
• Addition (excluding Refinancing)	**NIL**	NIL	NIL	**NIL**
• Reduction (excluding Refinancing)	**(208.38)**	NIL	NIL	**(208.38)**
• Reduction due to exchange impact	**(10.46)**	NIL	NIL	**(10.46)**
• Reduction in Interest accrued but not due	**(0.63)**	NIL	NIL	**(0.63)**
Net Change	**(219.47)**	NIL	NIL	**(219.47)**
Indebtedness at the end of the financial year				
i) Principal Amount	**579.42**	NIL	NIL	**579.42**
ii) Interest due but not paid	**NIL**	NIL	NIL	**NIL**
iii) Interest accrued but not due	**2.33**	NIL	NIL	**2.33**
Total (i+ii+iii)	**581.75**	NIL	NIL	**581.75**

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*	25,653,417/-	13,988,219/-	39,641,636/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2,436,268/-	894,193/-#	3,330,461/-
	(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 - others, specify@	NIL NIL 31,500,000/-	NIL NIL 9,500,000/-	NIL NIL 41,000,000/-
5	Other Benefits	379,793/-	427,668/-	807,461/-
	Total (A)	59,969,478/-	24,810,080/-	84,779,558/-
	Ceiling as per the Act (₹ in crores)	13.87	13.87	27.73

*Salary excludes variable pay (commission) for previous financial year, i.e. FY 2015-16 which was paid in FY 2016-17.

@*For FY 2016-17 approved by the Board of Directors at their meeting held on May 02, 2017*

$*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 ₹ 1.49 crores (previous year ₹ 2.80 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	500,000	600,000	500,000	600,000	600,000	500,000	600,000	3,900,000
	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	1,795,000	1,595,000	1,420,000	1,320,000	1,320,000	1,220,000	1,320,000	9,990,000

S. No.	Particulars of Remuneration	Name of Directors								Total Amount
		Mr. Bharat K. Sheth	Mr. Keki Mistry	Mr. Berjis Desai	Mr. Vineet Nayyar	Mr. Shashank Singh	Mr. Anil Singhvi	Mr. Mathew Cyriac	Dr. Swaroop Rawal	
2	Other Non-Executive Directors									
	Fee for attending board/ committee meetings	NIL	NA	NA	NA	NA	NA	NA	NA	NA
	Commission@	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	1,795,000	1,595,000	1,420,000	1,320,000	1,320,000	1,220,000	1,320,000	22,990,000
	Total Managerial Remuneration (A+B)									116,641,739
	Overall Ceiling as per the Act (₹ in crores)									30.50

@*For FY 2016-17 approved by the Board of Directors at their meeting held on May 02, 2017*

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*		4,467,752/-	-	4,467,752/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		28,000/-	-	28,000/-
	(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		21,948/-	-	21,948/-
	Total		4,517,700/-	-	4,517,700/-

** Salary includes variable pay for previous financial year, i.e. FY 2015-16. 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					
Punishment			NIL		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			NIL		
Compounding					

ANNEXURE 9
TO THE BOARD'S REPORT

FORM NO. AOC -2

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

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

Details of contracts or arrangements or transactions not at arm's length basis - Nil

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

The details of contracts/arrangements or transactions at arm's length basis for the year ended March 31, 2017 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 Holdings Limited Greatship Global Offshore Services Pte. Ltd. Greatship Global Energy Services Pte. Ltd. Greatship (UK) Limited Greatship Oilfield Services Limted	Wholly Owned Subsidiaries	Group insurance policies	1 year	Placed group insurances covering Company's subsidiaries	3-May- 16*	Nil
2	Greatship (UK) Limited ("GUK")	Wholly Owned Subsidiary	Extension of Time Charter Party Agreement	1 year	Extension of the Time Charter Party Agreement dated January 7, 2011 with GUK for "Greatdrill Rashi", for a period of 1 year to be effective from July 21, 2016	5- Aug- 16*	Nil
3	J. Sagar Associates	Director (Mr. Berjis Desai)	Legal services	1 year	Availed legal and advisory services from J. Sagar Associates	5- Aug- 16*	Nil
4	The Great Eastern Shipping Co. Ltd.	Parent Company	Allotment of Training Slots	1 year	Service charges paid for allotment of training slots	11- Nov- 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	Date(s) of approval by the Board	Amount paid as advances, if any:
5	Greatship Global Offshore Services Pte. Ltd. ("GGOS")	Wholly Owned Subsidiary	Sale of Crane owned by the Company	NA	Sale of a 10T SWL NOR Crane to GGOS at a price of ₹ 89,00,000/- including the cost of the spares and freight and insurance costs.	11-Nov-16	Nil
6	Ms. Nirja Sheth	Daughter of Mr. Bharat K. Sheth (Chairman of the Company)	Holding office or place of profit	w.e.f December 1, 2016	The terms of appointment of Ms. Nirja Sheth revised to appoint her as a part-time employee of the Company at a consolidated salary of up to ₹ 25,00,000/- p.a in any year (including performance incentive pays) and other applicable benefits to her grade from time to time	11-Nov-16	Nil
7	Greatship Global Energy Services Pte. Ltd. ("GGES")	Wholly Owned Subsidiary	Bareboat Charter Agreement	1 year	Company has entered into a Bareboat Charter Agreement with GGES for bareboat charter of the jack Up Rig "Greatdrill Chetna", for a period of 1 year.	6-Jan-17	NIL
8	Greatship Global Holdings Limited ("GGHL")	Wholly Owned Subsidiary	Acquisition of 2,357,813 Shares of GGES from GGHL	NA	Purchase of 2,357,813 equity shares of GGES from GGHL at fair value with consideration to be settled within a period of 12 months from the date of transfer	6-Jan-17	NIL

*Audit Committee Approval

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions	Amount (₹ in crores)
1	The Great Eastern Shipping Co. Ltd.	Parent Company	Dividend Expense	Annual	Dividend paid by the Company as per the terms of preference shares issued by the Company	23.32
			Transfer of liability towards retirement benefit of employees (net)	Several transactions during the year	Retirement benefits of employees transferred from the Company	0.02
			Transfer of liability towards retirement benefit of employees (net)	Several transactions during the year	Retirement benefits of employees transferred from the Company (₹ 36,261)	-
2	Greatship (UK) Limited	Wholly Owned Subsidiary	Charter Hire Income	Several transactions during the year	Charter hire income on the vessel chartered by the Company	44.94
			Reimbursement of expenses	Several transactions during the year	Reimbursement of expenses incurred by the WOS for vessels chartered to WOS	5.91
			Receivables	-	Outstanding amount receivable as on March 31, 2017 in relation to charter hire of vessels and others, if any	3.64
			Payables	-	Outstanding amount payable to the WOS for the vessels chartered to WOS and others, if any	14.12
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	2.73
			Payables	-	Outstanding amount payable as on March 31, 2017 in relation to incharter of rigs and others, if any	28.75
			Inchartering Expenses	Several transactions during the year	Inchartering expenses relating to jack-up rigs taken on bareboat charter from the WOS	449.57
			Corporate Guarantees	-	Outstanding amount of corporate guarantees given by the Company as on March 31, 2017	833.02

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)
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	0.53
			Corporate Guarantees	-	Outstanding amount of corporate guarantees given by the Company as on March 31, 2017	144.01
5	Greatship Global Holding Limited	Wholly Owned Subsidiary	Payables	-	Outstanding amount payable as on March 31, 2017 in relation to acquisition of shares	1,032.04
6	Great Eastern CSR Foundation	Fellow Subsidiary	Contriubution towards CSR	-	Contriubution towards CSR pursuant to Section 135 of the Companies Act, 2013	2.44

For and on behalf of the
Board of Director

Bharat K. Sheth
Chairman
(DIN: 0000022102)

Mumbai, May 2, 2017

ANNEXURE 10 TO THE BOARD'S REPORT

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2017

[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, 2017 ('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, 2017 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

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

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

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

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

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

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

  (d) The Securities and Exchange Board of India (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.

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

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

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

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The 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.

For Makarand M. Joshi & Co.

Kumudini Paranjape
Partner
Membership No. 6667
CP No. 6690

Place: Mumbai
Date: May 2, 2017

ANNEXURE 'A'

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

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

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

For Makarand M. Joshi & Co.

Kumudini Paranjape
Partner
FCS No: 6667
CP No. 6690

Place: Mumbai
Date: May 2, 2017

FLEET AS ON MARCH 31, 2017

GREATSHIP (INDIA) LIMITED AND ITS SUBSIDIARIES

Category	Vessel Name	Company#	DWT (MT)	Year Built	Average Age (Years)
OFFSHORE SUPPORT VESSELS					
Platform Supply Vessels					
1	m.v. Greatship Dipti	GIL	3,228	2005	
2	m.v. Greatship Dhriti	GIL	3,330	2008	
3	m.v. Greatship Dhwani	GIL	3,330	2008	
4	m.v. Greatship Prachi	GIL	4,000	2015	
4			**13,888**		**8.00**
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**		**7.50**
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**		**7.50**
ROV Support Vessels					
1	m.v. Greatship Ramya	GIL	3,676	2010	
2	m.v. Greatship Rohini	GIL	3,700	2010	
3	m.v. Greatship Rashi	GIL	3,700	2011	
4	m.v. Greatship Roopa	GIL	3,600	2012	
5	m.v. Greatship Rachna	GIL	3,600	2012	
5			**18,276**		**6.00**

TOTAL OFFSHORE SUPPORT VESSELS

Number	**19**
Total Tonnage (dwt)	**58,539**
Average Age (years)	**7.21**

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					**5.50**

TOTAL DRILLING UNITS

Number	4
Average Age (years)	5.50

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.'

FLEET AS ON MARCH 31, 2017

GREATSHIP (INDIA) LIMITED AND ITS SUBSIDIARIES

Category	Vessel Name	Company#	DWT (MT)	Year Built	MONTH OF AQUISITION/ SALE
SALE					
OFFSHORE SUPPORT VESSEL ROV Support Vessel					
1	m.v. Greatship Ragini	GGOS	3,600	2013	Nov-16
Platform Supply Vessel					
1	m.v. Greatship Disha	GIL	3,096	1999	Feb -17

GIL stands for 'Greatship (India) Limited' and

GGOS stands for 'Greatship Global Offshore Services Pte. Ltd.'

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GREATSHIP (INDIA) LIMITED

Report on the Standalone IND AS Financial Statements

We have audited the accompanying standalone IND AS financial statements of Greatship (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity 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 IND AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) prescribed under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the standalone IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone IND AS financial statements based on our audit. 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 IND AS financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone IND AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit, total comprehensive income, the changes in equity 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 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, to the extent applicable.

2) As required by sub-section (3) of section 143 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, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone IND AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules thereunder;

   (e) On the basis of written representations received from the directors as on March 31, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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, as amended, 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 the standalone IND AS financial statements– Refer Note 45 to the standalone IND AS financial statements.

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 40 (a) I to the standalone IND AS financial statements.

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

      iv. The Company has provide requisite disclosures in the standalone IND AS financial Statements as regards its holdings and dealings in Specified Bank Notes as defined in the Notification S.O.3407(E) dated November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the management.

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No. 104607W / W100166

Roshni R. Marfatia
Partner
Membership No: 106548

Place: Mumbai
Date: May 2, 2017

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, 2017:

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 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, 2017 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, cess and other statutory dues 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, Delhi
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	34,765	FY. 2009-10 to FY. 2011-12 and FY.2013-14 to 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	778	FY. 2008-09	MVAT Tribunal
Customs Act, 1962	Custom Duty	88.2	FY. 2009-10 to FY. 2013 -14	Various Forums
Customs Act, 1962	Custom Duty	1,455	FY. 2010-11	Commissioner of Customs
Income-tax Act, 1961	Income Tax	2,254	FY. 2009-10 to FY. 2011-12	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 loan or borrowing from a financial institution or government and has not issued any debenture.

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 Standalone IND AS 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 LLP
Chartered Accountants
Firm Registration No. 104607W / W100166

Roshni R. Marfatia
Partner
Membership No: 106548

Place: Mumbai
Date: May 2, 2017

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, 2017.

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) Limited ("the Company") as at March 31, 2017 in conjunction with our audit of the standalone IND AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2017, 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 LLP
Chartered Accountants
Firm Registration No. 104607W / W100166

Roshni R. Marfatia
Partner
Membership No: 106548

Place: Mumbai
Date: May 2, 2017

BALANCE SHEET
AS AT 31ST MARCH 2017

	Notes	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
ASSETS				
Non-current assets				
(a) Property, plant and equipment	8	1,366.68	1,654.98	1,870.24
(b) Capital work-in-progress		-	-	0.48
(c) Intangible assets	9	0.13	0.36	0.72
(d) Other financial assets				
(i) Investments	10	2,100.56	1,037.81	1,037.80
(ii) Deposits with Banks	11	2.35	2.19	2.04
(e) Non current tax assets (net)	12C	22.85	13.74	4.23
(f) Deferred tax assets	12D	11.18	12.14	13.05
(g) Other non current assets	13	1.24	1.54	7.88
		3,504.99	**2,722.76**	**2,936.44**
Current assets				
(a) Inventories	14	83.35	83.14	82.75
(b) Financial assets				
(i) Investments	15	8.69	26.10	100.40
(ii) Trade receivables	16	127.61	197.01	159.98
(iii) Cash and cash equivalents	17	205.61	234.23	130.60
(iv) Bank balances other than cash and cash equivalents	18	218.01	133.72	43.82
(v) Other financial assets	19	4.41	-	-
(c) Other current assets	20	17.25	30.12	41.50
		664.93	**704.32**	**559.05**
TOTAL ASSETS		**4,169.92**	**3,427.08**	**3,495.49**
EQUITY AND LIABILITIES				
EQUITY				
(a) Share capital	21	111.35	111.35	111.35
(b) Other equity	22	1,898.23	1,871.61	1,712.37
		2,009.58	**1,982.96**	**1,823.72**
LIABILITIES				
Non-current liabilities				
(a) Financial liabilities				
(i) Long term borrowings	23	809.00	871.23	1,118.86
(ii) Trade payables	24	-	55.51	53.88
(b) Provisions	25A	13.34	11.76	8.68
(c) Other liabilities	26	25.01	27.15	29.29
		847.35	**965.65**	**1,210.71**
Current liabilities				
(a) Financial Liabilities				
(i) Trade payables	27	82.02	96.44	77.61
(ii) Other financial liabilities	28	1,180.35	311.04	320.07
(b) Other current liabilities	29	41.47	61.83	44.66
(c) Provisions	25B	0.51	0.52	10.08
(d) Current tax liabilities (net)	12C	8.64	8.64	8.64
		1,312.99	**478.47**	**461.06**
TOTAL EQUITY AND LIABILITIES		**4,169.92**	**3,427.08**	**3,495.49**
Significant accounting policies	5			

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

As per our report attached hereto

For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Registration No.: 104607W / W100166

Roshni R. Marfatia
Partner
Membership No.: 106548
Mumbai, May 2, 2017

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 2017

	Notes	Year ended March 31,2017 ₹ in Crores	Year ended March 31,2016 ₹ in Crores
Income			
Revenue from Operations	30	1,292.37	1,594.62
Other Income	31	43.70	65.02
Total Income		**1,336.07**	**1,659.64**
Expenses			
Employee benefits expense	32	229.23	268.84
Finance costs	33	52.27	53.99
Depreciation and amortisation expense	34	133.37	146.40
Impairment Loss	35	157.52	105.37
Other expenses	36	657.13	774.98
Total Expenses		**1,229.52**	**1,349.58**
Profit before tax		**106.55**	**310.06**
Tax Expense			
Current tax	12A	84.42	86.67
Deferred tax	12A	0.96	0.91
Total tax expense		**85.38**	**87.58**
Profit for the year		**21.17**	**222.48**
Other Comprehensive Income			
A (i) Items that will not be reclassified subsequently to the statement of profit and loss			
- Remeasurements of the defined benefit plans		2.01	(1.91)
(ii) Income tax on items that will not be reclassified subsequently to the statement of profit and loss		-	-
B (i) Items that will be reclassified subsequently to the statement of profit and loss			
- Net changes in fair value of hedging instruments in a cash flow hedge		3.44	0.72
(ii) Income tax relating to items that will be reclassified subsequently to the statement of profit and loss		-	-
Total Other Comprehensive Income		**5.45**	**(1.19)**
Total Comprehensive Income for the year		**26.62**	**221.29**
Earnings per equity share	37		
[Nominal value per share ₹ 10 : previous year ₹ 10]			
Basic and Diluted		1.90	19.98

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

As per our report attached hereto

For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Registration No.: 104607W / W100166

Roshni R. Marfatia
Partner
Membership No.: 106548
Mumbai, May 2, 2017

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

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2017

	Year ended March 31, 2017 ₹ in Crores	Year ended March 31, 2016 ₹ in Crores
Cash Flow From Operating Activities :		
Net Profit before tax	**106.55**	**310.06**
Adjustments for		
Depreciation and amortisation expenses	133.37	146.40
Impairment loss	157.52	105.37
Finance costs	52.27	53.99
Profit on sale of Property, plant and equipments (net)	(0.09)	(25.32)
Allowance for doubtful debts and advances (net)	1.64	0.81
Interest income	(6.06)	(1.85)
Dividend on current investments	(0.90)	(1.39)
Corporate guarantee commission	(3.25)	(5.13)
Unrealised exchange differences	(32.67)	0.24
Changes in fair value of embedded derivative	-	(0.70)
Exchange difference on settlement of monetary item	-	(2.34)
Operating Profit Before Working Capital Changes :	**408.38**	**580.14**
Adjustments for working capital changes		
(Increase)/Decrease in Inventories	(0.21)	(0.39)
(Increase)/Decrease in Trade receivables	68.93	(38.31)
(Increase)/Decrease in Other financial assets/other current assets	11.18	5.12
Increase/(Decrease) in Trade payables	(60.14)	16.40
Increase/(Decrease) in Other financial liabilities/Provisions and other current liabilities	(21.65)	1.63
Cash Generated From Operations :	**406.49**	**564.59**
Taxes paid	(92.12)	(96.18)
Net Cash From Operating Activities :	**314.37**	**468.41**
Cash Flow From Investing Activities :		
Purchase of Property, plant and equipment	(20.86)	(26.80)
Proceeds from sale of Property, plant and equipment	6.09	82.95
Investment in subsidiary (refer note 2)	-	(0.01)
Proceeds from sale of current investments	239.31	266.68
Purchase of current investments	(221.90)	(192.39)
Interest received	3.66	0.73
Dividend received	0.90	1.39
Corporate guarantee commission received	3.25	5.13

Earmarked deposit (placed) / redeemed with banks (net)	(0.32)	-
Bank deposits having original maturity more than three months (placed) / redeemed (net)	(94.34)	(86.61)
Net Cash (Used In)/From Investing Activities :	**(84.21)**	**51.07**
Cash Flow From Financing Activities :		
Proceeds from long term borrowings	138.92	-
Repayment of long term borrowings	(347.15)	(251.40)
Interest paid	(22.59)	(23.11)
Dividend paid	(23.32)	(68.17)
Dividend distribution tax paid	(4.75)	(13.88)
Redemption of preference shares	-	(59.31)
Proceeds from loan to subsidiary	-	6.85
Net Cash Used In Financing Activities :	**(258.89)**	**(409.02)**
Net (Decrease)/Increase In Cash And Cash Equivalents :	**(28.73)**	**110.46**
Cash and cash equivalents as at April 1, 2016	**234.23**	**130.60**
Effect of exchange rate changes [(Loss) / Gain] on cash and cash equivalents	0.11	(6.83)
Cash and cash equivalents as at March 31, 2017	**205.61**	**234.23**

Note :

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

2 During the current financial year, the Company acquired 23,57,813 equity shares of Greatship Global Energy Services Pte. Ltd. (GGES) from wholly owned subsidiary Greatship Global Holdings Limited (GGHL) for a purchase consideration of USD 159,142,239 i.e. INR 1,062.75 crore on March 28, 2017, thereby making GGES a wholly owned subsidiary of the Company. As per the terms of share purchase agreement, with approval of Reserve Bank of India, the entire consideration for the above acquisition will be kept outstanding for a period upto twelve months from the date the transfer is effective.

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

As per our Report attached hereto

For and on behalf of the Board

For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Registration No.: 104607W / W100166

Ravi K. Sheth
Managing Director

P.R. Naware
Executive Director

Roshni R. Marfatia
Partner
Membership No.: 106548
Mumbai, May 2, 2017

G. Shivakumar
Chief Financial Officer

Amisha M. Ghia
Company Secretary

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2017

₹ in Crores

A EQUITY SHARE CAPITAL

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

Balance as at 1st April 2015	Changes in equity share capital during the year	Balance as at 31st March 2016
111.35	-	111.35

B OTHER EQUITY

Particulars	Reserves and Surplus						Other Comprehensive Income			Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Tonnage Tax Reserve	Retained Earnings	Foreign Currency Translation Reserve	Cash flow Hedging Reserve	Actuarial Gain/ (Loss) on Defined Benefit Plan	
Balance as at 1st April 2016	2.95	43.50	1,155.13	40.35	177.00	453.57	-	1.02	(1.91)	1,871.61
Profit for the year	-	-	-	-	-	21.17	-	-	-	21.17
Other Comprehensive Gain/(Loss) for the year	-	-	-	-	-	-	-	3.44	2.01	5.45
Transfer from profit of the year to Tonnage tax reserve	-	-	-	-	10.00	(10.00)	-	-	-	-
Balance as at 31st March 2017	2.95	43.50	1,155.13	40.35	187.00	464.74	-	4.46	0.10	1,898.23

Particulars	Reserves and Surplus						Other Comprehensive Income			Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Tonnage Tax Reserve	Retained Earnings	Foreign Currency Translation Reserve	Cash flow Hedging Reserve	Actuarial Gain/ (Loss) on Defined Benefit Plan	
Balance as at 1st April 2015	2.95	29.00	1,155.13	54.85	142.00	326.40	1.74	0.30	-	1,712.37
Profit for the year	-	-	-	-	-	222.48	-	-	-	222.48

Other Comprehensive Gain/(Loss) for the year	-	-	-	-	-	-	-	0.72	(1.91)	(1.19)
Dividend (including tax on dividend)	-	-	-	-	-	(60.31)	-	-	-	(60.31)
Transfer from General reserve to Capital redemption reserve	-	14.50	-	(14.50)	-	-	-	-	-	-
Transfer to statement of profit and loss on realisation	-	-	-	-	-	-	(1.74)	-	-	(1.74)
Transfer from profit of the year to Tonnage tax reserve	-	-	-	-	35.00	(35.00)	-	-	-	-
Balance as at 31st March 2016	2.95	43.50	1,155.13	40.35	177.00	453.57	-	1.02	(1.91)	1,871.61

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

For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Registration No.: 104607W / W100166

For and on behalf of Board

Roshni R. Marfatia
Partner
Membership No.: 106548
Mumbai, May 2, 2017

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 2017

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 4 Platform Supply Vessels (PSVs), 7 Anchor Handling Tug cum Supply Vessels (AHTSVs) and 5 Remotely Operated Vehicle Support Vessels (ROVSVs) in the Indian and International markets. The company also operates 4 Jack up Drilling Rigs. There have been no significant changes in the nature of these activities during the financial year. The company is a subsidiary of The Great Eastern Shipping Company Limited (GESCO) which is listed on the National Stock Exchange (NSE), Bombay Stock Exchange (BSE) and at the Luxemburg Stock Exchange.

The financial statements of the Company for the year ended March 31, 2017 were approved for issue in accordance with the resolution of the Board of Directors on May 2, 2017.

2 STATEMENT OF COMPLIANCE WITH IND AS

The financial statements have been prepared in accordance with Indian Accounting Standards (IND AS) notified under section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 and as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements upto year end March 31, 2016 were prepared in accordance with the requirements of the previous GAAP, which includes accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended).

These financial statements are the first financial statements under IND AS. The date of transition to IND AS is April 1, 2015 and the adoption was carried out in accordance with IND AS 101 – First time adoption of Indian Accounting Standards. The details of the First time adoption exemptions availed by the Company is summarised in Note 7.

3 BASIS OF PREPARATION

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

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 realisation in cash and cash equivalent, the Company has ascertained its operating cycle as twelve months for the purpose of Current and Non-Current classification of assets and liabilities.

4 USE OF ESTIMATES

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

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

Impairment of property, plant & equipment

The Company reviews the carrying value of property, plant & equipment annually or more frequently when there is indication of impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Useful lives of property, plant & equipment

The Company reviews the useful life of property, plant & equipment at the end of each reporting period. This assessment may result in change in depreciation expense in future periods.

Provisions & Contingent Liabilities

A provision is recognised when a Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions other than retirement benefits and compensated absences are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements and a contingent asset is neither recognised nor disclosed in the financial statements.

5 SIGNIFICANT ACCOUNTING POLICIES

(a) Property, Plant & Equipment :

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

Advances paid towards the acquisition of PPE outstanding at each reporting date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under capital work in progress. Subsequent expenditure relating to PPE are capitalised only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

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

All other expenses on maintaining property, plant and equipment, including expenditure on intermediate survey and day to day repair and maintenance expenditure are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Fair value of dry dock component has been used to determine the component value as on transition date in the absence of historical cost.

Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss.

The Company has availed of the exemption under para D13AA of IND AS 101 to continue accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first IND AS financial reporting period as an adjustment to the carrying cost of the depreciable asset.

Transition to IND AS

On transition to IND AS, the Company has elected to measure some items of property, plant & equipment at the date of transition to IND AS at its fair value and use that fair value as its deemed cost on the date of transition in accordance with the exemption under para D5 of IND AS 101 and has complied with the requirements of IND AS 16 as regards depreciation in respect of all the other items of PPE.

(b) Intangible Assets :

Intangible 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.

(c) Non-current assets held for sale :

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

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

(d) Depreciation and Amortisation

Depreciation is provided on 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.

Property, Plant & Equipment	Estimated useful life
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 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.

(e) Impairment :

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

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

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

(f) Inventories :

Inventories of fuel oil on vessels and 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.

(g) Investments in Subsidiaries :

Investments in Subsidiaries are measured at costs less impairment, if any

(h) Financial Instruments :

Initial Recognition

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

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

Subsequent measurement

Financial Assets

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

Cash and Cash Equivalents

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

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

Financial Assets at amortised cost

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

Effective interest method

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included under the head "Gain on foreign currency transactions (net)".

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

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

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

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

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

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

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

Investment in Subsidiaries

Investment in Subsidiaries is carried at cost in the separate financial statements.

Impairment of financial assets

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

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

Further, for the purpose of measuring lifetime expected credit loss ("ECL") allowance for trade receivables, the Company has used a practical expedient as permitted under IND AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

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

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

Derecognition of financial assets

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

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial liabilities

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

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

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

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

Financial guarantee contracts

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

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

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

Derecognition of financial liabilities

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

Offsetting financial instruments

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

Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in Note 40.

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

Embedded derivatives

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

Hedge accounting

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

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk. Note 40 sets out details of the fair values of the derivative instruments used for hedging purposes.

Fair value hedges

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

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

Cash flow hedges

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

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

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

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

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

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

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

Hedges of net investments in foreign operations

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated under the heading of foreign currency translation reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included under the head “Gain on foreign currency transactions (net)”.

Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.

(i) Revenue Recognition :

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

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

Interest income is recognised using the effective interest method.

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

(j) Leases :

Operating lease

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

(k) Employee Benefits :

Short-Term Employee Benefits

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

Post- Employment Benefits

Liability is provided for retirement benefits of Provident Fund, Superannuation, Gratuity and Leave Encashment in respect of all eligible employees and for pension benefit to Whole-time Directors of the Company.

i. Defined Contribution Plans

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

ii. Defined Benefit Plan

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

Other Long Term Benefits

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

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

Employee share based payments

Equity settled stock options granted under the Company's Employee stock option (ESOP) schemes are accounted as per the accounting treatment prescribed by SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share based payments issued by ICAI. Consequent to the introduction of the encashment scheme, the liability in respect of outstanding options is measured at fair value as per the scheme and the difference in the fair value and the exercise price is amortized over the vesting period as employee compensation with a credit to provisions.

(l) Borrowing Costs :

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

(m) Foreign currencies :

The functional currency of the Company is Indian Rupee

In preparing the financial statements of the Company, transactions in currencies other than the company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions (standard exchange rates determined monthly). At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on long term foreign currency monetary items relating to acquisition of depreciable assets and recognised in the financial statements prior to the date of transition to IND AS as an adjustment to the carrying cost of the depreciable asset, continue to be accounted as an adjustment to the carrying cost of the depreciable asset, pursuant to the exemption availed by the Company under para D13AA of IND AS 101.
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (refer hedging accounting policies); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

(n) Income taxes :

Income tax expense comprises both current and deferred tax. Current and deferred taxes are recognised in the statement of profit and loss.

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

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

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

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

The Company offsets current tax assets and current tax liabilities, where it is has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

(o) 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.

(p) 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.

(q) Government Grant :

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

6 RECENT ACCOUNTING DEVELOPMENTS

Standards issued but not yet effective :

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to IND AS 7, 'Statement of cash flows' and IND AS 102, Share-based payment. The amendments are applicable to the Company from April 1, 2017

Amendment to IND AS 7 :

The amendment to IND AS 7 requires the entities to provide disclosures that enable users of Financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The effect on the Financial statements is being evaluated by the Company.

Amendment to IND AS 102 :

The amendment to IND AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes. It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement. The effect on the Financial statements is being evaluated by the Company.

7 FIRST-TIME ADOPTION - MANDATORY EXCEPTIONS, OPTIONAL EXEMPTIONS

The Company has prepared the opening balance sheet as per IND AS as of April 1, 2015 (the transition date), by recognising all assets and liabilities whose recognition is required by IND AS, not recognising items of assets or liabilities which are not permitted by IND AS, by reclassifying items from previous GAAP to IND AS as required under Ind AS, and applying IND AS in measurement of recognised assets and liabilities. The exceptions and certain optional exemptions availed by the Company in accordance with the guidance provided in IND AS 101, First Time Adoption of Indian Accounting Standards, and reconciliations of equity and total comprehensive income from previously reported GAAP to IND AS are detailed below:

Optional Exemptions from Retrospective application

IND AS 101 permits first-time adopters certain exemptions from retrospective application of certain requirements under IND AS. The Group has elected to apply the following optional exemptions from retrospective application:

Investments in Subsidiaries

The Company has elected to adopt the carrying value under previous GAAP as on the date of transition i.e. April 1, 2015 in its separate financial statements.

Deemed cost for property, plant and equipment

The Company has elected to measure some items of property, plant & equipment as of April 1, 2015 (transition date) at its fair value and use that fair value as its deemed cost as of the date of transition in accordance with the exemption under para D5 of IND AS 101 and has complied with the requirements of IND AS 16 as regards depreciation in respect of all the other items of PPE.

Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively, however, as permitted by IND AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to IND ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by IND AS 101.

Long term foreign currency monetary items

The Company has elected to continue the policy adopted for accounting for exchange differences arising on translation of long term foreign currency monetary items relating to acquisition of depreciable assets, recognised in the financial statements for the period ending immediately before the first IND AS financial reporting period as per the previous GAAP, as an adjustment to the carrying cost of the depreciable asset.

Assessment of embedded derivatives

The Company has assessed whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date it first became a party to the contract and the date when there has been a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract.

Mandatory Exceptions to Retrospective Application

The Group has applied the following exceptions to the retrospective application of IND AS as mandatorily required under IND AS 101:

Estimates

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under IND AS, as there is no objective evidence that those estimates were in error. However, estimates that were required under IND AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

Classification and measurement of financial assets

The classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to IND AS.

Reconciliations between Previous GAAP and IND AS

(i) Equity reconciliation

₹ in Crores

Particulars	Notes	As at March 31, 2016	As at April 1, 2015
Equity under previous GAAP		**2424.94**	**2,255.60**
Equity dividend including dividend distribution tax	A	-	60.31
Redeemable Preference Shares classified as Financial Liability	B	(318.82)	(406.20)
Fair Value used as deemed cost on transition- Plant & Equipment	C	(35.11)	(35.11)
Fair Value used as deemed cost on transition-Fleet	C	(57.44)	(57.44)
Deferred Tax on Fair Value adjustments to Non-Tonnage assets	C	12.15	12.15
Fair Value Adjustment of Financial Instruments	D	(7.82)	(5.00)
Actuarial Gain/(Loss) on Defined Employee Benefits	E	(1.91)	-
Embedded Derivative on Charter Hire Contract	E	(0.70)	(0.70)
Dry dock cost capitalised - Fleet	F	0.11	0.11
Increase in Profit as per IND AS (Refer note below)		(32.44)	-
Equity under IND AS		**1,982.96**	**1,823.72**

(ii) **Total comprehensive income reconciliation**

₹ in crores

Particulars	Notes	Year ended March 31, 2016
Net income under Previous GAAP		**254.92**
Dividend (including Dividend Distribution Tax) & Premium amortisation on preference shares being designated as "Financial Liability".	B	(29.56)
Dry dock costs capitalised.	F	16.85
Effect of change in depreciation consequent to use of fair value for certain items of Property, Plant & Equipment at the date of Transition to IND AS as it's deemed cost on transition.	C	(12.24)
Effect of change in impairment due to increase in carrying amount of Property, Plant & Equipment consequent to capitalization of Dry Dock cost and derecognition of hedging instruments identified as ineffective.	G	(19.14)
Net gain / loss on certain derivatives hedging instruments identified as ineffective transferred to P&L.	H	7.30
Others (net)	E	4.35
Profit under IND AS		**222.48**
Other Comprehensive Income		
Remeasurements of the defined benefit plans		(1.91)
The effective portion of gains and loss on hedging instruments in a cash flow hedge		0.72
Total comprehensive income under IND AS		**221.29**

Notes

A. Equity dividend including dividend tax

Under IND AS, dividend to holders of equity instruments is recognised as liability in the period in which the obligation to pay is established. Under previous GAAP, dividend payable is recorded as a liability in the period to which it relates. This has resulted in an increase in equity by ₹ 60.31 crores as on April 1, 2015.

B. Redeemable Preference Shares

Under previous GAAP, redeemable preference shares were classified as equity. As per IND AS -39 Financial Instruments-Recognition and Measurement, Redeemable Preference Shares have been designated as Financial Liability at amortized cost, consequently the dividend including DDT and premium amortization thereon is reclassified as borrowing cost. This has resulted in decrease in equity by ₹ 318.82 crores and ₹ 406.20 crores as on March 31, 2016 and April 1, 2015 respectively.

C. Property, plant & equipment

The Company, has used fair value as deemed cost for certain items of Property, Plant & Equipment in accordance with the exemptions available under IND AS 101 with the resultant impact being accounted for in reserve. The consequent impact on change in depreciation is reflected in the statement of profit & loss. The aggregate of the fair values used as deemed cost as on the date of transition and the aggregate adjustments to the carrying amount reported under previous GAAP are as under :

	April 1,2015 (₹ in Crores)	
Property, Plant and Equipment	Aggregate Fair Value	Aggregate adjustments to the carrying amount
Vessels	400.00	(57.44)
Plant & Equipment	7.86	(35.11)
Total	**407.86**	**(92.55)**

D. Financial Instruments

Under IND AS 109, all derivatives are required to fair valued through P&L (FVTPL) unless they are designated as hedging instruments and tested for effectiveness. Consequently, USD/JPY swaps which were earlier treated as integral part of JPY loan were revalued and the exchange difference on principal was capitalised under previous GAAP, are now treated as derivative instruments under IND AS.

This has resulted in decrease in equity by ₹ 7.82 crores and ₹ 5.00 crores as on March 31, 2016 and April 1, 2015 respectively.

E. Other Adjustments

i) Under IND AS -19 Employee Benefits, actuarial gain & losses are recognised in other comprehensive income & not reclassified to profit & loss in a subsequent period. The adjustment reflects the impact for the periods subsequent to the date of transition as transfer from profit & loss to other comprehensive income.

ii) The company has utilized Serve from India Scheme (SFIS) licenses for importation of some vessels into India. In accordance with IND AS - 22 Accounting for Government Grants, the value of licenses used has been added to the cost of the vessels and amortized as depreciation with the corresponding effect in other income.

iii) The impact of transition adjustment relating to Property, Plant & Equipment has altered the book value of the block of the assets. The deferred tax relating to the Non-Tonnage business has been adjusted in reserve on the date of transition, with consequential impact to profit & loss for the subsequent periods.

F. Dry Dock Costs

Under IND AS 16 Property, Plant and Equipment (PPE), major inspection cost qualify to be recognised as PPE if it is probable that future economic benefits associated with the item will flow to the entity. Consequently, Dry dock expenditure which was earlier expensed out under previous GAAP will now be capitalised as component of fleet.

G. Impairment

Adjustment reflects increase in Impairment of fleet consequent to capitalization of Dry Dock cost and derecognition of hedging instruments identified as ineffective.

H. Derivative instruments

Adjustment reflects the net gain on certain derivative hedging instruments identified as ineffective and transferred to the statement of profit & loss.

I. Adjustments to Statement of Cash Flow

There were no material differences between the Statement of Cash Flows presented under IND AS and the Previous GAAP.

8 PROPERTY, PLANT AND EQUIPMENT

₹ in Crores

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

Description	Fleet	Leasehold improvements	Plant & equipment	Furniture & fixtures	Vehicles	Office equipments	Computers	Total
Gross Block								
Balance as at April 1,2015 (Deemed cost)	2,339.20	5.30	7.86	1.02	7.17	2.09	3.30	2,365.94
Additions	16.94	-	13.07	0.01	2.09	0.15	0.12	32.38
Disposals	(80.78)	-	-	-	(0.40)	(0.11)	(0.21)	(81.50)
Adjustments *	61.40	-	-	-	-	-	-	61.40
Balance as at March 31,2016	**2,336.76**	**5.30**	**20.93**	**1.03**	**8.86**	**2.13**	**3.21**	**2,378.22**
Accumulated Depreciation								
Accumulated Depreciation as at April 1,2015	485.37	2.92	-	0.72	3.10	1.22	2.37	495.70
Depreciation for the year	140.64	1.06	1.56	0.14	1.88	0.40	0.36	146.04
Disposals	(23.24)	-	-	-	(0.32)	(0.11)	(0.20)	(23.87)
Accumulated Depreciation as at March 31,2016	**602.77**	**3.98**	**1.56**	**0.86**	**4.66**	**1.51**	**2.53**	**617.87**
Impairment								
Impairment as at April 1,2015	-	-	-	-	-	-	-	-

Impairment loss for the year	**105.37**	**-**	**-**	**-**	**-**	**-**	**-**	**105.37**
Disposals	-	-	-	-	-	-	-	-
Impairment as at March 31,2016	**105.37**	**-**	**-**	**-**	**-**	**-**	**-**	**105.37**
Net Carrying amount as at March 31, 2016	**1,628.62**	**1.32**	**19.37**	**0.17**	**4.20**	**0.62**	**0.68**	**1,654.98**
Net Carrying amount as at April 1, 2015	**1,853.83**	**2.38**	**7.86**	**0.30**	**4.07**	**0.87**	**0.93**	**1,870.24**

* Adjustments represents foreign currency loss/(gain) on repayment and year end translation of foreign currency liabilities relating to acquisition of depreciable capital assets adjusted to carrying amount of assets ₹ (7.79) crores (previous year: ₹ 61.40 crores).
Fleet with carrying amount of ₹ 1,048.90 crores (March 31,2016: ₹ 1,490.04 crores; March 31,2015: ₹ 1,853.83 crores) have been mortgaged to secure borrowings of the company.

9 INTANGIBLE ASSET

₹ in Crores

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

Description	Computer Software
Gross Block	
Balance as at April 1,2015	**4.95**
Additions	-
Disposals	-
Balance as at March 31,2016	**4.95**
Accumulated Amortisation	
Balance as at April 1,2015	**4.23**
Amortisation for the year	0.36
Disposals	-
Balance as at March 31,2016	**4.59**
Net Carrying amount as at March 31, 2016	**0.36**
Net Carrying amount as at April 1, 2015	**0.72**

10 INVESTMENTS - NON CURRENT

	No. of Shares	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Investments carried at cost				
Equity instruments - fully paid up - unquoted				
Investments in subsidiaries				
Greatship Global Energy Services Pte. Ltd., Singapore	2,640,066	1,143.68	80.93	80.93
(including 23,57,813 shares acquired during the year)				
Greatship Global Holdings Ltd., Mauritius	222,201,774	954.61	954.61	954.61
Greatship (UK) Ltd.	500,000	2.26	2.26	2.26
Greatship Oilfield Services Limited	10,000	0.01	0.01	-
Other Investments				
Great Eastern CSR Foundation		-	-	*
		2,100.56	**1,037.81**	**1,037.80**
* indicates amount less than Rs. 1 lac.				
Aggregate amount of quoted investments		-	-	-
Market value of quoted investments		-	-	-
Aggregate amount of unquoted investments		**2,100.56**	**1,037.81**	**1,037.80**
Aggregate amount of impairment in value of investments		-	-	-

Information about subsidiaries

Sr. No.	Name of the Company	Country of Incorporation	Principal Activity	Proportion of equity interest As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
1	Greatship Global Holdings Ltd. (GGHL) (Incorporated on May 30, 2007)	Mauritius	Invest in companies owning and operating offshore vessels and drilling units.	100%	100%	100%
2	Greatship Global Energy Services Pte. Ltd. (GGES) (subsidiary of GGHL up to March 28, 2017 and direct subsidiary of the Company thereafter) (Incorporated on May 30, 2007)	Singapore	Owning, chartering and operating mobile offshore drilling units.	100%	100%	100%

Sr. No.	Name of the Company	Country of Incorporation	Principal Activity	Proportion of equity interest As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
3	Greatship Global Offshore Services Pte. Ltd. (GGOS) (Incorporated on May 08, 2006)	Singapore	Owning and operating offshore supply vessels.	100%	100%	100%
4	Greatship (UK) Ltd. (GUK) (Incorporated on October 29, 2010)	UK	Operating offshore supply and support vessels.	100%	100%	100%
5	GGOS Labuan Ltd., (GGOLL) ** (subsidiary of GGOS) (Incorporated on June 25, 2014)	Malaysia	Owning and operating offshore supply vessels.	-	100%	100%
6	Greatship Oilfield Services Ltd., (GGOSL) (Incorporated on July 9, 2015)	Mumbai	Offshore oilfield services.	100%	100%	-

During the current financial year, the Company acquired 23,57,813 equity shares of Greatship Global Energy Services Pte. Ltd. (GGES) from wholly owned subsidiary Greatship Global Holdings Limited (GGHL) for a purchase consideration of INR 1,062.75 crore (USD 159.14 million) on March 28, 2017, thereby making GGES a wholly owned subsidiary of the Company. As per the terms of share purchase agreement, with approval of Reserve Bank of India, the entire consideration for the above acquisition will be kept outstanding for a period upto twelve months from the date the transfer is effective (refer note 28).

11 DEPOSITS WITH BANKS

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Earmarked balances with Banks			
Margin deposits with Banks with remaining maturity of more than twelve months	2.35	2.19	2.04
	2.35	**2.19**	**2.04**

12 INCOME TAXES

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores
A. Income tax expense comprise of the following :		
Current tax expense for the year	84.42	86.67
Deferred tax	0.96	0.91
	85.38	**87.58**
B. The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statement of profit or loss is as follows:		
Loss/(Profit) before tax	106.55	310.06
Indian statutory income tax rate	34.61%	34.61%
Expected income tax expense	36.87	107.31
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Profit attributable to tonnage tax activity	46.63	(19.84)
Income exempt from Income tax	(10.94)	(9.24)
Expense not deductible for tax purpose	12.81	9.35
Total income tax expense	**85.38**	**87.58**

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
C. Tax assets and liabilities			
Non current tax assets (net)	22.85	13.74	4.23
Current tax liabilities (net)	8.64	8.64	8.64

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

(₹ in Crores)

	Balance as at April 1, 2016	Recognised in statement of Profit and Loss	Recognised in OCI	Balance as at March 31, 2017
Deferred tax assets / (liabilities) in relation to:				
Property, Plant and Equipment	12.02	(1.14)	-	10.88
Provision for doubtful debts	-	0.20	-	0.20
Defined benefit obligations	0.12	(0.03)	-	0.09
Net deferred tax assets / (liabilities)	12.14	(0.96)	-	11.18

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2016 are as follows :

(₹ in Crores)

	Balance as at April 1, 2015	Recognised in statement of Profit and Loss	Recognised in OCI	Balance as at March 31, 2016
Deferred tax assets / (liabilities) in relation to:				
Property, Plant and Equipment	12.78	(0.76)	-	12.02
Defined benefit obligations	0.27	(0.15)	-	0.12
Net deferred tax assets / (liabilities)	13.05	(0.91)	-	12.14

Income from shipping activities of the group in India is assessed on the basis of deemed tonnage income in accordance with the provision of section 115VA of the Income Tax Act,1961 and no deferred tax is applicable to such income as there are no taxable temporary differences. Consequently, deferred tax is recognised only is respect of the taxable temporary differences relating to the non tonnage income.

13 OTHER NON CURRENT ASSETS

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Considered good			
Security deposits	1.21	1.21	1.21
Capital advances	0.03	0.33	0.42
Loans and advances to related parties *	-	-	6.25
	1.24	**1.54**	**7.88**
* Loans and advances to related parties represents loans to subsidiaries as under :			
Greatship (UK) Limited	-	-	6.25

14 INVENTORIES

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Stores & spares in warehouse & in transit to Rigs / Vessels	3.61	2.02	0.77
Stores & spares on board rigs	64.43	66.01	66.51
Fuel Oils	15.31	15.11	15.47
	83.35	**83.14**	**82.75**

1. Inventories are carried at lower of cost and net realisable value.
2. Inventories of stores and spares on rigs and fuel oil on vessels and rigs is recognised as expense on consumption, and stores and spares relating to vessels are recognised as expense when delivered on board the vessels. The amount of inventories recognised as an expense during the year (including stores and spares delivered on board the vessels) is ₹ 81.82 crores (previous year: ₹ 98.20 crores).

15 INVESTMENTS - CURRENT

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Investments at fair value through profit and loss			
Investments in mutual funds - Unquoted	8.69	26.10	100.40
	8.69	**26.10**	**100.40**
Aggregate amount of quoted investments	-	-	-
Market value of quoted investments	-	-	-
Aggregate amount of unquoted investments	**8.69**	**26.10**	**100.40**
Aggregate amount of impairment in value of investments	-	-	-

16 TRADE RECEIVABLES

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Unsecured			
- Considered good *	127.61	197.01	159.98
- Considered doubtful	3.52	1.87	1.06
	131.13	198.88	161.04
- Allowances for doubtful receivables	(3.52)	(1.87)	(1.06)
	127.61	**197.01**	**159.98**
* Includes dues from subsidiaries			
Greatship (UK) Limited	-	-	0.48

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

Trade receivables are derived from revenue earned from customers having high credit quality and strong financials. In determining the allowances for doubtful trade receivables, the company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes in account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

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

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Balances as at the beginning of the year	1.87	1.06	18.20
Current year allowance	2.09	0.81	1.06
Reversal during the year	(0.44)	-	(18.20)
Balances as at the end of the year	3.52	1.87	1.06

17 CASH AND CASH EQUIVALENTS

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Balances with banks			
-Current accounts	172.38	234.22	130.59
-Term Deposits with original maturity less than three months	33.23	-	
Cash in hand	-	0.01	0.01
	205.61	**234.23**	**130.60**

Specified Bank Notes (SBNs) disclosure :

In accordance with MCA notification G.S.R. 308 (E) dated March 30, 2017 details of Specified Bank Notes (SBNs) and other denomination notes (ODN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 is provided as under:

Amount in ₹

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	100,500	19,114	119,614
(+) Permitted receipts	-	428,000	428,000
(-) Permitted payments	-	(402,629)	(402,629)
(-) Amount deposited in Banks	(100,500)	-	(100,500)
Closing cash in hand as on 30.12.2016	**-**	**44,485**	**44,485**

18 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Term Deposits with maturity more than three months but less than twelve months	218.01	133.72	43.82
	218.01	**133.72**	**43.82**

19 OTHER FINANCIAL ASSETS

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Derivatives designated as Cash flow hedges			
- Foreign exchange forward contracts / Interest rate swaps	4.41	-	-
	4.41	**-**	**-**

20 OTHER CURRENT ASSETS

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Prepayments	4.14	5.49	7.57
Advances to suppliers, masters, agents, etc.	4.91	7.46	13.36
Deposits	2.68	3.40	13.35
Unutilised government grants (refer note 44) #	1.60	6.48	0.95
Unbilled revenue *	3.92	7.29	6.27
	17.25	**30.12**	**41.50**

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

* Includes unbilled revenue from subsidiary			
Greatship (UK) Limited	3.64	6.85	6.27

21 SHARE CAPITAL

	As at March 31,2017		As at March 31,2016		As at April 1,2015	
	No. of Shares	₹ In Crores	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	135,000,000	135.00
		135.00		**135.00**		**135.00**
Issued, subscribed and paid up						
Equity Shares of par value ₹10/- fully paid up	111,345,500	111.35	111,345,500	111.35	111,345,500	111.35
Total		**111.35**		**111.35**		**111.35**

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

	As at March 31,2017		As at March 31,2016		As at April 1,2015	
Details	No. of Shares	₹ In Crores	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	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**	**11,345,500**	**111.35**

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

Equity Shares :

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

(c) Shares held by the holding company :

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Equity Shares	111.35	111.35	111.35

111,345,500 equity shares (March 31, 2016: 111,345,500 , April 1,2015: 111,345,500 equity shares) are held by The Great Eastern Shipping Company Limited

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

Name of Shareholder	As at March 31,2017		As at March 31,2016		As at April 1,2015	
	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held
Equity Shares						
The Great Eastern Shipping Company Limited, the holding company	100%	111,345,500	100%	111,345,500	100%	111,345,500

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

(e) Shares allotted as fully paid up pursuant to contract (s) without payment being received in cash during the period of five years immediately preceding the reporting date - 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 preceding 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. Out of five schemes, two schemes, ESOP 2007 and ESOP 2008-I have been closed with encashment of all outstanding stock options under these schemes. All the ESOPs are in respect of the Company's shares where each stock option is equivalent to one equity share.

No grant of stock options were made under any of the Schemes after April 2012 in line with the Company's decision to not make any further grants under the existing Schemes. There was no encashment or forfeiture of options under any Scheme during the year under review.

During the financial year 2015-16, 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).

The total options outstanding as on March 31, 2017 is 151,060.

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

Sr. No.	Particulars	ESOP 2007-II	ESOP 2008-II	ESOP 2010
1.	Date of Grant	28/01/08	23/10/08 19/03/09 05/05/09 24/07/09 23/10/09 28/12/09 18/03/10 30/04/10	23/09/10 30/04/11 24/10/11 27/04/12
2.	Date of Board Approval	20/11/07	28/01/08	18/03/10
3.	Date of Shareholders' Approval	21/11/07	31/01/08	23/04/10
4.	Options approved	200,000	1,710,000	1,028,900
5.	Options outstanding at the beginning of the year	4,600	44,700,	101,760
6.	Options granted during the year	–	–	–
7.	Options cancelled/ forfeited during the year	–	–	–
8.	Options Exercised during the year	–	–	–
9.	Options encashed during the year	–	–	–
10.	Options outstanding at the end of the year	4,600	44,700	101,760
11.	Exercise Price/Weighted Average Exercise Price	100	135	135
12.	Exercise period from the date of vesting	One year from the date of vesting/listing whichever is later	One year from the date of vesting/listing whichever is later	One year from the date of vesting/listing whichever is later
13.	Exercisable at end of the year	–	–	–
14.	Method of Settlement	Equity	Equity/Cash	Equity
15.	Vesting period from the date of grant	One year	20% equally over a period of five years	20% equally over a period of five years
16.	Vesting conditions	Continued employment with the holding Company " The Great Eastern Shipping Co. Ltd." (includes transfer within group companies)	Continued employment with the Company or subsidiaries (includes transfer within group companies)	Continued employment with the Company or subsidiaries (includes transfer within group companies)

Pursuant to the encashment scheme for Employee Stock Options (ESOPs) introduced by the Company 1,417,420 options have been encashed in two tranches at fair value determined under the scheme. 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, 2017 of ₹ 2.38 crores (March 31, 2016: ₹ 2.30 crores; April 1, 2015: ₹ 1.37 crores) is included in non current provisions and ₹ NIL (March 31, 2016: NIL ; April 1, 2015: ₹ 9.80 crores) in current provisions .

22 OTHER EQUITY

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Summary of Other Equity			
Reserves and Surplus			
Capital Reserve	2.95	2.95	2.95
Capital redemption reserve	43.50	43.50	29.00
Securities premium reserve	1,155.13	1,155.13	1,155.13
General reserve	40.35	40.35	54.85
Tonnage Tax reserve	187.00	177.00	142.00
Retained earnings	464.74	453.57	326.40
Other Comprehensive Income			
Foreign currency translation reserve	-	-	1.74
Cash flow Hedging reserve	4.46	1.02	0.30
Actuarial Gain/Loss on Defined Benefit Plan	0.10	(1.91)	-
	1,898.23	**1,871.61**	**1,712.37**

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores
Reserves and Surplus		
Capital reserve		
Balance at the beginning and at the end of the year	**2.95**	**2.95**
Capital redemption reserve		
Balance at the beginning of the year	43.50	29.00
Add: Transfer from General reserve on redemption of preference shares	-	14.50
Balance at the end of the year	**43.50**	**43.50**
Securities premium reserve		
Balance at the beginning and at the end of the year	1,155.13	1,155.13

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores
General reserve		
Balance at the beginning of the year	40.35	54.85
Less: Transfer to Capital redemption reserve	-	(14.50)
Balance at the end of the year	**40.35**	**40.35**
Tonnage Tax Reserve		
Balance at the beginning of the year	177.00	142.00
Add: Transfer from statement of profit and loss	10.00	35.00
Balance at the end of the year	**187.00**	**177.00**
Retained earnings		
Balance at the beginning of the year	453.57	326.40
Add: Profit for the year	21.17	222.48
Less: Transfer to Tonnage Tax Reserve Account under section 115VT of the Income Tax Act, 1961	(10.00)	(35.00)
Less: Appropriations:		
Dividend on equity shares	-	(50.11)
Dividend distribution tax	-	(10.20)
Balance at the end of the year	**464.74**	**453.57**
Items of Other Comprehensive Income		
Foreign currency translation reserve		
Balance at the beginning of the year	-	1.74
Less: Transfer to statement of profit and loss on realisation		(1.74)
Balance at the end of the year	-	-
Cash flow Hedging Reserve		
Balance at the beginning of the year	1.02	0.30
(Less) / Add : Fair value (loss) / gain on derivative contracts designated as cash flow hedges (net)	3.44	0.72
Balance at the end of the year	**4.46**	**1.02**
Actuarial Gain/(Loss) on Defined Benefit Plan		
Balance at the beginning of the year	(1.91)	-
Remeasurements during the year	2.01	(1.91)
Balance at the end of the year	**0.10**	**(1.91)**
	1,898.23	**1,871.61**

Nature of reserves

Capital reserve

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

Securities premium reserve

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

General reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in General reserve will not be reclassified subsequently to statement of profit or loss.

Tonnage Tax reserve

The Tonnage tax reserve is used to accumulate a portion of profits derived from tonnage activities during each year as mandated under section 115VT of the Income Tax Act,1961. The amount credited to the Tonnage Tax Reserve shall be utilised by GIL for acquiring new ships for the purposes of the business.

Foreign currency translation reserve

This reserve represents balances of Exchange differences on monetary items considered as part of net investment in an non integral foreign operation. All resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

Cash flow Hedging reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss.

23 LONG TERM BORROWINGS

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Secured :			
Foreign currency term loans from banks	578.87	798.08	986.77
Less: Current maturities of long term borrowings (included in Note 28)	(117.91)	(272.27)	(211.57)
Less: Interest accrued but not due on long term borrowings (included in Note 28)	(2.33)	(2.96)	(3.23)
	458.63	522.85	771.97
Unsecured :			
Redeemable cumulative Preference shares capital designated as financial liability			
21.75 % (April 1, 2015: 7.5%) Cumulative Redeemable Preference Shares of par value ₹10/- fully paid up	168.50	166.51	165.02
22.5% Cumulative Redeemable Preference Shares of par value ₹10/- fully paid up	181.87	181.87	181.87
	350.37	348.38	346.89
	809.00	**871.23**	**1,118.86**

a. Foreign currency term loans are secured by mortgage of the vessels, assignment of earnings, charge on earnings account and insurance contracts/policies of respective vessels (refer note 8). The loans carry interest at the rate LIBOR plus 176 to 195 bps and are repayable in quarterly / half yearly instalments over one to six years.

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

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
1-2 years	80.40	150.94	211.53
2-3 years	211.91	85.63	156.47
3-4 years	58.93	202.79	95.16
4-5 years	22.53	46.45	206.72
Beyond 5 years	84.86	37.04	102.09
	458.63	522.85	771.97

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

b. Preference Shares :

(i) The 21.75% 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 Limited" in the year 2008-09.The said shares were to be redeemed at a premium of ₹ 30.90 per share in six annual instalments from April 1,2013 to April 1,2018. The terms of the outstanding 44,500,000 preference shares were modified by the Board of Directors of the company during 2015-16, increasing the rate of dividend from 7.5% to 21.75% p.a. effective FY 2015-16 and deferring the redemption of the said shares in four instalments of 11,125,000 preference shares each from April 1, 2021 to 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. The cumulative redeemable preference shares do not contain any equity component.

(ii) 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 Limited", are to be redeemed at a premium of ₹ 20/- per share in four annual instalments of 15,156,000 preference shares each from April 1, 2018 to April 1, 2021 as per the revised terms.

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

24 TRADE PAYABLES

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Trade Payables - due to Subsidiary	-	55.51	53.88
	-	55.51	53.88

25 PROVISIONS

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
A. Non current			
Provision for employee benefits			
- Provision for compensated absences	0.39	0.39	0.31
- Director's Retirement Benefit Plan	10.57	9.07	7.00
-Employee Stock Options Scheme (refer note 21 (g))	2.38	2.30	1.37
	13.34	11.76	8.68
B. Current			
Provision for employee benefits			
- Provision for compensated absences	0.51	0.52	0.28
- Employee Stock Options Scheme (refer note 21 (g))	-	-	9.80
	0.51	0.52	10.08

26 OTHER NON-CURRENT LIABILITIES

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Government grants #	25.01	27.15	29.29
	25.01	27.15	29.29

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

27 TRADE PAYABLES

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Dues of micro, small and medium enterprises	1.55	1.84	0.99
Dues of other creditors	80.47	94.60	76.62
[includes ₹ 42.87 crores; (March 31, 2016 :₹ 46.79 crores; April 1, 2015 : ₹ 35.34 crores) due to subsidiary]			
	82.02	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, 2017 is ₹ 0.02 crores (March 31, 2016: ₹ 0.01 crores; April 1, 2015: ₹ 0.35 crores). No interest has been paid during the year to suppliers registered under the MSMED Act.

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

28 OTHER FINANCIAL LIABILITIES

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Current maturities of long term borrowings *	117.91	272.27	211.57
Interest accrued but not due on long term borrowings	2.33	2.96	3.23
Other Liabilities of Related Parties	1,032.04	-	-
Preference share capital redemption liability	-	-	59.31
Preference dividend payable including dividend distribution tax	28.07	28.07	21.75
Derivatives designated as Cash flow hedges			
- Foreign exchange forward contracts / Interest rate swaps	-	(1.65)	(0.81)
Derivatives not designated as Cash flow hedges			
- Principal Swap contracts	-	9.39	24.32
- Fair value of Charter hire contract designated as embedded derivative	-	-	0.70
	1,180.35	**311.04**	**320.07**

* Current maturities of long term borrowings includes ₹ NIL (March 31,2016: ₹74.53 crores,April 1, 2015: ₹ NIL) relating to a long term borrowing reclassified as current consequent to proposed refinancing arrangement.

29 OTHER CURRENT LIABILITIES

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Other Payables :			
- Employee benefits	21.47	29.15	26.42
- Statutory Liabilities	16.49	18.74	15.34
- Creditors for capital expenses	-	5.01	
- Accrued expenses	1.91	2.45	1.95
Government grants (refer note 44)#	1.60	6.48	0.95
	41.47	**61.83**	**44.66**

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

30 REVENUE FROM OPERATIONS

	Year Ended March 31,2017 ₹ in Crores	Year Ended March 31,2016 ₹ in Crores
Sale of services		
-Charter hire income (refer note 42)	1,291.90	1,591.81
Other operating revenues		
- Insurance claims	0.47	2.81
	1,292.37	**1,594.62**

31 OTHER INCOME

		Year Ended March 31,2017 ₹ in Crores	Year Ended March 31,2016 ₹ in Crores
a	Interest income:		
	- on deposits with banks	4.65	1.62
	- on inter company loans	-	0.23
	- on income tax refund	1.41	-
b	Dividend income:		
	Dividend on current investments	0.90	1.39
c	Other non-operating income:		
	Gain on foreign currency transactions (net)	26.03	25.64
	Income from Government grants (amortised)	7.05	4.38
	Profit on sale of vessel / other assets	0.09	25.32
	Corporate guarantee commission	3.25	5.13
	Miscellaneous income	0.32	1.31
		43.70	**65.02**

32 EMPLOYEE BENEFITS EXPENSES

	Year Ended March 31,2017 ₹ in Crores	Year Ended March 31,2016 ₹ in Crores
Salaries, wages & allowances	210.36	250.12
Contribution to provident and other funds	8.54	8.17
Employee stock option encashment scheme expense	0.08	0.55
Staff welfare expenses	10.25	10.00
	229.23	**268.84**

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 31,2017 ₹ in Crores	Year Ended March 31,2016 ₹ in Crores
Contribution to Provident Fund	3.10	3.53
Contribution to Superannuation Fund	0.34	0.32
Contribution to National Pension Scheme	0.35	0.33
Contribution to Seamens' Provident Fund	0.89	0.42
Contribution to Seamens' Pension Annuity Fund	0.66	0.70
Contribution to Seamens' Gratuity Fund	0.22	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, Pension and compensated absences plans:

₹ in Crores

Actuarial Assumption	Gratuity As at March 31, 2017	Gratuity As at March 31, 2016	Pension Plan As at March 31, 2017	Pension Plan As at March 31, 2016	Compensated Absences As at March 31, 2017	Compensated Absences As at March 31, 2016
a) Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.
b) Interest / Discount Rate	6.94%	7.46%	6.94%	7.46%	6.94%	7.46%
c) Rate of increase in compensation						
Shore Staff	5.00%	5.00%	-	-	5.00%	5.00%
Rig Staff	3.00%	5.00%	-	-	-	-
d) Expected average remaining service						
Shore Staff	7.84	8.13	-	-	7.84	8.13
Rig Staff	15.09	9.91	-	-	-	-
e) Employee Attrition rate						
Shore Staff	8.00%	8.00%	-	-	8.00%	8.00%
Rig Staff	1.50%	6.00%	-	-	-	-

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

	Gratuity As at March 31, 2017	Gratuity As at March 31, 2016	Pension Plan As at March 31, 2017	Pension Plan As at March 31, 2016	Compensated Absences As at March 31, 2017	Compensated Absences As at March 31, 2016
i) Change in Present Value of Obligations :						
Present value obligation at the beginning of the year	9.95	6.82	9.07	7.00	0.54	0.36
Interest Cost	0.70	0.53	0.68	0.56	0.04	0.03
Current Service Cost	2.93	2.77	-	-	0.05	0.06
Benefits Paid	(1.22)	(0.26)	-	-	(0.03)	(0.03)
Transfer in	-	-	-	-	-	-
Actuarial (Gain) / loss on Obligation	(1.79)	0.09	0.82	1.51	(0.09)	0.12
Present value obligation at the end of the year	10.57	9.95	10.57	9.07	0.51	0.54
ii) Fair Value of Plan Assets :						
Opening Fair Value of Plan Assets	10.74	6.98	-	-	-	-
Return on Plan Assets (excluding Interest Income)	1.04	(0.31)	-	-	-	-
Interest Income	0.65	0.63	-	-	-	-
Employer's Contribution	0.02	3.70	-	-	0.03	0.04

Actuarial Assumption	Gratuity As at March 31, 2017	Gratuity As at March 31, 2016	Pension Plan As at March 31, 2017	Pension Plan As at March 31, 2016	Compensated Absences As at March 31, 2017	Compensated Absences As at March 31, 2016
Benefits Paid	(1.21)	(0.26)	-	-	(0.03)	(0.04)
Fair Value of Plan Assets at the end of the year	11.24	10.74	-	-	-	-
iii) Return on plan assets :						
Actual Return on Plan Assets	1.69	0.32	-	-	-	-
Interest Income	0.65	0.63	-	-	-	-
Return on plan assets excluding interest income	1.04	(0.31)	-	-	-	-
iv) Acturial Gain/Loss on obligation						
Due to Demographic Assumption	(0.23)	-	-	-	-	-
Due to Financial Assumption	(0.24)	(0.60)	-	-	0.01	(0.10)
Due to experience	(1.32)	0.69	0.82	1.51	(0.10)	0.22
Total Actuarial (Gain)/Loss	(1.79)	0.09	0.82	1.51	(0.09)	0.12
v) Amounts Recognised in the Balance Sheet:						
Present Value of obligation at the end of the Year	10.57	9.95	10.57	9.07	0.51	0.54
Fair Value of Plan Assets at the end of the year	11.24	10.74	-	-	-	-
Funded Status	0.67	0.79	(10.57)	(9.07)	(0.51)	(0.54)
Net Assets/(Liability) recognised in the balance sheet	0.67	0.79	(10.57)	(9.07)	(0.51)	(0.54)
vi) Expenses Recognised in the Statement of Profit and Loss						
Current Service Cost	2.93	2.77	-	-	0.05	0.06
Interest Cost (Net)	0.05	(0.10)	0.68	0.56	0.04	0.03
Actuarial Gain/(Loss) recognised for the period	-	-	-	-	(0.09)	0.12
Expenses recognised in the profit and loss account	2.98	2.67	0.68	0.56	-	0.21
vii) Other Comprehensive Income (OCI)						
Actuarial (Gain)/Loss recognized for the year	(1.79)	0.09	0.82	1.51	-	-
Return on Plan Assets excluding net interest	(1.04)	0.31	-	-	-	-

Actuarial Assumption	Gratuity As at March 31, 2017	Gratuity As at March 31, 2016	Pension Plan As at March 31, 2017	Pension Plan As at March 31, 2016	Compensated Absences As at March 31, 2017	Compensated Absences As at March 31, 2016
Total Actuarial (Gain)/Loss recognized in (OCI)	(2.83)	0.40	0.82	1.51	-	-
Viii) Investment Details (% invested)						
HDFC Life Defensive Management Fund II	100%	100%	-	-	-	-
ix) Asset Liability Comparisons						
Present Value of Defined benefit obligation	10.57	9.95	10.57	9.07	0.51	0.54
Plan assets	11.24	10.74	-	-	-	-
Surplus or (Deficit) in the plan	0.67	0.79	(10.57)	(9.07)	(0.51)	(0.54)
Experience adjustments on plan assets	1.04	(0.31)	-	-	-	-

x) Sensitivity Analysis	**DR : Discount Rate**		**ER : Salary Escalation Rate**	
	PVO DR + 1%	**PVO DR - 1%**	**PVO ER + 1%**	**PVO ER - 1%**
Gratuity				
Present Value of Obligation	9.92	11.34	11.21	10.00
Pension Plan				
Present Value of Obligation	9.08	12.70	-	-
Compensated Absences				
Present Value of Obligation	0.49	0.54	0.54	0.49

xi) Expected Payout	**First**	**Second**	**Third**	**Fourth**	**Fifth**	**Six to Ten years**
Gratuity						
Present Value of Obligation	0.42	0.53	1.15	0.38	1.32	5.34
Pension Plan						
Present Value of Obligation	-	-	-	-	-	-
Compensated Absences						
Present Value of Obligation	0.06	0.07	0.13	0.06	0.12	0.10

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 FINANCE COSTS

	Year Ended March 31,2017 ₹ in Crores	Year Ended March 31,2016 ₹ in Crores
Interest on term loans from banks	20.44	22.43
Finance charges	1.78	2.00
Dividend on redeemable preference shares	23.32	23.32
Dividend distribution tax thereon	4.75	4.75
Amortisation of redemption premium on preference shares	1.98	1.49
	52.27	**53.99**

34 DEPRECIATION AND AMORTISATION EXPENSE

	Year Ended March 31,2017 ₹ in Crores	Year Ended March 31,2016 ₹ in Crores
Depreciation on tangible assets (refer note 8)	133.14	146.04
Depreciation on intangible assets (refer note 9)	0.23	0.36
	133.37	**146.40**

35 IMPAIRMENT LOSS

	Year Ended March 31,2017 ₹ in Crores	Year Ended March 31,2016 ₹ in Crores
Impairment loss on tangible assets (refer note 8)	157.52	105.37
	157.52	**105.37**

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 seven (previous year: four) supply vessels aggregating to ₹ 147.87 crores (previous year : ₹ 105.37 crores) as the carrying amount of the said vessels was lower than its recoverable amount.

During the financial year, the company had agreed to sell "Greatship Disha" at a price lower than its carrying amount, consequently the Company has booked an impairment loss of ₹9.65 crores to write down the asset to its net realisable value. The vessel was delivered in the subsequent quarter.

36 OTHER EXPENSES

	Year Ended March 31,2017 ₹ in Crores	Year Ended March 31,2016 ₹ in Crores
Fuel, oil & water	12.93	16.20
Hire of chartered rigs, vessels and equipments	473.54	562.32
Consumption of stores and spares	68.89	82.00
Technical management fees	0.68	1.52
Agency fees	1.24	1.73
Port Dues	1.12	0.34
Repairs and maintenance		
- Rigs and vessels	20.04	19.76
- Buildings	0.13	0.27
- Others	1.91	1.92
Insurance		
- Fleet insurance	20.41	24.97
- Others	1.54	1.34
Travelling and conveyance expenses	8.17	10.49
Communication expenses	7.84	9.48
Rent	5.86	5.71
Rates and taxes	0.01	0.03
Payment to Auditors (refer note 38)	0.55	1.09
Provision for doubtful debts and advances (net)	1.64	0.81
Contribution towards CSR activities (refer note 41)	5.16	4.20
Miscellaneous expenses	25.47	30.80
	657.13	**774.98**

37 EARNINGS PER SHARE

		Year Ended March 31,2017 ₹ in Crores	Year Ended March 31,2016 ₹ in Crores
Profit attributable to Equity share holders		21.17	222.48
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	₹	10.00	10.00
Basic earnings per share	₹	1.90	19.98
Diluted earnings per share	₹	1.90	19.98

38 AUDITORS REMUNERATION

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores
a) Audit Fees (including Limited Review)	0.35	0.35
b) In Other Capacity		
- Tax Audit	0.05	0.05
- Taxation Matters	0.12	0.42
- Certification & Other Services	0.03	0.27
	0.55	**1.09**

39 RELATED PARTY DISCLOSURE

List of Related Parties

a) Holding Company :

The Great Eastern Shipping Company Ltd.

b) Subsidiary Companies :

Greatship Global Holdings Ltd., Mauritius

Greatship Global Energy Services Pte. Ltd., Singapore

Greatship Global Offshore Services Pte. Ltd., Singapore

Greatship (UK) Ltd., UK

GGOS Labuan Ltd., Malaysia #

Greatship Oilfield Services Limited, Mumbai *

Deregistered on March 04, 2017

* 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) <u>Key Management Personnel :</u>

Executive Directors

Mr. Ravi K. Sheth

Mr. P.R. Naware

Non-Executive Directors

Mr. Bharat K. Sheth

Mr. Keki Mistry

Mr. Berjis Desai

Mr. Vineet Nayyar

Mr. Shashank Singh

Mr. Anil Chandanmal Singhvi

Mr. Mathew Cyriac

Ms. Swaroop Rawal

Others

Mr. G. Shivakumar - Chief Financial Officer

Ms. Amisha Ghia - Company Secretary

e) <u>Relative of Key Management Personnel :</u>

Ms. Nirja B. Sheth - Daughter of Chairman

Mr. Pushkar Naware - Son of Executive Director

f) <u>Other Related party</u>

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

Transactions with related parties

(₹ in Crores)

Nature of transaction	Holding Company		Subsidiary Companies		Fellow Subsidiaries		Other related party		Key Management Personnel and Relatives	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Transactions during the year:										
Corporate Guarantees Given / (Received)			**867.69**	-						
Loan Given and (Returned)			-	(6.85)						
Transfer of inventory on incharter of rig			-	0.34						
Investment in Equity Share Capital			-	0.01						
Purchase of Investment			**1,062.75**	-						
Interest Income on Loan			-	0.23						
Corporate Guarantee Commission received			**3.25**	5.13						
Dividend Paid	**23.32**	68.17								
Contribution paid towards CSR					**2.44**	4.20				
Contribution paid towards gratuity liability							-	3.64		
Inchartering Expenses			**449.57**	531.82						
Charter Hire Income			**44.94**	74.25						
Asset sale			**0.89**	-						
Remuneration Paid										
Executive Directors										
Short term benefits									**9.03**	9.41
Post employment benefits									**1.54**	2.16
Share based payment									-	0.37
Non-executive directors										
Commission paid									**1.92**	1.90
Sitting fees paid									**0.39**	0.23
Others										
Short term benefits									**0.81**	1.28
Post employment benefits									**0.01**	0.01
Share based payment									-	0.33
Preference Shares redeemed	-	59.31								

Transactions with related parties

(₹ in Crores)

Nature of transaction	Holding Company		Subsidiary Companies		Fellow Subsidiaries		Other related party		Key Management Personnel and Relatives	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Service charges for allotment of training slots	**1.86**	1.06								
Transfer of Served from India Scheme (SFIS)	**-**	- **								
Transfer of liability towards retirement benefits of employees (net)	**0.02**	0.07								
Re-imbursement of Expenses Paid/(Received)			**5.91**	10.17						

Nature of transaction	Holding Company			Subsidiary Companies			Key Management Personnel and Relatives		
	As at March 31,2017	As at March 31,2016	As at April 1,2015	As at March 31,2017	As at March 31,2016	As at April 1,2015	As at March 31,2017	As at March 31,2016	As at April 1,2015
Outstanding Balances									
Receivables				**3.64**	6.85	6.75			
Payables	**1.29**	0.69	0.15	**1,074.91**	102.29	89.22			
Loans and Advances				**-**	-	6.25			
Corporate Guarantees Given / (Received)	**-**	-	(14.57)	**977.03**	1,124.32	2,174.05			
Remuneration payable									
Executive Directors							**14.67**	13.63	12.05
Non-executive directors							**1.91**	1.90	1.99

Note :

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

ii) Extension of period over which inventory on board rigs is to be settled consequent to renewal of bareboat charter contract, is not considered as a transaction requiring disclosure under Related party transactions.

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

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

Terms and conditions of transactions with related parties

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

40 FINANCIAL RISK MANAGEMENT

(a) Financial Instrument

Financial assets and liabilities

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

The carrying value and fair value of financial instruments by categories as of March 31, 2017 are as follows :

₹ in Crores

Particulars	Amortised cost	Fair value through profit or loss	Fair value through OCI	Total carrying value	Total fair value
Financial Assets					
Investments in subsidiaries	2,100.56	-	-	2,100.56	2,100.56
Cash and cash equivalents	205.61	-	-	205.61	205.61
Non current financial assets	2.35			2.35	2.35
Bank balances other than cash and cash equivalents	218.01	-	-	218.01	218.01
Current Investments		8.69	-	8.69	8.69
Trade receivables	127.61	-	-	127.61	127.61
Derivative financial instruments		-	4.41	4.41	4.41
	2,654.14	**8.69**	**4.41**	**2,667.24**	
Financial Liabilities					
Foreign currency term loans from banks	578.87	-	-	578.87	578.87
Preference share capital including redemption premium	350.37	-	-	350.37	350.37
Preference dividend payable including dividend distribution tax	28.07	-	-	28.07	28.07
Trade payables and other financial liabilities	1,114.06	-	-	1,114.06	1,114.06
	2,071.37	**-**	**-**	**2,071.37**	

The carrying value and fair value of financial instruments by categories as of March 31, 2016 are as follows :

₹ in Crores

Particulars	Amortised cost	Fair value through profit or loss	Fair value through OCI	Total carrying value	Total fair value
Financial Assets					
Investments in subsidiaries	1,037.81	-	-	1,037.81	1,037.81
Cash and cash equivalents	234.23	-	-	234.23	234.23
Non current financial assets	2.19			2.19	2.19
Bank balances other than cash and cash equivalents	133.72	-	-	133.72	133.72
Current Investments	-	26.10	-	26.10	26.10
Trade receivables	197.01	-	-	197.01	197.01
	1,604.96	**26.10**	**-**	**1,631.06**	

₹ in Crores

Particulars	Amortised cost	Fair value through profit or loss	Fair value through OCI	Total carrying value	Total fair value
Financial Liabilities					
Foreign currency term loans from banks	798.08	-	-	798.08	798.08
Preference share capital including redemption premium	348.38	-	-	348.38	348.38
Preference dividend payable including dividend distribution tax	28.07	-	-	28.07	28.07
Trade payables and other financial liabilities	151.95	-	-	151.95	151.95
Derivative financial instruments	-	9.39	(1.65)	7.74	7.74
	1,326.48	**9.39**	**(1.65)**	**1,334.22**	

The carrying value and fair value of financial instruments by categories as of April 1, 2015 are as follows :

₹ in Crores

Particulars	Amortised cost	Fair value through profit or loss	Fair value through OCI	Total carrying value	Total fair value
Financial Assets					
Investments in subsidiaries	1,037.80	-	-	1,037.80	1,037.80
Cash and cash equivalents	130.60	-	-	130.60	130.60
Non current financial assets	2.04			2.04	2.04
Bank balances other than cash and cash equivalents	43.82	-	-	43.82	43.82
Current Investments	-	100.40	-	100.40	100.40
Trade receivables	159.98	-	-	159.98	159.98
	1,374.24	**100.40**	**-**	**1,474.64**	
Financial Liabilities					
Foreign currency term loans from banks	986.77	-	-	986.77	986.77
Preference share capital including redemption premium	406.20	-	-	406.20	406.20
Preference dividend payable including dividend distribution tax	21.75	-	-	21.75	21.75
Trade payables and other financial liabilities	131.49	-	-	131.49	131.49
Derivative financial instruments	-	25.02	(0.81)	24.21	24.21
	1,546.21	**25.02**	**(0.81)**	**1,570.42**	

Fair value hierarchy

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

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

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

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

₹ in crores

As at March 31,2017	Fair value measurement at the end of the year using		
	Level 1	**Level 2**	**Level 3**
Financial Assets			
Investments in liquid mutual funds	-	8.69	-
Derivative financial instruments	-	4.41	-

As at March 31,2016	Fair value measurement at the end of the year using		
	Level 1	Level 2	Level 3
Financial Assets			
Current Investments	-	26.10	-
Financial Liabilities			
Derivative financial instruments	-	7.74	-

As at April 1,2015	Fair value measurement at the end of the year using		
	Level 1	Level 2	Level 3
Financial Assets			
Current Investments	-	100.40	-
Financial Liabilities			
Derivative financial instruments	-	24.21	-

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.

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

(i) Forward exchange contracts:

	As at March 31,2017		As at March 31,2016		As at April 1,2015	
Details	**Purchase**	**Sale**	**Purchase**	**Sale**	**Purchase**	**Sale**
Total no. of Contracts	4	-	-	24	-	12
Notional amount of Foreign Currency (USD in Million)	4	-	-	12	-	12
Amount recognised in Hedging reserve (loss) / gain (₹ in crores)	(0.13)	-	-	1.02		0.30
Maturity Period	Upto 3 months	-	-	Upto 12 months	-	Upto 12 months

(ii) Interest rate swap contracts:

Details	As at March 31,2017	As at March 31,2016	As at April 1,2015
Total No. of contracts	3	-	-
Principal Notional Amount (USD million)	29	-	-
Amount recognised in Hedging Reserve (loss) / gain (₹ in crores)	4.59	-	-
Maturity Period	Upto 73 months	-	-

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, 2017 amounting to gain/(loss) of ₹ 4.46 crores [March 31, 2016 ₹ 1.02 crores; April 1, 2015 ₹ 0.30 crores] has been recorded in the Cash flow hedging reserve as on March 31, 2017.

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

II) Derivative instruments not in hedging relationship :

(i) Currency swap contracts:

Details	As at March 31,2017	As at March 31,2016	As at April 1,2015
Total No. of contracts	-	3	6
Principal Notional Amount (USD million)	-	14	28
Principal Notional Amount (JPY million)	-	(1427)	(2974)
Gain/(Loss) recognised in the Statement of Profit and Loss during the year (₹ In crores)	-	(9.39)	(24.32)
Maturity Period	-	Upto 32 months	Upto 44 months

The currency swap derivative contracts mentioned under "Derivative instruments not in hedging relationship" above, economically hedge the underlying exposures but hedge accounting is not opted for the same.

The currency swap derivative contracts were entered into to economically hedge the JPY and INR debt by converting the same into USD liability.

Gains/(losses) on the derivative contracts mentioned under (II) above, are transferred to the Statement of Profit and Loss. The mark-to-market loss on these derivative contracts outstanding as on March 31, 2017 amounting to ₹ NIL crores (Previous Year : ₹ 9.39 crores) has been recorded in the Statement of Profit and Loss.

(b) Market risk

i) Foreign currency risk

The company is subject to various currency exposures, primarily with respect to the US Dollars and Japanese Yen. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not in the entity functional currency.

The company uses par forwards, range forwards & interest swaps and options to protect against the volatility associated with the foreign currency transactions.

The company exposure to unhedged foreign currency is listed below :

Details	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Foreign currency term loans from banks			
(USD in millions)	85	108	133
(JPY in millions)	-	1427	2,974
Financial liabilities			
(USD in millions)	169	21	19
(JPY in millions)	5	9	15
Financial assets			
(USD in millions)	21	20	17
Cash and cash equivalents and Bank balances other than cash and cash equivalents			
(USD in millions)	63	55	26
Net currency exposure			
(USD in millions)	(170)	(54)	(109)
(JPY in millions)	(5)	(1436)	(2989)

A 5% strengthening / weakening of Indian Rupee against key currencies to which the company is exposed (net of hedge), with all other variables being held constant, would have led to approximately a Gain / Loss of ₹ 55.29 crores (previous year ₹ 22.03 crores) in the Statement of Profit and Loss.

ii) Interest rate risk

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

Interest rate sensitivity

The sensitivity analysis below have been determined based on the exposure to interest rates for derivatives instruments and borrowings at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

As at March 31,2017, the term loans from banks amounting to ₹ 394.54 crores (March 31,2016: ₹ 748.70 crores; April 1,2015: ₹876.66 crores) are exposed to interest risks.

If interest rate had been 50 basis points higher or lower and all other variables were held constant, the company's profit for the year would increase or decrease by ₹ 3.07 crores (previous year: ₹ 4.15 crores). As impact of interest rate movement on loan outstanding on undelivered vessel is capitalised, this is mainly attributable to the company's exposure to interest rates on its variable rate borrowings on delivered vessels.

(b) Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the company. The major class of financial asset of the company is trade receivables. For credit exposures to customer, management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

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

The trade receivables of the company comprise 1 debtor (previous year: 1 debtor) that individually represented 84.20% (previous year: 63.15%) of trade receivables.

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

Trade and other receivables that are neither past due nor impaired are credit worthy debtors with good payment record with the company. Cash and cash equivalent that are neither past due nor impaired are placed with reputable financial institution with high credit values and no history of default.

The company's trade receivables not past due include receivables amounting to ₹104.06 crores (previous year: ₹ 161.74 crores).

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

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

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

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores
Overdue		
- Less than 180 days	23.38	27.55
- More than 180 days	0.17	7.71
	23.55	**35.25**

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

Overdue		
- More than 365 days	3.52	1.87
Less: Allowance for doubtful debts	(3.52)	(1.87)
	-	-

(c) Liquidity risk

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

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

₹ in Crores

	Payable within 1 year	Payable within 2 - 5 years	More than 5 years	Total
As at 31st March 2017				
Borrowings	120.24	373.77	84.86	578.87
Trade payables	82.02	-	-	82.02
Other payables	1,032.04	-	-	1,032.04
Preference share capital including redemption premium	-	268.82	81.55	350.37
Preference dividend payable including dividend distribution tax	28.07	-	-	28.07
	1,262.37	**642.59**	**166.41**	**2,071.37**
As at 31st March 2016				
Borrowings	275.23	485.81	37.04	798.08
Trade payables	96.44	55.51	-	151.95
Preference share capital including redemption premium	-	225.82	122.55	348.37
Preference dividend payable including dividend distribution tax	28.07	-	-	28.07
	399.74	**767.14**	**159.59**	**1,326.47**
As at 1st April 2015				
Borrowings	214.80	669.88	102.09	986.77
Trade payables	77.61	53.88	-	131.49
Preference share capital including redemption premium	59.31	136.40	210.49	406.20
Preference dividend payable including dividend distribution tax	21.75	-	-	21.75
	373.47	**860.16**	**312.58**	**1,546.21**

41 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Consequent to the requirement of section 135 of The Companies Act 2013, the company has contributed ₹ 2.44 crores (previous year: ₹ 4.20 crores) to Great Eastern CSR Foundation and balance ₹ 2.72 crores (previous year: NIL) to NGOs towards CSR expenditure:

	Year Ended March 31,2017 ₹ in Crores	Year Ended March 31,2016 ₹ in Crores
(a) Gross amount required to be spent by the Company during the year.	5.16	4.20
(b) Amount spent in cash for purposes other than for construction/ acquisition of any asset during the year	5.16	4.20

The areas of CSR activities are

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

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

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

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

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

2. Eradicating hunger, poverty, and malnutrition.

3. Promoting health care and sanitation.

as specified under Schedule III of The Companies Act 2013.

42 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 IND-AS 108 "Operating Segments"

b) Secondary segment reporting by geographical segment:

i) Segment-wise Revenue from Operations and Sales:

Particulars	Year Ended March 31,2017 ₹ in Crores	Year Ended March 31,2016 ₹ in Crores
Revenue from customers outside India	51.60	100.67
Revenue from customers within India	1,240.77	1,493.95
Total	1,292.37	1,594.62

(ii) Substantial assets of the company are vessels/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, 2017 geographical segment wise reporting is not applicable.

43 OPERATING LEASE

Operating Lease Commitments - where the company is lessee

The Company has taken four Rigs on operating lease for periods ranging between 1 to 3 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	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores
a)	Total Future Minimum Lease payments		
	- Not later than 1 year	329.78	458.85
	- Later than 1 year and not later than 5 years	368.11	710.63
b)	Lease payments recognised in the statement of profit and loss for the period.	459.27	540.88
c)	Vessels taken/given on time charter hire are not considered as operating lease.		

44 GOVERNMENT GRANTS

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

Following are the balances of SFIS / DFCEC license held by the company :

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores
Balance at the beginning of the year	6.48	0.95
Licenses received during the year	-	15.13
Amount utilised during the year	(4.88)	(9.60)
Balance at the end of the year	1.60	6.48

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

45 CONTINGENT LIABILITIES

		As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
a)	Guarantees given by banks	140.57	228.27	193.86
b)	Corporate guarantees given on behalf of subsidiary companies	977.03	1,124.32	2174.05
c)	Claims against the Company not acknowledged as debt:			
i)	Demand for Service Tax disputed by the Company	405.30	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 and vessel Greatship Dhriti.	15.43	15.65	15.65
iii)	Demand for Maharashtra State VAT disputed by the Company (including interest and penalty) pertaining to non-payment of MVAT liability on charter hire of Vessels/ Rig considering it to be a 'deemed sale' transaction	7.78	83.52	83.52
iv)	Demand for income tax disputed by the Company	22.54	17.17	19.5

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

46 CAPITAL COMMITMENTS

Estimated amount of contracts, net of advances paid thereon, remaining to be executed on capital account and not provided for - ₹ 2,465.34 crores (previous year ₹ 0.21 crores).

47 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 requirements. (refer note 13)

The particulars of the Company's investments in wholly owned subsidiaries is disclosed in note 10.

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

STATEMENT PERTAINING TO SUBSIDIARIES

FORM AOC - 1

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

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

PART 'A': SUBSIDIARIES

(₹ in Crores)

Sr. No.	Name of the Subsidiary	Greatship Global Holdings Ltd. **	Greatship Global Offshore Services Pte. Ltd. @@	Greatship Global Energy Services Pte. Ltd. @	Greatship (UK) Limited **	Greatship Oilfield Services Limited **
1	Reporting Period	3/31/2017	3/31/2017	3/31/2017	3/31/2017	3/31/2017
2	Reporting currency	USD	USD	USD	USD	INR
3	Exchange Rate as on 31.03.2017	₹ 64.85	₹ 64.85	₹ 64.85	₹ 64.85	NA
4	Share Capital	1,440.98	460.83	1,095.73	3.24	0.01
5	Reserves & Surplus	52.77	92.11	106.58	16.35	-
6	Total Assets	1,495.49	714.95	2,874.68	62.98	0.01
7	Total Liabilities	1.74	162.02	1,672.36	43.38	-
8	Investments (Excludes investment in subsidiaries)	-	-	-	-	-
9	Turnover	53.45	86.54	435.20	76.55	-
10	Profit/(Loss) before taxation	53.21	(129.01)	(1,287.44)	3.29	-
11	Provision for taxation	-	0.44	0.07	0.66	-
12	Profit/(Loss) after taxation	53.21	(129.45)	(1,287.51)	2.63	-
13	Proposed Dividend - Equity	-	-	-	-	-
14	% of shareholding	100%	100%	100%	100%	100%

** Wholly owned Subsidiaries of Greatship (India) Limited

@ Wholly owned Subisidiary of Greatship (India) Limited w.e.f March 28, 2017

@@ Wholly-owned subsidiary of Greatship Global Holdings Limited

Notes:

1. During the year under review, GGOS Labuan Ltd., wholly-owned subsidiary of Greatship Global Offshore Services Pte. Ltd., was struck off w.e.f March 04, 2017
2. Figures include foreign currency translation adjustment.

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

For and behalf of the Board

Bharat K. Sheth
Chairman

Ravi K. Sheth
Managing Director

G. Shivakumar
Chief Financial Officer

Mumbai, May 02, 2017

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GREATSHIP (INDIA) LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated IND AS 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, 2017, the Consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated IND AS financial statements").

Management's Responsibility for the Consolidated IND AS Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated IND AS 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 IND AS financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated IND AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the IND AS, of the consolidated financial position of the Group as at March 31, 2017, and its consolidated financial performance (including other comprehensive income), its consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

We did not audit the financial statements/ financial information of four subsidiaries, whose consolidated financial statements/ financial information reflect total assets of ₹ 3,612.37crores as at March 31, 2017, total revenues of ₹ 167.90 crores and net cash inflows amounting to ₹ 263.28 crores for the year ended on that date as considered in the consolidated IND AS financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated IND AS financial statements, 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 IND AS financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of 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 IND AS consolidated financial statements.

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

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

(d) In our opinion, the aforesaid consolidated IND AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2017 and taken on record by the Board of Directors of the Holding Company, none of the Directors of the Holding Company, is disqualified as on March 31, 2017, 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'; 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 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 45 to the Consolidated IND AS 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 40(a)I to the Consolidated IND AS Financial Statements.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

   iv. The Company has provide requisite disclosures in the consolidated IND AS financial Statements as regards its holdings and dealings in Specified Bank Notes as defined in the Notification S.O.3407(E) dated November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the books of account maintained by the Holding Company and as produced to us by the management.

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No. 104607W / W100166

Roshni R. Marfatia
Partner
Membership No: 106548

Place: Mumbai
Date: May 2, 2017

ANNEXURE 'A'

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, 2017.

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) Limited ("the Holding Company") as at March 31, 2017 in conjunction with our audit of the consolidated IND AS 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 Holding 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, 2017, 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 LLP
Chartered Accountants
Firm Registration No. 104607W / W100166

Roshni R. Marfatia
Partner
Membership No: 106548

Place: Mumbai
Date: May 2, 2017

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH 2017

	Notes	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
ASSETS				
Non-current assets				
(a) Property, plant and equipment	10	4,709.74	5,258.26	5,565.44
(b) Capital work-in-progress		-	-	0.48
(c) Intangible assets	11	0.13	0.36	0.72
(d) Other financial assets	12	2.35	2.19	2.04
(e) Non current tax assets (net)	13C	22.85	13.74	4.23
(f) Deferred tax assets	13D	11.18	12.14	13.05
(g) Other non current assets	14	1.55	1.85	1.93
		4,747.80	**5,288.54**	**5,587.89**
Current assets				
(a) Inventories	15	84.35	85.09	83.72
(b) Financial assets				
(i) Investments	16	8.69	26.10	100.40
(ii) Trade receivables	17	159.05	216.11	199.39
(iii) Cash and cash equivalents	18	741.15	512.48	402.80
(iv) Bank balances other than cash and cash equivalents	19	413.59	354.56	233.74
(v) Other financial assets	20	9.28	-	-
(c) Other current assets	21	17.04	37.63	39.04
		1,433.15	**1,231.97**	**1,059.09**
Non-current asset classified as held for sale	22	-	86.82	-
TOTAL ASSETS		**6,180.95**	**6,607.33**	**6,646.98**
EQUITY AND LIABILITIES				
EQUITY				
(a) Share capital	23	111.35	111.35	111.35
(b) Other equity	24	3,108.30	2,987.04	2,419.45
		3,219.65	**3,098.39**	**2,530.80**
LIABILITIES				
Non-current liabilities				
(a) Financial liabilities				
Long term borrowings	25	2,372.27	2,649.98	3,208.07
(b) Provisions	26A	14.29	12.65	9.29
(c) Other liabilities	27	25.01	27.15	29.29
		2,411.57	**2,689.78**	**3,246.65**
Current liabilities				
(a) Financial Liabilities				
(i) Trade payables	28	91.59	105.25	101.52
(ii) Other financial liabilities	29	401.01	634.25	691.64
(b) Other current liabilities	30	44.19	65.66	54.78
(c) Provisions	26B	0.57	0.65	10.13
(d) Current tax liabilities (Net)	13C	12.37	13.35	11.46
		549.73	**819.16**	**869.53**
TOTAL EQUITY AND LIABILITIES		**6,180.95**	**6,607.33**	**6,646.98**

Significant accounting policies 7

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

As per our report attached hereto

For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Registration No.: 104607W / W100166

Roshni R. Marfatia
Partner
Membership No.: 106548
Mumbai, May 2, 2017

For and on behalf of 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 2017

	Notes	Year ended March 31,2017 ₹ in Crores	Year ended March 31,2016 ₹ in Crores
Income			
Revenue from Operations	31	1,407.71	1,810.30
Other Income	32	23.44	65.51
Total Income		**1,431.15**	**1,875.81**
Expenses			
Employee benefits expense	33	283.26	334.27
Finance costs	34	155.94	129.12
Depreciation and amortization expense	35	304.30	320.28
Impairment Loss	36	184.33	163.69
Other expenses	37	262.02	313.03
Total Expenses		**1,189.85**	**1,260.39**
Profit before tax		**241.30**	**615.42**
Tax Expense			
Current tax	13A	85.63	90.74
Deferred tax	13A	0.96	0.91
Total tax expense		**86.59**	**91.65**
Profit for the year		154.71	523.77
Other Comprehensive Income			
A (i) Items that will not be reclassified subsequently to the statement of profit and loss			
- Remeasurements of the defined benefit plans		2.01	(1.91)
(ii) Income tax relating to items that will not be reclassified subsequently to the statement of profit and loss		-	-
B (i) Items that will be reclassified subsequently to the statement of profit and loss			
- Exchange difference on net investment in subsidiaries		(50.96)	109.25
- The effective portion of gains and loss on hedging instruments in a cash flow hedge		15.50	(1.47)
(ii) Income tax relating to items that will be reclassified subsequently to the statement of profit and loss		-	-
Total Other Comprehensive Income		(33.45)	105.87
Total Comprehensive Income for the year		**121.26**	**629.64**
Total Comprehensive Income for the year attributable to :			
- Owners of the Company		121.26	629.64
- Non controlling interests		-	-
		121.26	629.64
Earnings per equity share			
[Nominal value per share ₹ 10 : previous year ₹ 10]			
Basic and Diluted	38	13.89	47.04

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

As per our report attached hereto

For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Registration No.: 104607W / W100166

Roshni R. Marfatia
Partner
Membership No.: 106548
Mumbai, May 2, 2017

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 CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2017

		Year Ended March 31, 2017 ₹ in Crores	Year Ended March 31, 2016 ₹ in Crores
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	PROFIT BEFORE TAX:	241.30	615.42
	Adjustments for:		
	Depreciation and Amortisation expenses	304.30	320.28
	Impairment loss	184.33	163.69
	Finance costs	155.94	129.12
	(Profit) / Loss on sale of Property,plant and equipment (net)	0.05	(25.85)
	Allowance for bad and doubtful debts (net)	1.64	13.69
	Interest income	(10.88)	(4.39)
	Dividend on current investments	(0.90)	(1.39)
	Changes in fair value of embedded derivative	-	(0.70)
	Unrealised foreign exchange (gain) / loss	(16.21)	8.39
	Exchange difference on settlement of monetary item	-	(2.34)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES :	**859.57**	**1,215.92**
	Adjustment for:		
	(Increase) / Decrease in Inventories	0.70	(1.32)
	(Increase) / Decrease in Trade receivables	60.76	(17.68)
	(Increase) / Decrease in Other financial assets/other current assets	11.13	1.61
	Increase / (Decrease) in Trade payables	(3.39)	(15.32)
	Increase / (Decrease) in Other financial liabilities/Provisions and other current liabilities	(22.79)	(4.69)
		46.41	(37.40)
	CASH GENERATED FROM OPERATIONS :	**905.98**	**1,178.52**
	Taxes paid	(94.17)	(98.60)
	NET CASH FROM OPERATING ACTIVITIES :	811.81	1,079.92
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Purchase of Property,plant and equipment	(41.35)	(35.74)
	Proceeds from sale of Property,plant and equipment	105.15	83.50
	Proceeds from sale of current investments	239.31	266.68
	Purchase of current investments	(221.90)	(192.39)

		Year Ended March 31, 2017 ₹ in Crores	Year Ended March 31, 2016 ₹ in Crores
	Interest received	8.28	2.92
	Dividend received	0.90	1.39
	Earmarked deposits (placed) / redeemed with banks (net)	(0.32)	(1.54)
	Deposits in margin account (placed) / redeemed with banks (net)	7.67	-
	Bank deposits having original maturity more than three months (placed) / redeemed with banks (net)	(81.39)	(104.18)
	NET CASH FROM INVESTING ACTIVITIES :	**16.35**	**20.64**
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	Proceeds from long term borrowings	1,852.40	453.81
	Repayment of long term borrowings	(2,313.06)	(1,211.76)
	Interest paid	(104.88)	(101.12)
	Dividend paid	(23.32)	(68.17)
	Dividend distribution tax paid	(4.75)	(13.88)
	Redemption of preference shares	-	(59.31)
	NET CASH USED IN FINANCING ACTIVITIES :	**(593.61)**	**(1,000.43)**
	NET INCREASE IN CASH AND CASH EQUIVALENTS :	**234.55**	**100.13**
	Cash and Cash Equivalents as at April 1, 2016	512.48	402.80
	Exchange difference on translation of cash and cash equivalents	(5.88)	9.55
	Cash and Cash Equivalents as at March 31, 2017	**741.15**	**512.48**

Note : The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in IND AS 7 , 'Statement of Cash Flows'

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

As per our Report attached hereto

For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Registration No.: 104607W / W100166

Roshni R. Marfatia
Partner
Membership No.: 106548
Mumbai, May 2, 2017

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 CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2017

₹ in Crores

A EQUITY SHARE CAPITAL

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

Balance as at 1st April 2015	Changes in equity share capital during the year	Balance as at 31st March 2016
111.35	-	111.35

B OTHER EQUITY

Particulars	Reserves and Surplus						Other Comprehensive Income			Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Tonnage Tax Reserve	Retained Earnings	Foreign Currency Translation Reserve	Cash flow Hedging Reserve	Actuarial Gain/ (Loss) on Defined Benefit Plan	
Balance as at 1st April 2016	2.95	43.50	1,155.13	40.35	177.00	844.98	731.21	(6.17)	(1.91)	2,987.04
										-
Profit for the year	-	-	-	-	-	154.71	-	-	-	154.71
Other Comprehensive Gain/ (Loss) for the year	-	-	-	-	-	-	(50.96)	15.50	2.01	(33.45)
Transfer from profit of the year to Tonnage tax reserve	-	-	-	-	10.00	(10.00)	-	-	-	-
Balance as at 31st March 2017	2.95	43.50	1,155.13	40.35	187.00	989.69	680.25	9.33	0.10	3,108.30

Particulars	Reserves and Surplus						Other Comprehensive Income			Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Tonnage Tax Reserve	Retained Earnings	Foreign Currency Translation Reserve	Cash flow Hedging Reserve	Actuarial Gain/ (Loss) on Defined Benefit Plan	
Balance as at 1st April 2015	2.95	29.00	1,155.13	54.85	142.00	416.52	623.70	(4.70)	-	2,419.45
Profit for the year	-	-	-	-	-	523.77	-	-	-	523.77
Other Comprehensive Gain/ (Loss) for the year	-	-	-	-	-	-	109.25	(1.47)	(1.91)	105.87

Dividend (including tax on dividend)	-	-	-	-	-	(60.31)	-	-	-	(60.31)
Transfer from General reserve to Capital redemption reserve	-	14.50	-	(14.50)	-	-	-	-	-	-
Transfer to statement of profit & loss on realisation	-	-	-	-	-	-	(1.74)	-	-	(1.74)
Transfer from profit of the year to Tonnage tax reserve	-	-	-	-	35.00	(35.00)	-	-	-	-
Balance as at 31st March 2016	2.95	43.50	1,155.13	40.35	177.00	844.98	731.21	(6.17)	(1.91)	2,987.04

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

For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Registration No.: 104607W / W100166

Roshni R. Marfatia
Partner
Membership No.: 106548
Mumbai, May 2, 2017

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 2017

1 BACKGROUND

Greatship (India) Limited (the Company) is a public company domiciled in India and incorporated in the year 2002 under the provisions of the Companies Act,1956. Greatship (India) Limited, the holding company and its wholly owned subsidiaries (collectively referred to as Group) is engaged in providing offshore oilfield services with the principal activity of offshore logistics and drilling services. The Group presently owns and operates 4 Platform Supply Vessels (PSVs), 8 Anchor Handling Tug cum Supply Vessels (AHTSVs), 2 Multipurpose Platform Supply and Support Vessels (MPSSVs) and 5 Remotely Operated Vehicle Support Vessels (ROVSVs) in the Indian and International markets. The Group also owns and operates 4 Jack up Drilling Rigs. There have been no significant changes in the nature of these activities during the financial year. The company is a subsidiary of The Great Eastern Shipping Company Limited (GESCO) which is listed on the National Stock Exchange (NSE), Bombay Stock Exchange (BSE) and at the Luxemburg Stock Exchange.

The consolidated financial statements of the Company for the year ended March 31, 2017 were approved for issue in accordance with the resolution of the Board of Directors on May 2, 2017.

2 STATEMENT OF COMPLIANCE WITH IND AS

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (IND AS) notified under section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 and as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2016.

These consolidated financial statements are the first consolidated financial statements under IND AS. The date of transition to IND AS is April 1, 2015 and the adoption was carried out in accordance with IND AS 101 – First time adoption of Indian Accounting Standards. The details of the First time adoption exemptions availed by the Company is summarised in Note 9.

The consolidated financial statements upto year end March 31, 2016 were prepared in accordance with the requirements of the previous GAAP, which includes accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended). The same have been restated to Ind AS and the reconciliation from previous GAAP to IND AS of shareholders' equity as at March 31, 2016 and April 1, 2015 and of total comprehensive income for the year ended March 31, 2016 are given in Note 9.

3 BASIS OF PREPARATION

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

All assets and liabilities have been classified as Current and Non-Current as per the Group'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 realisation in cash and cash equivalent, the Group has ascertained its operating cycle as twelve months for the purpose of Current and Non-Current classification of assets and liabilities.

4 BASIS OF CONSOLIDATION

The consolidated financial statements relate to Greatship (India) Limited ("the Holding Company") and its wholly owned subsidiaries together referred to as "the Group".

The consolidation of accounts of the Company with its subsidiaries has been prepared in accordance with IND AS 110 'Consolidated Financial Statements'. The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to use its power to affect its returns by using its power over the entity.

The financial statements of the parent and its subsidiaries are combined on a line by line basis and intra group balances, intra group transactions and intra group unrealised profits or losses are fully eliminated.

In case of foreign subsidiaries, revenue items are consolidated at the average rates of exchange prevailing during the period. All assets and liabilities are converted at the exchange rates prevailing at the end of the period. Exchange gain / (loss) arising on conversion are recognised under foreign currency translation reserve in the consolidated balance sheet and under other comprehensive income under the statement of Profit and loss account.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

The financial statements of the subsidiaries used in the consolidation are drawn upto the same reporting date as that of the Company i.e. March 31, 2017.

5 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 up to March 28, 2017 and direct subsidiary of the Company thereafter) (incorporated on October 23, 2006)	Singapore	100%	100%
3.	Greatship Global Offshore Services Pte. Ltd. (GGOS) (subsidiary of GGHL) (incorporated on May 08, 2006)	Singapore	100%	100%
4.	Greatship (UK) Ltd. (GUK) (incorporated on October 29, 2010)	UK	100%	100%
5.	GGOS Labuan Ltd., (GGOLL) ** (subsidiary of GGOS) (Incorporated on June 25, 2014)	Malaysia	-	100%
6.	Greatship Oilfield Services Ltd., (GGOSL) (Incorporated on July 9, 2015)	Mumbai	100%	100%

** Deregistered on March 04, 2017

6 USE OF ESTIMATES

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

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

Impairment of property, plant & equipment

The Group reviews the carrying value of property, plant & equipment annually or more frequently when there is indication of impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Useful lives of property, plant & equipment

The Group reviews the useful life of property, plant & equipment at the end of each reporting period. This assessment may result in change in depreciation expense in future periods.

Provisions & Contingent Liabilities

A provision is recognised when a Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions other than retirement benefits and compensated absences are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements and a contingent asset is neither recognised nor disclosed in the financial statements.

7 SIGNIFICANT ACCOUNTING POLICIES

(a) Property, Plant & Equipment :

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

Advances paid towards the acquisition of PPE outstanding at each reporting date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under capital work in progress. Subsequent expenditure relating to PPE are capitalised only when it is probable that future economic benefits associated with these will flow to the group and the cost of the item can be measured reliably.

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

All other expenses on maintaining property, plant and equipment, including expenditure on intermediate survey and day to day repair and maintenance expenditure are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Fair value of dry dock component has been used to determine the component value as on transition date in the absence of historical cost.

Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss.

The Holding Company has availed of the exemption under para D13AA of IND AS 101 to continue accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the consolidated financial statements for the period ending immediately before the beginning of the first IND AS financial reporting period as an adjustment to the carrying cost of the depreciable asset.

Transition to IND AS

On transition to IND AS, the Group has elected to measure some items of property, plant & equipment in its CFS (Consolidated financial statements) at the date of transition to IND AS at its fair value and use that fair value as its deemed cost on the date of transition in accordance with the exemption under para D5 of IND AS 101 and has complied with the requirements of IND AS 16 as regards depreciation in respect of all the other items of PPE.

(b) Intangible Assets :

Intangible 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.

(c) Non-current assets held for sale :

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

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

(d) Depreciation and Amortisation

Depreciation is provided on 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.

Property, Plant & Equipment	Estimated useful life
Fleet – Offshore Supply Vessels	20 years
Modern Rigs	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 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.

(e) Impairment :

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

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

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

(f) Inventories :

Inventories of fuel oil on vessels and 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.

(g) Financial Instruments :

Initial Recognition

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

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

Subsequent measurement

Financial Assets

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

Cash and Cash Equivalents

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

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

Financial Assets at amortised cost

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

Effective interest method

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included under the head “Gain / Loss on foreign currency transactions (net)”.

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

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

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

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

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

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

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

Impairment of financial assets

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

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

Further, for the purpose of measuring lifetime expected credit loss ("ECL") allowance for trade receivables, the Company has used a practical expedient as permitted under IND AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

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

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

Derecognition of financial assets

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

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial liabilities

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

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

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

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

Financial guarantee contracts

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

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

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

Derecognition of financial liabilities

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

Offsetting financial instruments

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

Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Further details of derivative financial instruments are disclosed in Note 43.

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

Embedded derivatives

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

Hedge accounting

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

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk. Note 40 sets out details of the fair values of the derivative instruments used for hedging purposes.

Fair value hedges

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

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

Cash flow hedges

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

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

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

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

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

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

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

Hedges of net investments in foreign operations

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated under the heading of foreign currency translation reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included under the head "Gain / Loss on foreign currency transactions (net)".

Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.

(h) Revenue Recognition:

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

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

Interest income is recognised using the effective interest method.

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

(i) Leases:

Group is the Lessee

(i) Finance Lease

Lease of assets where the group 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.

(ii) Operating lease

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

(j) Employee Benefits:

Short-Term Employee Benefits

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

Post- Employment Benefits

Liability is provided for retirement benefits of Provident Fund, Superannuation, Gratuity and Leave Encashment in respect of all eligible employees and for pension benefit to Whole-time Directors of the Company.

i. Defined Contribution Plans

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

ii. Defined Benefit Plan

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

Other Long Term Benefits

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

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

Employee share based payments

Equity settled stock options granted under the Company's Employee stock option (ESOP) schemes are accounted as per the accounting treatment prescribed by SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share based payments issued by ICAI. Consequent to the introduction of the encashment scheme, the liability in respect of outstanding options is measured at fair value as per the scheme and the difference in the fair value and the exercise price is amortized over the vesting period as employee compensation with a credit to provisions.

(k) Borrowing Costs:

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

(l) Foreign currencies:

The functional currency of the Holding Company is Indian Rupee.

In preparing the consolidated financial statements of the Company, transactions in currencies other than the Holding Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions (standard exchange rates determined monthly). At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on long term foreign currency monetary items relating to acquisition of depreciable assets and recognised in the consolidated financial statements prior to the date of transition to IND AS as an adjustment to the carrying cost of the depreciable asset, continue to be accounted as an adjustment to the carrying cost of the depreciable asset, pursuant to the exemption availed by the Company under para D13AA of IND AS 101.
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (refer hedging accounting policies); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

(m) Income taxes:

Income tax expense comprises both current and deferred tax. Current and deferred taxes are recognised in the statement of profit and loss.

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 Holding Company.

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

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

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

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

The Group offsets current tax assets and current tax liabilities, where it is has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

(n) Provisions and Contingent Liabilities :

Provisions are recognised in the consolidated 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.

(o) Earnings per share:

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

(p) Government Grant:

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

8 RECENT ACCOUNTING DEVELOPMENTS

Standards issued but not yet effective:

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to IND AS 7, ‘Statement of cash flows’ and IND AS 102, Share-based payment. The amendments are applicable to the Group from April 1, 2017

Amendment to IND AS 7:

The amendment to IND AS 7 requires the entities to provide disclosures that enable users of Consolidated Financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The effect on the Consolidated Financial statements is being evaluated by the Group.

Amendment to IND AS 102:

The amendment to IND AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes. It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement. The effect on the Consolidated Financial statements is being evaluated by the Group.

9 FIRST-TIME ADOPTION - MANDATORY EXCEPTIONS, OPTIONAL EXEMPTIONS

The Group has prepared the opening balance sheet as per IND AS as of April 1, 2015 (the transition date), by recognising all assets and liabilities whose recognition is required by IND AS, not recognising items of assets or liabilities which are not permitted by IND AS, by reclassifying items from previous GAAP to IND AS as required under IND AS, and applying IND AS in measurement of recognised assets and liabilities. The exceptions and certain optional exemptions availed by the Group in accordance with the guidance provided in IND AS 101, First Time Adoption of Indian Accounting Standards, and reconciliations of equity and total comprehensive income from previously reported GAAP to IND AS are detailed below.

Optional Exemptions from Retrospective application

IND AS 101 permits first-time adopters certain exemptions from retrospective application of certain requirements under IND AS. The Group has elected to apply the following optional exemptions from retrospective application:

Deemed cost for property, plant and equipment

The Group has elected to measure some items of property, plant & equipment as of April 1, 2015 (transition date) at its fair value and use that fair value as its deemed cost as of the date of transition in accordance with the exemption under para D5 of IND AS 101 and has complied with the requirements of IND AS 16 as regards depreciation in respect of all the other items of PPE.

Impairment of financial assets

The Group has applied the impairment requirements of IND AS 109 retrospectively, however, as permitted by IND AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to IND AS, whether there have been significant increases in credit risk since initial recognition, as permitted by IND AS 101.

Long term foreign currency monetary items

The Group has elected to continue the policy adopted for accounting for exchange differences arising on translation of long term foreign currency monetary items relating to acquisition of depreciable assets, recognised in the financial statements for the period ending immediately before the first IND AS financial reporting period as per the previous GAAP, as an adjustment to the carrying cost of the depreciable asset.

Assessment of embedded derivatives

The Group has assessed whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date it first became a party to the contract and the date when there has been a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract.

Mandatory Exceptions to Retrospective Application

The Group has applied the following exceptions to the retrospective application of IND AS as mandatorily required under IND AS 101:

Estimates

On assessment of the estimates made under the Previous GAAP financial statements, the Group has concluded that there is no necessity to revise the estimates under IND AS, as there is no objective evidence that those estimates were in error. However, estimates that were required under IND AS but not required under Previous GAAP are made by the Group for the relevant reporting dates reflecting conditions existing as at that date.

Classification and measurement of financial assets

The classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to IND AS.

Reconciliations between Previous GAAP and IND AS

(i) Equity Reconciliation

₹ in Crores

Particulars	Notes	As at March 31, 2016	As at April 1, 2015
Equity under previous GAAP		**4,550.57**	**3,958.67**
Equity dividend including dividend distribution tax	A	-	60.31
Redeemable Preference Shares classified as Financial Liability	B	(318.82)	(406.20)
Fair Value used as deemed cost on transition- Rigs	C	(829.38)	(829.38)
Fair Value used as deemed cost on transition - Fleet	C	(134.81)	(134.81)
Fair Value used as deemed cost on transition- Plant & Equipment	C	(136.32)	(136.32)
Foreign Currency Translation Adjustment on Fair value component of Rigs / Plant & Equipments / Fleet	C	(61.98)	-
Deferred Tax on Fair Value adjustments to Non-Tonnage assets	C	12.15	12.15
Fair Value Adjustment of Financial Instruments	D	(7.82)	(5.00)
Actuarial Gain/(Loss) on Defined Employee Benefits	E	(1.91)	-
Embedded Derivative on Charter Hire Contract	E	(0.70)	(0.70)
Dry dock cost capitalised - Fleet	F	12.08	12.08
Increase in Profit as per IND AS (Refer note below)		15.33	-
Equity under IND AS		**3,098.39**	**2,530.80**

(ii) Total comprehensive income reconciliation

₹ in Crores

Particulars	Notes	Year ended March 31, 2016
Net income under Previous GAAP		**508.44**
Dividend (including Dividend Distribution Tax) & Premium amortisation on preference shares being designated as "Financial Liability".	B	(29.56)
Dry dock costs capitalised.	F	25.52
Effect of change in depreciation consequent to use of fair value for certain items of Property, Plant & Equipment at the date of Transition to IND AS as it's deemed cost on transition.	C	26.86
Effect of change in impairment due to increase in carrying amount of Property, Plant & Equipment consequent to capitalization of Dry Dock cost and derecognition of hedging instruments identified as ineffective.	G	(19.14)
Net gain / loss on certain derivatives hedging instruments identified as ineffective transferred to P&L.	H	7.30
Others (net)	E	4.35
Profit under IND AS		**523.77**
Other Comprehensive Income		
Remeasurements of the defined benefit plans		(1.91)
The effective portion of gains and loss on hedging instruments in a cash flow hedge		(1.47)
Exchange difference on net investment in subsidiaries		109.25
Total comprehensive income under IND AS		**629.64**

Notes

A. Equity dividend including dividend tax

Under IND AS, dividend to holders of equity instruments is recognised as liability in the period in which the obligation to pay is established. Under previous GAAP, dividend payable is recorded as a liability in the period to which it relates. This has resulted in an increase in equity by ₹ 60.31 crores as on April 1, 2015.

B. Redeemable Preference Shares

Under previous GAAP, redeemable preference shares were classified as equity. As per IND AS -39 Financial Instruments-Recognition and Measurement, Redeemable Preference Shares have been designated as Financial Liability at amortized cost, consequently the dividend including DDT and premium amortization thereon is reclassified as borrowing cost. This has resulted in decrease in equity by ₹ 318.82 crores and ₹ 406.20 crores as on March 31, 2016 and April 1, 2015 respectively.

C. Property, plant & equipment

The Company, has used fair value as deemed cost for certain items of Property, Plant & Equipment in accordance with the exemptions available under IND AS 101 with the resultant impact being accounted for in reserve. The consequent impact on change in depreciation is reflected in the statement of profit & loss. The aggregate of the fair values used as deemed cost as on the date of transition and the aggregate adjustments to the carrying amount reported under previous GAAP are as under:

Property, Plant and Equipment	April 1,2015 (₹ in crores) Aggregate Fair Value	Aggregate adjustments to the carrying amount
Rigs	3,125.00	(829.38)
Fleet	506.25	(134.81)
Plant & Equipment	34.01	(136.32)
Total	**3,665.26**	**(1,100.51)**

D. Financial Instruments

Under IND AS 109, all derivatives are required to fair valued through P&L (FVTPL) unless they are designated as hedging instruments and tested for effectiveness. Consequently, USD/JPY swaps which were earlier treated as integral part of JPY loan were revalued and the exchange difference on principal was capitalised under previous GAAP, are now treated as derivative instruments under IND AS.

This has resulted in decrease in equity by ₹ 7.82 crores and ₹ 5.00 crores as on March 31, 2016 and April 1, 2015 respectively.

E. Other Adjustments

i) Under IND AS -19 Employee Benefits, actuarial gain & losses are recognised in other comprehensive income & not reclassified to profit & loss in a subsequent period. The adjustment reflects the impact for the periods subsequent to the date of transition as transfer from profit & loss to other comprehensive income.

ii) The company has utilized Serve from India Scheme (SFIS) licenses for importation of some vessels into India. In accordance with IND AS - 22 Accounting for Government Grants, the value of licenses used has been added to the cost of the vessels and amortized as depreciation with the corresponding effect in other income.

iii) The impact of transition adjustment relating to Property, Plant & Equipment has altered the book value of the block of the assets. The deferred tax relating to the Non-Tonnage business has been adjusted in reserve on the date of transition, with consequential impact to profit & loss for the subsequent periods.

F. Dry Dock Costs

Under IND AS 16 Property, Plant and Equipment (PPE), major inspection cost qualify to be recognised as PPE if it is probable that future economic benefits associated with the item will flow to the entity. Consequently, Dry dock expenditure which was earlier expensed out under previous GAAP will now be capitalised as component of fleet.

G. Impairment

Adjustment reflects increase in Impairment of fleet consequent to capitalization of Dry Dock cost and derecognition of hedging instruments identified as ineffective.

H. Derivative instruments

Adjustment reflects the net gain on certain derivative hedging instruments identified as ineffective and transferred to the statement of profit & loss.

I. Adjustments to Statement of Cash Flow

There were no material differences between the Statement of Cash Flows presented under IND AS and the Previous GAAP.

10 PROPERTY, PLANT AND EQUIPMENT

₹ in Crores

Description	Fleet	Rigs	Leasehold Improvements	Plant & equipment	Furniture & fixtures	Vehicles	Office equipments	Computers	Total
Gross Block									
Balance as at April 1,2016	**2,789.68**	**3,312.50**	**5.30**	**48.71**	**1.91**	**8.86**	**2.13**	**4.21**	**6,173.30**
Additions	20.94	-	-	0.63	0.07	0.32	0.02	0.10	22.08
Disposals	(104.84)	-	-	-	-	(0.59)	(0.03)	(0.12)	(105.58)
Adjustments *	(7.79)	-	-	-	-	-	-	-	(7.79)
Translation Exchange difference	(9.75)	(70.00)	-	(0.59)	(0.02)	-	-	(0.02)	(80.38)
Balance as at March 31,2017	**2,688.24**	**3,242.50**	**5.30**	**48.75**	**1.96**	**8.59**	**2.12**	**4.17**	**6,001.63**
Accumulated Depreciation									
Balance as at April 1,2016	**654.56**	**133.40**	**3.98**	**6.55**	**1.72**	**4.66**	**1.51**	**3.29**	**809.67**
Depreciation for the year	157.95	135.17	1.06	7.19	0.15	1.69	0.40	0.46	304.07
Disposals	(71.49)	-	-	-	-	(0.45)	(0.03)	(0.12)	(72.09)
Translation Exchange difference	(3.50)	(7.37)	-	(0.26)	(0.02)	-	-	(0.02)	(11.17)
Balance as at March 31,2017	**737.52**	**261.20**	**5.04**	**13.48**	**1.85**	**5.90**	**1.88**	**3.61**	**1,030.48**
Impairment									
Impairment as at April 1,2016	**105.37**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**105.37**
Impairment loss for the year	184.33	-	-	-	-	-	-	-	184.33
Disposals	(28.29)	-	-	-	-	-	-	-	(28.29)
Impairment as at March 31,2017	**261.41**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**261.41**
Net Carrying amount as at March 31, 2017	**1,689.31**	**2,981.30**	**0.26**	**35.27**	**0.11**	**2.69**	**0.24**	**0.56**	**4,709.74**

Description	Fleet	Rigs	Leasehold Improvements	Plant & equipment	Furniture & fixtures	Vehicles	Office equipments	Computers	Total
Gross Block									
Balance as at April 1,2015 (Deemed Cost)	**2,920.93**	**3,124.96**	**5.30**	**33.99**	**1.84**	**7.17**	**2.09**	**4.22**	**6,100.50**
Additions	25.74	-	-	13.16	0.02	2.09	0.15	0.15	41.31
Disposals #	(253.95)	-	-	-	-	(0.40)	(0.11)	(0.20)	(254.66)
Adjustments *	61.40	-	-	-	-	-	-	-	61.40
Translation Exchange difference	35.56	187.54	-	1.56	0.05	-	-	0.04	224.75
Balance as at March 31,2016	**2,789.68**	**3,312.50**	**5.30**	**48.71**	**1.91**	**8.86**	**2.13**	**4.21**	**6,173.30**
Accumulated Depreciation									
Balance as at April 1,2015	523.36	-	2.92	-	1.54	3.10	1.22	2.92	535.06
Depreciation for the year	177.93	131.49	1.06	6.48	0.14	1.88	0.40	0.54	319.92
Disposals #	(50.42)	-	-	-	-	(0.32)	(0.11)	(0.20)	(51.05)
Translation Exchange difference	3.69	1.91	-	0.07	0.04	-	-	0.03	5.74
Balance as at March 31,2016	**654.56**	**133.40**	**3.98**	**6.55**	**1.72**	**4.66**	**1.51**	**3.29**	**809.67**

Description	Fleet	Rigs	Leasehold Improvements	Plant & equipment	Furniture & fixtures	Vehicles	Office equipments	Computers	Total
Impairment									
Impairment loss for the year	**105.37**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**105.37**
Impairment as at March 31,2016	105.37	-	-	-	-	-	-	-	105.37
Net Carrying amount as at March 31, 2016	**2,029.75**	**3,179.10**	**1.32**	**42.16**	**0.19**	**4.20**	**0.62**	**0.92**	**5,258.26**
Net Carrying amount as at April 1, 2015	**2,397.57**	**3,124.96**	**2.38**	**33.99**	**0.30**	**4.07**	**0.87**	**1.30**	**5,565.44**

* Adjustments represents foreign currency loss / (gain) on repayment and year end translation of foreign currency liabilities relating to acquisition of depreciable capital assets adjusted to carrying amount of assets ₹ (7.79) crores (previous year: ₹ 61.40 crores).

Disposals from fleet for the previous year includes one vessel classified as held for sale and removed from Gross Block ₹ 173.16 crores, Accumulated depreciation ₹ 27.18 crores , carrying cost ₹ 145.98 crores. (refer note 22)

Fleet and Rigs with carrying amount of ₹ 4,326.97 crores (March 31,2016: ₹ 4,983.71 crores; April 1,2015: ₹ 5,522.53 crores) have been mortgaged to secure borrowings of the Group.

11 INTANGIBLE ASSET

₹ in Crores

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

Description	Computer Software
Gross Block	
Balance as at April 1,2015	**4.95**
Additions	-
Disposals	-
Balance as at March 31,2016	**4.95**
Accumulated Amortisation	
Balance as at April 1,2015	**4.23**
Amortisation for the year	0.36
Disposals	-
Balance as at March 31,2016	**4.59**
Net Carrying amount as at March 31, 2016	**0.36**
Net Carrying amount as at April 1, 2015	**0.72**

12 OTHER FINANCIAL ASSETS

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Earmarked balances with Banks			
Margin deposits with Banks with remaining maturity of more than twelve months	2.35	2.19	2.04
	2.35	**2.19**	**2.04**

13 INCOME TAXES

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores
A. Income tax expense comprise of the following :		
Current tax expense for the year	85.63	90.74
Deferred tax	0.96	0.91
	86.59	**91.65**
B. The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statement of profit or loss is as follows:		
Profit before tax	241.30	615.42
Indian statutory income tax rate	34.61%	34.61%
Expected income tax expense	83.51	212.99
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Loss / (Profit) attributable to tonnage tax activity	46.63	(19.84)
Income exempt from income tax	(53.47)	(110.01)
Expenses not deductible for tax purpose	10.96	11.94
Lower MMR in foreign subsidiaries	(1.04)	(3.43)
Total income tax expense	**86.59**	**91.65**

C. Tax assets and liabilities

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Non current tax assets (net)	22.85	13.74	4.23
Current tax liabilities (net)	12.37	13.35	11.46

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

(₹ in Crores)

	Balance as at April 1, 2016	Recognised in statement of Profit and Loss	Recognised in OCI	Balance as at March 31, 2017
Deferred tax assets / (liabilities) in relation to:				
Property, plant and equipment	12.02	(1.13)	-	10.89
Provision for doubtful debts	-	0.20	-	0.20
Defined benefit obligations	0.12	(0.03)	-	0.09
Net deferred tax assets / (liabilities)	12.14	(0.96)	-	11.18

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2016 are as follows:

(₹ in Crores)

	Balance as at April 1, 2015	Recognised in statement of Profit and Loss	Recognised in OCI	Balance as at March 31, 2016
Deferred tax assets / (liabilities) in relation to:				
Property, plant and equipment	12.78	(0.76)	-	12.02
Defined benefit obligations	0.27	(0.15)	-	0.12
Net deferred tax assets / (liabilities)	13.05	(0.91)	-	12.14

Income from shipping activities of the group in India is assessed on the basis of deemed tonnage income in accordance with the provision of section 115VA of the Income Tax Act,1961 and no deferred tax is applicable to such income as there are no taxable temporary differences. Income from operation of vessels and rigs operating outside the limits of the port of Singapore is also exempt under section 13A of the Singapore Income tax act. Consequently, deferred tax is recognised only is respect of the taxable temporary differences relating to the non tonnage income.

Deferred income taxes are not provided on the undistributed earnings of the subsidiaries where the timing of the reversal of temporary differences can be controlled and it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

14 OTHER NON CURRENT ASSETS

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Considered good			
Security deposits	1.52	1.52	1.51
Capital advances	0.03	0.33	0.42
	1.55	**1.85**	**1.93**

15 INVENTORIES

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Stores & spares in warehouse & in transit to Rigs / Vessels	3.61	2.02	0.77
Stores & spares on board rigs	64.43	66.01	66.51
Fuel Oils	16.31	17.06	16.44
	84.35	85.09	83.72

a. Inventories are carried at lower of cost and net realisable value.

b. Inventories of stores and spares on rigs and fuel oil on vessels and rigs is recognised as expense on consumption, and stores and spares relating to vessels are recognised as expense when delivered on board the vessels. The amount of inventories recognised as an expense during the year (including stores and spares delivered on board the vessels) is ₹ 91.00 crores (previous year: ₹ 108.41 crores)

16 INVESTMENTS - CURRENT

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Investments at fair value through profit and loss			
Investments in mutual funds - Unquoted	8.69	26.10	100.40
	8.69	26.10	100.40
Aggregate amount of quoted investments	-	-	-
Market value of quoted investments	-	-	-
Aggregate amount of unquoted investments	8.69	26.10	100.40
Aggregate amount of impairment in value of investments	-	-	-

17 TRADE RECEIVABLES

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Unsecured			
- Considered good	159.05	216.11	199.39
- Considered doubtful	3.52	17.79	3.76
	162.57	233.90	203.15
- Allowance for doubtful trade receivables	(3.52)	(17.79)	(3.76)
	159.05	216.11	199.39

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

Trade receivables are derived from revenue earned from customers having high credit quality and strong financials. In determining the allowances for doubtful trade receivables the group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes in account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

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

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Balances as at the beginning of the year	17.79	3.76	18.20
Current year allowance	2.09	16.72	3.76
Reversal during the year	(16.36)	(2.69)	(18.20)
Balances as at the end of the year	3.52	17.79	3.76

18 CASH AND CASH EQUIVALENTS

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Balances with banks			
-Current accounts	691.40	503.83	380.38
-Term Deposits with original maturity less than three months	49.72	8.60	22.40
Cash in hand	0.03	0.05	0.02
	741.15	512.48	402.80

Specified Bank Notes (SBNs) disclosure :

In accordance with MCA notification G.S.R. 308 (E) dated March 30, 2017 details of Specified Bank Notes (SBNs) and other denomination notes (ODN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 is provided as under:

Amount in ₹

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	100,500	19,114	119,614
(+) Permitted receipts	-	428,000	428,000
(-) Permitted payments	-	(402,629)	(402,629)
(-) Amount deposited in Banks	(100,500)		(100,500)
Closing cash in hand as on 30.12.2016	**-**	**44,485**	**44,485**

19 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Earmarked balances with banks in margin deposits	21.51	29.82	26.68
Term deposits with maturity more than three months but less than twelve months	392.08	324.74	207.06
	413.59	354.56	233.74

20 OTHER FINANCIAL ASSETS

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Derivatives designated as Cash flow hedges			
- Foreign exchange forward contracts / Interest rate swaps	9.28	-	-
	9.28	**-**	**-**

21 OTHER CURRENT ASSETS

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Prepayments	4.59	6.21	10.26
Advances to suppliers, masters, agents, etc.	6.42	8.64	14.48
Deposits	2.81	3.53	13.35
Unutilised government grants (refer note 43) #	1.60	6.48	0.95
Unbilled revenue	1.62	12.77	-
	17.04	37.63	39.04

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

22 NON CURRENT ASSET CLASSIFIED AS HELD FOR SALE

The vessels classified as held for sale in the last financial year, was sold during the current year.
Details of non current assets classified as held for sale are as follows:

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Reclassification from Property, plant and equipment :			
Gross Block (refer Note 10)	173.16	173.16	-
Addition during the year	14.20	-	-
Accumulated depreciation	(27.18)	(27.18)	-
Impairment loss	(59.16)	(59.16)	-
Disposed during the year	(101.02)	-	-
	-	**86.82**	**-**

23 SHARE CAPITAL

	As at March 31,2017		As at March 31,2016		As at April 1,2015	
	No. of Shares	₹ In Crores	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	135,000,000	135.00
		135.00		**135.00**		**135.00**
Issued, subscribed and paid up						
Equity Shares of par value ₹10/- fully paid up	111,345,500	111.35	111,345,500	111.35	111,345,500	111.35
Total		**111.35**		**111.35**		**111.35**

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

	As at March 31,2017		As at March 31,2016		As at April 1,2015	
Details	No. of Shares	₹ In Crores	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	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	111,345,500	111.35

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

Equity Shares:

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

(c) Shares held by the holding company:

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Equity Shares	111.35	111.35	111.35

111,345,500 equity shares (March 31, 2016: 111,345,500, April 1,2015: 111,345,500 equity shares) are held by The Great Eastern Shipping Co. Ltd.

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

	As at March 31,2017		As at March 31,2016		As at April 1,2015	
Name of Shareholder	**% of Holding**	**No. of Shares held**	% of Holding	No. of Shares held	% of Holding	No. of Shares held
Equity Shares						
The Great Eastern Shipping Company Limited, the holding company	100%	111,345,500	100%	111,345,500	100%	111,345,500

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

(e) Shares allotted as fully paid up pursuant to contract (s) without payment being received in cash during the period of five years immediately preceding the reporting date - 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 preceding 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. Out of five schemes, two schemes ESOP 2007 and ESOP 2008-I have been closed with the encashment of all outstanding stock options under those schemes. All the ESOPs are in respect of the Company's shares where each stock option is equivalent to one equity share.

No grant of stock options were made under any of the Schemes after April 2012 in line with the Company's decision to not make any further grants under the existing Schemes. There was no encashment or forfeiture of options under any Scheme during the year under review.

During the financial year 2015-16, 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).

The total options outstanding as on March 31, 2017 is 151,060.

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

Sr. No.	Particulars	ESOP 2007-II	ESOP 2008-II	ESOP 2010-II
1.	Date of Grant	28/01/08	23/10/08 19/03/09 05/05/09 24/07/09 23/10/09 28/12/09 18/03/10 30/04/10	23/09/10 30/04/11 24/10/11 27/04/12
2.	Date of Board Approval	20/11/07	28/01/08	18/03/10
3.	Date of Shareholders' Approval	20/11/07	31/01/08	23/04/10
4.	Options approved	200,000	1,710,000	1,028,900
5.	Options outstanding at the beginning of the year	4,600	44,700	101,760
6.	Options granted during the year	–	–	–
7.	Options cancelled/ forfeited during the year	–	–	–
8.	Options Exercised during the year	–	–	–
9.	Options encashed during the year	–	–	–
10.	Options outstanding at the end of the year	4,600	44,700	101,760
11.	Exercise Price/Weighted Average Exercise Price	100	135	135
12.	Exercise period from the date of vesting	One year from the date of vesting/listing whichever is later	One year from the date of vesting/listing whichever is later	One year from the date of vesting/listing whichever is later
13.	Exercisable at end of the year	–	–	–
14.	Method of Settlement	Equity	Equity/Cash	Equity
15.	Vesting period from the date of grant	One year	20% equally over a period of five years	20% equally over a period of five years
16.	Vesting conditions	Continued employment with the holding Company " The Great Eastern Shipping Co. Ltd." (includes transfer within group companies)	Continued employment with the holding Company or subsidiaries (includes transfer within group companies)	Continued employment with the holding Company or subsidiaries (includes transfer within group companies)

Pursuant to the encashment scheme for Employee Stock Options (ESOPs) introduced by the Company, 1,417,420 options have been encashed at the fair value determined under the scheme. 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, 2017 of ₹ 2.38 crores (March 31, 2016: ₹ 2.30 crores; April 1, 2015: ₹ 1.37 crores) is included in non current provisions and ₹ NIL (March 31, 2016: NIL ; April 1, 2015: ₹ 9.80 crores) in current provisions.

24 OTHER EQUITY

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Summary of Other Equity			
Reserves and Surplus			
Capital Reserve	2.95	2.95	2.95
Capital redemption reserve	43.50	43.50	29.00
Securities premium reserve	1,155.13	1,155.13	1,155.13
General reserve	40.35	40.35	54.85
Tonnage Tax reserve	187.00	177.00	142.00
Retained earnings	989.69	844.98	416.52
Other Comprehensive Income			
Foreign currency translation reserve	680.25	731.21	623.70
Cash flow Hedging reserve	9.33	(6.17)	(4.70)
Actuarial Gain/Loss on Defined Benefit Plan	0.10	(1.91)	-
	3,108.30	2,987.04	2,419.45

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores
Reserves and Surplus		
Capital reserve		
Balance at the beginning and at the end of the year	**2.95**	**2.95**
Capital redemption reserve		
Balance at the beginning of the year	43.50	29.00
Add: Transfer from General reserve on redemption of preference shares	-	14.50
Balance at the end of the year	**43.50**	**43.50**
Securities premium reserve		
Balance at the beginning and at the end of the year	**1,155.13**	**1,155.13**

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores
General reserve		
Balance at the beginning of the year	40.35	54.85
Less: Transfer to Capital redemption reserve	-	(14.50)
Balance at the end of the year	**40.35**	**40.35**
Tonnage Tax reserve		
Balance at the beginning of the year	177.00	142.00
Add: Transfer from statement of profit and loss	10.00	35.00
Balance at the end of the year	**187.00**	**177.00**
Retained earnings		
Balance at the beginning of the year	844.98	416.52
Add: Profit for the year	154.71	523.77
Less: Transfer to Tonnage Tax Reserve Account under section 115VT of the Income Tax Act, 1961	(10.00)	(35.00)
Less: Appropriations:		
Dividend on equity shares	-	(50.11)
Dividend distribution tax	-	(10.20)
Balance at the end of the year	**989.69**	**844.98**
Items of Other Comprehensive Income		
Foreign currency translation reserve		
Balance at the beginning of the year	731.21	623.70
Add / (Less): Exchange differences on net investments in subsidiaries	(50.96)	109.25
Less: Transfer to statement of profit and loss on realisation	-	(1.74)
Balance at the end of the year	**680.25**	**731.21**
Cash flow Hedging reserve		
Balance at the beginning of the year	(6.17)	(4.70)
(Less) / Add : Fair value (loss) / gain on derivative contracts designated as cash flow hedges (net)	15.50	(1.47)
Balance at the end of the year	**9.33**	**(6.17)**
Actuarial Gain/(Loss) on Defined Benefit Plan		
Balance at the beginning of the year	(1.91)	-
Remeasurements during the year	2.01	(1.91)
Balance at the end of the year	**0.10**	**(1.91)**
	3,108.30	**2,987.04**

Nature of reserves

Capital reserve

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

Securities premium reserve

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

General reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in General reserve will not be reclassified subsequently to statement of profit or loss.

Tonnage Tax reserve

The Tonnage tax reserve is used to accumulate a portion of profits derived from tonnage activities during each year as mandated under section 115VT of the Income Tax Act,1961. The amount credited to the Tonnage Tax Reserve shall be utilised by GIL for acquiring new ships for the purposes of the business.

Foreign currency translation reserve

This reserve represents balances of Exchange differences on monetary items considered as part of net investment in an non integral foreign operation. All resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

Cash flow Hedging reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss.

25 LONG TERM BORROWINGS

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Secured :			
Foreign currency term loans from banks	2,394.84	2,892.86	3,435.83
Less: Current maturities of long term borrowings (included in Note 29)	(362.14)	(579.41)	(562.25)
Less: Interest accrued but not due on long term borrowings (included in Note 29)	(10.80)	(11.85)	(12.40)
	2,021.90	2,301.60	2,861.18
Unsecured :			
Redeemable Cumulative Preference share capital designated as financial liability :			
21.75% (April 1,2015: 7.5%) Cumulative Redeemable Preference Shares of par value ₹10/- fully paid up	168.50	166.51	165.02
22.5% Cumulative Redeemable Preference Shares of par value ₹10/- fully paid up	181.87	181.87	181.87
	350.37	348.38	346.89
	2,372.27	**2,649.98**	**3,208.07**

a. Foreign currency term loans are secured by mortgage of the vessels / rigs, assignment of earnings, charge on earnings account and insurance contracts/policies of respective vessels / rigs (refer note 10). The loans carry interest at the rate LIBOR plus 95 to 250 bps and are repayable in quarterly / half yearly instalments over one to six years.

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

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
1-2 years	324.63	886.92	562.23
2-3 years	456.14	365.12	940.22
3-4 years	270.08	860.26	362.20
4-5 years	222.49	133.35	830.54
Beyond 5 years	748.56	55.95	165.99
	2,021.90	**2,301.60**	**2,861.18**

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

b. Preference Shares :

(i) The 21.75% 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 Limited" in the year 2008-09.The said shares were to be redeemed at a premium of ₹ 30.90 per share in six annual instalments from April 1,2013 to April 1,2018. The terms of the outstanding 44,500,000 preference shares were modified by the Board of Directors of the company during 2015-16, increasing the rate of dividend from 7.5% to 21.75% p.a. effective FY 2015-16 and deferring the redemption of the said shares in four instalments of 11,125,000 preference shares each from April 1,2021 to 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. The cumulative redeemable preference shares do not contain any equity component.

(ii) 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 Limited", are to be redeemed at a premium of ₹ 20/- per share in four annual instalments of 15,156,000 preference shares each from April 1, 2018 to April 1, 2021 as per the revised terms.

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

26 PROVISIONS

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
A. Non-current			
Provision for employee benefits			
- Provision for gratuity	0.79	0.68	0.47
- Provision for compensated absences	0.55	0.60	0.45
- Director's Retirement Benefit Plan	10.57	9.07	7.00
-Employee Stock Options Scheme (refer note 23 (g))	2.38	2.30	1.37
	14.29	**12.65**	**9.29**
B. Current			
Provision for employee benefits			
- Provision for compensated absences	0.57	0.65	0.33
- Employee Stock Options Scheme (refer Note 23 (g))	-	-	9.80
	0.57	**0.65**	**10.13**

27 OTHER NON-CURRENT LIABILITIES

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Government grants #	25.01	27.15	29.29
	25.01	**27.15**	**29.29**

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

28 TRADE PAYABLES

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Sundry creditors	91.59	105.25	101.52
	91.59	**105.25**	**101.52**

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

29 OTHER FINANCIAL LIABILITIES

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Current maturities of long term borrowings*	362.14	579.41	562.25
Interest accrued but not due on long term borrowings	10.80	11.85	12.40
Preference share capital redemption liability	-	-	59.31
Preference dividend payable including dividend distribution tax	28.07	28.07	21.75
Derivatives designated as Cash flow hedges			
- Foreign exchange forward contracts / Interest rate swaps	-	5.53	8.24
Derivatives not designated as Cash flow hedges			
- Principal Swap contracts including Interest rate swaps	-	9.39	26.99
- Fair value of Charter hire contract designated as embedded derivative	-	-	0.70
	401.01	634.25	691.64

* Current maturities of long term borrowings includes ₹ NIL (March 31,2016: ₹74.53 crores,April 1, 2015: ₹ NIL) relating to a long term borrowing reclassified as current consequent to proposed refinancing arrangement.

30 OTHER CURRENT LIABILITIES

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
Other Payables :			
- Employee benefits	23.72	32.55	29.84
- Statutory Liabilities	16.49	18.74	15.34
- Creditors for capital expenses	-	5.01	-
- Accrued expenses	2.32	2.88	2.40
Government grants (refer note 43)#	1.60	6.48	0.95
Income received in advance	0.06	-	6.25
	44.19	**65.66**	**54.78**

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

31 REVENUE FROM OPERATIONS

	Year Ended March 31,2017 ₹ in Crores	Year Ended March 31,2016 ₹ in Crores
Sale of services		
-Charter hire income (refer note 42)	1,407.24	1,805.88
Other operating revenues		
- Insurance claims	0.47	4.42
	1,407.71	**1,810.30**

32 OTHER INCOME

a Interest income:		
- on deposits with banks	9.47	4.39
- on income tax refund	1.41	-
b Dividend income:		
-Dividend on current investments	0.90	1.39
c Other non-operating income:		
Profit on sale of vessel / other assets	-	25.85
Reversal of doubtful debt provisions of earlier years	4.03	
Gain on foreign currency transactions (net)	-	28.02
Income from Government grants (amortised)	7.21	4.38
Miscellaneous income	0.42	1.48
	23.44	**65.51**

33 EMPLOYEE BENEFITS EXPENSES

Salaries, wages & allowances	256.77	306.61
Contribution to provident & other funds	9.30	8.84
Employee stock option encashment scheme expense	0.08	0.55
Staff welfare expenses	17.11	18.27
	283.26	**334.27**

a) Defined Contribution Plans :

The Group has recognised the following contributions in the statement of profit and loss. The contributions payable under these plans are at the rates specified in the rules of the respective schemes.

Contribution to Provident Fund	3.86	4.20
Contribution to Superannuation Fund	0.34	0.32
Contribution to National Pension Scheme	0.35	0.33
Contribution to Seamens' Provident Fund	0.89	0.42
Contribution to Seamens' Pension Annuity Fund	0.66	0.70
Contribution to Seamens' Gratuity Fund	0.22	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)

Actuarial Assumption	Gratuity As at March 31, 2017	Gratuity As at March 31, 2016	Pension Plan As at March 31, 2017	Pension Plan As at March 31, 2016	Compensated Absences As at March 31, 2017	Compensated Absences As at March 31, 2016
a) Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.
b) Interest / Discount Rate	6.94%	7.46%	6.94%	7.46%	6.94%	7.46%
c) Rate of increase in compensation						
Shore Staff	5.00%	5.00%	-	-	5.00%	5.00%
Rig Staff	3.00%	5.00%	-	-	-	-
d) Expected average remaining service						
Shore Staff	7.84	8.13	-	-	7.84	8.13
Rig Staff	15.09	9.91	-	-	-	-
e) Employee Attrition rate						
Shore Staff	8.00%	8.00%	-	-	8.00%	8.00%
Rig Staff	1.50%	6.00%	-	-	-	-

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

	Gratuity As at March 31, 2017	Gratuity As at March 31, 2016	Pension Plan As at March 31, 2017	Pension Plan As at March 31, 2016	Compensated Absences As at March 31, 2017	Compensated Absences As at March 31, 2016
i) Change in Present Value of Obligations :						
Present value obligation at the beginning of the year	9.95	6.82	9.07	7.00	0.54	0.36
Interest Cost	0.70	0.53	0.68	0.56	0.04	0.03
Current Service Cost	2.93	2.77	-	-	0.05	0.06
Benefits Paid	(1.22)	(0.26)	-	-	(0.03)	(0.03)
Transfer in	-	-	-	-	-	-
Actuarial (Gain) / loss on Obligation	(1.79)	0.09	0.82	1.51	(0.09)	0.12
Present value obligation at the end of the year	10.57	9.95	10.57	9.07	0.51	0.54
ii) Fair Value of Plan Assets :						
Opening Fair Value of Plan Assets	10.74	6.98	-	-	-	-
Return on Plan Assets (excluding Interest Income)	1.04	(0.31)	-	-	-	-
Interest Income	0.65	0.63	-	-	-	-
Employer's Contribution	0.02	3.70	-	-	0.03	0.04

(₹ in Crores)

Actuarial Assumption	Gratuity		Pension Plan		Compensated Absences	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Benefits Paid	(1.21)	(0.26)	-	-	(0.03)	(0.04)
Fair Value of Plan Assets at the end of the year	11.24	10.74	-	-	-	-
iii) Return on plan assets :						
Actual Return on Plan Assets	1.69	0.32	-	-	-	-
Interest Income	0.65	0.63	-	-	-	-
Return on plan assets excluding interest income	1.04	(0.31)	-	-	-	-
iv) Actuarial Gain/Loss on obligation						
Due to Demographic Assumption	(0.23)	-	-	-	-	-
Due to Financial Assumption	(0.24)	(0.60)	-	-	0.01	(0.10)
Due to experience	(1.32)	0.69	0.82	1.51	(0.10)	0.22
Total Actuarial (Gain)/Loss	(1.79)	0.09	0.82	1.51	(0.09)	0.12
v) Amounts Recognised in the Balance Sheet:						
Present Value of obligation at the end of the Year	10.57	9.95	10.57	9.07	0.51	0.54
Fair Value of Plan Assets at the end of the year	11.24	10.74	-	-	-	-
Funded Status	0.67	0.79	(10.57)	(9.07)	(0.51)	(0.54)
Net Assets / (Liability) recognised in the balance sheet	0.67	0.79	(10.57)	(9.07)	(0.51)	(0.54)
vi) Expenses Recognised in the Statement of Profit and Loss						
Current Service Cost	2.93	2.77	-	-	0.05	0.06
Interest Cost (Net)	0.05	(0.10)	0.68	0.56	0.04	0.03
Actuarial Gain/(Loss) recognised for the period	-	-	-	-	(0.09)	0.12
Expenses recognised in the profit and loss account	2.98	2.67	0.68	0.56	-	0.21
vii) Other Comprehensive Income (OCI)						
Actuarial (Gain)/Loss recognized for the year	(1.79)	0.09	0.82	1.51	-	-

(₹ in Crores)

Actuarial Assumption	Gratuity As at March 31, 2017	Gratuity As at March 31, 2016	Pension Plan As at March 31, 2017	Pension Plan As at March 31, 2016	Compensated Absences As at March 31, 2017	Compensated Absences As at March 31, 2016
Return on Plan Assets excluding net interest	(1.04)	0.31	-	-	-	-
Total Actuarial (Gain)/Loss recognized in (OCI)	(2.83)	0.40	0.82	1.51	-	-
viii) Investment Details (% invested)						
HDFC Life Defensive Management Fund II	100%	100%	-	-	-	-
ix) Asset Liability Comparisons						
Present Value of Defined benefit obligation	10.57	9.95	10.57	9.07	0.51	0.54
Plan assets	11.24	10.74	-	-	-	-
Surplus or (Deficit) in the plan	0.67	0.79	(10.57)	(9.07)	(0.51)	(0.54)
Experience adjustments on plan assets	1.04	(0.31)	-	-	-	-

x) Sensitivity Analysis	DR : Discount Rate		ER : Salary Escalation Rate	
	PVO DR + 1%	PVO DR - 1%	PVO ER + 1%	PVO ER - 1%
Gratuity				
Present Value of Obligation	9.92	11.34	11.21	10.00
Pension Plan				
Present Value of Obligation	9.08	12.70	-	-
Compensated Absences				
Present Value of Obligation	0.49	0.54	0.54	0.49

xi) Expected Payout	First	Second	Third	Fourth	Fifth	Six to Ten years
Gratuity						
Present Value of Obligation	0.42	0.53	1.15	0.38	1.32	5.34
Pension Plan						
Present Value of Obligation	-	-	-	-	-	-
Compensated Absences						
Present Value of Obligation	0.06	0.07	0.13	0.06	0.12	0.10

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.

34 FINANCE COSTS

	Year Ended March 31,2017 ₹ in Crores	Year Ended March 31,2016 ₹ in Crores
Interest on term loans from banks	81.02	85.67
Finance charges	44.87	13.89
Dividend on redeemable preference shares	23.32	23.32
Dividend distribution tax thereon	4.75	4.75
Amortisation of redemption premium on preference shares	1.98	1.49
	155.94	**129.12**

35 DEPRECIATION AND AMORTISATION EXPENSE

Depreciation on tangible assets (refer note 10)	304.07	319.92
Depreciation on intangible assets (refer note 11)	0.23	0.36
	304.30	**320.28**

36 IMPAIRMENT LOSS

Impairment loss on tangible assets (refer note 10)	184.33	105.37
Impairment loss on assets held for sale	-	58.32
	184.33	**163.69**

During the financial year, the Group 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 Group has made provision for impairment loss on eight (previous year: four) supply vessels aggregating to ₹ 184.33 crores (previous year: ₹ 105.37 crores) as the carrying amount of the said vessels was lower than its recoverable amount.

During the financial year, the company had agreed to sell "Greatship Disha" at a price lower than its carrying amount, consequently the Group had booked an impairment loss of ₹9.65 crores to write down the asset to its net realisable value. The vessel was delivered in the subsequent quarter.

37 OTHER EXPENSES

	Year Ended March 31,2017 ₹ in Crores	Year Ended March 31,2016 ₹ in Crores
Fuel, oil & water	16.08	18.69
Hire of chartered rigs, vessels and equipments	32.56	45.37
Consumption of stores and spares	74.92	89.72
Technical management fees	2.34	3.62
Agency fees	3.17	2.96
Port Dues	1.71	2.52
Repairs and maintenance		
- Rigs and vessels	24.89	22.81
- Buildings	0.13	0.27
- Others	1.95	1.96
Insurance		
- Fleet insurance	22.40	27.67
- Others	1.72	1.54
Travelling and conveyance expenses	11.87	14.10
Communication expenses	9.77	11.76
Rent	6.89	6.69
Rates and taxes	0.01	0.03
Brokerage and commission	0.80	3.37
Payment to Auditors	0.91	1.51
Provision for doubtful debts and advances (net)	1.64	13.69
Loss on foreign currency transactions (net)	6.49	-
Contribution towards CSR activities (refer note 41)	5.16	4.20
Loss on sale of vessel	0.05	-
Miscellaneous expenses	36.56	40.55
	262.02	**313.03**

38 EARNINGS PER SHARE

		Year Ended March 31,2017 ₹ in Crores	Year Ended March 31,2016 ₹ in Crores
Profit attributable to Equity share holders		154.71	523.77
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	₹	10.00	10.00
Basic earnings per share	₹	13.89	47.04
Diluted earnings per share	₹	13.89	47.04

39 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 :**

Executive Directors

Mr. Ravi K. Sheth

Mr. P.R. Naware

Non-Executive Directors

Mr. Bharat K. Sheth

Mr. Keki Mistry

Mr. Berjis Desai

Mr. Vineet Nayyar

Mr. Shashank Singh

Mr. Anil Chandanmal Singhvi

Mr. Mathew Cyriac

Ms. Swaroop Rawal

Other

Mr. G. Shivakumar - Chief Financial Officer

Ms. Amisha Ghia - Company Secretary

d) Relative of Key Management Personnel :

Ms. Nirja B. Sheth - Daughter of Chairman

Mr. Pushkar Naware - Son of Executive Director

e) Other related party:

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

Transactions with related parties

(₹ in Crores)

Nature of transaction	Holding Company		Fellow Subsidiaries		Other related party		Key Management Personnel and Relatives	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Transactions during the year:								
Dividend Paid	**23.32**	68.17						
Contribution paid towards CSR			**2.44**	4.20				
Contribution paid towards gratuity liability					-	3.64		
Remuneration Paid								
Executive Directors								
Short term benefits							**9.03**	9.41
Post employment benefits							**1.54**	2.16
Share based payment							-	0.37
Non-executive directors								
Commission paid							**1.92**	1.90
Sitting fees paid							**0.39**	0.23
Others								
Short term benefits							**0.81**	1.28
Post employment benefits							**0.01**	0.01
Share based payment							-	0.33
Rent Received			**0.20**	0.20				
Preference Shares redeemed	-	59.31						
Service charges for allotment of training slots	**1.86**	1.06						
Transfer of Served from India Scheme (SFIS)	-	- **						
Transfer of liability towards retirement benefIts of employees (net)	**0.02**	0.07						

Nature of transaction	Holding Company As at March 31, 2017	Holding Company As at March 31, 2016	Holding Company As at April 1, 2015	Key Management Personnel and Relatives As at March 31, 2017	Key Management Personnel and Relatives As at March 31, 2016	Key Management Personnel and Relatives As at April 1, 2015
Outstanding Balances						
Payables	1.29	0.69	0.15			
Corporate Guarantees Given / (Received)	-	-	(14.57)			
Remuneration payable						
Executive Directors				14.67	13.63	12.05
Non-executive directors				1.91	1.90	1.99

Note :

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

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

Terms and conditions of transactions with related parties

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

40 FINANCIAL RISK MANAGEMENT

(a) Financial Instrument

Financial assets and liabilities

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instruments are disclosed in Note 7 (g) to the Consolidated financial statements :

The carrying value and fair value of financial instruments by categories as of March 31, 2017 are as follows :

₹ in Crores

Particulars	Amortised cost	Fair value through profit or loss	Fair value through OCI	Total carrying value	Total fair value
Financial Assets					
Cash and cash equivalents	741.15	-	-	741.15	741.15
Non current financial assets	2.35	-	-	2.35	2.35
Bank balances other than cash and cash equivalents	413.59			413.59	413.59
Current Investments	-	8.69	-	8.69	8.69
Trade receivables	159.05	-	-	159.05	159.05
Derivative financial instruments	-	-	9.28	9.28	9.28
	1,316.14	**8.69**	**9.28**	**1,334.11**	
Financial Liabilities					
Foreign currency term loans from banks	2,394.84	-	-	2,394.84	2,394.84
Preference share capital including redemption premium	350.37	-	-	350.37	350.37
Preference dividend payable including dividend distribution tax	28.07	-	-	28.07	28.07
Trade payables	91.59	-	-	91.59	91.59
	2,864.87	**-**	**-**	**2,864.87**	

The carrying value and fair value of financial instruments by categories as of March 31, 2016 are as follows :

₹ in Crores

Particulars	Amortised cost	Fair value through profit or loss	Fair value through OCI	Total carrying value	Total fair value
Financial Assets					
Cash and cash equivalents	512.48	-	-	512.48	512.48
Non current financial assets	2.19			2.19	2.19
Bank balances other than cash and cash equivalents	354.56	-	-	354.56	354.56
Current Investments	-	26.10	-	26.10	26.10
Trade receivables	216.11	-	-	216.11	216.11
	1,085.34	**26.10**	**-**	**1,111.44**	
Financial Liabilities					
Foreign currency term loans from banks	2,892.86	-	-	2,892.86	2,892.86
Preference share capital including redemption premium	348.38	-	-	348.38	348.38
Preference dividend payable including dividend distribution tax	28.07	-	-	28.07	28.07
Trade payables	105.25		-	105.25	105.25
Derivative financial instruments	-	9.39	5.53	14.92	14.92
	3,374.56	**9.39**	**5.53**	**3,389.48**	

The carrying value and fair value of financial instruments by categories as of April 1, 2015 are as follows :

₹ in Crores

Particulars	Amortised cost	Fair value through profit or loss	Fair value through OCI	Total carrying value	Total fair value
Financial Assets					
Cash and cash equivalents	402.80	-	-	402.80	402.80
Non current financial assets	2.04			2.04	2.04
Bank balances other than cash and cash equivalents	233.74	-	-	233.74	233.74
Current Investments	-	100.40	-	100.40	100.40
Trade receivables	199.39	-	-	199.39	199.39
	837.97	**100.40**	**-**	**938.37**	
Financial Liabilities					
Foreign currency term loans from banks	3,435.83	-	-	3,435.83	3,435.83
Preference share capital including redemption premium	406.20	-	-	406.20	406.20
Preference dividend payable including dividend distribution tax	21.75	-	-	21.75	21.75
Trade payables	101.52	-	-	101.52	101.52
Derivative financial instruments	-	27.69	8.24	35.93	35.93
	3,965.30	**27.69**	**8.24**	**4,001.23**	

Carrying amounts of trade receivables, cash and cash equivalents and trade payables as at March 31, 2017, March 31, 2016 and April 1, 2015 approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other bank balances, borrowings, and other financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

Fair value hierarchy

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

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

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

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

₹ in crores

As at March 31,2017	Fair value measurement at the end of the year using		
	Level 1	**Level 2**	**Level 3**
Financial Assets			
Current Investments	-	8.69	-
Derivative financial instruments	-	9.28	-

As at March 31,2016	Fair value measurement at the end of the year using		
	Level 1	**Level 2**	**Level 3**
Financial Assets			
Current Investments	-	26.10	-
Financial Liabilities			
Derivative financial instruments	-	14.92	-

As at April 1,2015	Fair value measurement at the end of the year using		
	Level 1	**Level 2**	**Level 3**
Financial Assets			
Current Investments	-	100.40	-
Financial Liabilities			
Derivative financial instruments	-	35.93	-

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.

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

(i) Forward exchange contracts:

Details	As at March 31,2017		As at March 31,2016		As at April 1,2015	
	Purchase	Sale	Purchase	Sale	Purchase	Sale
Total no. of Contracts	4	-	-	24	-	12
Notional amount of Foreign Currency (USD in Million)	4	-	-	12	-	12
Amount recognised in Hedging reserve (loss) / gain (₹ in crores)	(0.13)	-	-	1.02	-	0.30
Maturity Period	Upto 3 months	-	-	Upto 12 months	-	Upto 12 months

(ii) Interest rate swap contracts:

Details	As at March 31,2017	As at March 31,2016	As at April 1,2015
Total No. of contracts	17	11	13
Principal Notional Amount (USD million)	221	150	220
Amount recognised in Hedging Reserve (loss) / gain (₹ in crores)	9.46	(7.19)	(5.00)
Maturity Period	Upto 73 months	Upto 55 months	Upto 66 months

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, 2017 amounting to gain / (loss) of ₹ 9.33 crores [March 31, 2016 (₹ 6.17 crores); April 1, 2015 (₹ 4.70 crores)] has been recorded in the Cash flow hedging reserve as on March 31, 2017.

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

II) Derivative instruments not in hedging relationship :

(i) Currency swap contracts:

Details	As at March 31,2017	As at March 31,2016	As at April 1,2015
Total No. of contracts	-	3	6
Principal Notional Amount (USD million)	-	14	28
Principal Notional Amount (JPY million)	-	(1427)	(2974)
Gain/(Loss) recognised in the Statement of Profit and Loss during the year (₹ in crores)	-	(9.39)	(24.32)
Maturity Period	-	Upto 32 months	Upto 44 months

The currency swap derivative contracts mentioned under "Derivative instruments not in hedging relationship" above, economically hedge the underlying exposures but hedge accounting is not opted for the same.

The currency swap derivative contracts were entered into to economically hedge the JPY and INR debt by converting the same into USD liability.

Gains/(losses) on the derivative contracts mentioned under (II) above, are transferred to the Statement of Profit and Loss. The mark-to-market loss on these derivative contracts outstanding as on March 31, 2017 amounting to ₹ NIL crores (Previous Year : loss of ₹ 9.39 crores) has been recorded in the Statement of Profit and Loss.

(b) Market risk

i) Foreign currency risk

The company is subject to various currency exposures, primarily with respect to the US Dollars, Japanese Yen, Singapore Dollars and Brazilian Real. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not in the entity's functional currency.

The company uses par forwards, range forwards & interest swaps and options to protect against the volatility associated with the foreign currency transactions.

The company exposure to unhedged foreign currency is listed below:

Details	As at March 31,2017	As at March 31,2016	As at April 1,2015
Foreign currency term loans from banks			
(USD in millions)	85	108	133
(JPY in millions)	-	1,427	2,974
Financial liabilities			
(USD in millions)	3	5	5

Details	As at March 31,2017	As at March 31,2016	As at April 1,2015
(JPY in millions)	5	11	15
(SGD in millions)	2	1	1
(BRL in millions)	22	21	19
Financial assets			
(USD in millions)	21	19	15
(BRL in millions)	2	2	5
Cash and cash equivalents and Bank balances other than cash and cash equivalents			
(USD in millions)	63	55	26
(SGD in millions)	*	*	1
Net currency exposure			
(USD in millions)	(5)	(39)	(97)
(JPY in millions)	(5)	(1,438)	(2,989)
(SGD in millions)	(2)	(1)	-
(BRL in millions)	(20)	(19)	(14)

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

* Amount less than 1 Million

A 5% strengthening / weakening of Indian Rupee against key currencies to which the group is exposed (net of hedge), with all other variables being held constant, would have led to approximately a Gain / Loss of ₹ 4.15 crores (previous year ₹ 19.24 crores) in the Statement of Profit and Loss.

ii) Interest rate risk

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

Interest rate sensitivity

The sensitivity analysis below have been determined based on the exposure to interest rates for derivatives instruments and borrowings at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

As at March 31,2017, the term loans from banks amounting to ₹ 956.99 crores (March 31,2016: ₹ 1860.94 crores; April 1,2015: ₹ 1964.98 crores) are exposed to interest risks.

If interest rate had been 50 basis points higher or lower and all other variables were held constant, the company's profit for the year would increase/ decrease by ₹ 7.47 crores (previous year: ₹ 10.69 crores). As impact of interest rate movement on loan outstanding on undelivered rig is capitalised, this is mainly attributable to the company's exposure to interest rates on its variable rate borrowings on delivered rigs / vessels.

(c) Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the company. The major class of financial asset of the company is trade receivables. For credit exposures to customer, management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

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

The trade receivables of the company comprise 1 debtor (previous year: 1 debtor) that individually represented 67.56% (previous year: 57.58%) of trade receivables.

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

Trade and other receivables that are neither past due nor impaired are credit worthy debtors with good payment record with the company. Cash and cash equivalent that are neither past due nor impaired are placed with reputable financial institution with high credit values and no history of default.

The company's trade receivables not past due include receivables amounting to ₹117.61 crores (previous year: ₹ 167.01 crores).

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

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

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

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores
Overdue		
- Less than 180 days	36.86	41.16
- More than 180 days	4.58	7.94
	41.44	49.10
The carrying amount of trade receivables provided as doubtful debts are as follows:		
Overdue		
- More than 365 days	3.52	17.79
Less: Allowance for doubtful trade receivables	(3.52)	(17.79)
	-	-

(d) Liquidity risk

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

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

₹ in Crores

	Payable within 1 year	Payable within 2 - 5 years	More than 5 years	Total
As at 31st March 2017				
Foreign currency term loans from banks	372.94	1,273.34	748.56	2,394.84
Trade payables	91.59	-	-	91.59
Preference share capital including redemption premium	-	268.82	81.55	350.37
Preference dividend payable including dividend distribution tax	28.07	-	-	28.07
	492.60	1,542.16	830.11	2,864.87
As at 31st March 2016				
Foreign currency term loans from banks	591.26	2,245.65	55.95	2,892.86
Trade payables	105.25	-	-	105.25
Preference share capital including redemption premium	-	225.83	122.55	348.38
Preference dividend payable including dividend distribution tax	28.07	-	-	28.07
	724.58	2,471.48	178.50	3,374.56
As at 1st April 2015				
Foreign currency term loans from banks	574.65	2,695.19	165.99	3,435.83
Trade payables	101.52	-	-	101.52
Preference share capital including redemption premium	59.31	136.40	210.49	406.20
Preference dividend payable including dividend distribution tax	21.75	-	-	21.75
	757.23	2,831.59	376.48	3,965.30

41 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Consequent to the requirement of section 135 of The Companies Act 2013, the company has contributed ₹ 2.44 crores (previous year ₹ 4.20 crores) to Great Eastern CSR Foundation and the balance ₹ 2.72 (previous year: NIL) to NGOs crores towards CSR expenditure:

	Year Ended March 31,2017 ₹ in Crores	Year Ended March 31,2016 ₹ in Crores
(a) Gross amount required to be spent by the Company during the year.	5.16	4.20
(b) Amount spent in cash for purposes other than for construction/ acquisition of any asset during the year	5.16	4.20

The areas of CSR activities are

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

as specified under Schedule III of The Companies Act 2013.

42 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 IND AS 108 “Operating Segments”.

b) Secondary segment reporting by geographical segment:

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

Particulars	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores
Revenue from customers outside India	166.94	316.35
Revenue from customers within India	1,240.77	1,493.95
Total	**1,407.71**	**1,810.30**

(ii) Substantial assets of the Group are vessels / 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, 2017 geographical segment wise reporting is not applicable.

43 GOVERNMENT GRANTS

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

Following are the balances of SFIS / DFCEC license held by the company :

	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores
Balance at the beginning of the year	6.48	0.95
Licenses received during the year	-	15.13
Amount utilised during the year	(4.88)	(9.60)
Balance at the end of the year	**1.60**	**6.48**

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

44 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	As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores
a)	Total Minimum Lease payments		
	- Not later than 1 year	11.07	19.58
	- Later than 1 year and not later than 5 years	17.16	28.47
	- Later than 5 years	-	-
b)	Lease payments recognised in the statement of profit and loss for the year.	19.31	24.92
c)	Vessels taken/given on time charter hire are not considered as operating lease		

45 CONTINGENT LIABILITIES

		As at March 31,2017 ₹ in Crores	As at March 31,2016 ₹ in Crores	As at April 1,2015 ₹ in Crores
a)	Guarantees given by banks	140.57	228.27	193.86
b)	Claims against the Company not acknowledged as debts:			
i)	Demand for Service Tax disputed by the Company	405.30	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	15.43	15.65	15.65
	(pertaining to mis-classification of Marine Gas Oil/HFHSD and of vessel Greatship Dhwani and vessel Greatship Dhriti.)			
iii)	Demand for Maharashtra State VAT disputed by the Company (including interest and penalty) pertaining to non-payment of MVAT liability on charter hire of Vessels/Rig considering it to be a 'deemed sale' transaction	7.78	83.52	83.52
iv)	Demand for income tax disputed by the Company	22.54	17.17	19.50

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

46 CAPITAL COMMITMENTS

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

47 ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013.

(₹ In Crores)

Name of Enterprise	FY 2016-17							
	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
Parent								
Greatship (India) Limited	62.42%	2,009.58	13.69%	21.17	(16.30%)	5.45	21.95%	26.62
Indian subsidiary								
Greatship Oilfield Services Limited	0.00%	0.01	-	-	-	-	-	-
Foreign subsidiary								
Greatship Global Holdings Ltd.	46.39%	1,493.75	35.59%	55.06	-	-	45.41%	55.06
Greatship Global Energy Services Pte. Ltd.	37.34%	1,202.31	(861.21%)	(1,332.38)	(30.53%)	10.22	(1090.39%)	(1,322.16)
Greatship Global Offshore Services Pte. Ltd.	17.17%	552.94	(86.59%)	(133.96)	(5.50%)	1.84	(108.96%)	(132.12)
Greatship (UK) Ltd.	0.61%	19.60	1.76%	2.72	-	-	2.24%	2.72
	163.93%	5,278.19	(896.76%)	(1,387.39)	(52.33%)	17.51	(1129.75%)	(1,369.88)
Intercompany Eliminations / Adjustments	(63.93%)	(2,058.54)	996.76%	1,542.10	152.33%	(50.96)	1229.75%	1,491.14
Total	**100.00%**	**3,219.65**	**100.00%**	**154.71**	**100.00%**	**(33.45)**	**100.00%**	**121.26**

Name of Enterprise	FY 2015-16							
	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
Parent								
Greatship (India) Limited	64.00%	1,982.96	42.48%	222.48	(1.13%)	(1.19)	35.15%	221.29
Indian subsidiary								
Greatship Oilfield Services Limited	0.00%	0.01	-	-	-	-	-	-
Foreign subsidiary								
Greatship Global Holdings Ltd.	47.51%	1,471.91	(0.05%)	(0.27)	-	-	(0.04%)	(0.27)
Greatship Global Energy Services Pte. Ltd.	81.76%	2,533.23	53.44%	279.93	(2.34%)	(2.48)	44.06%	277.45
Greatship Global Offshore Services Pte. Ltd.	22.44%	695.30	(6.65%)	(34.82)	0.27%	0.29	(5.48%)	(34.53)
Greatship (UK) Ltd.	0.56%	17.34	1.93%	10.09	-	-	1.60%	10.09
GGOS Labuan Ltd.		*		*		*		*
	216.27%	6,700.75	91.15%	477.41	(3.20%)	(3.38)	75.29%	474.03
Intercompany Eliminations / Adjustments	(116.27%)	(3,602.36)	8.85%	46.36	103.20%	109.24	24.71%	155.61
Total	**100.00%**	**3,098.39**	**100.00%**	**523.77**	**100.00%**	**105.87**	**100.00%**	**629.64**

* indicates amount less than ₹ 1 lac.

NOTES

GREATSHIP (INDIA) LIMITED

Registered Office: Indiabulls Finance Centre, Tower 3, 23rd Floor,
Senapati Bapat Marg, Elphinstone Road (West),
Mumbai - 400 013, India.

Telephone (Board): +91-22- 67207500 / 71022200
Fax: +91-22-66517428

www.greastshipglobal.com