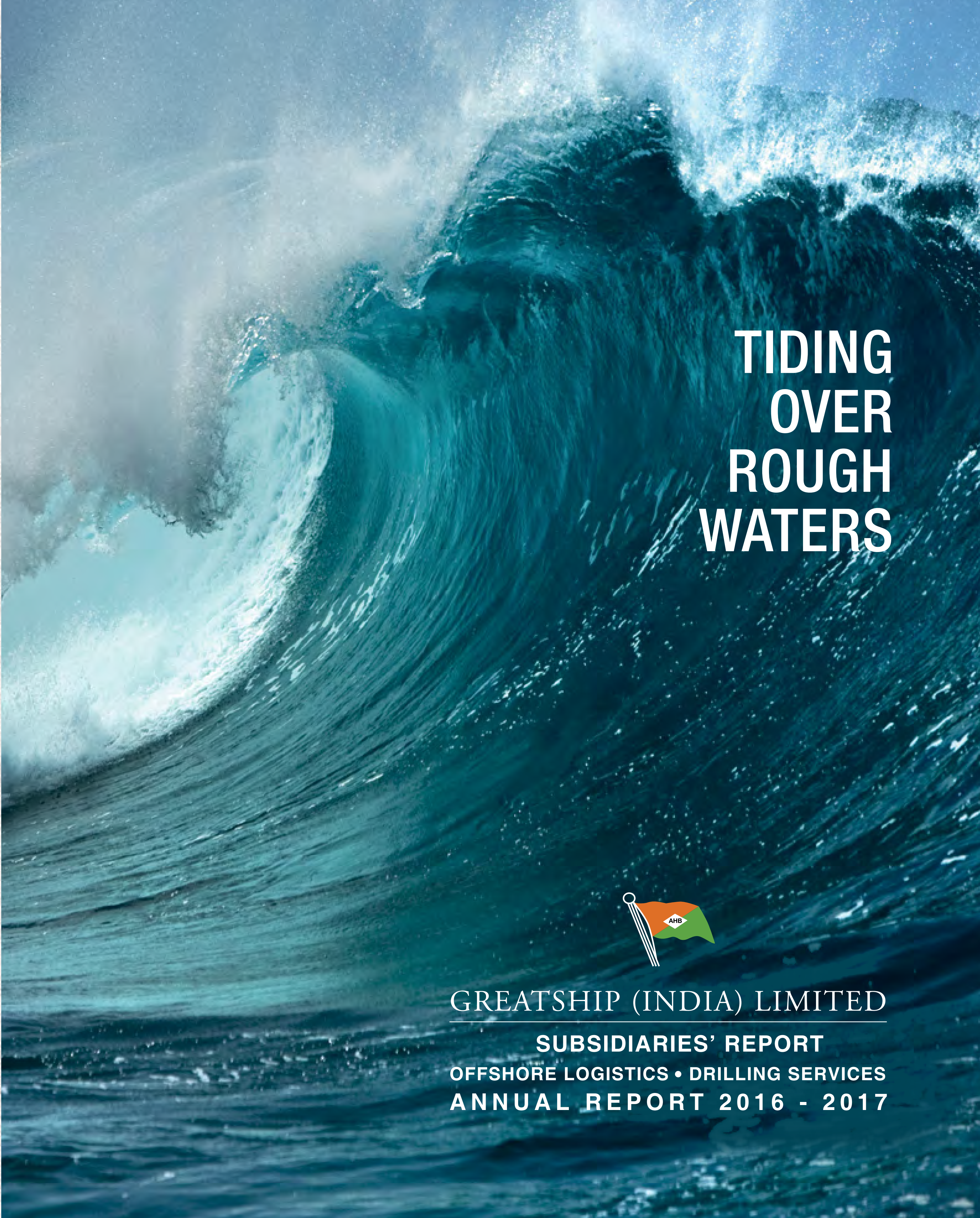


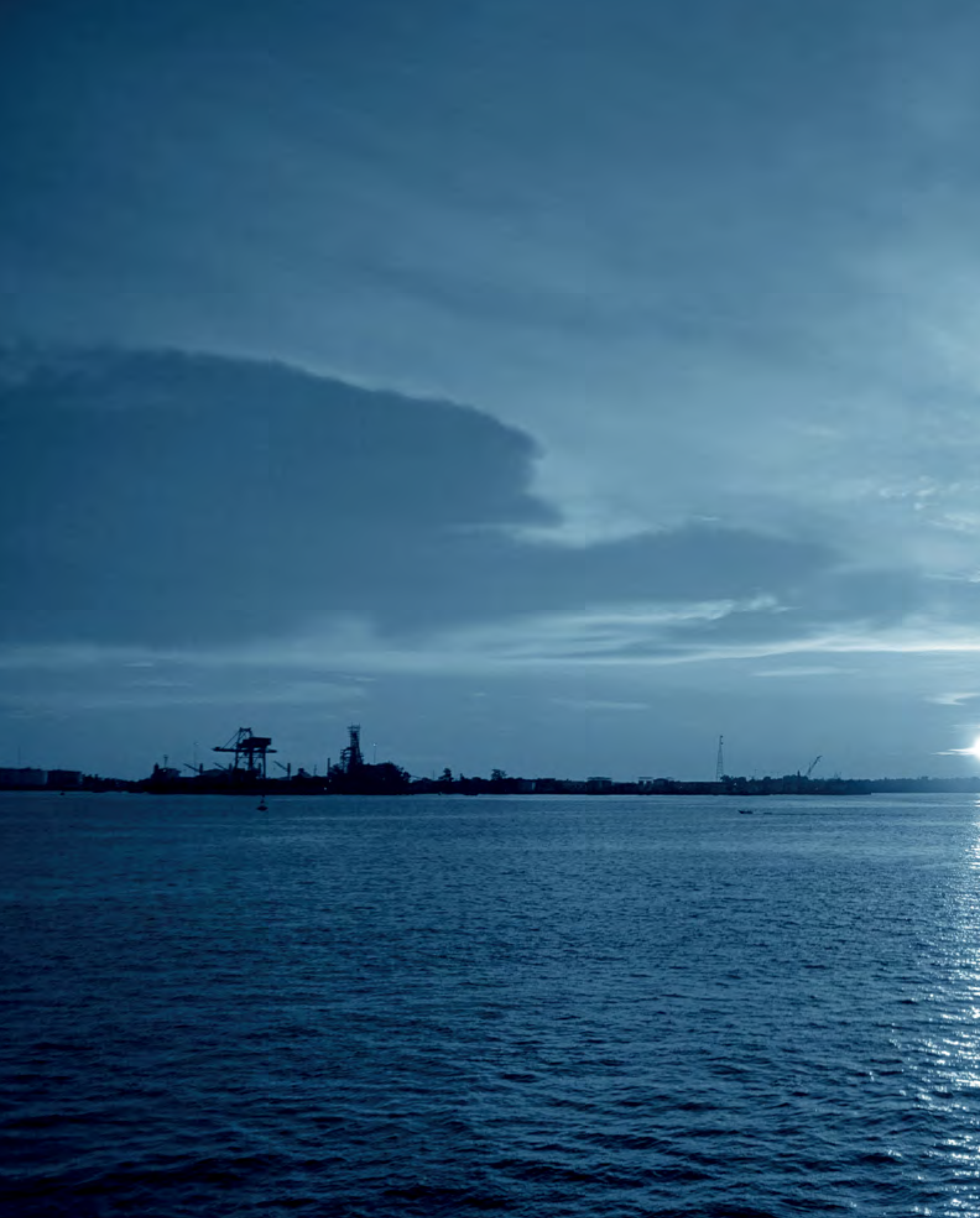
TIDING OVER ROUGH WATERS

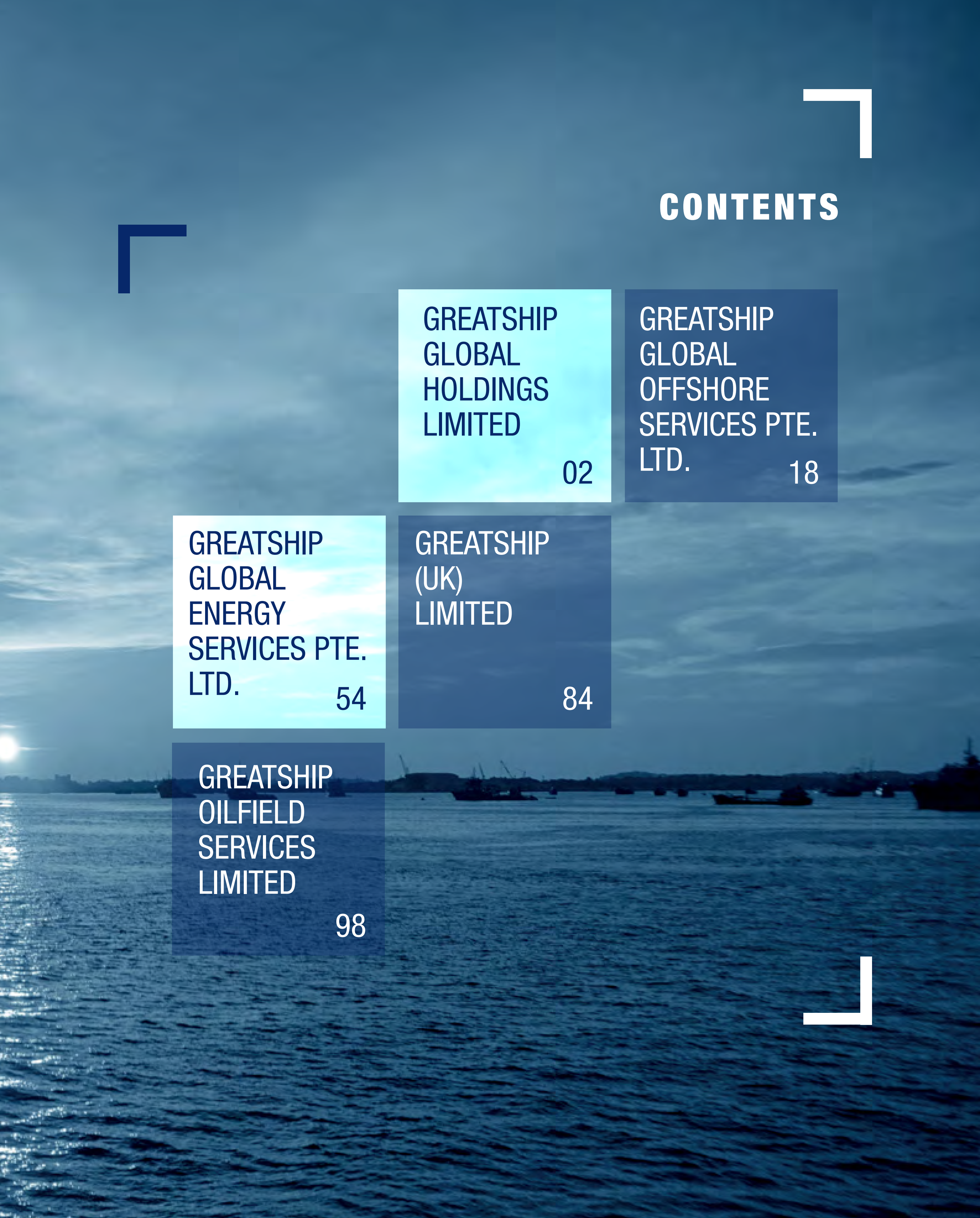
GREATSHIP (INDIA) LIMITED

SUBSIDIARIES' REPORT

OFFSHORE LOGISTICS • DRILLING SERVICES

ANNUAL REPORT 2016 - 2017





CONTENTS

GREATSHIP GLOBAL HOLDINGS LTD
A SUBSIDIARY COMPANY

Directors	Marie Cindhia Véronique Magny-Antoine Marie-Claude Priscille Koenig Pradyumna Raghunath Naware Shameel Rumjaun (alternate to Maire Cindhia Véronique Magny-Antoine) Alok Mahajan Nisha Proag-Dookun (alternate to Marie-Claude Priscille Koenig)
Administrator and Secretary	Abax Corporate Services Ltd 6th Floor, Tower A 1, CyberCity Ebène Mauritius
Registration Number	071503C1/GBL
Registered Office	6th Floor, Tower A 1, CyberCity Ebène Mauritius
Auditors	UHY & Co Duke of York Street Champ De Mars Port-Louis Mauritius

COMMENTARY OF DIRECTORS

The directors are pleased to present their commentary together with the audited financial statements of Greatship Global Holdings Ltd (the "Company") for the year ended 31 March 2017.

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 profit for the year ended 31 March 2017 is USD 8,205,109 (INR – 53,21,01,319) (2016 – loss of USD 43,452 INR- 28,78,695).

During the year under review, the Company has not declared and paid any dividend (2016 - 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 2017

SECRETARY'S CERTIFICATE

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

We confirm 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 2017, all such returns, as required of the Company under the Mauritius Companies Act 2001.

ABAX CORPORATE SERVICES LTD
COMPANY SECRETARY

Date: 28 April 2017

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF GREATSHIP GLOBAL HOLDINGS LTD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Greatship Global Holdings Ltd (the "Company") on pages 9 to 21 which comprise the statement of financial position at 31 March 2017 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.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company at 31 March 2017 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as modified by the exemption from consolidation in the Mauritian Companies Act 2001 for companies holding a category 1 Global Business Licence and comply with the Mauritian Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

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

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other Information

The directors are responsible for the other information. The other information comprises the Commentary of Directors and the Secretary's Certificate, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' Responsibilities for the Financial Statements

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 Mauritian 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.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

The Mauritian 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 auditor;

(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 Matter

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 Mauritian 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 & Co

Nirmal Heeralall, licensed by FRC
Signing partner

Date: 28 April 2017

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2017

	2017 USD	2017 INR	2016 USD	2016 INR
Income				
Gain on disposal of investment (Note 4)	**8,242,207**	**53,45,07,124**	**-**	**-**
Expenses				
Secretarial and administration fees	12,000	7,78,200	15,112	10,01,170
Accountancy fees	4,700	3,04,795	4,700	3,11,375
Audit fees	11,241	7,28,979	13,225	8,76,156
Tax fees	1,700	1,10,245	3,500	2,31,875
Directors' fees	2,200	1,42,670	2,035	1,34,819
Bank charges	600	38,910	1,420	94,075
Licence fees	2,104	1,36,444	2,080	1,37,800
Other expenses	2,553	1,65,562	1,380	91,425
	37,098	**24,05,805**	**43,452**	**28,78,695**
Profit/(loss) before tax	**8,205,109**	**53,21,01,319**	**(43,452)**	**(28,78,695)**
Income tax expense (Note 7)	-	-	-	-
Profit/(loss) for the year	**8,205,109**	**53,21,01,319**	**(43,452)**	**(28,78,695)**
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	**8,205,109**	**53,21,01,319**	**(43,452)**	**(28,78,695)**

The notes form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2017

	2017 USD	2017 INR	2016 USD	2016 INR
ASSETS				
Non current assets				
Investment in subsidiaries (Note 4)	**71,101,378**	**4,61,09,24,363**	**222,001,410**	**14,70,75,93,413**
Current assets				
Other receivables (Note 5)	159,143,907	10,32,04,82,369	1,661	1,10,041
Cash at bank	403,983	2,61,98,298	436,707	2,89,31,839
	159,547,890	**10,34,66,80,667**	**438,368**	**2,90,41,880**
Total assets	**230,649,268**	**14,95,76,05,030**	**222,439,778**	**14,73,66,35,293**
EQUITY AND LIABILITIES				
Capital and reserves				
Stated capital (Note 6)	222,201,774	14,40,97,85,044	222,201,774	14,72,08,67,528
Retained earnings/(accumulated losses)	8,178,666	53,03,86,490	(26,443)	(17,51,849)
Total equity	**230,380,440**	**14,94,01,71,534**	**222,175,331**	**14,71,91,15,679**
Current liabilities				
Accruals	19,106	12,39,024	14,725	9,75,531
Income tax payable (Note 7)	249,722	1,61,94,472	249,722	1,65,44,083
	268,828	**1,74,33,496**	**264,447**	**1,75,19,614**
Total equity and liabilities	**230,649,268**	**14,95,76,05,030**	**222,439,778**	**14,73,66,35,293**

Approved by the Board of Directors and authorised for issue on 28 April 2017 and signed on its behalf by:

Marie-Claude Priscille Koenig }

} DIRECTORS

Marie Cindhia Veronique Magny-Antoine }

The notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2017

	Stated Capital		Retained earnings / (accumulated losses)		Total Equity	
	USD	INR	USD	INR	USD	INR
At 01 April 2015	222,201,774	13,887,610,875	17,009	1,063,063	222,218,783	13,888,673,938
Foreign Currency 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	222,201,774	14,72,08,67,528	(26,443)	(17,51,849)	222,175,331	14,71,91,15,679
At 01 April 2016	222,201,774	14,72,08,67,528	(26,443)	(17,51,849)	222,175,331	14,71,91,15,679
Foreign Currency Translation Difference		(31,10,82,484)		37,020		(31,10,45,464)
Comprehensive income:						
Profit for the year	-	-	8,205,109	53,21,01,319	8,205,109	53,21,01,319
At 31 March 2017	**222,201,774**	**14,40,97,85,044**	**8,178,666**	**53,03,86,490**	**230,380,440**	**14,94,01,71,534**

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2017

	2017 USD	2017 INR	2016 USD	2016 INR
Cash flows from operating activities				
Profit/(loss) before tax	8,205,109	53,21,01,319	(43,452)	(28,78,695)
Adjustment for:				
Gain on disposal of investment (Note 4)	(8,242,207)	(53,45,07,124)	-	-
	(37,098)	(24,05,805)	(43,452)	(28,78,695)
Working capital changes:				
Increase in prepayments	(7)	(454)	(100)	(6,625)
Increase/(decrease) in accruals	4,381	2,84,108	(996)	(65,985)
Net cash outflows from operating activities	**(32,724)**	**(21,22,151)**	**(44,548)**	**(29,51,305)**
Net decrease in cash and cash equivalents	**(32,724)**	**(21,22,151)**	**(44,548)**	**(29,51,305)**
Foreign Currency Translation difference		**(6,11,389)**		**18,04,705**
Cash and cash equivalents at beginning of year	436,707	2,89,31,838	481,255	3,00,78,438
Cash and cash equivalents at end of year	**403,983**	**2,61,98,298**	**436,707**	**2,89,31,838**

The notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2017

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 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 2017, 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 interpretations 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 2016 and have concluded that they have no impact on the financial statements for the year ended 31 March 2017.

New standards, amendments and interpretations 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 less impairment. 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% of the issued share capital of Greatship Global Offshore Services Pte Ltd ('GGOS'), a Company 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 a 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 subsidiary. 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 trade and other receivables, cash and cash equivalents and accruals. The particular recognition methods adopted are disclosed below:

Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

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.

Accruals

Accruals 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.

Assets carried at amortised cost

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

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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.

Stated capital

Stated capital is determined using the nominal values of shares that have been issued and 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, equity prices 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 and amount receivable from parent, 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.

Credit risk from balances with banks is managed by the Company by carrying out transactions with banks of good standing and reputation. The Company also limits its credit exposure by transacting with related parties.

(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

Management assessed that the fair values of amount receivable from parent, cash and cash equivalents and accruals approximate their carrying amounts largely due to the short term maturities of these instruments.

(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.

(f) Categories of financial instruments

	2017 USD	2017 INR	2016 USD	2016 INR
Loans and receivables				
Cash and cash equivalents	403,983	2,61,98,298	436,707	2,89,31,838
Amount receivable from parent	159,142,239	10,32,03,74,199	-	-
	159,546,222	**10,34,65,72,497**	**436,707**	**2,89,31,838**
Other financial liabilities carried at amortised cost				
Accruals	19,106	12,39,024	14,725	9,75,531

4 INVESTMENT IN SUBSIDIARIES

	2017 USD	2017 INR	2016 USD	2016 INR
Unquoted at cost :				
At beginning	222,001,410	14,70,75,93,412	222,001,410	13,87,50,88,125
Foreign Transalation difference		(31,08,01,974)		83,25,05,288
Disposal of investment (Note (i))	(159,142,239)	(1,03,20,374,199)	-	-
Gain on disposal (Note (i))	8,242,207	53,45,07,124	-	-
At end	71,101,378	4,61,09,24,363	222,001,410	14,70,75,93,412

Details pertaining to the investment in subsidiaries at 31 March 2017 are as follows:

Name	Business activity	Country of incorporation	Effective % holding		2017 Cost USD	2017 Cost INR	2016 Cost USD	2016 Cost INR
			2017	2016				
GGOS	Operate offshore supply vessels	Singapore	100.00%	100.00%	71,101,378	4,61,09,24,363	71,101,378	4,71,04,66,293
GGES	Drilling	Singapore	-	89.31%	-	-	150,900,032	9,99,71,27,120
					71,101,378	4,61,09,24,363	222,001,410	14,70,75,93,413

(i) On 11 January 2017, the directors approved the disposal of 2,357,813 shares, representing 89.31% of the Company's stake in Greatship Global Energy Services Pte Ltd ('GGES') to Greatship India Limited ('GIL') for a consideration of USD 67.4957 per share. The consideration has been determined based on DCF model as per a valuation report carried out by an independent valuer, Inga Capital Pvt. Ltd (INGA). The directors are of the opinion that the consideration receivable for the disposal represents the recoverable amount of the 89.31% investment held in GGES. The carrying value of shares was USD 64, therefore the Company recognised a gain on disposal of USD 8,242,207 (INR 53,45,07,124).

The purchase consideration has been recognised as a receivable in the books of the Company.

(ii) The directors have reviewed the operations of Greatship Global Offshore Services Pte Ltd ('GGOS') and have not identified any indication of impairment. Consequently, no impairment has been recorded during the year.

5 OTHER RECEIVABLES

	2017 USD	2017 INR	2016 USD	2016 INR
Prepayments	1,668	108,170	1,661	110,441
Amount receivable from parent (Note 8(b))	159,142,239	10,32,03,74,199	-	-
	159,143,907	**10,32,04,82,369**	**1,661**	**110,441**

The amount receivable from parent represents proceeds receivable from disposal of the investment in Greatship Global Energy Services Pte Ltd ('GGES'). The amount receivable is interest free, unsecured and repayable within 1 year.

6 STATED CAPITAL

	2017 Number	2016 Number	2017 USD	2017 INR	2016 USD	2016 INR
Ordinary shares of no par value issued and fully paid						
At beginning	222,201,774	222,201,774	222,201,774	14,72,08,67,528	222,201,774	13,887,610,875
Foreign Translation difference				(31,10,82,484)	-	8,32,56,653
At end	**222,201,774**	**222,201,774**	**222,201,774**	**14,40,97,85,044**	**222,201,774**	**14,72,08,67,528**

The holder of an ordinary share in the Company shall confer on the holder:

(a) the right to one vote on a poll at a meeting of the Company on any resolution;

(b) the right to an equal share in dividends authorised by the Board; and

(c) the right to an equal share in the distribution of the surplus assets of the Company.

7 INCOME TAX

The Company, being the holder of a Category 1, Global Business Licence, is liable to income tax in Mauritius on its taxable profit arising from its world-wide income at the rate of 15%. The Company's foreign sourced income is eligible for a foreign tax credit which is computed as the higher of the Mauritian tax and the foreign tax on the respective foreign sourced income. The foreign tax for a GBL1 company is based on either the foreign tax charged by the foreign country or a presumed amount of foreign tax: the presumed amount of foreign tax is based on 80% of the Mauritian tax on the relevant foreign sourced income.

Capital gains are outside the scope of the Mauritian tax while trading profits made by the Company from the sale of shares are exempt from tax.

As at 31 March 2017, the Company had accumulated tax losses of USD 69,398 (2016: USD 69,398) 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**	**INR**
31 March 2020	27,326	17,72,091
31 March 2021	42,072	27,28,369
	69,398	45,00,460

Deferred tax:

Deferred tax assets amounting to USD 2,082 (2016 – USD 2,082) 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 profit/ (loss) as adjusted for tax purposes and the tax charge is as follows:

	2017 USD	**2017 INR**	2016 USD	2016 INR
Profit/(loss) before taxation	8,205,109	53,21,01,319	(43,452)	(28,78,695)
Tax at 15%	1,230,766	7,98,15,175	(6,518)	(4,31,818)
Non allowable expenses	5,565	3,60,890	207	13,714
Exempt income	(1,236,331)	(8,01,76,065)	-	-
Unutilised tax loss	-	-	6,311	4,18,104
Income tax charge	-	-	-	-

Income tax payable:

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

	2017 USD	**2017 INR**	2016 USD	2016 INR
At start and at end of year	249,722	1,65,44,083	249,722	15,607,625
Foreign Translation Difference		(3,49,611)		9,36,458
At end	2,49,722	1,61,94,472	249,722	1,65,44,083

The tax liability represents a provision made on tax arising on the dividend received in the financial year 2014. As of 31 March 2017, 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.

8 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:

	2017 USD	2017 INR	2016 USD	2016 INR
(a) Key management services-Abax Corporate Services Ltd				
(i) Expenses including directors fees incurred by the Company	20,600	13,35,910	25,347	16,79,239
(ii)Outstanding balances	10,600	6,87,410	8,400	5,56,500

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.

(b) Amount receivable from parent				
Disposal of investment (Note 4 (i))	159,142,239	10,32,03,74,199	-	-

9 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	
Managing Director	Alok Mahajan
Director	Naware Pradyumna Raghunath Jaya Prakash
Registration Number	200708009M
Registered Office	15 Hoe Chiang Road Tower Fifteen #06-03 Singapore 089316
Independent Auditor	JBS Practice PAC 137 Telok Ayer Street #05-03 Singapore 068602
Company Secretary	Terence Teng Terk Soon (Resigned on 20 January 2017) Vidya Gopinath (Appointed on 19 January 2017)

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 2017.

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 2017 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 statement 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 01.04.2016	**As at 31.03.2017**
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

24 April 2017

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

We have audited the financial statements of GREATSHIP GLOBAL OFFSHORE SERVICES PTE. LTD. (the "company") as set out on pages 8 to 52, which comprise the statement of financial position of the company as at 31 March 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the company as at 31 March 2017 and of the financial performance, changes in equity and cash flows of the company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the General Information set out on page 1, the Directors' Statement set out on pages 2 to 4, and the accompanying Schedules of Employee Benefits Expenses and Other Operating Expenses.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors 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 Act and FRSs, 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.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit 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 company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

24 April 2017

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2017

	Note	31.03.2017 US$	31.03.2017 ₹	31.03.2016 US$ (Restated)	31.03.2016 ₹ (Restated)	01.04.2015 US$ (Restated)	01.04.2015 ₹ (Restated)
ASSETS							
Current assets							
Cash and cash equivalents	4	22,105,266	1,433,526,500	15,816,594	1,047,849,353	21,180,852	1,323,803,250
Fixed deposits	5	25,635,272	1,662,447,389	25,135,737	1,665,242,576	25,000,000	1,562,500,000
Trade receivables	6	4,223,307	273,881,459	2,887,388	191,289,455	4,619,627	288,726,688
Other receivables	7	362,521	23,509,487	358,149	23,727,371	207,584	12,974,000
Inventories	8	154,711	10,033,008	294,930	19,539,113	154,711	9,669,438
Prepayments		70,668	4,582,820	95,207	6,307,464	105,703	6,606,438
		52,551,745	**3,407,980,663**	**44,588,004**	**2,953,955,332**	**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	57,806,180	3,748,730,773	79,035,297	5,236,088,426	106,773,836	6,673,364,750
Investment in Subsidiary	11	-	-	1	66	1	63
Other receivables	7	47,943	3,109,104	47,942	3,176,158	47,942	2,996,375
		57,854,123	**3,751,839,877**	**79,083,240**	**5,239,264,650**	**106,821,779**	**6,676,361,188**
Total assets		**110,405,868**	**7,159,820,540**	**136,776,244**	**9,061,426,231**	**158,090,256**	**9,880,641,002**
LIABILITIES							
Current liabilities							
Trade payables	12	2,147,957	139,295,011	1,633,255	108,203,144	1,724,697	107,793,563
Other payables	13	413,520	26,816,772	590,122	39,095,583	1,627,957	101,747,313
Derivative financial instrument payable	14	103,364	6,703,155	378,362	25,066,483	874,602	54,662,625
Bank loans	15	6,827,200	442,743,920	6,827,200	452,302,000	7,813,867	488,366,688
Income tax payable		125,539	8,141,204	56,950	3,772,938	47,962	2,997,625
		9,617,580	**623,700,063**	**9,485,889**	**628,440,146**	**12,089,085**	**755,567,814**
Non-current liabilities							
Bank loans	15	15,380,000	997,393,000	22,207,200	1,471,227,000	35,694,400	2,230,900,000
Other payables	13	144,442	9,367,064	132,710	8,792,038	92,061	5,753,813
		15,524,442	1,006,760,064	22,339,910	1,480,019,038	35,786,461	2,236,653,813
Total liabilities		25,142,022	1,630,460,127	31,825,799	2,108,459,184	47,875,546	2,992,221,627
NET ASSETS		**85,263,846**	**5,529,360,413**	**104,950,445**	**6,952,967,048**	**110,214,710**	**6,888,419,375**
SHAREHOLDER'S EQUITY							
Share capital	16	71,060,224	4,608,255,526	71,060,224	4,707,739,840	71,060,224	4,441,264,000
Reserves	17	14,203,622	921,104,887	33,890,222	2,245,227,208	39,154,486	2,447,155,375
TOTAL EQUITY		**85,263,846**	**5,529,360,413**	**104,950,445**	**6,952,967,048**	**110,214,710**	**6,888,419,375**

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 2017

	Note	31.03.2017 US$	31.03.2017 ₹	31.03.2016 US$ (Restated)	31.03.2016 ₹ (Restated)
REVENUE					
Charter hire income		11,917,416	772,844,428	23,897,035	1,583,178,569
Other income	18	1,452,133	94,170,825	946,804	62,725,765
Total revenue		**13,369,549**	**867,015,253**	**24,843,839**	**1,645,904,334**
COSTS AND EXPENSES					
Charter hire expenses	19	7,504,902	486,692,895	8,072,798	534,822,868
Employee benefits expense	20	2,305,729	149,526,526	2,640,919	174,960,884
Depreciation of property, plant and equipment	10	5,953,482	386,083,308	7,036,724	466,182,965
Impairment loss on					
- non-current assets classified as held for sale	10	-	-	8,930,663	591,656,424
- property, plant and equipment	9	16,321,926	1,058,476,901	-	-
Other operating expenses	21	460,734	29,878,600	2,414,470	159,958,638
Finance costs	22	716,674	46,476,309	853,316	56,532,185
Total costs and expenses		**33,263,447**	**2,157,134,538**	**29,948,890**	**1,984,113,963**
Loss before income tax		(19,893,898)	(1,290,119,285)	(5,105,051)	(338,209,629)
Income tax expense	23	(67,699)	(4,390,280)	(227,566)	(15,076,248)
Net loss		**(19,961,597)**	**(1,294,509,565)**	**(5,332,617)**	**(353,285,876)**
Other comprehensive income:					
Item that may be reclassified subsequently to Profit or Loss					
De-recognition of fair value profit arising from forward currency contacts and interest rate swaps relating to cash flow hedge		378,362	24,536,776	446,714	29,594,803
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		(103,364)	(6,703,155)	(378,362)	(25,066,483)
Other comprehensive income for the year, net of tax		**274,998**	**17,833,620**	**68,352**	**4,528,320**
Total comprehensive income for the year		**(19,686,599)**	**(1,276,675,945)**	**(5,264,265)**	**(348,757,556)**

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 2017

	Note	Share capital US$	Retained profits US$	Hedging reserve US$	Total US$
2017					
Balance as at 1 April 2016		71,060,224	34,268,583	(378,362)	104,950,445
Net income for the year		-	(19,961,597)	-	(19,961,597)
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	14	-	-	378,362	378,362
-Fair value loss arising from forward currency contracts	14	-	-	(103,364)	(103,364)
Balance as at 31 March 2017		**71,060,224**	**14,306,986**	**(103,364)**	**85,263,846**

	Note	Share capital ₹	Retained profits ₹	Hedging reserve ₹	Total ₹
2017					
Balance as at 1 April 2016		4,707,739,840	2,270,293,691	(25,066,483)	6,952,967,048
Exchange re-alignment		(99,484,314)	(47,976,083)	529,707	(146,930,690)
Net income for the year		-	(1,294,509,565)	-	(1,294,509,565)
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	14	-	-	24,536,776	24,536,776
-Fair value loss arising from forward currency contracts	14	-	-	(6,703,155)	(6,703,155)
Balance as at 31 March 2017		**4,608,255,526**	**927,808,042**	**(6,703,155)**	**5,529,360,413**

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 2017

	Note	Share capital US$	Retained profits US$	Hedging reserve US$	Total US$
2016					
Balance as at 1 April 2015		71,060,224	37,684,054	(446,714)	108,297,564
Effect of restatement		-	1,917,146	-	1,917,146
Restated balance as at 1 April 2015		71,060,224	39,601,200	(446,714)	110,214,710
Net income for the year		-	(5,332,617)	-	(5,332,617)
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	14	-	-	446,714	446,714
-Fair value loss arising from forward currency contracts	14	-	-	(378,362)	(378,362)
Balance as at 31 March 2016		71,060,224	34,268,583	(378,362)	104,950,445

	Note	Share capital ₹	Retained profits ₹	Hedging reserve ₹	Total ₹
2016					
Balance as at 1 April 2015		4,441,264,000	2,355,253,375	(27,919,625)	6,768,597,750
Effect of restatement		-	119,821,625	-	119,821,625
Restated balance as at 1 April 2015		4,441,264,000	2,475,075,000	(27,919,625)	6,888,419,375
Exchange re-alignment		266,475,840	148,504,567	(1,675,178)	413,305,229
Net income for the year		-	(353,285,876)	-	(353,285,876)
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	14	-	-	29,594,803	29,594,803
-Fair value loss arising from forward currency contracts	14	-	-	(25,066,483)	(25,066,483)
Balance as at 31 March 2016		4,707,739,840	2,270,293,691	(25,066,483)	6,952,967,048

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 2017

	Note	31.03.2017 US$	31.03.2017 ₹	31.03.2016 US$ (Restated)	31.03.2016 ₹ (Restated)
Cash Flows From Operating Activities					
Profit before income tax		(19,893,898)	(1,290,119,285)	(5,105,051)	(338,209,629)
Adjustments for:					
Depreciation of property, plant and equipment	10	5,953,482	386,083,308	7,036,724	466,182,965
Impairment loss on non current assets classified as held for sale		-	-	8,930,663	591,656,424
- Property, plant and equipment	10	16,321,926	1,058,476,901	-	-
Loss on disposal of Equipment		19,594	1,270,671	-	-
Interest income		(577,993)	(37,482,846)	(383,463)	(25,404,424)
Finance costs	21	716,674	46,476,309	853,316	56,532,185
Provision for doubtful debts		-	-	2,402,916	159,193,185
Unrealised exchange gain		16,322	1,058,482	(6,192)	(410,220)
Cash flows from operations before changes in working capital		**2,556,107**	**165,763,539**	**13,728,913**	**909,540,486**
Working capital changes, excluding changes relating to cash:					
Trade receivables		(1,335,919)	(86,634,347)	(670,677)	(44,432,351)
Trade payables		492,300	31,925,655	(91,442)	(6,058,033)
Prepayments		24,539	1,591,354	10,498	695,493
Inventories		140,219	9,093,202	(140,219)	(9,289,509)
Other receivables		(44,920)	(2,913,062)	(97,679)	(6,471,234)
Other payables		(147,218)	(9,547,087)	(949,188)	(62,883,705)
Cash generated from operations		**1,685,108**	**109,279,254**	**11,790,206**	**781,101,148**
Interest received		564,966	36,638,045	330,578	21,900,793
Finance costs paid		(734,326)	(47,621,041)	(1,329,202)	(88,059,633)
Income tax paid		890	57,717	(218,579)	(14,480,859)
Net cash generated from operating activities		**1,516,638**	**98,353,974**	**10,573,003**	**700,461,449**

	Note	31.03.2017 US$	31.03.2017 ₹	31.03.2016 US$ (Restated)	31.03.2016 ₹ (Restated)
Cash Flows From Investing Activities					
Purchase of property, plant and equipment	10	(970,315)	(62,924,928)	(1,333,849)	(88,367,496)
Purchase for Asset Held for sale	9	(2,189,362)	(141,980,126)	-	-
Proceeds from sale of property, plant and equipment		15,274,768	990,568,705	-	-
Fixed deposits		(499,535)	(32,394,845)	(135,737)	(8,992,576)
Net cash generated from/(used in) investing activities		**11,615,556**	**753,268,807**	**(1,469,586)**	**(97,360,073)**
Cash Flows From Financing Activities					
Repayment of bank loans		(6,827,200)	(442,743,920)	(14,473,867)	(958,893,689)
Net cash used in financing activities		(6,827,200)	(442,743,920)	(14,473,867)	(958,893,689)
Net increase/(decrease) in cash and cash equivalents		6,304,994	408,878,861	(5,370,450)	(355,792,313)
Foreign currency translation		-	22,143,232	-	79,428,195
Currency translation adjustment relating to cash and cash equivalents		(16,322)	(1,058,482)	6,192	410,220
Cash and cash equivalents at the beginning of the year		15,816,594	1,047,849,353	21,180,852	1,323,803,250
Cash and cash equivalents at the end of the year	4	22,105,266	1,433,526,500	15,816,594	1,047,849,353

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 2017

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 11 to the financial statements.

The financial statements of the company as at 31 March 2017 and for the year then ended were authorised and approved by the Board of Directors for issuance on 24 April 2017.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (“SFRS”). The financial statements, which are expressed in United States dollars are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below.

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 Floor Senapati 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" 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 - 5 years
Office equipment, furniture, fixture and renovation	1 – 5 years
Motor vessels	20 years
Drydocking expenditure	5 years

The company periodically drydocks each owned vessel for inspection, repairs and maintenance and any modifications to comply with industry certification or governmental requirements. Generally, each vessel is drydocked every 5 years. A substantial portion of the costs incurred during drydock is capitalised and these costs are amortised on a straight-line basis from the completion of a drydocking to the estimated completion of the next drydocking.

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

	2017 US$	2017 ₹	2016 US$	2016 ₹
Cash at bank	22,101,683	1,433,294,143	15,811,213	1,047,492,861
Cash on hand	3,583	232,358	5,381	356,491
	22,105,266	1,433,526,500	15,816,594	1,047,849,353

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

	2017 US$	2017 ₹	2016 US$	2016 ₹
Singapore dollar	35,113	2,277,078	208,680	13,825,050
United States dollar	22,070,153	1,431,249,422	15,607,914	1,034,024,303
	22,105,266	1,433,526,500	15,816,594	1,047,849,353

5. FIXED DEPOSITS

At the end of the reporting period, the maturity of short term deposits is one year (2016: one year) from the value date and interest rate ranging from 1.75% to 2.1% (2016: 1.7% to 2.1%) per annum.

6. TRADE RECEIVABLES

	2017 US$	2017 ₹	2016 US$	2016 ₹
Third parties	4,214,909	273,336,849	5,285,641	350,173,716
GST recoverable	8,398	544,610	4,663	308,924
	4,223,307	273,881,459	5,290,304	350,482,640
Less: Allowance for impairment of trade receivables	-	-	(2,402,916)	(159,193,185)
	4,223,307	273,881,459	2,887,388	191,289,455

	2017 US$	2017 ₹	2016 US$	2016 ₹
Allowance for impairment of trade receivables				
Balance as at the beginning of the year	2,402,916	159,193,185	430,835	26,927,188
Exchange re-alignment		(3,364,082)		1,615,631
Current year allowance	-	-	2,402,916	159,193,185
Reversal during the year	(2,402,916)	(155,829,103)	(430,835)	(28,542,819)
Balance as at the end of the year	-	-	2,402,916	159,193,185

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:

	2017 US$	2017 ₹	2016 US$	2016 ₹
Singapore dollar	8,398	544,610	4,663	308,924
United States dollar	4,214,909	273,336,849	2,882,725	190,980,531
	4,223,307	273,881,459	2,887,388	191,289,455

7. OTHER RECEIVABLES

	2017 US$	2017 ₹	2016 US$	2016 ₹
Current				
Related company	41,238	2,674,284	57,188	3,788,705
Refundable deposits	20,000	1,297,000	20,000	1,325,000
Interest receivable	174,017	11,285,002	160,990	10,665,588
Others	127,266	8,253,200	119,971	7,948,079
	362,521	23,509,487	358,149	23,727,371
Non-current				
Refundable deposits	47,943	3,109,104	47,942	3,176,158
	410,464	26,618,590	406,091	26,903,529

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:

	2017 US$	2017 ₹	2016 US$	2016 ₹
Sterling Pound	2,328	150,971	406	26,898
Euro	24,435	1,584,610	53,971	3,575,579
Norwegian Krone	5,859	379,956	-	-
Singapore dollar	98,104	6,362,044	85,683	5,676,499
United States dollar	279,738	18,141,009	266,031	17,624,554
	410,464	26,618,590	406,091	26,903,529

8. INVENTORIES

	2017 US$	2017 ₹	2016 US$	2016 ₹
Inventories, at cost	154,711	10,033,008	294,930	19,539,113

The cost of inventories recognized as an expense and included in the "charter hire expenses" in profit or loss amounts to US$ 477,709 equivalent to INR 30,929,429 (2016: US$ 377,347, equivalent to INR 24,999,239).

9. NON CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

During the financial year, the company sold one of the vessels classified as held for sale in the last financial year.

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

	2017 US$	2017 ₹	2016 US$ (Restated)	2016 ₹ (Restated)
2017				
Cost				
At 1 April	26,137,732	1,731,624,745	-	-
Exchange re-alignment		(36,592,825)		
Reclassifications from property, plant and equipment	-	-	26,137,732	1,731,624,745
Additions	2,189,362	141,980,126	-	-
Disposed during the year	(28,327,094)	(1,837,012,046)	-	-
At 31 March	-	-	26,137,732	1,731,624,745
Accumulated depreciation				
At 1 April	(4,102,069)	(271,762,071)	-	-
Exchange re-alignment		5,742,897		
Reclassifications from property, plant and equipment	-	-	(4,102,069)	(271,762,071)
Reversal during the year	4,102,069	266,019,175	-	-
At 31 March	-	-	(4,102,069)	(271,762,071)
Accumulated impairment				
At 1 April	(8,930,663)	(591,656,424)	-	-
Exchange re-alignment		12,502,928		
Reclassifications from property, plant and equipment	-	-	(8,930,663)	(591,656,424)
Reversal during the year	8,930,663	579,153,496	-	-
At 31 March	-	-	(8,930,663)	(591,656,424)
Carrying amount				
At 31 March	-	-	13,105,000	868,206,250

10. PROPERTY, PLANT AND EQUIPMENT

	Computers		Office equipment, furniture, fixture and renovation		Motor vessels		Drydocking expenditure		Total	
2017	US$	₹	US$	₹	US$	₹	US$	₹	US$	₹
Cost										
At 1 April 2016	55,892	3,702,845	132,721	8,792,766	108,900,769	7,214,675,946	3,471,161	229,964,416	112,560,543	7,457,135,974
Exchange re-alignment	-	(78,249)	-	(185,809)	-	(152,461,077)	-	(4,859,625)	-	(157,584,760)
Additions	3,855	249,997	10,476	679,369	1,031,960	66,922,606	-	-	1,046,291	67,851,971
Retirements	(18,727)	(1,214,446)	-	-	-	-	-	-	(18,727)	(1,214,446)
At 31 March 2017	41,020	2,660,147	143,197	9,286,325	109,932,729	7,129,137,476	3,471,161	225,104,791	113,588,107	7,366,188,739
Accumulated depreciation										
At 1 April 2016	49,983	3,311,374	131,814	8,732,677	32,563,596	2,157,338,235	779,853	51,665,261	33,525,246	2,221,047,548
Exchange re-alignment		(69,976)		(184,539)		(45,589,034)		(1,091,794)		(46,935,344)
Charge for the year	4,015	260,373	1,591	103,176	5,253,583	340,694,858	694,293	45,024,901	5,953,482	386,083,308
Retirements	(18,727)	(1,214,446)	-	-	-	-	-	-	(18,727)	(1,214,446)
At 31 March 2017	35,271	2,287,324	133,405	8,651,314	37,817,179	2,452,444,058	1,474,146	95,598,368	39,460,001	2,558,981,065
Accumulated impairment										
At 1 April 2016	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	16,321,926	1,058,476,901	-	-	16,321,926	1,058,476,901
Retirements	-	-	-	-	-	-	-	-	-	-
At 31 March 2017	-	-	-	-	16,321,926	1,058,476,901	-	-	16,321,926	1,058,476,901
Carrying amount										
At 31 March 2017	5,749	372,823	9,792	635,011	55,793,624	3,618,216,516	1,997,015	129,506,423	57,806,180	3,748,730,773

	Computers		Office equipment, furniture, fixture and renovation		Motor vessels		Drydocking expenditure		Total	
2016 (Restated)	US$	₹	US$	₹	US$	₹	US$	₹	US$	₹
Cost										
At 1 April 2015	51,486	3,217,875	131,749	8,234,312	135,038,501	8,439,906,312	2,142,690	133,918,125	137,364,426	8,585,276,625
Exchange re-alignment		193,072		494,059		506,394,379		8,035,088		515,116,598
Additions	4,406	291,898	972	64,395	-	-	1,328,471	88,011,204	1,333,849	88,367,496
Reclassified to assets held for sale (Note 9)	-	-	-	-	(26,137,732)	(1,731,624,745)	-	-	(26,137,732)	(1,731,624,745)
At 31 March 2016	55,892	3,702,845	132,721	8,792,766	108,900,769	7,214,675,946	3,471,161	229,964,416	112,560,543	7,457,135,974
Accumulated depreciation										
At 1 April 2015	45,064	2,816,500	131,749	8,234,312	30,188,233	1,886,764,562	225,545	14,096,563	30,590,591	1,911,911,938
Exchange re-alignment		168,990		494,059		113,205,874		845,794		114,714,716
Charge for the year (Restated)	4,919	325,884	65	4,306	6,477,432	429,129,870	554,308	36,722,905	7,036,724	466,182,965
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	779,853	51,665,261	33,525,246	2,221,047,548
Carrying amount										
At 31 March 2016	5,909	391,471	907	60,089	76,337,173	5,057,337,711	2,691,308	178,299,155	79,035,297	5,236,088,426

Motor vessels included in property, plant and equipment of the company with a carrying amount of US$48,966,454 equivalent to ₹ 3,175,474,542 (2016: US$63,854,569 equivalent to ₹ 4,230,365,196) are mortgaged in favour of banks or financial institutions for loans as disclosed in Note 15 to the financial statements.

11. INVESTMENT IN SUBSIDIARY

	2017 US$	2017 ₹	2016 US$	2016 ₹
Unquoted equity shares, at cost				
Balance of beginning of financial year	1	66	1	63
Exchange re-alignment		(1)		3
Written off during the financial period	(1)	(65)	-	-
Balance at end of financial year	-	-	1	66

The details of the subsidiary are as follows:

Name of company	Country of incorporation	Principal activities	Percentage of equity held	
			2017	2016
GGOS (Labuan) Ltd.	Malaysia	Offshore vessel owning and operating	-*	100%

*During the year, the company's wholly owned subsidiary, GGOS Labuan Ltd., was voluntarily struck-off with effect from March 04, 2017.

12. TRADE PAYABLES

	2017 US$	2017 ₹	2016 US$	2016 ₹
Third parties	2,147,957	139,295,011	1,633,255	108,203,144

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:

	2017 US$	2017 ₹	2016 US$	2016 ₹
Euro	37,237	2,414,819	76,542	5,070,908
Brunei Dollars	-	-	28,909	1,915,221
Japanese Yen	1,532	99,350	16,194	1,072,852
Saudi Arabian Riyals	78,487	5,089,882	59,254	3,925,577
Sterling pound	72,578	4,706,683	84,606	5,605,148
Singapore dollar	472,425	30,636,761	192,118	12,727,818
United States dollar	1,379,351	89,450,912	1,160,580	76,888,425
Others	106,347	6,896,603	15,052	997,195
	2,147,957	139,295,011	1,633,255	108,203,144

13. OTHER PAYABLES

	2017 US$	2017 ₹	2016 US$	2016 ₹
Current				
Accruals of operating expenses	22,828	1,480,396	25,469	1,687,321
Accruals of employee benefits expense	338,835	21,973,450	505,274	33,474,402
Accrued interest	40,995	2,658,526	58,647	3,885,364
Other creditors	10,862	704,401	732	48,495
	413,520	26,816,772	590,122	39,095,582
Non-current				
Accruals of employee benefits expense	144,442	9,367,064	132,710	8,792,038
	557,962	36,183,836	722,832	47,887,621

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:

	2017 US$	2017 ₹	2016 US$	2016 ₹
Singapore dollar	506,968	32,876,875	664,185	44,002,256
United States dollar	50,994	3,306,961	58,647	3,885,365
	557,962	36,183,836	722,832	47,887,621

14. DERIVATIVE FINANCIAL INSTRUMENTS PAYABLE

	Notional amount		Liability	
	US$	₹	US$	₹
2017				
Cash flow hedges				
- Interest rate swaps	10,197,550	661,311,118	(103,364)	(6,703,155)
			(103,364)	(6,703,155)

	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)

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

	2017 US$	2017 ₹	2016 US$ (Restated)	2016 ₹ (Restated)
Current	6,827,200	442,743,920	6,827,200	452,302,000
Non-current	15,380,000	997,393,000	22,207,200	1,471,227,000
	22,207,200	1,440,136,920	29,034,400	1,923,529,000

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 at the rate of LIBOR + 0.95 % per annum and are repayable in half yearly instalments over six years.

16. SHARE CAPITAL

	Number of ordinary shares	
	2017	2016
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

	2017 US$	2017 ₹	2016 US$	2016 ₹
At the beginning of the year	71,060,224	4,707,739,840	71,060,224	4,441,264,000
Exchange re-alignment		(99,484,314)		266,475,840
At the end of the year	71,060,224	4,608,255,526	71,060,224	4,707,739,840

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

	2017 US$	2017 ₹	2016 US$ (Restated)	2016 ₹ (Restated)
Hedging reserve				
At the beginning of the year	(378,362)	(25,066,483)	(446,714)	(27,919,625)
Exchange re-alignment		529,707		(1,675,178)
De-recognition of fair value gain arising from derivative financial instruments relating to cash flow hedge	378,362	24,536,776	446,714	29,594,803
Changes in fair value of interest rate swap	(103,364)	(6,703,155)	(378,362)	(25,066,483)
At the end of the year	(103,364)	(6,703,155)	(378,362)	(25,066,483)

	2017 US$	2017 ₹	2016 US$ (Restated)	2016 ₹ (Restated)
Retained profits				
At the beginning of the year	34,268,583	2,270,293,691	37,684,054	2,355,253,375
Effect of restatement	-	-	1,917,146	119,821,625
	34,268,583	2,270,293,691	39,601,200	2,475,075,000
		(47,976,083)		148,504,567
Profit for the year	(19,961,597)	(1,294,509,565)	(5,332,617)	(353,285,876)
At the end of the year	14,306,986	927,808,042	34,268,583	2,270,293,691
Total reserves as at the end of the year	14,203,622	921,104,887	33,890,212	2,245,227,208

18. OTHER INCOME

	2017 US$	2017 ₹	2016 US$	2016 ₹
Recovery of doubtful debts	600,000	38,910,000	-	-
Government grants	12,520	811,922	16,899	1,119,559
Insurance claim received	-	-	246,453	16,327,511
Interest on bank and fixed deposits	577,993	37,482,846	383,463	25,404,424
Reimbursement of expenses	258,871	16,787,784	297,400	19,702,750
Exchange gain	-	-	2,589	171,521
Others	2,749	178,273	-	-
	1,452,133	94,170,825	946,804	62,725,765

19. CHARTER HIRE EXPENSES

	2017 US$	2017 ₹	2016 US$	2016 ₹
Crew salary	3,390,329	219,862,836	4,127,221	273,428,391
Fuel and fresh water	470,385	30,504,467	381,267	25,258,939
Insurance	295,834	19,184,835	413,515	27,395,369
Repairs and maintenance	1,954,247	126,732,918	1,635,766	108,369,498
Commission and brokerage	119,137	7,726,034	516,665	34,229,056
Manning and related costs	1,274,970	82,681,805	998,364	66,141,615
	7,504,902	486,692,895	8,072,798	534,822,868

20. EMPLOYEE BENEFITS EXPENSE

	2017 US$	2017 ₹	2016 US$	2016 ₹
Director's remuneration and bonus	544,537	35,313,224	594,800	39,405,500
Staff salaries and bonuses	1,641,033	106,420,990	1,896,279	125,628,484
Staff CPF contribution	83,177	5,394,028	75,676	5,013,535
Staff benefits	36,982	2,398,283	74,164	4,913,365
	2,305,729	149,526,526	2,640,919	174,960,884

21. OTHER OPERATING EXPENSES

	2017 US$	2017 ₹	2016 US$	2016 ₹
Bank charges	19,179	1,243,758	37,113	2,458,736
Director's fee	11,146	722,818	10,202	675,883
Foreign exchange loss	25,442	1,649,914	-	-
Loss on sale of vessels	19,594	1,270,671	-	-
Professional fees	48,314	3,133,163	34,524	2,287,215
Office rental	129,278	8,383,678	123,610	8,189,163
Telephone	41,632	2,699,835	48,611	3,220,479
Travelling	114,493	7,424,871	122,735	8,131,194
Provision for doubtful debts, net	-	-	1,972,081	130,650,366
Others	51,656	3,349,892	65,594	4,345,603
	460,734	29,878,600	2,414,470	159,958,638

22. FINANCE COST

	2017 US$	2017 ₹	2016 US$	2016 ₹
Finance charges	80,908	5,246,884	105,105	6,963,206
Interest on loans	635,766	41,229,425	748,211	49,568,979
	716,674	46,476,309	853,316	56,532,185

23. INCOME TAX EXPENSE

	2017 US$	2017 ₹	2016 US$	2016 ₹
Current income tax:				
- Current year tax provision	79,972	5,186,184	45,842	3,037,033
- Over provision in prior year	(12,273)	(795,904)	(10,512)	(696,420)
Foreign tax	-	-	192,236	12,735,635
	67,699	4,390,280	227,566	15,076,248

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% (2016: 17%) to profit before income tax as a result of the following differences:

	2017 US$	2017 ₹	2016 US$	2016 ₹
Accounting loss	(19,893,898)	(1,290,119,285)	(5,105,051)	(338,209,629)
Income tax expense at statutory rate	(3,381,963)	(219,320,301)	(867,859)	(57,495,659)
Exempt income	3,461,935	224,506,485	913,701	60,532,691
Over provision in prior year	(12,273)	(795,904)	(10,512)	(696,420)
Foreign tax	-	-	192,236	12,735,635
	67,699	4,390,280	227,566	15,076,248

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.

	2017 US$	2017 ₹	2016 US$	2016 ₹
Corporate Guarantee commission paid to intermediate holding company	78,797	5,109,985	101,628	6,732,855
Vessel equipment purchase from intermediate holding company	131,026	8,497,036	-	-
Reimbursement of administrative expenses apportioned to a related company	258,871	16,787,784	297,400	19,702,750
Reimbursement of expenses from:				
- Related company	56,959	3,693,791	61,651	4,084,379

(b) Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly including any director (whether executive or otherwise) of the of the company.

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

	2017 US$	2017 ₹	2016 US$	2016 ₹
Director's fee	11,146	722,818	10,202	675,883
Short-term benefits	544,537	35,313,224	594,800	39,405,500

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:

	2017 US$	2017 ₹	2016 US$	2016 ₹
Office lease				
Due within one year	134,952	8,751,637	186,977	12,387,226
Due in 2 to 5 years	-	-	140,233	9,290,436
Operating lease commitments	134,952	8,751,637	327,210	21,677,662

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:

	2017 US$	2017 ₹	2016 US$	2016 ₹
Due within one year	13,070,775	847,639,759	8,334,500	552,160,625
Due within two to five years	858,585	55,679,237	1,554,000	102,952,500
	13,929,360	903,318,996	9,888,500	655,113,125

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 ₹
2017		
Financial assets		
Cash and cash equivalents	35,113	2,277,078
Trade receivables	8,398	544,610
Other receivables	98,104	6,362,044
	141,615	9,183,733
Financial liabilities		
Trade payables	472,425	30,636,761
Other payables	506,968	32,876,875
	979,393	63,513,636
Net currency exposure	(837,778)	(54,329,903)

	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)

If the Singapore dollar had strengthened/weakened by 1% (2016: 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:

	2017 US$	2017 ₹	2016 US$	2016 ₹
Singapore dollar	(8,378)	(543,313)	(5,573)	(369,211)

(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 14 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 2017 would increase/(decrease) by US$73,118 equivalent to INR4,741,702(2016: US$93,497 equivalent to INR6,194,176). 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 (2016: 1 debtor) that individually represents 80% (2016: 82%) of trade receivables.

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

	2017 US$	**2017 ₹**	2016 US$	2016 ₹
By geographical areas				
Brunei	-	-	30,420	2,015,325
South Korea	-	-	231,593	15,343,036
United Kingdom	-	-	252,262	16,712,357
Saudi Arabia	3,378,550	219,098,968	2,368,450	156,909,813
South Africa	744,620	48,288,607	-	-
India	35,116	2,277,273	-	-
	2017 US$	**2017 ₹**	2016 US$	2016 ₹
Malaysia	56,623	3,672,002	-	-
Singapore	8,398	544,610	4,663	308,924
	4,223,307	273,881,459	2,887,388	191,289,455
By types of customers				
Non-related parties	4,223,307	273,881,459	2,887,388	191,289,455
	4,223,307	273,881,459	2,887,388	191,289,455

(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$1,464,541 equivalent to INR94,975.484 (2016: US$803,622 equivalent to INR53,239,958).

(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:

	2017 US$	2017 ₹	2016 US$	2016 ₹
Due less than 30 days	344,100	22,314,885	463,403	30,700,449
Due from 30 to 90 days	677,100	43,909,935	908,693	60,200,911
Due more than 90 days	1,737,566	112,681,155	711,670	47,148,138
	2,758,766	178,905,975	2,083,766	138,049,498

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

	2017 US$	2017 ₹	2016 US$	2016 ₹
Due more than 90 days	-	-	2,402,916	159,193,185
Less: Allowance for impairment	-	-	(2,402,916)	(159,193,185)
	-	-	-	-

(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$	₹
2017								
Trade payables	2,147,957	139,295,011	-	-	-	-	2,147,957	139,295,011
Other payables	413,520	26,816,772	144,442	9,367,064	-	-	557,962	36,183,836
Bank loan	6,827,200	442,743,920	15,380,000	997,393,000	-	-	22,207,200	1,440,136,920
	9,388,677	608,855,703	15,524,442	1,006,760,064	-	-	24,913,119	1,615,615,767
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	1,480,019,038	-	-	31,390,487	2,079,619,765

(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 ₹
2017		
Financial liability		
Derivative financial instruments	103,364	6,703,155
2016		
Financial liability		
Derivative financial instruments	378,362	25,066,483

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:

	2017 US$	2017 ₹	2016 US$	2016 ₹
Financial assets				
Loans and receivables:				
Cash and cash equivalents	22,105,266	1,433,526,500	15,816,594	1,047,849,352
Fixed deposits	25,635,272	1,662,447,389	25,135,737	1,665,242,576
Trade receivables	4,223,307	273,881,459	2,887,388	191,289,455
Other receivables	410,464	26,618,590	406,091	26,903,529

	2017 US$	2017 ₹	2016 US$	2016 ₹
	52,374,309	3,396,473,939	44,245,810	2,931,284,912
Financial liabilities				
Amortised cost:				
Trade payables	2,147,957	139,295,011	1,633,255	108,203,144
Other payables	557,962	36,183,836	722,832	47,887,621
Bank loans	22,207,200	1,440,136,920	29,034,400	1,923,529,000
Derivative financial instruments	103,364	6,703,155	378,362	25,066,481
	25,016,483	1,622,318,923	31,768,849	2,104,686,246

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 2017 and 31 March 2016 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 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 period beginning on or after
FRS 115 Revenue from Contracts with Customers	1 January 2018
FRS 109 Financial Instruments	1 January 2018
Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to FRS 115: Clarifications to FRS 115 Revenue from Contracts with Customers	1 January 2018
FRS 116 Leases	1 January 2019

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

30. PRIOR YEAR'S RESTATEMENTS

Prior year figures of the Company were restated due to change in accounting policy for drydocking expenditure on account of change in group accounting policy. Prior to the change in accounting policy, cost for repairs and maintenance performed during drydocking were immediately expensed off, which was in compliance with group accounting policy prior to the changes.

The effects of the restatements on the previously reported balances in the Company's statements of financial position as at 31 March 2016 and statements of comprehensive income for the year ended on that date are as follows:

	As previously reported	As previously reported	As restated	As restated
	US$	₹	US$	₹
Statements of Financial Position				
Property, Plant and equipment	76,343,989	5,057,789,271	79,035,297	5,236,088,426
Reserves	31,198,914	2,066,928,053	33,890,221	2,245,227,141

	As previously reported	As previously reported	As restated	As restated
	US$	₹	US$	₹
Statements of Comprehensive Income				
Charter hire expenses	9,401,267	622,833,939	8,072,798	534,822,868
Depreciation	6,482,416	429,460,060	7,036,724	466,182,965
Loss before income tax	(5,879,211)	(389,497,729)	(5,105,051)	(338,209,629)
Net loss for the year	(6,106,779)	(404,574,109)	(5,332,617)	(353,285,876)
Total comprehensive income for the year	(6,038,426)	(400,045,723)	(5,264,265)	(348,757,556)

GREATSHIP GLOBAL ENERGY SERVICES PTE. LTD.

A SUBSIDIARY COMPANY

Directors	
Managing Director	Alok Mahajan
Director	Naware Pradyumna Raghunath Jaya Prakash
Registration Number	200615858G
Registered Office	15 Hoe Chiang Road Tower Fifteen #06-03 Singapore 089316
Independent Auditor	JBS Practice PAC 137 Telok Ayer Street #05-03 Singapore 068602
Company Secretary	Terence Teng Terk Soon (Resigned on 20 January 2017) Vidya Gopinath (Appointed on 19 January 2017)

DIRECTORS' STATEMENT

The directors present their statement to the member together with the audited financial statements of Greatship Global Energy Services Pte. Ltd. (the "company") for the financial year ended 31 March 2017.

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 2017 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 statement 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 01.04.2016	As at 31.03.2017
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
Managing Director

Naware Pradyumna Raghunath
Director

24 April 2017

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of GREATSHIP GLOBAL ENERGY SERVICES PTE. LTD. (the "company") as set out on pages 7 to 41, which comprise the statement of financial position of the company as at 31 March 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the company as at 31 March 2017 and of the financial performance, changes in equity and cash flows of the company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the General Information set out on page 1, the Directors' Statement set out on pages 2 to 3, and the accompanying Schedules of Employee Benefits Expenses and Other Operating Expenses.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors 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 Act and FRSs, 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.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit 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 company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

24 April 2017

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note	2017 US$	2017 ₹	2016 US$	2016 ₹
ASSETS					
Current assets					
Cash and cash equivalents	4	57,785,420	3,747,384,487	27,767,748	1,839,613,305
Trade receivables	5	4,480,331	290,549,465	4,201,838	278,371,768
Derivative financial instruments receivable	6	854,612	55,421,588	-	-
		63,120,363	**4,093,355,540**	**31,969,586**	**2,117,985,073**
Non Current Assets classified as Held for Sale	7	380,160,490	24,653,407,777	-	-
Non-current assets					
Property, plant and equipment	8	-	-	629,955,593	41,734,558,036
Trade receivables	5	-	-	8,378,948	555,105,305
		-	**-**	**638,334,541**	**42,289,663,341**
Total assets		**443,280,853**	**28,746,763,317**	**670,304,127**	**44,407,648,414**
LIABILITIES					
Current liabilities					
Trade payables	9	118	7,652	-	-
Other payables	10	1,355,859	87,927,456	1,403,417	92,976,376
Derivative financial instruments payable	6	-	-	706,481	46,804,366
Borrowings	11	256,513,411	16,634,894,703	39,532,697	2,619,041,176
Income tax payable		10,486	680,017	1,000	66,250
		257,879,874	**16,723,509,828**	**41,643,595**	**2,758,888,168**
Non-current liabilities					
Borrowings	11	-	-	246,283,984	16,316,313,940
Other payables	10	1,723	111,737	2,123	140,649
		1,723	**111,737**	**246,286,107**	**16,316,454,589**
Total liabilities		**257,881,597**	**16,723,621,565**	**287,929,702**	**19,075,342,757**
NET ASSETS		**185,399,256**	**12,023,141,752**	**382,374,425**	**25,332,305,657**
SHAREHOLDERS' EQUITY					
Share capital	12	168,964,161	10,957,325,841	168,964,161	11,193,875,667
Reserves	13	16,435,095	1,065,815,911	213,410,264	14,138,429,990
TOTAL EQUITY		**185,399,256**	**12,023,141,752**	**382,374,425**	**25,332,305,657**

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

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

	Note	2017 US$	2017 ₹	2016 US$	2016 ₹
Revenue					
Charter hire income		66,979,200	4,343,601,120	81,509,917	5,400,032,001
Other income	14	129,432	8,393,665	107,606	7,128,898
Total revenue		**67,108,632**	**4,351,994,785**	**81,617,523**	**5,407,160,899**
Costs and expenses					
Employee benefits expenses	15	215,937	14,003,515	228,002	15,105,133
Depreciation of property, plant and equipment	8	26,095,815	1,692,313,603	26,693,592	1,768,450,470
Impairment loss of property, plant and equipment	7	223,699,288	14,506,898,827	-	-
Other operating expenses	16	407,300	26,413,404	386,902	25,632,258
Finance costs	17	15,215,910	986,751,764	11,439,079	757,838,984
Total costs and expenses		**265,634,250**	**17,226,381,113**	**38,747,575**	**2,567,026,845**
(Loss)/profit before income tax		(198,525,618)	(12,874,386,328)	42,869,948	2,840,134,054
Income tax	18	(10,644)	(690,263)	(1,054)	(69,815)
Net (loss)/profit for the year		**(198,536,262)**	**(12,875,076,591)**	**42,868,894**	**2,840,064,239**
Other comprehensive income/(loss):					
Items that may be reclassified subsequently to profit or loss					
De-recognition of fair value gain arising from derivative financial instruments		706,481	45,815,293	352,250	23,336,563
Fair value gain/(loss) arising from derivative financial instruments		854,612	55,421,588	(706,481)	(46,804,367)
Other comprehensive income/(loss) for the year, net of tax		1,561,093	101,236,881	(354,231)	(23,467,804)
Total comprehensive (loss)/income for the year		**(196,975,169)**	**(12,773,839,710)**	**42,514,663**	**2,816,596,435**

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 2017

	Share capital		Hedging reserve		Retained profits		Total	
2017	**US$**	**₹**	**US$**	**₹**	**US$**	**₹**	**US$**	**₹**
Balance as at 1 April 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
Foreign translation difference	-	(236,549,826)	-	989,074	-	(299,763,443)	-	(535,324,195)
Net profit for the year	-	-	-	-	(198,536,262)	(12,875,076,591)	(198,536,262)	(12,875,076,591)
Other comprehensive income for the year, net of tax:								
- De-recognition of fair value gain arising from derivative financial instruments	-	-	706,481	45,815,293	-	-	706,481	45,815,293
- Fair value loss arising from derivative financial instruments	-	-	854,612	55,421,588	-	-	854,612	55,421,588
Balance as at 31 March 2017	**168,964,161**	**10,957,325,841**	**854,612**	**55,421,588**	**15,580,483**	**1,010,394,323**	**185,399,256**	**12,023,141,752**

	Share capital		Hedging reserve		Retained profits		Total	
2016	**US$**	**₹**	**US$**	**₹**	**US$**	**₹**	**US$**	**₹**
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**

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 2017

	Note	2017 US$	2017 ₹	2016 US$	2016 ₹
Cash Flows From Operating Activities					
(Loss)/Profit before income tax		(198,525,618)	(12,874,386,327)	42,869,948	2,840,134,055
Adjustments for:					
Depreciation of property plant and equipment	8	26,095,815	1,692,313,603	26,693,592	1,768,450,470
Impairment loss of property, plant and equipment	7	223,699,288	14,506,898,827	-	-
Interest income	14	(99,760)	(6,469,436)	(16,837)	(1,115,451)
Finance costs	17	15,215,910	986,751,764	11,439,079	757,838,984
Gain on sale of equipment		-	-	(80,970)	(5,364,263)
Unrealised exchange loss/(gain)		1,103	71,528	(960)	(63,600)
Cash flows before changes in working capital		**66,386,738**	**4,305,179,959**	**80,903,852**	**5,359,880,195**
Changes in working capital:					
Trade receivables		8,100,455	525,314,507	179,312	11,879,421
Other receivables		-	-	65,901	4,365,941
Trade payables		118	7,652	(2,117,234)	(140,266,753)
Other payables		(28,633)	(1,856,850)	(1,352)	(89,570)
Cash generated from operations		**74,458,678**	**4,828,645,268**	**79,030,479**	**5,235,769,234**
Finance costs paid		(12,439,416)	(806,696,128)	(11,234,038)	(744,255,018)
Income tax paid		(1,158)	(75,096)	(1,054)	(69,827)
Interest received		99,760	6,469,436	16,837	1,115,451
Net cash generated from operating activities		**62,117,864**	**4,028,343,480**	**67,812,224**	**4,492,559,840**
Cash Flows From Investing Activities					
Purchase of property, plant and equipment	8	-	-	(14,298)	(947,243)
Proceeds from disposal of property, plant and equipment	14	-	-	80,970	5,364,263
Net cash generated from investing activities		-	-	66,672	4,417,020
Cash Flows From Financing Activities					
Draw-down of borrowings	11	264,221,875	17,134,788,594	68,500,000	4,538,125,000
Repayment of borrowings	11	(296,320,964)	(19,216,414,515)	(130,487,500)	(8,644,796,875)
Net cash used in financing activities		(32,099,089)	(2,081,625,921)	(61,987,500)	(4,106,671,875)
Net increase in cash and cash equivalents		30,018,775	1,946,717,559	5,891,396	390,304,985
Cash and cash equivalents at the beginning of the year		27,767,748	1,839,613,305	21,875,392	1,367,212,000
Foreign currency translation difference		-	(38,874,847)	-	82,032,720
Effect of exchange rate changes		(1,103)	(71,530)	960	63,600
Cash and cash equivalents at the end of the year	4	**57,785,420**	**3,747,384,487**	**27,767,748**	**1,839,613,305**

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 2017

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 2017 were authorised and approved by the Board of Directors for issuance on

2. SIGNIFICANT ACCOUNTING POLICIES

a) <u>Basis of preparation</u>

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 = ₹ 64.85 (2014: USD 1 = ₹ 66.25) 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 2017, the company is in a net current liabilities position of US$194,759,511 equivalent to ₹ 12,630,154,288 (2016: US$9,674,009 equivalent to ₹ 640,903,095). At the reporting date, the company's current liabilities includes borrowings of US$256,513,411 equivalent to ₹ 16,634,894,703 (2016: US$39,532,697 equivalent to ₹ 2,619,041,176) directly associated with the non current assets held for sale (Note 7). Excluding this amount, the company's current liabilities would have been US$1,366,463 equivalent to ₹ 88,615,125 (2016: US$2,110,898 equivalent to ₹ 139,846,992) and the company would have been in a net current assets position of US$61,753,900 equivalent to ₹ 4,004,740,415 (2016: US$29,858,688 equivalent to ₹ 1,978,138,081). At the reporting date, the future minimum lease receipts of the company as a lessor under non-cancellable charter hire operating leases due within one year amounts to US$13,013,000 equivalent to ₹ 843,893,050 (2016: US$67,835,000 equivalent to ₹ 4,494,068,750).

Notwithstanding the above, 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) <u>Currency translation</u>

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.

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.

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) <u>Income tax</u>

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) <u>Employee benefits</u>

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) <u>Related parties</u>

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).

(h) The entity, or any member of a group of which it is a part, provides key management personnel services to the company or to the parent of the company.

t) 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.

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 8 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 8 to the financial statements.

4. CASH AND CASH EQUIVALENTS

	2017 US$	2017 ₹	2016 US$	2016 ₹
Cash at bank	54,467,355	3,532,207,972	26,468,455	1,753,535,144
Cash on hand	482	31,258	830	55,053
Short-term fixed deposits	3,317,583	215,145,257	1,298,463	86,023,108
	57,785,420	3,747,384,487	27,767,748	1,839,613,305

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

	2017 US$	2017 ₹	2016 US$	2016 ₹
Singapore dollars	212,723	13,795,087	49,921	3,307,266
United States dollars	57,572,697	3,733,589,400	27,717,827	1,836,306,039
	57,785,420	3,747,384,487	27,767,748	1,839,613,305

5. TRADE RECEIVABLES

	2017 US$	2017 ₹	2016 US$	2016 ₹
Current				
GST recoverable	47,331	3,069,415	3,614	239,428
Immediate holding company	4,433,000	287,480,050	4,198,224	278,132,340
	4,480,331	290,549,465	4,201,838	278,371,768
Non - current				
Immediate holding company	-	-	8,378,948	555,105,305
Total	4,480,331	290,549,465	12,580,786	833,477,073

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 immediate 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:

	2017 US$	2017 ₹	2016 US$	2016 ₹
Singapore dollars	47,331	3,069,415	3,614	239,428
United States dollars	4,433,000	287,480,050	12,577,172	833,237,645
	4,480,331	290,549,465	12,580,786	833,477,073

6. DERIVATIVE FINANCIAL INSTRUMENTS RECEIVABLE/(PAYABLE)

	Contract/notional amount		Fair values	
	US$	₹	US$	₹
31.03.2017				
Cash flow hedges				
- Interest rate swaps	181,791,958	11,789,208,497	854,612	55,421,588
31.03.2016				
Cash flow hedges				
- Interest rate swaps	136,650,000	9,053,062,500	(706,481)	(46,804,366)

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 2 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.

7. NON CURRENT ASSET CLASSIFIED AS HELD FOR SALE

During the financial year, the company is committed to a plan to sell all the rigs, furniture and equipment, and computers in their present condition to its immediate holding company and consequently has reclassified their carrying amounts (Note 8) as held for sale. 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:

	Rigs		Furniture and equipment		Computers		Total	
	US$	₹	US$	₹	US$	₹	US$	₹
2017								
Reclassifications from property, plant and equipment (Note 8):								
- Cost:	708,037,457	45,916,229,086	34,107,662	2,211,881,881	94,460	6,125,731	742,239,579	48,134,236,698
- Accumulated depreciation:	(116,438,461)	(7,551,034,196)	(20,639,353)	(1,338,462,042)	(80,496)	(5,220,165)	(137,158,310)	(8,894,716,403)
- Accumulated impairment:	(712,977)	(46,236,558)	(508,514)	(32,977,133)	-	-	(1,221,491)	(79,213,691)
- Carrying amount:	590,886,019	38,318,958,332	12,959,795	840,442,706	13,964	905,566	603,859,778	39,160,306,604
Less:								
Impairment loss	(213,386,019)	(13,838,083,332)	(10,299,305)	(667,909,929)	(13,964)	(905,566)	(223,699,288)	(14,506,898,827)
At 31 March 2017	377,500,000	24,480,875,000	2,660,490	172,532,777	-	-	380,160,490	24,653,407,777

8. PROPERTY, PLANT AND EQUIPMENT

2017	Rigs US$	Rigs ₹	Furniture and equipment US$	Furniture and equipment ₹	Computers US$	Computers ₹	Total US$	Total ₹
Cost								
At 1 April 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
Exchange realignment	-	(991,252,440)	-	(47,750,727)	-	(132,244)	-	(1,039,135,411)
Reclassified to asset held for sale (Note 7)	(708,037,457)	(45,916,229,086)	(34,107,662)	(2,211,881,881)	(94,460)	(6,125,731)	(742,239,579)	(48,134,236,698)
At 31 March 2017	-	-	-	-	-	-	-	-
Accumulated depreciation								
At 1 April 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
Exchange realignment	-	(131,290,187)	-	(24,106,531)	-	(90,776)	-	(155,487,494)
Charge for the year	22,659,756	1,469,485,177	3,420,403	221,813,135	15,656	1,015,291	26,095,815	1,692,313,603
Reclassified to asset held for sale (Note 7)	(116,438,461)	(7,551,034,196)	(20,639,353)	(1,338,462,042)	(80,496)	(5,220,165)	(137,158,310)	(8,894,716,403)
At 31 March 2017	-	-	-	-	-	-	-	-
Accumulated Impairment								
At 1 April 2016	712,977	47,234,726	508,514	33,689,053	-	-	1,221,491	80,923,779
Exchange realignment	-	(998,168)	-	(711,920)	-	-	-	(1,710,088)
Reclassified to asset held for sale (Note 7)	(712,977)	(46,236,558)	(508,514)	(32,977,133)			(1,221,491)	(79,213,691)
Ar 31 March 2017	-	-	-	-	-	-	-	-
Carrying amount At 31 March 2017	-	-	-	-	-	-	-	-

2016	Rigs US$	Rigs ₹	Furniture and equipment US$	Furniture and equipment ₹	Computers US$	Computers ₹	Total US$	Total ₹
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

9. TRADE PAYABLES

	2017 US$	2017 ₹	2016 US$	2016 ₹
Third parties	118	7,652	-	-

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 to third parties approximate their fair values and are denominated in the following currencies:

	2017 US$	2017 ₹	2016 US$	2016 ₹
Singapore dollars	118	7,652	-	-
	118	7,652	-	-

10. OTHER PAYABLES

	2017 US$	2017 ₹	2016 US$	2016 ₹
Accruals for operating expenses	51,910	3,366,364	64,594	4,279,353
Amount owing to a related party	41,238	2,674,284	57,188	3,788,704
Interest payables	1,264,434	81,998,545	1,283,758	85,048,968
	1,357,582	88,039,193	1,405,540	93,117,025
Presented as:				
Current	1,355,859	87,927,456	1,403,417	92,976,376
Non- current	1,723	111,737	2,123	140,649
	1,357,582	88,039,193	1,405,540	93,117,025

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

	2017 US$	2017 ₹	2016 US$	2016 ₹
Singapore dollars	51,910	3,366,364	64,594	4,279,353
United States dollars	1,305,672	84,672,829	1,340,946	88,837,672
	1,357,582	88,039,193	1,405,540	93,117,025

11. BORROWINGS

	2017 US$	2017 ₹	2016 US$	2016 ₹
Loan	256,513,411	16,634,894,703	288,612,500	19,120,578,125
Unamortised facility fees	-	-	(2,795,819)	(185,223,009)
Presented as:	256,513,411	16,634,894,703	285,816,681	18,935,355,116
Current	256,513,411	16,634,894,703	39,532,697	2,619,041,176
Non-current	-	-	246,283,984	16,316,313,940
	256,513,411	16,634,894,703	285,816,681	18,935,355,116

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

The company has availed a loan from a consortium of banks and financial institutions, which is secured with the following:

i) First priority cross collateralized mortgage on the Rigs (Note 7);

ii) First priority assignment of insurances of the Rigs;

iii) First priority assignment of earnings and assignment of all other rights under the bareboat charter agreement between the company and the immediate holding company in relation to the Rigs;

iv) First priority pledge over the company's Earnings Account and Operating Account (where applicable) for the Rigs; and

v) Corporate guarantee from the immediate holding company.

The loan is subject to interest at the rate of LIBOR + 2.5 % per annum and is repayable in quarterly instalments over six years.

12. SHARE CAPITAL

2017	Number of ordinary shares	US$	₹
Issued			
At the beginning of the year	2,640,066	168,964,161	11,193,875,667
Exchange realignment	-	-	(236,549,826)
At the end of the year	2,640,066	168,964,161	10,957,325,841

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

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

	2017 US$	2017 ₹	2016 US$	2016 ₹
Hedging reserve				
At the beginning of the year	(706,481)	(46,804,367)	(352,250)	(22,015,625)
Foreign currency translation differences	-	989,074	-	(1,320,938)
De-recognition of fair value gain arising from derivative financial instruments	706,481	45,815,293	352.250	23,336,563
Changes in fair value of interest rate swaps	854,612	55,421,588	(706,481)	(46,804,367)
At the end of the year	854,612	55,421,588	(706,481)	(46,804,367)
Retained profits				
At the beginning of the year	214,116,745	14,185,234,357	171,247,851	10,702,990,668
Foreign currency translation differences	-	(299,763,443)	-	642,179,430
Net (loss)/profit for the year	(198,536,262)	(12,875,076,591)	42,868,894	2,840,064,239
At the end of the year	15,580,483	1,010,394,323	214,116,745	14,185,234,357
Total reserves	16,435,095	1,065,815,911	213,410,264	14,138,429,990

14. OTHER INCOME

	2017 US$	2017 ₹	2016 US$	2016 ₹
Gain on sale of equipment	-	-	80,970	5,364,263
Interest income	99,760	6,469,436	16,837	1,115,451
Government grant	23,898	1,549,785	5,554	367,953
Others	5,774	374,444	4,245	281,231
	129,432	8,393,665	107,606	7,128,898

15. EMPLOYEE BENEFITS EXPENSES

	2017 US$	2017 ₹	2016 US$	2016 ₹
Staff salaries	182,172	11,813,854	193,769	12,837,263
Staff – CPF contribution	26,509	1,719,109	24,720	1,637,700
Staff benefits	7,256	470,552	9,513	630,170
	215,937	14,003,515	228,002	15,105,133

16. OTHER OPERATING EXPENSES

	2017 US$	2017 ₹	2016 US$	2016 ₹
Bank charges	1,187	76,977	2,969	196,696
Director's fees	11,146	722,818	10,202	675,883
Management fees	258,871	16,787,784	297,400	19,702,750
Rental expenses	24,571	1,593,429	26,544	1,758,540
Professional fees	98,625	6,395,831	20,474	1,356,403
Travelling expenses	1,219	79,052	8,764	580,615
Others	11,681	757,513	20,549	1,361,371
	407,300	26,413,404	386,902	25,632,258

17. FINANCE COSTS

	2017 US$	2017 ₹	2016 US$	2016 ₹
Finance charges (arrangement fees)	6,825,084	442,606,698	2,503,443	165,853,099
Interests on bank loans	8,390,826	544,145,066	8,935,636	591,985,885
	15,215,910	986,751,764	11,439,079	757,838,984

18. INCOME TAX

	2017 US$	2017 ₹	2016 US$	2016 ₹
Current year tax expense	10,207	661,924	1,000	66,250
Under provision in prior years	437	28,339	54	3,565
	10,644	690,263	1,054	69,815

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% (2016: 17%) to profit before income tax as a result of the following differences:

	2017 US$	2017 ₹	2016 US$	2016 ₹
(Loss)/Profit before income tax	(198,525,618)	(12,874,386,328)	42,869,948	2,840,134,054
Income tax expense at statutory rate	(33,749,355)	(2,188,645,672)	7,287,891	482,822,779
Exempt income	(4,269,317)	(276,865,207)	(7,286,891)	(482,756,529)
Non-deductible items	38,028,879	2,466,172,803	-	-
Underprovision in prior years	437	28,339	54	3,565
	10,644	690,263	1,054	69,815

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

Greatship (India) Limited, a company incorporated in India, is the company's immediate holding company. Greatship (India) Limited has, on 28 March 2017, acquired all the ordinary shares of the company held by its erstwhile immediate holding company Greatship Global Holdings Ltd., a company incorporated in the Republic of Mauritius.

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 holding company and related companies on terms agreed between them with respect to the following during the financial year.

	2017 US$	2017 ₹	2016 US$	2016 ₹
Charter hire income from immediate holding company	66,979,200	4,343,601,120	81,509,917	5,400,032,001
Corporate Guarantee payment to immediate holding company	(406,349)	(26,351,733)	(685,569)	(45,418,946)
Rental paid to a related company	(26,291)	(1,704,971)	(28,402)	(1,881,633)
Management fees to a related company	(258,870)	(16,787,720)	(297,400)	(19,702,750)
Sale of inventory to intermediate holding company	-	-	51,603	3,418,699

(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:

	2017 US$	2017 ₹	2016 US$	2016 ₹
Due within one year	13,013,000	843,893,050	67,835,000	4,494,068,750
Due within two to five years	-	-	103,417,000	6,851,376,250
	13,013,000	843,893,050	171,252,000	11,345,445,000

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:

	2017 US$	**2017 ₹**	2016 US$	2016 ₹
Financial assets				
Cash and cash equivalents	212,723	13,795,087	49,921	3,307,266
Trade receivables	47,331	3,069,415	3,614	239,428
	260,054	16,864,502	53,535	3,546,694
Financial liabilities				
Trade payables	(118)	(7,652)	-	-
Other payables	(51,910)	(3,366,364)	(64,594)	(4,279,353)
	(52,028)	(3,374,016)	(64,594)	(4,279,353)
Net currency exposure	208,026	13,490,486	(11,059)	(732,659)

At 31 March 2017, an estimated 1% (2016: 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$2,080 equivalent to ₹ 134,888 (2016: US$111 equivalent to ₹ 7,327) 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 would increase/decrease by US$583,351 equivalent to ₹ 37,830,312 (2016: US$907,680 equivalent to ₹ 60,133,800). 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 (2016: 1 debtor) that individually represented 98.94% (2016: 99.97%) of trade receivables.

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

	2017 US$	2017 ₹	2016 US$	2016 ₹
By geographical area				
India	4,433,000	287,480,050	12,577,172	833,237,645
Singapore	47,331	3,069,415	3,614	239,428
	4,480,331	290,549,465	12,580,786	833,477,073

	2017 US$	2017 ₹	2016 US$	2016 ₹
By types of customers				
Non-related party	47,331	3,069,415	3,614	239,428
Immediate holding company	4,433,000	287,480,050	12,577,172	833,237,645
	4,480,331	290,549,465	12,580,786	833,477,073

(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$4,480,331 equivalent to ₹ 290,549,465 (2016: US$12,580,786 equivalent to ₹ 833,477,043).

(c) <u>Liquidity risk</u>

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		Total	
	US$	**₹**	**US$**	**₹**	**US$**	**₹**
2017						
Trade payables	118	7,652	-	-	118	7,652
Other payables	1,355,859	87,927,456	1,723	111,737	1,357,582	88,039,193
Borrowings	256,513,411	16,634,894,703	-	-	256,513,411	16,634,894,703
	257,869,388	16,722,829,811	1,723	111,737	257,871,111	16,722,941,548

	Less than 1 Year		Between 2 and 5 years		More than 5 years		Total	
	US$	**₹**	**US$**	**₹**	**US$**	**₹**	**US$**	**₹**
2016								
Other payables	1,403,417	92,976,376	2,123	140,649	-	-	1,405,540	93,117,025
Derivative financial instruments payable	706,481	46,804,366	-	-	-	-	706,481	46,804,366
Borrowings	39,532,697	2,619,041,176	243,430,554	116,127,274,202	2,853,430	189,039,738	285,816,681	18,935,355,116
	41,642,595	3,173,493,562	243,432,677	16,127,414,851	2,853,430	189,039,738	287,928,702	19,075,276,507

(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$	**₹**
2017		
Financial asset		
Derivative financial instruments receivable	854,612	55,421,588

	Level 2	
	US$	₹
2016		
Financial liability		
Derivative financial instruments payable	(706,481)	(46,804,366)

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.

(i) 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:

	2017 US$	**2017 ₹**	2016 US$	2016 ₹
Financial assets				
Loans and receivables:				
Cash and cash equivalents	57,785,420	3,747,384,487	27,767,748	1,839,613,305
Derivative financial instruments receivable	854,612	55,421,588	-	
Trade receivables	4,480,331	290,549,465	12,580,786	833,477,073

	2017 US$	2017 ₹	2016 US$	2016 ₹
Financial liabilities				
Amortised cost:				
Trade payables	118	7,652	-	-
Other payables	1,357,582	88,039,193	1,405,540	93,117,025
Borrowings	256,513,411	16,634,894,703	285,816,681	18,935,355,116
Derivative financial instruments receivable	-	-	706,481	46,804,366

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.

	2017 US$	2017 ₹	2016 US$	2016 ₹
Net debt	200,085,692	12,975,557,126	259,454,473	17,188,858,836
Total equity	185,399,256	12,023,141,752	382,374,425	25,332,305,656
Total capital	385,484,948	24,998,698,878	641,828,898	42,521,164,492
Gearing ratio	0.52	0.52	0.40	0.40

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 2017 and 31 March 2016 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
Amendments to FRS 7: Disclosure Initiative	1 January 2017
Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
FRS 115 Revenue from Contracts with Customers	1 January 2018
FRS 109 Financial Instruments	1 January 2018
Amendments to FRS 115: Clarifications to FRS 115 Revenue from Contracts with Customers	1 January 2018
FRS 116 Leases	1 January 2019

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 2017

The directors present their strategic report for Greatship (UK) Limited ("company") for the year ended 31 March 2017.

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 $405,298 (INR 26,283,575) (2016: $1,545,289 (INR 102,375,396)).

The directors consider that key performance indicators are days on hire and no performance deductions.

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 July 2017 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

28 April 2017

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2017

The directors present their report and the audited financial statements for Greatship (UK) Limited ("company") for the year ended 31 March 2017.

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 $405,298 (INR 26,283,575) (2016: $1,545,289 (INR 102,375,396)).

The directors do not recommend the payment of a dividend (2016: $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 (2016: $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.

GOING CONCERN

The directors are of the opinion that the company is a going concern. Refer to note 1.3 for further details.

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 2017

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 2017 which comprise the statement of comprehensive income, the statement of financial position,, 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 2017 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, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or Directors' Report.

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.

Rachel Lawton (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
28 April 2017

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2017

Continuing operation	Note	2017 $	2017 INR	2016 $	2016 INR
Turnover	3	**11,965,127**	**775,938,486**	**20,256,506**	**1,341,993,523**
Cost of sales		(11,459,072)	(743,120,819)	(18,121,043)	(1,200,519,099)
Gross profit		**506,055**	**32,817,667**	**2,135,463**	**141,474,424**
Administrative expenses		(39,261)	(2,546,076)	(186,799)	(12,375,434)
Operating profit	4	466,794	30,271,591	1,948,664	129,098,990
Interest receivable and similar income	7	40,504	2,626,684	24,949	1,652,871
Interest payable and similar charges	8	-	-	(33,601)	(2,226,066)
Profit on ordinary activities before taxation		507,298	32,898,275	1,940,012	128,525,795
Taxation	9	(102,000)	(6,614,700)	(394,723)	(26,150,399)
Profit for the year attributable to owners of the company		**405,298**	**26,283,575**	**1,545,289**	**102,375,396**
Other Comprehensive income		-	-	-	-
Total Comprehensive income for the year attributable to owners of the company		**405,298**	**26,283,575**	**1,545,289**	**102,375,396**

The notes are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 $	2017 INR	2016 $	2016 INR
Current assets					
Debtors	10	3,083,155	199,942,602	4,804,009	318,265,596
Cash at bank and in hand		6,628,530	429,860,170	6,007,453	397,993,761
		9,711,685	629,802,772	10,811,462	716,259,357
Creditors: amounts falling due within one year	11	(6,689,713)	(433,827,888)	(8,194,788)	(542,904,705)
Net current assets		3,021,972	195,974,884	2,616,674	173,354,653
Total assets less current liabilities		3,021,972	195,974,884	2,616,674	173,354,653
Net assets		3,021,972	195,974,884	2,616,674	173,354,653
Capital and reserves					
Called up share capital	12	500,000	32,425,000	500,000	33,125,000
Profit and loss account		2,521,972	163,549,884	2,116,674	140,229,653
Total Shareholders' Equity		3,021,972	195,974,884	2,616,674	173,354,653

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

A A Mahajan
Director
28 April 2017

The notes are an integral part of these financial statements

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2017

	Called Share Capital		Profit & Loss A/c		Total Shareholders Equity	
	$	INR	$	INR	$	INR
At 1 April 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
Profit for the year			405,298	26,283,575	405,298	26,283,575
Other Comprehensive income	-	-	-	-	-	
Total Comprehensive Income	-	-	405,298	26,283,575	405,298	26,283,575
Foreign Currency Translation difference		(700,000)		(2,963,344)		(3,663,344)
At 31 March 2017	500,000	32,425,000	2,521,972	163,549,884	3,021,972	195,974,884

Reserves

Profit and loss account

This reserve represents cumulative profits and losses of the company.

The notes are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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 and principal place of business is Ocean House, 134/A, Dr. Annie Besant Road, Worli, Mumbai - 400 018, India.

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 16 provides 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'.

1.3 Going concern

The contract with the customer is due to expire in July 2017 and discussions are in progress to extend this. Should the contract not be extended 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. The financial statements do not include any adjustments should the contract not be extended.

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 of chartering 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:

	2017 $	2017 INR	2016 $	2016 INR
Rendering of charter services	11,965,127	775,938,486	20,256,506	1,341,993,523
	11,965,127	**775,938,486**	**20,256,506**	**1,341,993,523**

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

	2017 $	2017 INR	2016 $	2016 INR
United Kingdom	-	-	-	-
Europe	-	-	-	-
Rest of the world	11,965,127	775,938,486	20,256,506	1,341,993,523
	11,965,127	**775,938,486**	**20,256,506**	**1,341,993,523**

4 OPERATING PROFIT

Operating profit is stated after charging:

	2017 $	2017 INR	2016 $	2016 INR
Operating Lease expenses-vessels	8,013,042	519,645,774	13,517,463	895,531,924
Auditor's remuneration (note 5)	35,687	2,314,302	38,675	2,562,219
Staff Cost (note 6)		-	129,969	8,610,446

5 AUDITOR'S REMUNERATION

	2017 $	2017 INR	2016 $	2016 INR
Fees payable to the company's auditor for the audit of the Company's annual accounts	20,704	1,342,654	24,502	1,623,258
Fees payable to the company's auditor for other services to the Company'				
- Other assurance services	11,565	749,990	10,893	721,661
- Tax Compliance services	3,418	221,657	3,280	217,300
	35,687	**2,314,301**	**38,675**	**2,562,219**

6 STAFF COSTS

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

	2017 No.	2016 No.
Operations	-	1
Management	2	2
	2	3

Their aggregate remuneration comprised:

	2017 $	2017 INR	2016 $	2016 INR
Wages and salaries	-	-	129,969	8,610,446
Social Security Cost	-	-	-	-
Other pension cost	-	-	-	-
	-	-	129,969	8,610,446

During the year, no director received any remuneration or contribution to a pension scheme (2016: $nil).

7 INTEREST RECEIVABLE AND SIMILAR INCOME

	2017 $	2017 INR	2016 $	2016 INR
Interest receivable on cash at Bank	40,504	2,626,684	24,949	1,652,871
	40,504	2,626,684	24,949	1,652,871

8 INTEREST PAYABLE AND SIMILAR CHARGES

	2017 $	2017 INR	2016 $	2016 INR
Interest payable on amounts owed to group undertaking	-	-	33,601	2,226,066
	-	-	33,601	2,226,066

9 TAXATION

(a) Analysis of tax charge in profit or loss

	2017 $	2017 INR	2016 $	2016 INR
Current tax				
UK corporation tax	102,000	6,614,700	394,723	26,150,399
Adjustments in respect of prior years	-	-	-	-
Total Current Tax	**102,000**	**6,614,700**	**394,723**	**26,150,399**
Deferred tax				
Origination and reversal of timing differences	-	-	-	-
Effect of change in tax rates	-	-	-	-
Total Deferred Tax	**-**	**-**	**-**	**-**
Tax on profit on ordinary activities	**102,000**	**6,614,700**	**394,723**	**26,150,399**

(b) Factors affecting tax charge for the year

Tax on profit on ordinary activities for the year is higher than (2016: higher than) the standard rate of corporation tax in the UK of 20% (2016: 20%). The differences are reconciled below:

	2017 $	2017 INR	2016 $	2016 INR
Profit on ordinary activities before taxation	507,298	32,898,275	1,940,012	128,525,795
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 : 20%)	101,460	6,579,681	388,002	25,705,133
Items not deductible for taxation	540	35,019	6,721	445,266
Other timing differences	-	-	-	-
(Utilisation) of tax losses	-	-	-	-
Total tax for the year	**102,000**	**6,614,700**	**394,723**	**26,150,399**

(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 18% (2016: 19%).

10 DEBTORS

	2017 $	2017 INR	2016 $	2016 INR
Trade debtors	840,006	54,474,389	1,861,237	123,306,951
Amounts owed by group undertakings	2,177,966	141,241,095	2,864,016	189,741,060
Prepayments and accrued income	65,183	4,227,118	78,756	5,217,585
	3,083,155	**199,942,602**	**4,804,009**	**318,265,596**

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

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 $	2017 INR	2016 $	2016 INR
Trade creditors	5,939,591	385,182,476	6,758,304	447,737,640
Amounts owed to group undertakings	561,000	36,380,850	1,033,797	68,489,051
Corporation tax	189,122	12,264,562	402,687	26,678,014
	6,689,713	**433,827,888**	**8,194,788**	**542,904,705**

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

12 CALLED UP SHARE CAPITAL

	2017 $	2017 INR	2016 $	2016 INR
Allotted, called up and fully paid				
500,000 ordinary shares of $1 each	**500,000**	**32,425,000**	**500,000**	**33,125,000**

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

13 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:

	2017 $	2017 INR	2016 $	2016 INR
Not later than one year	2,157,552	139,917,247	3,329,105	220,553,206
Later then one year and not later than five years	-	-	-	-
Later then five years	-	-	-	-
	2,157,552	**139,917,247**	**3,329,105**	**220,553,206**

14 OFF BALANCE SHEET ARRANGEMENTS

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

15 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.

16 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.

17 POST BALANCE SHEET EVENTS

There are no post balance sheet events.

GREATSHIP OILFIELD SERVICES LIMITED
A SUBSIDIARY COMPANY

Directors	
Chairman	Ravi K. Sheth
	Vipul Acharya
	Amisha Ghia
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
Auditors	Kalyaniwalla & Mistry LLP Chartered Accountants Kalpataru Heritage 127, Mahatma Gandhi Road Mumbai 400 001

BOARD'S REPORT

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

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 year ended March 31, 2017.

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, Mr. Vipul Acharya and Ms. Amisha Ghia were appointed as Directors liable to retire by rotation at the last Annual General Meeting of the Company. In accordance with the provisions of section 152 (6) of the Companies Act, 2013, Mr. Ravi K. Sheth, shall retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, has offered himself for re-appointment.

Necessary resolutions for the re-appointment of Mr. Ravi K. Sheth as aforesaid shall be included in the Notice convening the ensuing Annual General Meeting.

Board Meetings

During the year, 4 meetings of the Board were held.

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 financial year and of the profit or loss of the Company for that period;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the annual accounts on a going concern basis; and
5. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

RISK MANAGEMENT POLICY

Your Company 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 year ended March 31, 2017, 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 year ended March 31, 2017, 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, hold office until the conclusion of the 6th Annual General Meeting of the Company to be held in the calendar year 2021.

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

Ravi K. Sheth
Chairman
(DIN: 0000022121)

Mumbai, May 2, 2017

ANNEXURE 1 TO THE BOARD'S REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	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	09101# 09103#	NA*

*The Company has not commenced any operations as on March 31, 2017

#As per National Industrial Classification 2008

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	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

Equity Share Capital Breakup as percentage of Total Equity

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	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	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
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 at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Greatship (India) Limited	10,000	100	NIL	10,000	100	NIL	NIL

iii. Change in Promoters' Shareholding (GREATSHIP (INDIA) LIMITED)

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

v. Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL			
	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			
	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	NA	
	(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	NA	
	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	NA			
	(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				

NA

**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 IND AS Financial Statements

We have audited the accompanying IND AS financial statements of **Greatship Oilfield Services Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1) 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 sub-section (3) of section 143 of the Act, we report that:

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

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

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

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

(e) On the basis of written representations received from the directors as on March 31, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of section 164(2) of the Act.

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

i. The Company has 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 LLP
Chartered Accountants
Firm Registration No. 104607W / W100166

Roshni R. Marfatia
Partner
Membership No: 106548

Place: Mumbai
Date: May 2, 2017

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 2 (f) 'Report on Other Legal and Regulatory Requirements' of our Report for the year ended March 31, 2017.

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

We have audited the internal financial controls over financial reporting of **Greatship Oilfield Services Limited** ("the Company") as at March 31, 2017 in conjunction with our audit of the standalone IND AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Roshni R. Marfatia
Partner
Membership No: 106548

Place: Mumbai
Date: May 2, 2017

BALANCE SHEET

AS AT 31ST MARCH, 2017

	Notes	As at March 31,2017 ₹	As at March 31,2016 ₹
ASSETS			
Financial Assets			
Cash and Cash Equivalents	4	100,000	100,000
		100,000	**100,000**
EQUITY AND LIABILITIES			
Equity			
Share Capital	5	100,000	100,000
Other Equity	6	-	-
		100,000	**100,000**
Significant accounting policies	3		

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

As per our report attached hereto

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

Roshni R. Marfatia
Partner
Membership No.:106548

Place: Mumbai
Date: May 02, 2017

For and on behalf of the Board

Ravi K. Sheth
Director

Vipul I. Acharya
Director

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2017

	Notes	Year Ended March 31,2017 ₹	Period Ended March 31,2016 ₹
Income:			
Revenue from operations		-	-
Total Income		**-**	**-**
Expenses :			
Other expenses		-	-
Total expenses		**-**	**-**
Profit before tax		-	-
Tax expense :			
- Current tax		-	-
- Deferred tax		-	-
Profit for the year		**-**	**-**
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		-	-
Earnings per equity share:			
[Nominal value per share Rs.10]			
- Basic		-	-
- Diluted		-	-
Significant accounting policies	3		

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

As per our report attached hereto

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

Roshni R. Marfatia
Partner
Membership No.:106548

Place: Mumbai
Date: May 02, 2017

For and on behalf of the Board

Ravi K. Sheth
Director

Vipul I. Acharya
Director

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2017

A EQUITY SHARE CAPITAL

₹

Balance as at April 1, 2016	Changes in equity share capital during the year	Balance as at March 31, 2017
100,000	-	100,000

Balance as at July 09, 2015	Changes in equity share capital during the period	Balance as at March 31, 2016
-	100,000	100,000

B OTHER EQUITY

₹

Particulars	Reserves and Surplus	Total
	Retained Earnings	
Balance as at April 1, 2016	-	-
Profit for the year	-	-
Balance as at March 31, 2017	-	-

Particulars	Reserves and Surplus	Total
	Retained Earnings	
Balance as at July 09, 2015	-	-
Profit for the period	-	-
Balance as at March 31, 2016	-	-

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

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

For and on behalf of the Board

Roshni R. Marfatia
Partner
Membership No.:106548

Ravi K. Sheth
Director

Vipul I. Acharya
Director

Place: Mumbai

Date: May 02, 2017

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31ST MARCH, 2017

		Year ended March 31,2017 ₹	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		100,000	-
Cash and cash equivalents as at March 31, 2017		**100,000**	**100,000**

As per our report attached hereto

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

Roshni R. Marfatia
Partner
Membership No.:106548

For and on behalf of the Board

Ravi K. Sheth
Director

Vipul I. Acharya
Director

Place: Mumbai
Date: May 02, 2017

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2017

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.

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

2 STATEMENT OF COMPLIANCE WITH IND AS

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

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

3 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation :

Ministry of Corporate Affairs (MCA) notified roadmap to implement Indian Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standard) Rules 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules 2016. As per the said roadmap, the company is required to implement IND AS starting from financial year beginning on or after April, 01 2016. The Company has adopted the IND AS wef April, 01 2016 with the transition date as July 09, 2015 and the adoption was carried out in accordance with Ind AS-101- "First Time Adoption of Indian Accounting Standards".

These financial statements for the year ended March,31 2017 are prepared in accordance with Indian Accounting Standards as prescribed under section 133 of the Companies Act 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) Amendment Rules 2016.

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

(b) Use of Estimates :

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

(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.

4 CASH AND CASH EQUIVALENTS

	As at March 31,2017 ₹	As at March 31,2016 ₹
Balances with banks		
-Current accounts	100,000	100,000
	100,000	**100,000**

5 SHARE CAPITAL

	As at March 31,2017		As at March 31,2016	
	No. of Shares	₹	No. of Shares	₹
Authorised				
Equity Shares of par value ₹10/-	10,000	100,000	10,000	100,000
		100,000		**100,000**
Issued, subscribed and paid up				
Equity Shares of par value ₹10/- fully paid up	10,000	100,000	10,000	100,000
Total		**100,000**		**100,000**

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

Details	As at March 31,2017 No. of Shares	As at March 31,2017 ₹	As at March 31,2016 No. of Shares	As at March 31,2016 ₹
Equity Shares of par value ₹10/- fully paid up				
Outstanding at the beginning of the year/ period	10,000	100,000	-	-
Add: Issued during the year	-	-	10,000	100,000
Outstanding at the end of the year	**10,000**	**100,000**	**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 the holding company :

	As at March 31,2017 ₹	As at March 31,2016 ₹
10,000 Equity Shares (March 31, 2016 : 10,000 Equity Shares) held by Greatship (India) Limited	100,000	100,000

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

Name of Shareholder	As at March 31,2017 % of Holding	As at March 31,2017 No. of Shares held	As at March 31,2016 % of Holding	As at March 31,2016 No. of Shares held
Equity Shares				
Greatship (India) Limited	100%	10,000	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 IND AS 110 “Consolidated Financial Statements” and IND AS 24 “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.

6 OTHER EQUITY

	As at March 31,2017 ₹	As at March 31,2016 ₹
RETAINED EARNINGS		
Balance at the beginning of the year/ period	-	-
Add: Profit for the year	-	-
Balance at the end of the year	-	-
	-	-

7 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

	Holding Company	
Nature of transaction	Year Ended March 31, 2017 ₹	Period Ended March 31, 2016 ₹
Transactions during the year		
Greatship (India) Limited		
Money received for issue of Share Capital	-	100,000

NOTES

GREATSHIP (INDIA) LIMITED

Registered Office: Indiabulls Finance Centre, Tower 3, 23rd Floor,
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