



GREATSHIP (INDIA) LIMITED

OFFSHORE LOGISTICS • DRILLING SERVICES

ANNUAL REPORT 2020-21



OUR BACKBONE, OUR STRENGTH



CONTENTS

CORPORATE INFORMATION	03
KEY PERFORMANCE INDICATORS (CONSOLIDATED)	04
MANAGEMENT STATEMENT	06
BOARD'S REPORT	08
MANAGEMENT DISCUSSION AND ANALYSIS	17
CORPORATE GOVERNANCE	24
FLEET PROFILE	51
AUDITOR'S REPORT	53
FINANCIAL STATEMENTS	60
STATEMENT PERTAINING TO SUBSIDIARIES	123
CONSOLIDATED FINANCIAL STATEMENTS	124





CORPORATE INFORMATION

BOARD OF DIRECTORS

CHAIRMAN Mr. Bharat K. Sheth

MANAGING DIRECTOR Mr. Ravi K. Sheth

EXECUTIVE DIRECTORS Mr. P. R. Naware
Mr. Alok Mahajan

INDEPENDENT DIRECTORS Mrs. Bhavna Doshi
Mr. Mathew Cyriac
Mrs. Rita Bhagwati
Mr. Shaleen Sharma

REGISTERED OFFICE One International Center
Tower 3, 23rd Floor
Senapati Bapat Marg
Elphinstone Road (West)
Mumbai 400 013

CORPORATE IDENTITY NUMBER U 63090 MH 2002 PLC 136326

AUDITORS Deloitte Haskins & Sells LLP
Chartered Accountants
One International Center
Tower 3, 27th – 32th Floor
Senapati Bapat Marg
Elphinstone Road (West)
Mumbai 400 013

CHIEF FINANCIAL OFFICER Mr. G. Shivakumar

COMPANY SECRETARY Ms. Amisha Ghia

WEBSITE www.greatshipglobal.com

KEY PERFORMANCE INDICATORS (CONSOLIDATED)

5 YEARS AT A GLANCE

₹ in Crores

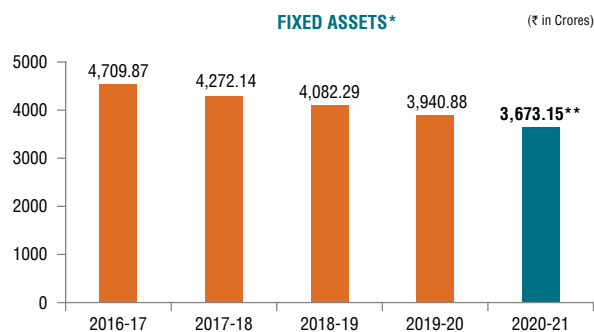
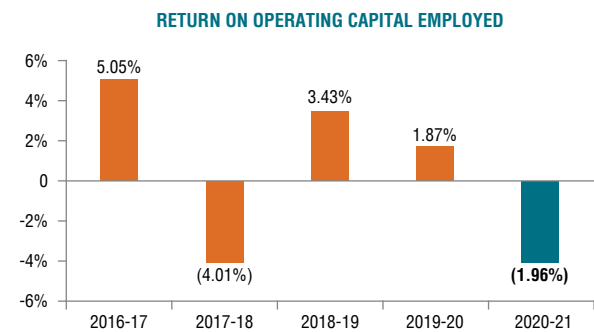
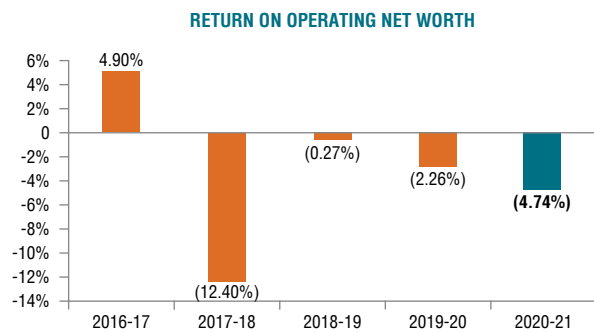
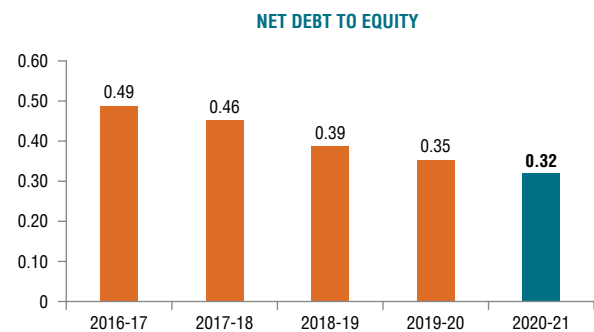
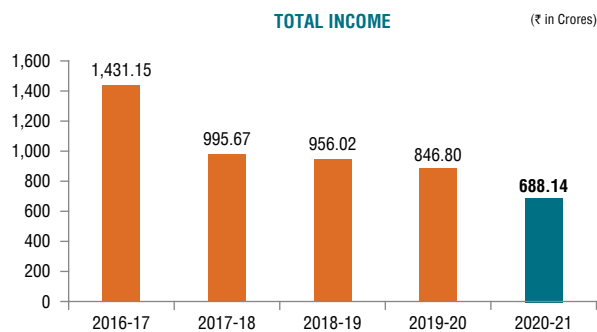
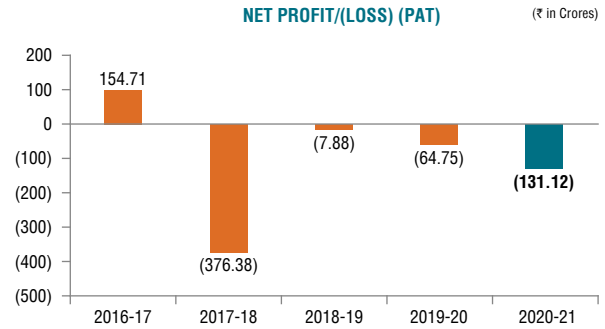
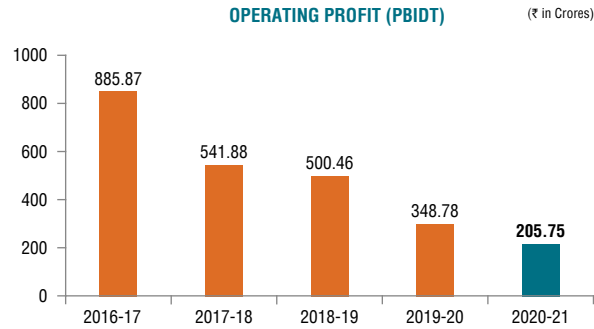
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
PROFIT & LOSS A/C					
Total Income	1,431.15	995.67	956.02	846.80	688.14
Operating Profit (PBITD)	885.87	541.88	500.46	348.78	205.75
Net Profit/(Loss) (PAT)	154.71	(376.38)	(7.88)	(64.75)	(131.12)
BALANCE SHEET					
What the Company owned					
Fixed Assets	4,709.87	4,272.14	4,082.29	3,940.88	3,673.15
Investments & Net Current Assets (net of long term portion of current liabilities & provisions)	1,243.81	926.09	1,065.63	933.16	678.42
Deferred Taxation (Net)	11.18	-	-	-	-
TOTAL ASSETS	5,964.86	5,198.23	5,147.92	4,874.04	4,351.57
What the Company owed					
Loans*	2,745.21	2,346.93	2,252.83	2,038.99	1,651.89
Shareholders' Funds					
Equity Share Capital	111.35	111.35	111.35	111.35	111.35
Reserves & Surplus	3,108.30	2,739.95	2,783.74	2,723.70	2,588.33
TOTAL	3,219.65	2,851.30	2,895.09	2,835.05	2,699.68
TOTAL LIABILITIES	5,964.86	5,198.23	5,147.92	4,874.04	4,351.57

	(US\$ in Millions)				
IN US DOLLARS	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
PROFIT & LOSS A/C					
Total Income	213.25	154.42	137.42	119.96	92.55
Operating Profit (PBITD)	132.00	84.04	71.94	49.41	27.67
Net Profit/(Loss) (PAT)	23.05	(58.37)	(1.13)	(9.17)	(17.64)
BALANCE SHEET					
What the Company owned					
Fixed Assets	726.27	655.49	590.35	520.80	502.41
Investments & Net Current Assets (net of long term portion of current liabilities & provisions)	191.81	142.09	154.10	123.32	92.80
Deferred Taxation (Net)	1.72	-	-	-	-
TOTAL ASSETS	919.79	797.58	744.46	644.12	595.21
What the Company owed					
Loans*	423.32	360.10	325.79	269.46	225.95
Shareholders' Funds					
Equity Share Capital	17.17	17.08	16.10	14.72	15.23
Reserves & Surplus	479.31	420.40	402.57	359.94	354.03
TOTAL	496.48	437.48	418.67	374.66	369.26
TOTAL LIABILITIES	919.79	797.58	744.46	644.12	595.21

	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Debt-equity Ratio*	0.85	0.82	0.78	0.72	0.61
Net Debt-equity Ratio*	0.49	0.46	0.39	0.35	0.32
Return On Operating Networth (%)	4.90	(12.40)	(0.27)	(2.26)	(4.74)
Return On Operating Capital Employed (%)	5.05	(4.01)	3.43	1.87	(1.96)
Earning Per Share (in ₹)	13.89	(33.80)	(0.71)	(5.82)	(11.78)

* includes preference share capital

5 YEARS TREND



* Figures are net of Impairment:

Impairment loss recognised in each FY are as follows:
FY 17 ₹ 184.33 crores, FY 18 ₹ 206.39 crores, FY 19 ₹ 9.39 crores, FY 20 ₹ NIL and FY 21 ₹ 46.11 crores.

** Includes decapitalisation of assets ₹ 20.80 crores.



Greatship Rohini

In the rising of the sun and
in its going down,
we remember them.

In the beginning of the year
and when it ends,
we remember them.

In the blueness of skies and
in the warmth of summer,
we remember them.

Dear Stakeholders

The year gone by has been one of the most challenging one in the Company's history. On the 13th of February 2021, a fire in the engine room of our vessel Greatship Rohini resulted in a tragic loss of life. Dealing with business cycles and resulting ups and downs in financial performance is something that we take in our stride, but any loss of life on board our assets is extremely difficult to come to terms with. As an organisation we take pride in our operating practices and safety record. This tragic incident is a blot on our otherwise impeccable record built up over the years. We will conduct a thorough examination of the operating practices, identify gaps if any and reinvigorate the safety culture in the organisation.

Moving on to the business updates, we write this statement around the anniversary of the unprecedented plunge in oil prices to technical negative levels for the WTI. At the depth of the downturn when global oil demand collapsed by almost 20 million barrels per day and inventories of crude and products built to unprecedented levels, the prospects for our business, heavily dependent on E&P activity, looked extremely weak. We were all too familiar with the industry reaction to last major crash of 2014-16. The collapse in oil prices this time around was much sharper and severe. A wave of contract cancellations and abrupt suspension of activities were expected to hit the industry.

However, looking back over the past year, markets fared better than our expectations. Sure, the utilization of rigs and vessels did take a knock but much less than what was feared at the start of the year. The unprecedented supply cuts by OPEC+ and meticulous adherence to them, first stalled the unsustainable inventory buildup and as the demand started recovering, the sustained cuts put a solid floor below the oil prices. The 80% increase in average Brent price from USD 33.4 in Q1 FY21 to USD 61.3 in Q4 FY21 tells the story.

As mentioned in last year's statement, around end of 2019 and early 2020, utilization for vessels and rigs was making a slow recovery towards healthy levels, at which the pricing power starts emerging for asset owners. Covid-19 and its impact was big setback to this. As the year wore out there were tentative signs of a very gradual recovery in the activity. However, utilization levels for both vessels and rigs remain far lower than what is necessary for asset owners to start making a way out of this deep and long depression.

Replacement of fossil fuels with renewables and other forms of energy has been the trending topic for past several years. While in the long run there is little doubt that this trend will accelerate and start eating into the demand for oil and gas, history is full of stories where long term threats have overshadowed the medium-term fundamentals resulting in under investments and supply shortfalls. For oil and gas sector the period from 2014 to 2021 has been of continuous drop in spending. This has not only impacted new field discoveries & starts ups but also accelerated decline rates in existing fields. As the demand recovers from Covid impact and catches up or exceeds pre-covid levels, it is possible that the under investments on supply side start making a difference to demand-supply balance. Offshore still makes up close to 26% of total production and consumption. Ability to replace the lost offshore barrels is not going to be easy. Despite long term challenges these developments may still create favourable settings for the sector in the medium term.


Turning to operational performance, the lockdowns, movement restrictions, Covid protocols, etc. disrupted the well-set processes for transfer of personnel and material to and from the rigs and vessels. Despite these unprecedented challenges, through collective efforts and ingenuity, we found a way to maintain high operational uptime for most of our assets.

Barring Greatship Rohini incident, our operating performance and safety parameters have been extremely satisfactory. For the financial year, vessels and rigs unplanned downtime was about 1.23% (excluding Greatship Rohini) and 0.15%, respectively.

In terms of financial performance, as stated earlier, the charter rates for both vessels and rigs haven't yet recovered to profitable levels. For the year, we have reported a loss of ₹ 131.12 crores on a topline of ₹ 688.14 crores. The loss was exacerbated by exceptional items to the tune of ₹ 66.91 crores. Despite the weak operating performance, we continue to maintain a strong balance sheet. The gross bank debt as on 31 March 2021 was USD 178.80 million compared to USD 225 million as on 31 March 2020. With liquidity of USD 106.96 million, the net bank debt was down to only USD 71 million.

Like any other commodity business, the offshore oil and gas business is a cyclical business. Both too strong and too weak markets tend to create imbalances paving way for a correction. In the interim, our job is to maintain quality of our assets, operations and optimize utilisation. As always, we look forward to continued support from all the stakeholders.

Warm Regards



Bharat K. Sheth



Ravi K. Sheth

Mumbai, April 30, 2021

BOARD'S REPORT

Your Directors have pleasure in presenting the nineteenth Annual Report for the year ended March 31, 2021.

FINANCIAL HIGHLIGHTS

The financial highlights of your Company for the current year and previous year on a standalone and consolidated basis are as under:

(₹ in crores)

PARTICULARS	STANDALONE		CONSOLIDATED	
	Current Year	Previous Year	Current Year	Previous Year
Total Revenue	586.75	741.66	688.14	846.80
Total Expenses	468.01	589.94	522.96	656.41
Depreciation and amortisation expense	210.67	219.17	261.78	266.07
Impairment loss	46.11	-	46.11	-
Profit before tax	(138.04)	(67.45)	(142.71)	(75.68)
Less: Provision of tax				
- Current tax	0.09	0.12	(0.62)	0.85
- Deferred Tax	(3.84)	45.77	(10.97)	(11.78)
Total Tax	(3.75)	45.89	(11.59)	(10.93)
Profit/(Loss) for the year after tax	(134.29)	(113.34)	(131.12)	(64.75)
Retained Earnings				
Balance at the beginning of the year	378.66	494.59	571.86	639.20
Add: Profit/(Loss) for the year after tax	(134.29)	(113.34)	(131.12)	(64.75)
Add: Other Comprehensive Income / (Loss)	5.25	(2.09)	5.25	(2.09)
Less: Transfer to Tonnage Tax Reserve Account under section 115VT of the Income-tax Act, 1961	(0.50)	(0.50)	(0.50)	(0.50)
Balance at the end of the year	249.12	378.66	445.49	571.86

The financial statements (standalone and consolidated) have been prepared by your Company in accordance with the requirements of Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as may have been amended from time to time. The highlights of the performance/operations of the Company are included in detail in the report on 'Management Discussion and Analysis' which is annexed as Annexure 1 to this Report.

DIVIDEND

Your Company has incurred loss during the financial year ended on March 31, 2021. Although your Company has sufficient accumulated profits and free reserves, your Directors have not recommended any equity dividend for the financial year ended March 31, 2021, in order to conserve resources.

Dividend on the preference shares of your Company for the financial year ended March 31, 2021 would be paid out of undistributed accumulated profits earned by your Company in the previous financial years, in accordance with the terms of preference shares, as detailed below:

- i) ₹ 10.95 crores on 44,500,000 fully paid preference shares of face value of ₹ 10 each at the rate of 24.60% p.a. and
 - ii) ₹ 13.64 crores on 60,624,000 fully paid preference shares of face value of ₹ 10 each at the rate of 22.50% p.a.;
- entailing a total outgo of ₹ 24.59 crores.

The net amount of dividend after deduction of necessary taxes would be paid to the preference shareholder of the Company, 'The Great Eastern Shipping Company Limited', on May 20, 2021.

SHARE CAPITAL

The total paid up equity share capital of your Company as on March 31, 2021 is ₹ 111.35 crores comprising of 111,345,500 equity shares of face value of ₹10 each. Your Company has also issued two series of redeemable cumulative preference shares and the details of total outstanding preference shares under two series as on March 31, 2021 are as under:

- i) Series I - 44,500,000 preference shares of face value of ₹ 10 each with dividend rate of 24.60% p.a. and
- ii) Series II - 60,624,000 preference shares of face value of ₹ 10 each with dividend rate of 22.50% p.a.

As per the terms of issue (modified from time to time) of these preference shares, the redemption of Series I and Series II preference shares is scheduled to commence from April 2025 in four equal annual tranches of 11,125,000 shares and 15,156,000 shares, respectively.

FINANCIAL PERFORMANCE (CONSOLIDATED)

The audited consolidated financial statements of your Company and its Subsidiaries along with the Auditors' Report thereon form part of the Annual Report.

The consolidated net worth of the Group for financial year 2020-21 was ₹ 2,699.68 crores as compared to ₹ 2,835.05 crores for financial year 2019-20.

SUBSIDIARIES

As on March 31, 2021, your Company has four (4) wholly owned subsidiaries as under (together referred to as 'Subsidiaries'):

- a) Greatship Global Energy Services Pte. Ltd., Singapore
- b) Greatship Global Offshore Services Pte. Ltd., Singapore
- c) Greatship (UK) Limited, United Kingdom
- d) Greatship Oilfield Services Limited, India

Your Company's investment in its subsidiaries as on March 31, 2021 stands at ₹ 493.23 crores. During the year, your Company has not made any further investment in its subsidiaries. A statement pursuant to section 129(3) of the Companies Act, 2013 read with rule 5 of the Companies (Accounts) Rules, 2014, containing the salient features of the financial statements of your Company's subsidiaries has been attached along with the financial statements of your Company.

The summary of performance of Subsidiaries of your Company is as follows:

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

GGES has earned a net profit of USD 0.20 Mn for the current financial year as against the net profit of USD 0.27 Mn in the previous year. The net profit in the current year and the previous year has been on account of the interest received on bank deposits.

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

GGOS owns and operates two Multi-purpose Platform Supply and Support Vessels and one R-Class Supply Vessel. GGOS has earned a net profit of USD 2.05 Mn for the current financial year as against the net profit of USD 1.36 Mn in the previous year.

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

GUK's net profit for the current financial year amounted to USD 0.01 Mn as against the net profit of USD 0.11 Mn in the previous year. The net profit in the current year and previous year is attributable to the interest received on bank deposits/exchange gain on forex.

d) Greatship Oilfield Services Limited, India (GOSL)

During the year under review, GOSL has been exploring possible business opportunities and has incurred certain expenses resulting into net losses of ₹ 0.01 crore for the current financial year same as the net loss of ₹ 0.01 crore in the previous year.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

No reportable material weakness or significant deficiencies in the design or operation of internal financial controls were observed during the year.

The internal audit covering the key business processes of your Company is carried out by a firm of external Chartered Accountants. The scope of the internal audit exercise including the key business processes and selected risk areas to be audited is finalized in consultation with the Audit Committee. The audit reports with significant observations, if any and follow up actions thereon are reported to the Audit Committee. Ernst & Young LLP have been acting as the internal auditors of the Company since financial year 2018-19. At the Board meeting held on May 26, 2020, Ernst & Young LLP were re-appointed to act as Company's internal auditors for financial year 2020-21 and financial year 2021-22 based on the recommendation of the Audit Committee of the Company.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) is an integral part of Company's culture and as a responsible corporate citizen, your Company operates with careful consideration of its environmental and social impact. Your Company's CSR focus areas are in line with the globally accepted Sustainable Development Goals which includes Education, Health and Livelihoods with an openness to consider support to other areas mentioned under schedule VII of the Companies Act, 2013.

During the year, based on the recommendation of the CSR Committee, the Board of Directors of your Company had at their meeting held on March 05, 2021 adopted the revised CSR Policy which is the Great Eastern Group Policy amended in line with the amendments notified by the Ministry of Corporate Affairs on January 22, 2021 vide the Companies (Corporate Social

Responsibility Policy) Rules, 2020. The revised CSR Policy is effective from March 5, 2021 and replaces the erstwhile CSR Policy of the Company.

Copy of the CSR Policy of the Company is enclosed as Annexure 3. The CSR Policy is also available on the Company's website: www.greatshipglobal.com.

Your Company has been undertaking its CSR activities mainly through the 'Great Eastern CSR Foundation', a wholly owned subsidiary of 'The Great Eastern Shipping Company Limited', specifically set up for the purpose. During the year, your Company has not made any CSR contribution as your Company has been reporting losses as per section 135 of the Companies Act, 2013.

The Annual Report on the CSR activities of your Company is annexed herewith as Annexure 4.

DIRECTORS

Induction:

Mrs. Bhavna Doshi has been appointed as Additional Independent Director w.e.f October 26, 2020 to hold office till the ensuing Annual General Meeting of the Company. Notice under section 160 of the Companies Act, 2013 has been received in respect of her re-appointment as Independent Director of the Company. Re-appointment of Mrs. Bhavna Doshi require your approval at the ensuing Annual General Meeting. Necessary resolution for her appointment as the Independent Director not liable to retire by rotation for a period of five (05) consecutive years w.e.f October 26, 2020 has been included in the Notice convening the ensuing Annual General Meeting.

Re-appointment:

The Board of Director of your Company have at their meeting held on April 30, 2021 re-appointed Mr. Ravi K. Sheth as the 'Managing Director' of the Company for a period of 3 years with effect from October 1, 2021. Consequently, it has been mutually agreed to terminate his existing appointment as 'Managing Director' on September 30, 2021. Re-appointment of Mr. Ravi K. Sheth as 'Managing Director' shall require your approval at the ensuing Annual General Meeting.

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

Necessary resolutions for the re-appointment of Mr. Ravi K. Sheth and Mr. P. R. Naware have been included in the Notice convening the ensuing Annual General Meeting.

Term Completion:

During the year, Mr. Keki Mistry and Mr. Anil Singhvi completed their second term as Independent Directors of the Company on September 19, 2020 and ceased to be the Directors of your Company.

Your Directors place on record their appreciation for the significant contributions and valuable guidance given by Mr. Keki Mistry and Mr. Anil Singhvi during their tenure as Independent Directors of your Company.

Independent Directors:

Pursuant to rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, every Independent Director is required to make an online application to Indian Institute of Corporate Affairs for inclusion of his name in the data bank for Independent Directors. Your Company has received the declaration of compliance in this regard from all Independent Directors of the Company alongwith the declaration confirming that they meet the criteria of independence as prescribed under sub-section (6) of section 149 of the Companies Act, 2013.

Policy for Appointments and Remuneration Policy

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

The Policy for Appointments including the criteria for determining qualifications, positive attributes and independence of Directors and other matters, as required under section 178 of the Companies Act, 2013 is annexed herewith as Annexure 5.

The Remuneration Policy was amended on April 30, 2021 allowing payment of remuneration to Non-Executive Directors, including Independent Directors in the event of inadequate or no profits in any financial year in line with the recent amendments to the provisions of Companies Act, 2013 notified by the Ministry of Corporate Affairs on March 18, 2021. The revised Remuneration Policy (outlining the amendments) is annexed herewith as Annexure 6.

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

Board Meetings

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

Evaluation of Board's Performance

The annual performance evaluation of Board, its Committees (namely, Audit, Nomination & Remuneration and Corporate Social Responsibility) and all the Directors individually, including the Chairman of the Board is done in accordance with the Performance Evaluation Framework adopted by the Board on recommendation of the Nomination & Remuneration Committee. The Performance Evaluation Framework lays down the performance parameters and the process of performance evaluation to be followed.

In accordance with the Performance Evaluation Framework, Performance Evaluation Forms were circulated to all the Directors to record their evaluation of the Board, its Committees and the Non-Executive Directors including the Chairman for the financial year 2020-21. Evaluation of the Executive Directors was based on the evaluation of the Company which was done based on the presentation made by the Management.

At a separate meeting, Independent Directors reviewed the performance of the Company, the Board and its Committees and Non-Independent Directors (including Chairman) of the Company. The Nomination & Remuneration Committee reviewed the performance of the Company and every Director. The Board of Directors reviewed the performance of the Company, the Board and its Committees and every Director individually, after considering the recommendations of the Independent Directors and Nomination & Remuneration Committee.

REGISTERED OFFICE

Your Company's registered office address was changed to 'One International Center, Tower 3, 23rd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai- 400 013' with effect from August 20, 2020 in order to reflect the change in the name of the office building where Company's registered office is located.

SECRETARIAL STANDARDS

Your Company has complied with all applicable Secretarial Standards issued by the Council of the Institute of Company Secretaries of India.

DEBT FUNDS

The amount of debt of the Company both at standalone and consolidated level was ₹ 1,651.89 crores as on March 31, 2021 as against ₹ 2,038.99 crores as on March 31, 2020. The standalone and consolidated debt includes liability related to redeemable preference share capital amounting to ₹ 355.74 crores at the end of financial year 2020-21 and ₹ 354.57 crores at the end of financial year 2019-20. The gross debt: equity ratio as on March 31, 2021 was 0.73:1 on standalone basis and 0.61:1 on consolidated basis (previous year: 0.86:1 on standalone basis and 0.72:1 on consolidated basis).

DEPOSITS

Your Company has not accepted any deposits, including from the public and as such, no amount of principal or interest was outstanding, as on the date of the Balance Sheet.

TRANSFER TO RESERVES

Your Company proposes to transfer ₹ 0.50 crores to Tonnage Tax Reserve as required under the provisions of The Income Tax Act, 1961.

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

RISK MANAGEMENT POLICY

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

In accordance with the Risk Management Framework, your Company maintains a Risk Register which includes the comprehensive list of all risks of the organization, further bifurcated into marketing & commercial risks, operational risks, compliance & taxation risks and financial & control risks. Risk Owners have been identified for each risk and these risk owners are responsible for controlling the respective risks.

The Risk Control Matrix includes comprehensive list of all risks which have any financial impact. The desired controls are identified and incorporated in the Risk Control Matrix and tested from time to time. The Risk Control Matrix has been prepared based on Departmental Procedural Manual, Authority Matrix and SAP Module. The Risk Control Matrix is reviewed periodically to monitor and evaluate its effectiveness and to strengthen the risk management system.

VIGIL MECHANISM

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

During the year, Company's Whistle Blowing Policy was amended to update the contact details of the Chairman of the Audit Committee vide Annexure 1 with effect from September 20, 2020.

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

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE / INTERNAL COMPLAINTS COMMITTEE

Your Company has formulated and implemented Sexual Harassment (Prevention and Redressal) Policy to provide protection against sexual harassment at workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. To resolve the complaints of sexual harassment and matters connected therewith, your Company has constituted an Internal Complaints Committee with an external lady representative with requisite experience as a member of the Committee. To build awareness in this area, your Company conducts awareness programmes within the organization from time to time.

During the year, no complaints with allegation of sexual harassment have been received by your Company.

ANNUAL RETURN

A copy of Annual Return in Form MGT-7 as required under section 92(3) of the Companies Act, 2013, is available on the Company's website: www.greatshipglobal.com.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with related parties in form AOC 2 is annexed herewith as Annexure 7.

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

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

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

MATERIAL CHANGES AFFECTING THE COMPANY

There have been no material changes and commitments affecting the financial position of your Company between the end of the financial year to which the financial statement relates and date of this Report.

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.

REPORTING OF FRAUDS BY AUDITORS

During the year, neither the statutory auditors nor the secretarial auditor has reported to the Audit Committee, under section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

ENERGY CONSERVATION AND TECHNOLOGY ABSORPTION

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

Energy Saving Devices:

- a) Your Company's fleet of modern vessels has been fitted with the latest series of diesel engines for power generation which have the low specific fuel consumption currently available in the market complying with the applicable regulations in force.
- b) All the vessels are fitted with dynamic positioning system for position keeping when working alongside the installations. The new range of DP systems delivers higher reliability, efficiency and effectiveness. They provide flexibility for effective maritime operations using fully integrated system configured for optimum power and propulsion performance. Cargo/ Project operations using the dynamic position system ensures optimal use of the propulsion equipment resulting in calibrated loading of propellers and thrusters appropriate for the environment that the vessels are subjected to thereby resulting in the low fuel consumption.

Wetted Surface Maintenance and Improved anti-fouling paints:

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

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

Monitoring of vessel performance:

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

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

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

During the year, 9 vessels have been dry docked. There has been a significant improvement in the fuel efficiency of these vessels after the dry docking.

Reduction of Green House Gas Emission from Ships:

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

For the 9 vessels dry docked during the year, the hull cleaning was performed and a fresh coat of anti-fouling paints have been applied for hull protection and enhanced energy efficiency.

FOREIGN EXCHANGE EARNINGS AND OUTGO

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

- | | |
|---|-----------------|
| a) Foreign Exchange earned and saved
(on account of charter hire earnings, etc.) | ₹ 582.20 crores |
| b) Foreign Exchange used
(including operating expenses, capital payment,
loan repayments, interest payment, etc.) | ₹ 487.92 crores |

AUDITORS

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) were appointed as the statutory auditors of the Company at the 15th Annual General Meeting (AGM) held on August 07, 2017 and shall hold office until the conclusion of the 20th AGM of the Company to be held in the calendar year 2022.

The Report given by the auditors forms part of the financial statements of the Company. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

SECRETARIAL AUDIT

M/s. Makarand M. Joshi & Co., Company Secretaries, were appointed to conduct the Secretarial Audit of the Company for the F.Y. 2020-21, in accordance with the provisions of section 204 of the Companies Act, 2013, read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Auditors' Report for the financial year 2020-21 does not contain any qualification, reservation or adverse remark. The Secretarial Auditors' Report is annexed to this report as Annexure 8.

COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

APPRECIATION

Your Directors express their sincere thanks to all customers, charterers, vendors, shipping agents, bankers, insurance companies, protection and indemnity clubs, consultants and advisors for their continued support throughout the year. Your Directors also sincerely acknowledge the significant contributions made by all the employees through their dedicated services to the Company. Your Directors look forward to their continued support.

**For and on behalf of the
Board of Directors**

**Bharat K. Sheth
Chairman
(DIN: 00022102)**

Mumbai, April 30, 2021

ANNEXURE 1 TO THE BOARD'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

The year gone by was clearly dominated by the COVID-19 pandemic, with its impact on all aspects of life and human interaction across the world. As an economic activity, the offshore services industry was amongst the ones that experienced a particularly significant impact of this pandemic. As lockdowns and travel restrictions generally constrained energy use across the world, commodity prices declined and activity in the upstream O&G space, including in offshore areas, subsided. In addition, as an industry that depends on physical operations of hard assets to provide its services in diverse locations, the offshore services industry is reliant on the movement of manpower and materials across the world to undertake its operations. Thus, as new barriers to the movement of people were erected and global supply chains got disrupted, the operational challenges and operating costs ballooned for the industry. Thus, COVID-19 represented a body blow to an industry that was slowly staggering back to its feet after the protracted downturn that had commenced in late 2014.

Unsurprisingly, financial year 2020-21 was one of the most challenging periods experienced within the offshore services industry. Your Company navigated these challenges manfully and relatively successfully within the context of the macro industry circumstances. All of your Company's assets operated during the year with relatively high utilisations, as existing contract cover at the beginning of financial year 2020-21 helped in this regard. While some of these prevailing contracts came to an end during the year, many were extended and /or rolled over and even fresh business was secured for other assets that did become available. On the cost front, while the operational costs did indeed swell initially, a combination of reducing severity of external constraints and the organisation's own learning curve helped in reducing the financial impact of the operational challenges as the year wore on.

COMPANY PERFORMANCE

In financial year 2020-21, your Company has recorded a total income of ₹ 586.75 crores (previous year ₹ 741.66 crores) on a standalone basis and ₹ 688.14 crores (previous year ₹ 846.80 crores) on a consolidated basis. In the current financial year, the Company has earned a profit before interest, depreciation (including impairment) & tax of ₹ 159.16 crores (previous year ₹ 310.07 crores) and ₹ 205.75 crores (previous year ₹ 348.78 crores) on a standalone and consolidated basis, respectively. Your Company's net loss for the current financial year is ₹ 134.29 crores (previous year ₹. 113.34 crores) and ₹ 131.12 crores (previous year ₹ 64.75 crores) on a standalone and consolidated basis, respectively.

OFFSHORE LOGISTICS

Market trend and analysis

The reversal in demand growth for offshore vessels that began after the commencement of COVID-19 related lockdowns in March 2020 continued during financial year 2020-21, with markets in almost all regions witnessing shrinking demand. In a period of just 10 months leading up to Dec-2020, global demand for Anchor Handling Tug cum Supply Vessels (AHTSVs) and Platform Supply Vessels (PSVs) dropped by around 15-20%. The demand picture seemed to stabilize, and even started to inch upwards in certain regions, in the last quarter of this financial year.

The geographical distribution of your Company's vessel operations did not change materially from the previous year, remaining India-centric, as the Indian market absorbed around 80% of the fleet operating days. The remainder operating days involved vessel operations, largely of specialised types, in Angola, Malaysia, South Africa and Taiwan.

Like in previous years, the Indian market continued to provide opportunities to rollover term vessel contracts during financial year 2020-21 too. However, it was not immune from the industry impact of COVID-19, as tender awards experienced delays and any traction that was beginning to be built up on the dayrate front in early 2020, fizzled out thereafter.

In markets such as in the North Sea region and West Africa, the northern hemisphere summer months typically tend to be busier in terms of vessel activity and, consequently, tend to be positive for dayrate development. However, as commodity prices collapsed, and the uptrend in vessel demand inverted to a downtrend starting March 2020, the 2020 summer market turned out to be one of the worst in recent years for these regions. The number of working rigs in West Africa fell below even the cyclical low point of early 2017, and along with it went the need for offshore vessels for drilling campaigns. Only during the last quarter of financial year 2020-21 did a reappearance of postponed demand, and tightened supply due to vessels in layup, lead to some increase in spot rates.

The markets on the other side of the world, in the Asia Pacific, mirrored the developments in the Western markets above. The quiet markets in the first three quarters of financial year 2020-21 led to growing vessel availability and increasing list of vessels entering layup in the region. However, such downslide seemed to have been arrested in the final quarter of the year with increasing tendering activity in multiple countries across the region.

Company Performance

Given the scale of the COVID-19 market setback described above, it could be considered satisfactory that the commercial non-utilisation of your Company's vessel fleet was held below 5% for financial year 2020-21 (the calculations for such commercial utilization / non-utilisation exclude the downtime incurred on account of drydocking and other technical causes).

Other than the commercial challenges, the operational difficulties due to COVID-19 were manifold and, if anything, of greater severity in the early phase of the pandemic. Countries across the world, including India, went into hard lockdowns suddenly, and airline flight schedules disappeared making movement of people almost impossible. Such developments impacted the entire global maritime community at the time, and the crew on many of your vessels could not be replaced in a timely fashion either. It took enormous co-ordination with national administrations, local authorities and firms in the travel & logistics chain to execute all the necessary personnel changes on our vessels without disrupting their operations. Even so, it did take an extended period of time to achieve the same and the forbearance and professionalism of your Company's crew was a critical factor in the success of this mission. As the year passed, the process for executing crew changes became smoother, though mandatory quarantines and other associated requirements continued to be a source of additional operating costs.

Completion of planned drydockings of vessels and their other major repairs also became challenging as shipyards could not operate at full strength, or were even asked to lockdown mid-project in one case, and the movement of necessary people and materials to such locations experienced varying levels of difficulty. As was to be expected then, the time taken for such work was higher than typical "pre-COVID" timelines on an average. However, all such jobs were completed successfully with minimal, incremental technical downtime, with overall levels of such downtime for the vessel fleet for financial year 2020-21 falling largely in line with previous years, at around 5%.

However, while it was largely a year of your Company's organization raising the bar to meet all COVID-19 related operational challenges, all such accomplishments for the year were overshadowed by an unfortunate incident in our fleet that occurred as the year drew to a close.

Greatship Rohini incident:

Saturday, the 13th of February, 2021, was a dark day in your Company's history as one of our R-Class Supply Vessel, Greatship Rohini, reported that a fire had started in its engine room that morning. Four of the vessel's eighteen crew members were trapped in the fire and it took many hours of fire fighting and boundary cooling operations by multiple vessels, including of the

Indian Coast Guard, before the affected area could be accessed for rescue operations. Unfortunately, remains of three crew members were recovered from the area later and a fourth crew member, who had experienced significant burns, passed away a few days later when under intensive care ashore. All other crew members were evacuated safely off the vessel. The vessel itself was towed back to port, where it remains as of date, and the matter is being investigated by relevant authorities and insurance representatives.

This tragic incident once again brings to the fore the constant focus on safety required in an industrial activity of the nature undertaken by your Company, and the fundamental role played by our dedicated floating staff on the frontlines of our business.

Fleet Changes

During the year under review, there were no additions or deletions from the vessel fleet of the Group. In addition, the Company did not make any fresh newbuilding commitments. As on March 31, 2021, the vessel fleet of the Group continues to stand at nineteen vessels which comprises four Platform Supply Vessels (PSVs), five R-Class Supply Vessels, eight Anchor Handling Tug cum Supply Vessels (AHTSVs) and two Multi-purpose Platform Supply and Support Vessels (MPSSVs).

Outlook for offshore logistics market

Given the negative demand trends of financial year 2020-21, the offshore vessel market naturally experienced a worsening supply-demand balance through the year, with the number of vessels out of work increasing by 10-15% by the end of the year. However, there were some signs of returning demand in multiple regions by the last quarter, with ongoing tendering activity suggesting that such improvement in demand, albeit a moderate one, may persist into the near future. Even with relatively improving utilisations, rates continue to remain low at the start of financial year 2021-22 due to the present extent of the oversupply.

However, many of the vessels that comprise such available supply have been in “layup” for multiple years and their marine certifications have lapsed. According to some market commentaries, many of those vessels are unlikely to return to active duty even with some improvement in the present rate scenario as the cost of their reactivation is unlikely to be repaid within a reasonable time period, given such dayrates. It may be worthwhile, at this point, to note that your Company has kept all its vessels working, and thus marketable at all times, through this multi-year industry downturn.

While there still are vessels showing on the offshore vessel newbuilding orderbook, these are largely legacy orders and there have been almost no fresh vessel orders in recent years as industry access to, and cost of, capital continues to be unsustainable. One exception to this capital constraint in the offshore vessel space is for any investment in, or associated with, offshore wind energy.

Given the above vessel supply dynamics, a possible increase in demand in financial year 2021-22 may lead to some tightening of the supply /demand balance by the end of the period, especially towards the more sophisticated end of the offshore vessel spectrum. However, the outlook for the more commoditized OSVs for the coming period remains poor.

Considering the above outlook, it is somewhat reassuring to note that almost two-thirds of your Company’s vessel revenue days for financial year 2021-22 are covered under contracts as of the start of the financial year. Such coverage should allow us to escape the worst effects of the ongoing poor market conditions, though profit margins remain a concern for your Company’s vessel business too, given the low rate levels embedded in many of these term contracts.

DRILLING SERVICES

Market Trend and Analysis

Financial year 2020-21 started in the worst way possible for the oil and gas market. With an estimated two-thirds of the world population under lockdown, the month of April-2020 saw the worst monthly oil demand drop on record, at one point estimated to be to tune of 29 million barrels per day, though revised thereafter. Brent spot oil prices dropped from more than US\$ 50 per barrel to below US\$ 20 per barrel and WTI oil prices traded briefly in negative territory. With oil and gas companies cutting their 2020 E&P capex budgets immediately, typically by 15-30%, the offshore drilling space experienced a significant impact on its demand side.

The year ended March-2020 had seen rig utilisations rise, with the total number of offshore rigs on contract rising by about 10% during that year. Thereafter, during financial year 2020-21, such trend reversed sharply as not only were impending contract awards deferred, but even existing contracts were truncated and / or renegotiated. Such developments resulted in about 70-80 rigs dropping off contract, leading to a ~15% drop in the number of rigs on contract within a space of about 10 months. By some estimates, about US\$ 2.5 billion of backlog was wiped out from the offshore drilling industry during this bleak period. However, it seemed that such slide may have been finally arrested, and some stabilization in global offshore rig demand began to appear, around the end of financial year 2020-21.

It follows from the above demand trends that dayrates, that were on an upward trend in financial year 2019-20, also took a dive thereafter. In the Indian market too, the weak market sentiment allowed E&P operators to dictate lower rates, though the local demand and the number of working rigs in the Indian market remained largely stable during the year.

Company Performance

All four of your Company's jackup rigs continued to operate off the Indian coast during financial year 2020-21. We entered the year with three rigs operating on term contracts, while Greatdrill Chaaru was to be mobilized for a newly awarded contract at the time. Such mobilization came up against multiple challenges due to the hard lockdown imposed in India in April-2020. However, while they did lead to some slight delays, all such challenges were successfully overcome to allow the rig to go on hire prior commencement of the Indian monsoon season. Thereafter, all four rigs continued to operate under their respective term contracts till the end of the year. However, operations on two of our rigs, Greatdrill Chitra and Greatdrill Chaaru, were suspended for a period of time due to COVID-19 infections on these rigs. Such suspensions reduced the "uptime" metric on your rig fleet for the year to around 95% which, though a respectable level, was lower than that seen in recent years.

Fleet Changes

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

Outlook for Drilling Market

As mentioned above, after the COVID-19 led slump in demand in the year 2020, the market seemed to have found a bottom towards the end of financial year 2020-21. Analyst estimates suggest that global E&P capex may rise moderately in the year 2021 as compared to 2020. Industry analysts have also forecast a rise in activity in the global offshore drilling sector in the coming year, though again a moderate one and weighted towards the second half of financial year 2021-22.

The aforesaid stabilization of rig demand towards the end of financial year 2020-21 was underpinned by a reset in the oil price

band from the US\$40 per barrel levels to US\$60 per barrel levels just within four months up to Feb-21. The relatively constructive outlook for financial year 2021-22 market growth, as it may be, is also predicated on oil prices remaining around such improved levels. Current consensus estimates of an oil demand growth of around 5% in the year 2021 seem to support a possibility of relatively healthy oil prices over the coming year. Rapid development of COVID vaccines and their quick rollout in many places has bolstered sentiment for the energy space. However, it may be pertinent to note that there continues to be greater-than-normal uncertainty associated with any energy demand outlook as the world continues to grapple with waves of COVID-19 and firmer prospects of demand normalization remain elusive.

In addition, the aforementioned improvement in oil prices during financial year 2020-21 was largely a result of unprecedented curtailment of supplies by the “OPEC+” grouping of countries. As of the beginning of financial year 2020-21, the group continues to limit supplies by ~ 7M bpd, representing a significant overhang of available supply that can be brought in the market. Thus, it is evident that the outlook on oil demand-supply balance remains highly uncertain, and such uncertainty trickles down to any outlook on offshore drilling rig demand. Even so, the present consensus forecast is for a rise in activity that could result in the number of rigs on contract clawing back some of the losses of 2020, though the total number of contracted rigs may still remain below pre-pandemic levels during the coming year.

As mentioned previously, demand in the Indian market was a relative oasis of stability in the midst of global carnage in the offshore drilling space last year. Your Company enters financial year 2021-22 with two of its four rigs on long term contracts that would see them working on those contracts through the entirety of the coming year. At the time of writing, a third rig, Greatdrill Chetna has been off hire for a couple of weeks but is in pole position to win an award for a long-term tender in India. Greatdrill Chaaya could complete its current contract shortly and does not have a next contract though the outcome of another tender in which she has been bid is awaited. Given the same, and the relatively unremunerative dayrates in the Indian markets, profitability in the drilling business could continue to remain challenged in the coming year too.

QUALITY, HEALTH, SAFETY & ENVIRONMENT

During the financial year 2020-21, the compliance towards the Integrated Management System comprising ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Management System) and OHSAS 18001:2007 (Occupational Health and Safety Management System) for office and rigs was maintained. These Certification systems are certified by Indian Register Quality Systems, Mumbai and by DNVGL, Singapore respectively.

Audit for renewal of Certification of Compliance towards ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Management System) and upgradation of OHSAS 18001:2007 (Occupational Safety Management System) to ISO 45001:2018 for office, vessels and rigs were completed in the month of September 2020. These audits were carried out by Indian Register Quality Systems, Mumbai. Due to COVID-19 Pandemic the Audit was carried out remotely.

During the year, the Company completed Annual DOC Audit for verification of compliance towards the ISM (International Safety Management) Code. The audit was carried out by Directorate General of Shipping, Mumbai. Greatship Global Offshore Services Pte. Ltd. completed annual audits for verification of compliance towards the ISM code, ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 standards. These audits were carried out by DNVGL, Singapore.

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

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

	GIL * - Vessels	GGOS* – Vessels	GIL * RIGS
Fatality	4	NIL	NIL
LTI (Loss Time Incident)	5	0	2
LTIF (Loss Time Incident Frequency Rate)	1.94	0	0.48
TRIF (Total Recordable Incident Frequency Rate)	3.49	0	0.71

**GIL stands for 'Greatship (India) Limited' and GGOS stands for 'Greatship Global Offshore Services Pte. Ltd.'*

The four fatalities mentioned in the above table relate to Greatship Rohini fire incident. Your Company is analysing the incident and undertaking special initiatives to enhance the safety culture on board to prevent similar occurrences in future.

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

A training program on MEM (Major Emergency Management) was organized by Drilling Department through external agency from abroad. The objective was to enhance our capability, to efficiently manage any emergency situation at offshore rigs and also evaluate preparedness of the SBERT (Shore Based Emergency Response Team) through a full-blown exercise. As part of program, an exercise was conducted through a simulated scenario at offshore rig and by activating the emergency response team at base office to assess its functioning which included effective use of control room, media & relative response, client coordination & various other aspects for overall management of the emergency in hand. The participants received certificates on completion.

On board the vessels, the training is imparted by the Senior officers on the job and by the QST department through various modules prepared in-house. Training is also being provided ashore to enhance the capability of the crew and officers in specialized courses such as SAP, ISM, ISPS, IMS, DP MAINTENANCE. At the same time, the shore staff is also undergoing various Maritime Management courses for enhancement of their capabilities. The SEP (Seafarer's Enhancement Program) extended to us by INSA was utilized for the benefit of the Organization. However, the same has been discontinued due to COVID-19 Pandemic since March 2020.

With a focus on LFI (Learning From Incidents) concept, the Safety Flashes published by IMCA, MTS and other organizations are being circulated to all the vessels. The Company has also taken active participation in reporting the incidents to IMCA to be shared in the Industry. For Drilling Rigs, lessons learnt are shared through Safety Alerts from IADC & Oil & Gas Industry on regular basis.

Your Company had undertaken Combination of on board training and simulator-based training ashore to enhance the Dynamic Positioning (DP) Station Keeping capability of the DP Operators. The simulator-based training was being imparted in NOTI (NUSI Offshore Training Institute). Because of the unprecedented situation caused by the COVID-19 pandemic, the training activities has been discontinued since March 2020. Till March 2021 we have managed to train 60 DPOs against a target of 64.

To augment the simulator-based training, an Online Course Module was developed with the objective to enable DPO's to undergo training during the period they are not on board. To start with, a module covering "Position Reference Systems on DP Systems" was developed with inputs from OEM, Publications from IMCA, and other Industry Reference Guidelines. The Assessment result at the end of the session for each user gets individually recorded and can be viewed by the office. It is envisaged that with this tool, training and skill development will be a continuous process with participants being able to log in from the comfort of their homes. To date, 48 participants have completed the training and assessment and provided positive feedback.

IT INITIATIVES

During the financial year 2020-21, your Company has undertaken the following IT activities to effectively meet the business requirements:

- Through the comprehensive Business Continuity Planning (BCP) measures taken, your company could successfully manage to continue uninterrupted working during the unprecedented 'work from home' situation throughout the year.
- The SAP setup is being fully leveraged and all statutory requirements were completed within specified timelines.
- Your company's Information Security Policies have been aligned with the Maritime Industry's Cyber Security Framework for onboard vessels, which became mandatory effective January 2021 and the audit was conducted successfully.
- The Information Security framework has been further strengthened by setting up an independent 'IT Governance and Compliance' cell ensuring appropriate adherence to Information Technology policies and procedures.
- Your company has decided to adopt the global Information Security Standards, ISO 27001. The Stage-I audit has been carried out and readiness preparations have already started for the Stage-II audit.

HUMAN RESOURCES

During the financial year 2020-21, your Company responded to the pandemic by doing its utmost to limit the spread of the virus and to take care of safety and health of its employees both onshore and offshore. As a result, strict protocols for offshore crew movement and management of outbreak were implemented. Offshore personnel extended their stay on assets to continue operations and provided full support and co-operation in implementing crew movement SOPs. Shore personnel adapted quickly to working from home to support the operations and office visits were only on need basis. Despite major restrictions on mobility, all operations were run unhindered and productivity levels were maintained. Your Company rationalized salaries for senior level employees in higher salary scales keeping in mind the changed economic environment.

As on March 31, 2021, the Company and its subsidiaries employed 138 personnel onshore (including contractual) and around 761 personnel offshore (including contractual).

ANNEXURE 2 TO THE BOARD'S REPORT

CORPORATE GOVERNANCE REPORT

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

BOARD OF DIRECTORS

Composition of the Board

Your Company recognizes and embraces the importance of a diverse board in its success. The composition of the Board of the Company is an optimum combination of Executive, Non-Executive and Independent Directors to maintain the independence of the Board of Directors (hereinafter referred to as 'Board') and to separate the Board functions of governance and management. As on March 31, 2021, the Board comprised of eight Directors, consisting of one Non-Executive and Non-Independent Chairman, three Executive Directors and four Independent Directors including two women Directors. The profiles of Directors are available on the Company's website: www.greatshipglobal.com.

The Board is strengthened with half of the Board being comprised of Independent Directors which enables separation of the board function of governance and management. We believe that Board independence is essential to bring objectivity and transparency in the management and in the dealings of the Company. All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board.

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

Meetings of the Board

The dates for Board meetings to be scheduled during the financial year are decided in advance in consultation with the Board. Five Board meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days, as prescribed in Companies Act, 2013.

Due to the constraints posed on account of the COVID-19 pandemic, all the Board meetings were conducted through video conferencing in accordance with the notifications issued by the Ministry of Corporate Affairs, wherein all the Directors and other attendees of the meeting were present online in the meetings from their respective locations. The Board meetings through video conferencing were held on May 26, 2020, July 24, 2020, October 26, 2020, January 22, 2021 and March 05, 2021. The necessary quorum was present for all the Board meetings. Your Company appreciates the support from all the Directors which made the transition from holding physical meetings to virtual meetings through video conferencing smooth.

The attendance of Directors at the Board meetings held during the year is as follows:

Name of Director	Nature of Directorship	Number of Board Meetings Attended
Mr. Bharat K. Sheth (DIN:00022102)	Non-Executive Chairman	5
Mr. Anil Singhvi ¹ (DIN: 00239589)	Independent Director	2

Name of Director	Nature of Directorship	Number of Board Meetings Attended
Mrs. Bhavna Doshi ² (DIN:00400508)	Independent Director	3
Mr. Keki Mistry ¹ (DIN: 00008886)	Independent Director	2
Mr. Mathew Cyriac (DIN:01903606)	Independent Director	5
Mrs. Rita Bhagwati (DIN:06990589)	Independent Director	5
Mr. Shaleen Sharma (DIN:00202295)	Independent Director	5
Mr. Ravi K. Sheth (DIN:00022121)	Managing Director	5
Mr. Alok Mahajan (DIN:00452309)	Executive Director	5
Mr. P. R. Naware (DIN:00041519)	Executive Director	5

1. Mr. Keki Mistry and Mr. Anil Singhvi have ceased to be the Directors of the Company on completion of their second term as Independent Directors on September 19, 2020
2. Mrs. Bhavna Doshi was appointed as an Additional Director (Non- Executive Independent) on October 26, 2020

The Board meetings are governed by a structured agenda. The agenda for the Board meeting is circulated to the Board of Directors, in advance, generally seven days prior to the meeting of the Board of Directors as required under the Companies Act, 2013 and the Secretarial Standards prescribed by the Institute of Company Secretaries of India. All items of agenda are backed by comprehensive background for enabling the Board to take informed decisions. The Board Members in consultation with the Chairman may bring up any matter for the consideration of the Board of Directors.

The Composition of the Board of Directors and their attendance at the Board meetings held during the year and also number of other Directorships and Memberships of Committees as on March 31, 2021 are as follows:

Name of Director	Nature of Directorship	As on March 31, 2021		
		Number of other directorship public*	Other Committee Memberships**	Chairperson of other Committees**
Mr. Bharat K. Sheth (DIN:00022102)	Non-Executive Chairman	2	1	NIL
Mrs. Bhavna Doshi (DIN:00400508)	Independent Director	8	3	5
Mr. Mathew Cyriac (DIN:01903606)	Independent Director	2	1	1
Mrs. Rita Bhagwati (DIN:06990589)	Independent Director	1	NIL	NIL

Name of Director	Nature of Directorship	As on March 31, 2021		
		Number of other directorship public*	Other Committee Memberships**	Chairperson of other Committees**
Mr. Shaleen Sharma (DIN:00202295)	Independent Director	NIL	NIL	NIL
Mr. Ravi K. Sheth (DIN:00022121)	Managing Director	1	NIL	NIL
Mr. Alok Mahajan (DIN:00452309)	Executive Director	1	NIL	NIL
Mr. P. R. Naware (DIN:00041519)	Executive Director	NIL	NIL	NIL

1. *Excludes Directorships in Private Limited Companies, Foreign Companies and section 8 Companies.

2. **Includes memberships of Audit and Stakeholders' Relationship Committees of other companies (excluding Private, Foreign and section 8 companies). Membership excludes Chairmanship of Committees.

Separate Meeting of Independent Directors

Separate meetings of Independent Directors of the Company without the presence of the Non-Independent Directors and Members of Management were held through video conferencing on May 26, 2020 and April 30, 2021, as required under schedule IV to the Act (Code for Independent Directors). At the said meeting, the Independent Directors:

- reviewed the performance of Non-Independent Directors and the Board as a whole;
- reviewed the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- assessed the quality, quantity and timeliness of flow of information between the Company management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

Director's Induction & Familiarisation

For the new Independent Directors inducted on the Board of the Company, the Company organises a formal induction program which includes presentation on the Company's business, the group organization structure and other important aspects. The induction for Independent Directors also includes interactive sessions with Management. Further, at the time of appointment of an Independent Director, the concerned Director is issued a formal letter of appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments.

The format of the letter of appointment is available on our website www.greatshipglobal.com.

Code of Conduct

The Board of Directors had at their meeting held on May 26, 2020 approved and adopted revised 'Code of Business Conduct and Ethics for the Board of Directors and Members of Senior Management'. The Code mainly covers amongst other things, the duties and obligations of the Directors and Senior Management of the Company. The Code of Conduct is available on the Company's website: www.greatshipglobal.com.

All the Board members and senior management personnel have confirmed compliance with the code for the financial year ended March 31, 2021. A declaration to that effect signed by the Managing Director is attached and forms part of the Annual Report of the Company.

COMMITTEES OF THE BOARD OF DIRECTORS

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board of Directors have constituted few committees with specific terms of reference/scope. The committee operate as empowered agents of the Board as per their terms of reference. The inputs and details required for their decisions are provided by the executives/management. The minutes of the meetings of all committees of the Board are circulated to the Directors or placed before the Board for discussions/noting.

A) AUDIT COMMITTEE

- i. During the year, the Audit Committee was reconstituted and as on date it comprises of four (04) Directors (out of which 3 are Independent Directors), namely, Mr. Mathew Cyriac (Chairman), Mrs. Rita Bhagwati, Mr. Shaleen Sharma and Mr. P. R. Naware.

Mr. Keki Mistry and Mr. Anil Singhvi ceased to be the members of the Committee as they ceased to be Directors of your Company on September 19, 2020 as mentioned hereinabove. Mr. Mathew Cyriac, member of the Committee was appointed as the Chairman and Mrs. Rita Bhagwati and Mr. Shaleen Sharma were inducted as members of the Committee w.e.f September 20, 2020.

- ii. During the year, four meetings of the Audit Committee were held on May 26, 2020, July 24, 2020, October 26, 2020 and January 22, 2021.

Details of attendance of the members (including past members) at the Committee meetings held during the year are as follows:

Name of the Member	Number of meetings attended during financial year 2020-21
Mr. Mathew Cyriac (Chairman)	4
Mr. Keki Mistry	2
Mr. Anil Singhvi	2
Mrs. Rita Bhagwati	2
Mr. Shaleen Sharma	2
Mr. P. R. Naware	4

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

- iv. Terms of reference of the Audit Committee are broadly as under:

- (a) recommending to the Board the appointment, re-appointment, removal, remuneration and terms of appointment of auditors of the company;
- (b) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (c) examination of the financial statement and the auditors' report thereon;
- (d) approval or any subsequent modification of transactions of the company with related parties;
- (e) scrutiny of inter-corporate loans and investments;
- (f) valuation of undertakings or assets of the company, wherever it is necessary;
- (g) evaluation of internal financial controls and risk management systems;
- (h) monitoring the end use of funds raised through public offers and related matters;

- (i) overseeing the vigil mechanism established in accordance with the requirements of the Companies Act, 2013; and
- (j) such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such Committee and carry out any other function as may be required in relation to the above terms of reference.

B) NOMINATION AND REMUNERATION COMMITTEE

- i. During the year, the Nomination and Remuneration Committee was reconstituted and as on date it comprises of three (03) Independent Directors, namely, Mr. Mathew Cyriac (Chairman), Mrs. Rita Bhagwati and Mr. Shaleen Sharma.

Mr. Keki Mistry and Mr. Anil Singhvi ceased to be the members of the Committee as they ceased to be Directors of your Company on September 19, 2020 as mentioned hereinabove. Mr. Mathew Cyriac, member of the Committee was appointed as the Chairman and Mrs. Rita Bhagwati and Mr. Shaleen Sharma were inducted as members on the Committee w.e.f September 20, 2020.

- ii. During the year, two meetings of the Committee were held on May 26, 2020 and October 21, 2020.

Details of attendance of the members (including past members) at the Committee meetings held during the year are as under:

Name of the Member	Number of meetings attended during financial year 2020-21
Mr. Mathew Cyriac (Chairman)	2
Mr. Keki Mistry	1
Mr. Anil Singhvi	1
Mrs. Rita Bhagwati	1
Mr. Shaleen Sharma	1

- iii. Ms. Amisha Ghia, Company Secretary is the Secretary of the Committee.
- iv. Terms of reference of the Nomination and Remuneration Committee are broadly as under:
 - (a) identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and to carry out evaluation of every director's performance;
 - (b) formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees and any other compensation related matters and issues; and
 - (c) such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such Committee and carry out any other function as maybe required in relation to the above terms of reference.

Directors' Remuneration:

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

Remuneration to Whole-Time Directors:

In accordance with the calculations under section 198 of the Companies Act, 2013, based on the standalone financial statements, the Company did not have profits in the financial year 2020-21 for the payment of remuneration to Whole-Time Directors. The Company has obtained necessary approval of the shareholder(s) by way of a special resolution for payment of remuneration to the Whole-Time Directors in the event of absence or inadequacy of profits as required under the provisions of the section II of part II of schedule V of the Companies Act, 2013.

Details of Remuneration paid/to be paid to Whole-Time Directors for financial year 2020-21:

(Amount in ₹)

Name of Director	Salary	Perquisites	Other Benefits [#]	Variable Pay
Mr. Ravi K. Sheth, Managing Director	19,666,233	2,255,555	300,425	21,400,000
Mr. P. R. Naware, Executive Director	9,954,032	79,720	689,971	6,100,000
Mr. Alok Mahajan, Executive Director	10,734,515	53,760	719,623	6,500,000

- Salary includes contribution to provident fund and superannuation fund and does not include provisions made for Retirement Benefit Scheme for Managing Director/Post-Retirement Medical Benefit Scheme for Executive Director
- Variable Pay for financial year 2020-21 to be paid in financial year 2021-22
- Whole-time Directors are also entitled to gratuity in accordance with the Company's rules
- #does not form part of calculation of remuneration under section 198 of the Act

- Presently, there are no stock options granted to the Whole-Time Directors
- The Board has approved and implemented Retirement Benefit Scheme for its Managing Director w.e.f April 1, 2012. The Scheme provides for provision of pension, medical reimbursement and other benefits to the retiring Managing Director. On the basis of actuarial valuation, in the current year the provision for pension payable to Managing Director on his retirement was reduced by an amount of ₹ 2.48 crores (in the previous year the provision of ₹ 2.72 crores was made).
- The Board has also approved and implemented Post-Retirement Medical Benefit Scheme for the Executive Directors and Senior Management Employees of the Company w.e.f February 4, 2019. The Scheme provides for provision of certain medical benefits and reimbursements after retirement to selected employees, including the Executive Directors. On the basis of actuarial valuation, in the current year a provision for an amount of ₹ 0.01 crore was made for the medical benefits to be provided to the Executive Director post his retirement (in the previous year the provision of ₹ 0.04 crore was made).
- The Company or Mr. Ravi K. Sheth shall be entitled to terminate his appointment by giving six months' notice in writing.
- The Company or Executive Directors shall be entitled to terminate their appointment by giving three months' notice in writing.

Remuneration to Non-Executive Directors, including Independent Directors:

Pursuant to the notification of amendments to certain provisions of the Companies Act, 2013 by the Ministry of Corporate Affairs on March 18, 2021 related to payment of remuneration to the Non-Executive Directors, including Independent Directors in the event of no profits or inadequate profits in any financial year, and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have at their meeting held on April 30, 2021 approved the payment of remuneration to Non-Executive Directors, including Independent Directors of the Company for the financial year 2020-21 subject to the approval of the Shareholder(s) of the Company by way of special resolution.

Details of remuneration and sitting fees paid/to be paid to the Non - Executive Directors including Independent Directors of the Company for financial year 2020-21 are as under:

(Amount in ₹)

Name of Director	Remuneration [^]	Sitting Fees
Mr. Bharat K. Sheth	540,000	Nil
Mr. Mathew Cyriac	720,000	11,00,000
Mrs. Rita Bhagwati	720,000	800,000
Mr. Shaleen Sharma	720,000	800,000
Mrs. Bhavna Doshi	310,000 ^{\$}	300,000
Mr. Anil Singhvi*	Nil	500,000
Mr. Keki Mistry*	Nil	500,000
Total	3,010,000	40,00,000

*Ceased to be the Directors with effect from September 19, 2020 upon completion of their second term as Independent Directors of the Company.

^{\$}proportionate for the period from October 26, 2020 (date of appointment) to March 31, 2021.

[^]Remuneration for financial year 2020-21 to be paid in financial year 2021-22.

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

C) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

- The Committee currently comprises of three (03) Directors (out of which 2 are Independent Directors), namely, Mr. Mathew Cyriac (Chairman), Mr. Shaleen Sharma and Mr. P. R. Naware.
- During the year, two meetings of the Committee were held on May 26, 2020 and March 05, 2021.
- Details of attendance of the members at the Committee meetings held during the year are as under:

Name of the Member	Number of meetings attended during financial year 2020-21
Mr. Mathew Cyriac (Chairman)	2
Mr. Shaleen Sharma	2
Mr. P. R. Naware	2

- Ms. Amisha Ghia, Company Secretary is the Secretary of the Committee.
- Terms of reference of the Corporate Social Responsibility Committee are broadly as under:
 - formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in schedule VII to the Companies Act, 2013 and make any modifications or amendments to the policy, as may be required;
 - recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
 - monitor the Corporate Social Responsibility Policy of the Company from time to time and institute monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company; and
 - carry out such other function as may be required, from time to time, to comply with section 135 of the Companies Act, 2013 read with the rules prescribed thereunder or in relation to the above terms of reference.

ANNEXURE 3 TO THE BOARD'S REPORT

CORPORATE SOCIAL RESPONSIBILITY POLICY - THE GREAT EASTERN GROUP

1. Introduction: The Great Eastern Group

The Great Eastern Shipping Company Ltd. is the largest private sector shipping company in India. Over the last 70 years the company has managed to methodically build its capacity and grow, despite the volatility of international shipping markets. The Great Eastern Group (**GE Group**) includes:

1. **The Great Eastern Shipping Company Ltd.(GES):** GES is involved in the bulk shipping business i.e. transportation of crude oil, petroleum products, gas and dry bulk commodities.
2. **Greatship (India) Limited (GIL):** GIL is a wholly-owned subsidiary of GES that provides offshore oilfield services with the principal activity of owning and/or operating offshore supply vessels and mobile offshore drilling rigs.
3. **Great Eastern CSR Foundation (GECSRF):** The enactment of Section 135 of the Companies Act, 2013, Corporate Social Responsibility (CSR) policy by the Ministry of Corporate Affairs, has marked India as the only country to regulate and make CSR mandatory for eligible companies falling under the Act.

Following this policy, **GECSRF**, a wholly owned not-for-profit subsidiary of GES was incorporated in February 2015 to implement CSR activities of the GE Group. Through GECSRF, the GE Group aims to extend the scope of social welfare activities to the vulnerable, marginalized and low-income population in India.

2. CSR focus areas

Conforming to the activities as mentioned **under Schedule VII, Section 135 of the Companies Act** and, aligning our commitment to the globally accepted Sustainable Development Goals (SDG's), **GE Group's focus areas are:**

- a. **Education:** We are committed to support initiatives that aim to improve the quality of education, with a focus on building capacities of teachers and educators.
- b. **Health:** We aim to improve health outcomes for adolescent girls, pregnant women, infants, other women and communities at large.
- c. **Livelihoods:** We aim to enhance livelihood opportunities for women and youth by supporting organisations that focus on skill building, women empowerment and sustainable farming practices.

In addition to the focus areas, GE Group will also be open to consider support to other areas mentioned under Schedule VII of the Companies Act, 2013.

3. Geography

GE Group is open to support organizations across India. However, we will be more keen to support interventions that address needs of vulnerable, marginalized and low-income population in rural areas.

4. CSR Budget

Since the financial year starting 2014-15, GES and GIL have committed to spend **at least 2% of the average net profits over the past three financial years in accordance with the applicable provisions of the Companies Act, 2013 (Act)**, on Corporate Social Responsibility (**CSR**) causes.

The CSR Committees of GES/GIL will recommend the CSR spend towards CSR cause during the year to their Boards for approval.

In the event any surplus arises out of the CSR activities, it shall not form part of the business profits, and shall be ploughed back into the CSR activities as per applicable provisions of the Act.

5. Governance

The **Corporate Social Responsibility (CSR)** Governance structure at GE Group comprises three levels:

- a. Board of Directors
- b. CSR Committee
- c. CSR Team

a. Board of Directors:

The Boards of GES/GIL will be responsible for:

- Approving the CSR policy as formulated and recommended by the CSR Committee.
- Approving the Annual Action Plan and any alterations thereto, as recommended by the CSR Committee.
- Ensuring, through the CSR Committee, that in each financial year GES and GIL spend at least 2% of the average net profits over the past three financial years in accordance with the applicable provisions of the Act.
- Ensuring, through the CSR Committee, that funds committed by the Company for CSR activities are utilized effectively.
- Ensuring that the funds disbursed have been utilised for the purposes and in the manner as approved by it. (Chief Financial Officer shall certify to that effect.)
- Monitoring the implementation of the Ongoing Projects (i.e. multi-year projects having timelines not exceeding 3 years excluding the financial year in which it was commenced) with reference to the approved timelines and year-wise allocation and make modifications, if any, for smooth implementation thereof.
- Ensuring that applicable disclosures on CSR are made in their respective annual report on CSR included in their Board's Report and on their respective websites.
- Ensuring that the administrative overheads (i.e. expenses for general management and administration not including expenses for designing, implementation, monitoring, and evaluation etc. of a particular project) of the CSR functions does not exceed 5% of the total CSR expenditure for the financial year.

b. Corporate Social Responsibility (CSR) Committee

The Board of Directors of GES and GIL have constituted Committees of Directors known as the CSR Committees. The functions of the Committees will be as follows:

- To formulate and recommend the CSR policy.
- To formulate and recommend to the Board an Annual Action Plan as prescribed under the Act and any alterations thereto.
- To recommend CSR budget for each year.
- To review and approve the fund allocation for partners.
- To monitor the CSR activities and report the same.

c. Corporate Social Responsibility (CSR) Team

The CSR team leads the day to day CSR activities of the GE Group. Its functions are as follows:

- Formulate and recommend to CSR Committees, Annual Action Plan (including alterations thereto) which shall include the following:
 - a. details of projects / programmes to be undertaken
 - b. manner of execution
 - c. modalities of utilization of funds and implementation schedules
 - d. monitoring and reporting mechanism
 - e. need for impact assessment, if any.
- Implementation of the approved Annual Action Plan.
- Identify potential partners and facilitate an end to end partner selection process.
- Timely review of the budgets and approved disbursements to the partners.
- Monitoring utilization of funds disbursed to the partners.
- Periodically visit the programmes and evaluate the progress on ground.
- Undertaking impact assessment through independent agencies, if required.
- Share progress updates with CSR Committees / Boards of GES / GIL as and when required.
- Disclosure of details of CSR activities (including projects approved) on website of GES / GIL
- Monitoring unspent amount as on 31st March every year and recommend its transfer to Unspent CSR Account / government funds as per the requirements of the Act.

6. Onboarding a Partner

a. Identification of a Partner

- **Direct Approach - Open to All:**
 - i. Any NGO registered as a Society/ Public Charitable Trust / company established in India under Section 8 of the Act and having CSR Registration Number from the Ministry of Corporate Affairs whose vision and values are aligned with any of our CSR focus areas or activities under Schedule VII can reach out to GECSRF.
 - ii. It should meet the basic statutory requirements (section 6.d.), including: documents such as the Registration certificate, valid Income Tax exemption certificates and Audited Financial statements for the last three years
- **Indirect approach:**
 - i. The CSR team may reach out to NGOs based on references from the existing partners, CSR Committee or Board members and other stakeholders.

b. Due Diligence

- Once the NGOs are identified, a due diligence process will be initiated to evaluate organization's operations, programmes and statutory compliances before making any decisions for partnership opportunities.
- A combination of meetings and visits will be conducted to complete the due diligence process.

c. CSR Committees

- Recommendations will be shared with the CSR Committee of GES/GIL for review and approval/recommendation to the Board.
- Once approved, the CSR team will draft a Memorandum of Understanding (MoU) with the selected organization.

d. Partner Statutory Compliances

- Maintain a record of all basic compliance requirement documents:
 - i. 80G certificate
 - ii. Registration Certificate
 - iii. PAN Card
 - iv. 12 A Registration
 - v. Financial statements and Audit reports for the last three years
 - vi. CSR Registration Number from Ministry of Corporate Affairs

e. Memorandum of Understanding (MoU)

- The CSR team under the guidance of GES/GIL Legal and Compliance team and in consultation with the potential partner will finalize the MoU.

7. Monitoring and Evaluation

The CSR Team will periodically monitor and evaluate each project in accordance with the annual action plan to ensure its smooth implementation. This will include review of progress reports and fund utilization (quarterly and annually), project site visits, and meetings with partner organisations.

Any additional third-party evaluation / impact assessment will be conducted as per the requirements for any partner(s) or as may be required under the Act.

8. Employee Engagement

GE Group further aims to provide and facilitate employee engagement opportunities to the employees.

9. Compliance

The GE Group will follow the applicable Accounting, Auditing and Reporting practices.

10. Effective Date

This Policy has been recommended by the Corporate Social Responsibility Committee of the Company at its meeting held on March 5, 2021 and has been adopted by the Board of Directors of the Company at their meeting held on March 5, 2021. This Policy is effective from March 5, 2021 and replaces the existing CSR Policy of the Company.

ANNEXURE 4 TO THE BOARD'S REPORT

ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON 1ST DAY OF APRIL 2020 TO 31ST DAY OF MARCH 2021

1. Brief outline on CSR Policy of the Company:

Following the enactment of Section 135 of the Companies Act, 2013 by the Ministry of Corporate Affairs on the Corporate Social Responsibility (CSR), the Great Eastern Group incorporated a wholly owned not-for-profit subsidiary - Great Eastern CSR Foundation (GECSRF) in February 2015. Through GECSRF, the Great Eastern Group aims to extend the scope of social welfare activities to the vulnerable, marginalized and low-income population in India. The Company has been meeting its CSR obligations either by making a direct contribution to the NGO partners or through GECSRF.

Conforming to the activities as mentioned under section 135 of the Companies Act, 2013 read with Schedule VII and aligning our commitment to the globally accepted Sustainable Development Goals (SDG's), GECSRF's focus areas are:

- Education: GECSRF is committed to support initiatives that aim to improve the quality of education, with a focus on building capacities of teachers and educators.
- Health: GECSRF aims to improve health outcomes for adolescent girls, pregnant women, infants, other women and communities at large.
- Livelihoods: GECSRF aims to enhance livelihood opportunities for women and youth by supporting organisations that focus on skill building, women empowerment, and sustainable farming practices.

In addition to the focus areas, GECSRF is open to consider need based support to other priority areas mentioned under Schedule VII of the Companies Act, 2013.

In terms of Governance, and roles and responsibilities, the Corporate Social Responsibility (CSR) Governance structure comprises three levels: Board of Directors of the Company, CSR Committee and CSR Team at GECSRF. Please find the detailed policy at www.greatshipglobal.com

2 Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Mathew Cyriac	Chairman	2	2
2.	Mr. Shaleen Sharma	Member	2	2
3.	Mr. P. R. Naware	Member	2	2

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: www.greatshipglobal.com
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
Not Applicable			

6. Average net profit of the company as per section 135(5) : NIL
7. (a) Two percent of average net profit of the company as per section 135(5) : Not Applicable
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : NIL
 (c) Amount required to be set off for the financial year, if any: NIL
 (d) Total CSR obligation for the financial year (7a+7b- 7c): NIL
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
5,970,000 (spent by the GECSRF from the CSR contribution made to the GECSRF before April 1, 2020)	NIL	Not Applicable	Not Applicable	NIL	Not Applicable

- (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Name	CSR Registration number
				State	District							
	Inclusive Education for people with disabilities – low vision and blindness	Promotion of education	Yes	Maharashtra	Mumbai	February 01, 2021 to February 28, 2022	5,970,000	5,970,000*	NA	No	Xavier's Resource Center for the Visually Challenged (XRCVC)	In Process
	TOTAL							5,970,000				

*spent by GESCRF from the CSR contribution made to the GESCRF (CSR registration number: CSR00002159) before April 1, 2020

(c) Details of CSR amount spent against other than ongoing projects for the financial year: NIL

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No.)	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).
				State	District		
							Mode of implementation – Through implementing agency.
							Name
							CSR Registration number
NOT APPLICABLE							

(d) Amount spent in Administrative Overheads : NIL

(e) Amount spent on Impact Assessment, if applicable : NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 5,970,000

(g) Excess amount for set off, if any: NIL

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	NIL
(ii)	Total amount spent for the Financial Year	NIL *
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

*GESCRF spent the amount during financial year 2020-21 from the CSR contribution made to GESCRF before April 1, 2020.

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹ crores)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
1.	FY 2017-18	NA	NIL	NA	NIL	NA	NIL
2.	FY 2018-19	NA	NIL	NA	NIL	NA	NIL
3.	FY 2019-20	NA	NIL	NA	NIL	NA	NIL
	TOTAL	NA	NIL	NA	NIL	NA	NIL

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing.
					NIL			
	TOTAL				NIL			

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year : Not Applicable

(asset-wise details).

- (a) Date of creation or acquisition of the capital asset(s): Not Applicable
- (b) Amount of CSR spent for creation or acquisition of capital asset: Not Applicable
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: Not Applicable
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) – Not Applicable

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

Mr. Mathew Cyriac
Chairman – CSR Committee
(DIN: 01903606)

Mumbai, April 30, 2021

ANNEXURE 5 TO THE BOARD'S REPORT

POLICY FOR APPOINTMENTS

Policy Adoption

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

Purpose

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

APPOINTMENT POLICY FOR DIRECTORS

1. Board Constitution

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

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

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

2. Qualifications and Experience

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

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

3. Attributes

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

4. Appointment process

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

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

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

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

1. Review of organization structure and Competency Requirements

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

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

2. Appointment of KMP and SMP

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

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

Annexure 1: Criteria for appointment

I. Executive Directors

Attribute	Description
Competency requirements for Managing Director	<ul style="list-style-type: none"> Leads the organization with overall responsibility for business strategy, capital allocation, business performance and risk management. Ability to formulate and navigate business strategy based on the economic environment and opportunities Ability to understand and mitigate business, operational and financial risks as appropriate for the offshore industry Ability to lead the organization and manage stakeholder relationships with clients, shareholders and personnel
Competency requirements for other Executive Director(s)	<ul style="list-style-type: none"> Leads business operations with responsibility for functional integration of core operating and corporate functions, resource allocation and business policies. Ability to formulate and oversee business policies and risk management frameworks appropriate the business environment Ability to match resource requirements for implementation of business plans Ability to lead the organization and manage stakeholder relationships with clients, key partners, authorities and personnel

II. Independent Directors

Attribute	Description
Independence & Commitment	<ul style="list-style-type: none"> Meets the criteria of independence as laid down in section 149 of the Companies Act, 2013, as may be amended or substituted from time to time Demonstrates commitment to invest the amount of time required to effectively discharge duties as an independent director
Business Values	<ul style="list-style-type: none"> Identifies with the core values of the company and holds a reputation for integrity in running business Is committed to establishing and / or maintaining high standards of corporate governance in the Company and other organizations associated with
Business Leadership experience	<ul style="list-style-type: none"> Holds or has held a senior leadership position in an organization of business complexity at par or higher than that of the Company Has experience of development and execution of business strategies through different phases of business or economic cycles
Board experience	<ul style="list-style-type: none"> Possesses experience of serving on a board of directors as an executive director of a reputed company, or Has experience of serving as an independent director of a reputed company
Stature in industry	<ul style="list-style-type: none"> Holds a high degree of credibility in the general industry Is professionally networked with a set of relationships across various institutions of the economy

ANNEXURE 6 TO THE BOARD'S REPORT

REMUNERATION POLICY

POLICY ADOPTION

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

REMUNERATION POLICY FOR THE DIRECTORS

1. Recommendation & approval authorities

- a. **For Executive Directors:** The remuneration of the executive directors is recommended by the Nomination and Remuneration Committee (the 'Committee') and approved by the Board of Directors (the 'Board') and shareholders of the Company within the overall limits as may be prescribed under applicable laws.
- b. **For Non-Executive Directors:** The remuneration of the non-executive directors is approved by the Board of Directors (the 'Board') and shareholders of the Company within the overall limits as may be prescribed under applicable laws.
- c. **Independence of decisions:** Decisions regarding remuneration for executive directors is the responsibility of the Committee. Executive directors are not consulted directly by the Committee when making policy decisions.

2. Forward looking nature

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

EXECUTIVE DIRECTORS

Key Principles

Attracting and retaining requisite talent is a key objective of the Company's approach to remuneration. The core elements of salary, variable pay¹, benefits and pension continue to provide an effective, relatively simple, performance-based system that fits well with the nature of Company's business and strategy.

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

- a) The remuneration structure of executive directors is designed to reflect the nature of business in which the Company operates. The industry has long term business cycles, is capital intensive, highly regulated and has significant safety and environmental risks requiring specific entrepreneurial skills and experience, which the Company must attract and retain.
- b) A substantial proportion of executive directors' remuneration is linked to success in implementing the Company's strategy and varies with performance of the Company
- c) There is quantitative and qualitative assessment of each executive director's performance.
- d) Total overall remuneration takes account of both the external market and company conditions to achieve a balanced and fair outcome.
- e) Ensuring that executive directors are remunerated in a way that reflects the Company's long-term strategy. Consistent with this, a high proportion of executive directors' total remuneration has been, and will always be, strongly linked to the Company's performance.

¹ amended w.e.f. October 30, 2018

Elements of remuneration

Executive directors' remuneration shall be divided into following elements:

1. Consolidated Salary

- a. **Inclusions in consolidated salary:** Consolidated Salary shall include basic salary and Company's contribution to Provident Fund, Superannuation Fund and all other allowances payable from time to time. Company's contribution to Provident Fund, Superannuation Fund allowances, etc. shall be as per the rules of the Company and determined as per the applicable laws, if any, from time to time.
- b. **Industry comparison:** While determining Consolidated Salary, salary levels and total remuneration paid by companies of similar size and stature engaged in shipping, offshore and other industries shall be considered by the Committee.
- c. **Revision of scales ²:** Scale of Consolidated Salary shall be fixed for a period of 5 years or such other period as may be decided by the Committee or the Board from time to time and shall be reviewed thereafter.
- d. **Annual review:** Actual Consolidated Salary payable every year shall be reviewed annually within the broader scale as aforesaid.

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

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

2. Benefits

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

Annexure - 1 details the benefits applicable for Executive Directors.

3. Reimbursements

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

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

4. Variable Pay ³

It provides a variable level of remuneration dependent on short-term performance of the individual as well as the Company vis a vis industry performance globally. The test of performance by the Company is whether it is able to increase its profits when the industry environment is favourable and whether it is able to minimise its losses when the environment is harsh. The Company believes that performance of each and every employee of the Company contributes to its overall performance and hence should be rewarded suitably. Hence, the Company follows the policy of making payment of variable pay to its executive directors annually.

Variable pay is decided based on performance of executive directors as well as the Company. Where possible, the Company uses quantifiable, hard targets that can be factually measured and objectively assessed. The Company also reviews the underlying performance of the group in light of the annual plan, competitors results, etc.

Variable pay may vary from time to time but shall be maximum four times of the annual Consolidated Salary in case of Managing Director and one time of the annual Consolidated Salary in case of other Executive Directors. Executive Directors with bigger operating responsibilities may be entitled to more variable pay as compared to others.

² amended w.e.f October 30, 2018

³ amended w.e.f October 30, 2018

NON-EXECUTIVE DIRECTORS

Key Principles

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

Elements of Remuneration

1. Sitting fees ⁴

The NEDs are paid sitting fees for attending meetings of the Board of Directors and of certain committees of the Board, viz., Audit Committee and Nomination and Remuneration Committee. The Board shall decide the amount of sitting fees payable to the NEDs for attending meetings of the Board of Directors or the Committees of the Board of Directors, subject to the applicable limits as per the Companies Act, 2013.

Presently, NEDs are paid sitting fees of ₹ 1 lakh per meeting for attending meetings of the Board of Directors and the meetings of the Audit Committee and the Nomination and Remuneration Committee.

2. Remuneration ⁹

It provides a variable level of remuneration dependent on short-term performance of the Company, i.e. net profits every year. In the event the Company makes no profits or has inadequate profits in any financial year, the Company could pay remuneration to its NEDs in accordance with the provisions of Schedule V.

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

3. Reimbursements ⁵

All reasonable out of pocket expenses incurred by NEDs in carrying out their duties are reimbursed.

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

⁴ amended w.e.f October 30, 2018

⁵ inserted w.e.f October 30, 2018

⁹ amended w.e.f April 30, 2021

Annexure – 1: Benefits applicable for Executive Directors ⁶**Managing Director:**

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

- a) Transportation/conveyance facilities
- b) Telecommunication facilities at residence
- c) Leave encashment
- d) Reimbursement of medical expenses incurred for himself and his family
- e) Insurance cover
- f) Fees of Clubs subject to a maximum of two clubs
- g) Leave Travel allowance
- h) Gratuity
- i) Other benefits as may be applicable from time to time

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

Other Executive Director(s):

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

- a) Transportation/conveyance facilities
- b) Telecommunication facilities at residence
- c) Leave encashment
- d) Reimbursement of medical expenses incurred for himself and his family
- e) Insurance cover
- f) Leave travel reimbursement/allowance
- g) Membership Fees of Clubs
- h) Gratuity
- i) Other benefits as may be applicable to his grade from time to time

⁷ Executive Director(s) shall also be entitled to receive medical benefit after retirement in accordance with the Post-Retirement Medical Benefit Scheme dated February 4, 2019 (as may be amended from time to time), if selected for such entitlement by the Nomination and Remuneration Committee in accordance with the said Scheme.

REMUNERATION POLICY FOR EMPLOYEES**1. Approving authority**

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

2. Forward looking nature

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

⁶ replaced w.e.f October 30, 2018

⁷ inserted w.e.f February 4, 2019

3. Key Principles

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

a. Fixed and variable components:

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

b. Benchmarking compensation packages:

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

4. Elements of remuneration

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

a. Fixed Pay or the CTC:

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

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

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

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

b. Variable Pay or Performance Incentive Pay:

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

c. Other Benefits:

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

⁸Senior Management employees of the Company in the grades of 'Vice President' and above shall also be entitled to receive medical benefit after retirement in accordance with the Post-Retirement Medical Benefit Scheme dated February 4, 2019 (as may be amended from time to time), if selected for such entitlement by the Nomination and Remuneration Committee in accordance with the said Scheme.

⁸ inserted w.e.f February 4, 2019.

ANNEXURE 7 TO THE BOARD'S REPORT

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)
Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

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

The details of contracts/arrangements or transactions entered into during the year ended March 31, 2021, which are not at arm's length basis are as follows:

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions	Amount (₹ in crores)
NIL						

Justification : NA

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

The details of contracts/arrangements or transactions at arm's length basis and in the ordinary course of business of the Company for the year ended March 31, 2021 are as follows:

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions	Amount (₹ in crores)
1	The Great Eastern Shipping Co. Ltd.	Parent Company	Interest on Preference Shares	Annual	Preference dividend as per the terms of preference shares issued by the Company	25.76
2			Purchase of Training Slots	Several transactions during the year	Service charges for allotment of training slots	1.93
3			Payables	-	Payables towards purchase of training slots	1.7
4			Dividend Payable	-	Preference dividend payable as per the terms of preference shares issued by the Company	24.59

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions	Amount (₹ in crores)
5	Greatship (UK) Limited	Wholly Owned Subsidiary	Payables	-	Payables towards the vessels chartered to WOS and others, if any	13.88
6	Ms. Nirja B. Sheth	Daughter of Mr. Bharat K. Sheth (Chairman of the Company)	Holding office or place of profit	With effect from December 1, 2016	Salary up to ₹ 25,00,000/- p.a (including performance incentive pays and periodic increments) and other benefits applicable to her designation/grade from time to time	0.14

For and on behalf of the
Board of Directors

Bharat K. Sheth
Chairman
(DIN: 00022102)

Mumbai, April 30, 2021

ANNEXURE 8 TO THE BOARD'S REPORT

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2021

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

To

The Members,

Greatship (India) Limited

One International Center,

Tower 3, 23rd Floor, Senapati Bapat Marg,

Elphinstone Road (West) Mumbai - 400013

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 (hereinafter called the '**Audit Period**') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 ('**the Act**') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the rules made thereunder (**Not Applicable to the Company during the Audit Period**);
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (**Not Applicable to the Company during the Audit Period**);
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment and External Commercial Borrowings (**Foreign Direct Investment is not applicable to the Company during the Audit Period**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**');
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (**Not Applicable to the Company during the Audit Period**);
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (**Not Applicable to the Company during the Audit Period**);
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**Not Applicable to the Company during the Audit Period**);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**Not Applicable to the Company during the Audit Period**);

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit Period)**;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not Applicable to the Company during the Audit Period)**;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable to the Company during the Audit Period)**.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015; (Not Applicable to the Company during the Audit Period)

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc as mentioned above.

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

- The Merchant Shipping Act, 1958 and rules made there under
- The Coasting Vessels Act, 1838

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

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

For Makarand M. Joshi & Co.
Practising Company Secretaries

Kumudini Bhalerao
Partner
FCS No. 6667
CP No. 6690
UDIN: F006667C000219660
Peer Review No: P2009MH007000
Place: Mumbai
Date: 30/04/2021

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

ANNEXURE 'A'

To,
 The Members,
Greatship (India) Limited,
 One International Center
 Tower 3, 23rd Floor, Senapati Bapat Marg,
 Elphinstone Road (West) Mumbai – 400013

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

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

For Makarand M. Joshi & Co.
Practising Company Secretaries

Kumudini Bhalerao
Partner
FCS No. 6667
CP No. 6690
UDIN: F006667C000219660
Peer Review No: P2009MH007000
Place: Mumbai
Date: 30/04/2021

FLEET AS ON MARCH 31, 2021

GREATSHIP (INDIA) LIMITED AND ITS SUBSIDIARIES

Category	Vessel/Rig Name	Company#	DWT (MT)	Year Built	Average Age (Years)
OFFSHORE SUPPORT VESSELS					
Platform Supply Vessels					
1	Greatship Dipti	GIL	3,329	2005	
2	Greatship Dhriti	GIL	3,329	2008	
3	Greatship Dhvani	GIL	3,304	2008	
4	Greatship Prachi	GIL	4,194	2015	
4			14,156		11.63
R Class Supply Vessels					
1	Greatship Ramya	GGOS	2,242	2010	
2	Greatship Rohini	GIL	3,684	2010	
3	Greatship Rashi	GIL	3,609	2011	
4	Greatship Roopa	GIL	3,656	2012	
5	Greatship Rachna	GIL	3,674	2012	
5			16,865		9.63
Anchor Handling Tug cum Supply Vessels					
1	Greatship Anjali	GIL	2,188	2008	
2	Greatship Amrita	GIL	2,045	2008	
3	Greatship Asmi	GIL	1,634	2009	
4	Greatship Ahalya	GIL	1,643	2009	
5	Greatship Aarti	GIL	1,650	2009	
6	Greatship Aditi	GIL	2,045	2009	
7	Greatship Vidya	GIL	3,289	2012	
8	Greatship Vimla	GIL	3,311	2012	
8			17,805		11.47
Multi-purpose Platform Supply and Support Vessels					
1	Greatship Maya	GGOS	4,252	2009	
2	Greatship Manisha	GGOS	4,221	2010	
2			8,473		10.94
TOTAL OFFSHORE SUPPORT VESSELS					
Number	19				
Total Tonnage (dwt)	57,299				
Average Age (years)	10.97				

Category	Rig Name	Company [#]	DWT (MT)	Year Built	Average Age (Years)
DRILLING UNITS					
350' Jack Up Rigs					
1	Greatdrill Chitra	GIL	N.A.	2009	
2	Greatdrill Chetna	GIL	N.A.	2009	
3	Greatdrill Chaaya	GIL	N.A.	2013	
4	Greatdrill Chaaru	GIL	N.A.	2015	
4					9.45
TOTAL DRILLING UNITS					
Number		4			
Average Age (years)		9.45			

[#] GIL stands for 'Greatship (India) Limited'; GGOS stands for 'Greatship Global Offshore Services Pte. Ltd.'

ACQUISITIONS/SALES DURING FY 2020-21 – NIL

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GREATSHIP (INDIA) LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Greatship (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Key Performance Indicators, Management Statement and Board's Report including annexures to the Board's Report but does not include the standalone financial statements, consolidated financial statements and our auditor's reports thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the

preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 SAs 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the Standalone Financial Statements.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

- 1) As required by Section 143(3) of the Act, based on our audit we report that:
- 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.
 - 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.
 - The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid during the year / provided for the year by the Company to its Managing Director and Executive Directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act. The Board of Directors have recommended payment of remuneration of ₹0.30 crore to non-executive directors including independent directors for the financial year 2020-21 in at its meeting held on April 30, 2021 in accordance with the provisions of section 197 read with Schedule V of the Act, which is provided for in the books of account and is subject to approval by the shareholders by a special resolution at the ensuing general meeting.
 - 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:
 - The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Samir R. Shah
Partner

Membership No. 101708

UDIN: 21101708AAAABK8410

Mumbai, April 30, 2021

ANNEXURE 'A'

TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of Greatship (India) Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal financial control over financial reporting 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 DELOITTE HASKINS & SELLS LLP
Chartered Accountants
 (Firm's Registration No. 117366W/W-100018)

Samir R. Shah
Partner

Membership No. 101708
 UDIN: 21101708AAAABK8410

Mumbai, April 30, 2021

ANNEXURE 'B'

TO THE INDEPENDENT AUDITOR'S REPORT

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

- (i) In respect of the Company's fixed assets:
- The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification, which, in our opinion, provides for physical verification of all the assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such physical verification.
 - In respect of immovable properties of buildings that have been taken on lease and disclosed as right-of-use assets in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement. The Company has not taken land on lease.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals except in case of certain stores and spares at a rig amounting to ₹14.68 crores due to COVID-19 related restrictions. No material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Act. Therefore, provisions of the clause 3(iii) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of 186 of the Act in respect of investments. The Company has not granted loans or provided any guarantees or securities under Section 185 and 186 of the Act.
- (v) The Company has not accepted deposit during the year and does not have any unclaimed deposits as at March 31, 2021. Therefore, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act for the business activities carried out by the Company. Therefore, the provisions of clause (vi) of the Order are not applicable to the Company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Goods and Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Goods and Service Tax, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
 - Details of dues of Income-tax, Service Tax, Customs Duty, and Value Added Tax which have not been deposited as on March 31, 2021 on account of disputes are given below:

Name of Statute	Nature of Dues	Period for which the amount relates	Forum where dispute is pending	Amount (INR crore)
Income Tax Act, 1961	Income Tax	FY 2009-10 to FY 2013-14	Income Tax Appellate Tribunal	22.92
Income Tax Act, 1961	Income Tax	FY 2015-16	Commissioner of Income Tax (Appeal)	0.46
The Finance Act, 1994 (Service tax legislation)	Service Tax	FY 2009-10	Supreme Court	21.94

Name of Statute	Nature of Dues	Period for which the amount relates	Forum where dispute is pending	Amount (INR crore)
The Finance Act, 1994 (Service tax legislation)	Service Tax	FY 2008-09 to 2014-15	CESTAT	31.02*
The Finance Act, 1994 (Service tax legislation)	Service Tax	FY 2008-09 to 2014-15 and October 2015 to June 2017	Various Forum	352.65*
Customs Act, 1962	Customs Duty	FY 2009-10 to 2013-14	Various Forum	0.33
Customs Act, 1962	Customs Duty	FY 2009-10	Commissioner of Customs	14.55
Customs Act, 1962	Customs Duty	FY 2015-16 and FY 2016-17	Additional Commissioner, Customs	0.43
Maharashtra Value Added Tax Act, 2002	MVAT	FY 2008-09, FY 2013-14 and FY 2014-15	Various Forum	188.40*

* net of payment under protest aggregating to ₹ 27.89 crores

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not issued debentures and has not taken any loans or borrowings from financial institutions or government.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans during the year and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid during the year / provided for the year by the Company to its Managing Director and Executive Directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act. The Board of Directors have recommended payment of remuneration of ₹0.30 crore to non-executive directors including independent directors for the financial year 2020-21 in at its meeting held on April 30, 2021 in accordance with the provisions of section 197 read with Schedule V of the Act, which is provided for in the books of account and is subject to approval by the shareholders by a special resolution at the ensuing general meeting.
- (xii) The Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Act where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements, etc. as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of clause (xiv) of the Order are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding or subsidiaries or persons connected with them. Therefore, the provisions of clause (xv) of the Order are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Samir R. Shah
Partner

Membership No. 101708
UDIN: 21101708AAAABK8410

Mumbai, April 30, 2021

BALANCE SHEET

AS AT MARCH 31, 2021

	Notes	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	7	2,952.91	3,191.72
(b) Right-of-use of assets	8	24.05	4.10
(c) Capital work-in-progress		0.33	1.86
(d) Intangible assets	9	0.05	0.08
(e) Financial assets			
(i) Non-current investments	10	493.23	493.23
(ii) Deposits with bank	11	2.97	-
(iii) Other non-current financial assets	12	2.63	1.21
(f) Non-current tax assets (net)	13C	59.66	50.18
(g) Other non-current assets	14	34.29	30.46
		3,570.12	3,772.84
2 Current assets			
(a) Inventories	15	86.37	81.72
(b) Financial assets			
(i) Current investments	16	7.55	13.63
(ii) Trade receivables	17	54.41	82.06
(iii) Cash and cash equivalents	18	199.46	316.84
(iv) Bank balances other than cash and cash equivalents	19	220.24	370.10
(v) Other current financial assets	20	50.13	48.33
(c) Other current assets	21	10.21	10.67
		628.37	923.35
TOTAL ASSETS		4,198.49	4,696.19
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	22	111.35	111.35
(b) Other equity	23	2,150.68	2,264.23
		2,262.03	2,375.58

	Notes	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
LIABILITIES			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Long term borrowings	24	1,509.22	1,821.38
(ii) Lease liabilities	29	20.61	-
(ii) Other non-current financial liabilities	25	13.64	34.14
(b) Provisions	26A	12.24	14.85
(c) Deferred tax liabilities (net)	13D	52.54	50.95
(d) Other non-current liabilities	27	18.03	20.37
		1,626.28	1,941.69
2 Current liabilities			
(a) Financial liabilities			
(i) Trade payables	28		
(a) total outstanding dues of micro enterprises and small enterprises		5.94	4.50
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		66.86	52.93
(ii) Lease liabilities	29	4.20	4.28
(iii) Other current financial liabilities	30	216.30	295.00
(b) Other current liabilities	31	3.80	9.76
(c) Provisions	26B	1.30	0.67
(d) Current tax liabilities (net)	13C	11.78	11.78
		310.18	378.92
TOTAL EQUITY AND LIABILITIES		4,198.49	4,696.19

Significant accounting policies

5

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

As per our Report of even date attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

(Firm's Registration No.: 117366W / W100018)

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

Ravi K. Sheth
Managing Director
(DIN No : 00022121)

P.R. Naware
Executive Director
(DIN No : 00041519)

Place : Mumbai
Date : April 30, 2021

G. Shivakumar
Chief Financial Officer

Amisha M. Ghia
Company Secretary
(M. No. A18247)

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2021

Particulars	Notes	Year Ended March 31, 2021 ₹ in Crores	Year ended March 31, 2020 ₹ in Crores
Income			
I Revenue from operations	32	576.92	715.88
II Other income	33	9.83	25.78
III Total income		586.75	741.66
IV Expenses			
Employee benefits expense	34	201.84	208.56
Finance costs	35	40.42	158.35
Depreciation and amortisation expenses	36	210.67	219.17
Impairment loss	37	46.11	-
Other expenses	38	225.75	223.03
Total expenses		724.79	809.11
V Profit / (Loss) before tax		(138.04)	(67.45)
VI Tax expense			
Current tax	13A	0.09	0.12
Deferred tax (net)	13A	(3.84)	45.77
Total tax expense		(3.75)	45.89
VII Profit / (Loss) for the year		(134.29)	(113.34)
VIII Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or Loss			
- Remeasurements of the defined benefit plans		6.30	(2.48)
(ii) Income tax on items that will not be reclassified to Profit or Loss		(1.05)	0.39
B (i) Items that will be reclassified to Profit or Loss			
- Net changes in fair value of hedging instruments in a cash flow hedge		19.87	(52.45)
(ii) Income tax relating to items that will be reclassified to Profit or Loss		(4.38)	11.69
Total other comprehensive loss (A+B)		20.74	(42.85)
IX Total comprehensive income / (loss) for the year (VII+VIII)		(113.55)	(156.19)

Particulars	Notes	Year Ended March 31, 2021 ₹ in Crores	Year ended March 31, 2020 ₹ in Crores
Earnings per equity share	39		
[Nominal value per share ₹10 : previous year ₹10]			
Basic & Diluted		(12.06)	(10.18)

Significant accounting policies

5

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

As per our Report of even date attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

(Firm's Registration No.: 117366W / W100018)

Samir R. Shah

Partner

Membership No.: 101708

Ravi K. Sheth

Managing Director

(DIN No : 00022121)

P.R. Naware

Executive Director

(DIN No : 00041519)

Place : Mumbai

Date : April 30, 2021

G. Shivakumar

Chief Financial Officer

Amisha M. Ghia

Company Secretary

(M. No. A18247)

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2021

Particulars	Year Ended March 31, 2021 ₹ in Crores	Year ended March 31, 2020 ₹ in Crores
Cash flow from operating activities :		
Loss before tax	(138.04)	(67.45)
Adjustments for:		
Depreciation and amortisation expense	210.67	219.17
Impairment loss on tangible assets	46.11	-
Loss on account of fire on ship	20.80	-
Finance costs	40.42	158.35
Profit on sale of fixed assets / other assets	(0.16)	(1.62)
Reversal for doubtful debts and advances (net)	(0.01)	(0.53)
Interest income	(6.86)	(19.44)
Dividend on current investments	-	(0.26)
Profit on sale of current investments	(0.26)	(0.48)
Exchange differences on translation / adjustments of foreign currency balances	12.56	25.55
(Profit) / Loss on derivative transaction (net)	(2.66)	7.36
Operating Profit Before Working Capital Changes :	182.57	320.65
Adjustments for working capital changes		
(Increase) / Decrease in inventories	(4.65)	(0.95)
(Increase) / Decrease in trade receivables	23.31	16.86
(Increase) / Decrease in other financial assets and other current assets	(0.33)	25.45
Increase / (Decrease) in trade payables	19.32	(11.59)
Increase / (Decrease) in other financial liabilities, provisions and other current liabilities	(13.92)	3.35
Cash Generated From Operations :	206.30	353.77
Taxes paid	(9.57)	(18.21)
Net cash from operating activities :	196.73	335.56
Cash flow from investing activities :		
Purchase of property, plant and equipment	(35.08)	(58.21)
Proceeds from sale of property, plant and equipment	0.16	71.76

Particulars	Year Ended March 31, 2021 ₹ in Crores	Year ended March 31, 2020 ₹ in Crores
Proceeds from sale of current investments	7.34	141.94
Purchase of current investments	(1.00)	(83.77)
Interest received	6.85	19.44
Dividend received on current investment	-	0.26
Bank deposits having original maturity more than three months placed with banks	(226.02)	(451.28)
Bank deposits having original maturity more than three months redeemed with banks	347.43	501.03
Net cash from investing activities :	99.68	141.17
Cash flow from financing activities :		
Repayment of long term borrowings	(335.50)	(373.06)
Interest paid	(60.55)	(76.61)
Dividend paid (including dividend distribution tax)	(24.59)	(29.65)
Repayment of lease liability	(6.25)	(6.73)
Net cash used in financing activities :	(426.89)	(486.05)
Net increase / (decrease) in cash and cash equivalents :	(130.48)	(9.32)
Cash and cash equivalents - opening balance	316.84	302.70
Gain on exchange rate changes in cash and cash equivalents	13.10	23.46
Cash and cash equivalents - closing balance	199.46	316.84

Note :

- The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
- Reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities.

₹ in Crores

Particulars	As at March 31, 2021	Cash flows (net)	Non-cash changes				As at March 31, 2020
			Fair value changes	Foreign exchange movement	Acquisition	Amortised cost to Profit and Loss (net)	
Foreign currency term loans from banks	1,296.15	(335.50)	-	(56.23)	-	3.46	1,684.42
Redeemable cumulative Preference shares capital	355.74	-	-	-	-	1.17	354.57
Total liabilities from financing activities	1,651.89	(335.50)	-	(56.23)	-	4.63	2,038.99

CASH FLOW STATEMENT (CONTINUED)

FOR THE YEAR ENDED MARCH 31, 2021

₹ in Crores

Particulars	As at March 31, 2020	Cash flows (net)	Non-cash changes				As at March 31, 2019
			Fair value changes	Foreign exchange movement	Acquisition	Amortised cost to Profit and Loss (net)	
Foreign currency term loans from banks	1,684.42	(373.06)	-	154.68	-	3.49	1,899.31
Redeemable cumulative Preference shares capital	354.57	-	-	-	-	1.06	353.51
Total liabilities from financing activities	2,038.99	(373.06)	-	154.68	-	4.55	2,252.82

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

As per our Report of even date attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells LLP****Chartered Accountants**

(Firm's Registration No.: 117366W / W100018)

Samir R. Shah

Partner

(Membership No.: 101708)

Ravi K. Sheth

Managing Director

(DIN No : 00022121)

P.R. Naware

Executive Director

(DIN No : 00041519)

Place : Mumbai

Date : April 30, 2021

G. Shivakumar

Chief Financial Officer

Amisha M. Ghia

Company Secretary

(M. No. A18247)

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2021

₹ in Crores

A EQUITY SHARE CAPITAL

Balance as at April 1, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
111.35	-	111.35

Balance as at April 1, 2019	Changes in equity share capital during the year	Balance as at March 31, 2020
111.35	-	111.35

B OTHER EQUITY

₹ in Crores

Particulars	Reserves and Surplus						Other Comprehensive Income	Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Tonnage Tax Reserve	Retained Earnings	Cash flow Hedging Reserve	
Balance as at April 1, 2020	489.32	43.50	1,155.13	147.35	81.50	378.66	(31.23)	2,264.23
Profit / (loss) for the year	-	-	-	-	-	(134.29)	-	(134.29)
Other comprehensive income for the year, net of income tax	-	-	-	-	-	5.25	15.49	20.74
Transfer from tonnage tax reserve to general reserve	-	-	-	-	-	-	-	-
Transfer from retained earnings to tonnage tax reserve	-	-	-	-	0.50	(0.50)	-	-
Balance as at March 31, 2021	489.32	43.50	1,155.13	147.35	82.00	249.12	(15.74)	2,150.68

₹ in Crores

Particulars	Reserves and Surplus						Other comprehensive income	Total
	Capital reserve	Capital redemption reserve	Securities premium	General reserve	Tonnage tax reserve	Retained earnings	Cash flow Hedging Reserve	
Balance as at April 1, 2019	489.32	43.50	1,155.13	82.35	146.00	494.59	9.53	2,420.42
Profit / (loss) for the year	-	-	-	-	-	(113.34)	-	(113.34)
Other comprehensive loss for the year, net of income tax	-	-	-	-	-	(2.09)	(40.76)	(42.85)
Transfer from tonnage tax reserve to general reserve	-	-	-	65.00	(65.00)	-	-	-
Transfer from retained earnings to tonnage tax reserve	-	-	-	-	0.50	(0.50)	-	-
Balance as at March 31, 2020	489.32	43.50	1,155.13	147.35	81.50	378.66	(31.23)	2,264.23

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

As per our report of even date attached

For **DELOITTE HASKINS & SELLS LLP**

For and on behalf of Board of Directors

Chartered Accountants

(Firm's Registration No.: 117366W/W100018)

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G. Shivakumar

Chief Financial Officer

Amisha M. Ghia

Company Secretary

(M. No. A18247)

Place : Mumbai

Date : April 30, 2021

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

1 Background

Greatship (India) Limited ("the Company") is a public company domiciled in India and incorporated in the year 2002 under the provisions of the Companies Act, 1956. The company is engaged in providing offshore oilfield services with the principal activity of offshore logistics and drilling services. The company presently owns and operates 8 Platform Supply Vessels (PSVs) (Including 4 R class supply vessel) and 8 Anchor Handling Tug cum Supply Vessels (AHTSVs) in the Indian and International markets. The company also owns and operates 4 Jack up Drilling Rigs. There have been no significant changes in the nature of these activities during the financial year. The company is a wholly owned subsidiary of The Great Eastern Shipping Company Limited (GESCO) which is listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

The financial statements of the Company for the year ended March 31, 2021 were approved for issue in accordance with the resolution of the Board of Directors on April 30, 2021.

2 Statement of Compliance with Ind AS

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

3 Basis of Preparation

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

4 Use of Estimates

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

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

Impairment of property, plant and equipment

Determining whether a support vessel or a rig is impaired requires an estimation of value in use and fair value less cost of disposal. The key estimates made in the value in use calculation includes discount rates, revenue (having regard to past trend), operating profit, cost of major repairs and deployment of support vessels and rigs. The discount rate is estimated using pre-tax rates that reflect current market assessments of the time value of money. The fair values are estimated based on valuations provided by independent valuers considering latest transactions of similar assets.

Useful lives of property, plant and equipment

Useful lives and residual values of property, plant and equipment are reviewed at each year end based on the best available information. The lives are based on historical experience with similar assets as well as anticipation of future events. Residual value of Fleet is estimated having regard to steel scrap prices.

Provisions and Contingent Liabilities

The Company is a party to certain legal disputes, the outcomes of which cannot be assessed with a high degree of certainty. A provision is recognised where, based on the legal views and advice, it is considered probable that an outflow of resources will be required to settle a present obligation that can be measured reliably. Disclosure of contingent liabilities is made in Note 47 unless the possibility of a loss arising is considered remote. Management applies its judgement in determining whether or not a provision or contingent liability should be recorded.

5 Significant Accounting Policies**(a) Property, Plant & Equipment :**

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

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

(b) Intangible Assets :

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

(c) Non-current assets held for sale :

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

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

(d) Depreciation and Amortisation

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

Estimated useful lives of the assets are as follows:

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

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

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

(e) Impairment :

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

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

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

(f) Inventories :

Inventories of fuel oil (includes returnable fuel oil from charterer as per terms of the time charter agreement), stores and spares on rigs and at warehouse are carried at lower of cost and net realizable value. Stores and spares delivered on board the vessels are charged to Statement of profit and Loss. Stores and spares of Rigs are charged to Statement of profit and Loss on consumption basis. Cost is ascertained on first-in-first-out basis for fuel oil and on weighted

average basis for stores and spares on Rigs. Net realisable value represents the estimated selling price for inventories less all costs necessary to make the sale or expected amount to be realised from use as estimated by the management, as applicable.

(g) Financial Instruments :

Initial Recognition

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

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

Subsequent measurement

Financial Assets

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

Cash and Cash Equivalents

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

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

Financial Assets at amortised cost

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

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

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

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

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

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

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

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

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

Investment in Subsidiaries

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

Impairment of financial assets

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

For trade receivables or any contractual right to receive cash or another financial asset, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

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

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

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

Derecognition of financial assets

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

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial liabilities

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

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

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

Financial guarantee contracts

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

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

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

Derecognition of financial liabilities

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

Effective interest method

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

Offsetting financial instruments

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

Derivative financial instruments

The Company enters into a variety of derivative financial instruments like foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. Further details of derivative financial instruments are disclosed in Note 42.

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

Hedge accounting

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

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk. Note 42 sets out details of the fair values of the derivative instruments used for hedging purposes.

Fair value hedges

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

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

Cash flow hedges

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

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

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

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

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

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

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

(h) Revenue Recognition :

The Company earns revenue primarily from drilling and offshore support services performed by deploying rigs and support vessels under contracts with customers. Revenue from drilling services is earned on performance of activity which are paid on a day rate basis over the period of the contract as and when specified services are rendered, which may vary depending upon the nature of operations of rigs during the day. Such daytime consideration is attributed to the distinct time period to which it relates within the contract term, and therefore, is recognised as the services are performed. Revenue from offshore support services is earned on a day rate basis as per the terms of the contract and is recognised accordingly.

Revenue is measured based on the consideration to which the Company expects to be entitled as per contract with a customer. The consideration is determined based on the price specified in the contract, net of liquidated damages, offhire and downtime rebates.

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. A receivable is recognised on a monthly basis when invoices are raised as per the terms of the contract, and therefore, no additional disclosure is given for remaining performance obligation as per practical expedient under the standard. Revenue in excess of invoicing is classified as contract assets (unbilled revenue). Revenue excludes any taxes or duties collected on behalf of the government which are levied on such services such as goods and services tax.

(i) Leases :**Transition**

Ministry of Corporate Affairs (“MCA”) through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single on-balance sheet lease accounting model for leases.

Effective April 1, 2019, the Company has adopted Ind AS 116, Leases, as a lessee, using modified retrospective approach with the right-to-use getting measured at an amount equal to the lease liability immediately before the date of initial application. Accordingly, the comparatives of previous years have not been retrospectively adjusted. From recognition and measurement perspective, the adoption of the standard did not have any material impact on these financial results.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

The Company’s lease asset classes primarily consist of leases for office premises, warehouse and equipment rental. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use assets if the Company changes its assessment of either exercising an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Company as a Lessor

Leases can be classified as finance or operating leases. In making the assessment, certain indicators, such as whether the substantial risks and rewards of ownership of the underlying asset continue with the group, and whether the contract is for a major part of the economic life of the asset, are considered.

Based on the aforementioned assessment, the short and medium term time charter contracts for rigs and support vessels of the Company contain operating lease component for the purpose of Ind AS 116, Leases - refer note 45.

(j) Employee Benefits :**Short-Term Employee Benefits**

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

Post- Employment Benefits

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

i. Defined Contribution Plans

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

ii. Defined Benefit Plan

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

Other Long Term Benefits

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

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

(k) Borrowing Costs :

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

(l) Foreign Currency Translation :

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR). The transactions in currencies

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

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

- exchange differences on foreign currency borrowings relating to qualifying assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to borrowing costs on those foreign currency borrowings;
- exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognized in the financial statements upto March 31, 2016 prepared under previous GAAP, are capitalized as a part of the depreciable fixed assets not beyond March 31, 2020 to which the monetary item relates and depreciated over the remaining useful life of such assets.
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (refer hedging accounting policies); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.
- on complete disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to Consolidated Statement of Profit and Loss.

(m) Income Taxes :

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

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

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

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

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

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

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

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

(n) Provisions and Contingent Liabilities :

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

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

(o) Earnings Per Share :

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

(p) Government Grant :

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

6 Recent Accounting Developments

Applicability of new and revised Ind AS:

New and amended standards adopted by the Company

“The company has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2020:

- Definition of material - amendments to Ind AS 1 and Ind AS 8
- Definition of business - amendments to Ind AS 103
- Covid-19 related concessions - amendments to Ind AS 116
- Interest rate benchmark reform - amendments to Ind AS 109 and Ind AS 107

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

7 PROPERTY, PLANT AND EQUIPMENT

₹ in Crores

Description	Fleet*	Rigs*	Lease- hold improve- ments	Plant and equip- ment*	Furni- ture and fixtures	Vehicles	Office equip- ment	Comput- ers	Total
Gross block									
Balance as at April 1, 2020	2,186.36	2,439.77	5.30	47.40	1.03	9.87	2.24	3.25	4,695.22
Additions	19.83	8.66	-	3.81	-	0.31	0.03	0.17	32.81
Disposals	(19.14)	(17.43)	-	-	-	(0.70)	-	-	(37.27)
Decapitalisation of asset (refer note 52)	(42.91)	-	-	-	-	-	-	-	(42.91)
Effect of foreign currency differences	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	2,144.14	2,431.00	5.30	51.21	1.03	9.48	2.27	3.42	4,647.85
Accumulated depreciation									
Accumulated depreciation as at April 1, 2020	814.48	277.44	5.30	24.31	1.02	6.76	2.13	2.86	1,134.30
Depreciation for the year	102.83	94.89	-	5.65	-	1.14	0.05	0.15	204.71
Disposals	(19.14)	(17.43)	-	-	-	(0.70)	-	-	(37.27)
Decapitalisation of asset (refer note 52)	(22.11)	-	-	-	-	-	-	-	(22.11)
Accumulated depreciation as at March 31, 2021	876.06	354.90	5.30	29.96	1.02	7.20	2.18	3.01	1,279.63
Impairment									
Impairment as at April 1, 2020	369.20	-	-	-	-	-	-	-	369.20
Impairment loss for the year	46.11	-	-	-	-	-	-	-	46.11
Impairment as at March 31, 2021	415.31	-	-	-	-	-	-	-	415.31
Net carrying amount as at March 31, 2021	852.77	2,076.10	-	21.25	0.01	2.28	0.09	0.41	2,952.91

7 PROPERTY, PLANT AND EQUIPMENT (Continue)

₹ in Crores

Description	Fleet	Rigs	Leasehold improvements	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Gross block									
Balance as at April 1, 2019	2,151.74	2,440.94	5.30	44.52	1.03	8.46	2.13	3.35	4,657.47
Additions	40.38	9.11	-	2.88	0.01	2.98	0.11	0.11	55.58
Disposals	(17.40)	(10.28)	-	-	(0.01)	(1.57)	-	(0.21)	(29.47)
Effect of foreign currency differences	11.64	-	-	-	-	-	-	-	11.64
Balance as at March 31, 2020	2,186.36	2,439.77	5.30	47.40	1.03	9.87	2.24	3.25	4,695.22
Accumulated depreciation									
Accumulated depreciation as at April 1, 2019	729.16	185.54	5.30	17.64	1.03	7.07	2.07	2.92	950.73
Depreciation for the year	102.72	102.18	-	6.67	-	1.07	0.06	0.15	212.85
Disposals	(17.40)	(10.28)	-	-	(0.01)	(1.38)	-	(0.21)	(29.28)
Accumulated depreciation as at March 31, 2020	814.48	277.44	5.30	24.31	1.02	6.76	2.13	2.86	1,134.30
Impairment									
Impairment as at April 1, 2019	369.20	-	-	-	-	-	-	-	369.20
Impairment loss for the year	-	-	-	-	-	-	-	-	-
Impairment as at March 31, 2020	369.20	-	-	-	-	-	-	-	369.20
Net carrying amount as at March 31, 2020	1,002.68	2,162.33	-	23.09	0.01	3.11	0.11	0.39	3,191.72

Rigs with carrying amount of ₹2,097.25 crores (previous year : Fleets & Rigs ₹3,004.10 crores) have been mortgaged/hypothecated against borrowings, the details relating to which have been described in Note 24.

* Rigs along with its Plant & Equipment and Fleet (vessels) provided on time charter basis . Refer Note 45

8 RIGHT-OF-USE OF ASSETS

The Company has elected to apply recognition exemption as per Ind AS 116 for leases which are expiring within 12 months from the date of transition by class of assets and leases for which the underlying asset is of low value on a lease by lease basis. The Company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

	As at March 31, 2021 ₹ in Crores
Balance as on April 1, 2020	4.10
Reclassified on account of adoption of IND AS 116	-
Addition	25.88
Depreciation	5.93
Balance as at March 31, 2021	24.05

	As at March 31, 2020 ₹ in Crores
Balance as on April 1, 2019	-
Reclassified on account of adoption of IND AS 116	10.37
Addition	-
Depreciation	6.27
Balance as on March 31, 2020	4.10

The aggregate depreciation on Right-of-use of assets has been included under depreciation and amortisation expense in the Statement of Profit and Loss. Refer Note 36.

9 INTANGIBLE ASSET

₹ in Crores

Description	Computer Software
Gross block	
Balance as at April 1, 2020	5.11
Additions	-
Disposals	-
Balance as at March 31, 2021	5.11
Accumulated amortisation	
Balance as at April 1, 2020	5.03
Amortisation for the year	0.03
Disposals	-
Balance as at March 31, 2021	5.06
Net carrying amount as at March 31, 2021	0.05

Description	Computer Software
Gross block	
Balance as at April 1, 2019	5.11
Additions	-
Disposals	-
Balance as at March 31, 2020	5.11
Accumulated amortisation	
Balance as at April 1, 2019	4.98
Amortisation for the year	0.05
Disposals	-
Balance as at March 31, 2020	5.03
Net carrying amount as at March 31, 2020	0.08

10 NON CURRENT INVESTMENTS

	As at March 31, 2021		As at March 31, 2020	
Investment in Equity Instruments - fully paid up (Unquoted - valued at cost)				
Subsidiaries	No. of Shares	₹ in Crores	No. of Shares	₹ in Crores
Greatship Global Energy Services Pte. Ltd., Singapore	228,829	65.61	228,829	65.61
Greatship Global Offshore Services Pte. Ltd	71,101,378	425.10	71,101,378	425.10
Greatship (UK) Ltd.	500,000	2.26	500,000	2.26
Greatship Oilfield Services Limited	260,000	0.26	260,000	0.26
		493.23		493.23
Aggregate amount of unquoted investments		493.23		493.23

Information about subsidiaries				Proportion of equity interest	
Sr. No.	Name of the Company	Country of Incorporation	Principal Activity	As at March 31, 2021	As at March 31, 2020
1	Greatship Global Energy Services Pte. Ltd. ("GGES") (Incorporated on October 23, 2006)	Singapore	Owning, chartering and operating mobile offshore drilling units.	100%	100%
2	Greatship Global Offshore Services Pte. Ltd. ("GGOS") (Incorporated on May 08, 2007)	Singapore	Owning and operating offshore supply vessels.	100%	100%
3	Greatship (UK) Ltd. ("GUK") (Incorporated on October 29, 2010)	UK	Operating offshore supply and support vessels.	100%	100%
4	Greatship Oilfield Services Ltd., ("GOSL") (Incorporated on July 9, 2015)	INDIA	Offshore oilfield services.	100%	100%

11 DEPOSITS WITH BANKS

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Earmarked balances with bank*	2.97	-
	2.97	-

* Earmarked with Customs

12 OTHER NON-CURRENT FINANCIAL ASSETS

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
(Unsecured, considered good)		
Security deposits	2.63	1.21
	2.63	1.21

13 INCOME TAXES

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
A. Income tax expense comprise of the following :		
Current tax	0.09	0.12
Deferred tax	(3.84)	45.77
	(3.75)	45.89

B. The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in the Statement of Profit and Loss is as follows :

Profit before tax	(138.04)	(67.45)
Indian statutory income tax rate	25.17%	25.17%
Expected income tax expense	(34.74)	(16.98)
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense : *		
Loss attributable to tonnage tax activity	27.53	19.69
Income exempt from income tax	0.06	0.07
Expense not deductible for tax purpose	3.43	3.51
Deferred tax adjustments (net) on account of option u/s 115BAA of the Income Tax Act, 1961	-	39.46
Others (net)	(0.03)	0.14
Total income tax expense	(3.75)	45.89

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
C. Tax assets and liabilities		
Non current tax assets (net)	59.66	50.18
Current tax liabilities (net)	11.78	11.78

D. Significant components of net deferred tax assets and liabilities for the period ended March 31, 2021 are as follows :

(₹ in Crores)

	Balance as at April 1, 2020	Recognised in Statement of Profit or Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2021
Deferred tax assets / (liabilities) in relation to:				
Property, plant and equipment	(91.93)	(47.46)	-	(139.39)
Defined benefit obligation	(0.70)	-	(1.05)	(1.75)
Fair value of hedging instruments in a cash flow hedge	8.92	-	(4.38)	4.54
Unabsorbed depreciation	32.75	51.30	-	84.05
Net deferred tax assets / (liabilities)	(50.95)	3.84	(5.43)	(52.54)

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2020 are as follows :

(₹ in Crores)

	Balance as at April 1, 2019	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2020
Deferred tax assets / (liabilities) in relation to:				
Property, plant and equipment	(111.78)	19.85	-	(91.93)
Defined benefit obligation	(1.09)	-	0.39	(0.70)
MAT credit entitlement	60.00	(60.00)	-	-
Fair value of hedging instruments in a cash flow hedge	(2.77)	-	11.69	8.92
Unabsorbed depreciation	38.48	(5.73)	-	32.75
Others	(0.11)	0.11	-	-
Net deferred tax assets / (liabilities)	(17.27)	(45.77)	12.08	(50.95)

*The Company has opted for computation of its income from shipping activities under Tonnage Tax Scheme as per Section 115VA of the Income Tax Act, 1961. Thus, income from the business of operating ships is assessed on the basis of the Deemed Tonnage Income of the Company and no deferred tax is applicable to such income as there are no temporary differences.

In the Previous year, the Company choose to exercise the option of lower tax rate of 25.17% (inclusive of surcharge and cess) under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019. The full impact of this change has been recognized in tax expense for the financial year ended 31st March, 2020. As a result of this, deferred tax expenses was calculated at 25.17% against 34.94% earlier. This has resulted in deferred tax charge (net) by ₹39.46 crores for the year ended 31st March, 2020.

14 OTHER NON-CURRENT ASSETS

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
(Unsecured, considered good)		
Security deposits with government authorities	28.03	28.01
Capital advances	6.26	2.45
	34.29	30.46

15 INVENTORIES

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Stores and spares	66.88	63.52
(Includes material in transit as on March 31, 2021 ₹ 3.63 crore (previous year ₹ 2.43 crore))		
Fuel oil	19.49	18.20
	86.37	81.72

1. Inventories are carried at lower of cost and net realisable value.
2. Inventories of stores and spares on rigs and fuel oil on vessels and rigs are recognised as expense on consumption, and stores and spares relating to vessels are recognised as expense when delivered on board the vessels. The cost of inventories recognised as an expense is ₹ 80.51 crores (previous year: ₹ 88.96 crores).

16 CURRENT INVESTMENTS

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Investments in mutual funds : Unquoted	7.55	13.63
(Valued at fair value through Profit and Loss)		
	7.55	13.63
Aggregate amount of unquoted investments	7.55	13.63

17 TRADE RECEIVABLES

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Unsecured		
- Considered good	54.41	82.06
- Considered doubtful	1.70	1.71
	56.11	83.77
Less: Allowances for doubtful receivables	(1.70)	(1.71)
	54.41	82.06

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

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

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

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Balances as at the beginning of the year	1.71	2.25
Add: Current year allowance	-	0.37
Less: Reversal during the year	(0.01)	(0.91)
Balances as at the end of the year	1.70	1.71

18 CASH AND CASH EQUIVALENTS

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Balances with banks		
-Current accounts**	199.46	316.84
Cash in hand *	-	-
	199.46	316.84

* Less than ₹ 1 lakh

** Includes ₹ 115.48 crore (Previous Year ₹ 118.98 crore) as Debt Service Reserve Account

19 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Earmarked balances with bank*	-	2.80
Term deposits with maturity more than three months but less than twelve months	220.24	367.30
	220.24	370.10

* Earmarked with Customs

20 OTHER CURRENT FINANCIAL ASSETS

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Derivatives designated as cash flow hedges		
- Mark - to - market gain on interest rate swaps and forward contracts	1.89	0.05
Contract asset - Unbilled revenue	46.47	47.65
Other assets	1.77	0.63
	50.13	48.33

21 OTHER CURRENT ASSETS

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Prepayments	3.59	3.77
Advances to suppliers, masters, agents and others	6.24	6.90
Surplus in gratuity fund	0.38	-
	10.21	10.67

22 EQUITY SHARE CAPITAL

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	₹ In Crores	No. of Shares	₹ In Crores
Authorised				
Equity Shares of par value ₹10/- each	135,000,000	135.00	135,000,000	135.00
		135.00		135.00
Issued, subscribed and paid up				
Equity Shares of par value ₹10/- fully paid up	111,345,500	111.35	111,345,500	111.35
Total		111.35		111.35

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

Details	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	₹ In Crores	No. of Shares	₹ In Crores
Equity Shares of par value ₹10/- fully paid up				
Outstanding at the beginning of the year	111,345,500	111.35	111,345,500	111.35
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	111,345,500	111.35	111,345,500	111.35

(b) Rights, preferences and restrictions attached to equity shares :**Equity Shares :**

The holders of equity shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general 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, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Equity Shares	111.35	111.35

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

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

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	% of Holding	No. of Shares held	% of Holding	No. of Shares held
Equity Shares				
The Great Eastern Shipping Company Limited, the holding company along with its Nominees	100%	111,345,500	100%	111,345,500

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

- (e)** No shares are allotted as fully paid up pursuant to contract (s) without payment being received in cash during the period of five years immediately preceding the reporting date.
- (f)** No shares are allotted as fully paid up by way of bonus shares and no shares have been bought back during five years immediately preceding the reporting date.

23 OTHER EQUITY

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Summary of Other Equity		
Reserves and Surplus		
Capital reserve	489.32	489.32
Capital redemption reserve	43.50	43.50
Securities premium	1,155.13	1,155.13
General reserve	147.35	147.35
Tonnage tax reserve	82.00	81.50
Retained earnings	249.12	378.66
Cash flow hedging reserve	(15.74)	(31.23)
	2,150.68	2,264.23

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Reserves and Surplus		
Capital reserve		
Balance at the beginning and end of the year	489.32	489.32
Capital redemption reserve		
Balance at the beginning and at the end of the year	43.50	43.50
Securities premium		
Balance at the beginning and at the end of the year	1,155.13	1,155.13
General reserve		
Balance at the beginning of the year	147.35	82.35
Add: Transfer from tonnage tax reserve	-	65.00
Balance at the end of the year	147.35	147.35
Tonnage tax reserve		
Balance at the beginning of the year	81.50	146.00
Add: Transfer from retained earnings	0.50	0.50
Less: Transfer to general reserve	-	(65.00)
Balance at the end of the year	82.00	81.50

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Retained earnings		
Balance at the beginning of the year	378.66	494.59
Add: (Loss) / Profit for the year	(134.29)	(113.34)
Add: Other Comprehensive Income / (loss) for the year	5.25	(2.09)
Less: Transfer to tonnage tax reserve Account under section 115VT of the Income Tax Act, 1961	(0.50)	(0.50)
Balance at the end of the year	249.12	378.66
Items of Other Comprehensive Income		
Cash flow hedging reserve		
Balance at the beginning of the year	(31.23)	9.53
Add: Fair value gain / (loss) on derivative contracts designated as cash flow hedges (net)	15.49	(40.76)
Balance at the end of the year	(15.74)	(31.23)
	2,150.68	2,264.23

Nature of reservesCapital reserve

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

Securities premium

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

General reserve

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

Tonnage Tax reserve

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

Retained Earnings

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

Cash flow Hedging reserve

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

24 LONG TERM BORROWINGS

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Secured - at amortised cost		
Foreign currency term loans from banks	1,296.15	1,684.42
Less: Current maturities of long term borrowings (included in Note 30)	(142.14)	(215.63)
Less: Interest accrued but not due on long term borrowings (included in Note 30)	(0.53)	(1.98)
	1,153.48	1,466.81
Unsecured - at amortised cost		
Redeemable cumulative Preference shares capital		
24.60 % Cumulative Redeemable Preference Shares of par value ₹10/- fully paid up	173.87	172.70
22.50% Cumulative Redeemable Preference Shares of par value ₹10/- fully paid up	181.87	181.87
	355.74	354.57
	1,509.22	1,821.38

- a. Foreign currency term loans are secured by mortgage on the rigs, assignment of earnings, charge on earnings account (where applicable) and insurance contracts/policies of respective rigs (refer note 7A). The loans carry interest at the rate round about of LIBOR plus 215 bps (previous year Fleet and Rig : LIBOR plus 176 to 215 bps) and are repayable in quarterly / half yearly instalments over one to four years.

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

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
1-2 years	185.70	177.79
2-3 years	263.56	239.84
3-4 years	711.76	324.31
4-5 years	-	736.68
	1,161.02	1,478.62
Less: Unamortised finance charges	(7.54)	(11.81)
	1,153.48	1,466.81

b. Preference Shares :

The total outstanding preference shares include the below:

- (i) 24.60% 44,500,000 cumulative redeemable preference shares of face value ₹10/- each issued at a premium of ₹20/- per share on preferential basis to the Holding Company, "The Great Eastern Shipping Company Limited", redeemable at a premium of ₹30.90/- per share in four equal annual tranches of 11,125,000 shares each commencing from April 1, 2025, as per the terms of issue (modified from time to time) of these preference shares.

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

- (ii) 22.5% 60,624,000 cumulative redeemable preference shares of face value ₹10/- each, issued at a premium of ₹20/- per share on preferential basis to the Holding Company, "The Great Eastern Shipping Company Limited" and redeemable at a premium of ₹ 20 per share in four equal annual tranches of 15,156,000 shares each commencing from April 1, 2025, as per the terms of issue (modified from time to time) of these preference shares.

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

25 OTHER NON-CURRENT FINANCIAL LIABILITIES

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Derivatives designated as cash flow hedges		
- Foreign exchange loss on interest rate swaps & forward contract	8.41	26.46
Derivatives not designated as cash flow hedges		
- Foreign exchange loss on interest rate collar	5.23	7.68
	13.64	34.14

26 PROVISIONS

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
A. Non current		
Provision for employee benefits		
- Provision for compensated absences (refer note 34)	0.39	0.57
- Director's retirement benefit plan (refer note 34)	11.10	13.57
- Medical Retirement Benefit payable	0.75	0.71
	12.24	14.85
B. Current		
Provision for employee benefits		
- Provision for compensated absences (refer note 34)	0.90	0.30
- Provision for Gratuity	-	0.37
- Medical Retirement Benefit payable	0.40	-
	1.30	0.67

27 OTHER NON-CURRENT LIABILITIES

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Government grants #	18.03	20.37
	18.03	20.37

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

28 TRADE PAYABLES

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Payable to micro, small and medium enterprises (refer note 49)	5.94	4.50
Payable to others	66.86	52.93
[includes ₹ 13.88 crores (previous year : ₹ 14.36 crores) due to a subsidiary]		
	72.80	57.43

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

29 LEASE LIABILITY

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Non - current lease liability	20.61	-
Current lease liability	4.20	4.28
	24.81	4.28

The Company has elected to apply recognition exemption as per Ind AS 116 for leases which are expiring within 12 months from the date of transition by class of assets and leases for which the underlying asset is of low value on a lease by lease basis. The Company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

Movement in Lease liabilities:

Particulars

Opening balance	4.28	-
Addition	25.88	10.37
Finance cost accrued during the year	0.87	0.63
Payment of lease liability	(6.23)	(6.72)
Closing balance	24.81	4.28

Rental expenses recorded for short term lease was ₹0.43 crore for the year ended March 31, 2021 (previous year : ₹0.32 crore).

30 OTHER CURRENT FINANCIAL LIABILITIES

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Current maturities of long term borrowings	142.14	215.63
Interest accrued but not due on long term borrowings	0.53	1.98
Preference dividend payable	24.59	24.59
Derivatives designated as Cash flow hedges		
- Mark - to - market gain on interest rate swaps and forward contracts	13.82	13.75
Derivatives not designated as Cash flow hedges		
- Mark - to - market loss on Interest rate collar	0.66	0.86
Other payables :		
- Employee benefits	17.30	20.33
- Accrued expenses	3.64	2.24
- Others	13.62	15.62
	216.30	295.00

31 OTHER CURRENT LIABILITIES

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Statutory liabilities	3.80	9.76
	3.80	9.76

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

32 REVENUE FROM OPERATIONS

	Year Ended March 31, 2021 ₹ in Crores	Year Ended March 31, 2020 ₹ in Crores
Sale of services		
Charter hire income (refer note 43)	575.57	715.72
Other operating revenues		
Insurance claims	1.35	0.16
	576.92	715.88

33 OTHER INCOME

	Year Ended March 31, 2021 ₹ in Crores	Year Ended March 31, 2020 ₹ in Crores
a Interest income		
on deposits with banks (at amortised cost)	6.86	19.44
b Dividend income		
Dividend on current investments (at FVTPL)	-	0.26
Other non-operating income		
c Income from Government grants (at amortised cost)	2.34	2.53
Profit on sale of other assets	0.16	1.62
Profit on sale of current investments (at FVTPL)	0.26	0.48
Miscellaneous income	0.21	1.45
Profit on sale of current investments (at FVTPL)	0.48	0.15
Miscellaneous income	1.45	0.26
	9.83	25.78

34 EMPLOYEE BENEFITS EXPENSE

	Year Ended March 31, 2021 ₹ in Crores	Year Ended March 31, 2020 ₹ in Crores
Salaries and wages	182.10	190.20
Contribution to provident and other funds (refer note below)	6.91	7.96
Staff welfare expenses	12.83	10.40
	201.84	208.56

a) Defined Contribution Plans :

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

Particulars	Year Ended March 31, 2021 ₹ in Crores	Year Ended March 31, 2020 ₹ in Crores
Contribution to Provident Fund	2.08	2.48
Contribution to Superannuation Fund	0.22	0.24
Contribution to National Pension Scheme	0.37	0.37
Contribution to Seamen's Provident Fund	1.15	1.08
Contribution to Seamen's Pension Annuity Fund	0.62	0.69
Contribution to Seamen's Gratuity Fund	0.27	0.26

General Description:**i) Provident Fund :**

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

ii) Superannuation Fund :

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

iii) National Pension Scheme (NPS) :

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

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

iv) Seamen's Provident Fund :

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

v) Seamen's Pension Annuity Fund :

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

vi) Seamen's Gratuity Fund :

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

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

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

₹ in Crores

Actuarial Assumption	Gratuity		Pension Plan		Compensated Absences	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
a) Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.	LIC (a) (1996-98) Ultimate	LIC (a) (1996-98) Ultimate	IALM (2012-14) Ult.	IALM (2012-14) Ult.
b) Interest / Discount Rate	6.45%	6.39%	6.45%	6.39%	6.45%	6.39%
c) Rate of increase in compensation						
Shore Staff	5.00%	5.00%	-	-	5.00%	5.00%
Rig Staff	5.00%	5.00%	-	-	-	-
d) Expected average remaining service						
Shore Staff	7.61	7.64	-	-	7.61	7.64
Rig Staff	8.51	8.24	-	-	-	-
e) Employee Attrition rate						
Shore Staff	8.00%	8.00%	-	-	8.00%	8.00%
Rig Staff (Past Service : 0 to 5)	20.00%	20.00%	-	-	-	-
Rig Staff (Past Service : 6 to 42)	4.00%	3.75%	-	-	-	-
f) Weighted average remaining duration of Defined Benefit Obligation (in years)						
Shore Staff	4.99	5.15	-	-	4.46	4.58
Rig Staff	8.40	7.79	-	-	-	-

IALM (2012-14) Ult. - Indian Assured Lives Mortality (2012-14) Ultimate

i) Change in Present Value of Obligations :

Present value obligation at the beginning of the year	16.01	13.22	13.57	10.86	0.57	0.50
Interest Cost	0.91	0.91	0.87	0.81	0.03	0.03
Current Service Cost	2.25	2.77	-	-	0.09	0.07
Benefits Paid	(0.86)	(1.08)	-	-	(0.04)	(0.01)
Transfer in	-	0.19	-	-	-	-
Actuarial (Gain) / loss on Obligation	(1.04)	0.02	(3.35)	1.90	(0.03)	(0.03)
Present value obligation at the end of the year	17.26	16.01	11.09	13.57	0.62	0.57

₹ in Crores

Actuarial Assumption	Gratuity		Pension Plan		Compensated Absences	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
ii) Fair Value of Plan Assets :						
Opening Fair Value of Plan Assets	15.64	13.58	-	-	-	-
Return on Plan Assets (excluding Interest Income)	1.91	(0.56)	-	-	-	-
Interest Income	0.96	1.02	-	-	-	-
Employer's Contribution	-	2.70	-	-	0.04	0.01
Benefits Paid	(0.86)	(1.08)	-	-	(0.04)	(0.01)
Fair Value of Plan Assets at the end of the year	17.64	15.64	-	-	-	-
The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets.						
iii) Return on plan assets :						
Actual Return on Plan Assets	2.87	0.46	-	-	-	-
Interest Income	0.96	1.02	-	-	-	-
Return on plan assets excluding interest income	1.91	(0.56)	-	-	-	-
iv) Actuarial Gain/Loss on obligation						
Due to Demographic Assumption	0.04	0.14	-	-	-	-
Due to Financial Assumption	(0.06)	0.95	(0.08)	1.88	(0.00)	0.03
Due to experience	(1.01)	(1.07)	(3.27)	0.02	(0.03)	(0.06)
Total Actuarial (Gain)/Loss	(1.04)	0.02	(3.35)	1.90	(0.03)	(0.03)
v) Amounts Recognised in the Balance Sheet:						
Present Value of obligation at the end of the Year	(17.26)	(16.01)	(11.09)	(13.57)	(0.62)	(0.57)
Fair Value of Plan Assets at the end of the year	17.64	15.64	-	-	-	-
Funded Status	0.38	(0.37)	(11.09)	(13.57)	(0.62)	(0.57)
Short Term Liability	-	-	-	-	(0.67)	(0.30)
Net Assets / (Liability) recognised in the balance sheet	0.38	(0.37)	(11.09)	(13.57)	(1.29)	(0.87)

₹ in Crores

Actuarial Assumption	Gratuity		Pension Plan		Compensated Absences	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
vi) Expenses Recognised in the Statement of Profit and Loss						
Current Service Cost	2.25	2.77	-	-	0.09	0.07
Interest Cost (Net)	(0.05)	(0.11)	0.87	0.81	0.03	0.03
Actuarial Gain/(Loss) recognised for the period	-	-	-	-	(0.03)	(0.03)
Expenses recognised in the profit and loss account	2.20	2.66	0.87	0.81	0.09	0.07
vii) Other Comprehensive Income (OCI)						
Actuarial (Gain)/Loss recognized for the year	(1.04)	0.02	(3.35)	1.90	-	-
Return on Plan Assets excluding net interest	(1.91)	0.56	-	-	-	-
Total Actuarial (Gain)/Loss recognized in (OCI)	(2.95)	0.58	(3.35)	1.90	-	-
viii) Investment Details (% invested)						
HDFC Life Defensive Management Fund II	100%	100%	-	-	-	-
ix) Asset Liability Comparisons						
Present Value of Defined benefit obligation	(17.26)	(16.01)	(11.09)	(13.57)	(0.62)	(0.57)
Plan assets	17.64	15.64	-	-	-	-
Surplus or (Deficit) in the plan	0.38	(0.37)	(11.09)	(13.57)	(0.62)	(0.57)
Experience adjustments on plan assets	1.91	(0.56)	-	-	-	-

x) Sensitivity Analysis

	DR : Discount Rate		ER : Salary Escalation Rate	
	PVO DR +1%	PVO DR -1%	PVO ER +1%	PVO ER -1%
Gratuity				
Present Value of Obligation	16.29	18.36	17.92	16.63
Pension Plan				
Present Value of Obligation	10.25	13.02	-	-
Compensated Absences				
Present Value of Obligation	0.59	0.64	0.64	0.59

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

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

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

xi) Expected Payout

	First	Second	Third	Fourth	Fifth	Six to Ten years
Gratuity						
Present Value of Obligation	3.11	2.12	1.43	1.63	1.26	5.89
Pension Plan						
Present Value of Obligation	-	-	-	-	-	-
Compensated Absences						
Present Value of Obligation	0.23	0.05	0.06	0.06	0.05	0.16

General Description:**i) Gratuity :**

Gratuity is payable to eligible employees on superannuation, death, permanent disablement and resignation in terms of the provisions of the Payment of Gratuity Act or as per the Company's Scheme whichever is more beneficial. Benefit would be paid at the time of separation based on the last drawn basic salary.

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

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

Investment / Interest Risk

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

Longevity Risk

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

Salary Risk

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

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

ii) Pension Plan :

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

iii) Compensated Absences :

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

iv) Post Retirement Benefit Scheme:

Under the Company's Post Retirement Medical Benefit Scheme for the Executive Directors and Senior Management Employees of the Company, certain medical benefits shall be provided post retirement to the selected employees (including spouse), subject to a limit of ₹50 lakhs p.a. The medical benefits shall be in the form of reimbursement/payment of hospitalisation (including Domiciliary Hospitalisation) expenses incurred in India or abroad for the Selected Employee and his / her spouse for life, pre and post hospitalisation expenses incurred 30 days before / after hospitalization and annual preventive health check-up package (once every year). The Selected Employee, who has been Executive Director of the Company, and his / her spouse will also be entitled to reimbursement of all other medical expenses, in the ordinary course. The reimbursement of these expenses shall be in addition to the annual limit of expenses mentioned above. If either of the Selected Employee or his / her spouse passes away, the limit will continue for the eligible survivor.

Under this method, the Post-Retirement Medical Benefit payable to the Executive Director and his spouse is projected till their eligibility of payment and is then discounted back to the valuation date. The assumptions considered are:

- The discount rate is based on the benchmark yield available on Government Bonds , having regard to the term of the liabilities which is 6.45% p.a. on 30 year bond.
- The severity of the claim is assumed to be 10% of INR 50 Lakhs, frequency of the claim to be 25% and the rate of inflation in medical cost to be 5% p.a.
- Also considered 80% of LIC Annuitant Table (1996-98) for the mortality rate post retirement and no withdrawal rate has been considered.

35 FINANCE COSTS

	Year Ended March 31, 2021 ₹ in Crores	Year Ended March 31, 2020 ₹ in Crores
Interest expense	61.89	77.76
Finance charges (upfront fees, agency fees, prepayment fees)	5.89	6.64
Effective interest cost on redeemable preference shares		
Dividend on redeemable preference shares	25.76	25.65
Exchange differences regarded as an adjustment to borrowing cost	(53.12)*	48.30
	40.42	158.35

* In accordance with para 6(e) and para 6A of IND AS 23 'Borrowing Costs', the exchange gain (net) of ₹53.12 crore. in relation to foreign currency borrowings used for acquiring capital assets, has been adjusted against (i.e. reduced from) finance costs.

36 DEPRECIATION AND AMORTISATION EXPENSE

	Year Ended March 31, 2021 ₹ in Crores	Year Ended March 31, 2020 ₹ in Crores
Depreciation on tangible assets (refer note 7)	204.71	212.85
Depreciation on right of use assets (refer note 8)	5.93	6.27
Amortisation on intangible assets (refer note 9)	0.03	0.05
	210.67	219.17

37 IMPAIRMENT LOSS

	Year Ended March 31, 2021 ₹ in Crores	Year Ended March 31, 2020 ₹ in Crores
Impairment of tangible assets (refer note 7 and 52)	46.11	-
	46.11	-

The Company carried out review of 'recoverable amount' of rigs and support vessels, and recognised impairment loss of ₹ 28.32 crores for four support vessels (previous year: Nil). The 'recoverable amount' of an asset is determined as higher of fair value less cost to sell and 'value in use' (present value of estimated future cash flows expected from an asset) as per Ind AS 36, Impairment of Assets. The discount rate used for estimation of the net present value was 6.16% p.a. (Previous Year: 6.18% p.a.).

The market value of the fleet and rigs is based on the recent market prices of assets with similar age, obsolescence, transactions in the market, general market trends, quotes from owners.

38 OTHER EXPENSES

	Year Ended March 31, 2021 ₹ in Crores	Year Ended March 31, 2020 ₹ in Crores
Fuel, oil & water	7.95	19.57
Hire of vessels and equipment	5.09	8.01
Consumption of stores and spares	72.56	69.39
Technical management fees	0.07	0.16
Agency fees	1.73	1.65
Port dues	1.67	1.38
Repairs and maintenance		
- Rigs and vessels	40.72	36.78
- Buildings	0.17	0.09
- Others	1.31	1.91
Insurance		
- Fleet insurance	12.63	12.13
- Others	1.88	1.65
Travelling and conveyance expenses	11.02	6.50
Communication expenses	8.37	7.32
Rent*	0.30	0.01
Rates and taxes	0.08	0.01
Brokerage and commission	0.17	0.30
Payment to auditors (refer note 39)	0.45	0.53
Loss on account of fire on ship (refer note 52)	20.80	-
Reversal for doubtful debts and advances (net)	(0.01)	(0.53)
Loss / (Gain) on derivatives transactions (net)	(2.66)	7.36
Expenditure on corporate social responsibility (refer note 42)	-	0.45
Loss on foreign currency transactions (net)	21.86	26.61
Miscellaneous expenses	19.59	21.75
	225.75	223.03

* From previous year rent expense is recognised for short term leases as per Ind AS 116.

39 EARNINGS PER SHARE

	Year Ended March 31, 2021 ₹ in Crores	Year Ended March 31, 2020 ₹ in Crores
Profit / (Loss) attributable to equity share holders (₹ in crores) (A)	(134.29)	(113.34)
Weighted average number of equity shares for basic and diluted EPS (B)	111,345,500	111,345,500
Face value of per equity share ₹	10.00	10.00
Basic and diluted earnings per share (A / B) ₹	(12.06)	(10.18)

40 PAYMENT TO AUDITORS

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
a) Audit fees (including limited review)	0.42	0.49
b) In Other capacity		
- Certification and other services	0.03	0.04
	0.45	0.53

41 RELATED PARTY DISCLOSURE

I) List of Related Parties

a) Holding Company :

The Great Eastern Shipping Company Ltd.

b) Subsidiary Companies :

Greatship Global Energy Services Pte. Ltd., Singapore

Greatship Global Offshore Services Pte. Ltd., Singapore

Greatship (UK) Ltd., UK

Greatship Oilfield Services Limited, India

c) Fellow Subsidiaries :

The Great Eastern Chartering LLC (FZC), Sharjah

The Greatship (Singapore) Pte. Ltd., Singapore

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

Great Eastern Services Ltd.

Great Eastern CSR Foundation, India

d) Key Management Personnel :

Executive Directors

Mr. Ravi K. Sheth

Mr. P.R. Naware

Mr. Alok Mahajan

Non-Executive Directors

Mr. Bharat K. Sheth (Chairman)

Mr. Keki Mistry (completed term on September 19, 2020)

Mr. Anil Chandanmal Singhvi (completed term on September 19, 2020)

Mr. Mathew Cyriac

Mrs. Rita Bhagwati

Mr. Shaleen Sharma

Mrs. Bhavna Doshi (appointed wef October 26, 2020)

Others

Mr. G. Shivakumar - Chief Financial Officer

Ms. Amisha Ghia - Company Secretary

e) Relative of Key Management Personnel :

Ms. Nirja B. Sheth - Daughter of Chairman

f) Other Related party

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

The Provident Fund of The Great Eastern Shipping Company Ltd.

The Great Eastern Shipping Co. Ltd. Employees Gratuity Fund

The Great Eastern Shipping Co. Limited Executives Superannuation Fund

The Great Eastern Shipping Co. Ltd. Floating Staff Superannuation Fund

The Great Eastern Shipping Co. Ltd. Staff Superannuation Fund

II) Details of transactions with related parties during the year

(₹ in Crores)

Nature of transaction	Holding Company		Subsidiary Companies		Fellow Subsidiaries and other Related Party		Key Management Personnel and Relatives	
	Year Ended March 31, 2021	Year ended March 31, 2020	Year Ended March 31, 2021	Year ended March 31, 2020	Year Ended March 31, 2021	Year ended March 31, 2020	Year Ended March 31, 2021	Year ended March 31, 2020
Transactions during the year:								
Interest on preference share	25.76	25.65	-	-	-	-	-	-
Contribution paid towards CSR	-	-	-	-	-	0.45	-	-
Commission and Brokerage Income	-	-	-	1.22	-	-	-	-
Sale of vessel	-	-	-	71.35	-	-	-	-
Sale of fuel	-	-	-	0.68	-	-	-	-
Executive directors								
Short term benefits	-	-	-	-	-	-	8.45	9.00
Post employment benefits	-	-	-	-	-	-	(2.51)	2.94
Non-executive directors								
Remuneration	-	-	-	-	-	-	0.30	-
Sitting fees	-	-	-	-	-	-	0.40	0.41
Others								
Short term benefits	-	-	-	-	-	-	0.72	0.72
Post employment benefits	-	-	-	-	-	-	(0.02)	0.03
Contribution to post employment benefit plans	-	-	-	-	0.22	2.94	-	-
Service charges for allotment of training slots	1.93	1.25	-	-	-	-	-	-

(₹ in Crores)

Nature of transaction	Holding Company		Subsidiary Companies		Fellow Subsidiaries and other Related Party		Key Management Personnel and Relatives	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Outstanding Balances								
Payables	1.70	0.89	13.88	14.36	-	-	-	-
Dividend Payable	24.59	24.59	-	-	-	-	-	-
Post employment benefit plans (asset) / liability	-	-	-	-	(0.38)	0.37	-	-
Remuneration payable								
Executive directors	-	-	-	-	-	-	14.85	16.76
Non-executive directors	-	-	-	-	-	-	0.30	-

Terms and conditions of transactions with related parties

All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis.

42 FINANCIAL INSTRUMENTS**(a) Capital Management**

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

The capital structure of the Company consists of net debt (borrowings as detailed in note 24 and offset by cash and bank balances, deposits with bank and current investments) and total equity of the Company.

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

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

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

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Debt*	1,651.89	2,038.99
Less : Cash and bank balances including current investments	(430.22)	(700.57)
Net debt	1,221.67	1,338.42
Total equity	2,262.03	2,375.58
Net debt to equity ratio	0.54	0.56

*Debt includes foreign currency term loans from banks and cumulative redeemable preference share capital.

(b) Financial assets and liabilities

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

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

	Carrying value as on	
	March 31, 2021 ₹ in Crores	March 31, 2020 ₹ in Crores
Financial Assets		
Measured at amortised cost		
Cash and cash equivalents	199.46	316.84
Other financial assets	4.40	1.84
Bank balances other than cash and cash equivalents	220.24	370.10
Deposits with bank	2.97	-
Trade receivables	54.41	82.06
Unbilled revenue	46.47	47.65
Measured at fair value through profit and loss		
Current investments	7.55	13.63
Measured at fair value through OCI		
Derivative contracts	1.89	0.05
	537.39	832.17
Financial Liabilities		
Measured at amortised cost		
Foreign currency term loans from banks	1,296.15	1,684.42
Preference share capital including redemption premium	355.74	354.57
Preference dividend payable including dividend distribution tax	24.59	24.59
Trade payables	72.80	57.43
Lease Liability	24.81	4.28
Other financial liabilities	34.56	38.19
Measured at fair value through profit and loss		
Derivative contracts	5.89	8.54
Measured at fair value through OCI		
Derivative contracts	22.23	40.21
	1,836.77	2,212.23

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

Fair value hierarchy

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

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

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

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores	Level	Valuation technique and key inputs
Financial Assets and Liabilities				
Investments in liquid mutual funds	7.55	13.63	Level 2	The mutual funds are valued at the Net asset value of the respective units.
Derivative financial instruments (net)	(26.23)	(48.70)	Level 2	Discounted cash flows. Future cash flows are estimated based on forward exchange/ interest rates and contract forward/ interest rates discounted at a rate that reflects the credit risk of various counterparties.

(c) Derivative financial instrument and risk management

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

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

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

(i) Forward exchange contracts:

Details	As at March 31, 2021		As at March 31, 2020	
	Purchase	Sale	Purchase	Sale
Total no. of contracts	-	22	-	4
Notional amount of foreign currency (USD Million)	-	11.00	-	2.00
Amount in hedging reserve gain /(loss) (₹ in crores)	-	1.89	-	(0.46)
Maturity Period	-	upto 12 months	-	upto 12 months

(ii) Interest rate swap contracts:

Details	As at March 31, 2021	As at March 31, 2020
Total No. of contracts	20	18
Principal notional amount (USD million)	169.28	159.56
Amount in hedging reserve loss (₹ in crores)	(22.23)	(39.70)
Maturity Period	upto 42 months	upto 54 months

The above mentioned derivative contracts having been entered into to hedge foreign currency risk of loan instalments, firm commitments and the interest rate risk, have been designated as hedge instruments that qualify as effective cash flow hedges. The mark-to-market gain / loss on these derivative contracts outstanding as on March 31, 2021

amounting to loss of ₹20.34 crores [previous year loss : ₹40.16 crores (net)] has been recorded in the Cash flow hedging reserve as on March 31, 2021.

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

II) Derivative instruments not in hedging relationship :

Interest rate collar contracts :

Details	As at March 31, 2021	As at March 31, 2020
Total no. of Contracts	3	3
Principal Notional Amount (USD million)	21.71	24.14
Mark to market loss recognised (₹ in crores)	(5.88)	(8.54)
Maturity Period	upto 42 months	upto 54 months

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

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

Gains / Loss on the derivative contracts mentioned under (II) above, are transferred to the Statement of Profit and Loss. The mark-to-market on these derivative contracts outstanding as on March 31, 2021 amounting to loss ₹5.89 crores (previous year loss: ₹8.54 crores) has been recorded in the Statement of Profit and Loss.

(d) Market risk

i) Foreign currency risk

The company uses forward covers to protect against the volatility associated with the foreign currency transactions.

The company exposure to unhedged foreign currency is listed below :

Details	Currency in Millions		₹ in Crores	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Foreign currency term loans from banks				
USD	178.80	224.52	1,307.24	1,698.97
Financial liabilities				
USD	5.35	5.19	39.14	39.30
EUR	0.28	0.13	2.39	1.04
JPY	10.40	6.08	0.69	0.43
NOK	0.19	0.14	0.16	0.10

Details	Currency in Millions		₹ in Crores	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
SGD	0.07	0.12	0.37	0.64
AED	0.01	0.05	0.02	0.10
GBP	0.02	0.01	0.20	0.13
SEK	0.00	0.01	0.00	0.00
Financial assets				
USD	14.81	16.36	108.25	123.80
EUR	0.05	0.04	0.39	0.35
SGD	0.00	0.00	0.02	0.02
GBP	0.00	0.00	0.01	0.04
Cash and cash equivalents and bank balances other than cash and cash equivalents				
USD	55.58	87.68	406.36	663.44
EUR	0.10	0.23	0.85	1.91
SGD	0.21	0.24	1.12	1.25
GBP	0.08	0.06	0.84	0.58
Net currency exposure				
USD	(113.77)	(125.68)	(831.77)	(951.09)
EUR	(0.13)	0.14	(1.15)	1.12
JPY	(10.40)	(6.08)	(0.69)	(0.43)
NOK	(0.19)	(0.14)	(0.16)	(0.10)
SGD	0.14	0.12	0.77	0.62
AED	(0.01)	(0.05)	(0.02)	(0.10)
GBP	0.06	0.05	0.65	0.50
SEK	(0.00)	(0.01)	(0.00)	(0.00)

A 5% strengthening / weakening of Indian Rupee against key currencies to which the company is exposed (net of hedge), with all other variables being held constant, would have led to approximately a Gain / Loss of ₹ 41.62 crores (previous year : ₹ 47.47 crores) in the Statement of Profit and Loss.

ii) Interest rate risk

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

Interest rate sensitivity

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

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

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

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Fixed rate borrowings (Redeemable preference shares)	355.74	354.57
Floating rate borrowings (Foreign currency term loans from banks)	1,296.15	1,684.42
Total borrowings	1,651.89	2,038.99

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

If interest rate had been 50 basis points higher or lower and all other variables were held constant, the company's profit for the year would increase or decrease by ₹ 1.54 crores (previous year: ₹ 3.07 crores). Impact of interest rate movement is mainly attributable to the company's exposure to interest rates on its variable rate borrowings on delivered rigs / vessels.

(e) Credit risk

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

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

Trade receivables :

The trade receivables of the company comprise 1 debtor (previous year: 1 debtor) that individually represented 91.74% (previous year: 93.44%) of trade receivables. Due to the nature of the Company's operations, revenue and receivable are typically concentrated amongst a relatively niche customer base. The Company has policies in place to ensure that contracts are with customers of stable financial standing and appropriate credit history. The credit period of receivables ranges from 20 to 90 days generally without security. There has been no significant change in the credit quality of past due receivables.

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

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

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

Cash and Cash Equivalents, derivatives and mutual fund investments :

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

Exposure to credit risk :

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 537.39 crores as at March 31, 2021 and ₹ 832.17 crores as at March 31, 2020, being the total of the carrying amount of balances and deposits with banks, trade receivables, mutual fund investments and other financial assets including derivatives instruments.

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

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

The company's trade receivables not past due include receivables amounting to ₹ 4.93 crores (previous year: ₹ 3.65 crores).

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

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

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

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Overdue		
- Less than 180 days	49.03	77.16
- More than 180 days	0.45	1.25
	49.48	78.41

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

Overdue		
- More than 365 days	1.70	1.71
Less: Allowance for doubtful debts	(1.70)	(1.71)
	-	-

(f) Liquidity risk

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

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

₹ in Crores

	Payable within 1 year	Payable within 2 - 5 years	More than 5 years	Total
As at 31st March 2021				
Borrowings	142.67	1,153.48	-	1,296.15
Interest commitment	31.08	58.00	-	89.08
Trade payables	72.80	-	-	72.80
Other financial liabilities	34.56	-	-	34.56
Preference share capital including redemption premium	-	90.97	264.77	355.74
Preference dividend payable and commitments including dividend distribution tax	24.59	92.20	18.44	135.23
Lease liability	4.20	20.61	-	24.81
Derivative Contract	14.48	13.64	-	28.12
	324.38	1,428.90	283.21	2,036.49
As at 31st March 2020				
Borrowings	217.61	1,466.81	-	1,684.42
Interest commitment	56.69	138.21	-	194.90
Trade payables	57.43	-	-	57.43
Other financial liabilities	38.19	-	-	38.19
Preference share capital including redemption premium	-	-	354.57	354.57
Preference dividend payable and commitments including dividend distribution tax	24.59	98.35	36.88	159.82
Lease liability	4.28	-	-	4.28
Derivative Contract	14.61	34.14	-	48.75
	413.40	1,737.51	391.45	2,542.36

43 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Consequent to the requirement of section 135 of The Companies Act 2013, the company has contributed ₹ Nil crores (previous year: ₹ 0.45 crores) to Great Eastern CSR Foundation towards CSR expenditure:

	Year Ended March 31, 2021 ₹ in Crores	Year Ended March 31, 2020 ₹ in Crores
(a) Gross amount required to be spent by the Company during the year.	-	0.45
(b) Amount spent in cash for purposes other than for construction / acquisition of any asset during the year	-	0.45

The areas of CSR activities as specified under Schedule VII of The Companies Act 2013 are

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

44 SEGMENT REPORTING

The Company is engaged only in offshore oilfield services segment and there are no separate reportable segments as per IND AS 108 "Operating Segments".

Revenue from Operations :

Particulars	Year Ended March 31, 2021 ₹ in Crores	Year Ended March 31, 2020 ₹ in Crores
Revenue from customers outside India	30.94	2.04
Revenue from customers within India	544.63	691.43
Total	575.57	715.72

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

45 TIME CHARTER (IND AS 116)

The Company has entered into time charter arrangements for Rigs and Fleets (vessel).

Future charter hire receivable under these time charter arrangements are as follows :

Particulars	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Total Future Time Charter payments*		
- Less than 1 year	346.51	566.84
- More than 1 year and less than 5 years	412.79	742.31
- More than 5 years	-	-

* the receivables (undiscounted) are calculated on full term employment basis at operating day rates as per time charter agreements.

Note:

The Company's operations include deployment of vessels on time charter basis and provision of drilling services involving use of rigs for short to medium term. The operation and maintenance of the rigs and vessels given on time charter, which includes specialized activities, is responsibility of the Company under the contract. Accordingly, the Company deploys trained and skilled crew to undertake offshore drilling operations using the rigs and to run the vessels for providing logistics services or for shipment of cargo, and ensures maintenance of these assets including dry docking, as per applicable regulatory standards. The charterer does not deploy its crew for these activities. The time charter rate negotiated with the charterer for provision of services which, inter-alia, involves all the above activities is a lumpsum day rate as per the industry practice, and hence, it is not possible to segregate any lease component embedded in the time charter rate for the purposes of the accounting standard AS 116.

46 GOVERNMENT GRANTS

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

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

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Balance at the beginning of the year	-	2.45
Licenses received during the year	-	-
Licenses expired during the year	-	(2.27)
Licenses utilised during the year	-	(0.18)
Balance at the end of the year	-	-

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

47 CONTINGENT LIABILITIES

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Claims against the Company not acknowledged as debt:		
i) Service Tax	418.38	418.38
Demand pertains to applicability of service tax on drilling services rendered at certain locations in high seas, supply of fuel / diesel by the charterers* and non-payment of service tax under reverse charge mechanism# on certain foreign expenses.		
ii) Customs duty	15.31	14.88
Demand pertains to wrong classification of Marine Gas Oil/HFHSO, vessels imported and demand of safeguard duty on import of certain goods.		
iii) Value Added Tax ('VAT') / Central Sales Tax ('CST')	203.53	134.14
Demand pertains to levy of Maharashtra VAT / CST on Time charter hire of vessels / services rendered by using Rigs considering the same to be a 'deemed sale' transaction **		
iv) Income tax	23.38	23.38

Amounts pertaining to points above are excluding interest and penalty.

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

Service tax authorities had issued Show Cause Notices as to why service tax under Reverse Charge Mechanism is not payable on payment made to foreign vendors towards Bareboat Charter of rigs and certain other services. The service tax authorities have issued an Order-in-Original confirming entire service tax demand for the period from FY 2008-09 to FY 2014-15. Follow-up Show Cause Notice is issued for the period October 2015 to June 2017.

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

** The VAT / CST demand for FY 2015-16 doesn't not include ₹81.28 Crores as favorable High Court order has been received subsequent to balance sheet date.

Notes :

- I) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of final judgements.
- II) The Company's pending litigations comprise of claims pertaining to proceedings pending with Income Tax, Custom, Sales Tax / VAT, Service Tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions were required or disclosed as contingent liabilities where applicable, in its financial statements. Company considers that all pending disputes are strong on merits.

48 CAPITAL COMMITMENTS

Estimated amount of contracts, net of advances paid thereon, remaining to be executed on capital account and not provided for ₹14.04 crores (previous year ₹4.63 crores).

49 DISCLOSURES RELATING MICRO, SMALL AND MEDIUM ENTERPRISES

Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under, to the extent the Company has received intimation from the “Suppliers” regarding their status under the Act :

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
(a) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)		
- Principal amount due to Micro and Small enterprises	5.94	4.50
- Interest due on above	-	-
(b) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(e) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

50 SUBSEQUENT EVENTS

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

- 51** The particulars of guarantees, if any and investments covered under section 186 of The Companies Act 2013 are disclosed under Note 10 and Note 41 respectively.
- 52** During the year, the Company's vessel Greatship Rohini suffered major property damage due to a fire on board the Vessel. Consequently, the Company has derecognised carrying amounts of damaged components of the vessel of ₹20.80 crore (included in Other Expenses) and recognised impairment of ₹17.79 crore, based on current evaluation and estimates of the management.

- 53** The offshore drilling operations of the Company have continued with minimal disruption despite lockdowns | restrictions during the year following COVID-19 outbreak. Certain operational challenges including movement of manpower and materials are being appropriately addressed by the Management. The internal financial reporting and controls have been operating satisfactorily with support of technology. The offshore assets are under term contracts with reputed customers and continue to operate under the charter hire agreements, and the management does not expect any material impact on medium to long term charter rates considered in assessing recoverable amounts of the aforementioned assets. The Company does not foresee any challenge on recoverability of trade receivables given the creditworthiness of the customers and the subsequent recoveries. The Company has adequate resources including liquid investments, cash and cash equivalents to meet its financial obligations for the foreseeable future. The impact of COVID-19 may be different from that estimated as at the date of approval of these financial statements.

STATEMENT PERTAINING TO SUBSIDIARIES

Form AOC - 1

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

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

PART 'A': SUBSIDIARIES

(₹ in Crores)

Sr. No.	Name of the Subsidiary	Greatship Global Offshore Services Pte. Ltd.	Greatship Global Energy Services Pte. Ltd.	Greatship (UK) Limited	Greatship Oilfield Services Limited
1	Date from which it became a subsidiary	08 May 2007	23 October 2006	29 October 2010	09 July 2015
2	Reporting Period	31 March 2021	31 March 2021	31 March 2021	31 March 2021
3	Reporting currency	USD	USD	USD	INR
4	Exchange Rate as on 31.03.2021	₹ 73.11	₹ 73.11	₹ 73.11	NA
5	Share Capital	519.52	36.56	3.66	0.26
6	Reserves & Surplus	(22.89)	73.73	3.98	(0.07)
7	Total Assets	519.35	111.23	29.12	0.19
8	Total Liabilities	22.72	0.94	21.48	- *
9	Investments	-	-	-	-
10	Turnover	96.23	2.16	0.27	-
11	Profit/(Loss) before tax	14.30	1.20	0.13	(0.01)
12	Tax expense	(0.69)	(0.28)	0.06	-
13	Profit/(Loss) after tax	14.99	1.48	0.07	(0.01)
14	Proposed Dividend	-	-	-	-
15	% of shareholding	100%	100%	100%	100%

* less than one lakh

Notes:

1. During the year, Greatship Oilfield Services Limited has been exploring possible business opportunities to commence operations
2. Figures include foreign currency translation adjustment.

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

For and behalf of the Board of Directors

Ravi K. Sheth
Managing Director
(DIN : 00022121)

P R Naware
Executive Director
(DIN: 00041519)

G. Shivakumar
Chief Financial Officer

Amisha Ghia
Company Secretary
(M. No. A18247)

Mumbai, April 30, 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREATSHIP (INDIA) LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Greatship (India) Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31 2021, and their consolidated loss, their consolidated total comprehensive loss, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Key Performance Indicators, Management Statement and Board's Report including annexures to the Board's Report but does not include the standalone financial statements, consolidated financial statements, and our auditor's reports thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.

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.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance

including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 SAs 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

We did not audit the financial statements/ financial information of 3 subsidiaries, whose financial statements/ financial information reflect total assets of ₹659.70 crores as at March 31, 2021, total revenues of ₹100.34 crores and net cash outflows amounting to ₹16.05 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements/ financial and other information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the financial statements/ financial and other information of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Parent's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of the other auditors and the conversion adjustments prepared by the management of the Parent and audited by us.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements/financial information of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent as on March 31, 2021 taken on record by the Board of Directors of the Parent and its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and a subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid during the year / provided for the year by the Company to its Managing Director and Executive Directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act. The Board of Directors have recommended payment of remuneration of ₹0.30 crore to non-executive directors including independent directors for the financial year 2020-21 in at its meeting held on April 30, 2021 in accordance with the provisions of section 197 read with Schedule V of the Act, which is provided for in the books of account and is subject to approval by the shareholders by a special resolution at the ensuing general meeting.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent, and its subsidiary company incorporated in India.

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

Samir R. Shah
Partner

Membership No. 101708
 UDIN: 21101708AAAABL7598

Mumbai, April 30, 2021

ANNEXURE 'A'

TO THE INDEPENDENT AUDITOR'S REPORT

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

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

In conjunction with our audit of the consolidated financial statements of the Greatship (India) Limited (hereinafter referred to as "the Parent") as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of the Parent and its subsidiary company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent Company and its subsidiary company, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

Samir R. Shah
Partner

Membership No. 101708
 UDIN: 21101708AAAABL7598

Mumbai, April 30, 2021

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2021

Particulars	Notes	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	9	3,643.45	3,916.54
(b) Right-of-use of assets	10	29.32	10.68
(c) Capital work-in-progress		0.33	13.58
(d) Intangible assets	11	0.05	0.08
(e) Financial assets			
(i) Deposits with bank	12	2.97	-
(iii) Other non-current financial assets	13	2.96	1.55
(f) Non-current tax assets (net)	14C	59.66	50.18
(g) Other non-current assets	15	34.32	30.57
		3,773.06	4,023.18
2 Current assets			
(a) Inventories	16	87.09	82.54
(b) Financial assets			
(i) Current investments	17	7.55	13.63
(ii) Trade receivables	18	73.36	93.15
(iii) Cash and cash equivalents	19	238.93	374.04
(iv) Bank balances other than cash and cash equivalents	20	532.58	663.97
(v) Other current financial assets	21	50.71	48.33
(c) Other current assets	22	10.56	13.19
		1,000.78	1,288.85
TOTAL ASSETS		4,773.84	5,312.03
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	23	111.35	111.35
(b) Other equity	24	2,588.33	2,723.70
		2,699.68	2,835.05
LIABILITIES			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Long term borrowings	25	1,509.22	1,821.38
(ii) Lease liabilities	26	25.09	5.68
(iii) Other non-current financial liabilities	27	13.64	34.14

Particulars	Notes	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
(b) Provisions	28A	12.76	15.34
(c) Deferred tax liability (net)	14D	159.59	163.39
(d) Other non-current liabilities	29	18.03	20.37
		1,738.33	2,060.30
2 Current liabilities			
(a) Financial liabilities			
(i) Trade payables	30		
(a) total outstanding dues of micro enterprises and small enterprises		5.94	4.50
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		87.35	84.12
(ii) Lease liabilities	26	5.21	5.30
(iii) Other current financial liabilities	31	218.99	297.90
(b) Other current liabilities	32	4.38	10.31
(c) Provisions	28B	1.66	1.30
(d) Current tax liabilities (net)	14C	12.30	13.25
		335.83	416.68
TOTAL EQUITY AND LIABILITIES		4,773.84	5,312.03

Significant accounting policies 7

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

As per our Report of even date attached

For and on behalf of the Board of Directors

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

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

Ravi K. Sheth
Managing Director
(DIN No : 00022121)

P.R. Naware
Executive Director
(DIN No : 00041519)

Place : Mumbai
Date : April 30, 2021

G. Shivakumar
Chief Financial Officer

Amisha M. Ghia
Company Secretary
(M. No. A18247)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2021

Particulars	Notes	Year Ended March 31, 2021 ₹ in Crores	Year ended March 31, 2020 ₹ in Crores
Income			
I Revenue from operations	33	662.03	814.69
II Other income	34	26.11	32.11
III Total income		688.14	846.80
IV Expenses			
Employee benefits expense	35	240.16	248.45
Finance costs	36	40.57	158.39
Depreciation and amortisation expense	37	261.78	266.07
Impairment loss	38	46.11	-
Other expenses	39	242.23	249.57
Total expenses		830.85	922.48
V Profit /(Loss) before tax		(142.71)	(75.68)
VI Tax Expense			
Current tax	14A	(0.62)	0.85
Deferred tax (net)	14A	(10.97)	(11.78)
Total tax expense		(11.59)	(10.93)
VII Profit / (Loss) for the year		(131.12)	(64.75)
VIII Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or Loss			
- Remeasurements of the defined benefit plans		6.30	(2.48)
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		(1.05)	0.39
B (i) Items that will be reclassified to Profit or Loss			
- Exchange difference on translation of foreign operations		(23.25)	54.94
- The effective portion of gains and loss on hedging instruments in a cash flow hedge		19.87	(52.45)
(ii) Income tax relating to items that will be reclassified to Profit or Loss			
- Exchange difference on translation of foreign operations		(1.74)	(7.38)
- The effective portion of gains and loss on hedging instruments in a cash flow hedge		(4.38)	11.69
Total other comprehensive income (A+B)		(4.25)	4.71

Particulars	Notes	Year Ended March 31, 2021 ₹ in Crores	Year ended March 31, 2020 ₹ in Crores
IX Total comprehensive income/(loss) for the year (VII+VIII)		(135.37)	(60.04)
Loss for the year attributable to :			
- Owners of the Company		(131.12)	(64.75)
- Non controlling interests		-	-
		(131.12)	(64.75)
Other Comprehensive income attributable to :			
- Owners of the Company		(4.25)	4.71
- Non controlling interests		-	-
		(4.25)	4.71
Total comprehensive income/(loss) for the year attributable to :			
- Owners of the Company		(135.37)	(60.04)
- Non controlling interests		-	-
		(135.37)	(60.04)
Significant accounting policies	7		
Earnings per equity share			
[Nominal value per share ₹ 10 : previous year ₹ 10]			
Basic and Diluted	40	(11.78)	(5.82)

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

As per our Report of even date attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

(Firm's Registration No.: 117366W / W100018)

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

Ravi K. Sheth
Managing Director
(DIN No : 00022121)

P.R. Naware
Executive Director
(DIN No : 00041519)

Place : Mumbai
Date : April 30, 2021

G. Shivakumar
Chief Financial Officer

Amisha M. Ghia
Company Secretary
(M. No. A18247)

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED ON MARCH 31, 2021

Particulars	Year Ended March 31, 2021 ₹ in Crores	Year Ended March 31, 2020 ₹ in Crores
Cash flow from operating activities :		
Profit / (Loss) before tax	(142.71)	(75.68)
Adjustments for:		
Depreciation and amortisation expenses	261.79	266.07
Impairment loss	46.11	-
Loss on account of fire on ship	20.80	-
Finance costs	40.57	158.39
Profit on sale of fixed assets / other assets	(0.16)	(0.22)
Allowance for doubtful debts and advances (net)	1.18	8.44
Interest income	(12.72)	(28.38)
Dividend on current investments	-	(0.26)
Write down of inventories to net realisable value	(0.53)	-
Provision for gratuity expenses	0.04	-
Profit on sale of current investments	(0.26)	(0.48)
Exchange differences on translation / adjustments of foreign currency balances	12.72	7.20
Provision for doubtful loans and advances	(9.45)	-
(Profit) / Loss on derivative transaction (net)	(2.66)	7.36
Operating profit before working capital changes :	214.72	342.44
Adjustments for working capital changes		
(Increase) / Decrease in inventories	(4.04)	(1.02)
(Increase) / Decrease in trade receivables	22.60	6.16
(Increase) / Decrease in other financial assets and other current assets	0.45	26.27
Increase / (Decrease) in trade payables	18.07	(9.86)
Increase / (Decrease) in other financial liabilities, provisions and other current liabilities	(13.83)	2.06
Cash generated from operations :	237.97	366.05
Taxes paid	(9.79)	(22.15)

Particulars	Year Ended March 31, 2021 ₹ in Crores	Year Ended March 31, 2020 ₹ in Crores
Net cash from operating activities :	228.18	343.90
Cash flow from investing activities :		
Purchase of property, plant and equipment	(58.18)	(64.62)
Proceeds from sale of property, plant and equipment	0.16	0.41
Proceeds from sale of current investments	7.34	141.94
Purchase of current investments	(1.00)	(83.77)
Interest received	15.41	24.21
Dividend received on current investment	-	0.26
Bank deposits having original maturity more than three months placed with banks	(257.62)	(648.93)
Bank deposits having original maturity more than three months redeemed with banks	347.43	501.03
Net cash used in investing activities :	53.54	(129.47)
Cash flow from financing activities :		
Repayment of long term borrowings	(335.50)	(373.06)
Interest paid	(60.55)	(76.61)
Dividend paid (including dividend distribution tax)	(24.59)	(29.65)
Repayment of lease liability	(7.41)	(6.92)
Net cash used in financing activities :	(428.05)	(486.24)
Net decrease in cash and cash equivalents :	(146.33)	(271.81)
Cash and cash equivalents - opening balance	374.04	594.86
Gain on exchange rate changes in cash and cash equivalents	11.22	50.99
Cash and cash equivalents - closing balance	238.93	374.04

CONSOLIDATED STATEMENT OF CASH FLOW (CONTINUED)

FOR THE YEAR ENDED ON MARCH 31, 2021

Note :

- The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
- Reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities:

₹ in Crores

Particulars	As at March 31, 2021	Cash flows (net)	Non-cash changes				As at March 31, 2020
			Fair value changes	Foreign exchange movement	Acquisition	Amortised cost to Profit and Loss (net)	
Foreign currency term loans from banks	1,296.15	(335.50)	-	(56.23)	-	3.46	1,684.42
Redeemable cumulative Preference shares capital	355.74	-	-	-	-	1.17	354.57
Total liabilities from financing activities	1,651.89	(335.50)	-	(56.23)	-	4.63	2,038.99

₹ in Crores

Particulars	As at March 31, 2020	Cash flows (net)	Non-cash changes				As at March 31, 2019
			Fair value changes	Foreign exchange movement	Acquisition	Amortised cost to Profit and Loss (net)	
Foreign currency term loans from banks	1,684.42	(373.06)	-	154.68	-	3.49	1,899.31
Redeemable cumulative Preference shares capital	354.57	-	-	-	-	1.06	353.51
Total liabilities from financing activities	2,038.99	(373.06)	-	154.68	-	4.55	2,252.82

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

As per our Report of even date attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

(Firm's Registration No.: 117366W / W100018)

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

Ravi K. Sheth
Managing Director
(DIN No : 00022121)

P.R. Naware
Executive Director
(DIN No : 00041519)

Place : Mumbai
Date : April 30, 2021

G. Shivakumar
Chief Financial Officer

Amisha M. Ghia
Company Secretary
(M. No. A18247)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2021

₹ in Crores

A EQUITY SHARE CAPITAL

Balance as at April 1, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
111.35	-	111.35

Balance as at April 1, 2019	Changes in equity share capital during the year	Balance as at March 31, 2020
111.35	-	111.35

B OTHER EQUITY

Particulars	Reserves and Surplus						Other Comprehensive Income		Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Tonnage Tax Reserve	Retained Earnings	Foreign Currency Translation Reserve	Cash flow Hedging Reserve	
Balance as at April 1, 2020	2.95	43.50	1,155.13	147.35	81.50	571.86	752.64	(31.23)	2,723.70
Loss for the year	-	-	-	-	-	(131.12)	-	-	(131.12)
Other comprehensive income for the year, net of income tax	-	-	-	-	-	5.25	(24.99)	15.49	(4.25)
Transfer from tonnage tax reserve to general reserve	-	-	-	-	-	-	-	-	-
Transfer from retained earnings to tonnage tax reserve	-	-	-	-	0.50	(0.50)	-	-	-
Balance as at March 31, 2021	2.95	43.50	1,155.13	147.35	82.00	445.49	727.65	(15.74)	2,588.33

Particulars	Reserves and Surplus						Other Comprehensive Income		Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Tonnage Tax Reserve	Retained Earnings	Foreign Currency Translation Reserve	Cash flow Hedging Reserve	
Balance as at April 1, 2019	2.95	43.50	1,155.13	82.35	146.00	639.20	705.08	9.53	2,783.74
Loss for the year	-	-	-	-	-	(64.75)	-	-	(64.75)
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(2.09)	47.56	(40.76)	4.71
Transfer from tonnage tax reserve to general reserve	-	-	-	65.00	(65.00)	-	-	-	-
Transfer from retained earnings to tonnage tax reserve	-	-	-	-	0.50	(0.50)	-	-	-
Balance as at March 31, 2020	2.95	43.50	1,155.13	147.35	81.50	571.86	752.64	(31.23)	2,723.70

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

As per our report of even date attached

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants

For and on behalf of Board of Directors

(Firm's Registration No.: 117366W / W100018)

Samir R. Shah

Partner

(Membership No.: 101708)

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(DIN No : 00022121)

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Executive Director

(DIN No : 00041519)

G. Shivakumar

Chief Financial Officer

Amisha M. Ghia

Company Secretary

(M. No. A18247)

Place : Mumbai

Date : April 30, 2021

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

1 Background

Greatship (India) Limited ("the Company") is a public company domiciled in India and incorporated in the year 2002 under the provisions of the Companies Act, 1956. Greatship (India) Limited, the holding company and its wholly owned subsidiaries (collectively referred to as Group) is engaged in providing offshore oilfield services with the principal activity of offshore logistics and drilling services. The Group presently owns and operates 9 Platform Supply Vessels (PSVs) (Including 5 R class supply vessel), 8 Anchor Handling Tug cum Supply Vessels (AHTSVs) and 2 Multipurpose Platform Supply and Support Vessels (MPSSVs) in the Indian and International markets. The Group also owns and operates 4 Jack up Drilling Rigs. There have been no significant changes in the nature of these activities during the financial year. The company is a wholly owned subsidiary of The Great Eastern Shipping Company Limited (GESCO) which is listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

The consolidated financial statements of the Group for the year ended March 31, 2021 were approved for issue in accordance with the resolution of the Board of Directors on April 30, 2021.

2 Statement of Compliance with IND AS

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

3 Basis of Preparation

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

4 Basis of Consolidation

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

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

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

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

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

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

The financial statements of the subsidiaries used in the consolidation are drawn upto the same reporting date as that of the Company i.e. March 31, 2021.

5 Information on subsidiaries

The subsidiary companies considered in the consolidated financial statements are:

Sr. No.	Name of the Company	Country of Incorporation	Percentage of voting power	
			Current Year	Previous Year
1.	Greatship Global Energy Services Pte. Ltd. ("GGES") (incorporated on October 23, 2006)	Singapore	100%	100%
2.	Greatship Global Offshore Services Pte. Ltd. ("GGOS") (incorporated on May 08, 2007)	Singapore	100%	100%
3.	Greatship (UK) Ltd. ("GUK") (incorporated on October 29, 2010)	UK	100%	100%
4.	Greatship Oilfield Services Ltd., ("GOSL") (Incorporated on July 9, 2015)	India	100%	100%

6 Use of Estimates

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

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

Impairment of property, plant and equipment

Determining whether a support vessel or a rig is impaired requires an estimation of value in use and fair value less cost of disposal. The key estimates made in the value in use calculation includes discount rates, revenue (having regard to past trend), operating profit, cost of major repairs and deployment of support vessels and rigs. The discount rate is estimated using pre-tax rates that reflect current market assessments of the time value of money. The fair values are estimated based on valuations provided by independent valuers considering latest transactions of similar assets.

Useful lives of property, plant and equipment

Useful lives and residual values of property, plant and equipment are reviewed at each year end based on the best available information. The lives are based on historical experience with similar assets as well as anticipation of future events. Residual value of Fleet is estimated having regard to steel scrap prices.

Provisions and Contingent Liabilities

The Group is a party to certain legal disputes, the outcomes of which cannot be assessed with a high degree of certainty. A provision is recognised where, based on the legal views and advice, it is considered probable that an outflow of resources will be required to settle a present obligation that can be measured reliably. Disclosure of contingent liabilities is made in Note 47 unless the possibility of a loss arising is considered remote. Management applies its judgement in determining whether or not a provision or contingent liability should be recorded.

7 Significant Accounting Policies

(a) Property, Plant & Equipment :

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

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

(b) Intangible Assets :

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

(c) Non-current assets held for sale :

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

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

(d) Depreciation and Amortisation

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

Estimated useful lives of the assets are as follows:

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

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

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

(e) Impairment :

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

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

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

(f) Inventories :

Inventories of fuel oil (includes returnable fuel oil from charterer as per terms of the time charter agreement), stores and spares on rigs and at warehouse are carried at lower of cost and net realizable value. Stores and spares delivered on board the vessels are charged to revenue. Stores and spares of Rigs are charged to revenue on consumption basis.

Cost is ascertained on first-in-first-out basis for fuel oil and on weighted average basis for stores and spares on Rigs. Net realisable value represents the estimated selling price for inventories less all costs necessary to make the sale or expected amount to be realised from use as estimated by the management, as applicable.

(g) Financial Instruments :

Initial Recognition

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

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

Subsequent measurement

Financial Assets

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

Cash and Cash Equivalents

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

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

Financial Assets at amortised cost

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

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

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

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

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

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

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

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

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

Impairment of financial assets

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

For trade receivables or any contractual right to receive cash or another financial asset, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

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

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

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

Derecognition of financial assets

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

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial liabilities

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

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

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

Financial guarantee contracts

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

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

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

Derecognition of financial liabilities

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

Effective interest method

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

Offsetting financial instruments

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

Derivative financial instruments

The Group enters into a variety of derivative financial instruments like foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. Further details of derivative financial instruments are disclosed in Note 42.

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

Hedge accounting

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

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk. Note 42 sets out details of the fair values of the derivative instruments used for hedging purposes.

Fair value hedges

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

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

Cash flow hedges

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

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

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

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

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

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

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

Hedges of net investments in foreign operations

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

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

(h) Revenue Recognition:

The Company earns revenue primarily from oil drilling and offshore support services performed by deploying rigs and support vessels under contracts with customers. Revenue from oil drilling services is earned on performance of activity which are paid on a day rate basis over the period of the contract as and when specified services are rendered, which may vary depending upon the nature of operations of rigs during the day. Such daytime consideration is attributed to the distinct time period to which it relates within the contract term, and therefore, is recognised as the services are performed. Revenue from offshore support services is earned on a day rate basis as per the terms of the contract and is recognised accordingly.

Revenue is measured based on the consideration to which the Company expects to be entitled as per contract with a customer. The consideration is determined based on the price specified in the contract, net of liquidated damages, offshore and downtime rebates.

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. A receivable is recognised on a monthly basis when invoices are raised as per the terms of the contract, and therefore, no additional disclosure is given for remaining performance obligation as per practical expedient under the standard. Revenue in excess of invoicing is classified as contract assets (unbilled revenue). Revenue excludes any taxes or duties collected on behalf of the government which are levied on such services such as goods and services tax.

(i) Leases:

Transition

Ministry of Corporate Affairs (“MCA”) through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single on-balance sheet lease accounting model for leases.

Effective April 1, 2019, the Group has adopted Ind AS 116, Leases, as a lessee, using modified retrospective approach with the right-to-use getting measured at an amount equal to the lease liability immediately before the date of initial application. Accordingly, the comparatives for the previous years have not been retrospectively adjusted. From recognition and measurement perspective, the adoption of the standard did not have any material impact on these financial results.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a Lessee

The Group’s lease asset classes primarily consist of leases for office premises, warehouse and equipment rental. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use assets if the Group changes its assessment of either exercising an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use assets if the Group changes its assessment of either exercising an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Group as a Lessor

Leases can be classified as finance or operating leases. In making the assessment, certain indicators, such as whether the substantial risks and rewards of ownership of the underlying asset continue with the group, and whether the contract is for a major part of the economic life of the asset, are considered.

Based on the aforementioned assessment, the short and medium term time charter contracts for rigs and support vessels of the Company contain operating lease component for the purpose of Ind AS 116, Leases - refer note 45.

(j) Employee Benefits:

Short-Term Employee Benefits

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

Post- Employment Benefits

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

i. Defined Contribution Plans

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

ii. Defined Benefit Plan

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

Other Long Term Benefits

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

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

(k) Borrowing Costs:

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

(l) Foreign currency translation:

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

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

- exchange differences on foreign currency borrowings relating to qualifying assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to borrowing costs on those foreign currency borrowings;
- exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognized in the financial statements upto March 31, 2016 prepared under previous GAAP, are capitalized as a part of the depreciable fixed assets not beyond March 31, 2020 to which the monetary item relates and depreciated over the remaining useful life of such assets.
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (refer hedging accounting policies);
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items; and
- on complete disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to Consolidated Statement of Profit and Loss.

(m) Income taxes:

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

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

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

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

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

Deferred tax assets and liabilities are measured using tax rates and laws, enacted or substantively enacted as of the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are

expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as an income or expense in the period that includes the enactment or substantive enactment date. Deferred income taxes are not provided on the undistributed earnings of the subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

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

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

(n) Provisions and Contingent Liabilities :

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

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

(o) Earnings per share:

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

(p) Government Grant:

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

8 Recent Accounting Developments

Applicability of new and revised Ind AS:

New and amended standards adopted by the Group.

The group has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2020:

- Definition of material - amendments to Ind AS 1 and Ind AS 8
- Definition of business - amendments to Ind AS 103
- Covid-19 related concessions - amendments to Ind AS 116
- Interest rate benchmark reform - amendments to Ind AS 109 and Ind AS 107

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

9 PROPERTY, PLANT AND EQUIPMENT

Description	Fleet*	Rigs*	Leasehold improvements	Plant & equipment*	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Gross block									
Balance as at April 1, 2020	2,817.34	3,229.65	5.30	57.28	3.25	9.87	2.25	4.72	6,129.66
Additions	46.59	8.66	-	3.81	-	0.31	0.03	0.17	59.57
Disposals	(38.34)	(17.43)	-	-	-	(0.70)	-	-	(56.47)
Decapitalisation of asset (refer note 51)	(42.91)	-	-	-	-	-	-	-	(42.91)
Effect of foreign currency differences	-	-	-	-	-	-	-	-	-
Translation exchange difference	(16.98)	-	-	-	(0.04)	-	-	(0.02)	(17.04)
Balance as at March 31, 2021	2,765.70	3,220.88	5.30	61.09	3.21	9.48	2.28	4.87	6,072.81
Accumulated depreciation									
Balance as at April 1, 2020	1,049.72	622.91	5.30	33.47	2.17	6.76	2.13	4.18	1,726.64
Depreciation for the year	131.88	115.31	-	5.79	0.39	1.14	0.05	0.15	254.71
Disposals	(38.34)	(17.43)	-	-	-	(0.70)	-	-	(56.47)
Decapitalisation of asset (refer note 51)	(22.11)	-	-	-	-	-	-	-	(22.11)
Effect of foreign currency differences	-	-	-	-	-	-	-	-	-
Translation exchange difference	(4.14)	-	-	-	(0.01)	-	-	(0.01)	(4.16)
Accumulated depreciation as at March 31, 2021	1,117.01	720.79	5.30	39.26	2.55	7.20	2.18	4.32	1,898.61
Impairment									
Balance as at April 1, 2020	486.48	-	-	-	-	-	-	-	486.48
Impairment loss for the year (refer note 38)	46.11	-	-	-	-	-	-	-	46.11
Translation exchange difference	(1.84)	-	-	-	-	-	-	-	(1.84)
Balance as at March 31, 2021	530.75	-	-	-	-	-	-	-	530.75
Net carrying amount as at March 31, 2021	1,117.94	2,500.09	-	21.83	0.66	2.28	0.10	0.54	3,643.45

PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

₹ in Crores

Description	Fleet	Rigs	Leasehold Improvements	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Computers	Total
Gross block									
Balance as at April 1, 2019	2,742.38	3,230.82	5.30	54.40	2.04	8.46	2.14	4.68	6,050.22
Additions	40.38	9.11	-	2.88	1.11	2.98	0.11	0.23	56.80
Disposals	(17.40)	(10.28)	-	-	(0.01)	(1.57)	-	(0.21)	(29.47)
Effect of foreign currency differences	11.64	-	-	-	-	-	-	-	11.64
Translation exchange difference	40.34	-	-	-	0.11	-	-	0.02	40.47
Balance as at March 31, 2020	2,817.34	3,229.65	5.30	57.28	3.25	9.87	2.25	4.72	6,129.65
Accumulated depreciation									
Balance as at April 1, 2019	928.42	509.92	5.30	26.74	1.98	7.07	2.07	4.21	1,485.71
Depreciation for the year	128.10	123.27	-	6.73	0.11	1.07	0.06	0.15	259.49
Disposals	(17.40)	(10.28)	-	-	(0.01)	(1.38)	-	(0.21)	(29.28)
Effect of foreign currency differences	-	-	-	-	-	-	-	-	-
Translation exchange difference	10.60	-	-	-	0.09	-	-	0.03	10.72
Balance as at March 31, 2020	1,049.72	622.91	5.30	33.47	2.17	6.76	2.13	4.18	1,726.64
Impairment									
Impairment as at April 1, 2019	483.10	-	-	-	-	-	-	-	483.10
Impairment loss for the year (refer note 38)	-	-	-	-	-	-	-	-	-
Translation exchange difference	3.38	-	-	-	-	-	-	-	3.38
Impairment as at March 31, 2020	486.48	-	-	-	-	-	-	-	486.48
Net carrying amount as at March 31, 2020	1,281.14	2,506.74	-	23.81	1.08	3.11	0.12	0.54	3,916.54

Rigs with carrying amount of ₹2,097.25 crores (previous year : Fleets & Rigs ₹3,004.10 crores) have been mortgaged/hypothecated against borrowings, the details relating to which have been described in Note 24.

* Rigs along with its Plant & Equipment and Fleet (vessels) provided on time charter basis. Refer Note 45

10 RIGHT-OF-USE OF ASSETS

The Group has elected to apply recognition exemption as per Ind AS 116 for leases which are expiring within 12 months from the date of transition by class of assets and leases for which the underlying asset is of low value on a lease by lease basis. The Group has also used the practical expedient provided by the standard when applying Ind AS 116 to leases. The Group has used a single discount rate to a portfolio of leases with similar characteristics.

	As at March 31, 2021 ₹ in Crores
Balance as on April 1, 2020	10.68
Reclassified on account of adoption of IND AS 116	-
Addition	25.68
Depreciation	7.04
Balance as at March 31, 2021	29.32
	As at March 31, 2020 ₹ in Crores
Balance as on April 1, 2019	-
Reclassified on account of adoption of IND AS 116	17.21
Addition	-
Depreciation	6.53
Balance as on March 31, 2020	10.68

The aggregate depreciation on Right-of-use of assets has been included under depreciation and amortisation expense in the Statement of Profit and Loss. Refer note 37.

11 INTANGIBLE ASSET

	₹ in Crores
Description	Computer Software
Gross block	
Balance as at April 1, 2020	5.11
Additions	-
Disposals	-
Balance as at March 31, 2021	5.11
Accumulated amortisation	
Balance as at April 1, 2020	5.03
Amortisation for the year	0.03
Disposals	-
Balance as at March 31, 2021	5.06
Net carrying amount as at March 31, 2021	0.05
Description	Computer Software
Gross block	
Balance as at April 1, 2019	5.11
Additions	-
Disposals	-
Balance as at March 31, 2020	5.11
Accumulated amortisation	
Balance as at April 1, 2019	4.98
Amortisation for the year	0.05
Disposals	-
Balance as at March 31, 2020	5.03
Net carrying amount as at March 31, 2020	0.08

12 DEPOSITS WITH BANK

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Earmarked balances with bank*	2.97	-
	2.97	-

* Earmarked with customs

13 OTHER NON-CURRENT FINANCIAL ASSETS

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
(Unsecured, considered good)		
Security deposits	2.96	1.55
	2.96	1.55

14 INCOME TAXES

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
A. Income tax expense comprise of the following :		
Current tax	(0.62)	0.85
Deferred tax	(10.97)	(11.78)
	(11.59)	(10.93)

B. The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in the Statement of Profit and Loss is as follows :

Profit before tax	(142.71)	(75.68)
Indian statutory income tax rate	25.17%	25.17%
Expected income tax expense	(35.92)	(19.05)
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense : *		
Loss attributable to tonnage tax activity	27.53	19.69
Income exempt from income tax	(3.27)	3.95
Expenses not deductible for tax purpose	(3.68)	(3.23)
Tax on income at different rates	(0.13)	(0.11)
Deferred tax adjustments (net) on account of option u/s 115BAA of the Income Tax Act, 1961	-	(11.35)
Impact on account of consolidation adjustments	5.17	-
Impact of earlier years adjustments	(1.21)	-
Others (net)	(0.08)	(0.83)
Total income tax expense	(11.59)	(10.93)

C. Tax assets and liabilities

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Non current tax assets (net)	59.66	50.18
Current tax liabilities (net)	12.30	13.25

D. Significant components of net deferred tax assets and liabilities for the year ended March 31, 2021 are as follows :

(₹ in Crores)

	Balance as at April 1, 2020	Recognised in Statement of Profit or Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2021
Deferred tax assets / (liabilities) in relation to:				
Property, plant and equipment	(203.90)	(40.58)	(1.74)	(246.22)
Defined benefit obligation	(0.69)	-	(1.05)	(1.74)
Fair value of hedging instruments in a cash flow hedge	8.92	-	(4.38)	4.54
Unabsorbed depreciation	32.75	51.31	-	84.06
Others	(0.48)	0.24	-	(0.24)
Net deferred tax assets / (liabilities)	(163.40)	10.97	(7.17)	(159.59)

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2020 are as follows :

(₹ in Crores)

	Balance as at April 1, 2019	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2020
Deferred tax assets / (liabilities) in relation to:				
Property, plant and equipment	(274.50)	77.99	(7.38)	(203.89)
Defined benefit obligation	(1.08)	-	0.39	(0.69)
MAT credit entitlement	60.00	(60.00)	-	-
Fair value of hedging instruments in a cash flow hedge	(2.77)	-	11.69	8.92
Unabsorbed depreciation	38.48	(5.73)	-	32.75
Others	-	(0.48)	-	(0.48)
Net deferred tax assets / (liabilities)	(179.87)	11.78	4.70	(163.39)

*The Group has opted for computation of its income from shipping activities under Tonnage Tax Scheme as per Section 115VA of the Income Tax Act, 1961. Thus, income from the business of operating ships is assessed on the basis of the Deemed Tonnage Income of the Group and no deferred tax is applicable to such income as there are no temporary differences. Income from operation of vessels operating outside the limits of the port of Singapore is also exempt under section 13A of the Singapore Income tax act.

Deferred income tax is not provided on undistributed earnings of the subsidiaries amounting to ₹77.71 crores as it is probable that the temporary differences will not reverse in the foreseeable future.

In the Previous year, the Company choose to exercise the option of lower tax rate of 25.17% (inclusive of surcharge and cess) under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019. The full impact of this change has been recognized in tax expense for the financial year ended 31st March, 2020. As a result of this, deferred tax expenses was calculated at 25.17% against 34.94% earlier. This has resulted in reversal of deferred tax (net) by ₹11.35 crores for the year ended 31st March, 2020.

15 OTHER NON CURRENT ASSETS

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
(Unsecured, considered good)		
Security deposits with Government Authorities	28.06	28.12
Capital advances	6.26	2.45
	34.32	30.57

16 INVENTORIES

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Stores and spares (Includes material in transit as on March 31, 2020 ₹ 2.43 crore)	66.88	63.52
Fuel Oil	20.21	19.02
	87.09	82.54

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

b. Inventories of stores and spares on rigs and fuel oil on vessels and rigs are recognised as expense on consumption, and stores and spares relating to vessels are recognised as expense when delivered on board the vessels. The cost of inventories recognised as an expense is ₹85.40 crores (previous year: ₹ 94.98 crores).

17 CURRENT INVESTMENTS

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Investments in mutual funds : Unquoted (Valued at fair value through Profit and Loss)	7.55	13.63
	7.55	13.63
Aggregate amount of unquoted investments	7.55	13.63

18 TRADE RECEIVABLES

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Unsecured		
- Considered good	73.36	93.15
- Considered doubtful	3.14	11.61
	76.50	104.76
Less: Allowance for doubtful trade receivables	(3.14)	(11.61)
	73.36	93.15

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

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

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

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Balances as at the beginning of the year	11.61	2.50
Add: Current year allowance	1.19	10.02
Less: Reversal during the year	(9.66)	(0.91)
Balances as at the end of the year	3.14	11.61

19 CASH AND CASH EQUIVALENTS

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Balances with banks		
-Current accounts**	238.93	374.02
Cash in hand*	-	0.02
	238.93	374.04

* Less than ₹1 lakh

** Includes ₹115.48 crore (Previous Year ₹118.98 crore) as Debt Service Reserve Account

20 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Earmarked balances with bank*	-	2.80
Term deposits with maturity more than three months but less than twelve months	532.58	661.17
	532.58	663.97

* Earmarked with customs

21 OTHER CURRENT FINANCIAL ASSETS

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Derivatives designated as cash flow hedges		
- Mark - to - market gain on interest rate swaps and forward contracts	1.89	0.05
Contract asset - Unbilled revenue	47.05	47.65
Other assets	1.77	0.63
	50.71	48.33

22 OTHER CURRENT ASSETS

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Prepayments	4.25	4.64
Advances to suppliers, masters, agents and others	6.31	8.55
	10.56	13.19

23 EQUITY SHARE CAPITAL

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	₹ In Crores	No. of Shares	₹ In Crores
Authorised				
Equity shares of par value ₹10/- each	135,000,000	135.00	135,000,000	135.00
		135.00		135.00
Issued, subscribed and paid up				
Equity shares of par value ₹10/- fully paid up	111,345,500	111.35	111,345,500	111.35
Total		111.35		111.35

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

	As at March 31, 2021		As at March 31, 2020	
Details	No. of Shares	₹ In Crores	No. of Shares	₹ In Crores
Equity shares of par value ₹10/- fully paid up				
Outstanding at the beginning of the year	111,345,500	111.35	111,345,500	111.35
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	111,345,500	111.35	111,345,500	111.35

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

Equity Shares:

The holders of equity shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general 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, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Equity Shares	111.35	111.35

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

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

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	% of Holding	No. of Shares held	% of Holding	No. of Shares held
Equity shares				
The Great Eastern Shipping Company Limited, the holding company along with its Nominees	100%	111,345,500	100%	111,345,500

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

- (e)** No shares are allotted as fully paid up pursuant to contract (s) without payment being received in cash during the period of five years immediately preceding the reporting date.
- (f)** No shares are allotted as fully paid up by way of bonus shares and no shares have been bought back during five years immediately preceding the reporting date.

24 OTHER EQUITY

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Summary of Other Equity		
Reserves and Surplus		
Capital reserve	2.95	2.95
Capital redemption reserve	43.50	43.50
Securities premium	1,155.13	1,155.13
General reserve	147.35	147.35
Tonnage tax reserve	82.00	81.50
Retained earnings	445.49	571.86
Other Comprehensive Income		
Foreign currency translation reserve	727.65	752.64
Cash flow hedging reserve	(15.74)	(31.23)
	2,588.33	2,723.70

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Reserves and Surplus		
Capital reserve		
Balance at the beginning and at the end of the year	2.95	2.95
Capital redemption reserve		
Balance at the beginning and at the end of the year	43.50	43.50
Securities premium		
Balance at the beginning and at the end of the year	1,155.13	1,155.13
General reserve		
Balance at the beginning of the year	147.35	82.35
Add: Transfer from tonnage tax reserve	-	65.00
Balance at the end of the year	147.35	147.35
Tonnage Tax reserve		
Balance at the beginning of the year	81.50	146.00
Add: Transfer from retained earnings	0.50	0.50
Less: Transfer to general reserve	-	(65.00)
Balance at the end of the year	82.00	81.50

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Retained earnings		
Balance at the beginning of the year	571.86	639.20
Add: Loss for the year	(131.12)	(64.75)
Add: Other Comprehensive income / (loss) for the year	5.25	(2.09)
Less: Transfer to Tonnage Tax Reserve Account under section 115VT of the Income Tax Act, 1961	(0.50)	(0.50)
Balance at the end of the year	445.49	571.86
Items of Other Comprehensive Income		
Foreign currency translation reserve		
Balance at the beginning of the year	752.64	705.08
Add / (Less): Exchange differences on net investments in subsidiaries	(24.99)	47.56
Balance at the end of the year	727.65	752.64
Cash flow Hedging reserve		
Balance at the beginning of the year	(31.23)	9.53
Add : Fair value gain / loss on derivative contracts designated as cash flow hedges (net)	15.49	(40.76)
Balance at the end of the year	(15.74)	(31.23)
	2,588.33	2,723.70

Nature of reserves

Capital reserve

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

Securities premium reserve

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

General reserve

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

Tonnage Tax reserve

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

Foreign currency translation reserve

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

Retained earnings

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

Cash flow hedging reserve

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

25 LONG TERM BORROWINGS

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Secured - at amortised cost		
Foreign currency term loans from banks	1,296.15	1,684.42
Less: Current maturities of long term borrowings (included in note 31)	(142.14)	(215.63)
Less: Interest accrued but not due on long term borrowings (included in note 31)	(0.53)	(1.98)
	<u>1,153.48</u>	<u>1,466.81</u>
Unsecured - at amortised cost		
Redeemable Cumulative Preference share capital		
24.60% Cumulative Redeemable Preference Shares of par value ₹10/- fully paid up	173.87	172.70
22.50% Cumulative Redeemable Preference Shares of par value ₹10/- fully paid up	181.87	181.87
	<u>355.74</u>	<u>354.57</u>
	<u>1,509.22</u>	<u>1,821.38</u>

- a. Foreign currency term loans are secured by mortgage on the rigs, assignment of earnings, charge on earnings account (where applicable) and insurance contracts/policies of respective rigs (refer note 9). The loans carry interest at the rate round about of LIBOR plus 215 bps (previous year Fleet and Rigs : LIBOR plus 176 to 215 bps) and are repayable in quarterly / half yearly instalments over one to four years.

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

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
1-2 years	185.70	177.79
2-3 years	263.56	239.84
3-4 years	711.76	324.31
4-5 years	-	736.68
Beyond 5 years	-	-
	<u>1,161.02</u>	<u>1,478.62</u>
Less: Unamortised finance charges	(7.54)	(11.81)
	<u>1,153.48</u>	<u>1,466.81</u>

b. **Preference Shares :**

The total outstanding preference shares include the below :

- (i) 24.60% 44,500,000 cumulative redeemable preference shares of face value ₹10/- each issued at a premium of ₹20/- per share on preferential basis to the Holding Company, "The Great Eastern Shipping Company Limited", redeemable at a premium of ₹30.90/- per share in four equal annual tranches of 11,125,000 shares each commencing from April 1, 2025, as per the terms of issue (modified from time to time) of these preference shares.

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

- (ii) 22.5% 60,624,000 cumulative redeemable preference shares of face value ₹10/- each, issued at a premium of ₹20/- per share on preferential basis to the Holding Company, "The Great Eastern Shipping Company Limited" and redeemable at a premium of ₹ 20 per share in four equal annual tranches of 15,156,000 shares each commencing from April 1, 2025, as per the terms of issue (modified from time to time) of these preference shares.

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

26 LEASE LIABILITY

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Non - current lease liability	25.09	5.68
Current lease liability	5.21	5.30
	30.30	10.98

The Group has elected to apply recognition exemption as per Ind AS 116 for leases which are expiring within 12 months from the date of transition by class of assets and leases for which the underlying asset is of low value on a lease by lease basis. The Group has also used the practical expedient provided by the standard when applying Ind AS 116 to leases. The Group has used a single discount rate to a portfolio of leases with similar characteristics.

Movement in lease liabilities:

Particulars

Opening balance	10.98	-
Addition	25.88	17.21
Finance cost accrued during the year	1.01	0.67
Payment of lease liability	(7.58)	(6.90)
Closing balance	30.30	10.98

Rental expenses recorded for short term lease was ₹0.43 crore for the year ended March 31, 2021 (previous year : ₹ 0.32 crore).

27 OTHER NON-CURRENT FINANCIAL LIABILITIES

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Derivatives designated as cash flow hedges		
- Mark - to - market loss on interest rate swaps and forward contracts	8.41	26.46
Derivatives not designated as cash flow hedges		
- Mark - to - market loss on interest rate collar	5.23	7.68
	13.64	34.14

28 PROVISIONS

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
A. Non-current		
Provision for employee benefits		
- Provision for gratuity (refer note 35)	0.36	0.34
- Provision for compensated absences (refer note 35)	0.55	0.72
- Director's Retirement Benefit Plan (refer note 35)	11.10	13.57
- Medical Retirement Benefit payable	0.75	0.71
	12.76	15.34
B. Current		
Provision for employee benefits		
- Provision for compensated absences (refer note 35)	1.09	0.38
- Provision for gratuity (refer note 35)	0.17	0.92
- Medical Retirement Benefit payable	0.40	-
	1.66	1.30

29 OTHER NON-CURRENT LIABILITIES

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Government grants #	18.03	20.37
	18.03	20.37

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

30 TRADE PAYABLES

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Payable to micro, small and medium enterprises (refer note 49)	5.94	4.50
Payable to others	87.35	84.12
	93.29	88.62

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

31 OTHER FINANCIAL LIABILITIES

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Current maturities of long term borrowings	142.14	215.63
Interest accrued but not due on long term borrowings	0.53	1.98
Preference dividend payable	24.59	24.59
Derivatives designated as Cash flow hedges		
- Mark - to - market loss on Interest rate swaps and forward contracts	13.82	13.75
Derivatives not designated as Cash flow hedges		
- Mark - to - market loss on Interest rate collar	0.66	0.86
Other payables :		
- Employee benefits	19.76	22.92
- Accrued expenses	3.87	2.55
- Others	13.62	15.62
	218.99	297.90

32 OTHER CURRENT LIABILITIES

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Statutory liabilities	3.79	9.75
Income received in advance	0.59	0.56
	4.38	10.31

33 REVENUE FROM OPERATIONS

	Year Ended March 31, 2021 ₹ in Crores	Year ended March 31, 2020 ₹ in Crores
Sale of services		
Charter hire income (refer note 44)	659.58	814.44
Other operating revenues		
Insurance claims	2.45	0.25
	662.03	814.69

34 OTHER INCOME

	Year Ended March 31, 2021 ₹ in Crores	Year ended March 31, 2020 ₹ in Crores
a Interest income		
on deposits with banks (at amortised cost)	12.72	28.38
b Dividend income		
Dividend on current investments (designated at FVTPL)	-	0.26
c Other non-operating income		
Profit on sale of other assets	0.16	0.22
Reversal / (Allowance) of doubtful debt / other provisions of earlier years	9.30	-
Income from Government grants (amortised)	2.34	2.53
Profit on sale of current investments (at FVTPL)	0.26	0.48
Miscellaneous income	1.33	0.24
	26.11	32.11

35 EMPLOYEE BENEFITS EXPENSES

	Year Ended March 31, 2021 ₹ in Crores	Year ended March 31, 2020 ₹ in Crores
Salaries, wages and allowances	216.07	225.51
Contribution to provident and other funds (Refer note below)	7.58	8.65
Staff welfare expenses	16.51	14.29
	240.16	248.45

a) Defined Contribution Plans :

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

Contribution to Provident Fund	2.75	2.48
Contribution to Central Provident Fund	-	-
Contribution to Superannuation Fund	0.22	0.24
Contribution to National Pension Scheme	0.37	0.37
Contribution to Seamens' Provident Fund	1.15	1.08
Contribution to Seamens' Pension Annuity Fund	0.62	0.69
Contribution to Seamens' Gratuity Fund	0.27	0.26

General Description:

i) Provident Fund :

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

In accordance with the Singapore law, all eligible employees (Singapore citizens and Permanent Residents in Singapore) of the Group are entitled to receive benefits under the Central provident fund, a defined contribution plan, based on age brackets, in which both the employee and employer (at a determined rate) contribute monthly. The Group contributes as specified under the law to the Government administered provident fund plan. This plan is a defined contribution plan as the obligation of the employer is limited to the monthly contributions made to the fund. The contributions made to the fund are recognised as an expense in profit and loss under employee benefit expenses.

ii) Superannuation Fund :

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

iii) National Pension Scheme (NPS) :

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

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

iv) Seamen's Provident Fund :

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

v) Seamen's Pension Annuity Fund :

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

vi) Seamen's Gratuity Fund :

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

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

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

Actuarial Assumption	(₹ in Crores)					
	Gratuity		Pension Plan		Compensated Absences	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
a) Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.	LIC (a) (1996-98) Ultimate	LIC (a) (1996-98) Ultimate	IALM (2012-14) Ult.	IALM (2012-14) Ult.
b) Interest / Discount Rate	6.45%	6.39%	6.45%	6.39%	6.45%	6.39%
c) Rate of increase in compensation						
Shore & Subsidiary Shore Staff	5.00%	5.00%	-	-	5.00%	5.00%
Rig Staff	5.00%	5.00%	-	-	-	-
d) Expected average remaining service						
Shore Staff	7.61	7.64	-	-	7.61	7.64
Rig Staff	8.51	8.24	-	-	-	-
Subsidiary Shore Staff	5.00	5.15	-	-	-	-
e) Employee Attrition rate						
Shore Staff & Subsidiary Shore Staff	8.00%	8.00%	-	-	8.00%	8.00%
Rig Staff (Past Service : 0 to 5)	20.00%	20.00%	-	-	-	-
Rig Staff (Past Service : 6 to 42)	4.00%	3.75%				
f) Weighted average remaining duration of Defined Benefit Obligation (in years)						
Shore Staff	4.99	5.15	-	-	4.46	4.58
Rig Staff	8.40	7.79	-	-	-	-
Subsidiary Shore Staff	3.68	3.66	-	-	-	-

IALM (2012-14) Ult.- Indian Assured Lives Mortality (2012-14) Ultimate

	Gratuity		Pension Plan		Compensated Absences	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
i) Change in Present Value of Obligations :						
Present value obligation at the beginning of the year	16.90	14.16	13.57	10.86	0.57	0.50
Interest Cost	0.95	0.97	0.87	0.81	0.03	0.03
Current Service Cost	2.27	2.82	-	-	0.09	0.07

(₹ in Crores)

	Gratuity		Pension Plan		Compensated Absences	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Benefits Paid	(0.87)	(1.08)	-	-	(0.04)	(0.01)
Transfer in	-	0.19	-	-	-	-
Actuarial (Gain) / loss on Obligation	(1.07)	(0.16)	(3.35)	1.90	(0.03)	(0.03)
Present value obligation at the end of the year	18.18	16.90	11.09	13.57	0.62	0.57
ii) Fair Value of Plan Assets :						
Opening Fair Value of Plan Assets	15.64	13.58	-	-	-	-
Return on Plan Assets (excluding Interest Income)	1.91	(0.56)	-	-	-	-
Interest Income	0.96	1.02	-	-	-	-
Employer's Contribution	-	2.70	-	-	0.04	0.01
Benefits Paid	(0.87)	(1.08)	-	-	(0.04)	(0.01)
Fair Value of Plan Assets at the end of the year	17.64	15.64	-	-	-	-
The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets.						
iii) Return on plan assets :						
Actual Return on Plan Assets	2.87	0.46	-	-	-	-
Interest Income	0.96	1.02	-	-	-	-
Return on plan assets excluding interest income	1.91	(0.56)	-	-	-	-
iv) Actuarial Gain/Loss on obligation						
Due to Demographic Assumption	0.04	0.14	-	-	-	-
Due to Financial Assumption	(0.06)	0.98	(0.08)	1.88	(0.00)	0.03
Due to experience	(1.04)	(1.28)	(3.27)	0.02	(0.03)	(0.06)
Total Actuarial (Gain)/Loss	(1.07)	(0.16)	(3.35)	1.90	(0.03)	(0.03)
v) Amounts Recognised in the Balance Sheet:						
Present Value of obligation at the end of the Year	(18.18)	(16.90)	(11.09)	(13.57)	(0.62)	(0.57)
Fair Value of Plan Assets at the end of the year	17.64	15.64	-	-	-	-
Funded Status	(0.53)	(1.26)	(11.09)	(13.57)	(0.62)	(0.57)
Short Term Liability	-	-	-	-	(0.67)	(0.30)
Net Assets / (Liability) recognised in the balance sheet	(0.53)	(1.26)	(11.09)	(13.57)	(1.29)	(0.87)

(₹ in Crores)

Actuarial Assumption	Gratuity		Pension Plan		Compensated Absences	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
vi) Expenses Recognised in the Statement of Profit and Loss						
Current Service Cost	2.27	2.82	-	-	0.09	0.07
Interest Cost (Net)	(0.01)	(0.05)	0.87	0.81	0.03	0.03
Actuarial Gain/(Loss) recognised for the period	-	-	-	-	(0.03)	(0.03)
Expenses recognised in the profit and loss account	2.26	2.77	0.87	0.81	0.09	0.07
vii) Other Comprehensive Income (OCI)						
Actuarial (Gain)/Loss recognized for the year	(1.07)	(0.16)	(3.35)	1.90	-	-
Return on Plan Assets excluding net interest	(1.91)	0.56	-	-	-	-
Total Actuarial (Gain)/Loss recognized in (OCI)	(2.99)	0.40	(3.35)	1.90	-	-
viii) Investment Details (% invested)						
HDFC Life Defensive Management Fund II	95%	95%	-	-	-	-
ix) Asset Liability Comparisons						
Present Value of Defined benefit obligation	(18.18)	(16.90)	(11.09)	(13.57)	(0.62)	(0.57)
Plan assets	17.64	15.64	-	-	-	-
Surplus or (Deficit) in the plan	(0.53)	(1.26)	(11.09)	(13.57)	(0.62)	(0.57)
Experience adjustments on plan assets	1.91	(0.56)	-	-	-	-
x) Sensitivity Analysis	DR : Discount Rate		ER : Salary Escalation Rate			
	PVO DR + 1%	PVO DR - 1%	PVO ER + 1%	PVO ER - 1%		
Gratuity						
Present Value of Obligation	17.17	19.29	18.83	17.52		
Pension Plan						
Present Value of Obligation	10.25	13.02	-	-		
Compensated Absences						
Present Value of Obligation	0.59	0.64	0.64	0.59		

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

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

xi) Expected Payout	First	Second	Third	Fourth	Fifth	Six to Ten years
Gratuity						
Present Value of Obligation	3.66	2.17	1.47	1.67	1.30	6.04
Pension Plan						
Present Value of Obligation	-	-	-	-	-	-
Compensated Absences						
Present Value of Obligation	0.23	0.05	0.06	0.06	0.05	0.16

General Description:

i) Gratuity :

Gratuity is payable to eligible employees on superannuation, death, permanent disablement and resignation in terms of the provisions of the Payment of Gratuity Act or as per the Company's Scheme whichever is more beneficial. Benefit would be paid at the time of separation based on the last drawn basic salary. This benefit is applicable only to the employees of the parent company and the figures given above are in respect of the parent company only. The defined benefit plans are administered by a separate fund that is legally separated from the Group. The Group's investment strategy in respect of its funded plans is implemented within the framework of the applicable statutory requirements.

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

Investment / Interest Risk

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

Longevity Risk

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

Salary Risk

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

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

ii) Pension Plan :

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

iii) Compensated Absences :

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

iv) Post Retirement Benefit Scheme :

Under the Company's Post Retirement Medical Benefit Scheme for the Executive Directors and Senior Management Employees of the Company, certain medical benefits shall be provided post retirement to the selected employees (including spouse), subject to a limit of ₹50 lakhs p.a. The medical benefits shall be in the form of reimbursement/ payment of hospitalisation (including Domiciliary Hospitalisation) expenses incurred in India or abroad for the Selected Employee and his / her spouse for life, pre and post hospitalisation expenses incurred 30 days before / after hospitalization and annual preventive health check-up package (once every year). The Selected Employee, who has been Executive Director of the Company, and his / her spouse will also be entitled to reimbursement of all other medical expenses, in the ordinary course. The reimbursement of these expenses shall be in addition to the annual limit of expenses mentioned above. If either of the Selected Employee or his / her spouse passes away, the limit will continue for the eligible survivor.

Under this method, the Post-Retirement Medical Benefit payable to the Executive Director and his spouse is projected till their eligibility of payment and is then discounted back to the valuation date. The assumptions considered are:

- The discount rate is based on the benchmark yield available on Government Bonds, having regard to the term of the liabilities which is 6.45% p.a. on 30 year bond.
- The severity of the claim is assumed to be 10% of INR 50 Lakhs, frequency of the claim to be 25% and the rate of inflation in medical cost to be 5% p.a.
- Also considered 80% of LIC Annuitant Table (1996-98) for the mortality rate post retirement and no withdrawal rate has been considered.

36 FINANCE COSTS

	Year Ended March 31, 2021 ₹ in Crores	Year Ended March 31, 2020 ₹ in Crores
Interest expense	62.04	77.80
Finance charges (upfront fees, agency fees, prepayment fees)	5.89	6.64
Effective interest cost on redeemable preference shares		
Dividend on redeemable preference shares	25.76	25.65
Exchange differences regarded as an adjustment to borrowing cost	(53.12)*	48.30
	40.57	158.39

* In accordance with para 6(e) and para 6A of IND AS 23 'Borrowing Costs', the exchange gain (net) of ₹53.12 crore. in relation to foreign currency borrowings used for acquiring capital assets, has been adjusted against (i.e. reduced from) finance costs.

37 DEPRECIATION AND AMORTISATION EXPENSE

	Year Ended March 31, 2021 ₹ in Crores	Year Ended March 31, 2020 ₹ in Crores
Depreciation on tangible assets (refer note 9)	254.71	259.49
Depreciation on right of use assets (refer note 10)	7.04	6.53
Amortisation on intangible assets (refer note 11)	0.03	0.05
	261.78	266.07

38 IMPAIRMENT LOSS

	Year Ended March 31, 2021 ₹ in Crores	Year Ended March 31, 2020 ₹ in Crores
Impairment of tangible assets (refer note 9 and 51)	46.11	-
	46.11	-

The Company carried out review of 'recoverable amount' of rigs and support vessels, and recognised impairment loss of ₹28.32 crores for four support vessels (previous year: Nil). The 'recoverable amount' of an asset is determined as higher of fair value less cost to sell and 'value in use' (present value of estimated future cash flows expected from an asset) as per Ind AS 36, Impairment of Assets. The discount rate used for estimation of the net present value was 6.16% p.a. (Previous Year: 6.18% p.a.)

The market value of the fleet and rigs is based on the recent market prices of assets with similar age, obsolescence, transactions in the market, general market trends, quotes from owners.

39 OTHER EXPENSES

	Year Ended March 31, 2021 ₹ in Crores	Year ended March 31, 2020 ₹ in Crores
Fuel, oil and water	8.26	20.41
Hire of vessels and equipment	5.09	8.01
Consumption of stores and spares	77.14	74.57
Technical management fees	0.07	0.16
Agency fees	2.92	2.77
Port dues	1.67	1.38
Repairs and maintenance		
- Rigs and vessels	41.56	38.23
- Buildings	0.18	0.09
- Others	1.35	1.99
Insurance		
- Fleet insurance	14.20	13.41
- Others	2.02	1.81
Travelling and conveyance expenses	13.46	9.03
Communication expenses	9.49	8.64
Rent*	0.28	0.78
Rates and taxes	0.08	0.01
Brokerage and commission	0.64	0.96
Payment to auditors	1.67	1.13
(Reversal) / Allowance for doubtful debts and advances (net)	1.18	8.44
Loss on account of fire on ship (refer note 51)	20.80	-
Loss on foreign currency transactions (net)	22.58	26.15
Loss / (Gain) on derivatives transactions (net)	(2.66)	7.36
Expenditure on corporate social responsibility (refer note 43)	-	0.45
Miscellaneous expenses	20.25	23.79
	242.23	249.57

*From current year rent expense is recognised for short term leases as per Ind AS 116.

40 EARNINGS PER SHARE

	Year Ended March 31, 2021 ₹ in Crores	Year ended March 31, 2020 ₹ in Crores
Profit / (Loss) attributable to equity share holders (₹ in crores) (A)	(131.12)	(64.75)
Weighted average number of equity shares for basic and diluted EPS (B)	111,345,500	111,345,500
Face value of per equity share ₹	10.00	10.00
Basic and Diluted earnings per share (A/B) ₹	(11.78)	(5.82)

41 RELATED PARTY DISCLOSURE

(i) List of Related Parties

a) Holding Company :

The Great Eastern Shipping Company Ltd.

b) Fellow Subsidiaries :

The Great Eastern Chartering LLC (FZC), Sharjah
 The Greatship (Singapore) Pte. Ltd., Singapore
 The Great Eastern Chartering (Singapore) Pte. Ltd., Singapore
 Great Eastern Services Ltd.
 Great Eastern CSR Foundation, India

c) Key Management Personnel :

Executive Directors

Mr. Ravi K. Sheth
 Mr. P.R. Naware
 Mr. Alok Mahajan

Non-Executive Directors

Mr. Bharat K. Sheth (Chairman)
 Mr. Keki Mistry (completed term on September 19, 2020)
 Mr. Anil Chandanmal Singhvi (completed term on September 19, 2020)
 Mr. Mathew Cyriac
 Mrs. Rita Bhagwati
 Mr. Shaleen Sharma
 Mrs. Bhavna Doshi (appointed wef October 26, 2020)

Other

Mr. G. Shivakumar - Chief Financial Officer
 Ms. Amisha Ghia - Company Secretary

d) Relative of Key Management Personnel :

Ms. Nirja B. Sheth - Daughter of Chairman

e) Other related party:

Greatship (India) Limited Employees Gratuity Trust - Post employment benefit plan of Greatship group
 The Provident Fund of The Great Eastern Shipping Company Ltd.
 The Great Eastern Shipping Co. Ltd. Employees Gratuity Fund
 The Great Eastern Shipping Co. Limited Executives Supperannuation Fund
 The Great Eastern Shipping Co. Ltd. Floating Staff Supperannuation Fund
 The Great Eastern Shipping Co. Ltd. Staff Supperannuation Fund

(ii) Transactions with related parties

(₹ in Crores)

Nature of transaction	Holding Company		Fellow Subsidiaries		Key Management Personnel and Relatives	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Transactions during the year:						
Interest on preference share	25.76	25.65	-	-	-	-
Contribution paid towards CSR	-	-	-	0.45	-	-
Executive Directors						
Short term benefits	-	-	-	-	8.45	9.00
Post employment benefits	-	-	-	-	(2.51)	2.94
Non-executive directors						
Remuneration	-	-	-	-	0.30	-
Sitting fees	-	-	-	-	0.40	0.41
Others						
Short term benefits	-	-	-	-	0.72	0.72
Post employment benefits	-	-	-	-	(0.02)	0.03
Contribution to post employment benefit plans	-	-	0.22	2.94	-	-
Rent Received	-	-	0.21	0.18	-	-
Service charges for allotment of training slots	1.93	1.25	-	-	-	-

Nature of transaction	Holding Company		Fellow Subsidiaries and Other Related Party		Key Management Personnel and Relatives	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Outstanding Balances						
Payables	1.70	0.89	-	-	-	-
Dividend payable	24.59	24.59	-	-	-	-
Post employment benefit plans (asset) / liability	-	-	(0.38)	0.37	-	-
Remuneration payable						
Executive Directors	-	-	-	-	14.85	16.76
Non-executive Directors	-	-	-	-	0.30	-

Terms and conditions of transactions with related parties

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

42 FINANCIAL INSTRUMENTS

(a) Capital Management

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

The capital structure of the Group consists of net debt (borrowing as detailed in note 25 and offset by cash and bank balances, deposits with bank and current investments) and total equity of the Group.

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

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

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

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Debt*	1,651.89	2,038.99
Less: Cash and bank balances including current investments	(782.03)	(1,051.64)
Net debt	869.86	987.35
Total equity	2,699.68	2,835.05
Net debt to equity ratio	0.32	0.35

*Debt includes foreign currency term loans from banks and cumulative redeemable preference share capital.

(b) Financial assets and liabilities

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instruments are disclosed in Note 7 (g) to the Consolidated financial statements.

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

	Carrying value as on	
	March 31, 2021 ₹ in Crores	March 31, 2020 ₹ in Crores
Financial Assets		
Measured at Amortised Cost		
Cash and cash equivalents	238.93	374.04
Other financial assets	4.73	2.18
Bank balances other than cash and cash equivalents	532.58	663.97
Deposits with banks	2.97	-
Trade receivables	73.36	93.15
Unbilled revenue	47.05	47.65
Measured at fair value through profit and loss		
Current investments	7.55	13.63
Derivative contracts	-	0.66
Measured at fair value through OCI		
Derivative contracts	1.89	(0.61)
	909.06	1,194.67
Financial Liabilities		
Measured at amortised cost		
Foreign currency term loans from banks	1,296.15	1,684.42
Preference share capital including redemption premium	355.74	354.57
Preference dividend payable including dividend distribution tax	24.59	24.59
Trade payables	93.29	88.62
Lease liability	30.30	10.98
Other financial liabilities	37.25	41.09
Measured at fair value through profit and loss		
Derivative contracts	5.89	8.54
Measured at fair value through OCI		
Derivative contracts	22.23	40.21
	1,865.44	2,253.02

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

Fair value hierarchy

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

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

- (b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Financial Assets and Liabilities	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores	Level	Valuation technique and key inputs
Investments in liquid mutual funds	7.55	13.63	Level 2	The mutual funds are valued at the net asset value of the respective units.
Derivative financial instruments (net)	(26.23)	(48.70)	Level 2	Discounted cash flows. Future cash flows are estimated based on forward exchange/ interest rates and contract forward/ interest rates discounted at a rate that reflects the credit risk of various counterparties.

(c) Derivative financial instrument and risk management

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

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

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

(i) **Forward exchange contracts:**

Details	As at March 31, 2021		As at March 31, 2020	
	Purchase	Sale	Purchase	Sale
Total no. of contracts	-	22	-	4
Notional amount of foreign currency (USD in Million)	-	11	-	2.00
Amount in hedging reserve gain / (loss) (₹ in crores)	-	1.89	-	(0.46)
Maturity period	-	upto 12 months	-	upto 12 months

(ii) **Interest rate swap contracts:**

Details	As at March 31, 2021	As at March 31, 2020
Total No. of contracts	20	18
Principal notional amount (USD million)	169.28	159.56
Amount in hedging reserve loss (₹ in crores)	(22.23)	(39.70)
Maturity period	upto 42 months	upto 54 months

The above mentioned derivative contracts having been entered into to hedge foreign currency risk of loan instalments, firm commitments and the interest rate risk, have been designated as hedge instruments that qualify as effective

cash flow hedges. The mark-to-market gain / loss on these derivative contracts outstanding as on March 31, 2021 amounting to loss of ₹20.34 crores [previous year: ₹40.16 crores] has been recorded in the cash flow hedging reserve as on March 31, 2021.

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

II) Derivative instruments not in hedging relationship :

Interest rate collar contracts :

Details	As at March 31, 2021	As at March 31, 2020
Total no. of Contracts	3	3
Principal Notional Amount (USD million)	21.71	24.14
Mark to market loss recognised (₹ In crores)	(5.88)	(8.54)
Maturity Period	upto 42 months	upto 54 months

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

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

Gains / Loss on the derivative contracts mentioned under (II) above, are transferred to the Statement of Profit and Loss. The mark-to-market on these derivative contracts outstanding as on March 31, 2021 amounting to loss ₹5.89 crores (previous Year loss : ₹8.54 crores) has been recorded in the Statement of Profit and Loss.

(d) Market risk

i) Foreign currency risk

The Group uses forward covers to protect against the volatility associated with the foreign currency transactions.

The Group's exposure to unhedged foreign currency is listed below:

Details	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
	Currency in Millions		₹ in Crores	
Foreign currency term loans from banks				
USD	178.80	224.52	1,307.24	1,698.97
Financial liabilities				
USD	3.46	3.29	25.27	24.93
BRL	8.26	-	10.72	-
SGD	1.74	3.21	9.44	17.05
EUR	0.32	0.18	2.77	1.53
GBP	0.03	0.02	0.30	0.22
SAR	-	0.34	-	0.70

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Details	Currency in Millions		₹ in Crores	
JPY	10.40	29.24	0.69	2.05
NOK	0.23	0.16	0.20	0.11
AED	0.01	0.05	0.02	0.11
ZAR	1.15	-	0.57	-
MYR	0.36	0.19	0.63	0.34
SEK	0.00	0.01	0.00	0.00
Financial assets				
USD	14.81	16.36	108.25	123.80
MYR	2.78	-	4.89	-
SGD	0.08	0.15	0.43	0.79
EUR	0.05	0.06	0.39	0.51
GBP	0.00	0.01	0.02	0.05
SAR	-	0.04	-	0.03
JPY	-	3.59	-	0.25
Cash and cash equivalents and Bank balances other than cash and cash equivalents				
USD	55.58	87.68	406.36	663.44
SGD	0.36	0.56	1.93	2.97
EUR	0.10	0.23	0.85	1.91
GBP	0.08	0.06	0.84	0.58
Net currency exposure				
USD	(111.87)	(123.78)	(817.90)	(936.66)
BRL	(8.26)	-	(10.72)	-
SGD	(1.30)	(2.51)	(7.08)	(13.29)
EUR	(0.18)	0.11	(1.53)	0.90
GBP	0.05	0.04	0.55	0.42
SAR	-	(0.31)	-	(0.67)
JPY	(10.40)	(25.65)	(0.69)	(1.80)
NOK	(0.23)	(0.16)	(0.20)	(0.11)
AED	(0.01)	(0.05)	(0.02)	(0.11)
ZAR	(1.15)	-	(0.57)	-
MYR	2.42	(0.19)	4.27	(0.34)
DKK	-	-	-	-
SEK	0.00	0.01	0.00	0.00

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

A 5% strengthening / weakening of Indian Rupee against key currencies to which the group is exposed (net of hedge), with all other variables being held constant, would have led to approximately a Gain / Loss of ₹ 41.69 crores (previous year: ₹47.53 crores) in the Statement of Profit and Loss.

ii) Interest rate risk

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

Interest rate sensitivity

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

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

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

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Fixed rate borrowings (Redeemable preference shares)	355.74	354.57
Floating rate borrowings (Foreign currency term loans from banks)	1,296.15	1,684.42
Total borrowings	1,651.89	2,038.99

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

If interest rate had been 50 basis points higher or lower and all other variables were held constant, the Group's profit for the year would have increased/decreased by ₹1.54 crores (previous year: ₹3.07 crores).

(e) Credit risk

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

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

Trade receivables :

The trade receivables of the Group comprise 1 debtor (previous year: 1 debtor) that individually represented 68.04% (previous year: 82.32%) of trade receivables. Due to the nature of the Group's operations, revenue and receivable are typically concentrated amongst a relatively niche customer base. The Group has policies in place to ensure that contracts are with customers of stable financial standing and appropriate credit history. The credit period of receivables ranges from 20 to 90 days generally without security. There has been no significant change in the credit quality of past due receivables.

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

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

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

Cash and cash equivalents, derivatives and mutual fund investments :

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

Exposure to credit risk :

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹909.06 crores as at March 31, 2021 and ₹1,194.67 crores as at March 31, 2020, being the total of the carrying amount of balances and deposits with banks, trade receivables, mutual fund investments and other financial assets including derivatives instruments.

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

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

The group's trade receivables not past due include receivables amounting to ₹21.35 crores (previous year: ₹14.74 crores).

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

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

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

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Overdue		
- Less than 180 days	51.37	77.16
- More than 180 days	0.65	1.25
	<u>52.02</u>	<u>78.41</u>

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

Overdue - more than 365 days	1.97	1.99
Not due but impaired	1.17	9.62
Less: Allowance for doubtful trade receivables	(3.14)	(11.61)
	-	-

(f) Liquidity risk

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

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

	₹ in Crores			
	Payable within 1 year	Payable within 2 - 5 years	More than 5 years	Total
As at 31st March 2021				
Foreign currency term loans from banks	142.67	1,153.48	-	1,296.15
Interest commitment	31.08	58.00	-	89.08
Trade payables	93.29	-	-	93.29
Preference share capital including redemption premium	-	90.97	264.77	355.74
Preference dividend payable and commitments including dividend distribution tax	24.59	92.20	18.44	135.23
Other financial liabilities	37.25	-	-	37.25
Lease liability	5.21	25.09	-	30.30
Derivative Contract	14.48	13.64	-	28.12
	348.57	1,433.38	283.21	2,065.16
As at 31st March 2020				
Foreign currency term loans from banks	217.61	1,466.81	-	1,684.42
Interest commitment	56.69	138.21	-	194.90
Trade payables	88.62	-	-	88.62
Preference share capital including redemption premium	-	-	354.57	354.57
Preference dividend payable and commitments including dividend distribution tax	24.59	98.35	36.88	159.82
Other financial liabilities	41.09	-	-	41.09
Lease liability	5.30	4.36	1.32	10.98
Derivative Contract	14.61	34.14	-	48.75
	448.51	1,741.87	392.77	2,583.15

43 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Consequent to the requirement of section 135 of The Companies Act 2013, the Group has contributed ₹Nil crores (previous year: ₹0.45 crores) to Great Eastern CSR Foundation towards CSR expenditure :

	Year Ended March 31, 2021 ₹ in Crores	Year ended March 31, 2020 ₹ in Crores
(a) Gross amount required to be spent by the Group during the year.	-	0.45
(b) Amount spent in cash for purposes other than for construction / acquisition of any asset during the year	-	0.45

The areas of CSR activities as specified under Schedule VII of The Companies Act 2013 are

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

44 SEGMENT REPORTING

The Group is engaged only in offshore oilfield services segment and there are no separate reportable segments as per Ind AS 108 "Operating Segments".

Revenue from Operations :

Particulars	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Revenue from customers outside India	114.95	123.01
Revenue from customers within India	544.63	691.43
Total	659.58	814.44

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

45 TIME CHARTER (IND AS 116)

The Group has entered into time charter arrangements for Rigs and Fleets (vessel).

Future charter hire receivable under these time charter arrangements are as follows :

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Total Future Time Charter payments*		
- Less than 1 year	378.45	629.20
- More than 1 year and less than 5 years	414.36	780.79
- More than 5 years	-	-

* the receivables (undiscounted) are calculated on full term employment basis at operating day rates as per time charter agreements.

Note:

The Group's operations include deployment of vessels on time charter basis and provision of drilling services involving use of rigs for short to medium term . The operation and maintenance of the rigs and vessels given on time charter, which includes specialized activities, is responsibility of the Group under the contract. Accordingly, the Group deploys trained and skilled crew to undertake offshore drilling operations using the rigs and to run the vessels for providing logistics services or for shipment of cargo, and ensures maintenance of these assets including dry docking, as per applicable regulatory standards. The charterer does not deploy its crew for these activities. The time charter rate negotiated with the charterer for provision of services which, inter-alia, involves all the above activities is a lumpsum day rate as per the industry practice, and hence, it is not possible to segregate any lease component embedded in the time charter rate for the purposes of the accounting standard AS 116.

46 GOVERNMENT GRANTS

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

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

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
Balance at the beginning of the year	-	2.45
Licenses received during the year	-	-
Licenses expired during the year	-	(2.27)
Licenses utilised during the year	-	(0.18)
Balance at the end of the year	-	-

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

47 CONTINGENT LIABILITIES

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
a) Claims against the Group not acknowledged as debts:		
i) Service Tax	418.38	418.38
Demand pertains to applicability of service tax on drilling services rendered at certain locations in high seas, supply of fuel / diesel by the charterers* and non-payment of service tax under reverse charge mechanism# on certain foreign expenses.		
ii) Customs duty	15.31	14.88
Demand pertains to wrong classification of Marine Gas Oil/HFHSO, vessels imported and demand of safeguard duty on import of certain goods.		
iii) Value Added Tax ('VAT') / Central Sales Tax ('CST')	203.53	134.13
Demand pertains to levy of Maharashtra VAT / CST on Time charter hire of vessels / services rendered by using Rigs considering the same to be a 'deemed sale' transaction **		
iv) Income Tax	23.38	23.38

Amounts pertaining to points above are excluding interest and penalty.

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

Service tax authorities had issued Show Cause Notices as to why service tax under Reverse Charge Mechanism is not payable on payment made to foreign vendors towards Bareboat Charter of rigs and certain other services. The service tax authorities have issued an Order-in-Original confirming entire service tax demand for the period from FY 2008-09 to FY 2014-15. Follow-up Show Cause Notice is issued for the period October 2015 to June 2017.

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

** The VAT / CST demand for FY 2015-16 doesn't not include ₹81.28 Crores as favorable High Court order has been received subsequent to balance sheet date.

Notes :

- I) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of final judgements.
- II) The Company's pending litigations comprise of claims pertaining to proceedings pending with Income Tax, Custom, Sales Tax / VAT, Service Tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions were required or disclosed as contingent liabilities where applicable, in its financial statements. Company considers that all pending disputes are strong on merits.

48 CAPITAL COMMITMENTS

Estimated amount of contracts, net of advances paid thereon, remaining to be executed on capital account and not provided for ₹14.04 crores (previous year: ₹8.04).

49 DISCLOSURES RELATING MICRO, SMALL AND MEDIUM ENTERPRISES

Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under, to the extent the Company has received intimation from the “Suppliers” regarding their status under the Act :

	As at March 31, 2021 ₹ in Crores	As at March 31, 2020 ₹ in Crores
a) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSME Act)	5.94	4.50
- Principal amount due to Micro and Small enterprises	-	-
- Interest due on above	-	-
b) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

50 SUBSEQUENT EVENTS

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

51 During the year, the Company’s vessel Greatship Rohini suffered major property damage due to a fire on board the Vessel. Consequently, the Company has derecognised carrying amounts of damaged components of the vessel of ₹20.80 crore (included in Other Expenses) and recognised impairment of ₹17.79 crore, based on current evaluation and estimates of the management.

52 The offshore drilling operations of the Group have continued with minimal disruption despite lockdowns | restrictions during the year following COVID-19 outbreak. Certain operational challenges including movement of manpower and materials are being appropriately addressed by the Management. The internal financial reporting and controls have been operating satisfactorily with support of technology. The offshore assets are under term contracts with reputed customers and continue to operate under the charter hire agreements, and the management does not expect any material impact on medium to long term charter rates considered in assessing recoverable amounts of the aforementioned assets. The Group does not foresee any challenge on recoverability of trade receivables given the creditworthiness of the customers and the subsequent recoveries. The Group has adequate resources including liquid investments, cash and cash equivalents to meet its financial obligations for the foreseeable future. The impact of COVID-19 may be different from that estimated as at the date of approval of these financial statements.

53 ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013.

(₹ In Crores)

Name of Enterprise	FY 2020-21							
	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
<u>Parent</u>								
Greatship (India) Limited	83.79%	2,262.03	102.42%	(134.29)	(488.00%)	20.74	83.88%	(113.55)
<u>Indian subsidiary</u>								
Greatship Oilfield Services Limited	0.01%	0.19	0.01%	(0.01)	-	-	0.00	(0.01)
<u>Foreign subsidiary</u>								
Greatship Global Energy Services Pte. Ltd.	4.08%	110.28	(1.17%)	1.53	-	-	(1.13%)	1.53
Greatship Global Offshore Services Pte. Ltd.	18.40%	496.63	(11.63%)	15.25	-	-	(11.27%)	15.25
Greatship (UK) Ltd.	0.28%	7.65	(0.05%)	0.06	-	-	(0.04%)	0.06
	106.56%	2,876.78	89.58%	(117.46)	(488.00%)	20.74	71.45%	(96.72)
Intercompany Eliminations / Adjustments	(6.56%)	(177.10)	10.42%	(13.66)	588.00%	(24.99)	28.55%	(38.65)
Total	100.00%	2,699.68	100.00%	(131.12)	100.00%	(4.25)	100.00%	(135.37)

Name of Enterprise	FY 2019-20							
	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
<u>Parent</u>								
Greatship (India) Limited	83.79%	2,375.58	175.04%	(113.34)	-909.77%	(42.85)	260.14%	(156.19)
<u>Indian subsidiary</u>								
Greatship Oilfield Services Limited	0.01%	0.20	0.02%	(0.01)	-	-	0.02%	(0.01)
<u>Foreign subsidiary</u>								
Greatship Global Energy Services Pte. Ltd.	3.97%	112.60	(2.89%)	1.87	-	-	(3.11%)	1.87
Greatship Global Offshore Services Pte. Ltd.	17.58%	498.51	(14.84%)	9.61	-	-	(16.01%)	9.61
Greatship (UK) Ltd.	0.28%	7.84	(1.24%)	0.80	-	-	(1.33%)	0.80
	105.63%	2,994.73	156.09%	(101.07)	(909.77%)	(42.85)	239.71%	(143.92)
Intercompany Eliminations / Adjustments	(5.63%)	(159.68)	(56.09%)	36.32	1009.77%	47.56	(139.71%)	83.88
Total	100.00%	2,835.05	100%	(64.75)	100.00%	4.71	100.00%	(60.04)



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