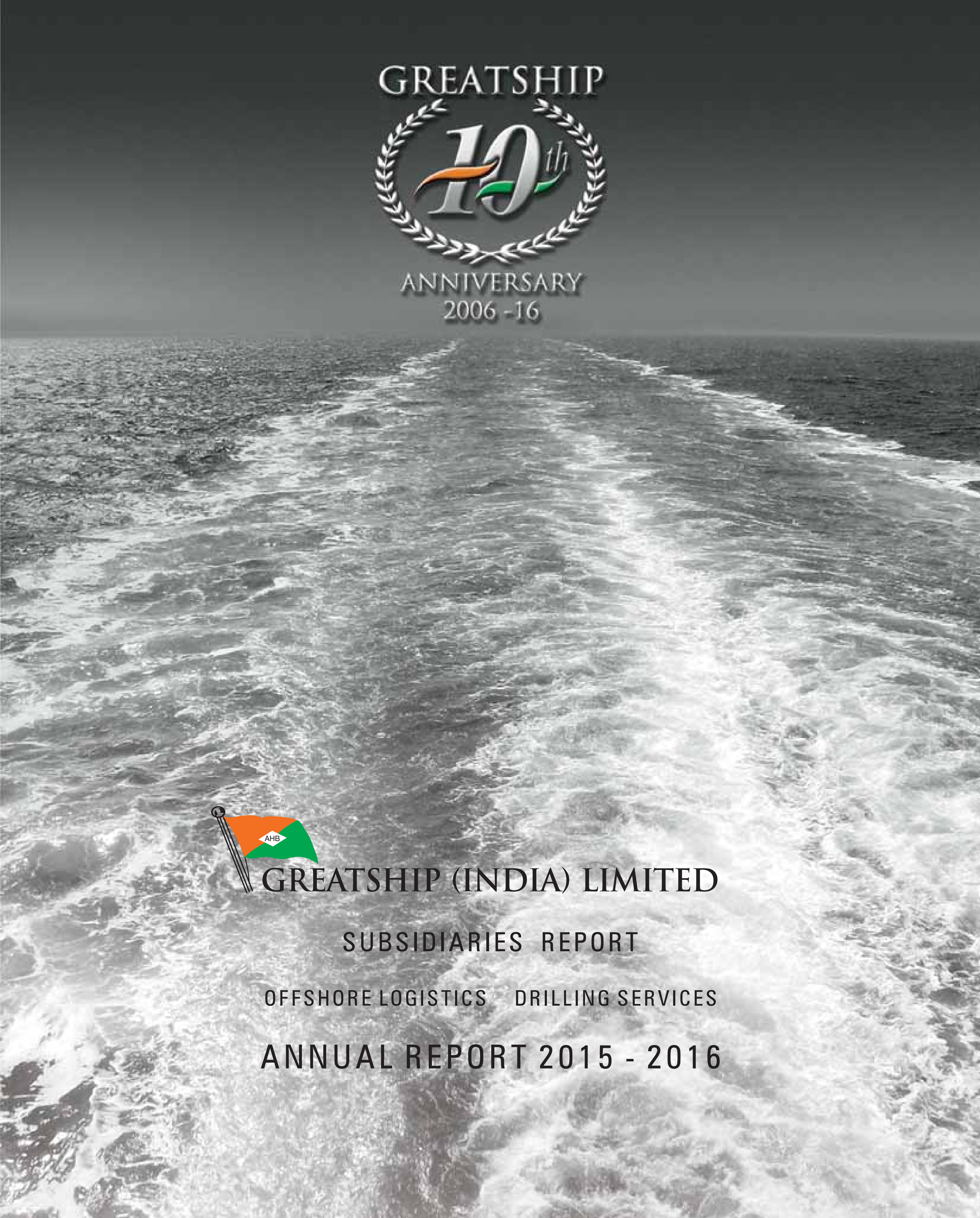

GREATSHIP 10th ANNIVERSARY 2006 -16

GREATSHIP (INDIA) LIMITED

SUBSIDIARIES REPORT

OFFSHORE LOGISTICS   DRILLING SERVICES

ANNUAL REPORT 2015 - 2016

CONTENTS

GREATSHIP 10th ANNIVERSARY 2006 -16

GREATSHIP GLOBAL HOLDINGS LTD

A Subsidiary Company

DIRECTORS

Marie Cindhia Véronique Magny-Antoine

Marie-Claude Priscille Koenig

Pradyumna Raghunath Naware

Alok Mahajan

Shameel Rumjaun
(alternate to Maire Cindhia Véronique Magny-Antoine)

Nisha Proag-Dookun
(alternate to Marie-Claude Priscille Koenig)

ADMINISTRATOR AND SECRETARY

Abax Corporate Services Ltd
6th Floor, Tower A
1, Cyber City, Ebène
Mauritius

REGISTERED OFFICE

Abax Corporate Services Ltd
6th Floor, Tower A
1, Cyber City, Ebène
Mauritius

AUDITOR

UHY Heeralall
4th Floor, TN Tower
13, St Georges Street
Port-Louis, Mauritius

REGISTRATION NUMBER

071503C1/GBL

COMMENTARY OF DIRECTORS

The directors are pleased to present their report and the audited financial statements of Greatship Global Holdings Ltd (the "Company") for the year ended 31 March 2016.

PRINCIPAL ACTIVITY

The principal activity of the Company is to invest in companies owning and operating offshore vessels and drilling units.

RESULTS AND DIVIDENDS

The Company's loss for the year ended 31 March 2016 is USD 43,452 (INR-28,78,695) (2015 – USD 29,106, INR – 18,19,125).

During the year under review, the Company has not declared and paid any dividend (2015 - USD Nil, INR Nil).

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards, as modified by the exemption provided by the Companies Act 2001 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By Order of the Board

CORPORATE SECRETARY
Abax Corporate Services Ltd

Date: 28 April 2016

SECRETARY S CERTIFICATE

TO THE MEMBER OF GREATSHIP GLOBAL HOLDINGS LTD
UNDER SECTION 166(d) OF THE COMPANIES ACT 2001

We confirm, as Secretary of the Company, that based on records and information made available to us by the directors and shareholder of the Company, the Company has filed with the Registrar of Companies, for the financial year ended 31 March 2016, all such returns as are required of the Company under the Mauritius Companies Act 2001.

ABAX CORPORATE SERVICES LTD
COMPANY SECRETARY

Date: 28 April 2016

INDEPENDENT AUDITORS REPORT

TO THE MEMBER OF GREATSHIP GLOBAL HOLDINGS LTD

Report on the Financial Statements

1. We have audited the financial statements of Greatship Global Holdings Ltd (the "Company") on pages 7 to 18 which comprise the statement of financial position at 31 March 2016 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

2. The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

6. In our opinion, the financial statements on pages 7 to 18 give a true and fair view of the financial position of the Company at 31 March 2016 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as modified by the exemption from consolidation in the Companies Act 2001 for companies holding a category 1 Global Business Licence and comply with the Companies Act 2001.

Report on Other Legal and Regulatory Requirements

7. The Companies Act 2001 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:
   (a) we have no relationship with or interests in the Company other than in our capacity as auditors;
   (b) we have obtained all the information and explanations we have required; and
   (c) in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Other matters

8. This report, including the opinion, has been prepared for and only for the Company's member, as a body, in accordance with Section 205 of the Companies Act 2001 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

UHY Heeralall

Nirmal Heeralall, licensed by FRC

Signing partner

Date: 28 April 2016

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2016

	2016 USD	2016 ₹	2015 USD	2015 ₹
Income				
Interest on loan (Note 9 (ii))	-	-	4,48,243	2,80,15,188
Expenses				
Secretarial and administration fees	15,112	10,01,170	10,603	6,62,688
Accountancy fees	4,700	3,11,375	4,500	2,81,250
Audit fees	13,225	8,76,156	13,225	8,26,563
Tax fees	3,500	2,31,875	3,271	2,04,438
Directors' fees	2,035	1,34,819	1,518	94,875
Bank charges	1,420	94,075	1,850	1,15,625
Licence fees	2,080	1,37,800	2,095	1,30,938
Legal fees	1,380	91,425	1,380	86,250
Interest expense (Note 9 (i))	-	-	4,38,907	2,74,31,688
	43,452	28,78,695	4,77,349	2,98,34,313
Loss before tax	(43,452)	(28,78,695)	(29,106)	(18,19,125)
Income tax expense (Note 8)	-	-	-	-
Loss for the year	(43,452)	(28,78,695)	(29,106)	(18,19,125)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	(43,452)	(28,78,695)	(29,106)	(18,19,125)

The notes form an integral part of these financial statements

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2016

	2016 USD	2016 ₹	2015 USD	2015 ₹
ASSETS				
Non current assets				
Investment in subsidiaries (Note 4)	**22,20,01,410**	**14,70,75,93,413**	**22,20,01,410**	**13,87,50,88,125**
Current assets				
Receivables (Note 5)	1,661	1,10,041	1,561	97,563
Cash at bank	4,36,707	2,89,31,838	4,81,255	3,00,78,438
	4,38,368	**2,90,41,880**	**4,82,816**	**3,01,76,000**
Total assets	**22,24,39,778**	**14,73,66,35,292**	**22,24,84,226**	**13,90,52,64,125**
EQUITY AND LIABILITIES				
Capital and reserves				
Stated capital (Note 6)	22,22,01,774	14,72,08,67,528	22,22,01,774	13,88,76,10,875
(Accumulated losses) / Retained earnings	(26,443)	(17,51,849)	17,009	10,63,063
Total equity	**22,21,75,331**	**14,71,91,15,679**	**22,22,18,783**	**13,88,86,73,938**
Current liabilities				
Payables (Note 7)	14,725	9,75,531	15,721	9,82,563
Income Tax Payable (Note 8)	2,49,722	1,65,44,083	2,49,722	1,56,07,625
	2,64,447	**1,75,19,614**	**2,65,443**	**1,65,90,188**
Total equity and liabilities	**22,24,39,778**	**14,73,66,35,292**	**22,24,84,226**	**13,90,52,64,125**

Approved by the Board of Directors and authorised for issue on 28 April 2016 and signed on its behalf by:

	}
Marie-Claude Priscille Koenig	}
	} DIRECTORS
Marie Cindhia Véronique Magny-Antoine	}
	}

The notes form an integral part of these financial statements

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2016

	Stated Capital		Retained Earnings / (Accumulated Losses)		Total	
	USD	₹	USD	₹	USD	₹
At 1 April 2014	22,22,01,774	13,314,330,298	46,115	2,763,211	22,22,47,889	13,317,093,509
Foreign Currency Translation difference	-	573,280,577	-	118,977	-	573,399,554
Comprehensive income:						
Loss for the year	-	-	(29,106)	(1,819,125)	(29,106)	(1,819,125)
At 31 March 2015	22,22,01,774	13,887,610,875	17,009	1,063,063	22,22,18,783	13,888,673,938
At 01 April 2015	22,22,01,774	13,887,610,875	17,009	1,063,063	22,22,18,783	13,888,673,938
Foreign Translation difference	-	83,32,56,653	-	63,783	-	83,33,20,436
Comprehensive income:						
Loss for the year	-	-	(43,452)	(28,78,695)	(43,452)	(28,78,695)
At 31 March 2016	**22,22,01,774**	**14,72,08,67,528**	**(26,443)**	**(17,51,849)**	**22,21,75,331**	**14,71,91,15,679**

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2016

	2016 USD	2016 ₹	2015 USD	2015 ₹
Cash flow from operating activities				
Loss before tax	(43,452)	(28,78,695)	(29,106)	(18,19,125)
Adjustments for:				
Interest income	-	-	(4,48,243)	(2,80,15,188)
Interest expense	-	-	4,38,907	2,74,31,688
Increase in receivables	(100)	(6,625)	(36)	(2,250)
(Decrease) / Increase in payables	(996)	(65,985)	2,437	1,52,313
Net cash used in operating activities	**(44,548)**	**(29,51,305)**	**(36,041)**	**(22,52,563)**
Cash flow from investing activities				
Repayment of loan by subsidaries	-	-	1,30,00,000	81,25,00,000
Interest received	-	-	4,48,243	2,80,15,188
Net cash generated from investing activities	-	-	**1,34,48,243**	**84,05,15,188**
Cash flow from financing activities				
Loan repaid to parent company	-	-	(1,30,00,000)	(81,25,00,000)
Interest paid	-	-	(4,38,907)	(2,74,31,688)
Net cash used in financing activities	-	-	**(1,34,38,907)**	**(83,99,31,688)**
Net decrease in cash and cash equivalents	(44,548)	(29,51,305)	(26,705)	(16,69,063)
Foreign Transalation difference	-	18,04,705	-	13,10,538
Cash and cash equivalents at beginning of the year	4,81,255	3,00,78,438	5,07,960	3,04,36,963
Cash and cash equivalents at end of year	**4,36,707**	**2,89,31,838**	**4,81,255**	**3,00,78,438**

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2016

1 GENERAL INFORMATION

The Company was incorporated on 30 May 2007 under the Companies Act 2001 as a private company limited by shares and holds a Category 1 Global Business licence under the Financial Services Act 2007. The principal activity of the Company is to invest in companies which own and operate offshore vessels and drilling units. Its registered office is at Abax Corporate Services Ltd, 6th Floor, Tower A, 1 CyberCity, Ebene, Mauritius.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with and in compliance with International Financial Reporting Standards as modified by the exemption from consolidation in the Companies Act 2001 (IFRS as modified by the Companies Act 2001) for companies holding a Category 1 Global Business Licence. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS as modified by the Companies Act 2001 requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management s best knowledge of current events and actions, actual results may ultimately differ from those estimates. At 31 March 2016, there were no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

Standards, amendments and iInterpretations to published Standards effective during the current period

The directors have assessed the relevance of Standards, Interpretations and amendments to existing Standards that have been published and are mandatory for the financial year beginning on 01 April 2015 and have concluded that they have no impact on the financial statements for the year ended 31 March 2016.

New Standards, amendments and Iinterpretations issued but not yet effective for the current period

At the date of authorisation of these financial statements, a number of Standards, Interpretations and amendments to published Standards and Interpretations were in issue but not yet effective. The Company has not early adopted any of these Standards and the directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Company.

Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in United States dollar (USD) which is the Company s functional and presentation currency. The USD is the currency that most faithfully reflects the underlying transactions, events and conditions that are relevant to the Company.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined.

Current and deferred income tax

The tax expense for the year comprises current and deferred tax. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the country where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax is realised or the deferred income tax liability is settled.

Deferred income tax assets on accumulated tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and where the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balance on a net basis.

Investment in subsidiaries

A subsidiary is an entity that is controlled by another entity. Control is determined when the entity is exposed, or has the rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Investment in subsidiaries is shown at cost. Where the carrying amount of the investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the statement of comprehensive income.

On disposal of the investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of comprehensive income. Details of the Company s subsidiaries are shown in Note 4.

Consolidated financial statements

The Company owns 100% and 89.30% of the issued share capital of Greatship Global Offshore Services Pte Ltd (GGOS) and Greatship Global Energy Services Pte Ltd (GGES) respectively, which are both incorporated in Singapore. The Company itself being a parent is required to prepare consolidated financial statements under International Financial Reporting Standards (IFRS) 10, Consolidated Financial Statements . The Company has taken advantage of the exemption provided by the Companies Act 2001 allowing a wholly or virtually owned parent company holding Category 1 Global Business Licence not to present consolidated financial statements. These financial statements are of the Company only and do not consolidate the result of its subsidiaries. Greatship (India) Limited, the parent company, prepares consolidated financial statements under Indian GAAP. The consolidated financial statements are available for public use at the office of the parent company located at Indiabulls Finance Centre, Tower 3, 23rd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400 013, INDIA.

Financial instruments

Financial instruments including loans and receivables are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument. Financial instruments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial instruments carried on the statement of financial position include receivables, cash and cash equivalents and payables. The particular recognition methods adopted are disclosed below:

Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash comprises cash at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Payables

Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial assets and liabilities

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amount of its assets to determine whether there is any indication that those assets may be impaired. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss (if any). An impairment is recognised when the carrying amount of an asset exceeds its recoverable amount which is the higher of an asset s net selling price and its value in use. Impairment losses (if any) are recognised as an expense in the statement of comprehensive income.

Impairment of financial assets

The Company assesses at each reporting date whether a financial asset or group of financial assets is impaired.

If there is objective evidence that an impairment loss on assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset s carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset s original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the statement of comprehensive income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. Any subsequent reversal of an impairment loss is recognised in the statement of comprehensive income.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Revenue recognition

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Company s activities as described below:

Dividend income is recognised when the Company s right to receive payment is established and is recorded gross of any withholding taxes.

Interest income is recognised on an accrual basis unless collectability is in doubt.

Expense recognition

Expenses are accounted for in the statement of comprehensive income on the accrual basis.

Share capital

Ordinary shares are classified as equity

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk factors

The board of directors has overall responsibility for the establishment and oversight of the Company s risk management framework. The Company s risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate measures and controls and to monitor risks and adherence to limits. Risks management policies and systems are reviewed regularly to reflect changes in market conditions and in the Company s activities.

The Company s exposure to the various types of risks associated to its activity and financial instruments is detailed as follows:

(a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company s future cash flows or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency risk

Foreign exchange risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in foreign exchange rate. The Company has no significant exposure to foreign exchange risk as it does not have any assets or liabilities which are denominated in foreign currencies.

(ii) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Company has no exposure to interest rate risk as it has no interest bearing assets and liabilities.

(iii) Price risk

Equity price risk is the risk of unfavourable changes in fair values of equities as a result of changes in the value of individual shares. The Company has no exposure to price risk at the reporting date.

(b) Credit risk

The Company takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. With respect to credit risk arising from financial assets which comprise of cash and cash equivalents, the Company s exposure arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets at the reporting date. Cash transactions are limited to high credit quality financial institutions. There was no concentration of credit risk as at the reporting date.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter financial difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining adequate cash reserves, through funding from its parent company, to meet its obligations as they fall due. The Company is therefore not exposed to liquidity risk.

All financial liabilities mature within one year.

(d) Fair values

Except where otherwise stated, the carrying amounts of the Company s financial assets and liabilities approximate their fair value.

(e) Capital management

The Company s objectives when managing capital are to safeguard the Company s ability to continue as a going concern in order to provide returns for the shareholder and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company manages and adjusts its capital structure in the light of changes in economic conditions. To maintain or adjust its capital structure, the Company may rely on borrowings from its parent company or issue new shares.

4 INVESTMENT IN SUBSIDIARIES

	2016 USD	2016 ₹	2015 USD	2015 ₹
Unquoted at cost :				
At beginning and at end of year	222,001,410	13,87,50,88,125	222,001,410	13,302,324,487
Foreign Translation difference	-	83,25,05,288	-	57,27,63,638
At end	222,001,410	14,70,75,93,412	222,001,410	13,87,50,88,125

Details pertaining to the investment in subsidiaries at 31 March 2016 are as follows:

Name	Business activity	Country of incorporation	Effective % holding	2016 Cost USD	2016 Cost ₹	2015 Cost USD	2015 Cost ₹
GGOS	Operate offshore supply vessels	Singapore	100.00%	71,101,378	4,71,04,66,293	71,101,378	4,443,836,125
GGES	Drilling	Singapore	89.30%	150,900,032	9,99,71,27,120	150,900,032	9,431,252,000

The directors have reviewed the operations of the above companies and have not identified any indication of impairment. Consequently, no impairment has been recorded during the year.

5 RECEIVABLES

	2016 USD	2016 ₹	2015 USD	2015 ₹
Prepayments	1,661	110,041	1,561	97,563

6 STATED CAPITAL

	2016 Number	2015 Number	2016 USD	2016 ₹	2015 USD	2015 ₹
Ordinary shares of no par value issued and fully paid						
At beginning	222,201,774	222,201,774	222,201,774	13,887,610,875	222,201,774	13,314,330,298
Foreign Translation difference				8,32,56,653		573,280,577
At end	222,201,774	222,201,774	222,201,774	14,72,08,67,528	222,201,774	13,887,610,875

7 PAYABLES

	2016 USD	2016 ₹	2015 USD	2015 ₹
Accruals	14,725	9,75,531	15,721	9,82,563

8 INCOME TAX

The Company is subject to income tax in Mauritius at the rate of 15%. However, the Company is entitled to a tax credit equivalent to the higher of the actual foreign tax suffered and 80% of the Mauritius tax payable in respect of its foreign source income, thereby giving an effective tax rate to 3%. Capital gains of the Company are exempt from tax in Mauritius.

The foregoing is based on current interpretation and practice and is subject to any future changes in the Mauritian tax laws.

As at 31 March 2016, the Company had accumulated tax losses of USD 69,398 (INR 45,97,618) (2015: USD 27,326; INR 17,07,875) and is therefore not liable to income tax. The tax losses are available for the offset against taxable profit of the Company as follows:

Up to the year ending:	USD	₹
31 March 2020	27,326	18,10,348
31 March 2021	42,072	26,29,500
	69,398	45,97,618

Deferred tax:

Deferred tax assets amounting to USD 2,082 (INR 1,37,933) (2015 USD 820; INR 51,250) have not been recognised in respect of tax losses carried forward as the directors consider that it is not probable that future taxable profits will be available against which the unused tax losses can be utilised.

Tax reconciliation

A reconciliation between the accounting loss as adjusted for tax purposes and the tax charge is as follows:

	2016 USD	2016 ₹	2015 USD	2015 ₹
Loss before taxation	(43,452)	(28,78,695)	(29,106)	1,819,125
Tax @ 15%	(6,518)	(4,31,818)	(4,366)	(272,875)
Non allowable expenses	207	13,714	267	16,687
Unutilised tax loss	6,311	4,18,104	4,099	256,188
Income tax charge	-	-	-	-

Income tax payable:

A reconciliation between the opening and closing tax liability can be found below:

	2016 USD	2016 ₹	2015 USD	2015 ₹
At start	249,722	15,607,625	249,722	14,963,342
Foreign Translation difference	-	9,36,458	-	644,283
At end	249,722	1,65,44,083	249,722	15,607,625

The tax liability represents a provision made on tax arising on the dividend received in the financial year 2014. As of 31 March 2016, the Company is still in the process of analysing the taxability and possibility of using the foreign tax credit on the same. Since no conclusion has been reached as at date, the provision has been maintained.

9 RELATED PARTY DISCLOSURES

During the year under review, the Company transacted with related parties. Details of the nature, volume of transactions and balances with the related parties are as follows:

	2016 USD	2016 ₹	2015 USD	2015 ₹
(i) Amount due to parent company:				
Greatship (India) Limited:				
At start	-	-	13,000,000	778,960,000
Interest expense	-	-	438,907	27,431,688
Repayment of loan and interest	-	-	(13, 438,907)	(839,931,688)
Foreign Translation difference	-	-	-	33,540,000
At end	-	-	-	-

The loan payable carried interest at LIBOR plus 2.9% per annum and was fully repaid in the financial year ended 31 March 2015.

	2016 USD	2016 ₹	2015 USD	2015 ₹
(ii) Amount receivable from subsidiary:				
Greatship Global Energy Services Pte Ltd:				
At start	-	-	13,000,000	779,090,000
Loan repaid during the year	-	-	(13,000,000)	(812,500,000)
Interest income	-	-	448,243	28,015,188
Interest received during the year	-	-	(448,243)	(28,015,188)
Foreign Translation difference	-	-	-	33,410,000
At end	-	-	-	-

Loan receivable carried interest at LIBOR plus 3% per annum which was receivable annually. The loan was fully repaid in the financial year ended 31 March 2015.

	2016 USD	2016 ₹	2015 USD	2015 ₹
(iii) Remuneration paid to key management personnel:				
Directors fees	2,035	1,34,819	1,518	94,875
(iv) Abax Corporate Services Ltd:				
Fees to management company	23,312	15,44,420	18,374	11,48,375
Due to management entity	8,400	5,56,500	9,395	5,87,188

The above services from Abax Corporate Services Ltd have been provided on commercial terms and conditions. The amount due to the management entity is unsecured, interest free and is repayable within one year.

10 PARENT AND ULTIMATE PARENT

The directors consider Greatship (India) Limited and The Great Eastern Shipping Co Ltd, incorporated in India, as the Company s parent and ultimate parent respectively.

GREATSHIP GLOBAL OFFSHORE SERVICES PTE. LTD.

A Subsidiary Company

DIRECTORS

Alok Mahajan Managing Director
Naware Pradyumna Raghunath
Jaya Prakash

REGISTERED OFFICE

15 Hoe Chiang Road
Tower Fifteen #06-03
Singapore 089316

INDEPENDENT AUDITOR

JBS Practice PAC
137 Telok Ayer Street #04-07
Singapore 068602

COMPANY SECRETARY

Terence Teng Terk Soon

REGISTRATION NUMBER

200708009M

DIRECTORS' STATEMENT

The directors present their statement to the member together with the audited financial statements of Greatship Global Offshore Services Pte Ltd (the company) for the financial year ended 31 March 2016.

OPINION OF THE DIRECTORS

In the opinion of the directors,

(a) the accompanying financial statements of the company together with the notes thereto are drawn up so as to give a true and fair view of the financial position of the company as at 31 March 2016 and of the financial performance, changes in equity and cash flows of the company for the financial year ended on that date; and

(b) at the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

DIRECTORS

The directors of the company in office at the date of this report are:

Alok Mahajan Managing Director

Naware Pradyumna Raghunath

Jaya Prakash

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the company a party to any arrangement whose object is to enable the directors of the company to acquire benefits by means of the acquisition of shares in, or debentures of, the company or any other body corporate.

DIRECTORS' INTEREST IN SHARES AND DEBENTURES

According to the register of directors shareholdings kept by the company for the purpose of Section 164 of the Singapore Companies Act, Chapter 50, none of the directors holding office at the end of the financial year had any interest in the share capital of the company or any related corporations except as detailed below:

	No. of ordinary shares	
	As at 01.04.2015	**As at 31.03.2016**
The Great Eastern Shipping Company Limited (Ultimate holding company)		
Alok Mahajan	732	732
Naware Pradyumna Raghunath	2,952	2,952

None of the directors holding office at the end of the financial year had any interest in the debentures of the company or its related corporations.

SHARE OPTIONS

There were no share options granted during the financial year to subscribe for unissued shares of the company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the company.

There were no unissued shares of the company under option at the end of the financial year.

INDEPENDENT AUDITOR

The independent auditor, Messrs JBS Practice PAC., Chartered Accountants, Singapore, who hold office up to the conclusion of the ensuing Annual General Meeting, have expressed their willingness to continue in office and accept re-appointment as the Auditors of the company until the next Annual General Meeting.

On behalf of the Board

Alok Mahajan
Managing Director

Naware Pradyumna Raghunath
Director

25 April 2016

INDEPENDENT AUDITORS' REPORT

TO THE MEMBER OF GREATSHIP GLOBAL OFFSHORE SERVICES PTE. LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of GREATSHIP GLOBAL OFFSHORE SERVICES PTE. LTD. (the company) as set out on pages 7 to 50, which comprise the statement of financial position of the company as at 31 March 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the Act) and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity s preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements of the company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the company as at 31 March 2016 and of its results, and changes in equity and cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the company have been properly kept in accordance with the provisions of the Act.

JBS PRACTICE PAC.

PUBLIC ACCOUNTANTS AND

CHARTERED ACCOUNTANTS

Singapore

25 April 2016

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2016

	Note	2016 US $	2016 ₹	2015 US $	2015 ₹
ASSETS					
Current Assets					
Cash and cash equivalents	4	15,816,594	1,047,849,352	21,180,852	1,323,803,250
Fixed deposits	5	25,135,737	1,665,242,576	25,000,000	1,562,500,000
Trade receivables	6	2,887,388	191,289,455	4,619,627	288,726,688
Other receivables	7	358,149	23,727,371	207,584	12,974,000
Inventories	8	294,930	19,539,113	154,711	9,669,438
Prepayments		95,207	6,307,464	105,703	6,606,438
		44,588,005	2,953,955,331	51,268,477	3,204,279,814
Non Current Assets classified as Held for Sale	9	13,105,000	868,206,250	-	-
Non-current assets					
Property, plant and equipment	10	76,343,989	5,057,789,271	104,856,690	6,553,543,125
Investment in Subsidiary	11	1	66	1	63
Other receivables	7	47,942	3,176,158	47,942	2,996,375
		76,391,932	5,060,965,495	104,904,633	6,556,539,536
Total assets		134,084,937	8,883,127,076	156,173,110	9,760,819,377
LIABILITIES					
Current Liabilities					
Trade payables	12	1,633,255	108,203,144	1,724,697	107,793,563
Other payables	13	590,122	39,095,583	1,627,957	101,747,313
Derivative financial instrument payable	14	378,362	25,066,482	874,602	54,662,625
Bank loans	15	6,827,200	452,302,000	7,813,867	488,366,688
Income tax payable		56,950	3,772,937	47,962	2,997,625
		9,485,889	628,440,146	12,089,085	755,567,814
Non-Current Liabilities					
Bank loans	15	22,207,200	1,471,227,000	35,694,400	2,230,900,000
Other payables	13	132,710	8,792,038	92,061	5,753,813
		22,339,910	1,480,019,038	35,786,461	2,236,653,813
Total Liabilities		31,825,799	2,108,459,184	47,875,546	2,992,221,267
NET ASSETS		102,259,138	6,774,667,892	108,297,564	6,768,597,750
SHAREHOLDER S EQUITY					
Share capital	16	71,060,224	4,707,739,840	71,060,224	4,441,264,000
Reserves	17	31,198,914	2,066,928,052	37,237,340	2,327,333,750
TOTAL EQUITY		102,259,138	6,774,667,892	108,297,564	6,768,597,750

The annexed notes form an integral part of and should be read in conjunction with these financial statements

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	Note	2016 US $	2016 ₹	2015 US $	2015 ₹
REVENUE					
Charter hire income		23,897,035	1,583,178,569	39,988,491	2,499,280,688
Other income	18	946,804	62,725,765	4,252,187	265,761,688
Total revenue		**24,843,839**	**1,645,904,334**	**44,240,678**	**2,765,042,376**
COSTS AND EXPENSES					
Charter hire expenses	19	9,401,267	622,833,939	13,788,757	861,797,313
Employee benefits expense	20	2,640,919	174,960,884	2,650,544	165,659,000
Depreciation of property, plant and equipment	10	6,482,416	429,460,060	6,485,200	405,325,000
Impairment loss on non current assets classified as held for sale	9	8,930,663	591,656,424	-	-
Other operating expenses	21	2,414,470	159,958,637	990,608	61,913,000
Finance costs	22	853,316	56,532,185	1,566,777	97,923,563
Total costs and expenses		**30,723,051**	**2,035,402,129**	**25,481,886**	**1,592,617,876**
(Loss)/Profit before income tax		(5,879,212)	(389,497,795)	18,758,792	1,172,424,500
Income tax expense	23	(227,566)	(15,076,248)	(306,865)	(19,179,063)
Net (loss) /income		**(6,106,778)**	**(404,574,043)**	**18,451,927**	**1,153,245,437**
Other comprehensive income:					
<u>Item that may be reclassified subsequently to Profit or loss</u>					
De-recognition of fair value profit arising from forward currency contacts and interest rate swaps relating to cash flow hedge		446,714	29,594,803	743,333	46,458,313
Fair value profit arising from forward currency contacts and interest rate swaps transferred to profit or loss					
Fair value loss arising from forward currency contracts		(378,362)	(25,066,483)	(446,714)	(27,919,625)
Other comprehensive income for the year, net of tax		**68,352**	**4,528,320**	**296,619**	**18,538,688**
Total comprehensive (loss)/income for the year		**(6,038,426)**	**(400,045,723)**	**18,748,546**	**1,171,784,125**

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	NOTE	Share capital		Retained profits		Hedging reserve		Total	
		US $	₹	US $	₹	US $	₹	US $	₹
2016									
Balance as at 1 April 2015		71,060,224	4,441,264,000	37,684,054	2,355,253,375	(446,714)	(27,919,625)	108,297,564	6,768,597,750
Net loss for the year		-	-	(6,106,778)	(404,574,043)	-	-	(6,106,778)	(404,574,043)
Exchange re-alignment		-	266,475,840	-	141,315,203	-	(1,675,178)	-	406,115,865
Other comprehensive income for the year, net of tax:									
- De-recognition of fair value gain arising forward currency contracts and interest rate swaps relating to cash flow hedge	17	-	-	-	-	446,714	29,594,803	446,714	29,594,803
- Fair value loss arising from forward currency contracts	17	-	-	-	-	(378,362)	(25,066,483)	(378,362)	(25,066,483)
Balance as at 31 March 2016		**71,060,224**	**4,707,739,840**	**31,577,276**	**2,091,994,535**	**(378,362)**	**(25,066,483)**	**102,259,138**	**6,774,667,892**

	NOTE	Share capital		Retained profits		Hedging reserve		Total	
		US $	₹	US $	₹	US $	₹	US $	₹
2015									
Balance as at 1 April 2014		71,060,224	4,257,928,622	19,232,127	1,152,389,050	(743,333)	(44,540,513)	89,549,018	5,365,777,159
Net income for the year		-	-	18,451,927	1,153,245,437	-	-	18,451,927	1,153,245,437
Exchange re-alignment		-	183,335,378	-	49,618,888	-	1,917,800	-	231,036,466
Other comprehensive income for the year, net of tax:									
- De-recognition of fair value gain arising forward currency contracts and interest rate swaps relating to cash flow hedge	17	-	-	-	-	743,333	46,458,313	743,333	46,458,313
- Fair value loss arising from forward currency contracts	17	-	-	-	-	(446,714)	(27,919,625)	(446,714)	(27,919,625)
Balance as at 31 March 2015		71,060,224	4,441,264,000	37,684,054	2,355,253,375	(446,714)	(27,919,625)	108,297,564	6,768,597,750

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	Note	2016 US $	2016 ₹	2015 US $	2015 ₹
Cash Flows From Operating Activities					
(Loss)/Profit before income tax		(5,879,212)	(389,497,795)	18,758,792	1,172,424,500
Adjustments for:					
Depreciation of property, plant and equipment	10	6,482,416	429,460,060	6,485,200	405,325,000
Impairment loss on non current assets classified as held for sale		8,930,663	591,656,424	-	-
Gain on disposal of Equipment		-	-	(3,600,000)	(225,000,000)
Interest income		(383,463)	(25,404,424)	(274,750)	(17,171,875)
Finance costs	22	853,316	56,532,185	1,566,777	97,923,563
Fair value gain on derivative financial instruments		-	-	(219,526)	(13,720,375)
Provision for doubtful debts		2,402,916	159,193,185	430,835	26,927,188
Unrealised exchange gain		(6,192)	(410,220)	24,004	1,500,250
Cash flows from operations before changes in working capital		12,400,444	821,529,415	23,171,332	1,448,208,250
Working capital changes, excluding changes relating to cash:					
Trade receivables		(670,677)	(44,432,351)	993,087	62,067,938
Trade payables		(91,442)	(6,058,032)	(499,461)	(31,216,313)
Prepayments		10,496	695,360	(1,771)	(110,688)
Inventories		(140,219)	(9,289,509)	189,662	11,853,875
Other receivables		(97,679)	(6,471,234)	5,658	353,625
Other payables		(949,188)	(62,883,705)	408,330	25,520,625
Cash generated from operations		10,461,735	693,089,944	24,266,837	1,516,677,313
Interest received		330,578	21,900,793	212,911	13,306,938
Finance costs paid		(1,329,202)	(88,059,633)	(1,579,428)	(98,714,250)
Income tax paid		(218,579)	(14,480,859)	(276,568)	(17,285,500)
Net cash generated from operating activities		9,244,532	612,450,245	22,623,752	1,413,984,500
Cash Flows From Investing Activities					
Purchase of property, plant and equipment	10	(5,378)	(356,293)	(200,020)	(12,501,250)
Proceeds from sale of property, plant and equipment		-	-	3,600,000	225,000,000
Purchase of investments		-	-	(1)	(63)
Fixed deposit		(135,737)	(8,992,576)	(5,000,000)	(312,500,000)
Net cash used in investing activities		(141,115)	(9,348,869)	(1,600,021)	(100,001,313)

	Note	2016 US $	2016 ₹	2015 US $	2015 ₹
Cash Flows From Financing Activities					
Repayment of bank loans		(14,473,867)	(958,893,689)	(7,813,867)	(488,366,688)
Net cash used in financing activities		**(14,473,867)**	**(958,893,689)**	**(7,813,867)**	**(488,366,688)**
Net (decrease)/increase in cash and cash equivalents		(5,370,450)	(355,792,313)	13,209,864	825,616,500
Currency translation adjustment relating to cash and cash equivalents		6,192	410,220	(24,004)	(1,500,250)
Foreign currency translation		-	79,428,196	-	20,627,079
Cash and cash equivalents at the beginning of the year		21,180,852	1,323,803,250	7,994,992	479,059,921
Cash and cash equivalents at the end of the year	4	**15,816,594**	**1,047,849,353**	**21,180,852**	**1,323,803,250**

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

10TH ANNIVERSARY 2006 - 2016

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL INFORMATION

Greatship Global Offshore Services Pte. Ltd. (Company Registration No. 200708009M) is domiciled in Singapore with its registered office is at 15 Hoe Chiang Road, Tower Fifteen #06-03, Singapore 089316.

The company is providing offshore oilfield services with the principal activity of owning and operating offshore supply of vessels. There have been no significant changes in the nature of these activities during the financial year.

The principal activities of the subsidiary are set out in Note 10 to the financial statements.

The financial statements of the company as at 31 March 2016 and for the year then ended were authorised and approved by the Board of Directors for issuance on 25 April 2016.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

The financial statements are prepared in accordance with Singapore Financial Reporting Standards (SFRS) as required by the Singapore Companies Act, do not included the Indian Rupee equivalent figures, which have been arrived at by applying the year end interbank exchange rate approximating to USD 1 = ₹ 66.25 (2015: USD 1 = ₹ 62.50) and rounded up to the nearest rupee..

In the current financial year, the company has adopted all the new and revised FRSs and Interpretations of FRS (INT FRS) that are mandatory for application from that date. The adoption of these new and revised FRSs and INT FRSs have no material effect on the financial statements.

These financial statements are separate financial statements of Greatship Global Offshore Services Pte Ltd. The Company is exempted from the preparation of consolidated financial statements as the Company is a wholly owned subsidiary of Greatship Global Holdings Ltd, which is the wholly owned subsidiary of Greatship (India) Limited, a company incorporated in India which produces consolidated financial statements available for public use. The registered office of Greatship (India) Limited is at Indiabulls Finance Centre, Tower 3, 23rd FloorSenapati Bapat Marg, Elphinstone Road (West), Mumbai - 400 013. India.

b) Business combination

Business combination involving entities or businesses under common control is a business combination in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

Under the merger accounting, the assets, liabilities, revenue, expenses and cash flows of all the entities are combined. This manner of presentation reflects the economic substance of the combining entities, which were under common control throughout the relevant period, as a single economic enterprise.

c) Currency translation

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements of the company are presented in the United States dollars, which is the functional currency of the company.

In preparing the financial statements of the individual entity, monetary assets and liabilities in foreign currencies are translated into the functional currency at rates of exchange closely approximate to those ruling at the end of the reporting period and transactions in foreign currencies during the financial year are translated at rates ruling on transaction dates. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on 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 arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the financial year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the year except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in other comprehensive income.

d) Cash and cash equivalents

Cash and cash equivalents include cash and bank balances, call deposit and fixed deposits, which are subject to an insignificant risk of change in value. For the purpose of presentation in the consolidated statement of cash flows, the cash and cash equivalents is net of short term fixed deposit collateralised for bank guarantee.

e) Derivative financial instruments and hedging activities

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

The company documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedge transactions. The company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives designated as hedging instruments are highly effective in offsetting changes in fair value or cash flows of the hedged items.

The carrying amount of a derivative designated as a hedge is presented as a current asset or liability in the financial statements. The fair value of a trading derivative is presented as a current asset or liability.

Cash flow hedge - currency forwards

The fair value changes on the effective portion of the currency forwards designated as cash flow hedges are recognised in the hedging reserve and transferred to either the cost of a hedged non-monetary asset upon acquisition or profit or loss when the hedged forecast transactions are recognised.

The fair value changes on the ineffective portion are recognised immediately in profit or loss. When a forecasted transaction is no longer expected to occur, the gains and losses that were previously recognised in the hedging reserve are transferred to profit or loss immediately.

Cash flow hedge – interest rate swaps

The company has entered into interest rate swaps that are cash flow hedges for the company s exposure to the interest rate on its borrowings. These contracts entitle the company to receive interest at floating rates on notional principal amounts and oblige the company to pay interest at fixed rates on the same notional principal amounts, thus allowing the company to raise borrowings at floating rates and swap them into fixed rate.

The fair value changes on the ineffective portion are recognised immediately in profit or loss. When a forecasted transaction is no longer expected to occur, the gains and losses that were previously recognised in the hedging reserve are transferred to profit or loss immediately.

f) Financial instruments

Financial assets and financial liabilities are recognised on the company s statement of financial position when the company becomes a party to the contractual provisions of the instrument.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period.

It exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period. Income is recognised on an effective interest rate basis for debt instruments.

g) Financial assets

(i) Classification

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss , loans and receivables , held to maturity investments and available -for-sale financial assets. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the end of reporting period which are presented as non-current assets. Loans and receivables are presented as trade receivables , other receivables , fixed deposit and cash and cash equivalents on the statements of financial position.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on transaction-date the date on which the company commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount in the fair value reserve relating to that asset is transferred to profit or loss.

(iii) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs.

(iv) Subsequent measurement

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

(v) Impairment

The company assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence arises.

Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The allowance for impairment loss account is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

(vi) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

h) Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories comprises all cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses. Cost is ascertained on first-in, first-out basis for fuel oil. Stores and spares (other than fuel oil) delivered on board of the vessels are charged to profit or loss.

i) Property, plant and equipment

(i) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) Components of costs

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Cost also includes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset and any fair value gains or losses on qualifying cash flow hedges of property, plant and equipment that are transferred from the hedging reserve.

(iii) Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

Computers	3 years
Office equipment, furniture, fixture and renovation	1 5 years
Motor vessels	20 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, if there is no certainty that the lessee will obtain ownership by the end of the lease term, the assets shall be fully depreciated over the shorter of the lease term and its useful life.

(iv) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(v) Disposals

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

j) Investments in subsidiaries

Unquoted equity investments in subsidiaries are carried at cost less accumulated impairment losses in the company s statement of financial position. On disposal of investment in subsidiary, the difference between the disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

k) Impairment of non-financial assets

Property, plant and equipment

Investments in subsidiaries

Property, plant and equipment and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash generating units (CGU) to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss. An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset s recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in profit or loss.

l) Capital project in progress

Capital project in progress is stated at cost. Expenditure relating to the construction of a vessel is capitalised when incurred up to the completion of construction. No depreciation is provided on capital project in progress.

m) Trade and other payables

Trade and other payables are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method, as defined above.

The company derecognises financial liabilities when, and only when, the company s obligations are discharged, cancelled and expired.

n) Borrowings

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost.

Borrowing costs accrued to finance the building of motor vessels are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are taken to profit or loss over the period of borrowing using the effective interest method.

o) Fair value estimation of financial assets and liabilities

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

The fair values of currency forwards are determined using actively quoted forward exchange rates. The fair values of interest rate swaps are calculated as the present value of the estimated future cash flows discounted at actively quoted interest rates.

p) Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in profit or loss as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

q) Income tax

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when it affects neither the taxable profit nor the accounting profit at the time of the transaction.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and

(ii) based on the tax consequence that will follow from the manner in which the company expects, at the end of reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

Foreign tax is recognised in profit or loss on an accrual basis.

r) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and sales related taxes.

The company recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the company s activities are met as follows:

(i) Charter income is recognised on accrual basis over the period of the agreement.

(ii) Interest income is recognised using the effective interest rate.

s) Employee benefits

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

Defined Contribution Plans

Defined contribution plans are post-employment benefit plans under which the company pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The company has no further payment obligations once the contributions have been paid.

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made of the estimated liability for leave as a result of services rendered by employees up to the end of the reporting period.

t) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

u) Leases

Operating lease

Company is the lessor

Assets leased out under operating leases are included in property, plant and equipment and are stated at cost less depreciated amounts and impairment loss (if any). Operating lease income is recognised on a straight-line basis over the lease term.

Contingent rents are recognised as income in profit or loss when earned.

Company is the lessee

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

Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense in profit or loss when incurred.

v) Government grants

Cash grants received from the government in relation to Productivity and Innovation Credit (PIC) are recognised as income when there is a reasonable assurance that the grant will be received.

w) Non-current assets classified as held-for-sale

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

x) Related parties

A related party is defined as follows:

(i) A person or a close member of that person s family is related to the company if that person:

(a) Has control or joint control over the company;

(b) Has control or joint control over the company;

(c) Has significant influence over the company; or

(d) Is a member of the key management personnel of the company or of a parent of the company.

(ii) An entity is related to the company if any of the following conditions applies:

(a) The entity and the company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(b) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(c) Both entities are joint ventures of the same third party.

(d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(e) The entity is a post-employment benefit plan for the benefit of employees of either the company or an entity related to the company. If the company is itself such a plan, the sponsoring employers are also related to the company;

(f) The entity is controlled or jointly controlled by a person identified in (i);

(g) A person identified in (i)(a) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The presentation of financial statements in conforming with FRS requires the use of certain critical accounting estimates, assumptions and judgements in applying the accounting policies. These estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The following are the critical accounting estimates, assumptions and judgements for preparation of financial statements:

(a) Critical judgements in applying the entity s accounting policies

In the process of applying the company s accounting policies which are described in Note 2 above, management is of the opinion that there are no critical judgements involved, apart from those involving estimations that have a significant effect on the amounts recognised in the financial statements.

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Depreciation of property, plant and equipment

The company depreciates the property, plant and equipment, using the straight-line method, over their estimated useful lives after taking into account of their estimated residual values. The estimated useful life reflects management s estimate of the periods that the company intends to derive future economic benefits from the use of the company s property, plant and equipment.

Motor vessels are depreciated on a straight-line basis over their estimated useful lives so as to write-down the cost to the estimated residual values at the end of their useful lives. These estimates regarding the useful lives (20 years) and residual values are made by the company based on past experience and industry trends. The useful lives and residual values are reviewed on an annual basis. Changes in the expected level of usage could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

The residual values reflect management s estimated amount that the company would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, as if the asset were already of the age and in the condition expected at the end of its useful life. The carrying amounts of the company s property, plant and equipment as at the end of the reporting period were disclosed in Note 10 to the financial statements.

(ii) Income taxes

Significant judgments are involved in determining the company s provision for income taxes. The company recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provision in the financial year in which such determination is made.

(iii) Impairment of loans and receivables

Management reviews its loans and receivables for objective evidence of impairment at each reporting period. Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management makes judgement as to whether there is observable data indicating that there has been a significant change in the payment ability of the debtor, or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the debtor operates in.

Where there is objective evidence of impairment, management makes judgements as to whether an impairment loss should be recorded as an expense. In determining this, management uses estimates based on historical loss experience for assets with similar credit risk characteristics. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between the estimated loss and actual loss experience. The carrying amounts of the company s loans and receivables as at the end of the reporting period were disclosed in Note 6 and 7 to the financial statements.

(iv) Impairment of non-financial assets

Property, plant and equipment

Investment in subsidiaries

Property, plant and equipment are tested for impairment when there is objective evidence or indication that these assets may be impaired.

The company determines an asset s recoverable amount based on the higher of an asset s or cash-generating unit s fair value less costs to sell and its value in use. When value in use calculation is undertaken, management estimates the expected future cash flows from the asset or cash-generating unit by applying a suitable discount rate to calculate the present value of those cash flows. When fair value less costs to sell is used, management engages the services of professional valuers to determine the fair values using valuation techniques which involve the use of estimates and assumptions which are reflective of current market conditions.

The carrying amount of the company s property, plant and equipment at the end of the reporting period is disclosed in Note 10 to the financial statements.

4. CASH AND CASH EQUIVALENTS

	2016 US $	2016 ₹	2015 US $	2015 ₹
Cash at bank	15,811,213	1,047,492,861	21,177,899	1,323,618,688
Cash on hand	5,381	356,491	2,953	184,563
	15,816,594	1,047,849,352	21,180,852	1,323,803,251

The carrying amounts of cash and cash equivalents approximate their fair values and are denominated in the following currencies:

	2016 US $	2016 ₹	2015 US $	2015 ₹
Singapore dollar	208,680	13,825,050	523,130	32,695,625
United States dollar	15,607,914	1,034,024,302	20,657,722	1,291,107,626
	15,816,594	1,047,849,352	21,180,852	1,323,803,251

5. FIXED DEPOSITS

At the end of the reporting period, the maturity of short-term deposits is one year (2015: one year) from value date and the interest rate ranging from 1.7% to 2.1% (2015: 0.9% to 1.6%) per annum.

The carrying amounts of fixed deposit approximate their fair values and are denominated

6. TRADE RECEIVABLES

	2016 US $	2016 ₹	2015 US $	2015 ₹
Third parties	5,285,641	350,173,716	5,044,722	315,295,125
GST recoverable	4,663	308,924	5,740	358,750
	5,290,304	350,482,640	5,050,462	315,653,875
Less: Allowance for impairment of trade receivables	(2,402,916)	(159,193,185)	(430,835)	(26,927,187)
	2,887,388	191,289,455	4,619,627	288,726,688

	2016 US $	2016 ₹	2015 US $	2015 ₹
Allowance for impairment of trade receivables				
Balance as at the beginning of the year	430,835	26,927,187	-	-
Exchange re-alignment	-	1,615,632	-	-
Current year allowance	2,402,916	159,193,185	430,835	26,927,187
Reversal during the year	(430,835)	(28,542,819)	-	-
Balance as at the end of the year	2,402,916	159,193,185	430,835	26,927,187

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

The carrying amounts of trade receivables approximate their fair values and are denominated in the following currencies:

	2016 US $	2016 ₹	2015 US $	2015 ₹
Singapore dollar	4,663	308,924	5,740	358,750
United States dollar	2,882,725	190,980,531	4,613,887	288,367,938
	2,887,388	191,289,455	4,619,627	288,726,688

7. OTHER RECEIVABLES

	2016 US $	2016 ₹	2015 US $	2015 ₹
Current				
Related company	57,188	3,788,705	58,258	3,641,125
Refundable deposits	20,000	1,325,000	-	-
Interest receivable	160,990	10,665,588	108,104	6,756,500
Advance to vendors	118,810	7,871,162	35,639	2,227,438
Others	1,161	76,916	5,583	348,937
	358,149	23,727,371	207,584	12,974,000
Non-current				
Refundable deposits	47,942	3,176,158	47,942	2,996,375
	406,091	26,903,529	255,526	15,970,375

The amounts owing by related company is unsecured, non-trade in nature, interest-free and repayable within the next twelve months.

The carrying amounts of other receivables approximate their fair values and are denominated in the following currencies:

	2016 US $	2016 ₹	2015 US $	2015 ₹
Sterling Pound	406	26,898	1,564	97,750
Euro	53,971	3,575,578	1,315	82,187
Singapore dollar	85,683	5,676,499	56,205	3,512,813
United States dollar	266,031	17,624,554	196,442	12,277,625
	406,091	26,903,529	255,526	15,970,375

8. INVENTORIES

	2016 US $	2016 ₹	2015 US $	2015 ₹
Inventories, at cost	294,930	19,539,113	154,711	9,669,438

The cost of inventories recognised as an expense and included in the charter hire expenses in profit or loss amounts to US$180,367, ₹ 11,949,314 (2015: US$189,662, ₹ 11,853,875).

9. NON CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

During the financial year, the company is committed to a plan to sell a vessel in its present condition and classifies the carrying amounts of the vessel (Note 10) as held for sale at that date. A firm purchase commitment is obtained and the completion of sale is highly probable within one year.

Details of non current assets classified as held for sale are as follows:

	2016 US $	2016 ₹	2015 US $	2015 ₹
Reclassifications from property, plant and equipment (Note 10):				
Motor Vessels, costs	26,137,732	1,731,624,745	-	-
Accumulated Depreciation	(4,102,069)	(271,762,071)	-	-
	22,035,663	1,459,862,674	-	-
Less:				
Impairment loss	(8,930,663)	(591,656,424)	-	-
At 31 March 2016	13,105,000	868,206,250	-	-

10. PROPERTY, PLANT AND EQUIPMENT

	Computers		Office equipment, furniture fixture and renovation		Motor vessels		Total	
	US $	₹	US $	₹	US $	₹	US $	₹
2016								
Cost								
At 1 April 2015	51,486	3,217,875	131,749	8,234,312	135,038,501	8,439,906,312	135,221,736	8,451,358,499
Additions	4,406	291,898	972	64,395	-	-	5,378	356,292
Reclassified to assets held for sale (Note 9)	-	-	-	-	(26,137,732)	(1,731,624,745)	(26,137,732)	(1,731,624,745)
Exchange re-alignment	-	193,072	-	494,059	-	506,394,379	-	507,081,512
At 31 March 2016	55,892	3,702,845	132,721	8,792,766	108,900,769	7,214,675,946	109,089,382	7,227,171,558
Accumulated depreciation								
At 1 April 2015	45,064	2,816,500	131,749	8,234,312	30,188,233	1,886,764,562	30,365,046	1,897,815,374
Charge for the year	4,919	325,884	65	4,306	6,477,432	429,129,870	6,482,416	429,460,060
Exchange re-alignment	-	168,990	-	494,059	-	113,205,874	-	113,868,923
Reclassified to assets held for sale (Note 9)	-	-	-	-	(4,102,069)	(271,762,071)	(4,102,069)	(271,762,071)
At 31 March 2016	49,983	3,311,374	131,814	8,732,677	32,563,596	2,157,338,235	32,745,393	2,169,382,286
Carrying amount								
At 31 March 2016	5,909	391,471	907	60,089	76,337,173	5,057,337,711	76,343,989	5,057,789,271

	Computers		Office equipment, furniture fixture and renovation		Motor vessels		Total	
	US $	₹	US $	₹	US $	₹	US $	₹
2015								
Cost								
At 1 April 2014	51,486	3,085,041	131,749	7,894,400	135,038,483	8,091,505,901	135,221,718	8,102,485,342
Additions	-	-	-	339,912	18	1,125	18	1,125
Exchange re-alignment	-	132,834	-	-	-	348,399,286	-	348,872,032
At 31 March 2015	51,486	3,217,875	131,749	8,234,312	135,038,501	8,439,906,312	135,221,736	8,451,358,499
Accumulated depreciation								
At 1 April 2014	38,321	2,296,194	130,723	7,832,922	23,710,802	1,420,751,256	23,879,846	1,430,880,372
Charge for the year	6,743	421,437	1,026	64,125	6,477,431	404,839,438	6,485,200	405,325,000
Exchange re-alignment	-	98,869	-	337,265	-	61,173,868	-	61,610,002
At 31 March 2015	45,064	2,816,500	131,749	8,234,312	30,188,233	1,886,764,562	30,365,046	1,897,815,374
Carrying amount								
At 31 March 2015	6,422	401,375	-	-	104,850,268	6,553,141,750	104,856,690	6,553,543,125

Motor vessels included in property, plant and equipment of the company with a carrying amount of US$ 76,337,173, ₹ 5,057,337,711(2015: US$81,562,025, ₹ 5,097,626,563) are mortgaged in favour of banks or financial institutions for loans as disclosed in Note 15 to the financial statements.

11. INVESTMENT IN SUBSIDIARY

	2016 US $	2016 ₹	2015 US $	2015 ₹
Unquoted equity shares, at cost				
Balance of beginning of financial year	1	63	-	-
Exchange re-alignment	-	3	-	-
Acquisition during the financial period	-	-	1	63
Balance at end of financial year	1	66	1	63

The details of the subsidiary are as follows:

Name of company	Country of incorporation	Principal activities	Percentage of equity held 2016	Percentage of equity held 2015
GGOS (Labuan) Ltd.	Malaysia	Offshore vessel owning and operating	100%	100%

12. TRADE PAYABLES

	2016 US $	2016 ₹	2015 US $	2015 ₹
Third parties	1,633,255	108,203,144	1,724,697	107,793,563

Trade payables are recognised at their original invoiced amounts which represent 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.

The carrying amounts of trade payables approximate their fair values and are denominated in the following currencies:

	2016 US $	2016 ₹	2015 US $	2015 ₹
European Euro	76,542	5,070,908	312,484	19,530,250
Brunei Dollars	28,909	1,915,221	28,909	1,806,813
Japanese Yen	16,194	1,072,852	67.690	4,230,625
Saudi Arabian Riyals	59,254	3,925,577	133,077	8,317,312
Sterling pound	84,606	5,605,148	109,318	6,832,375
Singapore dollar	192,118	12,727,818	129,580	8,098,750
United States dollar	1,160,580	76,888,425	932,736	58,296,000
Others	15,052	997,195	10,903	681,438
	1,633,255	108,203,144	1,724,697	107,793,563

13. OTHER PAYABLES

	2016 US $	2016 ₹	2015 US $	2015 ₹
Current				
Accruals of operating expenses	25,469	1,687,321	26,574	1,660,875
Accruals of employee benefits expenses	505,274	33,474,403	494,738	30,921,125
Accrued Interest	58,647	3,885,364	106,645	6,665,313

	2016 US $	2016 ₹	2015 US $	2015 ₹
Deposit received from customer	-	-	1,000,000	62,500,000
Other creditors	732	48,495	-	-
	590,122	39,095,583	1,627,957	101,747,313
Non-current				
Accruals of employee benefits expense	132,710	8,792,038	92,061	5.753,813
	722,832	47,887,621	1,720,018	107,501,126

Deposit received from customer represents security deposit for charter hire of vessels.

The carrying amounts of other payables approximate their fair values and are denominated in the following currencies:

	2016 US $	2016 ₹	2015 US $	2015 ₹
Singapore dollar	644,893	42,734,161	613,373	38,335,813
United States dollar	77,939	5,163,459	1,106,645	69,165,313
	722,832	47,887,621	1,720,018	107,501,126

14. DERIVATIVE FINANCIAL INSTRUMENTS PAYABLE

	Notional Amount		Liability	
	US $	₹	US $	₹
2016				
Cash flow hedges				
- Interest rate swaps	13,111,136	868,612,760	(378,362)	(25,066,482)
			(378,362)	**(25,066,482)**

	Notional Amount		Liability	
	US $	₹	US $	₹
2015				
Cash flow hedges				
- Interest rate swaps	16,024,721	1,001,545,062	(446,714)	(27,919,625)
Non – hedging instrument				
- Interest rate swaps	7,646,667	477,916,687	(427,888)	(26,743,000)
			(874,602)	(54,662,625)

Period when the cash flows on cash flow hedges are expected to occur or affect profit or loss:

The interest rate swaps are entered to hedge floating quarterly interest payments on borrowings that will mature on 20 July 2020. Fair value gains and losses on the interest rate swaps recognised in the hedging reserve are transferred to profit or loss as part of interest expense over the period of the borrowings.

15. BANK LOAN

	2016 US $	2016 ₹	2015 US $	2015 ₹
Current	6,827,200	452,302,000	7,813,867	488,366,688
Non-current	22,207,200	1,471,227,000	35,694,400	2,230,900,000
	29,034,400	1,923,529,000	43,508,267	2,719,266,688

The carrying amounts of borrowings are denominated In United States Dollars. The Company has availed loans from various banks and financial institutions, which are secured with the following:

i) First priority mortgage on the respective financed vessel (Note 10);

ii) First priority assignment of insurances of the respective financed vessel;

iii) First priority pledge over company s Earnings Account for the respective financed vessel; and

iv) Corporate guarantee from the intermediate holding company

The loans are subject to interest ranging from LIBOR + 0.95 % to LIBOR + 2.65 % per annum and are repayable in quarterly / half yearly instalments over six years.

16. SHARE CAPITAL

	Number of ordinary shares 2016	2015
Issued		
At the beginning of the year	71,060,224	71,060,224
At the end of the year	71,060,224	71,060,224

	2016 US $	2016 ₹	2015 US $	2015 ₹
Issued				
At the beginning of the year	71,060,224	4,441,264,000	71,060,224	4,257,928,622
Exchange re-alignment	-	266,475,840	-	183,335,378
At the end of the year	71,060,224	4.707,739,840	71,060,224	4,441,264,000

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

The holder of ordinary shares is entitled to receive dividends as declared from time to time and is entitled to one vote per share at meetings of the company. All share rank equally with regards to the company s residual assets

17. RESERVES

	2016 US $	2016 ₹	2015 US $	2015 ₹
Hedging reserve				
At the beginning of the year	(446,714)	(27,919,625)	(743,333)	(44,540,513)
Exchange re-alignment	-	(1,675,278)	-	(1,917,800)
De-recognition of fair value gain arising from derivative financial instruments relating to cash flow hedge	446,714	29,594,903	743,333	46,458,313
Changes in fair value of interest rate swap	(378,362)	(25,066,483)	(446,714)	(27,919,625)
At the end of the year	(378,362)	(25,066,483)	(446,714)	(27,919,625)

	2016 US $	2016 ₹	2015 US $	2015 ₹
Retained profits				
At the beginning of the year	37,684,054	2,355,253,375	19,232,127	1,152,389,050
Exchange re-alignment	-	141,315,203	-	49,618,888
(Loss)/Profit for the year	(6,106,778)	(404,574,043)	18,451,927	1,153,245,437
At the end of the year	31,577,276	2,091,994,535	37,684,054	2,355,253,375
Total reserves as at the end of the year	31,198,914	2,066,928,052	37,237,340	2,327,333,750

18. OTHER INCOME

	2016 US $	2016 ₹	2015 US $	2015 ₹
Gain on disposal of equipment	-	-	3,600,000	225,000,000
Government grants	16,899	1,119,559	12,322	770,125
Insurance claim received	246,453	16,327,511	81,015	5,063,438
Interest on bank and fixed deposits	383,463	25,404,424	274,750	17,171,875
Reimbursement of expenses	297,400	19,702,750	284,100	17,756,250
Exchange gain	2,589	171,521	-	-
	946,804	62,725,765	4,252,187	265,761,688

19. CHARTER HIRE EXPENSES

	2016 US $	2016 ₹	2015 US $	2015 ₹
Inchartering Expenses	-	-	1,038,293	64,893,313
Crew salary	4,127,221	273,428,391	5,074,888	317,180,500
Fuel and fresh water	381,266	25,258,873	114,932	7,183,250
Insurance	413,515	27,395,369	492,262	30,766,375
Repairs and maintenance	2,930,819	194,166,759	4,894,503	305,906,437
Commission and brokerage	516,665	34,229,056	789,978	49,373,625
Manning and related costs	1,031,781	68,355,491	1,383,901	86,493,813
	9,401,267	622,833,939	13,788,757	861,797,313

20. EMPLOYEE BENEFITS EXPENSE

	2016 US $	2016 ₹	2015 US $	2015 ₹
Director s remuneration and bonus	594,800	39,405,500	568,199	35,512,438
Staff salaries and bonuses	1,896,279	125,628,484	1,906,109	119,131,812
Staff CPF contribution	75,676	5,013,535	71,217	4,451,062
Staff benefits	74,164	4,913,365	105,019	6,563,688
	2,640,919	174,960,884	2,650,544	165,659,000

21. OTHER OPERATING EXPENSES

	2016 US $	2016 ₹	2015 US $	2015 ₹
Bank charges	37,113	2,458,736	40,504	2,531,500
Director s fee	10,202	675,883	11,107	694,187
Professional fees	34,524	2,287,215	42,768	2,673,000
Office rental	123,610	8,189,163	138,160	8,635,000
Telephone	48,611	3,220,479	54,510	3,406,875
Travelling	122,735	8,131,194	130,018	8,126,125
Foreign exchange loss	-	-	47,554	2,972,125
Provision for doubtful debts, net	1,972,081	130,650,366	430,835	26,927,188
Others	65,594	4,345,603	95,152	5,947,000
	2,414,470	159,958,637	990,608	61,913,000

22. FINANCE COST

	2016 US $	2016 ₹	2015 US $	2015 ₹
Finance charges	105,105	6,963,206	164,032	10,252,000
Fair value loss-net:				
- Marked to market gain on non-hedging financial instruments	-	-	(203,332)	(12,708,250)
Interest rate swap payable to a related company	-	-	250,389	15,649,313
Interest on loans	748,211	49,568,979	1,355,688	84,730,500
	853,316	56,532,185	1,566,777	97,923,563

23. INCOME TAX EXPENSE

	2016 US $	2016 ₹	2015 US $	2015 ₹
Current income tax:				
- Current year tax provision	45,842	3,037,033	23,000	1,437,500
- Over provision in prior year	(10,512)	(696,420)	(13,013)	(813,312)
Foreign tax	192,236	12,735,635	296,878	18,554,875
	227,566	15,076,248	306,865	19,179,063

The current year income tax expense varies from the amount of income tax expense determined by applying the applicable Singapore statutory income tax rate 17% (2015: 17%) to profit before income tax as a result of the following differences:

	2016 US $	2016 ₹	2015 US $	2015 ₹
Accounting (loss)/profit	(5,879,212)	(389,497,795)	18,758,792	1,172,424,500
Income tax expense at statutory rate	(999,466)	(66,214,623)	3,188,995	199,312,188
Exempt income	1,045,308	69,251,655	(3,165,995)	(197,874,687)
Over provision in prior year	(10,512)	(696,420)	(13,013)	(813,313)
Foreign tax	192,236	12,735,635	296,878	18,554,875
	227,566	15,076,248	306,865	19,179,063

Interest on a fixed deposit placed outside Singapore was from fund generated from operations in Singapore and hence is taxable in Singapore upon remittance.

Profits from qualifying shipping activities will be exempted from income tax under the provision of Section 13A of the Singapore Income tax Act.

24. IMMEDIATE AND ULTIMATE HOLDING COMPANY

The company s immediate holding company is Greatship Global Holdings Ltd., a company incorporated in the Republic of Mauritius which is the wholly owned subsidiary of Greatship (India) Limited, a company incorporated in India and the company s intermediate holding company.

The company s ultimate holding company is The Great Eastern Shipping Co. Ltd., a company incorporated in India, which is the parent company of Greatship (India) Limited.

25. SIGNIFICANT RELATED PARTIES TRANSACTIONS

(a) Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the company had transactions with the immediate holding company and related companies on terms agreed between them with respect to the following during the financial year.

	2016 US $	2016 ₹	2015 US $	2015 ₹
Corporate Guarantee commission paid to intermediate holding company	101,628	6,732,855	150,868	9,429,250
Interest rate swap paid to a related company	-	-	250,389	15,649,312
Reimbursement of administrative expenses apportioned to a related company	297,400	19,702,750	284,100	17,756,250
Reimbursement of expenses from:				
- Related company	61,651	4,084,379	61,584	3,849,000
Reimbursement of expenses to related company	-	-	4,240	265,000

(b) Key management personnel compensation

The remuneration of key management personnel during the financial year is as follows:

	2016 US $	2016 ₹	2015 US $	2015 ₹
Director s fee	10,202	675,883	11,107	694,187
Short-term benefits	594,800	39,405,500	568,199	35,512,438

26. CAPITAL AND OPERATING LEASE COMMITMENT

(i) Operating lease commitments - where a company is a lessee

The future aggregate minimum lease payments under non-cancellable operating leases contracted for at the end of the reporting period but not recognised as liabilities, are as follows:

	2016 US $	2016 ₹	2015 US $	2015 ₹
Office lease				
Due within one year	186,977	12,387,226	152,601	9,537,563
Due in 2 to 5 years	140,233	9,290,436	-	-
Operating lease commitments	327,210	21,677,662	152,601	9,537,563

Operating lease payments represent rentals payable by the company for the office premise.

(ii) Operating lease commitments - where a company is a lessor

At the end of the reporting period, the future minimum lease receipts of the company under non-cancellable operating leases contracted but not recognised as receivables, are as follows:

	2016 US $	2016 ₹	2015 US $	2015 ₹
Due within one year	8,334,500	552,160,625	10,852,200	678,262,500
Due within two to five years	1,554,000	102,952,500	-	-
	9,888,500	655,113,125	10,852,200	678,262,500

27. FINANCIAL RISK MANAGEMENT

Financial risk factors

The company s activities expose it to market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The company s overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the company s financial performance.

(a) Market risk

(i) Foreign currency risk

The company is subject to various currency exposures, primarily with respect to Singapore dollar. 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 do not use any hedging instruments to protect against the volatility associated with the foreign currency transactions.

The company s currency exposure to Singapore dollar is as follows:

	SGD US $	SGD ₹
2016		
Financial assets		
Cash and cash equivalents	208,680	13,825,050
Trade receivables	4,663	308,924
Other receivables	85,683	5,676,499
	299,026	19,810,473
Financial liabilities		
Trade payables	192,118	12,727,818
Other payables	664,185	44,002,256
	856,303	56,730,074
Net currency exposure	(557,277)	(36,919,601)

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	SGD US $	SGD ₹
2015		
Financial assets		
Cash and cash equivalents	523,130	32,695,625
Trade receivables	5,740	358,750
Other receivables	56,205	3,512,813
	585,075	36,567,188
Financial liabilities		
Trade payables	129,580	8,098,750
Other payables	613,373	38,335,813
	742,953	46,434,563
Net currency exposure	(157,878)	(9,867,375)

If the Singapore dollar had strengthened/weakened by 1% (2015: 1%) against the United States dollar with all other variables including tax rate being held constant, the company s profit/(loss) after tax for the financial year would have been higher/lower as follows:

	2016 US $	2016 ₹	2015 US $	2015 ₹
Singapore dollar	(5,573)	(369,211)	(1,570)	(98,125)

(ii) Interest rate risk

The company generally borrows at variable rates and uses interest rate swaps as cash flow hedges of future interest payments, which have the economic effect of converting borrowings from floating rates to fixed rates. Under the interest rate swaps, the company agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. Further details of the interest rate swaps can be found in Note 13 to the financial statements.

Interest rate sensitivity

The sensitivity analysis below have been determined based on the exposure to interest rates for derivative 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.

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 ended 31 March 2016 would increase/(decrease) by US$93,497, ₹ 6,194,176 (2015: US$113,617, ₹ 7,101,062). As impact of interest rate movement on outstanding loan on undelivered ship is capitalized, this is mainly attributable to the company s exposure to interest rates on its variable rate borrowings on delivered ships.

(b) Credit risk

Credit risk refers to the risk that counterparty 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.

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 less any collateral held in lieu.

The trade receivables of the company comprise 1 debtor (2015: 1 debtor) that individually represents 82% (2015: 44%) of trade receivables.

The credit risk for trade receivables based on the information provided to key management is as follows:

	2016 US $	2016 ₹	2015 US $	2015 ₹
By geographical areas				
Brunei	30,420	2,015,325	50,000	3,125,000
South Korea	231,593	15,343,036	908,424	56,776,500
United Kingdom	252,262	16,712,357	1,210,159	75,634,938
Saudi Arabia	2,368,450	156,909,813	2,022,638	126,414,875
Switzerland	-		422,666	26,416,625
Singapore	4663	308,924	5,740	358,750
	2,887,388	191,289,455	4,619,627	288,726,688
By types of customers				
Non-related parties	2,887,388	191,289,455	4,619,627	288,726,688
	2,887,388	191,289,455	4,619,627	288,726,688

(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 US$ 803,622, ₹ 53,239,958(2015: US$2,861,822 ₹178,863,875).

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

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

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

	2016 US $	2016 ₹	2015 US $	2015 ₹
Due less than 30 days	463,403	30,700,449	810,167	50,635,438
Due from 30 to 90 days	908,693	60,200,911	762,500	47,656,250
Due more than 90 days	711,670	47,148,138	135,138	8,446,125
	2,083,766	138,049,498	1,707,805	106,737,813

The carrying amount of trade receivables individually determined to be impaired as follows:

	2016 US $	2016 ₹	2015 US $	2015 ₹
Due more than 90 days	2,402,916	159,193,185	480,835	30,052,188
Less: Allowance for impairment	(2,402,916)	(159,193,185)	(430,835)	(26,927,188)
	-	-	50,000	3,125,000

(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 bank balances deemed adequate by the management to finance the company s operations and mitigate effects of fluctuations in cash flows. The holding company also provides financial support to finance the company s operations as required.

Non-derivative financial liabilities

The following table details the remaining contractual maturity for non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The table represents interest and principal cash flows.

	On demand or within 1 year		Between 2 to 5 years		On demand or over 5 years		Total	
	US $	₹	US $	₹	US $	₹	US $	₹
2016								
Trade payables	1,633,255	108,203,144	-	-	-	-	1,633,255	108,203,144
Other payables	590,122	39,095,583	132,710	8,792,038	-	-	722,832	47,887,621
Bank loan	6,827,200	452,302,000	22,207,200	1,471,227,000	-	-	29,034,400	1,923,529,000
	9,050,577	599,600,726	22,339,910	148,001,904	-	-	31,390,487	2,079,619,765
2015								
Trade payables	1,724,697	107,793,563	-	-	-	-	1,724,697	107,793,563
Other payables	1,627,957	101,747,313	92,061	5,753,813	-	-	1,720,018	107,501,126
Bank loan	7,813,867	488,366,688	33,968,800	2,123,050,000	1,725,600	107,850,000	43,508,267	2,719,266,688
	11,166,521	697,907,564	34,060,861	2,128,803,813	1,725,600	107,850,000	46,952,982	2,934,561,377

(d) Fair value measurement

i) Fair value of financial instruments that are carried at fair value

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 (is as prices) or indirectly (ie 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).

	Level 2 US $	Level 2 ₹
2016		
Financial liability		
Derivative financial instruments	378,362	25,066,483
2015		
Financial liability		
Derivative financial instruments	874,602	54,662,625

The fair value of interest rate swaps is determined based on the information furnished by the financial institutions as at the end of the reporting period. These investment is included in Level 2.

ii) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of cash and cash equivalents, fixed deposits, trade and other receivables, trade and other payables and current portion of borrowings approximate their fair values.

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period or they fixed interest rates which approximates the market interest rate.

(e) Categories of financial instruments

The following table sets out the company s financial instruments as at the end of the reporting period:

	2016 US $	2016 ₹	2015 US $	2015 ₹
Financial assets				
Loans and receivables:				
Cash and cash equivalents	15,816,594	1,047,849,352	21,180,852	1,323,803,250
Fixed deposits	25,135,737	1,665,242,576	25,000,000	1,562,500,000
Trade receivables	2,887,388	191,289,455	4,619,627	288,726,688
Other receivables	406,091	26,903,529	219,887	13,742,938
	44,245,810	2,931,284,912	51,020,366	3,188,772,876
Financial liabilities				
Amortised cost:				
Trade payables	1,633,255	108,203,144	1,724,697	107,793,563
Other payables	722,832	47,887,620	1,720,018	107,501,125
Bank loans	29,034,400	1,923,529,000	43,508,267	2,719,266,688
Derivative financial instruments	378,362	25,066,482	874,602	54,662,625
	31,768,849	2,104,686,246	47,827,584	2,989,224,001

28. CAPITAL RISK MANAGEMENT

The company s objectives when managing capital are to safeguard the company s ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. The capital structure of the company consists of company issued capital. The management sets the amount of capital in proportion to risk.

In order to maintain or achieve an optimal capital structure, the company may adjust the amount of dividend payment, return capital to shareholder, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings. Operating cash flows are used to maintain and expand the company, as well as to make routine outflows of tax and dividend payments.

The company is in compliance with all externally imposed capital requirements for the financial years ended 31 March 2016 and 31 March 2015 as required in accordance with the covenants in the bank loans in Note 15.

29. STANDARD ISSUED BUT NOT YET EFFECTIVE

At the date of authorization of these financial statements, the following FRS and amendments to FRS that are relevant to the company were issued but not yet effective.

Description	Effective for annual periods beginning on or after
FRS 115 Revenue from contracts with customer	1 January 2018
FRS 109 Financial instruments	1 January 2018

The company expects the adoption of the above standard will have no financial effect on the financial statements in the period of initial application.

GREATSHIP GLOBAL ENERGY SERVICES PTE. LTD.

A Subsidiary Company

DIRECTORS
Alok Mahajan - Executive Director
Naware Pradyumna Raghunath
Jaya Prakash

AUDITORS
JBS Practice PAC
137 Telok Ayer Street #04-07
Singapore 068602

REGISTERED OFFICE
15 Hoe Chiang Road
Tower Fifteen #06-03
Singapore 089316

REGISTRATION NUMBER
200615858G

COMPANY SECRETARY
Terence Teng Terk Soon

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of Greatship Global Energy Services Pte. Ltd. (the "company") for the financial year ended 31 March 2016.

OPINION OF DIRECTORS

In the opinion of the directors,

(a) the accompanying financial statements of the company are drawn up so as to give a true and fair view of the financial position of the company as at 31 March 2016 and of its financial performance, changes in equity and cash flows for the financial year then ended; and

(b) at the date of this statement there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

DIRECTORS

The directors in office at the date of this report are:

Alok Mahajan - Executive Director

Naware Pradyumna Raghunath

Jaya Prakash

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the company a party to any arrangement whose object is to enable the directors of the company to acquire benefits by means of the acquisition of shares in, or debentures of, the company or any other body corporate.

DIRECTORS INTEREST IN SHARES AND DEBENTURES

According to the register of directors' shareholdings kept by the company for the purpose of Section 164 of the Singapore Companies Act, Cap. 50, none of the directors holding office at the end of the financial year had any interest in the share capital of the company or any related corporations except as detailed below:

	No. of ordinary shares	
	As at 01.04.2015	**As at 31.03.2016**
The Great Eastern Shipping Company Limited (Ultimate holding company)		
Alok Mahajan	732	732
Naware Pradyumna Raghunath	2,952	2,952

None of the directors holding office at the end of the financial year had any interest in the debentures of the company or its related corporations.

SHARE OPTIONS

There were no share options granted during the financial year to subscribe for unissued shares of the company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the company.

There were no unissued shares of the company under option at the end of the financial year.

INDEPENDENT AUDITOR

The independent auditor, Messrs JBS Practice PAC, Public Accountants and Chartered Accountants, Singapore, who hold office up to the conclusion of the ensuing Annual General Meeting, have expressed their willingness to continue in office and accept re-appointment as the Auditors of the company until the next Annual General Meeting.

On behalf of the Board

Alok Mahajan

Executive Director

Naware Pradyumna Raghunath

Director

25 April 2016

INDEPENDENT AUDITORS' REPORT

TO THE MEMBER OF GREATSHIP GLOBAL ENERGY SERVICES PTE. LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of GREATSHIP GLOBAL ENERGY SERVICES PTE. LTD. (the "company") as set out on pages 6 to 41, which comprise the statement of financial position as at 31 March 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statement and to maintain accountability of assets.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial performance of the company as at 31 March 2016 and of its financial performance, changes in equity and cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the company have been properly kept in accordance with the provisions of the Act.

JBS PRACTICE PAC.

PUBLIC ACCOUNTANTS AND

CHARTERED ACCOUNTANTS

Singapore

25 April 2016

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2016

	Note	2016 US $	2016 ₹	2015 US $	2015 ₹
ASSETS					
Current assets					
Cash and cash equivalents	4	27,767,748	1,839,613,305	21,875,392	1,367,212,000
Trade receivables	5	4,201,838	278,371,768	4,138,560	258,660,000
Other receivables	6	-	-	65,901	4,118,813
		31,969,586	2,117,985,073	26,079,853	1,629,990,813
Non-current assets					
Property, plant and equipment	7	629,955,593	41,734,558,036	656,634,887	41,039,680,438
Trade receivables	5	8,378,948	555,105,305	8,621,538	538,846,125
		638,334,541	42,289,663,341	665,256,425	41,578,526,563
Total assets		670,304,127	44,407,648,414	691,336,278	43,208,517,376
LIABILITIES					
Current liabilities					
Trade payables	8	-	-	2,117,234	132,327,125
Other payables	9	1,403,417	92,976,376	1,482,624	92,664,000
Derivative financial instruments payable	10	706,481	46,804,366	998,085	62,380,313
Borrowings	11	39,532,697	2,619,041,176	48,295,188	3,018,449,250
Income tax payable		1,000	66,250	1,000	62,500
		41,643,595	2,758,888,168	52,894,131	3,305,883,188
Non-current liabilities					
Borrowings	11	246,283,984	16,316,313,940	298,580,826	18,661,301,625
Other Payables	9	2,123	140,649	1,559	97,438
		246,286,107	16,316,454,589	298,582,385	18,661,399,063
Total liabilities		287,929,702	19,075,342,757	351,476,516	21,967,282,251
NET ASSETS		382,374,425	25,332,305,657	339,859,762	21,241,235,125
SHAREHOLDERS' EQUITY					
Share capital	12	168,964,161	11,193,875,667	168,964,161	10,560,260,062
Reserves	13	213,410,264	14,138,429,990	170,895,601	10,680,975,063
TOTAL EQUITY		382,374,425	25,332,305,657	339,859,762	21,241,235,125

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	Note	2016 US $	2016 ₹	2015 US $	2015 ₹
Revenue					
Charter hire income		81,509,917	5,400,032,001	68,542,907	4,283,931,688
Other income	14	107,606	7,128,898	251,600	15,725,000
Total revenue		**81,617,523**	**5,407,160,899**	**68,794,507**	**4,299,656,688**
Costs and expenses					
Employee benefits expenses	15	228,002	15,105,133	225,885	14,117,813
Depreciation of property, plant and equipment	7	26,693,592	1,768,450,470	21,035,904	1,314,744,000
Other operating expenses	16	386,902	25,632,258	672,486	42,030,375
Finance costs	17	11,439,079	757,838,984	11,195,398	699,712,375
Total costs and expenses		**38,747,575**	**2,567,026,845**	**33,129,673**	**2,070,604,563**
Profit before income tax		42,869,948	2,840,134,054	35,664,834	2,229,052,125
Income tax benefit	18	(1,054)	(69,815)	9,646	602,875
Net profit for the year		**42,868,894**	**2,840,064,239**	**35,674,480**	**2,229,655,000**
Other comprehensive income:					
Items that may be reclassified subsequently to profit or loss					
De-recognition of fair value gain arising from derivative financial instruments		352,250	23,336,563	949,975	59,373,438
Fair value loss arising from derivative financial instruments		(706,481)	(46,804,367)	(352,250)	(22,015,625)
Other comprehensive income for the year, net of tax		**(354,231)**	**(23,467,804)**	**597,725**	**37,357,813**
Total comprehensive income for the year		42,514,663	2,816,596,435	36,272,205	2,267,012,813

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	Share capital		Hedging reserve		Retained profits		Total	
	US $	₹	US $	₹	US $	₹	US $	₹
2016								
Balance as at 1 April 2015	168,964,161	10,560,260,062	(352,250)	(22,015,625)	171,247,851	10,702,990,688	339,859,762	21,241,235,125
Foreign translation difference	-	633,615,605	-	(1,320,938)	-	642,179,430	-	1,274,474,097
Net profit for the year	-	-	-	-	42,868,894	2,840,064,239	42,868,894	2,840,064,239
Other comprehensive income for the year, net of tax:								
- De-recognition of fair value gain arising from derivative financial instruments	-	-	352,250	23,336,563	-	-	352,250	23,336,563
- Fair value loss arising from derivative financial instruments	-	-	(706,481)	(46,804,367)	-	-	(706,481)	(46,804,367)
Balance as at 31 March 2016	**168,964,161**	**11,193,875,667**	**(706,481)**	**(46,804,367)**	**214,116,745**	**14,185,234,357**	**382,374,425**	**25,332,305,657**

	Share capital		Hedging reserve		Retained profits		Total	
	US $	₹	US $	₹	US $	₹	US $	₹
2015								
Balance as at 1 April 2014	168,964,161	10,124,332,527	(949,975)	(56,922,502)	135,573,371	8,123,556,390	303,587,557	18,190,966,415
Foreign translation difference	-	435,927,535	-	(2,450,936)	-	349,779,298	-	783,255,897
Net profit for the year	-	-	-	-	35,674,480	2,229,655,000	35,674,480	2,229,655,000
Other comprehensive income for the year, net of tax:								
- De-recognition of fair value gain arising from derivative financial instruments	-	-	949,975	59,373,438	-	-	949,975	59,373,438
- Fair value loss arising from derivative financial instruments	-	-	(352,250)	(22,015,625)	-	-	(352,250)	(22,015,625)
Balance as at 31 March 2015	168,964,161	10,560,260,062	(352,250)	(22,015,625)	171,247,851	10,702,990,688	339,859,762	21,241,235,125

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	Note	2016 US $	2016 ₹	2015 US $	2015 ₹
Cash Flows From Operating Activities					
Profit before income tax		42,869,948	2,840,134,055	35,664,834	2,229,052,125
Adjustments for:					
Depreciation of property, plant and equipment	7	26,693,592	1,768,450,470	21,035,904	1,314,744,000
Interest income	14	(16,837)	(1,115,451)	(14,701)	(918,813)
Finance costs	17	11,439,079	757,838,984	11,195,398	699,712,375
Gain on sale of equipment		(80,970)	(5,364,263)	(206,584)	(12,911,500)
Unrealised exchange gain		(960)	(63,600)	9,788	611,750
Cash flows before changes in working capital		80,903,852	5,359,880,195	67,684,639	4,230,289,937
Working Capital Changes, excluding Changes relating to cash:					
Trade receivables		179,312	11,879,420	(2,502,752)	(156,422,000)
Other receivables		65,901	4,365,941	1,217,314	76,082,125
Trade payables		(2,117,234)	(140,266,753)	2,051,117	128,194,813
Other payables		(1,352)	(89,570)	(11,072)	(692,000)
Cash generated from operating activities		79,030,479	5,235,769,234	68,439,246	4,277,452,875
Finance costs paid		(11,234,038)	(744,255,018)	(10,797,555)	(674,847,188)
Income tax paid		(1,054)	(69,827)	1,014	63,375
Interest received		16,837	1,115,451	14,701	918,812
Net cash generated from operating activities		67,812,224	4,492,559,840	57,657,406	3,603,587,874
Cash Flows From Investing Activities					
Purchase of property, plant and equipment	7	(14,298)	(947,243)	(153,499,534)	(9,593,720,875)
Proceeds from disposal of property, plant and equipment		80,970	5,364,263	228,781	14,298,813
Net cash generated from/(used in) investing Activities		66,672	4,417,020	(153,270,753)	(9,579,422,062)
Cash Flows From Financing Activities					
Draw-down of borrowings	11	68,500,000	4,538,125,000	200,000,000	12,500,000,000
Repayment of borrowings		(130,487,500)	(8,644,796,875)	(91,151,175)	(5,696,948,438)
Repayment to immediate holding company		-	-	(13,000,000)	(812,500,000)
Net cash (used in)/ generated from financing activities		(61,987,500)	(4,106,671,875)	95,848,825	5,990,551,562
Net increase in cash and cash equivalents		5,891,396	390,304,985	235,478	14,717,374
Cash and cash equivalents at the beginning of the year		21,875,392	1,367,212,000	21,649,702	1,297,250,143
Foreign Currency Translation Differences		-	82,032,720	-	55,856,233
Effect of exchange rate changes		960	63,600	(9,788)	(611,750)
Cash and cash equivalents at the end of the year	4	27,767,748	1,839,613,305	21,875,392	1,367,212,000

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL INFORMATION

Greatship Global Energy Services Pte. Ltd. (Company Registration No. 200615858G) is domiciled in Singapore with its principal place of business at 15 Hoe Chiang Road, Tower Fifteen #06-03 Singapore 089316.

The company is providing offshore oilfield services with the principal activity of owning, chartering and operating mobile offshore drilling units. There have been no significant changes in the nature of these activities during the financial year.

The financial statements of the company for the year ended 31 March 2016 were authorised and approved by the Board of Directors for issuance on 25 April 2016.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

The financial statements are prepared in accordance with Singapore Financial Reporting Standards ("SFRS") as required by the Singapore Companies Act, do not included the Indian Rupee equivalent figures, which have been arrived at by applying the year end interbank exchange rate approximating to USD 1 = ₹ 66.25 (2015: USD 1 = ₹ 62.50) and rounded up to the nearest rupee..

In the current financial year, the company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are mandatory for application from that date. The adoption of these new and revised FRSs and INT FRSs have no material effect on the financial statements.

As at 31 March 2016, the company is in a net current liabilities position of US$9,674,009 equivalent to ₹ 640,903,095 (2015: US$ 26,814,278 equivalent to ₹ 1,675,892,375). Notwithstanding the same, the financial statements have been prepared on a going concern basis as the company is able to generate funds from its own operating activities and the ultimate holding company has undertaken to provide financial support as and when required. The directors have reviewed the projected cash flows and business outlook of the company and are of the opinion that the basis upon which the financial statements are prepared is appropriate in the circumstances.

b) Currency translation

Items included in the financial statements of the company are measured in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements of the company are presented in United States dollars, which is the functional currency of the company.

In preparing the financial statements of the company, monetary assets and liabilities in foreign currencies are translated into United States dollars at rates of exchange closely approximating to those ruling at the end of the reporting period and transactions in foreign currencies during the financial year are translated at rates ruling on transaction dates. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on 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 arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in other comprehensive income.

c) Derivative financial instruments and hedging activities

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

The company documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedge transactions. The company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives designated as hedging instruments are highly effective in offsetting changes in fair value or cash flows of the hedged items.

The carrying amount of a derivative designated as a hedge is presented as a current asset or liability in the financial statements. The fair value of a trading derivative is presented as a current asset or liability.

Cash flow hedge – currency forwards

The fair value changes on the effective portion of the currency forwards designated as cash flow hedges are recognised in the hedging reserve and transferred to either the cost of a hedged non-monetary asset upon acquisition or profit or loss when the hedged forecast transactions are recognised.

The fair value changes on the ineffective portion are recognised immediately in profit or loss. When a forecasted transaction is no longer expected to occur, the gains and losses that were previously recognised in the hedging reserve are transferred to profit or loss immediately.

Cash flow hedge – interest rate swaps

The company has entered into interest rate swaps that are cash flow hedges for the company's exposure to the interest rate on its borrowings. These contracts entitle the company to receive interest at floating rates on notional principal amounts and oblige the company to pay interest at fixed rates on the same notional principal amounts, thus allowing the company to raise borrowings at floating rates and swap them into fixed rate.

The fair value changes on the ineffective portion are recognised immediately in profit or loss. When a forecasted transaction is no longer expected to occur, the gains and losses that were previously recognised in the hedging reserve are transferred to profit or loss immediately.

d) Financial instruments

Financial assets and financial liabilities are recognised on the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period.

It exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period. Income is recognised on an effective interest rate basis for debt instruments.

e) Financial assets

(i) Classification

Financial assets are classified into the following specified categories: financial assets "at fair value through profit or loss", "loans and receivables", "held to maturity investments" and "available-for-sale" financial assets. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the end of reporting period which are presented as non-current assets. Loans and receivables are presented as "trade receivables", "other receivables" and "cash and cash equivalents" on the statement of financial position.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on transaction-date – the date on which the company commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount in the fair value reserve relating to that asset is transferred to profit or loss.

(iii) Initial and subsequent measurement

Financial assets are initially recognised at fair value plus transaction costs and are subsequently carried at amortised cost using the effective interest method.

(iv) Impairment

The company assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence arises.

Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The allowance for impairment loss account is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

(v) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

f) Property, plant and equipment

(i) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

Components of costs

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Cost also includes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset and any fair value gains or losses on qualifying cash flow hedges of property, plant and equipment that are transferred from the hedging reserve.

(ii) Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Rigs	30 years
Furniture and equipment	3 - 10 years
Computers	3 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period.

(iii) *Subsequent expenditure*

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(iv) *Disposal*

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

g) Impairment of non-financial assets

Property, plant and equipment

Property, plant and equipment are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash generating units ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss. An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss.

h) Capital project in progress

Capital project in progress is stated at cost. Expenditure relating to the construction of rig is capitalised when incurred up to the completion of construction. No depreciation was provided on capital project in progress.

i) Trade and other payables

Trade and other payables are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method, as defined above.

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled and expired.

j) Borrowings

Borrowings are initially recognised at fair value and subsequently carried at amortised cost.

Borrowing costs accrued to finance the building of rig are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are taken to profit or loss over the period of borrowing using the effective interest method.

k) Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

l) Fair value estimation of financial assets and liabilities

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

The fair values of currency forwards are determined using actively quoted forward exchange rates. The fair values of interest rate swaps are calculated as the present value of the estimated future cash flows discounted at actively quoted interest rates.

m) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

n) Operating lease

Company is the lessor

Assets leased out under operating leases are included in property, plant and equipment and are stated at cost less accumulated depreciation and impairment loss (if any). Operating lease income is recognised on a straight-line basis over the lease term.

Contingent rents are recognised as income in profit or loss when earned.

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

Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense in profit or loss when incurred.

o) Government grants

Jobs Credit Scheme

Cash grants received from the government in relation to the Jobs Credit Scheme are recognised as income when there is reasonable assurance that the grant will be received.

p) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and sales related taxes.

The company recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the company's activities are met as follows:

(i) Charter hire income is recognised on an accrual basis over the period of the agreement.

(ii) Interest income is recognised on effective interest method.

q) Income tax

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when it affects neither the taxable profit nor the accounting profit at the time of the transaction.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and

(ii) based on the tax consequence that will follow from the manner in which the company expects, at the end of reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

r) Employee benefits

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

Defined contribution plan

Defined contribution plans are post-employment benefit plan under which the company pays fixed contributions into separate entities such as the Central Provident Fund ("CPF") on a mandatory, contractual or voluntary basis. The company has no further payment obligations once the contributions have been paid.

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made of the estimated liability for leave as a result of services rendered by employees up to the end of reporting period.

s) Related parties

A related party is defined as follows:

(i) A person or a close member of that person's family is related to the company if that person:

(a) Has control or joint control over the company;

(b) Has significant influence over the company; or

(c) Is a member of the key management personnel of the company or of a parent of the company.

(ii) An entity is related to the company if any of the following conditions applies:

(a) The entity and the company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(b) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(c) Both entities are joint ventures of the same third party.

(d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(e) The entity is a post-employment benefit plan for the benefit of employees of either the company or an entity related to the company. If the company is itself such a plan, the sponsoring employers are also related to the company;

(f) The entity is controlled or jointly controlled by a person identified in (i);

(g) A person identified in (i)(a) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

3. CRITICAL ACCOUNTING ESTIMATES ASSUMPTIONS AND JUDGEMENTS

The presentation of financial statements in conforming with FRS requires the use of certain critical accounting estimates, assumptions and judgements in applying the accounting policies. These estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The following are the critical accounting estimates, assumptions and judgements for preparation of financial statements:

(a) Critical judgements in applying the entity's accounting policies

In the process of applying the company's accounting policies which are described in Note 2 above, management is of the opinion that there are no critical judgements involved, apart from those involving estimations that have a significant effect on the amounts recognised in the financial statements.

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Depreciation of property, plant and equipment

The company depreciates the property, plant and equipment, using the straight-line method, over their estimated useful lives after taking into account of their estimated residual values. The estimated useful life reflects management's estimate of the periods that the company intends to derive future economic benefits from the use of the company's property, plant and equipment.

The residual values reflect management's estimated amount that the company would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, as if the asset were already of the age and in the condition expected at the end of its useful life. The carrying amounts of the company's property, plant and equipment as at the end of the reporting period were disclosed in Note 7 to the financial statements.

(ii) Impairment of loans and receivables

Management reviews its loans and receivables for objective evidence of impairment at each reporting period. Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management makes judgement as to whether there is observable data indicating that there has been a significant change in the payment ability of the debtor, or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the debtor operates in.

Where there is objective evidence of impairment, management makes judgements as to whether an impairment loss should be recorded as an expense. In determining this, management uses estimates based on historical loss experience for assets with similar credit risk characteristics. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between the estimated loss and actual loss experience. The carrying amounts of the company's trade receivables and other receivables as at the end of the reporting period are disclosed in Note 5 and 6 to the financial statements.

(iii) Impairment of non-financial assets

Property, plant and equipment

Property, plant and equipment are tested for impairment when there is objective evidence or indication that these assets may be impaired.

Rigs and furniture and equipment are depreciated on a straight-line basis over their estimated useful lives so as to write-down the cost to the estimated residual values at the end of their useful lives. These estimates regarding the useful lives (3 to 30 years) and residual values are made by the company based on past experience and industry trends. The useful lives and residual values are reviewed on an annual basis. Changes in the expected level of usage could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

The company determines an asset's recoverable amount based on the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use. When value in use calculation is undertaken, management estimates the expected future cash flows from the asset or cash-generating unit by applying a suitable discount rate to calculate the present value of those cash flows. When fair value less costs to sell is used, management engages the services of professional valuers to determine the fair values using valuation techniques which involve the use of estimates and assumptions which are reflective of current market conditions.

The carrying amount of the company's property, plant and equipment at the end of the reporting period is disclosed in Note 7 to the financial statements.

4. CASH AND CASH EQUIVALENTS

	2016 US $	2016 ₹	2015 US $	2015 ₹
Cash at bank	26,468,455	1,753,535,144	19,292,001	1,205,750,063
Cash on hand	830	55,053	-	-
Short-term fixed deposits	1,298,463	86,023,108	2,583,391	161,461,937
	27,767,748	1,839,613,305	21,875,392	1,367,212,000

The carrying amounts of cash and cash equivalents approximate their fair values and are denominated in the following currencies:

	2016 US $	2016 ₹	2015 US $	2015 ₹
Singapore dollars	49,921	3,307,266	146,513	9,157,062
United States dollars	27,717,827	1,836,306,039	21,728,879	1,358,054,938
	27,767,748	1,839,613,305	21,875,392	1,367,212,000

5. TRADE RECEIVABLES

	2016 US $	2016 ₹	2015 US $	2015 ₹
Current				
GST recoverable	3,614	239,428	5,748	359,250
Intermediate holding company	4,198,224	278,132,340	4,132,812	258,300,750
	4,201,838	278,371,768	4,138,560	258,660,000
Non - current				
Intermediate holding company	8,378,948	555,105,305	8,621,538	538,846,125
Total	12,580,786	833,477,073	12,760,098	797,506,125

Trade receivables are non-interest bearing and credit terms are in accordance with the contract or agreements with the customers. Trade receivables are recognised at their original invoiced amounts which represent their fair values on initial recognition.

The amounts owing by intermediate holding company are unsecured, interest-free, and repayable at the end of the charter period.

The carrying amounts of trade receivables approximate their fair values and are denominated in the following currencies:

	2016 US $	2016 ₹	2015 US $	2015 ₹
Singapore dollars	3,614	239,428	5,747	359,187
United States dollars	12,577,172	833,237,645	12,754,351	797,146,938
	12,580,786	833,477,073	12,760,098	797,506,125

6. OTHER RECEIVABLES

	2016 US $	2016 ₹	2015 US $	2015 ₹
Advances to suppliers	-	-	65,901	4,118,813
	-	-	65,901	4,118,813

The carrying amounts of other receivables approximate their fair values and denominated in the following currencies:

	2016 US $	2016 ₹	2015 US $	2015 ₹
United States dollars	-	-	61,920	3,870,000
Euro	-	-	3,981	248,813
	-	-	65,901	4,118,813

7. PROPERTY, PLANT AND EQUIPMENT

	Rigs		Furniture and equipment		Computer		Total	
	US $	₹	US $	₹	US $	₹	US $	₹
2016								
Cost								
At 1 April 2015	708,037,457	44,252,341,063	34,093,364	2,130,835,250	94,460	5,903,750	742,225,281	46,389,080,063
Exchange realignment	-	2,655,140,463	-	127,850,115	-	354,225	-	2,783,344,803
Additions	-	-	14,298	947,243	-	-	14,298	947,243
At 31 March 2016	708,037,457	46,907,481,526	34,107,662	2,259,632,608	94,460	6,257,975	742,239,579	49,173,372,109
Accumulated depreciation								
At 1 April 2015	71,118,949	4,444,934,313	13,209,855	825,615,938	40,099	2,506,187	84,368,903	5,273,056,438
Exchange realignment	-	266,696,058	-	49,536,956	-	150,372	-	316,383,386
Charge for the year	22,659,756	1,501,208,835	4,009,095	265,602,544	24,741	1,639,091	26,693,592	1,768,450,470
At 31 March 2016	93,778,705	6,212,839,206	17,218,950	1,140,755,438	64,840	4,295,650	111,062,495	7,357,890,294
Accumulated Impairment								
At 1 April 2015	712,977	44,561,062	508,514	31,782,125	-	-	1,221,491	76,343,187
Exchange realignment	-	2,673,664	-	1,906,928	-	-	-	4,580,592
Ar 31 March 2016	712,977	47,234,726	508,514	33,689,053	-	-	1,221,491	80,923,779
Carrying amount								
At 31 March 2016	613,545,775	40,647,407,594	16,380,198	1,085,188,118	29,620	1,962,325	629,955,593	41,734,558,036

	Rigs		Furniture and equipment		Computer		Total	
	US $	₹	US $	₹	US $	₹	US $	₹
2015								
Cost								
At 1 April 2014	528,794,555	31,685,369,735	24,691,400	1,479,508,688	48,760	2,921,699	553,534,715	33,167,800,122
Exchange realignment	-	1,364,289,953	-	63,703,812	-	125,801	-	1,428,119,566
Reclassifications from CWIP (Note A)	179,242,902	11,202,681,375	9,620,280	601,267,500	45,700	2,856,250	188,908,882	11,806,805,125
Additions	-	-	10,170	635,625	-	-	10,170	635,625
Disposal	-	-	(228,486)	(14,280,375)	-	-	(228,486)	(14,280,375)
At 31 March 2015	708,037,457	44,252,341,063	34,093,364	2,130,835,250	94,460	5,903,750	742,225,281	46,389,080,063
Accumulated depreciation								
At 1 April 2014	53,684,400	3,216,769,248	9,704,243	581,478,241	25,380	1,520,770	63,414,023	3,799,768,259
Exchange realignment	-	138,505,753	-	25,036,947	-	65,480	-	163,608,180
Charge for the year	17,434,549	1,089,659,312	3,586,636	224,164,750	14,719	919,937	21,035,904	1,314,743,999
Disposal	-		(81,024)	(5,064,000)	-	-	(81,024)	(5,064,000)
At 31 March 2015	71,118,949	4,444,934,313	13,209,855	825,615,938	40,099	2,506,187	84,368,903	5,273,056,438

	Rigs		Furniture and equipment		Computer		Total	
	US $	₹	US $	₹	US $	₹	US $	₹
Accumulated Impairment								
At 1 April 2014	712,977	42,721,582	633,779	37,976,038	-	-	1,346,756	80,697,620
Exchange realignment	-	1,839,480	-	1,635,149	-	-	-	3,474,629
Disposal	-	-	(125,265)	(7,829,062)	-	-	(125,265)	(7,829,062)
Ar 31 March 2015	712,977	44,561,062	508,514	31,782,125	-	-	1,221,491	76,343,187
Carrying amount								
At 31 March 2015	636,205,531	39,762,845,688	20,374,995	1,273,437,187	54,361	3,397,563	656,634,887	41,039,680,438

Note A - CAPITAL PROJECT IN PROGRESS

	2016 US $	2016 ₹	2015 US $	2015 ₹
Balance at the beginning of the year	-	-	35,419,518	2,122,337,518
Exchange realignment	-	-	-	91,382,357
Additions	-	-	153,489,364	9,593,085,250
Transferred to property, plant and equipment	-	-	(188,908,882)	(11,806,805,125)
Balance at the end of the year	-	-	-	-

Capital project in progress represents the direct costs and other initial costs incurred towards construction of a new rig. The construction of the rig was completed in the fourth quarter of financial year 2014-2015.

8. TRADE PAYABLES

	2016 US $	2016 ₹	2015 US $	2015 ₹
Third parties	-	-	2,117,234	132,327,125

Trade payables are recognised at their original invoiced amounts which represent 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.

The Carrying amount of Trade payables to third parties approximate their fair Values and are denominated in the following currencies:

	2016 US $	2016 ₹	2015 US $	2015 ₹
United States dollars	-	-	1,947,846	121,740,375
Singapore dollars	-	-	307	19,187
UAE Dirhams	-	-	129,489	8,093,063
Indian Rupees	-	-	20,198	1,262,375
Sterling Pounds	-	-	14,105	881,562
Euro	-	-	5,289	330,563
	-	-	2,117,234	132,327,125

9. OTHER PAYABLES

	2016 US $	2016 ₹	2015 US $	2015 ₹
Accruals for operating expenses	64,594	4,279,353	64,876	4,054,750
Amount owing to a related party	57,188	3,788,704	58,258	3,641,125
Interest payables	1,283,758	85,048,968	1,361,049	85,065,563
	1,405,540	93,117,025	1,484,183	92,761,438
Presented as:				
Current	1,403,417	92,976,376	1,482,624	92,664,000
Non- current	2,123	140,649	1,559	97,438
	1,405,540	93,117,025	1,484,183	92,761,438

The carrying amounts of other payables approximate their fair values and are denominated in the following currencies:

	2016 US $	2016 ₹	2015 US $	2015 ₹
Singapore dollars	64,594	4,279,353	64,876	4,054,750
United States dollars	1,340,946	88,837,672	1,419,307	88,706,688
	1,405,540	93,117,025	1,484,183	92,761,438

10. DERIVATIVE FINANCIAL INSTRUMENTS PAYABLE

	Contract/notional amount		**Fair values**	
	US $	**₹**	**US $**	**₹**
31.03.2016				
Cash flow hedges				
- Interest rate swaps	136,650,000	9,053,062,500	(706,481)	(46,804,366)

	Contract/notional amount		Fair values	
	US $	₹	US $	₹
31.03.2015				
Cash flow hedges				
- Interest rate swaps	203,953,244	12,747,077,750	(998,085)	(62,380,313)

The interest rate swaps are entered to hedge floating interest payments on borrowings that will mature on,15 January 2018, 16 January 2018,15 November 2019, 15 February 2020 and 02 March 2020. Fair value gains and losses on the interest rate swaps recognised in the hedging reserve are transferred to profit or loss as part of interest expense over the period of the borrowings.

11. BORROWINGS

	2016 US $	2016 ₹	2015 US $	2015 ₹
Loan	288,612,500	19,120,578,125	350,600,000	21,912,500,00
Unamortised facility fees	(2,795,819)	(185,223,009)	(3,723,986)	(232,749,125)
	285,816,681	18,935,355,116	346,876,014	21,679,750,875
Presented as:				
Current	39,532,697	2,619,041,176	48,295,188	3,018,449,250
Non-current	246,283,984	16,316,313,940	298,580,826	18,661,301,625
	285,816,681	18,935,355,116	346,876,014	21,679,750,875

The carrying amounts of borrowings are denominated in United States Dollars.

The Company has availed loans from various banks and financial institutions, which are secured with the following:

i) First priority mortgage on the respective financed Rig (Note 7);

ii) First priority assignment of insurances of the respective financed Rig;

iii) First priority assignment of earnings and assignment of all other rights under the bareboat charter agreement between Company and the intermediate holding company in relation to the respective financed Rig;

iv) First priority pledge over Company's Earnings Account for the respective financed Rig; and

v) Corporate guarantee from the intermediate holding company

The loans are subject to interest ranging from LIBOR + 1.95 % to LIBOR + 2.35 % per annum and are repayable in quarterly instalments over five years.

12. SHARE CAPITAL

	Number of ordinary shares 2016	Number of ordinary shares 2015	2016 US $	2016 ₹	2015 US $	2015 ₹
Issued						
At the beginning of the year	2,640,066	2,640,066	168,964,161	10,560,260,062	168,964,161	10,124,332,527
Exchange realignment	-	-	-	633,615,605	-	435,927,535
At the end of the year	2,640,066	2,640,066	168,964,161	11,193,875,667	168,964,161	10,560,260,062

All issued ordinary shares are fully paid and have no par value.

The holder of ordinary shares is entitled to receive dividends as declared from time to time and is entitled to one vote per share at meeting of the company. All shares rank equally with regard to the company's residual assets.

13. RESERVES

	2016 US $	2016 ₹	2015 US $	2015 ₹
Hedging reserve				
At the beginning of the year	(352,250)	(22,015,625)	(949,975)	(56,922,502)
Foreign currency translation differences	-	(1,320,938)	-	(2,450,936)
De-recognition of fair value gain arising from derivative financial instruments	352.250	23,336,563	949,975	59,373,438
Changes in fair value of interest rate swaps	(706,481)	(46,804,367)	(352,250)	(22,015,625)
At the end of the year	(706,481)	(46,804,367)	(352,250)	(22,015,625)
Retained profits				
At the beginning of the year	171,247,851	10,702,990,668	135,573,371	8,123,556,390
Foreign currency translation differences	-	642,179,430	-	349,779,298
Net profit for the year	42,868,894	2,840,064,239	35,674,480	2,229,655,000
At the end of the year	214,116,745	14,185,234,357	171,247,851	10,702,990,688
Total reserves	213,410,264	14,138,429,990	170,895,601	10,680,975,063

14. OTHER INCOME

	2016 US $	2016 ₹	2015 US $	2015 ₹
Gain on sale of equipment	80,970	5,364,263	206,584	12,911,500
Interest income	16,837	1,115,451	14,701	918,812
Government Grant	5,554	367,953	30,022	1,876,375
Others	4,245	281,231	293	18,313
	107,606	7,128,898	251,600	15,725,000

15. EMPLOYEE BENEFITS EXPENSE

	2016 US $	2016 ₹	2015 US $	2015 ₹
Staff salaries	193,769	12,837,263	195,982	12,248,875
Staff – CPF contribution	24,720	1,637,700	23,570	1,473,125
Staff benefits	9,513	630,170	6,333	395,813
	228,002	15,105,133	225,885	14,117,813

16. OTHER OPERATING EXPENSES

	2016 US $	2016 ₹	2015 US $	2015 ₹
Bank charges	2,969	196,696	10,596	662,250
Director's fees	10,202	675,883	11,106	694,125
Management fees	297,400	19,702,750	284,100	17,756,250

	2016 US $	2016 ₹	2015 US $	2015 ₹
Professional fees	20,474	1,356,403	83,164	5,197,750
Travelling expenses	8,764	580,615	13,213	825,812
Contribution to supplier staff welfare fund	-	-	200,000	12,500,000
Others	47,093	3,119,911	70,307	4,394,188
	386,902	25,632,258	672,486	42,030,375

17. FINANCE COSTS

	2016 US $	2016 ₹	2015 US $	2015 ₹
Finance charges (arrangement fees)	2,503,443	165,853,099	2,783,359	173,959,937
Interests on bank loans	8,935,636	591,985,885	8,412,039	525,752,438
	11,439,079	757,838,984	11,195,398	699,712,375

18. INCOME TAX

	2016 US $	2016 ₹	2015 US $	2015 ₹
Current year tax expense	1,000	66,250	1,000	62,500
Over/under provision in prior year	54	3,565	(10,646)	(665,370)
	1,054	69,815	(9,646)	(602,875)

The current year income tax expense varies from the amount of income tax expense determined by applying the applicable Singapore statutory income tax rate 17% (2015: 17%) to profit before income tax as a result of the following differences:

	2016 US $	2016 ₹	2015 US $	2015 ₹
Accounting profit	42,869,948	2,840,134,054	35,664,834	2,229,052,125
Income tax expense at statutory rate	7,287,891	482,822,779	6,063,022	378,938,875
Exempt income	(7,286,891)	(482,756,529)	(6,042,732)	(377,670,750)
Over/under provision in prior years	54	3,565	(10,644)	(665,250)
	1,054	69,815	9,646	602,875

Charter hire income of the company is exempt from income tax under section 13A of Singapore income tax Act as income is derived from rigs operating outside the limits of the port of Singapore.

19. IMMEDIATE AND ULTIMATE HOLDING COMPANY

The company's immediate holding company is Greatship Global Holdings Ltd., a company incorporated in the Republic of Mauritius which is a wholly owned subsidiary of Greatship (India) Limited, a company incorporated in India and the company's intermediate holding company.

The company's ultimate holding company is The Great Eastern Shipping Co. Ltd., a company incorporated in India, which is the parent company of Greatship (India) Limited.

20. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the company had transactions with the immediate and intermediate holding company and related companies on terms agreed between them with respect to the following during the financial year.

	2016 US $	2016 ₹	2015 US $	2015 ₹
Charter hire income from intermediate holding company	81,509,917	5,400,032,001	68,542,907	4,283,931,687
Corporate Guarantee payment to intermediate holding company	(685,569)	(45,418,946)	(809,854)	(50,615,875)
Repayment of Loan to a immediate holding company	-	-	(13,000,000)	(812,500,000)
Interest paid to immediate holding company	-	-	(448,241)	(28,015,062)
Rental paid to a related company	(28,402)	(1,881,633)	(28,402)	(1,775,125)
Management fees to a related company	(297,400)	(19,702,750)	(284,100)	(17,756,250)
Swap received from a related company	-	-	(250,389)	(15,649,312)
Reimbursement of expense from a related company	-	-	(4,240)	(265,000)
Purchase of inventory from intermediate holding company	-	-	(4,449,955)	(278,122,187)
Sale of inventory to intermediate holding company	51,603	3,418,699	6,723,877	420,242,312
Sale of scrap to intermediate holding company	-	-	228,781	14,298,812

(b) Compensation of key management personnel

Except as disclosed elsewhere in the financial statements, there is no other compensation of key management personnel during the year.

21. OPERATING LEASE COMMITMENTS

Operating lease commitments - where a company is a lessor

The future minimum lease receipts of the company under non-cancellable operating leases contracted for at the end of the reporting period but not recognised as receivables, are as follows:

	2016 US $	2016 ₹	2015 US $	2015 ₹
Due within one year	67,835,000	4,494,068,750	82,899,000	5,181,187,500
Due within two to five years	103,417,000	6,851,376,250	153,276,000	9,579,750,000
	171,252,000	11,345,445,000	236,175,000	14,760,937,500

22. FINANCIAL RISK MANAGEMENT

Financial risk factors

The company's activities expose it to market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The company's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the company's financial performance.

(a) Market risk

i) Foreign currency risk

The company is subject to various currency exposures, primarily with respect to the Singapore dollars. 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 does not use any hedging instruments to protect against the volatility associated with the foreign currency transactions.

The company's currency exposure to Singapore dollars is as follows:

	2016 US $	2016 ₹	2015 US $	2015 ₹
Financial assets				
Cash and cash equivalents	49,921	3,307,266	146,513	9,157,062
Trade receivables	3,614	239,428	5,747	359,187
	53,535	3,546,694	152,260	9,516,249
Financial liabilities				
Trade payables	-	-	(307)	(19,187)
Other payables	(64,594)	(4,279,353)	(64,876)	(4,054,750)
	(64,594)	(4,279,353)	(65,183)	(4,073,937)
Net currency exposure	(11,059)	(732,659)	87,077	5,442,312

At 31 March 2016, an estimated 1% (2015: 1%) currency fluctuation in Singapore dollars against the United States dollars, with all other variables including tax rate being held constant, the company's profit/(loss) after tax for the financial year and equity would have been lower/higher by approximately US$111 equivalent to ₹ 7,327 (2015: US$871 equivalent to ₹ 54,437) as result of currency translation.

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. Further details of the interest rate swaps can be found in Note 10 to the financial statements.

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.

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 ended 31 March 2016 would increase/decrease by US$907,680 equivalent to ₹ 60,133,800 (2015: US$235,329 equivalent to ₹ 14,708,062). 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.

(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 (2015: 1 debtor) that individually represented 99.97% (2015: 99.95%) of trade receivables.

The credit risk for trade receivables based on the information provided to key management is as follows:

	2016 US $	2016 ₹	2015 US $	2015 ₹
By geographical area				
India	12,577,172	833,237,645	12,754,350	797,146,875
Singapore	3,614	239,428	5,748	359,250
	12,580,786	833,477,073	12,760,098	797,506,125

	2016 US $	2016 ₹	2015 US $	2015 ₹
By types of customers				
Non-related party	3,614	239,428	5,748	359,250
Intermediate holding company	12,577,172	833,237,645	12,754,350	797,146,875
	12,580,786	833,477,073	12,760,098	797,506,125

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

The company s trade receivables that are neither past due nor impaired as at the end of the reporting period include receivables amounting to US$ 12,580,786 equivalent to ₹ 833,477,043 (2015: US$12,760,098 equivalent to ₹ 797,506,125).

(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 ultimate holding company also provides financial support to finance the company s operations as required.

Non-derivative financial liabilities

The following table details the remaining contractual maturity for non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay.

The table represents interest and principal cash flows.

	Less than 1 Year		Between 2 and 5 years		More than 5 years		Total	
	US $	₹	US $	₹	US $	₹	US $	₹
<u>2016</u>								
Derivative								
Other payables	1,403,417	92,664,000	2,123	97,437	-	-	1,405,540	92,761,437
financial								
instruments								
payable	706,481	62,380,312	-		-	-	706,481	62,380,312
Borrowings	39,532,697	3,018,449,250	243,430,554	18,661,301,625	2,853,430	189,039,738	285,816,681	21,868,790,613
	41,642,595	3,173,493,562	243,432,677	18,661,399,062	2 2,853,430	189,039,738	287,928,702	22,023,932,362

	Less than 1 Year		Between 2 and 5 years		Total	
	US $	₹	US $	₹	US $	₹
2015						
Trade payables	2,117,234	132,327,125	-	-	2,117,234	132,327,125
Other payables	1,482,624	92,664,000	1,559	97,437	1,484,183	92,761,437
Derivative financial instruments payable	998,085	62,380,312	-	-	998,085	62,380,312
Borrowings	48,295,188	3,018,449,250	298,580,826	18,661,301,625	346,876,014	21,679,750,875
	52,893,131	3,305,820,687	298,582,385	18,661,399,062	351,475,516	21,967,219,749

(d) Fair value measurement

i) Fair value of financial instruments that are carried at fair value

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 (is as prices) or indirectly (ie 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).

	LEVEL 2	
	US $	₹
2016		
Financial liability		
Derivative financial instruments	706,481	46,804,367

	LEVEL 2	
	US $	₹
2015		
Financial liability		
Derivative financial instruments	998,085	62,380,312

The fair value of interest rate swaps is determined based on the information furnished by the financial institutions as at the end of the reporting period. These investment is included in Level 2.

ii) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of cash and cash equivalents, trade and other receivables, trade and other payables and current portion of borrowings approximate their fair values.

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period or they fixed interest rates which approximates the market interest rate.

(e) Categories of financial instruments

The following table sets out the company's financial instruments as at the end of the reporting period:

	2016 US $	2016 ₹	2015 US $	2015 ₹
Financial assets				
Loans and receivables:				
Cash and cash equivalents	27,767,748	1,839,613,305	21,875,392	1,367,212,000
Trade receivables	12,580,786	833,477,073	12,760,098	797,506,125
Financial liabilities				
Amortised cost:				
Trade payables	-	-	2,117,234	132,327,125
Other payables	1,405,540	93,117,025	1,484,183	92,761,438
Borrowings	285,816,681	18,935,355,116	346,876,014	21,679,750,875
Derivative financial instruments	706,481	46,804,367	998,085	62,380,313

23. CAPITAL RISK MANAGEMENT

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. The capital structure of the company consists of company issued capital as well as loan from a bank. The management sets the amount of capital and debt in proportion to risk.

The management manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The board of directors' monitors its capital based on net debt and total capital. Net debt is calculated as trade payables, other payables, borrowings, loans from immediate holding company and loan from a related company less cash and cash equivalents. Total capital is calculated as equity plus net debt.

	2016 US $	2016 ₹	2015 US $	2015 ₹
Net debt	259,454,473	17,188,858,836	328,602,039	20,537,627,437
Total equity	382,374,425	25,332,305,656	339,859,762	21,241,235,125
Total capital	641,828,898	42,521,164,492	668,461,801	41,778,862,562
Gearing ratio	0.4	0.4	0.49	0.49

In order to maintain or achieve an optimal capital structure, the company may adjust the amount of dividend payment, return capital to shareholder, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings. Operating cash flows are used to maintain and expand the company, as well as to make routine outflows of tax and dividend payments.

The company is in compliance with all externally imposed capital requirements for the financial years ended 31 March 2016 and 31 March 2015 as required in accordance with the covenants in the bank borrowings in Note 11.

24. STANDARD ISSUED BUT NOT YET EFFECTIVE

At the date of authorisation of these financial statements, the following FRS and amendments to FRS that is relevant to the company were issued but not yet effective.

Description	Effective for annual periods beginning on or after
FRS 115 *Revenue from contract with customer*	1 January 2018
FRS 109 *Financial Instrument*	1 January 2018

The company expects the adoption of the above standards will have no financial effect on the financial statements in the period of initial application.

GREATSHIP (UK) LIMITED

A Subsidiary Company

DIRECTORS

M J Brace

A A Mahajan

REGISTERED NUMBER

07423610

REGISTERED OFFICE

Tower Bridge House
St Katharine's Way
London
E1W 1DD

INDEPENDENT AUDITOR

Mazars LLP
Chartered Accountants & Statutory Auditor
Tower Bridge House
St Katharine's Way
London
E1W 1DD

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2016

Principal activity

The principal activity of the company is that of operating offshore supply and support vessels.

Business review

The results for the year and financial position of the company are as shown in the financial statements. The company recorded a profit of $1,545,289 (INR 102,375,396) (2015: $1,217,033 (INR 76,064,563)).

Principal risks and uncertainties

The directors have identified the company's principal risks as successfully renewing the charterparty agreements which are due for exercise of extension options by May/July 2016 for further periods together with those associated with operational challenges such as the availability of local crew, unpredictable operational expenditure and contract specific issues all of which are likely to continue in the foreseeable future.

Potential risks are minimised and recognised at early stage through the preparation of management accounts and cash flow statements.

Future developments

The company will endeavour continuity in operations despite the operational challenges.

This report was approved by the board and signed on its behalf.

A A Mahajan
Director
April 28 2016

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

The directors present their report and the audited financial statements for Greatship (UK) Limited ("company") for the year ended 31 March 2016.

Principal Activity

The principal activity of the company in the year under review was that of operating offshore supply and support vessels.

Matters covered in the strategic report

As permitted by paragraph 1A of Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and reports) Regulations 2008 certain matters which are required to be disclosed in the directors' report have been omitted as they are included in the strategic report on page 2. These matters relate to the business review, principal risks and uncertainties and future developments.

Results and dividends

The profit for the year, after taxation, amounted to $1,545,289 (INR 102,375,396) (2015: $1,217,033 (INR 76,064,563))

The directors do not recommend the payment of a dividend for the year ended 31 March 2016 (2015: $nil).

Directors

The directors who served during the year were:

M J Brace

A A Mahajan

Political donations

No political donations were made in the year (2015: $nil).

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditor, Mazars LLP, was appointed during the year and will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

A A Mahajan

Director

28 April 2016

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF GREATSHIP (UK) LIMITED

We have audited the financial statements of Greatship (UK) Limited for the year ended 31 March 2016 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on the other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report and the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Robert Neate (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Tower Bridge House
St Katharine's Way
London
E1W 1DD

2 May 2016

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016

CONTINUING OPERATIONS	Note	2016 $	2016 ₹	2015 $	2015 ₹
Turnover	3	20,256,506	1,341,993,523	21,822,936	1,363,933,500
Cost of sales		(18,121,043)	(1,200,519,099)	(19,985,125)	(1,249,070,313)
Gross profit		2,135,463	141,474,424	1,837,811	114,863,188
Administrative expenses		(186,799)	(12,375,434)	(281,038)	(17,564,875)
Operating profit	4	1,948,664	129,098,990	1,556,773	97,298,313
Interest receivable and similar income	7	24,949	1,652,871	10,305	644,063
Interest payable and similar charges	8	(33,601)	(2,226,066)	(35,633)	(2,227,063)
Profit on ordinary activities before taxation		1,940,012	128,525,795	1,531,445	95,715,313
Taxation	9	(394,723)	(26,150,399)	(314,412)	(19,650,750)
Profit for the year attributable to owners of the company		1,545,289	102,375,396	1,217,033	76,064,563
Other comprehensive income		-	-	-	-
Total comprehensive income for the year attributable to owners of the company		1,545,289	102,375,396	1,217,033	76,064,563

The notes are an integral part of these financial statements.

BALANCE SHEET
AS AT 31 MARCH 2016

	Note	2016 $	2016 ₹	2015 $	2015 ₹
Current assets					
Debtors	10	4,804,009	318,265,596	3,683,390	230,211,875
Cash at bank and in hand		6,007,453	397,993,761	5,293,002	330,812,625
		10,811,462	716,259,357	8,976,392	561,024,500
Creditors: amounts falling due within one year	11	(8,194,787)	(542,904,639)	(6,903,026)	(431,439,125)
Net current assets		2,616,674	173,354,653	2,073,366	129,585,375
Total assets less current liabilities		2,616,674	173,354,653	2,073,366	129,585,375
Creditors: amounts falling due after more than one year	12	-	-	(1,001,981)	(62,623,813)
Net assets		2,616,674	173,354,653	1,071,385	66,961,563
Capital and reserves					
Called up share capital	14	500,000	33,125,000	500,000	31,250,000
Profit and loss account		2,116,674	140,229,653	571,385	35,711,563
Total Shareholders' Equity		2,616,674	173,354,653	1,071,385	66,961,563

The financial statements were approved and authorised for issue by the board and were signed on its Behalf on :

A A Mahajan
Director
April 28, 2016

The notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016

	Called Share Capital		Profit & Loss A/c		Total Shareholders Equity	
	$	₹	$	₹	$	₹
At 1 April 2014	500,000	29,960,000	(645,648)	(38,687,228)	(145,648)	(8,727,228)
Profit for the year	-	-	1,217,033	76,064,563	1,217,033	76,064,563
Other Comprehensive income	-	-	-	-	-	-
Total Comprehensive Income	**-**	**-**	**1,217,033**	**76,064,563**	**1,217,033**	**76,064,563**
Foreign Currency Translation difference	-	1,290,000		(1,665,772)		(375,772)
At 31 March 2015	**500,000**	**31,250,000**	**571,385**	**35,711,563**	**1,071,385**	**66,961,563**
Profit for the year	**-**	**-**	**1,545,289**	**102,375,396**	**1,545,289**	**102,375,396**
Other Comprehensive income	-	-	-	-	-	-
Total Comprehensive Income	**-**	**-**	**1,545,289**	**102,375,396**	**1,545,289**	**102,375,396**
Foreign Currency Translation difference	-	1,875,000	-	2,142,694	-	4,017,694
At 31 March 2016	**500,000**	**33,125,000**	**2,116,674**	**140,229,653**	**2,616,674**	**173,354,653**

Reserves

Profit and loss account

This reserve represents cumulative profits and losses of the company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

1.1 General information

Greatship (UK) Limited ("company") is a limited company incorporated in the United Kingdom. The address of its registered office is Tower Bridge House, St Katharine's Way, London, E1W 1DD.

The principal activity of the company is that of operating offshore supply and support vessels.

The financial statements have been presented in United States Dollar as this is the company's functional currency, being the currency of the primary economic environment in which the company operates.

1.2 Basis of preparation

These financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') and applicable legislation, as set out in the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. These financial statements have been prepared under the historical costs convention.

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of and no objection to, the use of exemptions by the company's shareholders. The company is included in the consolidated financial statements of its parent company, The Great Eastern Shipping Company Limited. Note 17provides details of where those consolidated financial statements may be obtained from.

In preparing these financial statements, the company has taken advantage of the following exemptions:

- from presenting a statement of cash flows, as required by Section 7 'Statement of Cash Flows';
- from disclosing key management personnel compensation, as required by paragraph 7 of Section 33 'Related Party Disclosures'; and
- from presenting a reconciliation of the number of shares outstanding at the beginning and end of the year, as required by paragraph 12 of Section 4 'Statement of Financial Position'.

On the basis that equivalent disclosures are given in the consolidated financial statements prepared by the parent company, the company has also taken advantage of the exemption not to provide certain disclosure requirements of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues'.

The financial statements for the year ended 31 March 2016 are the company's first financial statements that comply with FRS 102; the company's date of transition to FRS 102 is 1 April 2014. Note 19 describes the impact on reported profit or loss and equity from transition to FRS 102.

1.3 Going concern

The parent company confirms that it will support the continuing operations of the subsidiary, which includes providing sufficient funding to the company to be able to pay its debts as and when they fall due for repayment.

1.4 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts for the provision of chartering and operating offshore supply and support vessels to offshore oil industry in the normal course of business, net of discounts and other sales-related taxes.

Rendering ofchartering services

Revenue is calculated at a daily rate multiplied by the dates the offshore supply and support vessels are chartered and operated.

Revenue is recognised when the offshore vessels and associated services have been physically supplied.

Interest receivable

Revenue is recognised as interest accrues using the effective interest rate method.

1.5 Taxation

Tax expense for the year comprises current and deferred tax. Tax currently payable, relating to UK corporation tax, is calculated on the basis of the tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. Transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future give rise to a deferred tax liability or asset. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in years different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date, that are expected to apply to the reversal of the timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Deferred income tax assets are recognised only to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Current and deferred tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and there is the intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.6 Foreign currencies

Foreign currency transactions are translated into the functional currency of the reporting entity using the exchange rate prevailing at the date the transactions took place.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are reported at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated 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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at the reporting date of monetary assets and liabilities are reported in profit or loss.

1.7 Financial instruments

Financial assets and liabilities are recognised when the company becomes party to the contractual provisions of the financial instrument. The company holds only basic financial instruments, which comprise cash and cash equivalents, trade and other debtors and trade and other creditors. The company has chosen to apply the measurement and recognition provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments' in full.

Financial assets – classified as basic financial instruments

(i) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held with banks and other short-term highly liquid deposits with original maturities of three months or less.

(ii) Trade and other debtors

Trade and other debtors are initially recognised at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Amounts that are receivable within one year are measured at the undiscounted amount of the cash expected to be received, net of any impairment.

Where a financial asset constitutes a financing transaction it is initially and subsequently measured at the present value of the future payments, discounted at a market rate of interest.

At the end of each reporting year, the company assesses whether there is objective evidence that any receivable amount may be impaired. A provision for impairment is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in profit or loss.

Financial liabilities – classified as basic financial instruments

(i) Trade and other creditors

Trade and other creditors are initially measured at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the undiscounted amount of the cash expected to be paid.

Where a financial liability constitutes a financing transaction it is initially and subsequently measured at the present value of the future payments, discounted at a market rate of interest.

1.8 Operating leases

Operating lease rentals are charged to profit or loss on a straight line basis over the period of the lease term.

Benefits receivable as lease incentives under operating lease arrangements are recognised on a straight line basis over the lease term.

2 Critical accounting judgements and key sources of estimation uncertainty

In applying the company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years, if the revision affects both current and future years.

2.1 Critical judgements in applying the company's accounting policies

The critical judgements that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

(i) Assessing the functional currency

The directors are required to identify the functional currency of the company. In making this judgement, the directors have considered factors such as the currency which mainly influences both revenue and expenditure prices, and the countries whose competitive forces and regulations affect those prices. Where the functional currency is not clearly identifiable, the directors have used judgement to determine which currency most faithfully represents the economic effects of the underlying transactions, events and conditions. The directors have concluded that the company's functional currency is United States Dollars.

2.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Recoverability of debtors

The company establishes a provision for debtors that are estimated not to be recoverable. When assessing recoverability the directors have considered factors such as the aging of the debtors, past experience of recoverability, and the credit profile of individual or groups of customers.

3 Revenue

Turnover is attributable to the company's principal activity being the operating offshore supply and support vessels.

An analysis of the company's turnover by category is as follows:

	2016 $	2016 ₹	2015 $	2015 ₹
Rendering of charter services	20,256,506	1,341,993,523	21,822,936	1,363,933,500
	20,256,506	1,341,993,523	21,822,936	1,363,933,500

An analysis of the company's turnover by geographical location is as follows:

	2016 $	2016 ₹	2015 $	2015 ₹
United Kingdom	-	-	-	-
Europe	-	-	-	-
Rest of the world	20,256,506	1,341,993,523	21,822,936	1,363,933,500
	20,256,506	1,341,993,523	21,822,936	1,363,933,500

4 Operating profit

Operating profit is stated after charging:

	2016 $	2016 ₹	2015 $	2015 ₹
Operating Lease expenses-vessels	13,517,463	895,531,924	13,859,795	866,237,188
Auditor's remuneration (Note 5)	38,675	2,562,219	39,616	2,476,000
Staff Cost (note 6)	129,969	8,610,446	233,135	14,570,938

5 Auditor's remuneration

	2016 $	2016 ₹	2015 $	2015 ₹
Fees payable to the company's auditor for the audit of the Company's annual account	24,502	1,623,258	24,312	1,519,500
Fees payable to the company's auditor for the other services to the Company':				
- Other assurance services	10,893	721,661	11,717	732,313
- Tax Compliance services	3,280	217,300	3,587	224,188
	38,675	2,562,219	39,616	2,476,000

6 Staff costs

The average monthly number of employees (including executive directors) was:

	2016 No.	2015 No.
Operations	1	1
Management	2	2
	3	3

Their aggregate remuneration comprised:

	2016 $	2016 ₹	2015 $	2015 ₹
Wages and salaries	129,969	8,610,446	233,135	14,570,938
Social Security Cost	-	-	-	-
Other pension cost	-	-	-	-
	129,969	8,610,446	233,135	14,570,938

During the year, no director received any remuneration (2015: $nil).

7 Interest receivable and similar income

	2016 $	2016 ₹	2015 $	2015 ₹
Interest receivable on cash at Bank	24,949	1,652,871	10,305	644,063
	24,949	1,652,871	10,305	644,063

8 Interest payable and similar charges

	2016 $	2016 ₹	2015 $	2015 ₹
Interest payable on amounts owed to group undertaking	33,601	2,226,066	35,633	2,227,063
	33,601	2,226,066	35,633	2,227,063

9 Taxation

(a) Analysis of tax charge in profit or loss

	2016 $	2016 ₹	2015 $	2015 ₹
Current tax				
UK corporation tax	394,723	26,150,399	153,000	9,562,500
Adjustments in respect of prior years	-	-	-	-
Total Current Tax	394,723	26,150,399	153,000	9,562,500
Deferred tax				
Origination and reversal of timing differences	-	-	161,412	10,088,250
Effect of change in tax rates	-	-	-	-
Total Deferred Tax	-	-	161,412	10,088,250
Total Tax on profit on ordinary activities	394,723	26,150,399	314,412	19,650,750

(b) Factors affecting tax charge for the year

Tax on profit on ordinary activities for the year is the same as (2015: the same as) the standard rate of corporation tax in the UK of 20% (2015: 21%). The differences are reconciled below:

	2016 $	2016 ₹	2015 $	2015 ₹
Profit on ordinary activities bedore taxation	1,940,012	128,525,795	1,531,445	95,715,313
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 : 21%)	388,002	25,705,133	321,604	20,100,250
Items not deductible for taxation	6,721	445,266	-	-
Other timing differences	-	-	161,412	10,088,250
(Utilisation) of tax losses	-	-	(168,604)	(10,537,750)
Total tax for the year	394,723	26,150,399	314,412	9,650,750

(c) Factors affecting the future tax rates

During the year the UK corporation tax rate was changed from 21% to 20%, effective from 1 April 2015.

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and to 18% (effective from 1 April 2020) was substantively enacted in October 2015 and has therefore been considered when calculating deferred tax at the reporting date.

Deferred tax balances at the reporting date are measured at 19% (2015: 20%).

10 Debtors

	2016 $	2016 ₹	2015 $	2015 ₹
Trade debtors	1,861,237	123,306,951	1,446,794	90,424,625
Amounts owed by group undertakings	2,864,016	189,741,060	1,521,395	95,087,188
Prepayments and accrued income	78,756	5,217,585	715,201	44,700,063
	4,804,009	318,265,596	3,683,390	230,211,875

The amounts owed by group undertakings are interest free and repayable on demand.

11 Creditors: amounts falling due within one year

	2016 $	2016 ₹	2015 $	2015 ₹
Trade creditors	6,758,303	447,737,574	5,639,551	352,471,938
Amounts owed to group undertakings	1,033,797	68,489,051	1,080,475	67,529,688
Corporation tax	402,687	26,678,014	153,000	9,562,500
Other creditors	-	-	30,000	1,875,000
	8,194,787	542,904,639	6,903,026	431,439,125

The amounts owed by group undertakings are interest free and repayable on demand.

12 Creditors: amounts falling due after more than one year

	2016 $	2016 ₹	2015 $	2015 ₹
Amounts owed to group undertakings	-	-	1,000,000	62,500,000
Other creditors	-	-	1981	123,813
	-	-	1,001,981	62,623,813

The loan due to group companies bore interest at LIBOR +3% and was settled before the year end.

13 Called up share capital

	2016 $	2016 ₹	2015 $	2015 ₹
Allotted, called up and fully paid				
500,000 ordinary shares of $1 each	500,000	33,125,000	500,000	31,250,000

The company has one class of ordinary shares; each share carries one voting right per share but no right to fixed income.

14 Operating lease commitments

At the reporting date, the company had outstanding commitments for future minimum lease payments under non-cancellable operating lease arrangements in respect of vessels as follows:

	2016 $	2016 ₹	2015 $	2015 ₹
Not later than one year	3,329,105	220,553,206	14,525,325	907,832,813
Later than one year and not later than five years	-	-	2,199,435	137,464,688
Later than five years	-	-	-	-
	3,329,105	220,553,206	16,764,760	1,045,297,500

15 Off balance sheet arrangements

The company has not entered into any off balance sheet arrangements.

16 Related party transactions

The company has taken advantage of the exemption available under Section 33 'Related Party Disclosures' not to disclose related party transactions entered into between other wholly owned members of the group headed by The Great Eastern Shipping Company Limited.

17 Parent undertaking and ultimate controlling party

The controlling party is Greatship (India) Limited, a company incorporated in India, by virtue of its controlling shareholding.

The ultimate controlling party is The Great Eastern Shipping Company Limited, a company incorporated in India and the largest group for which consolidated financial statements are prepared. The consolidated financial statements of The Great Eastern Shipping Company Limited are publicly available and may be obtained from Ocean House, 134/A, Dr. Annie Besant Road, Worli, Mumbai - 400 018, India.

18 Post balance sheet events

There are no post balance sheet events.

19 Transition to FRS 102

This is the first financial year that the company has presented its financial statements in accordance with FRS 102 'The Financial Reporting Framework applicable in the UK and Republic of Ireland' ("FRS 102"). For financial years up to and including the year ending 31 March 2015, the company prepared its financial statements in accordance with previously extant UK GAAP.

The date of transition to FRS 102 is therefore 1 April 2014. In carrying out the transition to FRS 102, none of the optional exemptions permitted by Section 35 'Transition to this FRS' have been applied.

There have been no changes to accounting policies or accounting treatments required to be made upon transition to FRS 102. Accordingly the company's opening equity position as at the 1 April 2014 and its financial position and performance for the year ended 31 March 2015 are unchanged from that previously presented under previously extant UK GAAP.

GREATSHIP
10th
ANNIVERSARY
2006 -16

GREATSHIP OILFIELD SERVICES LIMITED

A Subsidiary Company

DIRECTORS

Chairman
Ravi K. Sheth

Vipul Acharya

Amisha Ghia

AUDITORS

Kalyaniwalla & Mistry
Chartered Accountants
Kalpataru Heritage
127, Mahatma Gandhi Road
Mumbai 400 001

REGISTERED OFFICE

Indiabulls Finance Centre
Tower 3, 23rd Floor
Senapati Bapat Marg
Elphinstone Road (West)
Mumbai 400 013

CORPORATE IDENTITY NUMBER

U 74900 MH 2015 PLC 266483

BOARD'S REPORT

Your Directors have pleasure in presenting the First Annual Report for the period from July 09, 2015 to March 31, 2016.

The Company is yet to commence operations as on the date of this report.

DIVIDEND

Since the Company has not yet commenced any operations, your directors have not recommended any dividend on equity shares for the period from July 9, 2015 to March 31, 2016.

SHARE CAPITAL

The total paid up share capital of your Company as on date is ₹ 1,00,000/- comprising of 10,000 equity shares of ₹ 10 each.

DIRECTORS

Mr. Ravi K. Sheth (DIN: 00022121), Mr. Vipul Acharya (DIN: 00149614) and Ms. Amisha Ghia (DIN: 07231320) were appointed as the first Directors of the Company at the time of incorporation of the Company. There was no change in Directorship of the Company during the period under review. The first Directors shall hold office until the ensuing Annual General Meeting of the Company and being eligible, have offered themselves for re-appointment.

Necessary resolution for their re-appointment as aforesaid shall be included in the Notice convening the ensuing Annual General Meeting.

Board Meetings

During the period under review, 4 meetings of the Board were held on July 9, 2015, August 5, 2015, November 4, 2015 and February 01, 2016.

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 and there are no material departures;
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 period under review 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 shall develop and implement Risk Management Framework for effective management of business risks on commencement of operations.

INTERNAL FINANCIAL CONTROLS

The Internal Financial Controls with reference to the financial statements of your Company are adequate. During the period under review, no material or serious observation has been received from the Statutory Auditors of your Company for inefficiency or inadequacy of such controls.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return in form MGT 9 is annexed herewith as Annexure 1.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the period under review, there are no contracts or arrangements with related parties.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not given any loans, guarantees or made any investments covered under the provisions of section 186 of the Companies Act, 2013.

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.

AUDITORS

M/s. Kalyaniwalla & Mistry, Chartered Accountants, were appointed as the first auditors of the Company to hold office until the conclusion of the 1st Annual General Meeting of the Company to be held in the calendar year 2016. Necessary resolution for their re-appointment in accordance with the provisions of section 139 of the Companies Act, 2013 and the rules framed thereunder shall be included in the Notice convening the ensuing Annual General Meeting.

APPRECIATION

Your Directors wish to place on record their gratitude to the Company's bankers, the Government of India, Ministry of Corporate Affairs, Directorate of Industries, Maharashtra and various other authorities for their support.

For and on behalf of the
Board of Directors

Mumbai May 3, 2016

Ravi K. Sheth
Chairman

ANNEXURE 1 TO THE BOARD S REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2016 (July 09, 2015 to March 31, 2016)

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U74900MH2015PLC266483
2.	Registration Date	09 July 2015
3.	Name of the Company	Greatship Oilfield Services Limited
4.	Category/Sub-category of the Company	Public Company limited by shares
5.	Address of the Registered office & contact details	Indiabulls Finance Centre, Tower 3, 23rd Floor, Senapati Bapat Marg, Elphinstone Road (W), Mumbai, Maharashtra – 400 013
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Offshore Oilfield Services	11201	NA*

* The Company has not commenced any operations as on March 31, 2016

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	Greatship (India) Limited * Indiabulls Finance Centre, Tower 3, 23rd Floor, Senapati Bapat Marg, Elphinstone Road (W), Mumbai, Maharashtra – 400 013	U63090MH2002PLC136326	Holding Company	100	2(46)

* Greatship (India) Limited is a wholly owned subsidiary of 'The Great Eastern Shipping Co. Ltd.'

IV. SHARE HOLDING PATTERN (July 09, 2015 to March 31, 2016)

Equity Share Capital Breakup as percentage of Total Equity

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held on July 9, 2015				No. of Shares held on March 31, 2016				% 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.	-	10,000	10,000	100	-	10,000	10,000	100	NIL
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	-	10,000	10,000	100	-	10,000	10,000	100	NIL
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	-	10,000	10,000	100	-	10,000	10,000	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)	-	10,000	10,000	100	-	10,000	10,000	100	NIL

ii) Shareholding of Promoter-

S. No.	Shareholder's Name	Shareholding on July 9, 2015			Shareholding on March 31, 2016			% 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.	Greatship (India) Limited	10,000	100	NIL	10,000	100	NIL	NIL

iii) Change in Promoters' Shareholding (GREATSHIP (INDIA) LIMITED) (July 09, 2015 to March 31, 2016)

S. No.	Particulars	Shareholding on July 09, 2015		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	10,000	100	10,000	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	10,000	100
3.	At the end of the year	10,000	100	10,000	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 on July 9, 2015		Cumulative Shareholding during the period under review	
		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 on July 9, 2015		Cumulative Shareholding during the period under review	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	NIL			
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NA			
3.	At the end of the year	NIL			

V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment. (₹ in Crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	NIL			
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
• Addition				
• Reduction				
• Addition due to exchange impact				
• Reduction in Interest accrued but not due				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

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
1	Gross salary	NIL	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961*		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(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		
	Total (A)		
	Ceiling as per the Act (₹ in crores)		

**The Company has not appointed a Managing Director / Whole-time Director / Manager*

B. Remuneration to other directors

(Amount in ₹)

S. No.	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors	NIL	
	Fee for attending board/committee meetings		
	Commission		
	Others, please specify		
	Total (1)		
2	Other Non-Executive Directors	NIL	
	Fee for attending board/committee meetings		
	Commission		
	Others, please specify		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration (A+B)	NIL	
	Overall Ceiling as per the Act (₹ in crores)	NIL	

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

(Amount in ₹)

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	Chief Financial Officer	Total
1	Gross salary	NIL			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961*				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(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				
	Total				

**The Company has not appointed any Key Managerial Personnel*

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

INDEPENDENT AUDITOR S REPORT
TO THE MEMBERS OF GREATSHIP OILFIELD SERVICES LTD.

Report on the Standalone Financial Statements

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

Management s Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of these standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor s Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1) The provisions of the Companies (Auditor's Report) Order, 2016("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act are not applicable to the Company.

2) As required by section 143(3) of the Act, we report that:

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

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

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

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

(e) On the basis of written representations received from the directors as on March 31, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure '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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we further report that:

i. The Company has no pending litigations which could impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts during the period.

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

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

Roshni R. Marfatia
Partner
Membership No: 106548

Place: Mumbai
Date: May 3, 2016

Annexure A TO THE INDEPENDENT AUDITOR S REPORT

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

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

We have audited the internal financial controls over financial reporting of Greatship Oilfield Services Ltd. ("the Company") as at March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Roshni R. Marfatia
Partner
Membership No: 106548

Place: Mumbai
Date: May 3, 2016

BALANCE SHEET

AS AT 31ST MARCH, 2016

	Note	As at March 31,2016 ₹
EQUITY AND LIABILITIES		
Shareholder's funds		
Share capital	3	100,000
Reserves and surplus	4	-
Total		**100,000**
ASSETS		
Current assets		
Cash and Cash Equivalents	5	100,000
Total		**100,000**

Significant accounting policies 2

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

As per our report attached hereto

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

Roshni R. Marfatia
Partner
Membership No.:106548

Place: Mumbai
Date: May 03, 2016

For and on behalf of Board

Ravi K. Sheth
Director

Vipul I. Acharya
Director

STATEMENT OF PROFIT AND LOSS

FOR THE PERIOD ENDED 31ST MARCH, 2016

	Note	Period ended March 31,2016
Revenue :		
Revenue from operations		-
Total Revenue		-
Expenses :		
Other expenses		-
Total expenses		-
Profit before tax		-
Tax expense :		
- Current tax		-
- Deferred tax		-
		-
Profit for the period		-
Earnings per equity share:		
[Nominal value per share ₹10]		
- Basic		-
- Diluted		-
Significant accounting policies	2	

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

As per our report attached hereto

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

Roshni R. Marfatia
Partner
Membership No.:106548

Place: Mumbai
Date: May 03, 2016

For and on behalf of Board

Ravi K. Sheth
Director

Vipul I. Acharya
Director

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2016

		Period Ended March 31,2016 ₹
Cash Flow From Operating Activities		
Net Profit before tax		-
Net Cash From Operating Activities	(A)	-
Cash Flow From Investing Activities	(B)	-
Cash Flow From Financing Activities		
Money received for issue of Share Capital		100,000
Cash From Financing Activities	(C)	**100,000**
Net Increase In Cash And Cash Equivalents	(A+B+C)	**100,000**
Cash and cash equivalents at beginning of the period		-
Cash and cash equivalents as at March 31, 2016 (See note below:)		**100,000**
Note: Components of Cash and Cash equivalents		
Balances with banks		
- Current accounts		**100,000**

As per our report attached hereto

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

Roshni R. Marfatia
Partner
Membership No.:106548

Place: Mumbai
Date: May 03, 2016

For and on behalf of Board

Ravi K. Sheth
Director

Vipul I. Acharya
Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2016

1 Background

Greatship Oilfield Services Limited (the Company) is a public company domiciled in India and incorporated on July 9, 2015 under the provisions of the Companies Act,2013 as a wholly owned subsidiary of Greatship (India) Limited. These are the first financial statements of the Company for the period from the date of incorporation up to March 31, 2016.

2 Significant Accounting Policies

(a) Basis of Preparation :

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

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

(b) Use of Estimates :

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

(c) 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 obigations in respect of which likelihood of outflow of resources is remote.

(d) Cash and Cash Equivalents :

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

(e) Earnings per share :

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

3 Share Capital

	As at March 31,2016 No. of Shares	₹
Authorised		
Equity Shares of par value Rs.10/-	10,000	100,000
		100,000
Issued, subscribed and paid up		
Equity Shares of par value Rs.10/- fully paid up	10,000	100,000
Total		**100,000**

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

Details	As at March 31,2016 No. of Shares	₹
Equity Shares of par value Rs.10/- fully paid up		
Outstanding at the beginning of the period	-	-
Add: Issued during the period	10,000	100,000
Outstanding at the end of the period	**10,000**	**100,000**

(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 Greatship (India) Limited, the holding company :

	As at March 31,2016 ₹
10,000 Equity Shares	100,000

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

Name of Shareholder	As at March 31,2016 % of Holding	No. of Shares held
Equity Shares		
Greatship (India) Limited	100%	10,000

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

(e) The Company has not alloted any shares as fully paid up pursuant to contracts without payment being received in cash

(f) The Company has not issued as any bonus shares and no shares has been bought back

4 RESERVES & SURPLUS

	As at March 31,2016 ₹
SURPLUS IN STATEMENT OF PROFIT AND LOSS	
Balance at the beginning of the period	-
Add: Profit for the period	-
Profit available for appropriation	-
Less: Appropriations:	-
Balance at the end of the period	-
	-

5 CASH AND CASH EQUIVALENTS

	As at March 31,2016 ₹
Balances with banks	
- Current accounts	100,000
	100,000

6 RELATED PARTY DISCLOSURE

a) *Holding Company :*

Greatship (India) Limited

d) *Key Management Personnel :*

Mr. Ravi K. Sheth - Director

Mr. Vipul I. Acharya - Director

Ms. Amisha Ghia - Director

Transactions with related parties

Nature of transaction	Holding Company Period Ended March 31, 2016 ₹
Transaction during the period	
Greatship (India) Limited	
Money received for issue of Share Capital	100,000

7 Previous year figures are not provided since this is the first year of the Company.

10TH ANNIVERSARY 2006 - 2016

GGOS LABUAN LTD

A Subsidiary Company

DIRECTOR

Alok Mahajan

CORPORATE SECRETARY

Hans Corporate Service Ltd.
Lot A020, Level 1, Podium Level,
Financial Park, Jalan Merdeka,
87000 Labuan F.T., Malaysia

REGISTERED OFFICE

Lot A020, Level 1, Podium Level,
Financial Park, Jalan Merdeka,
87000 Labuan F.T., Malaysia

COMPANY NUMBER

LL10863

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2016

	2016 $	2016 ₹	2015 $	2015 ₹
ASSETS				
Current Assets				
Receivable from Parent				
- Greatship Global Offshore Service Pte. Ltd.	1	66.25	1	62.50
	1	66.25	1	62.50
LIABILITIES	-	-	-	-
NET ASSETS	1	66.25	1	62.50
SHAREHOLDERS' EQUITY				
Share capital	1	66.25	1	62.50
Reserves	-	-	-	-
TOTAL EQUITY	1	66.25	1	62.50

Note: The Company has not commenced operations as on March 31, 2016.

On Behalf of the Board

Alok Mahajan
Director
Date: April 25, 2016

NOTES

GREATSHIP (INDIA) LIMITED

Registered Office
Indiabulls Finance Centre, Tower 3, 23rd Floor,
Senapati Bapat Marg, Elphinstone Road (West)
Mumbai – 400 013, India.

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