

**THE GREAT EASTERN
SHIPPING COMPANY LIMITED**
CIN: L35110MH1948PLC006472



OCEAN HOUSE, 134/A, Dr. Annie Besant Road, Worli, Mumbai - 400 018, INDIA. Tel.: +91(22) 6661 3000 / 2492 2100 Fax : +91(22) 2492 5900

Our Ref.: S/128/2018/JMT

August 13, 2018

BSE Limited

1st Floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI – 400 001

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No. C/1,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051

Dear Sir,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby attach Annual Report for the financial year 2017-18 duly approved and adopted by the members at the Annual General Meeting held on August 10, 2018.

You are requested to take note of the same.

Thanking You,

Yours faithfully,

For **The Great Eastern Shipping Co. Ltd.**

Jayesh M. Trivedi

President (Sec'l. & Legal) & Company Secretary



THE GREAT EASTERN
SHIPPING CO. LTD.

Registered office:

Ocean House, 134/A, Dr. Annie Besant Road, Worli, Mumbai 400 018

Tel. : 022 6661 3000 / 2492 2100 | Fax: 022 2492 5900

Email: shares@greatship.com | Web: www.greatship.com

CIN : L35110MH1948PLC006472

NOTICE

NOTICE is hereby given that the Seventieth Annual General Meeting of THE GREAT EASTERN SHIPPING CO. LTD. will be held at Auditorium, Swatantryaveer Savarkar Rastriya Smarak, 252, Swatantryaveer Savarkar Marg, Shivaji Park, Dadar West, Mumbai – 400028 on Friday, August 10, 2018 at 3.00 p.m. (I.S.T.) to transact the following business:

1. To receive, consider and adopt:
 - a) the audited financial statements of the Company for the financial year ended March 31, 2018, the reports of the Board of Directors and Auditors thereon; and
 - b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2018 and report of Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. G. Shivakumar (DIN: 03632124), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of 3 (d) (ii) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the approval of the members be and is hereby accorded to Mr. K. M. Sheth (DIN: 00022079), who has already attained the age of 75 years, to continue as Non- Executive Director of the Company on and after April 01, 2019 till he retires by rotation in due course.”
5. To consider and, if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of 3 (d) (ii) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval of the members be and is hereby accorded to Mr. Vineet Nayyar (DIN: 00018243), Non-Executive Independent Director, who has already attained the age of 75 years, to continue as an Independent Director of the Company on and after April 01, 2019 until expiry of his existing term.”
6. To consider and, if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of 3 (d) (ii) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval of the members be and is hereby accorded to Mr. Farrokh Kavarana (DIN: 00027689), Non-Executive Independent Director, who will attain the age of 75 years before April 01, 2019, to continue as an Independent Director of the Company on and after April 01, 2019 until expiry of his existing term.”
7. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 42, 71 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to offer or invite subscriptions for secured / unsecured redeemable non-convertible debentures, in one or more series / tranches, aggregating up to Rs.1,000 crores (Rupees One Thousand Crores only), on private placement basis, on such terms and conditions as the Board may, from time to time, determine and consider

proper and most beneficial to the Company including as to when the said Debentures be issued, the consideration for the issue, utilization of the issue proceeds and all matters connected with or incidental thereto."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

Mumbai, June 15, 2018

By Order of the Board

Jayesh M. Trivedi
Company Secretary

Registered Office :

Ocean House, 134/A, Dr. Annie Besant Road,
Worli, Mumbai 400 018
Tel: 022 66613000/2492 2100
Fax: 022 2492 5900
Email : shares@greatship.com
Web: www.greatship.com
CIN: L35110MH1948PLC006472

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. The instrument appointing a Proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time of holding the Annual General Meeting.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxies submitted on behalf of limited companies, societies etc. must be supported by an appropriate resolution / authority as applicable.
4. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, in respect of the business as per Item Nos. 4 to 7 herein above, is annexed hereto.
5. The Register of Members and Share Transfer Books of the Company will remain closed from August 04, 2018 to August 10, 2018 (both days inclusive).
6. The dividend declared at the Annual General Meeting will be made payable on or after August 11, 2018, as applicable, in respect of shares held in physical form to those members whose names appear on the Register of Members of the Company after giving effect to all valid share transfers lodged with the Company on or before the end of business hours on August 03, 2018 and in respect of shares held in the electronic form to those 'Deemed Members' whose names appear in the statement of Beneficial Ownership furnished by the National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL) as on that date.
7. Pursuant to Section 205A of the Companies Act, 1956, all unclaimed dividends upto the 40th dividend for the year 1993-94 paid by the Company on October 05, 1994 have been transferred to the General Revenue Account of the Central Government. Members who have not encashed the Dividend Warrants for the said period are requested to claim the amount from the Registrar of Companies, Maharashtra, C/o. Central Government Office Building, A Wing, 2nd Floor, Next to Reserve Bank of India, CBD Belapur 400 614.
8. Pursuant to Section 124(5) of the Companies Act, 2013, the Company has transferred the unclaimed dividend for the year 2009-10 (56th final) and 2010-11 (57th interim) to the Investor Education and Protection Fund (IEPF). The unclaimed dividend for the year 2010-11 (57th final dividend) will be due for transfer to the IEPF on September 04, 2018 pursuant to Section 124(5) of the Companies Act, 2013. Shareholders who have not encashed the Dividend Warrants are requested to claim the amount from the Company's Share Department at the Registered Office of the Company.

9. Pursuant to Section 124(6) of the Companies Act, 2013, all shares in respect of which dividend has not been paid or claimed for seven consecutive years will also be due for transfer by the Company in the name of Investor Education and Protection Fund on September 04, 2018. Any claimant of shares transferred above shall be entitled to claim such shares from Investor Education and Protection Fund.
10. The information as required under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Director being re-appointed is annexed hereto.
11. Relevant documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours upto the date of the Annual General Meeting.
12. Pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 all the business as per Item Nos. 1 to 7 hereinabove, is required to be transacted by electronic means through E-voting services provided by Karvy Computershare Private Ltd. (Karvy).
13. The Board of Directors of the Company has appointed Ms. Dipti Mehta, Practising Company Secretary, as Scrutinizer for conducting the voting and remote e-voting process in a fair and transparent manner.
14. The process and manner for remote e-voting is as under:

A. In case a Member receives an e-mail from Karvy (for Members whose e-mail addresses are registered with the Company/ Depository Participants):

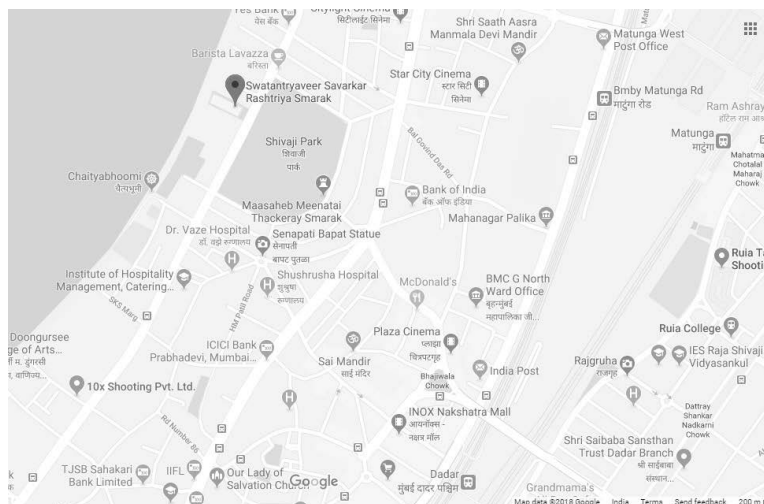
- i) Launch internet browser by typing the URL: <https://evoting.karvy.com>.
- ii) Enter the login credentials (i.e. User ID and Password mentioned above). In case of physical folio, your User ID will be EVEN (Electronic Voting Event Number) XXXX followed by Folio No. In case of Demat account, your DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and Password for casting your vote.
- iii) After entering these details appropriately, Click on "LOGIN".
- iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v) You need to login again with the new credentials.
- vi) On successful login, the system will prompt you to select the "EVENT" i.e., The Great Eastern Shipping Company Limited.
- vii) On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii) Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folios/demat accounts.
- ix) Voting has to be done for each item of the AGM Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- x) You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi) A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: dipti@mehta-mehta.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_ EVENT NO."
- xiii) **The remote e-voting period commences at 10.00 a.m. on Tuesday, August 07, 2018 and ends at 5.00 p.m. on Thursday, August 09, 2018. The remote e-voting module will be disabled by Karvy for voting thereafter.**

B. In case a Member receives physical copy of the Notice of AGM (for members whose email IDs are not registered with the Company/ Depository Participant):

1. Initial Password is provided, as below, at the bottom of the Attendance Slip for the AGM.

EVEN (Electronic Voting Event Number)	User ID	Password/PIN
-	-	-

2. Please follow all steps from Sr. No. (i) to Sr. No. (xii) above in (A), to cast your vote.
- C.** Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. Friday, August 03, 2018 may obtain the User ID and Password in the manner as mentioned below:
- If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS: MYEPWD<space>E voting Event Number + Folio No. or DP ID Client ID to +91 9212993399
 Example for NSDL : MYEPWD<SPACE> IN12345612345678
 Example for CDSL : MYEPWD<SPACE> 1402345612345678
 Example for Physical : MYEPWD<SPACE> XXX1234567890
 - If e-mail address of the Member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - Members may call Karvy's toll free number 1-800-3454-001.
 - Members may send an e-mail request to evoting@karvy.com. If the Member is already registered with the Karvy e-voting platform then such member can use his/her existing User ID and password for casting the vote through remote e-voting.
- D.** Once a vote on Resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- E.** In case of any queries, please visit Help and Frequently Asked Questions (FAQs) section available at Karvy's website: <https://www.evoting.karvy.com>.
15. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the Annual General Meeting and the Members attending the Annual General Meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the Annual General Meeting.
16. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
17. **A member's voting rights shall be in proportion to his/her share of the paid up equity share capital of the Company as on August 03, 2018 ('cut-off date').** A person whose name is recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the depositories as on the 'cut-off date only' shall be entitled to avail the facility of remote e-voting as well as voting in the Annual General Meeting. A person who is not a member as on the cut-off date should treat this Notice for information purposes only.
18. The Scrutinizer will submit her report addressed to Mr. K. M. Sheth, Chairman after completion of the scrutiny and the results of the voting will be announced on or before August 12, 2018. The voting results shall be submitted to the Stock Exchanges. The same shall be displayed on the Notice Board of the Company at its Registered Office. The same shall also be placed on the website of the Company and Karvy's website.
19. Members are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically with respective Depository Participant (if holding shares in electronic form) or the Company / Karvy Computershare Private Ltd. (if holding shares in physical form). The requests to the Company / Karvy Computershare Private Ltd. can either be sent by way of a letter or by sending e-mail to: shares@greatship.com / greatship.ris@karvy.com
20. The route map of the venue of the meeting is as follows:



EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NOS. 4 TO 6:

The Securities and Exchange Board of India vide its notification dated May 09, 2018, issued Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (hereinafter referred to as the 'Regulations'). The Regulation 3 (d) (ii) of the Regulations specifies that no listed entity shall continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect. The said Regulation shall come into force with effect from April 01, 2019.

Mr. K. M. Sheth, non-executive Chairman, was appointed by the members as non-executive Director retiring by rotation at their Annual General Meeting held on August 10, 2017.

The members have, at their Annual General Meeting held on September 25, 2014, appointed Mr. Vineet Nayyar as an Independent Director of the Company for a term of 5 years with effect from September 25, 2014. The members have, at their Annual General Meeting held on August 12, 2015, also appointed Mr. Farrokh Kavarana as an Independent Director of the Company for a term of 5 years with effect from November 14, 2014.

Mr. K. M. Sheth and Mr. Vineet Nayyar have already attained the age of 75 years. Mr. Farrokh Kavarana will attain the age of 75 years before April 01, 2019. Accordingly, it is proposed to pass special resolutions as set out at Item Nos. 4 to 6 to enable them to continue their directorships for the respective terms of their appointments.

The continued association of Mr. K. M. Sheth, Mr. Vineet Nayyar and Mr. Farrokh Kavarana would be of immense benefit to the Company and it is desirable to continue to avail their services as the Directors of the Company. Their brief profiles are set out hereinafter. Accordingly, the resolutions at Item Nos. 4 to 6 of the Notice are commended for the approval of the members.

Mr. K. M. Sheth may be deemed to be interested, financially or otherwise, in the resolution as set out at Item No. 4 of the Notice with regard to continuation of his directorship. Mr. Bharat K. Sheth and Mr. Ravi K. Sheth may also be deemed to be interested in the said resolution. Other relatives of Mr. K. M. Sheth may also be deemed to be interested in the said resolution to the extent of their shareholding interest, if any, in the Company.

Mr. Vineet Nayyar and Mr. Farrokh Kavarana may be deemed to be interested, financially or otherwise, in the resolutions as set out at Item No. 5 and 6 of the Notice with regard to continuation of their respective directorships. Their relatives may also be deemed to be interested in the said respective resolutions, to the extent of their shareholding interest, if any, in the Company.

None of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid resolutions.

BRIEF PROFILE:

Mr. K. M. Sheth (Age: 86 years) joined the Company in 1952 and was inducted on the Board of Directors of the Company in 1970. He became the 'Deputy Chairman and Managing Director' in 1975 and rose to become the 'Chairman and Managing Director' in 1992. He became Executive Chairman in 1999. With a view to reduce his day to day commitments, Mr. K. M. Sheth relinquished the office of the Whole-time Director with effect from September 01, 2014. He has been providing invaluable guidance to the Company in its strategic and decision making policies.

Previously, Mr. K. M. Sheth held the post of President of the Indian National Shipowners Association (INSA) and was the employers' group Chairman in the International Labour Organization (ILO) plenary session in Geneva. He was the recipient of the highest national maritime 'Varuna Award' in 2005 by the National Maritime Committee.

He continues to be Chairman of the South Asia Advisory Committee of Lloyds Register, Chairman of the South Asia Committee of Det Norske Veritas and Chairman of the Indian Committee of Nippon Kaiji Kyokai, Japan. He is also Chairman of Board of Governors of The Great Eastern Institute of Maritime Studies. He is a Director on the Board of Britannia Steamship Insurance Association Limited, London and member of the American Bureau of Shipping, USA.

Mr. Vineet Nayyar (Age : 79 years) is the Vice Chairman of Tech Mahindra Ltd. An accomplished leader, he has led several organizations across industries, created high performance teams and successful businesses. In a career spanning over 50 years, Mr. Vineet Nayyar has worked with the Government of India, International Multilateral Agencies and in the Corporate Sector (both Public and Private).

He started his career with the Indian Administrative Service and held a series of senior positions, including that of a District Magistrate, Secretary - Agriculture & Rural Development for the Government of Haryana & the Director, Department of Economic Affairs, Government of India. He also worked with The World Bank for over 10 years in a series of senior assignments, including successive terms as the Chief for the Energy, Infrastructure and the Finance Divisions for East Asia and Pacific.

Mr. Vineet Nayyar was also the founding Chairman and Managing Director of the state-owned Gas Authority of India Ltd. and has served as the Managing Director of HCL Corporation Ltd. and as the Vice Chairman of HCL Technologies Ltd. He was also a Co-founder and Chief Executive Officer of HCL Perot Systems. He received a Master's Degree in Development Economics from Williams College, Massachusetts.

In addition to his responsibilities at Tech Mahindra, Mr. Vineet Nayyar's Principal Directorships include his serving as a Director on the Boards of Mahindra Holidays and Resorts India Ltd, Mahindra United World College of India, Greatship (India) Ltd, Vidya Education Investments Private Ltd, Maurya Education Company Private Ltd, Tech Mahindra Foundation, Essel Social Welfare Foundation (formerly-HPS Social Welfare Foundation), Mahindra Satyam Foundation and Mahindra Educational Institutions. He is also a trustee of TML Benefit Trust, Vidya Education Foundation, Cathedral Vidya Trust and Mahindra Education Foundation. Mr. Vineet Nayyar is also the Founder and Trustee of Reimagining Higher Education Foundation.

Mr. Vineet Nayyar was awarded the Ernst and Young 'Entrepreneur of the Year [Manager]' for the Year 2013. He also featured as one of the TOP 20 Best Indian CEOs awarded by Business Today in 2015.

Mr. Farrokh Kavarana (Age : 74 years) holds B.Com. (Hons.) from the University of Bombay and MBA from the Wharton School, University of Pennsylvania. He is a Fellow of the Institute of Chartered Accountants in England & Wales and a Member of the Institute of Chartered Accountants of India.

Before joining the Tata Group in 1975, Mr. Farrokh Kavarana held key positions with McKinsey & Co. Inc., in London and Washington D.C. and The Bowater Corporation in UK and Europe. He was on the Board of various Tata Group companies including Tata Sons Limited and Tata Industries Limited, the apex holding companies of the Tata Group.

Mr. Farrokh Kavarana is a recipient of the Dadabhai Naoroji International Millennium Award 2005, and the Wharton India Alumni Award 2009.

Mr. Farrokh Kavarana, is also on the Board of Directors of ACC Ltd.

ITEM NO. 7:

Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 prescribed, inter alia, under Section 42 of the Companies Act, 2013 deals with private placement of securities by a company. Sub-rule (2) of the said Rule 14 states that in case of an offer or invitation to subscribe for non-convertible debentures on private placement, the company shall obtain previous approval of its shareholders by means of a special resolution only once in a year for all the offers or invitations for such debentures during the year.

In order to augment long term resources for financing, inter alia, the ongoing capital expenditure and for general corporate purposes, the Company may offer or invite subscription for secured / unsecured redeemable non-convertible debentures, in one or more series / tranches on private placement, issuable / redeemable at par.

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No. 7 of the Notice as an enabling Resolution.

This Resolution enables the Board of Directors of the Company to offer or invite subscription for non-convertible debentures, as may be required by the Company, from time to time for a year from the conclusion of this Annual General Meeting.

Your Directors commend the Resolution at Item No. 7 of the Notice for your approval.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution.

By Order of the Board

Jayesh M. Trivedi
Company Secretary

Mumbai, June 15, 2018

Registered Office :

Ocean House, 134/A,
Dr. Annie Besant Road, Worli, Mumbai 400 018
Tel : 022 6661 3000/2492 2100
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ANNEXURE TO NOTICE

INFORMATION REQUIRED AS PER REGULATION 36 (3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 IN RESPECT OF DIRECTOR BEING RE-APPOINTED

Mr. G. Shivakumar (age: 50 years) is a Bachelor of Commerce and a Post Graduate in Management from IIM Ahmedabad. He joined the Company as a management trainee immediately after completing his management in 1990. He had stints in key functions like Treasury, Corporate Finance, Human Resources and Strategic Planning. He rose to become the Chief Financial Officer of the Company in 2008 and the Executive Director & CFO of the Company in 2014.

Mr. G. Shivakumar is also the Chief Financial Officer of Greatship (India) Limited, a wholly owned subsidiary of the Company. He is also on the Board of Directors of Great Eastern CSR Foundation and The Great Eastern (Singapore) Pte. Ltd., the wholly owned subsidiaries of the Company.

Mr. G. Shivakumar is a member of Executive Council of the Indian Maritime University.

Mr. G. Shivakumar is a member of the Stakeholders' Relationship Committee of the Company.

Mr. G. Shivakumar holds 57 equity shares in the Company. He has attended all 5 Board meetings held during the financial year 2017-18.



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PROXY FORM

Form No. MGT – 11

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):

Registered address:

E-mail ID:

Folio No. / DP ID and Client ID:

I/We, being the Member(s) holding shares of the above named Company, hereby appoint

1. Name: E-mail ID:

Address:

Signature of First Proxy holder: ,or failing him/her

2. Name: E-mail ID:

Address:

Signature of Second Proxy holder: ,or failing him/her

3. Name: E-mail ID:

Address:

Signature of Third Proxy holder:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 70th Annual General Meeting, to be held on Friday, August 10, 2018 at 3.00 p.m at Auditorium, Swatantryaveer Savarkar Rastriya Smarak, 252, Swatantryaveer Savarkar Marg, Shivaji Park, Dadar West, Mumbai – 400028 and at any adjournment thereof in respect of such resolutions as are indicated below:

*I/We wish my above proxy(ies) to vote in the manner as indicated in the box below:

RESOLUTION NO.	DESCRIPTION	FOR	AGAINST
1.	Adoption of audited standalone and consolidated financial statements for the financial year ended March 31, 2018, the reports of the Board of Directors and Auditors thereon.		
2.	Declaration of dividend on equity shares.		

RESOLUTION NO.	DESCRIPTION	FOR	AGAINST
3.	Re-appointment of Mr. G. Shivakumar as Director of the Company liable to retire by rotation.		
4.	Continuation of directorship of Mr. K. M. Sheth as Non-Executive Director of the Company on and after April 01, 2019.		
5.	Continuation of directorship of Mr. Vineet Nayyar as an Independent Director of the Company on and after April 01, 2019.		
6.	Continuation of directorship of Mr. Farrokh Kavarana as an Independent Director of the Company on and after April 01, 2019.		
7.	Issue of secured/unsecured redeemable non – convertible debentures aggregating up to Rs.1,000 crore.		

* This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

AFFIX
REVENUE
STAMP

.....
Signature of Shareholder

.....
Signature of first proxy
holder

.....
Signature of second proxy
holder

.....
Signature of third proxy
holder

Signed this day of 2018.

Notes:

- 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
- A proxy need not be a Member of the Company.
- In case the Member appointing proxy is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorised by it and an authenticated copy of such authorisation should be attached to the proxy form.
- A person can act as proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
- Appointing a proxy does not prevent a Member from attending the meeting in person if he/she so wishes.
- In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

THE GREAT EASTERN SHIPPING CO. LTD.



THE GREAT EASTERN
SHIPPING CO. LTD.

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CIN : L35110MH1948PLC006472

ATTENDANCE SLIP

PLEASE FILL THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. JOINT SHAREHOLDERS MAY OBTAIN ADDITIONAL SLIP ON REQUEST

Folio No. /DP. ID* & Client ID* :

Name of the shareholder :

Address of the shareholder :

No. of Share(s) held :

I hereby record my presence at the 70th Annual General Meeting of the Company held on Friday, August 10, 2018 at 3.00 p.m. at Auditorium, Swatantryaveer Savarkar Rastriya Smarak, 252, Swatantryaveer Savarkar Marg, Shivaji Park, Dadar West, Mumbai - 400028.

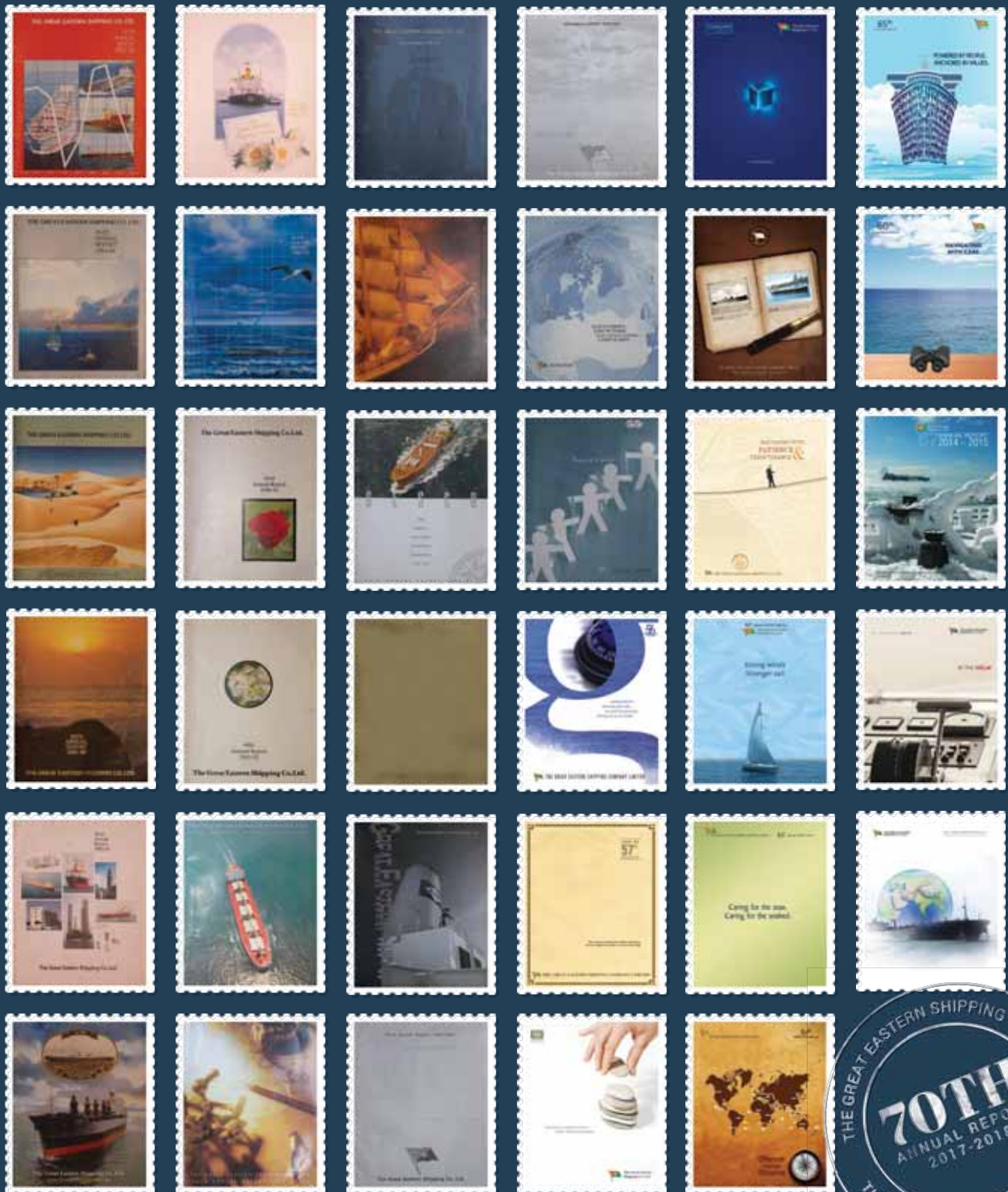
Signature of the shareholder or proxy

*Applicable for investors holding shares in electronic form.

REMOTE ELECTRONIC VOTING PARTICULARS

EVEN (ELECTRONIC VOTING EVENT NUMBER)	USER ID	PASSWORD / PIN

Note : The Company is pleased to offer the option of remote e-voting facility to the Members. All the business, as set out in the Notice of the Annual General Meeting (AGM), may be transacted by remote e-voting. The remote e-voting will commence at 10.00 a.m. on Tuesday, August 07, 2018 and will end at 5.00 p.m. on Thursday, August 09, 2018. The remote e-voting module shall be disabled by Karvy Computershare Pvt. Ltd. for voting thereafter. **Members desiring to exercise remote e-voting option may refer to the detailed procedure on electronic voting as provided in the Notice of AGM.**



THE GREAT EASTERN
SHIPPING CO. LTD.

CHAIRMAN'S STATEMENT



My fellow shareholders,

Let me begin this letter by remembering all the Company's past directors and employees, as this is a special year; on 3rd August 2018, your Company celebrates its 70th year. In an industry known for its excessive volatility, and where many crumble to the vagaries of the market, our record is one of which we can be justifiably proud. For those investors who invested in the Company at the outset, and stood by us through thick and thin, their investment has compounded at between 17 and 21%, depending on the method of calculation. Few of our peers globally can compare with this return over these many years. Having said this, I am confident that your team can do better in the years ahead. I say this because as a Company the management spends considerable time understanding and dwelling over our mistakes to ensure that they are not repeated again. Shipping as an industry has one of the highest standard deviations of any commoditized business and, while this reflects the extent of risk, it

also provides ample opportunities to generate higher returns.

Within the Indian maritime space your Company has undertaken multiple pioneering efforts including being the first to initiate tramp shipping, being the first to acquire oil tankers, being the first to diversify into the offshore oil sector, etc. The list is simply too long to be fully covered here.

Unfortunately for us markets tend to neither recognize nor reward anniversaries and, sadly, our 70th anniversary has coincided with multiple year lows in freight rates for a majority of our asset classes. A more detailed discussion of our businesses has been placed through the MDA and hence I will not dwell on it here.

Last year I had, in some detail, discussed our long term focus together with our capital allocation process. Nothing has changed and hence I would once again request those of you who wish to have a better understanding of our philosophy to read it. We will continue to be patient with our capital and remain unwavering in our risk model. We cannot think of a better approach towards longer term sustainability.

Newer and newer accounting standards will increasingly play a role in the reporting of our results and I would therefore urge the 'analyst' in you to focus on cash flows.

All of us in the corporate space need to have a great sense of responsibility towards helping the many who struggle daily in their lives, be it in the area of health, education or the prospect of finding employment. Your Company set up a foundation in February 2015 towards this and I am happy to report that we have helped, directly or indirectly the lives of more than 50,000 individuals. I do sincerely hope that, whatever happens in the future, we never forget to support these people.

And finally there are just too many people to thank – from our founder directors to each one of our past and present employees whether they sail with us on our ships or are based in our offices. They have all collectively helped in creating the basic foundations of high integrity, hard work, and humility to accept and recognize that it could always be better.

With warm regards,

A handwritten signature in black ink, appearing to read 'K. M. Sheth', with a horizontal line underneath.

K. M. Sheth

Chairman

BOARD OF DIRECTORS

Mr. K. M. Sheth,
Chairman

Mr. Bharat K. Sheth,
Deputy Chairman & Managing Director

Mr. Berjis Desai

Mr. Cyrus Guzder

Mr. Farrokh Kavarana

Ms. Rita Bhagwati

Dr. Shankar N. Acharya

Mr. Vineet Nayyar

Mr. Ravi K. Sheth

Mr. Tapas Icot,
Executive Director & President (Shipping)

Mr. G. Shivakumar,
Executive Director & CFO

COMMITTEES

AUDIT COMMITTEE

Mr. Cyrus Guzder,
Chairman

Mr. Berjis Desai

Mr. Farrokh Kavarana

Ms. Rita Bhagwati

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr. Cyrus Guzder,
Chairman

Mr. Bharat K. Sheth

Mr. G. Shivakumar

NOMINATION AND REMUNERATION COMMITTEE

Mr. Cyrus Guzder,
Chairman

Mr. Berjis Desai

Mr. Farrokh Kavarana

Dr. Shankar N. Acharya

COMPANY SECRETARY

Mr. Jayesh M. Trivedi

REGISTERED OFFICE

Ocean House

134/A, Dr. Annie Besant Road, Worli,
Mumbai 400 018

CIN: L35110MH1948PLC006472

Tel.: 022 6661 3000 / 2492 2100

Fax: 022 2492 5900

Email: shares@greatship.com
(Investor Relations)

Web: www.greatship.com

AUDITORS

DELOITTE HASKINS & SELLS LLP

Chartered Accountants

Indiabulls Finance Centre, Tower 3, 27th-32nd Floor,
Senapati Bapat Marg,
Elphinstone Road (West), Mumbai – 400013

SHARE TRANSFER AGENT

KARVY COMPUTERSHARE PVT. LTD.

Unit: The Great Eastern Shipping Co. Ltd.

Karvy Selenium, Tower B, Plot 31-32,
Gachibowli, Financial District, Nanakramguda,
Hyderabad - 500 032

Tel: +91 40 6716 2222

Fax: +91 40 2342 0814

Email: greatship.ris@karvy.com

Web: www.karvycomputershare.com



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Vegetables produced by the students of Lend-A-Hand-India (LAHI)



**CORPORATE SOCIAL
RESPONSIBILITY**

CORPORATE SOCIAL RESPONSIBILITY



GREAT EASTERN
CSR FOUNDATION

Since the launch of the Great Eastern CSR Foundation (GECSRF) in 2015, Corporate Social Responsibility (CSR) has become an inherent component of Great Eastern's business strategy. This inexorable shift towards a more sustainable form of corporate governance is evident not only in our growing portfolio of NGO partners, but also in the more active participation of our employees in the various volunteering activities and CSR programs organized by GECSRF.

FY 2017-18 saw the addition of three more partners to our portfolio – Inga Health Foundation, Olympic Gold Quest and EdelGive Foundation. The partnership with EdelGive (the philanthropic arm of Edelweiss) is a direct result of the growing understanding that any significant social change will require a breakaway from the prevailing culture of isolated financial allocation and a move towards a more co-funded approach to corporate philanthropy. Through the efforts of our newest partners, in combination with the long-standing work of our existing partners, GECSRF is now impacting the lives of more than 50,000 families across the country.

Our growing cohort of employee volunteers is further testament to the emergent culture of social responsibility in Great Eastern. Programs which started as one-off events have evolved into long term volunteering projects that leverage the multitudes of skills and expertise of our various employees.

Our growth over the last three years is a direct product of our constant efforts to build on our strengths and learn as we grow. Our efforts will continue to focus on promoting societal growth by supporting organizations and institutes that work towards this endeavour.



EdelGive: Learning activities

THE CSR VISION

For Great Eastern, CSR means responsible business policies that are ethical, equitable, environmentally conscious, gender sensitive, and sensitive towards the differently abled. At Great Eastern, CSR goes far beyond simple compliance and token philanthropy. With the incorporation of the Great Eastern CSR Foundation, the Company aims to contribute significantly to the local community, both through direct funding and through volunteering of our employees.

OBJECTIVE

Great Eastern's primary CSR objectives are to:

- Demonstrate commitment to the common good through responsible business practices and good governance.
- Actively support the state's development agenda to ensure sustainable and equitable change.
- Set high standards of quality in the delivery of services in the social sector by creating robust processes and replicable models.
- Engender a sense of empathy among employees of GES to motivate them to give back to the society.

GREAT EASTERN CSR FOUNDATION

In February 2015, the Company incorporated a wholly owned not-for-profit subsidiary - Great Eastern CSR Foundation (GECSRF) to implement the Company's CSR Strategy.

FOCUS AREAS

The key thrust areas of GECSRF are aligned with three of the United Nations Sustainability Development Goals (SDGs). The Government of India is committed to deliver SDG goals and the success of the same will have a significant impact on the overall success of SDG's at a global scale.

The three SDGs selected and the corresponding GECSRF focus areas for each are as follows:

SDG GOALS	GECSRF FOCUS
End hunger, achieve food security and improved nutrition and promote sustainable agriculture	- Focus on environment friendly agricultural practices that will ensure enhanced income and food security to the select communities. - Our target beneficiaries are women farmers, small and marginal farmers, farmers affected by extreme weather, those who integrate food production with protection of nature and increase in income as focus.
Ensure healthy lives and promote well-being for all at all ages	- Focus on adolescent girls, pregnant mothers, infants and community based health projects. - Our target geographies/communities are those where health service penetration is low or little.
Ensure inclusive and equitable quality education and promote life-long learning opportunities for all	- Focus on capacity building of teachers. This is with the clarity that having empowered teachers is the most important factor in improving the quality of education. - Emphasis on job oriented skilling and entrepreneurship programs.

NGO PARTNERS

The details of the various NGOs supported by GECSRF are given below:



Ashoka University: Students in deep discussion

ASHOKA UNIVERSITY

ABOUT

Ashoka University is a philanthropic initiative founded by eminent scholars and visionaries to provide a liberal education on par with the best universities around the world. Their multidisciplinary courses on critical thinking and social consciousness instil a love of learning in their students. At Ashoka, motivated educators and bright students learn from each other and establish a vibrant community of free-thinking individuals.

OUR SUPPORT

GECSRF is providing scholarships to students from mainly low economic backgrounds.

MASOOM

ABOUT

Founded by Nikita Ketkar, Masoom works with night school students on their academics and provide better career opportunities to them. Masoom's 'Night School Transformation Program' is specifically tailored to meet the needs of the night school and the individual students who are mainly school dropouts from poor socio-economic backgrounds. Most of them work during the day to support their families. The project follows a three-pronged model to achieve its aim:

- Educational infrastructure building and support
- Capacity Building support
- Advocacy

OUR SUPPORT

GECSRF supports Masoom's interventions in four night schools across Mumbai. Through our support, Masoom is able to provide

quality resources and support to the students and faculty. The children supported through this program are extremely hardworking and motivated young adults who work long hours during the day and come to school to finish their education post work hours.

Currently, through our combined efforts with Masoom, each year more than 300 students are benefiting from the resources and expertise provided by Masoom.



Pratham: Learning activities

PRATHAM

ABOUT

Pratham is an innovative learning organization co-founded by Madhav Chavan and Farida Lambay. As one of the largest non-governmental organizations in the country, Pratham focuses on high-quality, low-cost, and replicable interventions to address gaps in the education system.

Their mission is to improve the quality of education in India and ensure that all children not only attend but also thrive in school. This is being accomplished by working in collaboration with the multiple stakeholders in the education system. Consequently their programmes aim to supplement rather than replace governmental efforts.

OUR SUPPORT:

GECSRF works with Pratham to fund two of their 'Learning Centres' and to improve the quality of education through intervention in a partly government owned school in Chembur. Through these interventions more than 1000 children from some of the most vulnerable backgrounds are receiving high quality education and learning aids.



TFI: A proud TFI fellow and her students

TEACH-FOR-INDIA

ABOUT

Founded by Shaheen Mistri, Teach-For-India, a project of Teach-To-Lead, is a nationwide movement of outstanding college graduates and young professionals who commit two years to teach full-time as Fellows in under-resourced schools and who become lifelong leaders working from within various sectors towards the pursuit of equity in education.

OUR SUPPORT:

In order to help the organization build a movement of leaders to eliminate educational inequity, GECSRF has funded 46 Fellows from Pune and Delhi. Our funds have gone towards the recruitment, selection, training and placement of Fellows in under-resourced classrooms as full-time teachers for a period of two years.



Muktangan: Project day at the Muktangan School

MUKTANGAN

ABOUT

Muktangan is a new model of education founded by Liz and Sunil Mehta. Muktangan provides quality, child-centred, inclusive English-medium schooling to thousands of underprivileged children in Mumbai.

Started in response to the challenges inherent in the Indian education

system, Muktangan's community-based, low-cost, inclusive, child-centred methodology has been researched over ten years in their Teacher Education Centre and 7 English-medium Municipal schools in Mumbai.

OUR SUPPORT:

GECSRF has partnered with Muktangan to fund the running of the Muktangan School in Prabhadevi. Through our funding, each year 400 children are receiving high quality education and more than 50 teachers are receiving the training required to give them the skills needed to motivate and teach the children of Muktangan.



3.2.1: Training activity

3.2.1 EDUCATION FOUNDATION

ABOUT

Founded by Gaurav Singh, 3.2.1. Education Foundation works on addressing the problem of educational inequity in India. The NGO opened their first school (The Mahatma Jyotiba Phule Mumbai Public School) in June 2012 and is now running a Teacher Training Program in Mumbai, Hyderabad and Bangalore.

OUR SUPPORT:

In FY 2015-16, GECSRF partially funded 3.2.1 Foundation's Mahatma Jyotiba Phule Mumbai Public School. In addition to funding the School, GECSRF also funded the 'Sustained Mastery Program'. This program focused on spreading best practices to teachers across the country. Through these endeavours, GECSRF provided quality, holistic education to more than 350 children. From FY 2016-17 onwards GECSRF supported their teacher training program which resulted in the spread of quality education across multiple schools in Mumbai, Bangalore and Hyderabad.



Tamarind Tree :Tribal girls learning Karate

TAMARIND TREE FOUNDATION ABOUT

Founded by Michelle and Hemant Chawla, this School for tribal children is an initiative of the Tamarind Tree Trust, a non-profit organisation based in Dahanu, Maharashtra. Situated in the Palghar District of Dahanu, this English medium school has classes from Nursery to Class 7. The school's aim has been to provide a good quality learning environment for tribal children by combining technology-based education with hands on activities such as farming, games and so on.

In addition to running the school, Tamarind Tree also runs 'My Big Campus', a community owned wireless mesh project in Dahanu. This mesh allows children free access to their educational digital content at home on devices like a tablet, android phone, laptop or computer.

OUR SUPPORT:

GECSRF has partnered with Tamarind Tree Foundation to help fund the running of the school. In addition to funding the running cost of the school GECSRF has also funded the development and implementation of 'My Big Campus'.

Our funding is ensuring that quality education is a reality for more than 130 children of a tribal community who are often neglected by the mainstream education system. In addition, their wireless mesh project is helping multiple families in relatively isolated villages receive educational content directly at their homes.



XRCVC: Visually challenged students helping the XRCVC team develop geometry tools for children with blindness and low vision.

THE XAVIER'S RESOURCE CENTRE FOR THE VISUALLY CHALLENGED (XRCVC)

ABOUT

XRCVC is part of St. Xavier's College and provides services and assistance for visually handicapped children across India. XRCVC works towards creating an enabling environment to facilitate the development of an inclusive society both at the micro as well as the macro levels thereby providing equal opportunities for holistic growth for the visually challenged.

OUR SUPPORT:

GECSRF has partnered with XRCVC to work towards providing education support to students with blindness and low vision as well as to spread awareness on inclusive education across mainstream schools in Mumbai. Each year this has a direct impact on more than 250 children and indirect impact on policy change at a national level.



LAHI :Learning about blood testing as part of skill development program

LEND-A-HAND-INDIA (LAHI)

ABOUT

LAHI is an NGO founded by Raj Gilda and Sunanda Mane. Based out of Pune, LAHI works across Maharashtra, Karnataka, Goa, Gujarat, Uttar Pradesh, Madhya Pradesh, Andhra Pradesh and Odisha. Their model is to integrate skill training from class 9 to class 12, which has a proven impact on increasing attendance and reducing drop-out cases. Most importantly, the course equips children with the necessary skills and exposure to make right decisions on further education and/or livelihood post the completion of class 12.

OUR SUPPORT:

GECSRF funding is going towards supporting LAHI in implementing their integrated skilling program in 10 new schools and enhancing the quality of their ongoing work in another 10 schools across Maharashtra. Through this support, more than 2200 children are receiving vocational training and life skills.

SNEHA

ABOUT

Founded by Dr. Armida Fernandez, SNEHA works in the slums of Mumbai to provide healthcare services to women and children. SNEHA runs a number of 'Healthcare Centres' through which they provide multiple services for women and children such as nutrition for children and pregnant mothers, connections with healthcare providers, basic health and malnutrition checks and health and hygiene communication.

OUR SUPPORT:

GECSRF is funding the running of a SNEHA Healthcare Centre in the Govandi slums. The objectives of this centre are:

- To improve the health and nutritional status of pregnant and lactating women.
- To improve access and uptake of family planning services and counselling to reduce unwanted pregnancies and abolish domestic violence.

- To improve the health and nutritional status of children under two years of age.
- To improve sustainability by strengthening community action.

This centre is providing healthcare services for more than 4000 families in one of the most economically weak regions of Mumbai.



SSP: Teaching women farmers about water conservation

SWAYAM SHIKSHAN PRAYOG (SSP)

ABOUT

Founded by Ms. Prema Gopalan, SSP works towards promoting empowerment of women as leaders and entrepreneurs through self-help groups, social enterprises and community led initiatives. SSP targets women farmers in small farm households and equips them with the knowledge and skill sets to utilize small portions of their family's land to practice nutrition sensitive farming that provides much needed nutritious food crops for the family. These women are also trained in sustainable farming practices and water conservation to make the most out of their land.

OUR SUPPORT

GECSRF funds are helping SSP to create livelihoods for 5000 women across villages in Latur in Maharashtra in addition to sustainable solutions to drought and allied issues.



MDF: A small business owner converting old card into paper plates

MANN DESHI FOUNDATION (MDF)

ABOUT

MDF was founded in 1996 by Ms. Chetna Sinha. MDF works to create women entrepreneurs through skill-based training programs. Its aim is to create rural women entrepreneurs, build sustainable opportunities for livelihood for these women and mainstream them to become an important part of the country's economic growth. The Mann Deshi umbrella of organizations currently serves 5 districts in the province of Maharashtra and 2 districts in the province of Karnataka. MDF operates:

- The Mann Deshi bank (7 full time branches)
- Mann Deshi Business School (one at each bank branch)
- Mobile Business Schools

OUR SUPPORT

GECSRF funds have helped MDF build and develop a business school in Mhaswad, (Satara district) in which rural women receive business management training. Through our funding, more than 9000 women are receiving the training needed to successfully run their own businesses.

INGA HEALTH FOUNDATION (IHF)

ABOUT

IHF was founded by Prof. Dr. Krishna Shama Rao a craniofacial surgeon, practicing for the last 30+ years. Inga Health Foundation provides free surgery for children who are affected by facial deformities (such as cleft lip pallet) from families that cannot afford corrective surgery. Since inception, IHF has treated nearly 8,000 individuals with these deformities performing over 12,000 procedures. IHF aims at giving comprehensive treatment that involves not just the surgery but also Orthodontics, Speech Therapy and counselling and Genetic evaluation to enable these children and young adults to integrate into the society.

OUR SUPPORT

Through GECSRF's support, IHF conducted 85 free surgeries and necessary treatment for children and young adults born with deformities of skull and face.

THE GREAT EASTERN SHIPPING CO. LTD.



OGQ: Female Archers supported by OGQ

OLYMPIC GOLD QUEST (OGQ)

ABOUT

OGQ is a program of the Foundation for Promotion of Sports and Games, a Not for Profit Company. OGQ was founded by Indian sporting legends Geet Sethi and Prakash Padukone. OGQ raises donation from fans, individuals and organizations to support training of senior and junior Indian athletes who have the potential of winning an Olympic medal.

OUR SUPPORT

GECSRF is supporting OGQ by funding the complete training of potential Gold-winning athletes, many of whom are from underprivileged communities in some of the remotest parts of the country. OGQ's support goes far beyond just training and includes funding their travel, accommodation, food, travel insurance, visa fees and any other expenses that may occur.



EdelGive: Students assembly in a zilla parishad school in Tadgaon

EDELGIVE FOUNDATION

ABOUT

EdelGive Foundation (EG) is the strategic philanthropic arm of the Edelweiss Group. EG offers both financial and capacity building support to Non-Profit Organisations (NPOs) by working closely with them to help them overcome organisational development challenges. EG also acts as a catalyst between NPOs and potential funders. EG primarily works in 3 areas - Education, Livelihood and Women Empowerment.

Since inception, education has been a major focus area for EG. The EdelGive Coalition for transforming Education (ECE) is EG's Public-Private Partnership that aims to transform education in rural Maharashtra. The crux of the project is onsite support and coaching to teachers, creation of peer learning communities and cluster and block level intervention. It aims to achieve:

- 100% enrolment
- Focus on quality of Teaching Learning processes.
- Converting the education department officials from inspectors to facilitators.
- Tracking of impact per child.

This is a five year project in total and is expected to impact 44,000+ children, 600+ schools, 2000+ teachers and 100+ school managers.

OUR SUPPORT

GECSRF is supporting EdelGive for its ECE program. Through our combined efforts, we hope to massively increase our scale of impact and change the very landscape of education across Maharashtra.



Antarang: Students showing their career evaluation grades

ANTARANG FOUNDATION

ABOUT

Antarang Foundation was founded by Priya Agrawal (former COO of The Akanksha Foundation). The organization works with economically disadvantaged youth to help them transition from education to employment. Antarang Foundation works with the 14 – 25 year age continuum through 2 structured programs:

- Career Aware - 14-17 year old children are given 15 hours of training over 5 sessions on various subjects to help them chart their career.
- CareeReady – 18-25 year olds undergo 3 months of training (5 modules) on various subjects. They are then connected with mentors and potential employers.

OUR SUPPORT:

GECSRF has partnered with Antarang Foundation to ensure that youth between the ages of 14-25 receive all the training, skills and mentorship they need to enter the workforce with necessary confidence. GECSRF funding is going towards supporting 18 CareeReady and 34 Career Aware groups which will result in more than a 1000 children and youth receiving life skills and training to improve their chances of getting employment.

SYNERGY – A ROUND-TABLE DISCUSSION

With our community of NGO partners growing each year it seemed the appropriate time to develop dialogues between our partners and encourage idea exchange. Accordingly, this year saw the foundation of a unique round-table discussion forum titled 'Synergy'. The event was attended by the various NGO partners of GECSRF. The idea of this event was to explore the scope and relevance of collaborative work in order to produce better social outcomes. Each partner presented their particular strengths and skills which they had to offer as well as the areas in which they could use assistance. The success of the event was evident in the nascent collaborations that formed even prior to the night ending.

The roundtable discussion was followed by a networking dinner. In addition to the partners, the management team, senior leaders and active CSR volunteers from Great Eastern and Greatship (India) Ltd. also attended. It was an occasion for our leaders to meet our CSR partner organizations and understand their work in detail.

EMPLOYEE ENGAGEMENT

Employee engagement at Great Eastern has seen a paradigmatic shift since its inception. What started as 'low-intensity' exposure visits and NGO talks promoted by the CSR team has slowly evolved into self-driven long term programs. Our mentorship program is a prime example of this. Our pool of employee mentors has slowly grown and existing mentors have even taken on new mentees. These mentorship programs not only help the mentees, but also contribute to the learning and growth of our employees as they are exposed to fresh perspectives and different social realities.

At Great Eastern, we also understand that it is pertinent to structure engagement programs that cater to the wide variety of requirements of not only our NGO partners but also our employees. While our mentorship programs offer long-term opportunities, we have also focused on stand-alone, one-time programs that are very effective for those who can devote limited time. This year saw the organization of two such programs – a food distribution drive and a beach clean-up drive. Both of these half-day programs took our employee volunteers out of the comforts of an office space and into the field. The food distribution program allowed employees to not only make and pack meals for underprivileged children but also to directly serve these meals and interact with the children. Similarly, the beach-clean up drive saw a group of eager employees roll up their sleeves and clean up Mahim beach on the coast of Mumbai. Through their combined efforts, 600Kgs of waste plastic was collected – a big step towards a cleaner coastline! In addition, we continue to run our blood donation drives in partnership with Tata Memorial Hospital and KEM Hospital. The units collected are donated for the free treatment of poor cancer patients and other patients from low income families.

We continue to partner with The Wishing Well Foundation and Bal Asha

Trust in order to run multiple donation drives across the year. This year has seen employees go above and beyond merely donating during the drive with many individuals making additional contributions on their own accord.

GOING FORWARD

In the coming years we hope to leverage our networks and connections to add further value to development work. Going forward we shall no longer be restricted to working only in Maharashtra and will now be open to projects pan-India.

The coming year will also see a more intensive employee engagement program that further builds on the work been done till date. We hope to further galvanize our employee volunteers by developing more exciting volunteering opportunities and further showcasing the rewarding work being done by our existing cohort of volunteers.



BOARD'S REPORT

BOARD'S REPORT

Your Directors are pleased to present the 70th Annual Report on the business operations and the Financial Statements of your Company for the financial year ended March 31, 2018.

FINANCIAL PERFORMANCE

The financial results of the Company (standalone) for the financial year ended March 31, 2018 are presented below:

	(₹ in crores)	
	2017-18	2016-17
Total Revenue	2399.27	2224.71
Total Expenses	2232.08	1583.32
Profit before tax	167.19	641.39
Less : Tax Expenses	7.00	40.00
Profit for the period	160.19	601.39

Retained Earnings		
Balance at the beginning of the year	1405.71	1558.29
Add :		
- Profit for the year	160.19	601.39
- Other Comprehensive Income	3.42	(2.14)
Less :		
- Transfer to Tonnage tax reserve	15.00	100.00
- Transfer to Debenture redemption reserve	28.75	591.25
- Interim Dividend on Equity Shares	-	54.28
- Final Dividend on Equity Shares (FY - 2016-17)	98.01	-
- Dividend Distribution Tax	14.63	6.30
Balance at the end of the year	1412.93	1405.71

The net worth of the Company as on March 31, 2018 was ₹5225.42 crores as compared to ₹5162.02 crores for the previous year.

The financial statements have been prepared in accordance with the Indian Accounting Standards (IndAS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

DIVIDEND

Your Directors recommend a final dividend of ₹7.20 per share which will result in an outflow of ₹126.08 crores (inclusive of tax on dividend). This represents a payout ratio of 78.71% (previous year 28.90%). The dividend will be paid after your approval at the ensuing Annual General Meeting.

MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY PERFORMANCE

In Financial Year (FY) 18, the Company recorded a total income of ₹2399.27 crores (Previous year ₹2224.71 crores) and earned a PBIDT of ₹986.88 crores (previous year ₹1261.97 crores).

MARKET ANALYSIS

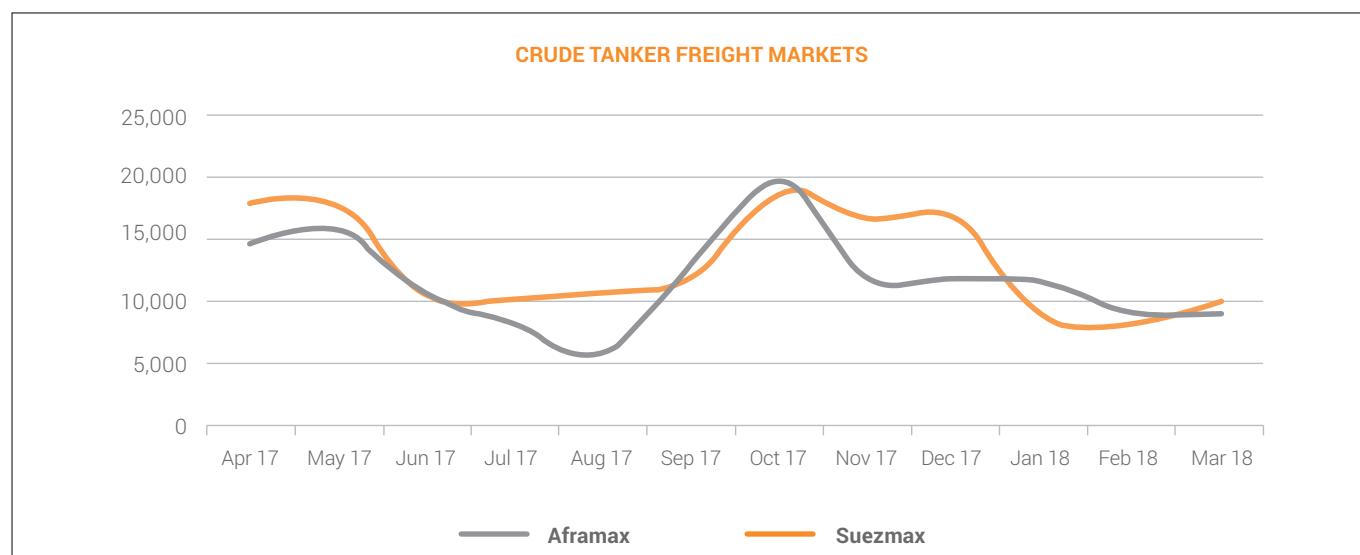
CRUDE TANKER MARKET

The crude tanker market in FY 18 witnessed lower earnings than FY 17 due to the following factors:

- In November 2016 the OPEC and certain Non-OPEC nations decided to curtail production to help support the crude oil prices. By the end of FY 17 and throughout FY 18 the market witnessed a strong compliance to these allocated cuts. This led to two major consequences:
 1. Lower production and consequently lower exports from these nations.
 2. The reduced production led to the oil price increasing, however the forward curve remained in backwardation (as the market believes these oil prices are artificially held high). When the oil curve is in backwardation, oil consumers prefer to draw down from their inventories, which has occurred at the expense of trade.
- Overall the trade growth was healthy from a historical context but due to the factors mentioned above, the trade growth was not strong enough to support freight rates.
- Fleet supply was a major challenge during the year due to a large number of new building vessels being delivered, floating storage (in vessels) being released and tankers trading in the clean sector switching to the dirty crude sector.
- The excessive growth in the fleet supply during the year exacerbated the supply overhang of vessels which existed at the beginning of the year.
- Therefore the freight market was very weak throughout the year. This weakness should have led to increased scrapping but unfortunately it did not pick up until the fourth quarter.

The table below captures the average spot earnings of the Suezmax and the Aframax type of ships over the financial year (in \$/day).

	FY 18	FY 17	YOY CHANGE
Suezmax	13,171	22,904	-42%
Aframax	11,720	20,075	-42%



Source: Clarksons

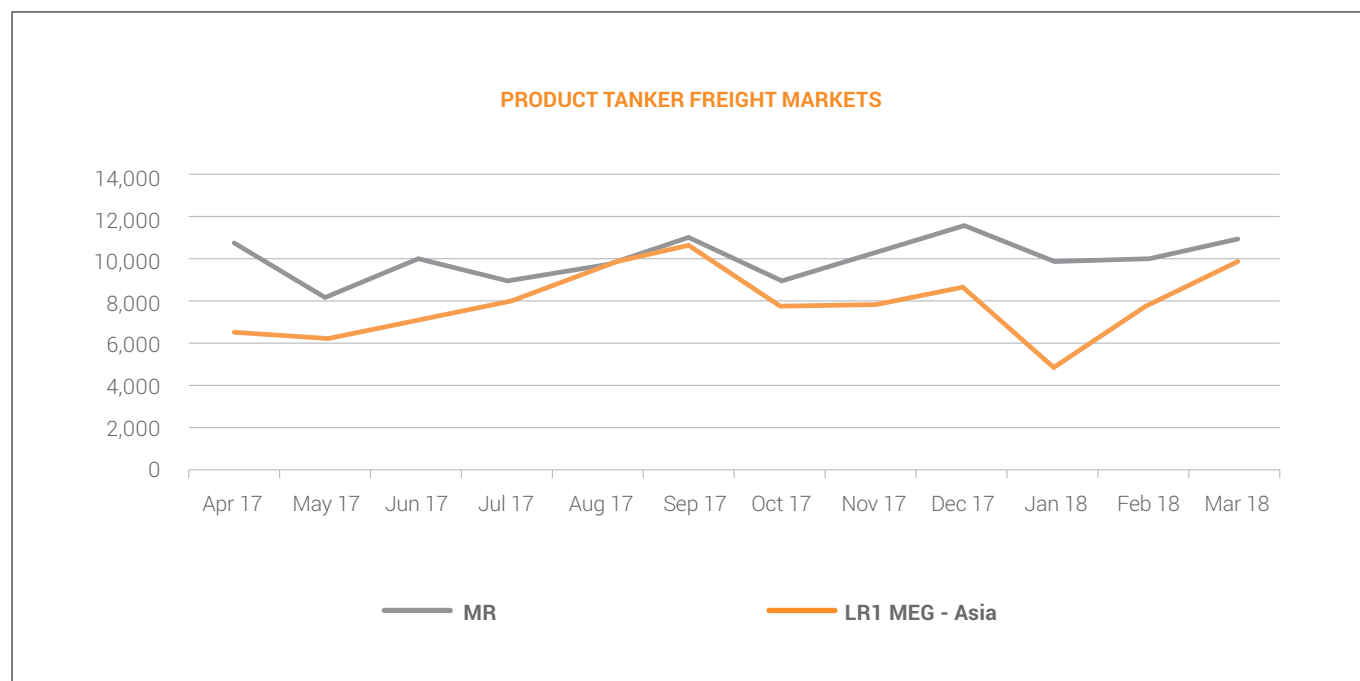
PRODUCT TANKER MARKET

The product tanker market in FY 18 witnessed lower earnings than in FY 17 due to the following factors:

- Similar to the crude market, inventories in the product tanker market had also built up over the previous year. Therefore in FY 18, despite a healthy demand growth for products, trade growth was weaker than FY 17 as consumers relied upon drawing down inventories.
- Another consequence of excessive inventory was the lack of arbitrage opportunities, an important component of demand for product tankers.
- Unfortunately, short haul intra-regional trade which did not contribute much to the tonne-mile expansion was the major source of whatever trade demand growth was seen.
- Fleet growth was strong during the year with minimal scrapping.
- Newbuilding Suezmaxes and VLCCs carried product cargoes on their maiden voyages, which further reduced cargoes available for product tankers.
- Clearly the year was challenging for product tankers as the dearth of cargoes and excess fleet was the perfect combination for a weak freight rate.

The table below captures the average spot earnings of the LR and MR type of ships over the financial year (in \$/day).

	FY 18	FY 17	YOY CHANGE
MR	9,976	10,698	-7%
LR1 MEG - Asia	7,875	10,247	-23%



Source: Clarksons

The Company bought (and took delivery of) a modern MR tanker and a modern LR2 tanker during FY 18. The Company believes that these acquisitions will be value accretive in the long term.

LPG CARRIER MARKET

The rise of the gas market over the last few years has been broadly attributed to two major reasons:

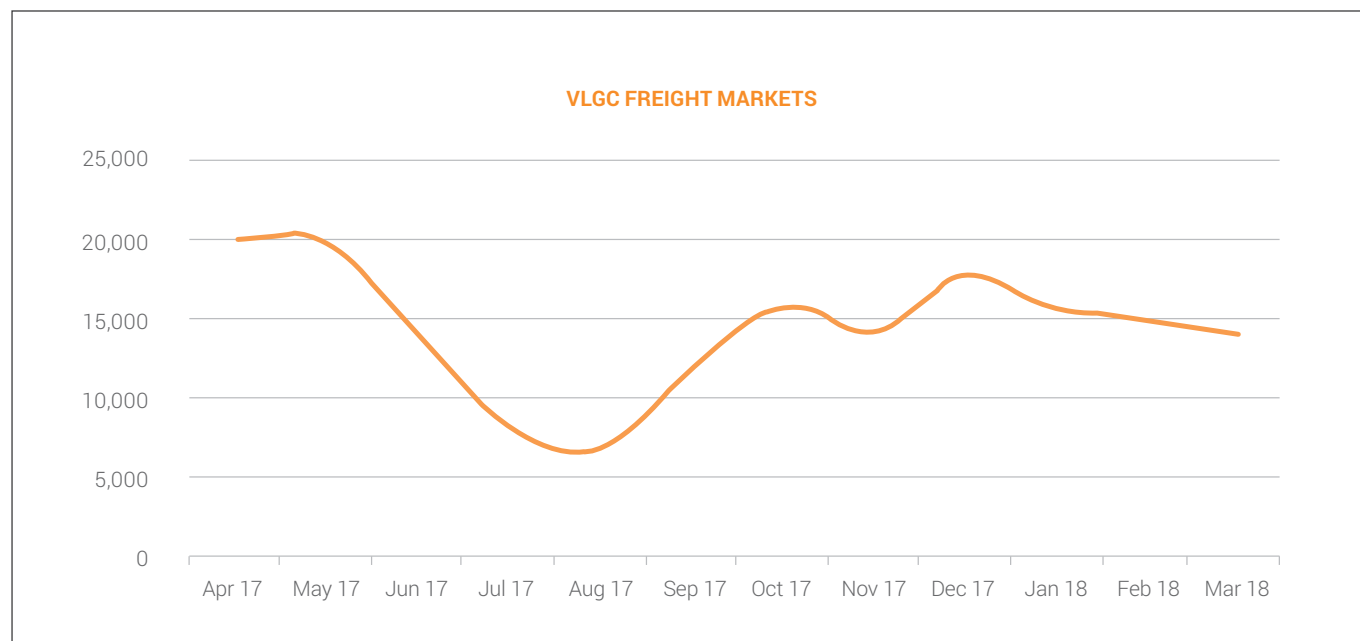
- First, the increase in shale production in the US has led to a large amount of LPG being produced in the region. The export of this new supply of gas (especially to Asia) has led not only to trade growth but also tonne mile expansion. To put it in perspective, US exports grew from 1.8 Mn tons in 2006 to about 33 Mn tons in 2017.
- The second factor was the strong growth in demand from the Asian countries, especially China and India.

However, on the back of a very strong freight market in 2014-16, ship owners had ordered a large number of vessels, most of which were delivered in 2016 and 2017. The growth in trade demand was unable to keep pace, with FY 17 witnessing a softening of the freight market. The supply overhang, along with delivery of new vessels and limited scrapping, has led to a depressed freight market for FY 18.

On top of the excessive fleet supply during FY 18, low oil prices capped the growth of shale production and as a consequence LPG production growth. Local demand in the US also picked up due to an extremely cold winter, as well as industrial demand for propane. As a result, local prices picked up, closing the arbitrage between the US and Asia. Therefore, while the fundamental story of exports to Asia remains strong, there was a slowdown in growth over the last year due to local factors.

The table below captures the average spot earnings of VLGC type of ships over the financial year (in \$/day).

	FY 18	FY 17	YOY CHANGE
VLGC	14,366	15,760	-9%



Source: Clarksons

The weak state of the freight market has led to weak asset values and the Company has capitalized on this opportunity to increase its exposure to the LPG sector. The Company has purchased two MGCs and one VLGC during the financial year, of which one MGC has been delivered to the Company in FY 18, and one VLGC in FY 19. The remaining MGC is expected to be delivered in FY 19.

DRY BULK CARRIER MARKET

Dry bulk markets began the financial year on a strong note. The market had suffered over the last few years due to excessive fleet supply; however FY 18 has seen an improvement in freight earnings.

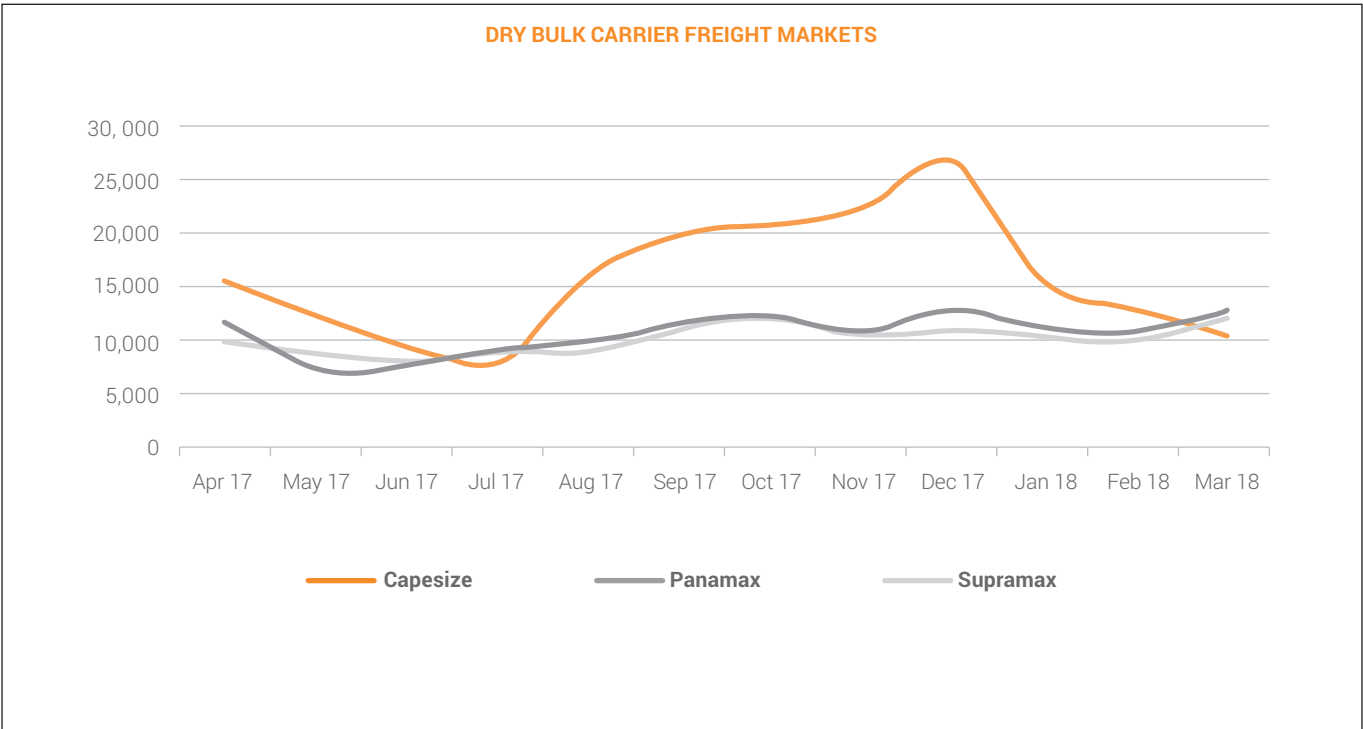
The defining characteristic of the dry bulk market over the last few years is that it is intrinsically dependent on the growth in Chinese cargo volumes.

The following events lent strength to the market:

- Fiscal stimulus in China has supported steel demand, which in turn has supported iron ore imports.
- Due to a focus on reducing pollution from steel mills, China increased imports of high grade ore from longer haul destinations such as Brazil.
- Coal demand for China and other South East Asian countries was strong and aided by longer haul exports from the US.
- The Latin American grain season has been exceptionally strong this year.
- Some minor bulk commodities such as bauxite also played their part as China diversified its sources from longer haul destinations such as Guinea.

The table below shows the average spot earnings of the various categories of dry bulk ships over FY 18 (in \$/day).

	FY 18	FY17	YOY CHANGE
Capesize	15,600	9,497	64%
Panamax	10,596	6,868	54%
Supramax	10,017	7,264	38%



Source: Baltic Exchange

FLEET SIZE AND CHANGE DURING THE FINANCIAL YEAR

As of 31st March 2018, the fleet of your Company stood at 47 ships aggregating 3.88 Mn dwt, with an average age of 10.58 years. During the financial year, your Company took delivery of 2 product tankers, 1 medium gas carrier and 1 dry bulk carrier aggregating 0.24 Mn dwt. The Company also sold 1 Supramax dry bulk carrier in the financial year.

MOVEMENT OF ASSET VALUES

Despite a weak freight market, the asset values for crude and product tankers moved within quite a narrow range of 5-10% during the year.

On the back of a strengthening dry bulk freight market, asset values gained by 5% to 30% depending on the age of the vessel, with a higher gain for older vessels.

Given the weak state of the gas market, asset values have corrected by 10-20% at the older end.

Over the next 12 months, the Company believes that asset values could stabilize for crude and LPG tankers and may increase for product and dry bulk vessels.

ORDER BOOK AND OUTLOOK

The crude tanker order book stands at 13%, while the product tanker order book is 9%.

Over the next 12 months, oil demand is expected to remain strong along with refinery runs. As inventories for both crude and products have reduced, the sector should witness an increase in flow of cargoes. On the supply side, crude tankers are being scrapped as quickly as they are being delivered, which should help the sector work through the overhang of fleet supply. However, the next 12 months are expected to be challenging.

For product tankers, the pace of deliveries has moderated, and the strong demand scenario may result in an improved freight market later in the year. Arbitrage opportunities should re-open, providing an additional increase to trade demand.

The VLGC orderbook stands at 12.8%. LPG production in the US is expected to pick up on the back of increased shale oil drilling. However, US LPG demand has been surprisingly strong which may result in limited growth in US exports. Therefore, the LPG freight markets are expected to remain challenging for another 6/12 months.

The dry bulk order book stands at 9.9%. The market has strengthened over the past couple of years, working its way through the overhang of excessive fleet supply. Over the next 12 months, demand is expected to grow at a healthy pace, with only moderate supply growth. Therefore, freight rates may improve somewhat over the next 12 months.

RISKS AND CONCERNS

Your Company has carried out a detailed exercise to identify the various risks faced by the Company, and has put in place mitigation, control and monitoring plans for each of the risks. Risk owners have been identified for each risk, and these risk owners are responsible for controlling the respective risks. The efficacy of these processes is monitored on a regular basis by Risk Committees for the different areas in order to make continuous improvement and is further reviewed by the Risk Management Committee consisting of the three Whole-time Directors and the Compliance Officer.

The material risks and challenges faced by the Company are as follows:

ECONOMIC RISK:

Shipping is a global business whose performance is closely linked to the state of the global economy. Therefore, if the global economic situation is adversely impacted, it could have an effect on the state of the shipping market.

GEO-POLITICAL RISK:

OPEC nations control more than one third of the oil supply. Therefore their decision on whether to comply (or extend) with crude production targets can have a material impact on the crude, product and LPG freight markets.

Many politically unstable countries such as Libya, Nigeria and Venezuela produce significant amounts of crude oil. Any instability in these countries (or resumption of stability in some countries such as Venezuela) may alter the supply/demand scenario. This will have a consequential impact on the tanker market.

Issues such as sanctions and wars may affect the shipping markets.

TRADE BARRIERS:

The recent trade dispute between the US and China may turn into a trade war. The manner in which it may unfold, if at all, could be a serious cause for concern.

CHINESE ECONOMY:

China has been a major source of global growth especially for commodities. If the economy falters or changes its policy towards import of various goods, the consequential damage to shipping will be significant.

CHALLENGES FACED BY THE SHIPPING BUSINESS

EARNINGS VOLATILITY:

The shipping industry is a truly global business with a host of issues potentially impacting the supply demand balance of the industry. This results in tremendous volatility in freight earnings and asset values.

Your Company attempts to manage that risk in various ways. If the Company believes that the freight market could weaken, it may enter into time charter contracts ranging from 6 months to 3 years. Another method of managing risk is by adjusting the mix of assets in the fleet through sale or purchase of ships. The Company also ensures that assets are bought at cheap prices as capital cost is a major cost component. The Company hopes to weather the depressed markets better than most players in the business by having among the lowest fleet break-evens. The Company also operates ships in different asset classes and different markets. This ensures that the Company's fortunes are not reliant upon a single market.

LIQUIDITY RISK:

The sale and purchase market and time charter markets are not always liquid. Therefore, there could be times when the Company is not able to position the portfolio in the ideal manner.

FINANCE RISK:

Our business is predominantly USD denominated as freight rates are determined in USD and so are ship values. The Company has its liabilities also denominated in USD. Any significant movement in currency or interest rates could meaningfully impact the financials of the Company.

SHIPBOARD PERSONNEL:

Indian officers continue to be in great demand all over the world. Given the unfavorable taxes on a seafarer sailing on Indian flagged vessels, it is becoming increasingly difficult to source officers capable of meeting the modern day challenges of worldwide trading.

CYBER RISK:

A new and worrying threat to our business is cyber risk. The Company is taking steps to secure its assets and systems from this threat, including by having suitable protection in place and by constant training to employees on how to avoid such issues.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has instituted internal financial control systems which are adequate for the nature of its business and the size of its operations. The policies and procedures adopted by the Company ensure the orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information.

The systems have been well documented and communicated. The systems are tested and audited from time to time by the Company and

internal as well as statutory auditors to ensure that the systems are reinforced on an ongoing basis. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

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

The internal audit is carried out by a firm of external Chartered Accountants and covers all departments. In the beginning of the year, the scope of the internal audit exercise including the key business processes and selected risk areas to be audited are finalised in consultation with the Audit Committee. All significant audit observations and follow up actions thereon are reported to the Audit Committee.

During the year, the Company decided to rotate the internal auditors. Accordingly, Ernst & Young LLP have been appointed as new internal auditors of the Company in place of CNK & Associates LLP w.e.f. April 01, 2018.

CNK & Associates LLP (earlier A. J. Shah & Company) were associated with the Company for the last 26 years. Your Directors place on record their appreciation for the valuable services rendered by CNK & Associates LLP (earlier A. J. Shah & Company) during their long tenure as Internal Auditors of the Company.

The Audit Committee comprises of Mr. Cyrus Guzder (Chairman), Mr. Berjis Desai, Mr. Farrokh Kavarana and Ms. Rita Bhagwati, all of whom are Independent Directors on Board of the Company.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements have been prepared by your Company in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015. The audited Consolidated Financial Statements together with Auditors' Report thereon form part of the Annual Report.

The group recorded a consolidated net loss of ₹209.57 crores for the year under review as compared to net profit of ₹754.96 crores for the previous year. The net worth of the group as on March 31, 2018 was ₹6929.22 crores as compared to ₹7223.33 crores for the previous year.

SUBSIDIARIES

The statement containing the salient features of the financial statements of the Company's subsidiaries for the year ended March 31, 2018 has been attached along with the financial statements of the Company. The report on performance of the subsidiaries is as follows:

GREATSHIP (INDIA) LIMITED, MUMBAI

Greatship (India) Limited (GIL), wholly owned subsidiary of your Company and one of India's largest offshore oilfield services providers, has completed another challenging year of operations. In FY 18, GIL has recorded a total income of ₹1057 crores (previous year ₹1310.56 crores) on a standalone basis and ₹1001.54 crores (previous year ₹1424.66 crores) on a consolidated basis. The Company earned a profit before interest, depreciation (including impairment) & tax of ₹598.06 crores (previous year ₹449.71 crores) and ₹541.88 crores (previous year ₹885.87 crores) on a standalone and consolidated basis, respectively.

GIL, alongwith its subsidiaries, currently owns and operates nineteen vessels and four jack up drilling rigs. The operating fleet of nineteen vessels comprises of four PSVs, eight Anchor Handling Tug cum Supply Vessels (AHTSVs), two Multipurpose Platform Supply & Support Vessels (MPSSVs) and five ROVSs.

GROUP RESTRUCTURING

During the previous financial year, GIL had commenced the group restructuring exercise whereby GIL had acquired full ownership of its Singapore subsidiary Greatship Global Energy Services Pte. Ltd. (GGES) in March 2017.

As a part of the restructuring exercise, during the year, GIL has acquired four jack-up rigs along with its Plant, Machinery & Equipments/ Owner Furnished Equipments (the Rigs) from GGES in June 2017. As part consideration for acquisition of the Rigs, GIL has taken over the outstanding bank borrowings of GGES and the balance outstanding consideration is to be settled by June 2018, in accordance with the Memorandum of Agreement (as amended).

Further, during the year under review, the Board of Directors of GIL and its wholly owned subsidiary in Mauritius, Greatship Global Holdings Ltd. (GGHL), have approved a cross border merger of GGHL with GIL. GIL and GGHL have commenced the process for the merger and made the necessary applications to the relevant authorities for their approval.

GIL has the following wholly owned subsidiaries:

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

As mentioned above, in June 2017, GGES has sold all its Rigs to GIL. GGES has incurred a profit of USD 8.54 Mn for the current financial year as against the loss of USD 198.54 Mn, after accounting for impairment of USD 223.7 Mn in the asset values, in the previous year.

• **Greatship Global Holdings Ltd., Mauritius (GGHL)**

As mentioned above, during the year, GIL and GGHL have commenced the process of merger of GGHL with GIL. GGHL is the holding company of GGOS.

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

GGOS owns and operates three offshore support vessels which include one Anchor Handling Tug cum Supply Vessel (AHTSV) and two Multipurpose Platform Supply and Support Vessels (MPSSVs). GGOS, after accounting for an impairment of USD 15.62 Mn in asset values, incurred a loss of USD 20.14 Mn for the current financial year as against the loss of USD 19.96 Mn in the previous year, after accounting for an impairment of USD 16.32 Mn in asset values.

• **Greatship (UK) Limited, United Kingdom (GUK)**

During the year under review, the term of the charter party for the remaining/ second ROV Support Vessel (ROVSV) inchartered from the Company was completed. GUK's loss for the current financial year amounted to USD 0.02 Mn as against the profit of USD 0.41 Mn in the previous year.

• **Greatship Oilfield Services Limited, India (GOSL)**

GOSL did not carry out any operations during the year.

THE GREATSHIP (SINGAPORE) PTE. LTD., SINGAPORE

The Greatship (Singapore) Pte. Ltd. is a wholly owned subsidiary of your Company. The Greatship (Singapore) Pte. Ltd. does shipping agency business for the ships owned by your Company. During the year ended March 31, 2018 there were 104 ship calls at Singapore. The company's profit after tax for the current financial year amounted to S\$ 0.15 Mn as against the profit of S\$ 0.13 Mn in the previous year.

THE GREAT EASTERN CHARTERING LLC (FZC), U.A.E.

The Great Eastern Chartering LLC (FZC) is a wholly owned subsidiary of your Company. During the year ended March 31, 2018, the company made a profit of USD 0.22 Mn (previous year loss of USD 0.59 Mn). The 3 year charter of the in-chartered suezmax tanker ended on July 1, 2017 when the vessel was redelivered. The company deposited an amount of USD 10,650,000 with DNB Luxembourg S. A. for the purpose of investment in shares of shipping companies. Out of this amount, the company has utilized USD 9,949,166 for investment in equity shares as above. As on March 31, 2018 the fair value of the shares was USD 10,535,491. During the the year ended March 31, 2018 the company booked a loss of USD 80,765 on equity shares investments, of which USD 739,662 was dividend/gain booked on sale of equity shares and USD 820,427 was loss recognised on revaluation of equity shares at market value at the end of the period.

During the year, the company made a further investment of USD 0.25 Mn in the share capital of The Great Eastern Chartering (Singapore) Pte Ltd., its wholly owned subsidiary.

THE GREAT EASTERN CHARTERING (SINGAPORE) PTE LTD., SINGAPORE

The Great Eastern Chartering (Singapore) Pte. Ltd. is a wholly owned subsidiary of The Great Eastern Chartering LLC (FZC), UAE. During the year ended March 31, 2018, the company made a loss of USD 0.01Mn as against loss of USD 0.05 Mn in the previous year. There was no trading activity in the company during the year since trading conditions were not suitable for intended trades.

THE GREAT EASTERN SHIPPING CO. LTD.

During the year, the company had issued and allotted 250,000 Ordinary Shares aggregating to USD 0.25 Mn to The Great Eastern Chartering LLC (FZC), U.A.E., it's holding company.

GREAT EASTERN CSR FOUNDATION, INDIA

Great Eastern CSR Foundation (Foundation) is a wholly owned subsidiary of your Company which handles the CSR activities of your Company and its subsidiaries. The Foundation received a total contribution of ₹12.81 crores from the Company and Greatship (India) Limited during the year ended March 31, 2018. The Foundation spent ₹10.35 crores on CSR activities during the year.

Details of CSR activities carried out by Great Eastern CSR Foundation are set out in the reports on CSR activities which form part of this Annual Report.

GLOBAL DEPOSITORY RECEIPTS (GDRS)

Considering the low number of GDRs outstanding, the Company decided to terminate the GDR programme and subsequent delisting from Euro MTF Market of Luxembourg Stock Exchange in accordance with the terms of Deposit Agreement with The Bank of New York Mellon, Depository (BNY) and the regulations of Luxembourg Stock Exchange. Accordingly, the GDR programme was terminated and the GDRs were delisted from Euro MTF Market of Luxembourg Stock Exchange with effect from November 20, 2017. Upon such termination, BNY has given delivery of underlying shares upon surrender of GDRs or the net proceeds of sale of the underlying shares to the GDR holders.

DEBT FUND RAISING

During the year, the Company issued 3,000 Non-convertible Debentures of ₹10,00,000 each, aggregating to ₹300 crore with the object of refinancing existing debt, funding the capital expenditure requirements and general corporate purposes of the Company.

The Company redeemed Non-convertible Debentures aggregating to ₹185 crore during the year.

The gross debt : equity ratio as on March 31, 2018 was 0.81:1 (0.91:1 including effect of currency swaps on rupee debt) and the debt : equity ratio net of cash and cash equivalents was 0.30:1 (0.40:1 including effect of currency swaps) on standalone basis.

QUALITY, SAFETY, HEALTH & ENVIRONMENT

High levels of safety on board the assets has been maintained during the year on Company's vessels by continued efforts of the seafarers and the office staff. This requirement continues to be emphasised during the scheduled meetings with the management level floating staff and the Company's top management. Lost Time due to Injury (LTI) to 3.19 per million exposure hours is slightly more than the Company's KPI of 2.0, while Total Recordable Case Frequency (TRCF) to 4.73 per million exposure hours is around the KPI of 4.80.

Oil Companies International Marine Forum (OCIMF) had extensively revised their quality requirements tool - Tanker Management and Self Assessment (TMSA) programme and compliance with these amended quality requirements (TMSA 3) had to be completed by 31st December 2017. The Company had completed the transition and has subsequently been audited to the new requirements of TMSA 3 by two oil majors.

The Company has also commenced benchmarking its fleet against its performance in environmental performance, energy efficiency and technical performance against vessels of other companies through an industry based data base made available by the Baltic and International Marine Council (BIMCO).

To ensure that the assets are maintained in good condition, the Company carried out additional inspections of vessels. The Company's assets continued to perform well during oil major inspections. It was also ensured that new acquisitions into the fleet were taken into the Company's quality management system seamlessly during the fleet expansion phase of the Company.

TRAINING AND ASSESSMENT

Training and Assessment is a newly formed department, fully operational for the last one year. Prime aim of this department is to create a pool of competent, well trained and confident seafarers for the fleet vessels.

This department moved to the newly acquired training centre at Worli in October 2017.

In Jan 2018, a full mission Bridge Simulator, Steering Simulator and ECDIS (Electronic Chart Display and Information System) Simulators were installed and subsequently approval of classification society DNV-GL was obtained. At this training centre, LVHS (Large Vessel Handling Simulator) courses, ECDIS Type Specific courses (Make: TRANSAS & JRC) and Steering Tests are being conducted for seafarers.

In addition to the above, seafarers undergo various on-shore training at prestigious maritime training institutes in India and also on-board training by seasoned maritime professionals of the industry.

With such arrangements in place, the Company is very much hopeful to achieve the goal of placing competent, well trained and motivated complement on board its fleet vessels to operate them, in the most efficient and safe manner.

IT INITIATIVES

In this financial year, IT has focused on the following major initiatives:

CYBER SECURITY

In recent times, cyber threats have come to the fore, and the shipping industry has been a new target area for cyber attackers. Last year, the Company assessed the threats to its computer network. This year the Company implemented almost all the measures recommended, both in the office and on board its ships. The Company also commissioned an independent cyber security organization to carry out an ethical hacking exercise of its on-board computer systems to assess their vulnerability.

While the on-board systems proved to be robust, the Company is in the process of implementing a few more measures on board to ensure that the computer systems are even better protected.

The Company understands that building protection against cyber threats is a journey rather than a destination, and that the Company will have to continuously update its systems to deal with new developments.

The Company also runs a regular awareness program on cyber security for all employees both on ship and ashore.

DIGITAL TRANSFORMATION INITIATIVE

The Company has implemented computerized systems to automate the few remaining manual processes, especially for business functions. Many mobile apps have been implemented, and these have brought significant amount of flexibility among employees in their day to day operations.

HUMAN RESOURCES

The expansion of the fleet during the year necessitated additional human resource requirements both for floating and shore staff. Market correction of compensation for Top 4 ranks along with introduction of performance incentive scheme for Master and Chief engineer enabled to attract and retain shipping talent. The recruitment process for floating staff was streamlined to improve effectiveness of hiring.

The Company continued to invest in its people through various developmental programs like Business Simulation, Critical thinking, Mentoring and Leadership. Engagement initiatives like Quiz, Marathon and Town Hall continued to attract employee participation. The percentage of actively engaged employees has shown a significant increase in the Coffman engagement survey. Most of the survey parameters reflected a positive picture about the Company.

Shore staff Attrition stood at a healthy 4 % during the fiscal year. Total number of permanent shore staff and floating staff was 212 and 804 respectively.

THE GREAT EASTERN SHIPPING CO. LTD.

GREAT EASTERN INSTITUTE OF MARITIME STUDIES (GEIMS)

The Great Eastern Institute of Maritime Studies, Lonavla (GEIMS) has trained 3463 cadets since inception. These cadets, upon passing out, serve on merchant ships as Nautical Officers, Graduate Marine Engineers and Electro-Technical Officers. About 50% of the passed out cadets serve on the Company's vessels whereas almost 70% of the Officers on the Company's vessels have been trained at GEIMS. This percentage will increase in the next few years. The first General Purpose Rating (GP Rating) batch of trainees successfully passed at GEIMS in July 2017. After successful completion of their training, 34 trainees are placed on Company's vessels.

For the first time GEIMS has inducted seven Angolan cadets (including two female cadets) to be trained as Electro-Technical officers.

During the last Annual Comprehensive Inspection Programme (CIP) conducted under the enhanced guidelines of DG Shipping, GEIMS has improved on its earlier score and was once again awarded Grade A1 (Outstanding). This gradation places GEIMS as one of the premier Maritime Training Institutes in the country and confirms the high level of compliance with all Merchant Shipping rules and associated orders, circulars and guidelines issued by DG Shipping from time to time.

To further enhance training at the Institute, GEIMS has installed a full size forecastle of a ship procured from the shipbreaking yard at Alang. This will provide hands-on training to trainees on aspects of seamanship, anchor operations, navigational lights, electrical and hydraulics machinery and ship construction.

Also, a Modern Bridge Simulator, encompassing the current technologies and types and sizes of ships, has been set-up in the campus for practical training of nautical officers. An advanced Electrical and Control Laboratory is being set up for training of Engineering and Electro-Technical officers at GEIMS.

Forty computer work stations have been included in the Institute library to enable trainees to browse the digital library for technical reference.

Above training facilities have been included in the campus in addition to the already existing "Centers of Excellence" for marine boiler and high voltage simulation and a fully functional marine diesel engine.

To enhance the security within the campus, 29 high resolution CCTV cameras have been mounted at vulnerable locations. Also, as per DG shipping requirement, in order to ensure the required attendance of lectures by all trainees, biometric recording has been initiated at the entrance of each classroom.

CORPORATE SOCIAL RESPONSIBILITY

The Company has always been conscious of its role as a good corporate citizen, and strives to fulfill this role by running its business with utmost care for the environment and all the stakeholders. The Company looks at Corporate Social Responsibility (CSR) activities as significant tool to contribute to the society.

The Board of Directors of the Company has constituted a Committee of Directors, known as the Corporate Social Responsibility Committee, comprising of Mr. Vineet Nayyar (Chairman), Mr. Cyrus Guzder and Mr. Bharat K. Sheth to steer its CSR activities.

Copy of the Corporate Social Responsibility Policy of the Company as recommended by the CSR Committee and approved by the Board is enclosed as 'Annexure A'. The CSR Policy is also available on the website of the Company : www.greatship.com.

The CSR Policy is implemented by the Company through Great Eastern CSR Foundation, a wholly owned subsidiary of the Company, specifically set up for the purpose.

The Annual Report on CSR activities is enclosed herewith as "Annexure B".

DIRECTORS

Mr. G. Shivakumar shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Necessary resolution for re-appointment of Mr. G. Shivakumar has been included in the Notice convening the ensuing Annual General Meeting.

As per the provisions of the Companies Act, 2013, Independent Directors have been appointed for a period of five years and shall not be liable to retire by rotation. The Independent Directors of your Company have given the certificate of independence to your Company stating that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013 and under Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The policies on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors, and also remuneration for key managerial personnel and other employees are enclosed herewith as Annexure 'C' and 'D'.

During the year, Mr. Bharat K. Sheth, who is also a Non-Executive Chairman of Greatship (India) Ltd. (GIL), a wholly owned subsidiary of the Company, was in receipt of commission of ₹13,000,000 from GIL.

The details of remuneration as required to be disclosed pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed as Annexure 'E'.

BOARD MEETINGS

During the year, 5 meetings of the Board were held. The details of Board meetings as well as Committee meetings are provided in the Corporate Governance Report.

BOARD EVALUATION

Annual performance evaluation of Board, its committees (namely, Audit, Nomination and Remuneration, Corporate Social Responsibility and Stakeholders' Relationship Committees) and all the Directors individually has been done in accordance with the Performance Evaluation Framework adopted by the Nomination and Remuneration Committee of the Company. The Performance Evaluation Framework sets out the performance parameters as well as the process for performance evaluation to be followed. During the year, the Performance Evaluation Framework was revised to elaborate the evaluation parameters and process in line with the Guidance Note on Board Evaluation issued by SEBI vide its circular dated January 05, 2017.

In accordance with the new Performance Evaluation Framework, performance evaluation forms were circulated to all the Directors to record their evaluation of the Board, its Committees and Non-executive Directors of the Company. The performance evaluation of the Company and Executive Directors was done on the basis of presentation made by the management.

Pursuant to the provisions of the Companies Act, 2013, a separate meeting of Independent Directors reviewed performance of the Company, Board as a whole and Non-Independent Directors (including Chairman) of the Company.

The Board of Directors reviewed the performance of Independent Directors and Committees of the Board. Nomination and Remuneration Committee also reviewed performance of the Company and every Director.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134 (3) of the Companies Act, 2013, the Board of Directors hereby state that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments 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 and

loss of the company for that period;

- c) the directors had 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;
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

Maintaining high standards of Corporate Governance has been fundamental to the business of your Company since its inception. A separate report on Corporate Governance is provided together with a Certificate from the practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under Listing Regulations.

The extract of annual return in Form MGT-9 as required under Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is enclosed herewith as Annexure 'G'.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

With a view to create safe workplace, the Company has formulated and implemented Sexual Harassment (Prevention, Prohibition and Redressal) Policy in accordance with the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. For the purpose of handling and addressing complaints regarding sexual harassment, the Company has constituted Internal Complaint Committee with an external lady representative (who has the requisite experience in this area) as a member of the Committee. To build awareness in this area, the Company also conducts awareness programmes within the organisation.

During the year, no complaints with allegations of sexual harassment were received by the Company.

VIGIL MECHANISM

The Company has established a vigil mechanism (Whistle Blower Policy) for Directors and employees to report genuine concerns. The Whistle Blower Policy 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.

A copy of the Whistle Blower Policy is available on the website of the Company: www.greatship.com

RELATED PARTY TRANSACTIONS

The Company has formulated policy on dealing with Related Party Transactions, a copy of which is available on the website of the Company: www.greatship.com

The particulars of contracts or arrangements with related parties in Form AOC 2 is annexed herewith as "Annexure F".

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 OR INVESTMENTS

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.

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.

DIVIDEND DISTRIBUTION POLICY

The Dividend Distribution Policy of the Company is enclosed as 'Annexure H'. The Dividend Distribution Policy is also available on the website of the Company : www.greatship.com.

ENERGY CONSERVATION AND TECHNOLOGY ABSORPTION

CONSERVATION OF ENERGY

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

During the financial year under consideration, following Energy Saving Devices were retrofitted for reducing fuel consumption of main propulsion system:

- a) Jag Aparna, Jag Rishi, Jag Prakash, Jag Pushpa, Jag Aanchal and Jag Prerana were retrofitted with Propeller Boss Cap Fins / EcoCap, a device which improves propulsive efficiency. The propeller's rotational motion forms a strong vortex at the center, which causes overall loss of propulsive efficiency. The finned features of a PBCF-EcoCap break up this vortex, thereby reducing the loss of energy.

Total cost incurred on above six ships: USD 354,293.

- b) For a typical Bulk Carrier or Tanker, loss of energy through hull resistance is around 30% and this increases with growth of hull roughness due to bio-fouling. To minimize growth of bio-fouling, the Company has applied superior anti-fouling coatings on Jag Laadki, Jag Prakash, Jag Pushpa and Jag Prerana during their respective dry dockings during the financial year.

The additional cost incurred for application of the superior anti-fouling coatings was USD 669,038.

During the financial year saving of USD 1.77 Mn was achieved in fuel cost from energy saving retrofits and use of superior anti-fouling hull coatings alone. This fuel saving also resulted in reduction of CO₂ emission by 15,771 MT.

TECHNOLOGY ABSORPTION

Your Company has identified and absorbed several technologies on fleet vessels. These are reflected in paragraphs above.

COMPLIANCE WITH EU MRV (MONITORING, REPORTING, VERIFICATION) REGULATION

With effect from 1st January 2018 all vessels above GT 5000 engaged in carrying cargo to and from and within European Union (EU) ports are mandatorily required to report their fuel consumption, CO₂ emission and certain other parameters pertaining to work done during such voyages to European Commission as per their Regulation (EU) 2015/757 (on the monitoring, reporting and verification of carbon dioxide emissions from maritime transport) annually. Your Company has developed ship specific required Monitoring Plans which describes the procedure of collection, quality control, storage and transmission of relevant data and the same have been approved by accredited Verification Body. Data for the first calendar year 2018 duly reviewed by Verification Body will have to be submitted to EC by 30th April 2019.

QUANTIFICATION AND REPORTING OF GREENHOUSE GAS (GHG) EMISSION

Since FY 2015-2016, your Company has started to capture and quantify GHG emission from its business operations in a transparent and standardized manner for the information of stakeholders of the Company on a voluntary basis. The GHG emission quantification and reporting has been done taking into account:

- ISO 14064-1 (2006) "Greenhouse gases – Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals, and

- The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard (revised edition) published by World Business Council for Sustainable Development and World Resources Institute.

FOREIGN EXCHANGE EARNINGS AND OUTGO

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

(₹ in crores)

a)	Foreign Exchange earned on account of freight, charter hire earnings, etc.	1132.03
b)	Foreign Exchange used including operating expenses, capital repayment, down payments for acquisition of ships (net of loan), interest payment, etc.	2183.27

AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013, Deloitte Haskins & Sells LLP were appointed as the Statutory Auditors of your Company to hold office until the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2022.

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

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Company appointed M/s. Mehta & Mehta, Company Secretaries to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2018.

The Secretarial Audit Report is annexed herewith as "Annexure I".

APPRECIATION

Your Directors express their sincere thanks to all customers, charterers, vendors, investors, shareholders, 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

K.M. Sheth
Chairman
(DIN : 00022079)

Mumbai, May 04, 2018

ANNEXURE 'A' TO BOARD'S REPORT

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. PREAMBLE

The Great Eastern Shipping Company Limited (Great Eastern) has always been conscious of its role as a good corporate citizen, and has hitherto striven to fulfill this role by running its business with utmost care for the environment and all the stakeholders. This includes honesty and integrity in all its dealings with customers, vendors, employees and most importantly the government. This commitment is a critical cornerstone on which the Company was built and upon which it continues to grow.

It is Great Eastern's intention to increase the scope of its Corporate Social Responsibility (CSR) activities to cover other ways to give back to society.

Great Eastern's CSR policy has been developed in consonance with Section 135 of the Companies Act, 2013 on CSR and in accordance with CSR rules notified by the Ministry of Corporate Affairs, Government of India. It shall apply to all CSR Projects/Programmes undertaken by the Company as per liberal interpretations of activities listed in Schedule VII of the Act, within the geographical limits of India alone, towards the benefit of marginalized, disadvantaged, poor and deprived sections of the community and the environment.

2. VISION STATEMENT AND OBJECTIVE

For Great Eastern, CSR means responsible business policies that are ethical, equitable, environmentally conscious, gender sensitive and sensitive towards the differently abled. This policy, which has been formulated in alignment with the vision of the Company, lays down guidelines and mechanisms to be adopted by the Company in order to carry out CSR Projects/Programs.

The objectives of this policy are to –

- Demonstrate commitment to the common good through responsible business practices and good governance.
- Actively support the state's development agenda to ensure sustainable and equitable change.
- Set high standards of quality in the delivery of services in the social sector by creating robust processes and replicable models.
- Engender a sense of empathy and equity among employees of GES to motivate them to give back to the society.

The structure for identification of these causes, and the modalities of the investment in these causes, are spelt out in detail in the following sections.

3. CSR AMOUNT

In every financial year starting 2014-15, Great Eastern will spend at least 2% of the average profits over the past three financial years on Corporate Social Responsibility (CSR) causes. The CSR spend/ investment for each year will be approved by the CSR Committee and the Board will be kept informed.

In the event that the amount indicated above is not spent in its entirety in that year, the reasons thereof will be outlined in the Board's CSR report, as per Section 134 (3) (o).

In the event where the Company makes any surplus or profit from pursuing its CSR projects/ programmes, these will not form part of the business profit (but will instead, be carried forward to the following year/s as part of either the CSR corpus or as a supplement to the budget).

4. FOCUS AREAS

The Company's CSR efforts will be focused in the areas of:

- Promoting education and knowledge enhancement, including but not limited to:
 - Establishment and management of educational and knowledge enhancement infrastructure.
 - Provision of financial or other assistance to the needy and/or deserving students.
 - Providing financial assistance to any Agency involved in education, knowledge enhancement and sports.
 - Contribution to technology incubators located within academic institutions which are approved by the Central Government.

- Eradicating hunger, poverty, and malnutrition.
- Promoting health care and sanitation.

5. PLANNING AND IMPLEMENTATION

Implementation of the Great Eastern CSR strategy will involve several steps, as outlined below, and will be the responsibility of Great Eastern. Alternatively it may be implemented through a Foundation to be set up for the purpose.

Selection of Projects/Programs:

- Partner Organizations (PO) engaged in the aforementioned focus areas will be identified.
- Post preliminary meetings with representatives from these organizations, POs will be required to send in detailed project proposals.
- Projects will be rated in terms of cost, feasibility, scalability and impact.
- Representatives will schedule and conduct scoping visits to the sites.
- Following this, a Project Identification Report will be presented to CSR Committee.

6. BOARD AND CSR COMMITTEE

THE BOARD:

The Board of Great Eastern will be responsible for:

- Approving the CSR policy as formulated by the CSR Committee.
- Ensuring, through the CSR Committee that in each financial year the Company spends at least 2% of the average profits over the past three financial years.
- Ensuring, through the CSR Committee, that every financial year funds committed by the Company for CSR activities are utilized effectively.
- Disclosing in its Annual Report the names of CSR Committee members, the content of the CSR policy and ensure annual reporting of its CSR activities on the Company website.

THE CSR COMMITTEE:

The Board of Directors of the Company has constituted a Committee of Directors, known as the Corporate Social Responsibility (CSR) Committee. The functions of the Committee will be as follows:

- Formulate and recommend the CSR policy of the Company
- To recommend to the Board the structure for carrying out CSR activities
- To set the Company's CSR budget for each year
- To monitor the CSR activities of the Company, and report on it to the Board on a regular basis.

THE GREAT EASTERN SHIPPING CSR COMMITTEE COMPRISES OF :

- Mr. Vineet Nayyar (Chairman)
- Mr. Cyrus J. Guzder
- Mr. Bharat K. Sheth

7. MONITORING AND EVALUATION

Monitoring: The CSR Committee shall ensure monitoring of the projects supported by the Company's CSR activities, by:

- Periodic visits by staff from the Company/CSR Foundation
- Regular defined reports from the partner organisation on utilisation of funds
- Quantitative information - number of people affected, resources saved etc.
- Qualitative information (community feedback, visual documentation etc).

Evaluation: In order to assess the impact of its CSR Projects and Programmes, maximize outcomes and build-in sustainability, scalability and replicability, the following processes shall be undertaken:

- Ensure that the projects/programmes undergo concurrent and final evaluation.
- If required, engage credible third parties to undertake evaluation of all or selected projects/ programmes.

8. ACCOUNTING & AUDITING

GES will follow the Accounting and Auditing Guidance Note/Standards duly approved by the Ministry of Corporate Affairs, Government of India.

9. DOCUMENTATION AND REPORTING

The CSR committee will prepare the annual CSR report. This report will:

- Outline the Company's CSR Policy, including overview of projects or programs proposed to be undertaken.
- The composition of the CSR Committee.
- Average net profit of the company for the last three financial years. Prescribed CSR Expenditure (2% of the amount as in item 3 above).
- Details of CSR spend during the financial year in such form as may be stipulated under the Companies Act, 2013.

10. DISCLOSURE

The Company shall comply with Section 135 (2), 135 (4) (1) and 134 (3) (o) of the Act thereby ensuring that it makes a full disclosure of its CSR policy, strategy, projects/programmes, activities, monitoring mechanism, implementing agencies, expenditure details as well as the composition of the CSR Committee of the Board.

ANNEXURE 'B' TO BOARD'S REPORT

ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2017-18

1. The Corporate Social Responsibility Policy of the Company was approved by the Corporate Social Responsibility Committee at its meeting held on December 11, 2014 and the Board of Directors of the Company at their meeting held on February 05, 2015. Copy of the policy is available on the website of the Company : www.greatship.com

The policy applies to all CSR projects/programmes undertaken by the Company as per liberal interpretations of activities listed in Schedule VII of the Companies Act, 2013 within the geographical limits of India towards the benefit of marginalized, disadvantaged, poor and deprived sections of the community and the environment.

As per the policy, in every financial year, the Company will spend at least 2% of the average profits over the past three financial years on Corporate Social Responsibility (CSR) causes.

The Company's CSR efforts will be focused in the areas of:

- i) 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.
- ii) Eradicating hunger, poverty, and malnutrition.
- iii) Promoting health care and sanitation.

The policy may be implemented directly by the Company or through Great Eastern CSR Foundation which has been specifically set up for the purpose.

2. The Corporate Social Responsibility Committee of the Company was constituted by the Board of Directors of the Company at its meeting held on May 07, 2014. The Committee comprises of Mr. Vineet Nayyar (Chairman), Mr. Cyrus Guzder and Mr. Bharat K. Sheth.
3. Average net profit of the Company calculated as per the provisions of Section 135 of the Companies Act, 2013 for last three financial years was ₹457.22 crore.
4. The prescribed CSR expenditure (2% of the average net profit as aforesaid) is ₹9.14 crore.
5. Details of CSR spent during the financial year are as follows:
 - a. Total amount to be spent for the financial year 2017-18 : ₹9.14 crore.
 - b. Amount unspent : Nil.
 - c. Manner in which the amount was spent during the financial year is detailed below:

The Company has contributed the entire amount of ₹9.14 crore to Great Eastern CSR Foundation, a company incorporated under Section 8 of the Companies Act, 2013.

The details of amount spent by Great Eastern CSR Foundation are enclosed as Annexure to this report.

6. The Corporate Social Responsibility Committee hereby confirms that the implementation and monitoring of CSR Policy is in compliance with the CSR objectives and Policy of the Company.

Mr. Bharat K. Sheth

Deputy Chairman & Managing Director
(DIN: 00022102)

Mr. Vineet Nayyar

Chairman of Corporate
Social Responsibility Committee
(DIN: 00018243)

Mumbai, May 04, 2018

ANNEXURE TO ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2017-18

Sr. No.	CSR Project or Activity Identified	Sector in which the project is covered	Projects or Programs (1) Local Area or Other (2) Specify the State and District where projects or programs were undertaken	Amount Outlay (Budget) Project or Program wise	Amount Spent on the Projects or Programs Sub-heads (1) Direct Expenditure on Projects or Program (2) Overheads	Cumulative Expenditure up to the Reporting Period	Amount Spent Direct or Through Implementing Agency
1	Donation to the Ashoka University project of the International Foundation for Research and Education, New Delhi for providing scholarships primarily to students of low economic status.	Promoting Education	Ashoka University campus is situated at Rajiv Gandhi Education City, Kundlu NCR	₹4.00 cr (to be contributed over a period of 6 financial years)	Total funds utilized by organization: ₹1.00 cr Direct Expenditure: ₹1.00 cr Overheads: NIL	₹2.00 cr	Amount was contributed by Great Eastern CSR Foundation to International Foundation for Research and Education (Ashoka University)
2	Donation to Masoom , a Mumbai based NGO that works with night school students to work on the academics and provides better career opportunities for them. The donation is towards improving education in four night schools in Mumbai.	Promoting Education	The night schools are located at the following locations: Andheri, Malad, Worli, Mulund (Mumbai)	₹0.99 cr (to be contributed over 4 financial years)	Total funds utilized by organization: ₹0.24 cr Direct Expenditure: ₹0.21 cr Overheads: ₹0.03 cr	₹0.72 cr	Amount was contributed by Great Eastern CSR Foundation to Masoom
3	Donation to Pratham Mumbai Education Initiative , an NGO that works to provide quality education to the underprivileged children of India. The donation is towards financial assistance to 2 Pratham learning Centres – One in Kamgar Nagar, Kurla and the other in Vashinaka, Chembur. The donation is also being used to support a privately run unaided school in Vashinaka	Promoting Education	One learning centre is located at Kamgar Nagar in Kurla while the other learning centre and the school are located in Vashinaka, Chembur (Mumbai)	₹1.52 cr (to be contributed over 3 financial years)	Total funds utilized by organization: ₹0.15 cr Direct Expenditure: ₹0.12 cr Overheads: ₹0.03 cr	₹1.52 cr	Amount was contributed by Great Eastern CSR Foundation to Pratham Mumbai Education Initiative

Sr. No.	CSR Project or Activity Identified	Sector in which the project is covered	Projects or Programs (1) Local Area or Other (2) Specify the State and District where Projects or Programs were undertaken	Amount Outlay (Budget) Project or Program wise	Amount Spent on the Projects or Programs Sub-heads (1) Direct Expenditure on Projects or Program (2) Overheads	Cumulative Expenditure up to the Reporting Period	Amount Spent Direct or through Implementing Agency
4	Donation to 3.2.1. Education Foundation , an NGO, that provides quality training to teachers from affordable private schools. Initially Great Eastern CSR Foundation partially supported their work at the Mahatma Jyotiba Phule Mumbai Public School. The management of the school was handed over to the NGO Akanksha and 3.2.1 Foundation focused entirely on teacher training. Currently, the Company's funds are being used entirely to fund their teacher training program.	Promoting Education	3.2.1 training programs are held in schools across Mumbai, Bangalore and Hyderabad	₹1.13 cr (to be contributed over 3 financial years)	Total funds utilized by organization: ₹0.63 cr Direct Expenditure: ₹0.54 cr Overheads: ₹0.09 cr.	₹1.13 cr	Amount was contributed by Great Eastern CSR Foundation to 3.2.1 Education Foundation
5	Donation to Xavier's Resource Centre for the Visually Challenged (XRCVC) - XRCVC is part of St. Xavier's College and provides services and assistance for visually handicapped children across India. Great Eastern CSR Foundation has partnered with XRCVC to work towards providing Education Support to students with blindness and low vision as well as to spread awareness on inclusive education across mainstream schools.	Promoting Education	Xavier's College, Mahapalika Marg, Mumbai	₹1.10 cr (to be contributed over 3 financial years)	Total funds utilized by organization: ₹0.13 cr Direct Expenditure: ₹0.11 cr Overheads: ₹0.02 cr	₹1.10 cr	Amount was contributed by Great Eastern CSR Foundation to Xavier's Resource Centre for the Visually Challenged

SR. NO.	CSR PROJECT OR ACTIVITY IDENTIFIED	SECTOR IN WHICH THE PROJECT IS COVERED	PROJECTS OR PROGRAMS (1) LOCAL AREA OR OTHER (2) SPECIFY THE STATE AND DISTRICT WHERE PROJECTS OR PROGRAMS WERE UNDERTAKEN	AMOUNT OUTLAY (BUDGET) PROJECT OR PROGRAM WISE	AMOUNT SPENT ON THE PROJECTS OR PROGRAMS SUB-HEADS (1) DIRECT EXPENDITURE ON PROJECTS OR PROGRAM (2) OVERHEADS	CUMULATIVE EXPENDITURE UP TO THE REPORTING PERIOD	AMOUNT SPENT DIRECT OR THROUGH IMPLIMENTING AGENCY
6	Donation to Antarang Foundation. Antarang Foundation works with economically disadvantaged youth to help them transition from education to employment. Antarang guides them towards the right career choice, trains them in career readiness skills and places them in mainstream careers based on their interests and abilities. Antarang works with the 14 – 25 year age continuum through 2 structured programs: • Career Aware: 14-17 year old children are given 15 hours of training over 5 sessions on various subjects to help them chart their career • CareerReady: 17-25 year olds undergo 3 months of training (5 modules) on various topics such as self awareness, work ethics, spoken English. They are then connected with mentors and potential employers. Great Eastern CSR Foundation funding is going towards supporting the CareerReady and Career Aware groups.	Promoting livelihood development and skill training	South and Central Mumbai	₹1.31 cr (to be contributed over 4 financial years)	Total funds utilized by organization: ₹0.30 cr Direct Expenditure: ₹0.18 cr Overheads: ₹0.12 cr	₹ 0.87 cr	Amount was contributed by Great Eastern CSR Foundation to Antarang Foundation

SR. NO.	CSR PROJECT OR ACTIVITY IDENTIFIED	SECTOR IN WHICH THE PROJECT IS COVERED	PROJECTS OR PROGRAMS (1) LOCAL AREA OR OTHER (2) SPECIFY THE STATE AND DISTRICT WHERE PROJECTS OR PROGRAMS WERE UNDERTAKEN	AMOUNT OUTLAY (BUDGET) PROJECT OR PROGRAM WISE	AMOUNT SPENT ON THE PROJECTS OR PROGRAMS SUB-HEADS (1) DIRECT EXPENDITURE ON PROJECTS OR PROGRAM (2) OVERHEADS	CUMULATIVE EXPENDITURE UP TO THE REPORTING PERIOD	AMOUNT SPENT DIRECT OR THROUGH IMPLIMENTING AGENCY
7	Donation to SNEHA . SNEHA is an NGO that works in the slums of Mumbai to provide healthcare services to women and children. SNEHA runs a number of 'Healthcare Centres' through which they provide multiple services for women and children such as nutrition for children and pregnant mothers, connections with healthcare providers, basic health and malnutrition checks and health and hygiene communication. Great Eastern CSR Foundation funds are supporting one healthcare centre in the Govandi slums.	Promoting healthcare	The Sneha Centre is located in Govandi slum (Mumbai)	₹1.39 cr (to be contributed over 2 financial years)	Total funds utilized by organization: ₹0.63 cr Direct Expenditure: ₹0.56 cr Overheads: ₹0.07 cr	₹1.39 cr	Amount was contributed by Great Eastern CSR Foundation to SNEHA

Sr. No.	CSR Project or Activity Identified	Sector in which the Project is Covered	Projects or Programs (1) Local Area or Other (2) Specify the State and District where Projects or Programs were Undertaken	Amount Outlay (Budget) or Program Wise	Amount Spent on the Projects or Programs Sub-heads (1) Direct Expenditure on Projects or Program (2) Overheads	Cumulative Expenditure up to the Reporting Period	Amount Spent Direct or Through Implementing Agency
8	Donation to Mann Deshi Foundation (MDF). Mann Deshi Foundation works to create women entrepreneurs through skill-based training programs. Its aim is to create rural women entrepreneurs, build sustainable opportunities for livelihood for these women, and mainstream them to become an important part of the country's economic growth. The Mann Deshi umbrella of organizations currently serves 5 districts in the province of Maharashtra and 2 districts in the province of Karnataka. MDF operates: • The Mann Deshi bank (7 full time branches) • Mann Deshi Business Schools (one at each bank branch) • Mobile Business Schools GES funds have helped MDF build and develop a business school in which rural women will receive business management training.	Promoting livelihood development and skill training	Mhaswad in the Satara District of Maharashtra	₹1.88 cr (to be contributed over 3 financial years)	Total funds utilized by organization: ₹0.61 cr Direct Expenditure: ₹0.54 cr Overheads: ₹0.07 cr	₹1.45 cr	Amount was contributed by Great Eastern CSR Foundation to Mann Deshi Foundation
9	Donation to Inga Health Foundation (IHF). IHF provides free surgery for children who are affected by facial deformities (such as cleft lip pallet) from families that cannot afford corrective surgery. Great Eastern CSR Foundation funds went towards providing 85 free surgeries and necessary treatment for children and young adults born with deformities of skull and face	Promoting healthcare	Surgeries were performed in Mumbai, Bangalore and Srinagar	₹0.20 cr (to be contributed over 1 financial year)	Total funds utilized by organization: ₹0.20 cr Direct Expenditure: ₹0.20 cr Overheads: NIL	₹0.20 cr	Amount was contributed by Great Eastern CSR Foundation to Inga Health Foundation

SR. NO.	CSR PROJECT OR ACTIVITY IDENTIFIED	SECTOR IN WHICH THE PROJECT IS COVERED	PROJECTS OR PROGRAMS (1) LOCAL AREA OR OTHER (2) SPECIFY THE STATE AND DISTRICT WHERE PROJECTS OR PROGRAMS WERE UNDERTAKEN	AMOUNT OUTLAY (BUDGET) PROJECT OR PROGRAM WISE	AMOUNT SPENT ON THE PROJECTS OR PROGRAMS SUB-HEADS (1) DIRECT EXPENDITURE ON PROJECTS OR PROGRAM (2) OVERHEADS	CUMULATIVE EXPENDITURE UP TO THE REPORTING PERIOD	AMOUNT SPENT DIRECT OR THROUGH IMPLEMENTING AGENCY
10	Donation to Olympic Gold Quest (OGQ) . OGQ is a program of the Foundation for Promotion of Sports and Games, a not for profit company. OGQ raises donation from fans, individuals and organizations to support training of senior and junior Indian athletes who have a potential of winning an Olympic medal. Great Eastern CSR Foundation funds are sponsoring the full-fledged support and training of athletes who have the potential to win an Olympic medal.	Promoting livelihood development and skill training	Athletes are from all over India	₹0.40 cr (to be contributed over 4 financial years)	Total funds utilized by organization: ₹0.10 cr Direct Expenditure: ₹0.10 cr Overheads: NIL	₹0.10 cr	Amount was contributed by Great Eastern CSR Foundation to Olympic Gold Quest
11	Donation to EdelGive Foundation (EG) . EG is the philanthropic arm of the Edelweiss Group. EG offers financial and capacity building support to NGOs. EG also acts as a catalyst between NGOs and potential funders. The EdelGive Coalition for transforming Education (ECE) is EG's Public-Private Partnership that aims to transform education in rural Maharashtra. This is a five year project in total and is expected to impact 44,000+ children, 600+ schools, 2000+ teachers and 100+ school managers. Great Eastern CSR Foundation funds are going towards supporting the ECE.	Promoting Education	Rural Maharashtra	₹1.00 cr (to be contributed over 1 financial year)	Total funds utilized by organization: ₹1.00 cr Direct Expenditure: ₹1.00 cr Overheads: NIL	₹1.00 cr	Amount was contributed by Great Eastern CSR Foundation to EdelGive Foundation

Note: Great Eastern CSR Foundation is evaluating various projects and the balance amount will be spent in due course.

ANNEXURE 'C' TO BOARD'S REPORT

POLICY FOR APPOINTMENT OF DIRECTORS AND BOARD DIVERSITY

This policy has been recommended by the Nomination and Remuneration Committee of the Company (Committee) at its meeting held on February 05, 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 high quality directors who should have the capacity and ability to lead the Company towards achieving sustainable development. The Company aims to achieve a balance of experience and skills amongst its directors.

QUALIFICATIONS

The Company believes that its Board membership should comprise directors with an appropriate mix of skills, experience and personal attributes that allow 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 candidate for the position of Director in the Company should be a degree holder in any discipline relevant to the business of the Company for e.g., shipping, management, legal, finance, strategic planning, etc. Alternatively, the candidate should be regarded as an industry veteran or specialist in the relevant discipline.

The candidate should have considerable experience as an entrepreneur or of working at a board or senior management level in an organisation/firm of repute or government agency in India or abroad.

He should have demonstrated ability to work effectively with board of directors of a company.

ATTRIBUTES

The candidate should possess excellent leadership skills. His interpersonal, communication and representational skills should be par-excellence. He should have extensive team building and management skills. His personality should be influential.

He should possess high standards of ethics, personal integrity and probity.

INDEPENDENCE

In addition to the aforesaid criteria, the candidate for the position of Independent Director should fulfil the criteria as laid down in Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with Stock Exchanges as may be amended or substituted from time to time.

DIVERSITY

The Company considers that its diversity is a vital asset to the business. Building a diverse and inclusive culture is integral to the success of the Company. An inclusive culture helps the Company to respond to its diverse global customer base.

Ethnicity, age and gender diversity, without compromising on meritocracy, are areas of strategic focus for the composition of the Board. Achieving a balance of experience and skills amongst its Directors is also essential for leading the Company towards sustainable development.

The Committee shall give due regard for maintaining Board diversity while identifying and nominating candidates for appointment to the Board.

APPOINTMENT PROCESS

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

Recommendations of the Committee shall be placed before the Board of Directors for its consideration. When recommending a candidate for appointment, the Committee shall assess:

- a) The appointee against criteria described as aforesaid.
- b) The skills and experience that the appointee brings with him/ her and how they will add value to the Board as a whole.
- c) The extent to which the appointee is likely to contribute to the overall effectiveness of the Board.
- d) The appointee's ability to exercise independent judgement.
- e) The time commitment required from the appointee to actively discharge his duties to the Company.
- f) Statutory provisions regarding Board composition.
- g) Cultural fit with the existing Board members and empathy to the Company's culture.

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.

ANNEXURE 'D' TO BOARD'S REPORT

REMUNERATION POLICY FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

This policy has been recommended by the Nomination and Remuneration Committee of the Company at its meeting held on February 05, 2015 and adopted by the Board of Directors of the Company at its meeting held on February 05, 2015 pursuant to Section 178 of the Companies Act, 2013 and is applicable with effect from the said date.

The policy is divided into separate sections for executive directors, non-executive directors and employees.

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.

The remuneration of the non-executive directors is approved by the Board of Directors and shareholders of the Company within the overall limits as may be prescribed under applicable laws.

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.

Whereas, while formulating this Policy, the Company is committed to full and transparent disclosures, certain parameters such as business targets etc. have not been disclosed as the same is not in the interest of the Company.

I. EXECUTIVE DIRECTORS

KEY PRINCIPLES

Attracting and retaining top talent is a key objective of the Company's approach to remuneration. The Company's policy remains largely unchanged from that which it has applied for a number of years and its continuity has been a stabilizing force during the periods of turbulence. The core elements of salary, commission, benefits and pension continue to provide an effective, relatively simple, performance-based system that fits well with the nature of Company's business and strategy.

The remuneration policy for the executive directors has been consistently guided by 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 shipping business in which the Company operates. The shipping 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 portion 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's 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.

FLEXIBILITY, JUDGEMENT AND DISCRETION

This Policy recognises that the Board and Committee shall undertake quantitative and qualitative assessments of performance in reaching its decisions. This involves the use of judgement and discretion within a framework that is approved by shareholders. The Board and Committee also need to be sufficiently flexible to take account of future changes in the industry environment and in directors' remuneration practices generally.

The ability to exercise discretion, upwards or downwards, is important to ensure that a particular outcome is fair in light of the director's own performance and the Company's overall performance.

KEY CONSIDERATIONS

A wide range of factors shall be considered when determining the remuneration for executive directors. The competitive market for top executives both within the shipping sector and broader industrial corporations provides an important context. The Company believes that it has a duty to shareholders to ensure that the Company is competitive so as to attract and retain the high calibre executives required to lead the Company.

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. Although the Committee may consider feedback from various sources which provide views on a wide range of points including pay.

ELEMENTS OF REMUNERATION

Executive directors' remuneration shall be divided into following elements:

CONSOLIDATED SALARY

Consolidated Salary provides base-level fixed remuneration to reflect the scale and dynamics of the business, and to be competitive with the external market.

Consolidated Salary shall include basic salary and Company's contribution to Provident Fund, Superannuation Fund and all other allowances payable from time to time.

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

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

Actual Consolidated Salary payable every year shall be reviewed annually within the broader scale as aforesaid.

Company's contribution to Provident Fund, Superannuation Fund, allowances, etc. shall be as per rules of the Company and determined as per the applicable laws, if any, from time to time.

BENEFITS

There are certain benefits, such as car-related benefits, insurance and medical benefits, home loan 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.

Perquisites will be valued as per the provisions of Income-tax Act.

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

- i) Transportation/conveyance facilities.

- ii) Telecommunication facilities at residence.
- iii) Leave encashment as per the rules of the Company.
- iv) Reimbursement of medical expenses incurred for himself and his family.
- v) Insurance cover as per the rules of the Company.
- vi) Housing Loan as per the rules of the Company.
- vii) Fees of Clubs, subject to a maximum of two clubs, excluding membership of business clubs.
- viii) Leave travel allowance as per the rules of the Company.

The Company shall provide following benefits to other Whole-time Directors as per rules of the Company:

- i) Transportation/conveyance facilities
- ii) Telecommunication facilities at residence
- iii) Leave encashment
- iv) Reimbursement of medical expenses incurred for himself and his family
- v) Insurance cover
- vi) Housing Loan
- vii) Membership fees of Clubs
- viii) Gratuity
- ix) Other benefits as may be applicable to their respective grades

REIMBURSEMENT

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

Reimbursement of expenses incurred by other Whole-time Directors during business trips for travelling, boarding and lodging.

COMMISSION

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 profit based commission to its executive directors annually.

Commission 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.

Commission may vary from time to time but shall be maximum four times of the Consolidated Salary. Executive directors with large operating responsibilities may be entitled to more commission as compared to others.

PENSION

Pension recognises and appreciates the experience, expertise, advice, efforts and contribution provided and made by executive directors to the Company during their long years of service with the Company and/or its wholly owned subsidiaries, whether in their capacity as executive directors or otherwise.

The Company may provide pension (which includes providing perquisites) to its eligible executive directors upon their ceasing to hold office in the Company in recognition of their past services in accordance with a scheme formulated by the Board of Directors.

REVIEW

Salary reviews consider both external competitiveness and internal consistency when determining if any increases should be applied. Salary increases will be generally in line with all employee increases within the Company and other companies based in India and abroad.

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.

Specific measures and targets may be determined each year by the Committee. The principal measures of increments / bonus will be based on value creation and may include financial measures such as operational efficiency, operating cash flow, operating profit, cost management, project delivery, etc.

II. NON-EXECUTIVE DIRECTORS

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

SITTING FEES

The NEDs are paid sitting fees for attending meetings of the Board of Directors. It is presently ₹1 lakh* per meeting.

The NEDs are also paid sitting fees for attending meetings of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee. It is presently ₹1 lakh per meeting.**

COMMISSION

It provides a variable level of remuneration dependent on short-term performance of the Company, i.e. net profits every year. Quantum of basic Commission is determined by the Board on a year to year basis.

Audit Committee Chairman is paid an additional Commission of ₹6 lakhs p.a. over and above the Commission payable to him as a Director. The other members of the Audit Committee are paid an additional Commission of ₹2.50 lakhs p.a. over and above the Commission payable as a Director.

Nomination and Remuneration Committee Chairman is paid an additional Commission of ₹3 lakhs p.a. over and above the Commission payable to him as a Director. The other members of the Nomination and Remuneration Committee are paid an additional Commission of ₹1 lakh p.a. over and above the Commission payable as a Director.

Stakeholders' Relationship Committee Chairman is paid an additional Commission of ₹75,000 p.a. over and above the Commission payable to him as a Director. The other members of the Stakeholders' Relationship Committee are paid an additional Commission of ₹25,000 p.a. over and above the Commission payable as a Director.

REIMBURSEMENTS

All reasonable out of pocket expenses incurred by NEDs in carrying out their duties are reimbursed. Outstation directors are paid city compensatory allowance.

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

* increased from ₹75,000 per meeting to ₹1 lakh per meeting w.e.f. May 05, 2016.

** w.e.f. May 04, 2018.

III. KEY MANAGERIAL PERSONNEL AND OTHER SENIOR MANAGEMENT EMPLOYEES

OBJECTIVES

The objectives of remuneration/compensation policy are broadly as stated below:

1. To attract and retain best in class talent.
2. Remain competitive to ensure business sustainability.
3. To align employees to organizational performance.

GUIDING PRINCIPLES

The policy rests on the following tenets:

1. Internal equity
2. External competitiveness

STRUCTURE OF OVERALL COMPENSATION

1. Fixed Pay or CTC
2. Performance Incentive Pay (Variable Pay) linked to organizational and individual performance.
3. Other Benefits

Elements 1, 2 relate to monetary components. Some of the aspects of element 3 are based on grade entitlement.

APPLICABILITY

Senior Manager and above grades

SALARY LINKED ELEMENTS

SALARY LINKED ELEMENTS	LIMITS / REMARKS
Basic	40% ^{\$} of CTC (Fixed) - Sr. Mgr to President
HRA	30-50% [#] of basic (optional)
Car & related	Based on grade-wise eligibility (includes car value, insurance and running & maintenance expenses)
LTA / Medical	₹0-100,000/- p.a. (Optional)
Provident Fund	12% of Basic (Fixed)
Superannuation	0 or 15% of Basic (Optional)
National Pension System	0-10% of Basic (Optional)
Special Allowance	Difference between CTC and total of all other components

LTA / MEDICAL

- Optional benefit upto a maximum limit of ₹100,000/-
- Medical includes only domiciliary medical expenses (Doctor's fee, medical bills etc.)
- LTA benefits can be claimed by submitting bills to accounts department.
- Unclaimed portion to be paid on 30th June every year after tax deduction.

PROVIDENT FUND

- Every employee will contribute 12% of his/her monthly basic salary.
- The Company on its part will make a matching contribution of 12% of the employee's basic salary.
- Company's contribution will be adjusted from CTC of the employee.

^{\$} increased from 25% to 40% w.e.f. July 01, 2015.

[#] revised from 0-50% to 30-50% w.e.f. July 01, 2015.

SUPERANNUATION

- The Company will contribute at the rate of 15% of an employee's basic salary towards Superannuation Fund.
- Contribution will be adjusted against CTC of the employee.
- This component would be optional and an employee could choose not to avail the benefit.

SPECIAL ALLOWANCE

The difference between CTC and all other components would be treated as Special Allowance. It is a balancing figure with no minimum or maximum limits.

BENEFITS OUTSIDE SALARY

- Executive Lunch
- Residence Telephone
- Life Cover
- Mobile Phone
- Corporate Club Membership
- Life cover - 3 times CTC
- Housing loan Interest Subsidy
- Holiday Home
- Health Check-ups
- Leave - 30 days
- Gratuity

PERFORMANCE INCENTIVE PAY (PIP) (VARIABLE PAY)

This is determined based on individual and organizational performance- Individual performance is rated on a 5 point scale annually during the final review. Organizational performance is determined on the basis of ROE and operational efficiencies. Combining both measures, the final PIP quantum is determined.

IV. OTHER EMPLOYEES

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

ANNEXURE 'E' TO THE BOARD'S REPORT

STATEMENT OF DISCLOSURE OF REMUNERATION

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 and percentage increase in the remuneration of each Director and Key Managerial Personnel (KMP) during the financial year 2017-18 are as follows:

Sr. No.	NAME OF DIRECTOR /KMP	DESIGNATION	RATIO OF REMUNERATION OF EACH DIRECTOR TO MEDIAN REMUNERATION OF EMPLOYEES	PERCENTAGE INCREASE IN REMUNERATION
1	Mr. K. M. Sheth	Chairman	2.34:1	(6.71)
2	Mr. Bharat K. Sheth	Deputy Chairman & Managing Director	137.22:1	(13.84)
3	Mr. Tapas Icot	Executive Director & President (Shipping)	40.00:1	2.56
4	Mr. G. Shivakumar	Executive Director & CFO	38.88:1	(5.15)
5	Mr. Ravi K. Sheth*	Director	-	-
6	Mr. Berjis Desai	Independent Director	2.76:1	(10.87)
7	Mr. Cyrus Guzder	Independent Director	4.15:1	-
8	Mr. Farrokh Kavarana	Independent Director	3.10:1	12.20
9	Ms. Rita Bhagwati	Independent Director	2.93:1	-
10	Dr. Shankar Acharya	Independent Director	2.51:1	-
11	Mr. Vineet Nayyar	Independent Director	2.51:1	7.19
12	Mr. Jayesh M. Trivedi	Company Secretary	22.97:1	(0.11)

* Considering the time and efforts spent by Mr. Ravi K. Sheth for the business of Greatship (India) Limited (GIL) and its subsidiaries, entire remuneration to Mr. Ravi K. Sheth is paid by GIL.

Notes: Considering the pattern of employment in the shipping business, the remuneration paid to members of the shipboard staff who have worked on board the Company's ships for only a short period during the year have not been considered for the purpose of calculating median remuneration.

- The percentage increase in the median remuneration of employees in the financial year 2017-18 was 0.07%.
- The Company had 1016 permanent employees on the rolls of the Company as on March 31, 2018.
- The average increase in remuneration of employees was 45.01% during the financial year 2017-18. The average decrease in the remuneration of KMPs was 8.84% during the financial year 2017- 18. Considering the industry performance as well as performance of the Company, change in the remuneration of KMPs is considered appropriate.
- The Board of Directors hereby affirms that the remuneration is as per the remuneration policy of the Company.
- The statement pursuant to Rule (5)(2) is enclosed.

Annexure to Statement of Disclosure of Remuneration

Information as per Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. Name No.	Designation	Remuneration Received (₹) Gross	Qualifications	Experience (Years)	Date of Commencement of Employment	Age (Yrs)	Last Employment Held
DIRECTORS :							
1 # Bharat K. Sheth	Deputy Chairman & Managing Director	8,14,89,653	B.Sc. (Scotland)	37	01-Oct-1981	60	-
2 Tapas loot	Executive Director & President (Shipping)	2,37,52,522	B. Com (Hons.), AllI, DMS, FICA, MFM	40	20-Feb-1991	62	Essar Shipping Ltd.
3 G. Shivakumar	Executive Director & Chief Financial Officer	2,30,88,187	B.Com.,PGDM	28	16-Sep-2008	50	Greatship (India) Ltd.
SHORE STAFF :							
4 Anjan K. Sahu	Assistant Vice President, Technical	1,18,03,807	B.E.,1st Class MOT	37	29-Dec-1995	56	American Bureau of Shipping
5 Avinash L. Sukthankar	Assistant Vice President - Accounts & MIS	1,10,29,324	B.Com.,ACA	30	15-Sep-1997	54	The Indian Hotels Co. Ltd.
6 Chandrasekharan V. K.	Head - Quality & Safety	1,02,17,181	B.E.,MBA	37	01-Jul-2013	59	Greatship (India) Ltd.
7 Cherian K. Cherian	General Manager, Materials Procurement	1,05,41,685	B.E.,DMS	39	04-Sep-2000	61	Crompton Greaves Ltd.
8 David D. Birwadkar	Vice-President, Training & Assessment	1,17,08,013	1st Class MOT	35	28-Dec-2006	57	Anglo Eastern Ship Management Pvt. Ltd.
9 Jayesh M. Trivedi	President - Sect. & Legal and Company Secretary	1,36,43,441	B.Com.,BGLFCS	39	19-Jul-2000	58	DCW Home Products Ltd.
10 Mudit Mehrotra	Assistant Vice President, Technical	1,27,05,434	1st Class MOT	29	04-Apr-1989	52	-
11 Prakash Correa	Vice President - Operations, International	1,49,18,246	Master FG	40	23-Jun-2004	59	Varun Shipping Company Ltd.
12 Pramod K. Dhyani	Assistant Vice President. Coastal Operations	1,16,64,646	Master FG	38	16-Apr-1979	60	-
13 Reginald C. Sequeira	Head - Bulk Carrier Business Unit	1,41,53,647	B.Sc.,MBA,LLB	42	18-Dec-2006	62	Noble Chartering Ltd, Hong Kong
14 Somesh K. Kapila	Head - Tanker Business Unit	1,43,31,444	B.Sc.,PGDBM	30	04-May-1995	53	Shipping Corporation of India Ltd.
15 Udaybir S. Bakshi	General Manager, Sale & Purchase	1,07,00,135	B.E.,MBA	18	14-Feb-2000	43	Bank of Madura Ltd.
FLOATING STAFF :							
16 Sinha A.	Master	1,19,10,102	Master (FG.)	21	02-May-1996	41	-
17 *Singh R.	Master	1,07,45,064	Master (FG.)	19	23-Apr-1998	39	-
18 Solkar N. I.	Chief Engineer	1,18,68,582	Class I (Motor)	16	12-Jul-2001	40	-
19 Singh R. S.	Master	1,29,76,354	Master (FG.)	14	28-Jul-2003	34	-
20 Dasgupta T.	Chief Engineer	1,17,67,545	Class I (Motor)	21	10-Jan-2006	54	OMI Corp.
21 Konhar S. S.	Chief Engineer	1,29,59,296	Class I (Motor)	14	24-Feb-2006	41	The Shipping Corporation of India Ltd.
22 Gazder J. D.	Chief Engineer	1,39,13,206	Class I (Motor)	23	30-May-2008	46	Nico Middle East Ltd
23 Sengar D. S.	Chief Engineer	1,17,42,450	Class I (Motor)	25	18-May-2010	50	-
24 Jacob S.	Master	1,15,49,372	Master (FG.)	15	17-Sep-2012	37	Northern Marine Management Pvt. Ltd.

S.R. NAME NO.	DESIGNATION	REMUNERATION RECEIVED (₹) GROSS	QUALIFICATIONS	EXPERIENCE (YEARS)	DATE OF COMMENCEMENT OF EMPLOYMENT	AGE (YRS)	LAST EMPLOYMENT HELD
25	*Kalia M.	26,76,267	Master (FG.)	14	20-Mar-2017	63	-
26	*Prasad M. S.	1,03,86,799	Class I (Motor)	17	08-Apr-2017	58	Five Star Shipping Pvt Ltd.
27	*Keremane M. B.	1,09,33,243	Class I (Motor)	14	12-Apr-2017	39	The Shipping Corporation of India Ltd
28	*Rajendran N.	1,17,01,695	Class I (Motor)	20	11-Jun-2017	49	Belchem Singapore Pte Ltd
29	*Lal K.	90,89,882	Master (FG.)	19	27-Jun-2017	49	Wallem Ship Management Ltd
30	*Nirmalkumar N.	74,32,800	Class I (Motor)	16	18-Jul-2017	47	BW Maritime
31	*Prasad A.	68,82,171	Class I (Motor)	12	29-Aug-2017	49	Executive Ship Management Pvt. Ltd.
32	*Nayak K. N.	59,61,301	Master (FG.)	20	10-Sep-2017	55	American Eagle Tankers
33	*Chatterjee A.	89,14,558	Master (FG.)	21	12-Sep-2017	40	-
34	*Choudhuri S. S.	50,21,663	Class I (Motor)	18	18-Oct-2017	46	Marlow Navigation
35	*Dhawde S. D.	47,63,505	Master (FG.)	24	29-Oct-2017	46	Eastern Pacific Shipping India Pvt. Ltd.
36	*Behera S. K.	46,27,730	Class I (Motor)	30	02-Nov-2017	53	Fleet Management Ltd.
37	*Menezes S. S.	47,49,667	Master (FG.)	24	27-Oct-2017	50	Wallem Ship Management Ltd
38	*Gopal A. K.	44,15,640	Class I (Motor)	26	06-Nov-2017	60	Seateam Management Pte. Ltd.
39	*Borthwick R. S.	35,20,718	Master (FG.)	20	06-Dec-2017	43	AZA Shipping Pvt. Ltd.
40	*Chakraborty A. K.	32,97,805	Class I (Motor)	12	12-Dec-2017	56	Selandia Marine Services Pvt. Ltd.
41	*Devarajan M.	32,67,266	Class I (Motor)	8	26-Dec-2017	32	Varun Shipping Co. Limited
42	*Fernandes J.	27,05,461	Master (FG.)	28	02-Jan-2018	50	Islamic Republic of Iran
43	*Fadnavis P. P.	14,85,678	Master (FG.)	23	15-Feb-2018	60	ASP Ship Management Pvt. Ltd.
44	*Kudlingal N. S.	11,04,399	Class I (Motor)	29	25-Feb-2018	54	Selandia Marine Services Pvt. Ltd.
45	*Rao M. D.	86,53,997	Class I (Motor)	12	14-Mar-2018	35	-

* Employed for the part of the year.

Nature of employment is contractual for these employees and non-contractual for others.

Notes:

Percentage of equity shares held by the employees in the Company within the meaning of Rule 5(2)(iii) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: N.A.

Remuneration received 'Gross' includes Salary, Allowances, Bonus/Commission, Company's contribution to Provident Fund, RPFC Pension Fund, Superannuation Fund and National Pension Scheme, taxable value of perquisite.

In the case of Shore-Staff, other terms and conditions are as per Company's service rules whereas for Floating Staff they are as per agreements with Maritime Union of India/National Union of Seafarers of India.

In addition to the above remuneration, employees are entitled to gratuity in accordance with the Company's rules.

Mr. Bharat K. Sheth is son of Mr. K.M. Sheth, Chairman of the Company.

None of the other employees is related to any Director of the Company.

ANNEXURE 'F' TO THE BOARD'S REPORT

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

[Pursuant to Clause (h) of sub section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with the related parties referred to in sub section 1 of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

Details of contracts/arrangements or transactions not at arm's length basis: The details of the contracts/ arrangements or transactions entered into during the year ended March 31, 2018, which were not at arm's length basis are as follows:

NAME OF RELATED PARTY	NATURE OF RELATIONSHIP	NATURE OF CONTRACT/ ARRANGEMENT/ TRANSACTION	DURATION OF CONTRACT/ ARRANGEMENT/ TRANSACTION	SALIENT TERMS OF CONTRACT/ARRANGEMENT/ TRANSACTION	DATE OF BOARD APPROVAL	AMOUNT (₹ IN CRORES)
NIL						

Justification: N.A.

Details of material contracts/arrangements 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, 2018 are as follows:

NAME OF RELATED PARTY	NATURE OF RELATIONSHIP	NATURE OF CONTRACT/ ARRANGEMENT/ TRANSACTION	DURATION OF CONTRACT/ ARRANGEMENT/ TRANSACTION	SALIENT TERMS OF CONTRACT/ARRANGEMENT/ TRANSACTION	AMOUNT (₹ IN CRORES)
The Greatship (Singapore) Pte. Ltd.	Wholly owned Subsidiary	Agency Fees	Several transactions during the year	Payment of fees for shipping agency services availed by the Company	1.16
The Greatship (Singapore) Pte. Ltd.	Wholly owned Subsidiary	Agency Disbursement	Several transactions during the year	Reimbursement of expenses incurred while rendering shipping agency services to the Company	5.88
The Greatship (Singapore) Pte. Ltd.	Wholly owned Subsidiary	Payables	-	Outstanding amount towards agency fees and disbursements	0.47
The Great Eastern Chartering L.L.C. (FZC)	Wholly owned Subsidiary	In-Chartering of vessels	Several transactions during the year	Payment for in-chartering of vessels service availed by the Company	7.40
The Great Eastern Chartering L.L.C. (FZC)	Wholly owned Subsidiary	Reimbursement of expenses	Several transactions during the year	Reimbursement of expenses to the Company	3.55
The Great Eastern Chartering L.L.C.	Wholly owned Subsidiary	Payables	-	Outstanding amount towards in-chartering of vessels by the Company	0.37
Greatship (India) Ltd.	Wholly owned Subsidiary	Sale of Training Slots	Several transactions during the year	Sale of training slots as per DG Shipping Rules	1.84
Greatship (India) Ltd.	Wholly owned Subsidiary	Dividend Income	Several transactions during the year	Dividend received by the Company as per the terms of equity & preference shares held by the Company	23.32
Greatship (India) Ltd.	Wholly owned Subsidiary	Receivables	-	Receivables towards reimbursement of expenses incurred by the Company	0.75
Great Eastern CSR Foundation	Wholly owned Subsidiary	Donation Given	-	Donation given pursuant to Section 135 of the Companies Act, 2013	9.14
Mr. Rahul R. Sheth	Son of Mr. Ravi K. Sheth (Director of the Company)	Holding office or place of profit	With effect from October 1, 2014	Salary upto ₹25 lac and other benefits applicable to his grade from time to time	0.16

For and on behalf of the Board of Directors

K.M. Sheth
Chairman
(DIN : 00022079)

Mumbai, May 04, 2018

Annexure 'G' to the Board's Report

EXTRACT OF ANNUAL RETURN - FORM NO. MGT - 9

Extract of Annual Return as on the Financial Year ended on March 31, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i	CIN	L35110MH1948PLC006472
ii	Registration Date	03/08/1948
iii	Name of the Company	The Great Eastern Shipping Company Limited
iv	Category/Sub-Category of the Company	Public company /Limited by shares
v	Address of the Registered office and contact details	Ocean House, 134/A, Dr. Annie Besant Road, Worli, Mumbai 400 018 Tel : 022-66613000 / 24922100 Fax : 022-24925900 E-mail: shares@greatship.com
vi	Whether listed Company	Yes
vii	Name Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Pvt. Ltd. Unit: The Great Eastern Shipping Co. Ltd. Karvy Selenium Tower B, Plot 31-32,Gachibowli, Financial District, Nanakramguda Hyderabad – 500 032 Tel: +91 40 6716 2222 Fax: +91 40 2342 0814 Email: greatship.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of Main Products/Services	NIC Code of the Product/Service	% to Total Turnover of the Company
1	Shipping	50120	84.41*

*15.59% of total turnover of the Company comprises of other operating revenue and other income.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SR. NO.	NAME OF THE COMPANY	ADDRESS	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	The Greatship (Singapore) Pte. Ltd.	15, Hoe Chiang Road, #06-03, Tower Fifteen, Singapore 089316	NA	Subsidiary	100%	2(87)(ii)
2	The Great Eastern Chartering LLC (FZC)	Executive Suite ZI-42, P.O. Box 9271, Sharjah, UAE	NA	Subsidiary	100%	2(87)(ii)
3	The Great Eastern Chartering (Singapore) Pte. Ltd.	15, Hoe Chiang Road, #06-03, Tower Fifteen, Singapore 089316	NA	Subsidiary	100%	2(87)(ii)
4	Great Eastern CSR Foundation	Plot - 134A, Ocean House, Dr. Annie Besant Road, New Worli Police Station, Shivaji Nagar, Worli, Mumbai 400018	U85300MH2015 NPL262266	Subsidiary	100%	2(87)(ii)
5	Greatship (India) Ltd.	Indiabulls Finance Centre, Tower 3 23rd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400013	U63090MH2002 PLC136326	Subsidiary	100%	2(87)(ii)
6	Greatship Global Holdings Ltd.*	Abax Corporate Services Ltd. 6th Floor, Tower A, 1, Cybercity, Ebene, Republic of Mauritius	NA	Subsidiary	100%	2(87)(ii)
7	Greatship Global Offshore Services Pte. Ltd.*#	15, Hoe Chiang Road, #06-03, Tower Fifteen, Singapore 089316	NA	Subsidiary	100%	2(87)(ii)
8	Greatship Global Energy Services Pte. Ltd.*	15, Hoe Chiang Road, #06-03, Tower Fifteen, Singapore 089316	NA	Subsidiary	100%	2(87)(ii)
9	Greatship (UK) Ltd.*	10 Queen Street Place, London-EC4R 1AG, United Kingdom	NA	Subsidiary	100%	2(87)(ii)
10	Greatship Oilfield Services Ltd.*	Indiabulls Finance Centre, Tower 3 23rd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400013	U74900MH2015 PLC266483	Subsidiary	100%	2(87)(ii)

* Wholly owned subsidiaries of Greatship (India) Ltd.

Wholly owned subsidiary of Greatship Global Holdings Ltd.

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i. Category-wise Share Holding

CATEGORY OF SHAREHOLDERS		NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR				NO. OF SHARES HELD AT THE END OF THE YEAR				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
A PROMOTERS										
1 INDIAN										
a	Individual /HUF	39269694	0	39269694	26.04	38468757	0	38468757	25.51	(0.53)
b	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
c	State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
d	Bodies Corporate	6296512	0	6296512	4.18	6251857	0	6251857	4.15	(0.03)
e	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
f	Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A)(1):		45566206	0	45566206	30.22	44720614	0	44720614	29.66	(0.56)
2 FOREIGN										
a	Individuals (NRIs)	0	0	0	0.00	0	0	0	0.00	0.00
b	Individuals (Others)	0	0	0	0.00	0	0	0	0.00	0.00
c	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d	Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e	Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A)(2):		0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of promoters A=A(1)+A(2)		45566206	0	45566206	30.22	44720614	0	44720614	29.66	(0.56)
B PUBLIC SHAREHOLDING										
1 INSTITUTIONS										
a	Mutual Funds	23600375	550	23600925	15.65	28321506	132	28321638	18.78	3.13
b	Financial Institutions /Banks	86184	37260	123444	0.08	128408	30568	158976	0.11	0.03
c	Central Government	0	10262	10262	0.01	0	10238	10238	0.01	0.00
d	State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
e	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f	Insurance Companies	5603917	409	5604326	3.72	5088501	409	5088910	3.38	(0.34)

CATEGORY OF SHAREHOLDERS	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR				NO. OF SHARES HELD AT THE END OF THE YEAR				% CHANGE DURING THE YEAR
	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
g Foreign Institutional Investors	34902110	16250	34918360	23.16	32814277	15210	32829487	21.77	(1.39)
h Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i Others	49600	1052	50652	0.03	0	0	0	0.00	(0.03)
Sub-Total B(1):	64242186	65783	64307969	42.65	66352692	56557	66409249	44.04	1.40
2 NON-INSTITUTIONS									
a Bodies Corporate									
(i) Indian	9066752	65903	9132655	6.06	8245677	59163	8304840	5.51	(0.55)
(ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b Individuals									
(i) Individual shareholders holding nominal share capital upto ₹1 lakh	17979187	3125049	21104236	14.00	18105572	2664469	20770041	13.78	(0.22)
(ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	8832389	338521	9170910	6.08	9046654	363527	9410181	6.24	0.16
c Others									
Foreign Nationals	1000	0	1000	0.00	2600	0	2600	0.00	0.00
Non Resident Indians	1066358	19649	1086007	0.72	1138369	16131	1154500	0.77	0.05
Overseas Corporate Bodies	0	1224	1224	0.00	0	864	864	0.00	0.00
Sub-Total (B)(2) :	36945686	3550346	40496032	26.86	36538872	3104154	39643026	26.30	(0.56)
Total (B)=(B)(1)+(B)(2)	101187872	3616129	104804001	69.51	102891564	3160711	106052275	70.34	0.84
C SHARES HELD BY CUSTODIANS FOR GDRS AND ADRS									
Public	405202	1656	406858	0.27	2520	1656	4176	0.00	(0.27)
GRAND TOTAL (A+B+C)	147159280	3617785	150777065	100.00	147614698	3162367	150777065	100.00	

ii. Shareholding of Promoters

SR. NO.	SHAREHOLDERS NAME	SHAREHOLDING AT THE BEGINNING OF THE YEAR			SHAREHOLDING AT THE END OF THE YEAR			% CHANGE IN SHAREHOLDING DURING THE YEAR
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	% OF SHARES PLEDGED / ENCUMBERED TO TOTAL SHARES	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	% OF SHARES PLEDGED / ENCUMBERED TO TOTAL SHARES	
1	A H Bhiwandiwalla Consultancy Pvt Ltd#	3600	0.00		3600	0.00		0.00
2	Amita Ravi Sheth	183808	0.12		183808	0.12		0.00
3	Anjali Ajay Nanavati**	10000	0.01		-	-		(0.01)
4	Arjun Ravi Sheth	50040	0.03		50040	0.03		0.00
5	Arti Pankaj Pandey**	194686	0.13		-	-		(0.13)
6	Asha Vasant Sheth	2122851	1.41		2122851	1.41		0.00
7	Ashadeep Trading LLP	203444	0.13		203444	0.13		0.00
8	Bharat K. Sheth	15719490*	10.43		15719490*	10.43		0.00
9	Ghanshyam Sevantilal Sheth**	10468	0.01		-	-		(0.01)
10	Gopa Investments Co. (Pvt) Ltd.	424000	0.28		424000	0.28		0.00
11	Gopali Mulji	440000	0.29		400000	0.27		(0.02)
12	Jyoti Bharat Sheth	137796	0.09		137796	0.09		0.00
13	Jyotsna Kanaiyalal Sheth	247968	0.16		247968	0.16		0.00
14	Kabir Mulji	529615	0.35		529615	0.35		0.00
15	K. M. Sheth	278133	0.18		278133	0.18		0.00
16	Ketaki Vasant Sheth	989980	0.66		989980	0.66		0.00

SR. NO.	SHAREHOLDERS NAME	SHAREHOLDING AT THE BEGINNING OF THE YEAR			SHAREHOLDING AT THE END OF THE YEAR			% CHANGE IN SHAREHOLDING DURING THE YEAR
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	% OF SHARES PLEDGED / ENCUMBERED TO TOTAL SHARES	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	% OF SHARES PLEDGED / ENCUMBERED TO TOTAL SHARES	
17	Laadki Trading and Investments Ltd.	5524981	3.66		5524981	3.66		0.00
18	Nirja Bharat Sheth	105317	0.07		105317	0.07		0.00
19	Nisha Viraj Mehta	112037	0.07		112037	0.07		0.00
20	Pankaj R. Pandey**	11000	0.01	5000	-	-		(0.01)
21	Pradeep Padgaokar	151282	0.10		151282	0.10		0.00
22	Purnima Sevantilal Sheth**	300000	0.20		-	-		(0.20)
23	Radhika Ghanshyam Sheth**	178203	0.12		-	-		(0.12)
24	Rahul Ravi Sheth	108521	0.07		108521	0.07		0.00
25	Ravi K. Sheth	15262504*	10.12		15262504*	10.12		0.00
26	Rosaleen Mulji	432000	0.29		432000	0.29		0.00
27	Sachin Mulji	1100000	0.73		1055000	0.70		(0.03)
28	Sangita Mulji	582415	0.39		582415	0.39		0.00
29	Siddharth Ghanshyam Sheth**	11580	0.01		-	-		(0.01)
30	Thakkar Trading Private Limited**	44655	0.03		-	-		(0.03)
31	V J Share Enterprises LLP	95832	0.06		95832	0.06		0.00
Total		45566206	30.22		44720614	29.66		(0.56)

* Total shareholding includes shares held as trustee.

**Reclassified as public shareholders w.e.f. November 09, 2017.

Formerly known as "A H Bhiwandiwalla Investments Pvt. Ltd.".

iii. Details of changes in promoters' shareholding

SL. NO.	NAME OF THE SHARE HOLDER	SHAREHOLDING AT THE BEGINNING OF THE YEAR		DATE	INCREASE/ DECREASE IN SHARE HOLDING	REASON	CUMULATIVE SHAREHOLDING DURING THE YEAR AND AT THE END OF THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY				NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1	Gopali Mulji	440000	0.29					
				17.11.2017	(4817)	Sell	435183	0.29
				24.11.2017	(15183)	Sell	420000	0.28
				16.02.2018	(2212)	Sell	417788	0.28
				23.02.2018	(17788)	Sell	400000	0.27
2	Sachin Mulji	1100000	0.73					
				02.06.2017	(25000)	Sell	1075000	0.71
				01.12.2017	(10000)	Sell	1065000	0.71
				23.02.2018	(10000)	Sell	1055000	0.70

Note: Following members of the promoter group were reclassified as public shareholders w.e.f. November 09, 2017:

1. Ghanshyam Sevantilal Sheth
2. Purnima Sevantilal Sheth
3. Radhika Ghanshyam Sheth
4. Siddharth Ghanshyam Sheth
5. Anjali Ajay Nanavati
6. Thakkar Trading Private Limited
7. Pankaj R. Pandey
8. Arti Pankaj Pandey

There was no change in their shareholding in the period from April 1, 2017 to November 09, 2017.

iv. Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

SL. NO.	NAME OF THE SHARE HOLDER	SHAREHOLDING AT THE BEGINNING OF THE YEAR		DATE	INCREASE/ DECREASE IN SHARE HOLDING	REASON	CUMULATIVE SHAREHOLDING DURING THE YEAR AND AT THE END OF THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY				NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1	Nalanda India Equity Fund Limited	10524139	6.98				10524139	6.98
2	ICICI Prudential Life Insurance Company Ltd	5514200	3.66					
				05.05.2017	(1457)	Sell	5512743	3.66
				09.06.2017	(5616)	Sell	5507127	3.65
				16.06.2017	(1770)	Sell	5505357	3.65
				23.06.2017	(9317)	Sell	5496040	3.65
				30.06.2017	(67113)	Sell	5428927	3.60
				07.07.2017	(454477)	Sell	4974450	3.30
				14.07.2017	(385)	Sell	4974065	3.30
				11.08.2017	(4539)	Sell	4969526	3.30
				25.08.2017	(1603)	Sell	4967923	3.29
				01.09.2017	(200330)	Sell	4767593	3.16
				15.09.2017	(143008)	Sell	4624585	3.07
				22.09.2017	(57306)	Sell	4567279	3.03
				19.01.2018	187507	Buy	4754786	3.15
3	Fidelity Puritan Trust-Fidelity Low-Priced Stock Fund	5100000	3.38				5100000	3.38
4	ICICI Prudential Dynamic Plan	5044505	3.35					
				07.04.2017	(350019)	Sell	4694486	3.11
				14.04.2017	(44200)	Sell	4650286	3.08
				21.04.2017	(84873)	Sell	4565413	3.03
				28.04.2017	(16223)	Sell	4549190	3.02
				20.10.2017	(549190)	Sell	4000000	2.65
				17.11.2017	13514	Buy	4013514	2.66
				24.11.2017	19535	Buy	4033049	2.67
				15.12.2017	75870	Buy	4108919	2.73

SL. NO.	NAME OF THE SHARE HOLDER	SHAREHOLDING AT THE BEGINNING OF THE YEAR		DATE	INCREASE/ DECREASE IN SHARE HOLDING	REASON	CUMULATIVE SHAREHOLDING DURING THE YEAR AND AT THE END OF THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY				NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
				22.12.2017	41830	Buy	4150749	2.75
				29.12.2017	23803	Buy	4174552	2.77
				16.02.2018	712	Buy	4175264	2.77
				23.02.2018	499288	Buy	4674552	3.10
				23.03.2018	23286	Buy	4697838	3.12
				30.03.2018	176714	Buy	4874552	3.23
5	ICICI Prudential Value Discovery Fund	3465077	2.30				3465077	2.30
6	General Insurance Corporation of India	3239832	2.15					
				28.04.2017	(38521)	Sell	3201311	2.12
				14.07.2017	(25000)	Sell	3176311	2.11
				21.07.2017	(28615)	Sell	3147696	2.09
				19.01.2018	(46385)	Sell	3101311	2.06
7	SBI Magnum Balanced Fund	2915717	1.93					
				03.11.2017	209491	Buy	3125208	2.07
				24.11.2017	624254	Buy	3749462	2.49
				05.01.2018	40761	Buy	3790223	2.51
				16.02.2018	150000	Buy	3940223	2.61
				23.02.2018	575737	Buy	4515960	3.00
				09.03.2018	225117	Buy	4741077	3.14
				23.03.2018	401000	Buy	5142077	3.41
				30.03.2018	395000	Buy	5537077	3.67
8	SBI Emerging Businesses Fund	2700000	1.79					
				27.10.2017	366650	Buy	3066650	2.03
				17.11.2017	33350	Buy	3100000	2.06
9	UTI-Dividend Yield Fund	2070000	1.37					
				20.10.2017	(7894)	Sell	2062106	1.37
				27.10.2017	(8804)	Sell	2053302	1.36
				31.10.2017	(109302)	Sell	1944000	1.29

SL. NO.	NAME OF THE SHARE HOLDER	SHAREHOLDING AT THE BEGINNING OF THE YEAR		DATE	INCREASE/ DECREASE IN SHARE HOLDING	REASON	CUMULATIVE SHAREHOLDING DURING THE YEAR AND AT THE END OF THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY				NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
				10.11.2017	(2277)	Sell	1941723	1.29
				24.11.2017	(33723)	Sell	1908000	1.27
				01.12.2017	(36000)	Sell	1872000	1.24
				22.12.2017	(72000)	Sell	1800000	1.19
10	Franklin Templeton Investment Funds	1262847	0.84					
				16.06.2017	35694	Buy	1298541	0.86
				23.06.2017	25826	Buy	1324367	0.88
				30.06.2017	110002	Buy	1434369	0.95
				07.07.2017	193020	Buy	1627389	1.08
				14.07.2017	5046	Buy	1632435	1.08
				21.07.2017	66512	Buy	1698947	1.13
				04.08.2017	575136	Buy	2274083	1.51
				11.08.2017	40902	Buy	2314985	1.54
				18.08.2017	29700	Buy	2344685	1.56
				25.08.2017	221018	Buy	2565703	1.70
				01.09.2017	135544	Buy	2701247	1.79
				16.02.2018	(600000)	Sell	2101247	1.39
				23.02.2018	(444600)	Sell	1656647	1.10
11	ICICI Prudential Top 100 Fund	1612581	1.07					
				09.06.2017	9498	Buy	1622079	1.08

v. Shareholding of Directors and Key Managerial Personnel

SL. NO.	NAME	SHAREHOLDING AT THE BEGINNING OF THE YEAR		DATE	INCREASE/ DECREASE IN SHARE HOLDING	REASON	CUMULATIVE SHAREHOLDING DURING THE YEAR AND AT THE END OF THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY				NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1	K. M. Sheth	278133	0.18				278133	0.18
2	Bharat K. Sheth	15719490*	10.43				15719490*	10.43
3	Ravi K. Sheth	15262504*	10.12				15262504*	10.12
4	Berjis Desai	800	0.00				800	0.00
5	Cyrus Guzder	986	0.00				986	0.00
6	Farrokh Kavarana	3153	0.00				3153	0.00
7	Rita Bhagwati	0	0.00				0	0.00
8	Shankar N. Acharya	0	0.00				0	0.00
9	Vineet Nayyar	23005	0.02				23005	0.02
10	Tapas Icot	1600	0.00				1600	0.00
11	G. Shivakumar	57	0.00				57	0.00
12	Jayesh M. Trivedi	80	0.00				80	0.00

* Total shareholding includes shares held as trustee.

V. INDEBTEDNESS

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

(₹ in crores)

	SECURED LOANS EXCLUDING DEPOSITS	UNSECURED LOANS	DEPOSITS	TOTAL INDEBTEDNESS
Indebtedness at the beginning of the Financial year				
i) Principal Amount	1,479.34	2,965.17	-	4,444.51
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	19.88	113.64	-	133.52
Total (i+ii+iii)	1,499.22	3,078.81	-	4,578.04
Change in Indebtedness during the Financial year				
- Addition	150.00	150.00	-	300.00
- Reduction	(330.81)	(185.00)	-	(515.81)
- Exchange Diff Adjustment	4.42	0.85	-	5.27
Net Change	(176.39)	(34.15)	-	(210.54)
Indebtedness at the end of the Financial year				
i) Principal Amount	1,302.95	2,931.02	-	4,233.97
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	26.56	121.00	-	147.56
Total (i+ii+iii)	1,329.51	3,052.02	-	4,381.53

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

(Amount in ₹)

SN.	PARTICULARS OF REMUNERATION	BHARAT K. SHETH	TAPAS ICOT	G. SHIVAKUMAR	TOTAL AMOUNT
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	31,181,100	14,271,940	13,177,698	58,630,738
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	7,430,076	1,213,447	1,225,456	9,868,979
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	38,700,000	7,330,000	7,800,000	53,830,000
	- others, specify	-	-	-	-
5	Others Benefits	4,178,477	937,135	885,033	6,000,645
	Total (A)	81,489,653	23,752,522	23,088,187	128,330,362
	Ceiling as per the Act (₹ in crores)				15.58

- Salary excludes variable pay for previous financial year, i.e. FY 2016-17.
- Mr. Tapas Icot and Mr. G. Shivakumar are also entitled to gratuity in accordance with the Company's rules.

Note: The Remuneration Committee has formulated a Retirement Benefit Scheme for the eligible Wholetime Directors. The Board approved Scheme has been made effective from January 01, 2005. The Scheme provides for provision of pension, medical reimbursements and other benefits to the eligible retiring Wholetime Directors. On the basis of an actuarial valuation, an amount of ₹0.91 crore (previous year ₹2.34 crore) was provided during the year for pension payable to eligible Wholetime Directors on their retirement.

B. REMUNERATION TO OTHER DIRECTORS (NON-EXECUTIVE & INDEPENDENT DIRECTORS)

(Amount in ₹)

SN.	PARTICULARS OF REMUNERATION	K. M. SHETH	RITA BHAGWATI	FARROKH KAVARANA	SHANKAR ACHARYA	BERJIS DESAI	CYRUS GUZDER	VINEET NAYYAR	RAVI K. SHETH\$	TOTAL AMOUNT
1	Independent Directors									
	Fee for attending board and committee meetings		500,000	500,000	400,000	300,000	500,000	500,000	-	2,700,000
	Commission		1,240,000	1,340,000	1,090,000	1,340,000	1,965,000	990,000	-	7,965,000
	Others, please specify		-	-	-	-	-	-	-	-
	Total (1)		1,740,000	1,840,000	1,490,000	1,640,000	2,465,000	1,490,000	-	10,665,000
2	Other Non-Executive Directors									
	Fee for attending board and committee meetings	400,000	-	-	-	-	-	-	-	400,000
	Commission	990,000	-	-	-	-	-	-	-	990,000
	Others, please specify*	14,557,411	-	-	-	-	-	-	-	14,557,411
	Total (2)	15,947,411	-	-	-	-	-	-	-	15,947,411
	Total (B)=(1+2)	15,947,411	1,740,000	1,840,000	1,490,000	1,640,000	2,465,000	1,490,000	-	26,612,411
	Total Managerial Remuneration (A+B)									154,942,773
	Overall Ceiling as per the Act (₹ In crores)									17.13

*During the year ₹14,557,411/- was paid to Mr. K.M. Sheth towards pension and other retirement benefits as per the Retirement Benefit Scheme.

\$ Considering the time and efforts spent by Mr. Ravi K. Sheth for the business of Greatship (India) Ltd. (GIL) and its subsidiaries, entire remuneration to Ravi K. Sheth is paid by GIL.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Amount in ₹)

SN	PARTICULARS OF REMUNERATION	KEY MANAGERIAL PERSONNEL
		MR. JAYESH M. TRIVEDI (COMPANY SECRETARY)
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12,175,612
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	816,698
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission	
	- as % of profit	-
	- others, specify	-
5	Other benefits	651,131
Total		13,643,441

*Salary includes variable pay for previous financial year, i.e. FY 2016-17. Mr. Jayesh M. Trivedi is also entitled to gratuity in accordance with the Company's rules.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

TYPE	SECTION OF THE COMPANIES ACT	BRIEF DESCRIPTION	DETAILS OF PENALTY / PUNISHMENT/ COMPOUNDING FEES IMPOSED	AUTHORITY [RD / NCLT/ COURT]	APPEAL MADE, IF ANY (GIVE DETAILS)
COMPANY/ DIRECTORS/ OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board of Directors

K.M. Sheth
Chairman
(DIN : 00022079)

Mumbai, May 04, 2018

ANNEXURE 'H' TO THE BOARD'S REPORT

DIVIDEND DISTRIBUTION POLICY

a) This Policy is made pursuant to the requirements of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Regulations').

b) Dividend is the share of profits of a company which is paid by the company to its shareholders.

The process of declaration of dividend and, in certain circumstances, quantum of dividend is regulated by the Companies Act, 2013 (hereinafter referred to as the 'Act'). Provisions of Income Tax Act, 1961 are also relevant. There may also be certain contractual constraints.

As per the Act, 'interim' dividend can be declared by the Board of Directors. Whereas, 'final' dividend is recommended by the Board of Directors and declared by shareholders at their annual general meeting.

c) 'Declaration of dividend' is one of the key financial decisions of the Company, forming part of the overall strategy for efficient allocation of capital as well as increasing shareholder's wealth.

There are numerous factors which affect the decision concerning the portion of the profits of the Company to be distributed by way of dividend and the portion to be retained for future requirements.

This Policy sets out the general parameters adopted by the Company for declaration of dividend for guidance purposes.

The broad parameters (for declaration of dividend or otherwise and quantum of dividend) are as follows:

i) Profitability:

'Profitability' is the prime factor that determines the amount of dividend to be distributed by the Company. The Company shall strive to maintain a positive relationship between profitability and dividend payout.

Dividend shall normally be paid out of current year's profits. However, the Company may sometimes declare dividend out of past year's profits.

ii) Liquidity:

Liquidity is another factor that determines the amount of dividend to be distributed by the Company. Here, liquidity refers to the 'cash position' of the Company. The Company shall strive to maintain a positive relationship between liquidity and dividend payout.

iii) Leverage and debt repayment:

This is also considered a key factor for declaration of dividend. High leverage ratios lead to high financing costs and thereby weakening the position to pay higher dividends. There is a negative relationship between leverage and dividend payout.

iv) Capital requirements:

A negative relationship is expected between long term and short term capital requirements and dividend payout. Sometimes, the Company may be required to retain a higher part of its profits for strengthening its financial position as well as for meeting its long term and short term capital requirements.

v) Group companies

The Company will also consider the financial support required by its subsidiary and investee companies when deciding on the amount of dividend paid out to shareholders.

vi) Other factors

The Company also needs to consider several other factors such as modernization of fleet, major repairs and maintenance, likelihood of crystallization of contingent liabilities, material risks being faced by the Company, etc. while taking decision on declaration of dividend.

d) This Policy has been adopted by the Board of Directors of the Company at its meeting held on August 11, 2016.

ANNEXURE 'I' TO THE BOARD'S REPORT

SECRETARIAL AUDIT REPORT

FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

[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,
The Great Eastern Shipping Company Limited,
 134/A, Ocean House,
 Dr. Annie Besant Road,
 Worli, Mumbai - 400018.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **The Great Eastern Shipping Company 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, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officer, 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 March 31, 2018, 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 March 31, 2018 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;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed hereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 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; (during the year under review not applicable to the Company);
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - 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;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (during the year under review not applicable to the Company); and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (during the year under review not applicable to the Company);
- vi) Merchant Shipping Act, 1958 and rules there under;

THE GREAT EASTERN SHIPPING CO. LTD.

We have examined compliance with the applicable clauses/regulations of the following:

- a) Secretarial Standards issued by the Institute of Company Secretaries of India for the period from 1st April 2017 to 30th September, 2017 and Revised Secretarial Standards for the period from 1st October, 2017 to 31st March, 2018;
- b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of the 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 of the Board are carried through unanimously. As per the records provided by the Company, none of the member of the Board dissented on any resolution passed at the meeting of the Board.

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

We further report that during the audit period the Company had following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- i) The Debenture Issue Committee of the Company at the meeting held on May 23, 2017, approved the issue of 8.25% Unsecured Non-Convertible Debentures of Rs. 10 lakh each aggregating to Rs. 150 crores by way of Private Placement.
- ii) The members at the Annual General Meeting held on August 10, 2017 approved issue of Secured/ Unsecured Redeemable Non-Convertible Debentures aggregating upto Rs. 1000 crores.
- iii) The Debenture Issue Committee of the Company at the meeting held on August 30, 2017, approved the issue of 8.05% Unsecured Non-Convertible Debentures of Rs. 10 lakh each aggregating to Rs. 150 crores by way of Private Placement.
- iv) The Board of Directors at the meeting held on August 10, 2017, approved terminating the Deposit Agreement entered with the Bank of New York Mellon in relation to Global Depository Receipts and delisting the receipts from Euro MTF Market of the Luxembourg Stock Exchange.

For Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)

Dipti Mehta

Partner

FCS No : 3667

CP No. : 3202

Place : Mumbai

Date : May 04, 2018

Note: 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,
THE GREAT EASTERN SHIPPING COMPANY LIMITED**

Ocean House, 134/A Dr. Annie Besant Road, Worli,
Mumbai - 400018.

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 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 **Mehta & Mehta,**
Company Secretaries,
(ICSI Unique Code P1996MH007500)

Dipti Mehta
Partner
FCS No : 3667
CP No. : 3202
Place : Mumbai
Date : May 04, 2018

Jag Lokesh - Long Range 2 Product Carrier : Acquired in September 2017



CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes that sound corporate practices based on transparency, credibility and accountability are essential to its long-term success. These practices will ensure that the Company, having regard to competitive exigencies; conduct its affairs in such a way that would build the confidence of its various stakeholders in it, and its Board's integrity.

BOARD OF DIRECTORS

The current policy is to have an appropriate mix 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.

The Board has an optimum combination of Executive and Non-Executive Directors and comprises of 11 Directors as on March 31, 2018 of which 8 are Non-Executive Directors. The Company has 6 Independent Directors.

The composition of the Board, Number of Directorships, Memberships/Chairmanships in public companies and details of shares of the Company held by the Non-Executive Directors as on March 31, 2018 are as follows:

NAME OF THE DIRECTOR	NO. OF OTHER DIRECTORSHIP(S)#	OTHER COMMITTEE MEMBERSHIP(S)@	CHAIRPERSON OF OTHER COMMITTEE(S)@	SHARES OF THE COMPANY HELD BY THE NON-EXECUTIVE DIRECTORS
EXECUTIVE DIRECTOR (PROMOTERS)				
Mr. Bharat K. Sheth (DIN: 00022102)	1	-	-	NA
EXECUTIVE DIRECTORS				
Mr. Tapas Icot (DIN:00905882)	-	-	-	NA
Mr. G. Shivakumar (DIN: 03632124)	-	-	-	NA
NON-EXECUTIVE DIRECTORS (PROMOTERS)				
Mr. K. M. Sheth (DIN: 00022079)	-	-	-	2,78,133
Mr. Ravi K. Sheth (DIN: 00022121)	2	-	-	1,52,62,504*
INDEPENDENT DIRECTORS				
Mr. Berjis Desai (DIN: 00153675)	9	3	2	800
Mr. Cyrus Guzder (DIN: 00080358)	1	1	-	986
Mr. Farrokh Kavarana (DIN: 00027689)	1	1	1	3153
Ms. Rita Bhagwati (DIN: 06990589)	1	-	-	-
Dr. Shankar Acharya (DIN: 00033242)	1	-	-	-
Mr. Vineet Nayyar (DIN: 00018243)	4	1	-	23005

#Excludes Directorships in private limited companies, foreign companies and Section 8 companies.

@Includes memberships of Audit and Stakeholders' Relationship Committee of other companies. Membership excludes Chairmanship of Committees.

*Total Shareholding including shares held as Trustee.

Mr. K. M. Sheth is the father of Mr. Bharat K. Sheth and Mr. Ravi K. Sheth.

Attention of the members is invited to the relevant item of the Notice of the Annual General Meeting seeking their approval for the appointment of Director. The information as required under Schedule V (C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the Notice of the Annual General Meeting.

FAMILIARIZATION PROGRAMMES FOR INDEPENDENT DIRECTORS

The Company has a policy to keep the Independent Directors informed and updated about the business and the operations of the Company as well as the shipping industry, on a continuous basis.

Details of familiarization process for Independent Directors are available on website of the Company: www.greatship.com/investors.

CODE OF CONDUCT

All personnel to whom the Code of Conduct is applicable have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2018. A declaration to this effect, duly signed by the Deputy Chairman & Managing Director, is annexed hereto.

BOARD MEETINGS

The Board Meetings of the Company are governed by a structured agenda. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board.

All items on the Agenda are backed by comprehensive background information to enable the Board to take informed decisions. The Company, even prior to the requirements of the Companies Act, 2013 and the Secretarial Standards prescribed by the Institute of Company Secretaries of India, voluntarily circulated all Agenda papers well in advance of the meeting of the Board.

During the year ended March 31, 2018, five (5) Board Meetings were held on May 05, 2017, August 10, 2017, November 10, 2017, February 09-10, 2018 and March 22, 2018.

The attendance of Directors at the Board Meetings held during the year 2017 -18 is as follows:

NAME OF THE DIRECTOR	NO. OF MEETINGS ATTENDED
Mr. K. M. Sheth	4
Mr. Bharat K. Sheth	5
Mr. Berjis Desai	3
Mr. Cyrus Guzder	5
Mr. Farrokh Kavarana	5
Ms. Rita Bhagwati	5
Dr. Shankar N. Acharya	4
Mr. Vineet Nayyar	5
Mr. Ravi K. Sheth	5
Mr. Tapas Icot	5
Mr. G. Shivakumar	5

COMMITTEES

To focus effectively on the issues and ensure expedient resolution of the diverse matters, the Board has constituted a set of Committees with specific terms of reference/scope. The Committees operate as empowered agents of the Board as per their charter/terms of reference. The inputs and details required for their decisions are provided by the executives/management. Targets set by them, as agreed with the management, are reviewed periodically and mid-course corrections are also carried out. The minutes of the meetings of all Committees of the Board are placed before the Board for discussions/noting.

A. AUDIT COMMITTEE

The management is primarily responsible for internal controls and financial reporting process. The Board of Directors have entrusted the Audit Committee to supervise these processes and thus ensure accurate and timely disclosures that maintain transparency, integrity and quality of financial controls and reporting.

TERMS OF REFERENCE OF THE AUDIT COMMITTEE ARE AS FOLLOWS:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - » Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - » Changes, if any, in accounting policies and practices and reasons for the same
 - » Major accounting entries involving estimates based on the exercise of judgment by management
 - » Significant adjustments made in the financial statements arising out of audit findings
 - » Compliance with listing and other legal requirements relating to financial statements
 - » Disclosure of any related party transactions
 - » Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- To review the following information:
 - » Management discussion and analysis of financial condition and results of operations;
 - » Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - » Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - » Internal audit reports relating to internal control weaknesses;
 - » The appointment, removal and terms of remuneration of the Chief internal auditor; and
 - » The financial statements, in particular, the investments made by the unlisted subsidiary company;
- Examination of financial statements and the auditors' report thereon;

- Carrying out any other function as may be required by the Board of Directors of the Company from time to time or under any law for the time being in force.

COMPOSITION OF AUDIT COMMITTEE

The Committee comprises of 4 Independent Directors, namely, Mr. Cyrus Guzder (Chairman), Mr. Berjis Desai, Mr. Farrokh Kavarana and Ms. Rita Bhagwati.

During the year, the Committee met six times on May 05, 2017, August 10, 2017, October 12, 2017, November 10, 2017, February 09, 2018 and March 22, 2018.

Details of attendance of the members at the Committee meetings held during the year 2017 - 18 are as follows:

	MR. CYRUS GUZDER (CHAIRMAN)	MR. BERJIS DESAI	MR. FARROKH KAVARANA	MS. RITA BHAGWATI
Number of meetings attended	6	4	6	6

The Audit Committee Meetings are attended by the Chief Financial Officer, representatives of Internal Auditors and Statutory Auditors. Whenever required, the Deputy Chairman & Managing Director and other senior officials of the Company are requested to attend the meetings.

Mr. Jayesh M. Trivedi, Company Secretary, is the Secretary of the Committee.

B. NOMINATION & REMUNERATION COMMITTEE

TERMS OF REFERENCE OF THE NOMINATION AND REMUNERATION COMMITTEE ARE AS FOLLOWS:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Carry out evaluation of every Director's performance;
- Approval of payment of remuneration to Managing or Wholtime Directors including pension rights;
- Decide and settle remuneration related matters and issues within the framework of the provisions and enactments governing the same.
- Carrying out any other function as may be required by the Board of Directors of the Company from time to time or under any law for the time being in force.

COMPOSITION OF NOMINATION & REMUNERATION COMMITTEE

The Committee comprises of 4 Independent Directors, namely, Mr. Cyrus Guzder (Chairman), Mr. Berjis Desai, Mr. Farrokh Kavarana and Dr. Shankar N. Acharya.

During the year, the Committee met twice on May 05, 2017 and March 22, 2018.

Detail of attendance of members at the Committee meetings held during the year 2017-18 are as follows:

	MR. CYRUS GUZDER (CHAIRMAN)	MR. BERJIS DESAI	MR. FARROKH KAVARANA	DR. SHANKAR N. ACHARYA
Number of meetings attended	2	1	2	1

Mr. Jayesh M. Trivedi, Company Secretary, is the Secretary of the Committee.

REMUNERATION POLICY

The Nomination & Remuneration Committee of the Board is constituted in compliance with SEBI guidelines. The Committee is fully empowered to frame the compensation structure for the Directors and review the same from time to time based on certain performance parameters, growth in business as well as profitability and also align the remuneration with the best practices prevailing in the industry.

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 a part of Board's Report.

DETAILS OF REMUNERATION PAID/TO BE PAID TO ALL DIRECTORS FOR FY 2017-18

(Amount in ₹)

NAME OF DIRECTOR	SALARY*	BENEFITS	COMMISSION	SITTING FEES
Mr. K. M. Sheth	-	-	990,000	400,000
Mr. Bharat K. Sheth	31,181,100	11,608,553	38,700,000	-
Mr. Ravi K. Sheth**	-	-	-	-
Mr. Berjis Desai	-	-	1,340,000	300,000
Mr. Cyrus Guzder	-	-	1,965,000	500,000
Mr. Farrokh Kavarana	-	-	1,340,000	500,000
Ms. Rita Bhagwati	-	-	1,240,000	500,000
Dr. Shankar N. Acharya	-	-	1,090,000	400,000
Mr. Vineet Nayyar	-	-	990,000	500,000
Mr. Tapas Icot+	14,271,940	2,150,582	7,330,000	-
Mr. G. Shivakumar+	13,177,698	2,110,489	7,800,000	-
Total	58,630,738	15,869,624	62,785,000	3,100,000

*Salary and benefits include contribution to provident fund and superannuation fund and does not include contribution to Retirement Benefit Scheme for Wholetime Directors.

**Considering the time and efforts spent by Mr. Ravi K. Sheth for the business of Greatship (India) Limited (GIL) and its subsidiaries, entire remuneration to Mr. Ravi K. Sheth is paid by GIL.

+Mr. Tapas Icot and Mr. G. Shivakumar are also entitled to gratuity in accordance with the Company's rules.

- Presently, the Company does not have a scheme for grant of stock options.
- The Company has no pecuniary relationship or transactions with its Non-Executive Directors other than payment of sitting fee, commission, retirement benefits and dividend on equity shares held by them.
- The Remuneration Committee has formulated a Retirement Benefit Scheme for the Wholetime Directors. The Board approved Scheme has been made effective from January 01, 2005. The Scheme provides for provision of pension, medical reimbursements and other benefits to the eligible retiring Wholetime Directors. On the basis of an actuarial valuation, an amount of ₹0.91 crore (previous year ₹2.34 crores) was provided during the year for pension payable to Wholetime Directors on their retirement. During the year ₹1,45,57,411/- was paid to Mr. K.M. Sheth towards pension and other retirement benefits as per the Scheme.
- The Company or Mr. Tapas Icot/ Mr. G. Shivakumar shall be entitled to terminate their respective appointments by giving three months' notice in writing.

PARAMETERS FOR PERFORMANCE EVALUATION

The parameters for performance evaluation of Board and Directors as formulated by the Nomination and Remuneration Committee are as follows:

PARAMETERS FOR PERFORMANCE EVALUATION OF BOARD

ATTRIBUTE	DESCRIPTION
Strategy & Business Plan Management	• The Board understands the interests and risk-returns philosophy of the shareholders and bases investment and financial plans on them • The Board ensures the development of business strategy and plans to suit the economic environment and growth opportunities • Significant time of the Board is being devoted to management of current and potential strategic issues
Risk Management & Controls	• The Board considers, understands, and approves the process implemented by management to effectively identify, assess, and respond to the organization's key risks. • The Board evaluates strategic risks • The Board (directly or through Audit Committee) ensures the integrity of the entity's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.
Compliances & Governance	• The Board ensures compliances with corporate governance practices in line with applicable regulations and best-practices • The Board oversees the process of disclosure and communications. • The Board regularly reviews the grievance redressal mechanism of investors, details of grievances received, disposed of and those remaining unresolved. • The Board monitors and manages potential conflicts of interest of management, members of the board of directors and shareholders, including misuse of corporate assets and abuse in related party transactions. • Sufficient number of non-interested members of the board of directors (capable of exercising independent judgment) take decisions in respect of matters where there is a potential for conflict of interest • The Board sets a good corporate culture and the values for the group employees.
Business Performance	• The Board is effective in reviewing and setting long and short-term performance goals for the organization against the business strategy • The Board is effective in monitoring business performance and guiding Management in prioritizing areas of focus and resolving business challenges
Board Constitution & Functioning	• The Board comprises a set of directors that collectively possess the diversity of skills required for oversight and guidance to Management. • Structure of the Board and appointment process for directors is as per the Company's Policy for Appointment of Directors and Board Diversity. • Role and responsibilities of the Board/ Committee are clearly documented. • The Board facilitates the independent directors to perform their role effectively as a member of the board of directors and also as a member of a committee of board of directors and any criticism by such directors is taken constructively. • Adequate induction and professional development programmes are made available to new and existing directors. Continuing directors training is provided to ensure that the members of board of directors are kept up to date

ATTRIBUTE	DESCRIPTION
Stakeholder value and responsibility	• Decision making process of the Board is adequate to assess creation of stakeholder value • The Board has mechanisms in place to communicate and engage with various stakeholders • The Board acts on a fully informed basis, in good faith, with due diligence and care, with high ethical standards and in the best interest of the entity and the stakeholders. • The Board treats shareholders and stakeholders fairly where decisions of the board of directors may affect different shareholder/ stakeholder groups differently. • The Board regularly reviews the Business Responsibility Reporting / related corporate social responsibility initiatives of the entity and contribution to society, environment etc.
Process of meetings	• The processes of setting of Board meeting agenda and furnishing information required by the directors for discharging their duties is effective • Board meetings are conducted with adequate length and quality of debates including involvement of all directors for effective and efficient decision making • Meetings are being held on a regular basis • Frequency of such meetings is enough for the Board to undertake its duties properly • Logistics for the meeting is being handled properly- venue, format, timing, etc • Agenda is circulated well before the meeting. It has all relevant information to take decision on the matter. It involves major substantial decisions. • Outstanding items of previous meetings are followed-up and taken up in subsequent agendas. • Board discusses every issue comprehensively and depending on the importance of the subject. • Environment of the meeting induces free-flowing discussions, healthy debate and contribution by everyone without any fear or fervor. Critical and dissenting suggestions are welcomed. • Minutes are being recorded properly. Minutes are timely circulated to all the Board members. Dissenting views are recorded in the minutes. • Board is adequately informed of material matters in between meetings • Adequate secretarial and logistical support is available for conducting Board meetings. • Whenever required sufficient funds are made available to the Board for conducting its meeting effectively, seeking expert advice e.g. Legal, accounting, etc.
Management Performance	• The Board 'steps back' to assist executive management by challenging the assumptions underlying strategy, strategic initiatives (such as acquisitions), risk appetite, exposures and the key areas of the entity's focus. • Board evaluates and monitors management regularly and fairly and provides constructive feedback and strategic guidance. • Remuneration of the Board and management is in line with its performance and with industry peers. It is in long term interests of the company and its shareholders. • The Board selects, compensates, monitors and, when necessary, replaces key managerial personnel based on such evaluation. • Level of independence of the management from the Board is adequate. • Board and the management are able to actively access each other and exchange information • Appropriate and adequate succession plan is in place and is being reviewed and overseen regularly by the Board

PARAMETERS FOR PERFORMANCE EVALUATION OF EXECUTIVE DIRECTORS

PARAMETER	GUIDELINES
Health, Safety and Environment (HSE) Performance & Compliances	• HSE records and statutory compliances • Maturity of HSE systems and programs
Financial Performance	• Profitability & Return on equity • Financial strength
Market Performance	• Asset utilizations, day rates & TCY • Market competitiveness in regions of interest
Operations, Assets & Cost Performance	• Fleet uptime • Maturity of technical management systems • Maturity of cost optimization programs
Risk, Quality & Systems Management	• Mitigation & management of major risks including statutory compliances • Robustness of process controls • Maturity of IT systems
People Management	• Talent competitiveness & manpower availability • Manpower competence & productivity • Succession Planning

PARAMETERS FOR PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS AND NON-EXECUTIVE DIRECTORS

ATTRIBUTE	DESCRIPTION
Independence (for independent directors only)	• Maintains independence as defined in section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
Understanding of the business	• Demonstrates required understanding of the business of the company and its environment, strategy and risks • Possesses and applies breadth of experience in viewing issues from alternative perspectives
Time commitment	• Dedicates the time required for attending board / board sub-committee meetings • Prepares for the board / board sub-committee meetings on the agenda ahead of time
Integrity in functioning	• Independent thinker who shares own views in board discussions • Demonstrates being an independent thinker, and avoids group-think.
Application of insights	• Applies own knowledge and insights on issues • Flexible and responsive to change • Is able to identify opportunities or risks that require closer scrutiny and probe further keeping in mind shareholders' interests
Functioning	• Works effectively independently / collectively with board members • Asks deep questions without being confrontational • Understands and fulfills the functions as assigned by the Board members and the law

ADDITIONAL PARAMETERS FOR PERFORMANCE EVALUATION OF CHAIRMAN

ATTRIBUTE	DESCRIPTION
Management of Board Agenda & Information Flow	• Selection of issues & decisions as board meeting agenda items • Allocation of adequate time for debate on agenda items in board meetings • Collation and presentation of information required to board members
Management of Board Meetings	• Respecting diversity of views within board members by conducting discussions including views from all board members • Managing discussions with efficiency to conclude clear decisions and action points
Team Leadership	• Keeping the board members committed to actively engage in their responsibilities with adequate dedication of time for company familiarization, preparations and participation in meetings • Drawing on the specific expertise & capabilities of each director • Resolving conflicts between opposing points of view and converging on an approach to problems
Personal Attributes	• The Chairperson displays efficient leadership, is open-minded, decisive, courteous, displays professionalism, able to coordinate the discussion, etc. and is overall able to steer the meeting effectively • The Chairperson is impartial in conducting discussions, seeking views and dealing with dissent, etc. • The Chairperson is sufficiently committed to the Board and its meetings. • The Chairperson is able to keep shareholders' interest in mind during discussions and decisions.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee oversees redressal of shareholders and investors grievances.

TERMS OF REFERENCE OF THE STAKEHOLDERS' RELATIONSHIP COMMITTEE ARE AS FOLLOWS:

- Consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends.
- Carrying out any other function as may be required by the Board of Directors of the Company from time to time or under any law for the time being in force.

COMPOSITION OF THE COMMITTEE

As on date the Committee comprises of 1 Non-Executive Director and 2 Executive Directors namely Mr. Cyrus Guzder (Chairman), Mr. Bharat K. Sheth and Mr. G. Shivakumar.

The Committee met twice on May 05, 2017 and November 10, 2017. The details of attendance of the members at the Committee meetings held during the year 2017-18 are as follows:

	MR. CYRUS GUZDER (CHAIRMAN)	MR. BHARAT K. SHETH	MR. G. SHIVAKUMAR
Number of meetings attended	2	2	2

Mr. Jayesh M. Trivedi, Company Secretary, is the Compliance Officer of the Company.

During the year under review, 5 complaints were received. All the complaints were replied / resolved to the satisfaction of the investors. There were no complaints pending as on March 31, 2018. 5 requests for transfer involving 865 shares and 3 requests for dematerialization involving 1165 shares were pending for approval as on March 31, 2018. These pending requests were duly approved and dealt with by the Company.

RISK MANAGEMENT

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

Detailed note on Risk Management is given in the Board's Report.

The details of the commodity price risk and foreign exchange risk and related hedging activities are as follows:

- Commodity price risk is the risk of financial performance being adversely affected by fluctuations in the prices of commodities. In the shipping industry, bunker fuel is a major component of operating costs and hence risks arising out of volatility in oil prices in general and bunker fuel in particular needs to be managed. The Company manages this risk by bunker hedging and reduces the exposure to fluctuating bunker costs using swaps, call options and fixed price forward contracts.
- Foreign exchange fluctuation risk arises from having revenues, expenses, assets or liabilities in a currency other than the reporting currency. In case of the Company, a large part of revenues are denominated in US Dollars. Some part of this risk is compensated by having expenses, interest costs, and loan repayments also in US Dollars. For the remaining, the Company hedges its risk using various instruments such as plain forward sales and range forwards.

GENERAL MEETINGS

Next Annual General Meeting and date of Book Closure

Date	August 10, 2018
Time	3.00 p.m.
Venue	Auditorium, Swatantryaveer Savarkar Rastriya Smarak, 252, Swatantryaveer Savarkar Marg, Shivaji Park, Dadar West, Mumbai - 400028.
Dividend Payment Date	On or after August 11, 2018
Date of Book Closure	August 04, 2018 to August 10, 2018 (both days inclusive)

The Company shall provide to its members facility to exercise their right to vote on items listed in the Notice of the 70th Annual General Meeting by electronic means. Procedure for the same is set out in the Notice of Annual General Meeting.

None of the items to be transacted at the ensuing Annual General Meeting are required to be transacted only by means of voting through Postal Ballot.

GENERAL BODY MEETINGS HELD DURING PREVIOUS THREE FINANCIAL YEARS

The following are the details of General Body Meetings held during previous three financial years:

MEETING	TIME	LOCATION	SPECIAL RESOLUTIONS PASSED
67th Annual General Meeting	August 12, 2015 at 3.00 p.m.	Rama and Sundri Watumull Auditorium, K. C. College, Churchgate, Mumbai 400 020	• Reappointment of Mr. Bharat K. Sheth as a Wholetime Director of the Company designated as 'Dy. Chairman and Managing Director' for a period of 5 years with effect from April 01, 2015. • Appointment of Mr. G Shivakumar as a Wholetime Director of the Company designated as 'Executive Director' for a period of 5 years with effect from November 14, 2014. • According consent to the Board of Directors of the Company to issue non-convertible debentures aggregating upto ₹500 crores.
68th Annual General Meeting	August 11, 2016 at 3.00 p.m.	Rama and Sundri Watumull Auditorium, K. C. College, Churchgate, Mumbai 400 020	• According consent to the Board of Directors of the Company to issue non-convertible debentures aggregating upto ₹1500 crores.

MEETING	TIME	LOCATION	SPECIAL RESOLUTIONS PASSED
69th Annual General Meeting	August 10, 2017 at 3.00 p.m.	Auditorium, Swatantryaveer Savarkar Rastriya Smarak, 252, Swatantryaveer Savarkar Marg, Shivaji Park, Dadar West, Mumbai – 400028	• According consent to the Board of Directors of the Company to issue non-convertible debentures aggregating upto ₹1000 crores.

All resolutions moved at the last Annual General Meeting held on August 10, 2017 were passed by electronic voting and ballot conducted at the Annual General Meeting.

All the Directors of the Company other than Dr. Shankar N. Acharya attended the last Annual General Meeting held on August 10, 2017.

The Company has not passed any resolutions through postal ballot in the last year.

DISCLOSURES

- There were no transactions of material nature with its Promoters, the Directors or the Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. However, the Company has annexed to the accounts a list of related parties as per Ind AS 24 and the transactions entered into with them.
- There were no instances of non-compliances nor have any penalties, strictures been imposed by Stock Exchanges or SEBI or any statutory authority during the last 3 years on any matter related to capital markets.
- The senior management has made disclosures to the Board relating to all material financial and commercial transactions stating that they did not have personal interest that could result in a conflict with the interest of the Company at large.
- The Deputy Chairman & Managing Director and the Chief Financial Officer have issued a certificate to the Board in compliance with Regulation 17(8) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for the Financial Year ended March 31, 2018.
- The “Policy for determining Material subsidiaries” and “Policy for dealing with Related Party Transactions” are available on the website of the Company: www.greatship.com

MEANS OF COMMUNICATION TO SHAREHOLDERS

Half-yearly report sent to each household of shareholders	No. As the Results of the Company are published in the newspapers, uploaded on the Company's website and press releases are also issued.
Quarterly, half yearly and annual results	Published in Business Standard, Free Press Journal and Navshakti.
Whether Company displays official news releases and presentations made to institutional investors or to the analysts on its website	Yes
Whether Management Discussion & Analysis Report is a part of Annual Report	Yes

Website of the Company: www.greatship.com

Your Company's official press releases are available and archived on the corporate website www.greatship.com. Presentations made to analysts, institutional investors and the media are posted on the website. The Company holds conference calls on declaration of its quarterly results, the transcripts of which are also posted on the website. The shareholders and general public visiting the website have greatly appreciated the contents and user friendliness of the corporate website.

SHAREHOLDERS INFORMATION

FINANCIAL CALENDAR

1st Quarterly Result	Second week of August 2018
2nd Quarterly Result	First week of November 2018
3rd Quarterly Result	Second week of February 2019
4th Quarterly Result	April / May 2019

LISTING ON STOCK EXCHANGES

STOCK EXCHANGE	STOCK CODE	ISIN NO.
BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	500620	INE 017A01032
National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051	GESHIP	INE 017A01032

NON-CONVERTIBLE DEBENTURES

Wholesale-Debt Market – National Stock Exchange of India Ltd.,
Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051

The Company has paid the requisite Annual Listing Fees to all Stock Exchanges for the financial year 2017-18.

The Global Depository Receipts of the Company have been delisted from Euro MTF Market - Luxembourg Stock Exchange w.e.f. November 20, 2017.

SHARE TRANSFER SYSTEM

Share transfer requests received in physical form are registered within a period of 15 days. A Share Transfer Committee comprising of members of the Board meets once in a week to consider the transfer of shares. Requests for dematerialization (demat) received from the shareholders are effected within an average period of 15 days.

OUTSTANDING WARRANTS

No Warrants were outstanding as on March 31, 2018.

PLANT LOCATION

The Company has no plants.

DEBENTURE TRUSTEE**Vistra ITCL (India) Ltd.**

The IL&FS Financial Centre
Plot C- 22, G Block, 7th Floor
Bandra Kurla Complex, Bandra (E)
Mumbai 400051
Tel : 022 - 26593535
Fax : 022 - 26533297
Web : www.vistraitcl.com

ADDRESS FOR CORRESPONDENCE

COMPANY	TRANSFER AGENT	
Share Department Ocean House, 134-A, Dr. Annie Besant Road, Worli, Mumbai - 400 018 Tel : 022-66613000/24922100 Fax : 022-24925900 E-mail : shares@greatship.com	Karvy Computershare Pvt. Ltd. Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032 Tel : 040-67162222 Fax : 040 - 23420814 Email:greatship.ris@karvy.com	24, B, Rajabhadur Mansion, Ground Floor, Amalal Doshi Marg, Fort, Mumbai - 400023 Tel: 022 32920444

ADDITIONAL SHAREHOLDERS INFORMATION

UNCLAIMED DIVIDENDS AND SHARES

Under the Companies Act, 2013, dividends that are unclaimed for a period of seven years are required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. An amount of ₹75,44,080 and ₹39,63,624 being unclaimed 56th (Final dividend) and 57th (Interim dividend) was transferred on September 22, 2017 and December 27, 2017 respectively to the IEPF.

During the year, 5,33,739 shares (in respect of which dividend has not been paid or claimed for seven consecutive years) were transferred to the IEPF pursuant to Section 124(6) of the Companies Act, 2013.

All unclaimed dividend for the year 2010-11 (57th final dividend) will be due for transfer to the IEPF on September 04, 2018 pursuant to Section 124(5) of the Companies Act, 2013. Shareholders who have not encashed the Dividend Warrants are requested to claim the amount from the Company's Share Department at the Registered Office of the Company.

All shares in respect of which dividend has not been paid or claimed for seven consecutive years will also be due for transfer by the Company to the IEPF on September 04, 2018 pursuant to Section 124(6) of the Companies Act, 2013.

Any claimant of dividend and shares transferred above shall be entitled to claim the same from IEPF.

The following table gives the dates of dividend declaration or payment since 2011 and the corresponding dates when unclaimed dividend and corresponding shares (if any) are due to be transferred to the IEPF.

DUE DATES OF TRANSFERRING UNCLAIMED DIVIDEND AND CORRESPONDING SHARES TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

YEAR	DIVIDEND NO.	TYPE	DATE OF DECLARATION	DUE DATE OF TRANSFER TO IEPF
2011	57	Final	05.08.2011	04.09.2018
2012	58	Interim	10.02.2012	11.03.2019
2012	58	Final	09.08.2012	08.09.2019
2013	59 (I)	1st Interim	07.02.2013	08.03.2020
2013	59	Final	08.08.2013	09.09.2020
2014	60	Interim	06.02.2014	07.03.2021
2014	60	Final	25.09.2014	26.10.2021
2015	61	Interim	12.08.2014	13.09.2021
2015	61	Final	12.08.2015	13.09.2022
2016	62	Interim	04.02.2016	05.03.2023
2016	62	2nd Interim	10.03.2016	11.04.2023
2017	63	Interim	03.02.2017	04.03.2024
2017	63	Final	10.08.2017	09.09.2024

THE FOLLOWING TABLE GIVES THE DETAILS OF UNCLAIMED DIVIDEND AMOUNT SINCE 2011

UNCLAIMED DIVIDEND AS ON MARCH 31, 2018								
YEAR	DIV. NO.	TYPE	NO OF WARRANTS ISSUED	NO OF WARRANTS UNCLAIMED	% UNCLAIMED	AMOUNT OF DIVIDEND (₹ LAKHS)	DIVIDEND UNCLAIMED (₹ LAKHS)	% UNCLAIMED
2011	57	Final	95727	9755	10.19	6853	46.95	0.69
2012	58	Interim	93791	10937	11.66	4568	36.38	0.80

UNCLAIMED DIVIDEND AS ON MARCH 31, 2018								
YEAR	DIV. NO.	TYPE	NO OF WARRANTS ISSUED	NO OF WARRANTS UNCLAIMED	% UNCLAIMED	AMOUNT OF DIVIDEND (₹ LAKHS)	DIVIDEND UNCLAIMED (₹ LAKHS)	% UNCLAIMED
2012	58	Final	91277	10041	11.00	5330	39.26	0.74
2013	59	Interim	88563	10947	12.36	4569	36.00	0.79
2013	59	Final	85801	10298	12.00	6854	50.90	0.74
2014	60	Interim	81768	11069	13.54	6031	49.95	0.83
2014	60	Final	75993	10467	13.77	7538	59.39	0.79
2015	61	Interim	77023	10598	13.76	6031	49.20	0.82
2015	61	Final	74691	10751	14.39	10554	84.11	0.80
2016	62	Interim	75206	11836	15.74	9046	83.02	0.92
2016	62	2nd Interim	74758	11291	15.10	11308	93.96	0.83
2017	63	Interim	74888	12272	16.39	5427	52.18	0.96
2017	63	Final	74331	11632	15.65	9800	85.84	0.88

EQUITY SHARES HELD IN UNCLAIMED SUSPENSE ACCOUNT

The details of unclaimed equity shares lying in the 'Unclaimed Suspense Account' are as follows :

PARTICULARS	NUMBER OF SHAREHOLDERS	NUMBER OF EQUITY SHARES
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2017	3,553	3,53,860
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	16	4,153
Number of shareholders to whom shares were transferred from suspense account during the year	16	4,153
Total no of shares transferred to the IEPF Authority	2,866	2,43,487
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2018	671	1,06,220

As per the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 all corporate benefits in terms of securities accruing on such shares viz. Bonus shares, split etc. shall be credited to Unclaimed Suspense Account. The voting rights on such shares shall remain frozen till the rightful owner claims the shares. As and when such owners approach the Company, their shares shall be transferred to them after proper verification.

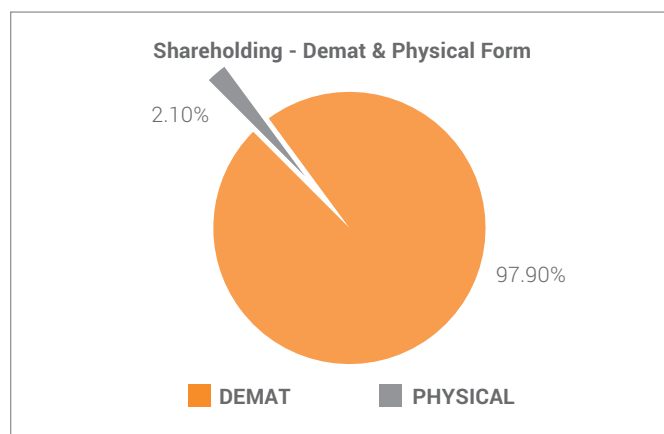
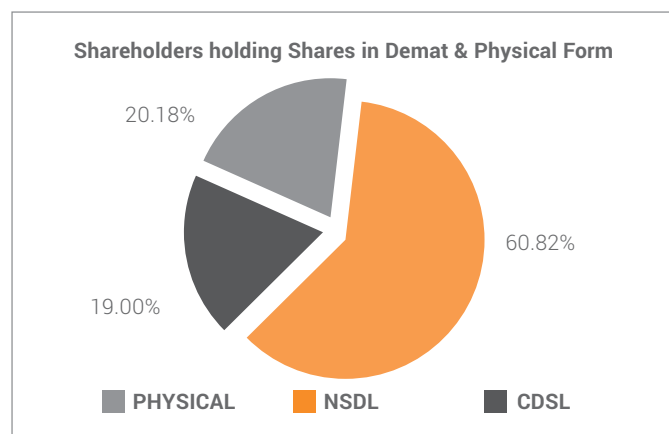
The concerned shareholders are requested to claim their shares by writing to the Company / RTA.

ELECTRONIC CLEARING SERVICES FOR PAYMENT OF DIVIDEND IN CASE OF SHARES HELD IN PHYSICAL FORM

To avoid the risk of loss/interception of dividend warrants in postal transit and/or fraudulent encashment, shareholders are requested to avail of NECS/ECS facility – where dividends are directly credited in electronic form to their respective bank accounts. This also ensures faster credit of dividend. The NECS/ECS application form can be obtained either from the Company's Share Transfer Agent's Office or the Registered Office of the Company.

Shareholders located in places where NECS/ECS facility is not available, may submit their bank details. This will enable the Company to incorporate this information on the dividend warrants and thus prevent fraudulent encashment.

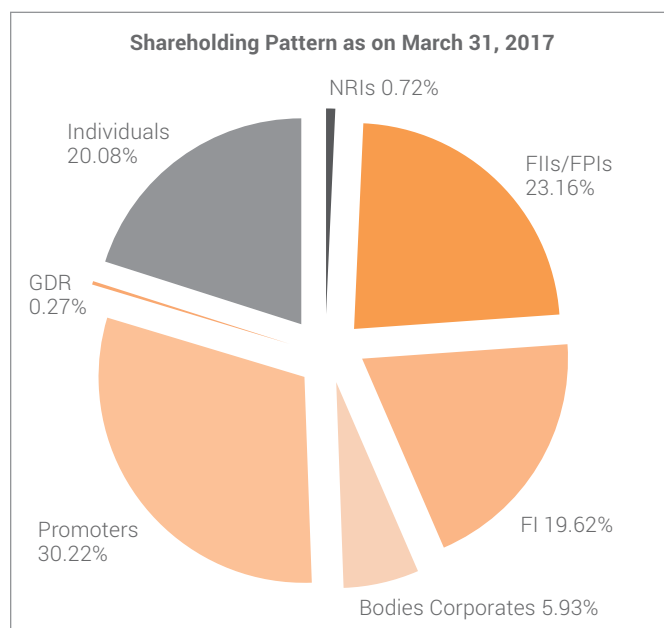
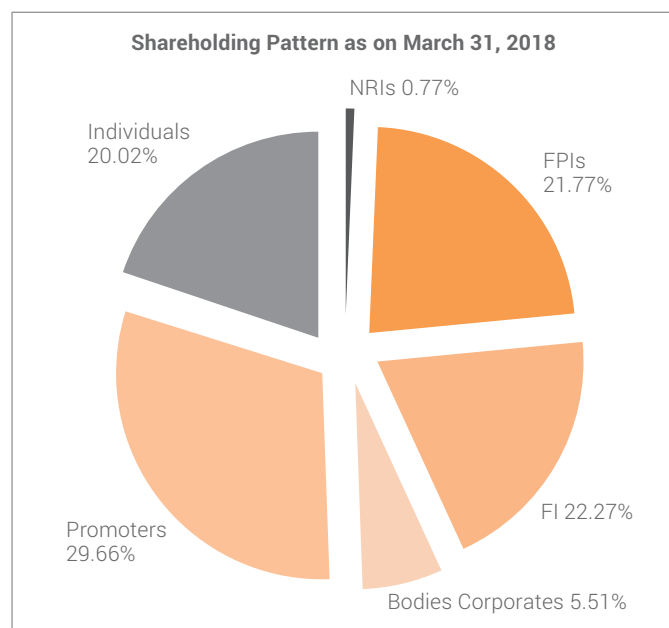
SHARES HELD IN DEMATERIALIZED FORM AND PHYSICAL FORM AS ON MARCH 31, 2018



SHAREHOLDERS HOLDING SHARES IN DEMATERIALIZED FORM MAY NOTE THAT:

- Instructions regarding bank details which they wish to have incorporated on their dividend warrants must be submitted to their depository participants. As per the regulations of NSDL and CDSL, the Company is obliged to print the bank details on the dividend warrants, as furnished by these depositories to the Company.
- Instructions already given by them for shares held in physical form will not automatically be applicable to the dividend paid on shares held in electronic form.
- Instructions regarding change of address, nomination and power of attorney should be given directly to the depository participants. The Company cannot entertain any such requests directly from the shareholders.
- The Company provides NECS/ECS facility for shares held in electronic form and for reasons mentioned earlier, shareholders may wish to avail of this facility.

SHAREHOLDING PATTERN :



DISTRIBUTION OF HOLDINGS AS ON MARCH 31, 2018

NO. OF SHARES HELD		SHAREHOLDERS		SHARES	
From	To	Number	% to total	Number	% to total
1	500	57,256	85.90	66,82,111	4.43
501	1000	4,341	6.51	31,65,723	2.10
1001	2000	2,453	3.68	35,18,362	2.33
2001	3000	846	1.27	21,05,105	1.40
3001	4000	432	0.65	15,16,204	1.01
4001	5000	264	0.40	12,08,487	0.80
5001	10000	551	0.83	39,43,717	2.62
10001 and ABOVE		511	0.77	12,86,37,356	85.32
Total:		66,654	100.00	15,07,77,065	100.00

COMPANY'S SHARE PRICE COMPARED TO BSE SENSEX



MARKET PRICE DATA - HIGH / LOW DURING EACH MONTH IN THE YEAR 2017-18

MONTH	HIGH PRICE (₹)	LOW PRICE (₹)	NO .OF SHARES
Apr 17	477.00	415.05	1046211
May 17	445.00	381.50	527851
Jun 17	423.70	372.25	913127
Jul 17	424.00	392.20	269287
Aug 17	400.00	361.00	452302
Sep 17	428.00	370.00	363224
Oct 17	412.00	375.00	1054236
Nov 17	411.65	360.50	835805
Dec 17	412.10	384.40	190575
Jan 18	482.40	397.10	682197
Feb 18	405.10	365.00	544737
Mar 18	367.75	327.25	636144

Source: BSE

STATUS OF COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

Your Company continuously strives towards improving its Corporate Governance practices. Whilst your Company is fully compliant with the mandatory requirements of Regulation 17 to 27 and Regulation 46(2) and other applicable regulations of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the status of compliance of non-mandatory requirements is as follows:

THE BOARD

Mr. K. M. Sheth, Chairman of the Company, is entitled to maintain a Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties.

SHAREHOLDERS' RIGHTS

The financial results of the Company for every quarter are extensively published in the newspapers and are also uploaded on the Company's website. These are also available on website of the stock exchanges. In view of the same half yearly communication on financial results is not sent to each household of shareholders.

AUDIT QUALIFICATIONS

During the year under review there was no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure the regime of financial statements with unmodified audit opinion.

SEPARATION OF OFFICES OF CHAIRMAN AND DEPUTY CHAIRMAN & MANAGING DIRECTOR

Mr. K. M. Sheth holds the office of Chairman of the Company and Mr. Bharat K. Sheth holds the office of Deputy Chairman & Managing Director of the Company.

REPORTING OF INTERNAL AUDITOR

The internal auditor reports directly to the Audit Committee.

THE GREAT EASTERN SHIPPING CO. LTD.

DECLARATION BY THE DEPUTY CHAIRMAN & MANAGING DIRECTOR UNDER REGULATION 34(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING ADHERENCE TO THE COMPANY'S CODE OF CONDUCT

In accordance with Regulation 34(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, I hereby confirm that, all Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct laid down by the Company, as applicable to them for the Financial Year ended March 31, 2018.

For the Great Eastern Shipping Co. Ltd.

Bharat K. Sheth

Deputy Chairman & Managing Director

Date: May 04, 2018

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members,

The Great Eastern Shipping Company Limited

We have examined the compliance of conditions of Corporate Governance by The Great Eastern Shipping Company Limited (hereinafter referred as "Company") for the year ended March 31, 2018 as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations").

We state that compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

For Mehta & Mehta,

Company Secretaries

(ICSI Unique Code P1996MH007500)

Ashwini Inamdar

Partner

FCS No : 9409

CP No. : 11226

Place : Mumbai

Date : May 4, 2018

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company :
L35110MH1948PLC006472
2. Name of the Company:
The Great Eastern Shipping Company Limited
3. Registered address :
Ocean House, 134/A, Dr. Annie Besant Road, Worli, Mumbai 400018
4. Website :
www.greatship.com
5. E-mail id :
shares@greatship.com
6. Financial Year reported :
2017-18
7. Sector(s) that the Company is engaged in (industrial activity code-wise) :
Sea and coastal freight water transport (NIC Code: 50120)
8. List three key products/services that the Company manufactures/provides (as in balance sheet) :
Shipping
9. Total number of locations where business activity is undertaken by the Company
 - i) Number of International Locations (Provide details of major 5)
 - ii) Number of National Locations

The registered office of the Company is situated in Mumbai. Ships of the Company trade in Indian as well as international waters.
10. Markets served by the Company – Local/State/National/International/
Indian as well as International.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR) : ₹150.78 crore
2. Total Turnover (INR) : ₹2399.27 crore
3. Total profit after taxes (INR) : ₹160.19 crore
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) : 2%
5. List of activities in which expenditure in 4 above has been incurred:-
The CSR expenditure has been incurred in the area of promoting education, healthcare, skill development and holistic development.

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?
As on 31st March 2018, the Company has following subsidiaries:
 - Greatship (India) Limited
 - Greatship Global Holdings Ltd.
 - Greatship Global Energy Services Pte. Ltd.
 - Greatship Global Offshore Services Pte. Ltd.
 - Greatship (UK) Limited
 - Greatship Oilfield Services Ltd.
 - The Greatship (Singapore) Pte. Ltd.
 - The Great Eastern Chartering LLC (FZC)
 - The Great Eastern Chartering (Singapore) Pte. Ltd.
 - Great Eastern CSR Foundation
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s):

The subsidiaries of the Company handle their BR initiatives to such extent and in such manner as may be applicable to them / determined by them. They follow certain policies which are consistent with the policies of the Company. All the CSR activities of the Company and its subsidiaries are handled by Great Eastern CSR Foundation.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] :

Presently other entities, that the Company does business with, do not participate in the BR initiatives of the Company. CSR activities of the Company are undertaken in partnership with a number of different NGOs. The NGOs help the Company reach its target beneficiaries as they have unparalleled access and understanding of ground realities.

SECTION D: BR INFORMATION

1. DETAILS OF DIRECTOR/DIRECTORS RESPONSIBLE FOR BR

Details of the Director/Directors responsible for implementation of the BR policy/policies

PARTICULARS	DETAILS
DIN	00022102
Name	Mr. Bharat K. Sheth
Designation	Deputy Chairman & Managing Director

Details of the BR head

PARTICULARS	DETAILS
DIN (if applicable)	02299280
Name	Mr. Jayesh M. Trivedi
Designation	President (Secl. & Legal) & Company Secretary
Telephone number	022-66613000
e-mail id	jayesh_trivedi@greatship.com

2. PRINCIPLE-WISE (AS PER NVGS) BR POLICY/POLICIES (REPLY IN Y/N)

S.NO.	QUESTIONS	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Do you have a policy/policies for...	Yes. The Company has policies incorporating principles of Environmental, Social and Governance norms as part of its business practices.								
2.	Has the policy being formulated in consultation with the relevant stakeholders?	The policies have been framed in accordance with the principles laid down by SEBI, practices followed by the Company, industry practices, regulatory requirements as well as requirements of certain stakeholders. Certain policies have been framed in formal / informal consultation with certain stakeholders, where required. However, there has been no formal consultation process with all of them. The policies address concerns of the relevant stakeholders, where applicable.								
3.	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Yes. The Company has been certified to ISO 9001: 2000 standard by the governing body Det Norske Veritas (DNV).								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Yes. The Business Responsibility Policy (hereinafter referred to as 'BR Policy') has been approved by the Board at its meeting held on May 05, 2016. The BR Policy has been signed by the Deputy Chairman & Managing Director.								

S.NO.	QUESTIONS	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes. Company Secretary of the Company shall oversee the implementation of the BR Policy.								
6.	Indicate the link for the policy to be viewed online?	The BR Policy can be viewed online at : www.greatship.com								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes. The BR Policy has been formally communicated to the employees of the Company. The BR Policy has been communicated to the other stakeholders by way of placing the same on the website of the Company.								
8.	Does the company have in-house structure to implement the policy/ policies.	Yes.								
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes. The Company has a Whistle Blower Policy which can be viewed online at : www.greatship.com								
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Yes. The working of the BR Policy is continuously evaluated by the Company internally. Certain policies are subject to independent audit / review by external agencies, such as DNV.								

3. GOVERNANCE RELATED TO BR

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year :

The activities forming part of BR performance are assessed internally by the Company on an ongoing basis. Mr. Bharat K. Sheth, Deputy Chairman & Managing Director also assesses the same on ongoing basis. The Board of Directors, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee, Audit Committee periodically assess the BR performance forming part of their terms of reference.

- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? : **BR Report forms part of the Annual Report of the Company. It can be viewed online at : www.greatship.com.**

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

- Does the policy relating to ethics, bribery and corruption cover only the company? Yes / No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?
The policies relating to ethics, bribery and corruption cover the Company. The policies do not extend to the Group companies. However, the policies cover dealings with / by the Company by / with third parties such as customers, suppliers, contractors, NGOs, etc.
- How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?
Details of investor complaints received during the year have been disclosed in the Corporate Governance Report annexed to the Board's Report. There have been no complaints by other stakeholders during the year.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

- List upto 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.
The Company is engaged in the business of providing shipping services. The Company operates its ships in accordance with applicable health, safety and environmental regulations.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):
 - i) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?
 - ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Considering nature of business of the Company, these details are not applicable. The details of conservation of energy by the Company are published as part of Board's report.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? i. If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Considering the nature of business of the Company, these details are not applicable.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Wherever feasible the Company procures goods and services from local and small vendors in vicinity. The local and small producers cannot fulfil the major sourcing requirements of the Company, which is ships and fuel oil.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Considering the nature of business of the Company, these details are not applicable.

PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELL BEING OF ALL EMPLOYEES

1. Please indicate the Total number of employees.

Shore staff : 461

Floating staff : 1652

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

Shore staff : 249

Floating staff : 848

3. Please indicate the Number of permanent women employees.

Shore staff : 39

Floating staff : 3

4. Please indicate the Number of permanent employees with disabilities

Nil

5. Do you have an employee association that is recognized by management.

Yes.

6. What percentage of your permanent employees is members of this recognized employee association?

Shore staff : 17.45%

Floating staff : 100%

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

S. NO.	CATEGORY	NO OF COMPLAINTS FILED DURING THE FINANCIAL YEAR	NO OF COMPLAINTS PENDING AS ON END OF THE FINANCIAL YEAR
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

» Permanent Employees

Shore staff : 85%

Floating staff : 95%

» Permanent Women Employees

Shore staff : 85%

Floating staff : 100%

» Casual/Temporary/Contractual Employees

Shore staff : 80%

Floating staff : 90%

» Employees with Disabilities

NA

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED.

1. Has the company mapped its internal and external stakeholders?

Yes. The Company considers following as its stakeholders:

- Shareholders and debenture holders of the Company
- Employees of the Company
- Directors of the Company
- Customers, contractors and third-party intermediaries engaged by the Company, such as agents and consultants

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

The Company does not consider any of its aforesaid stakeholders as disadvantaged, vulnerable & marginalized.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

The Company, through Great Eastern CSR Foundation has identified promoting education and knowledge enhancement as its focus areas for social upliftment. Accordingly, the Company strives to provide quality education to underprivileged children, training to teachers and funding assistance to schools.

The Company's Great Eastern Institute of Maritime Studies situated at Lonavala is a state of the art maritime institute sprawled over 18 acres of land. The objective of the Institute is to equip / empower young trained pool of professionals to enter the Shipping and Offshore Oil and Gas industry.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/ Contractors/ NGOs/Others?

The policies relating to human rights cover the Company. The policies also cover dealings with / by the Company by / with third parties such as customers, suppliers, etc.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No complaints have been received in the FY 2017-18.

PRINCIPLE 6: BUSINESS SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/ NGOs/ others.

The policies relating to environment protection cover the Company. The policies also cover dealings with / by the Company by / with third parties such as customers, suppliers, etc.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Yes. The initiatives to address environmental issues have been described in the Board's Report.

3. Does the company identify and assess potential environmental risks? Y/N

Yes.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

The Clean Development Mechanism is not applicable to the shipping industry. However, the Company operates its ships in accordance with applicable emission norms.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

The initiatives on energy efficiency have been described in the Board's Report.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Not applicable.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Not applicable.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company is a member of following chambers / associations:

- Indian National Shipowners' Association
- Bombay Chamber of Commerce and Industry
- Federation of Indian Export Organisations
- Services Export Promotion Council

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

The Company supports / participates in the initiatives of above associations.

PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company strives to provide quality education to underprivileged children, training to teachers and funding assistance to schools as part of its CSR initiatives. It also participates in holistic rural development programmes.

The Company's Great Eastern Institute of Maritime Studies situated at Lonavala equips / empowers young trained pool of professionals to enter the Shipping and Offshore Oil and Gas industry.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

All the CSR activities of the Company and its subsidiaries are handled by Great Eastern CSR Foundation. The Great Eastern CSR Foundation undertakes the same in partnership with a number of different NGOs.

3. Have you done any impact assessment of your initiative?

Great Eastern CSR Foundation monitors its CSR projects on a regular basis. The social impact of the initiatives taken by the Foundation has been described in the CSR sections of the Annual Report.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

The details of projects undertaken by Great Eastern CSR Foundation have been described in detail as CSR Sections of the Annual Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The Company's CSR initiatives are undertaken in partnership with NGOs. As a policy, the Company joins hands with only those NGOs who have a good track record. The services of those NGOs are greatly appreciated by the neighbourhood where they work. The project management team of the Great Eastern CSR Foundation monitors the initiatives on regular basis in various ways, including site visits and interaction with the target beneficiaries.

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

All the customer complaints have been duly attended. There were no customer complaints against the Company pending as on 31st March, 2018.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/N.A. / Remarks (additional information)

Not applicable.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

There were no such cases against the Company.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Considering nature of its business, the Company does not carry out any formal consumer survey / consumer satisfaction trends. However, the Company is in constant dialogue with its clients and seeks their feedback on the services rendered.

Backed by an enviable clientele comprising industry leaders, international oil companies who vouch for its services, the Company has earned the status of being a preferred shipping service provider. With a thorough understanding of the evolving market needs, the Company is well-equipped to anticipate the demands of its clients and to deliver on its commitments, successfully and satisfactorily.

Jag Pavitra - Medium Range Product Carrier : Acquired in June 2017



ASSET PROFILE

FLEET AS ON 31ST MARCH 2018

	TYPE	VESSEL NAME	DWT (MT)	YR BUILT	AV. AGE (YRS)
CRUDE OIL CARRIERS	SUEZMAX	1 JAG LALIT	158,344	2005	
		2 JAG LOK	158,280	2005	
		3 JAG LATEEF	147,092	2000	
		4 JAG LAKSHITA	147,092	2000	
		5 JAG LAADKI	150,284	2000	
		6 JAG LEENA	157,642	2010	
		7 JAG LAKSHYA	157,642	2011	
		7	1,076,376		13.50
	AFRAMAX	1 JAG LYALL	110,531	2006	
		2 JAG LATA	105,716	2003	
		3 JAG LAVANYA	105,010	2004	
		4 JAG LEELA	105,525	2011	
		5 JAG LAXMI	105,525	2012	
		5	532,307		10.77
	TOTAL TONNAGE (DWT)		16,08,683		
	NO. OF SHIPS		12		
	AVERAGE AGE (YRS)		12.36		
	% OF TOTAL TONNAGE		41%		
PRODUCT CARRIERS	LONG RANGE TWO	1 JAG LOKESH	1,05,599	2009	
		1	105,599		9.24
	LONG RANGE ONE	1 JAG AABHA	74,841	2008	
		2 JAG AANCHAL	74,811	2008	
		3 JAG AMISHA	74,889	2009	
		4 JAG APARNA	74,859	2009	
		4	299,400		9.11
	MEDIUM RANGE	1 JAG PAHEL	46,319	2004	
		2 JAG PANKHI	46,273	2003	
		3 JAG PRABHA	47,999	2004	
		4 JAG PRAKASH	47,848	2007	
		5 JAG PUSHPA	47,848	2007	
		6 JAG PRERANA	47,824	2007	
		7 JAG PRANAV	51,383	2005	
		8 JAG PRANAM	48,694	2004	
		9 JAG PADMA	47,999	2005	
		10 JAG POOJA	48,539	2005	
		11 JAG PUNIT	49,717	2016	
		12 JAG PAVITRA	51,464	2008	
		12	581,907		11.44
	TOTAL TONNAGE (DWT)		9,86,906		
	NO. OF SHIPS		17		
	AVERAGE AGE (YRS)		10.77		
	% OF TOTAL TONNAGE		25%		

	TYPE	VESSEL NAME	DWT (MT)	YR BUILT	AV. AGE (YRS)
GAS CARRIERS	VERY LARGE GAS CARRIERS	1 JAG VISHNU	49,353	1994	
		2 JAG VIDHI	49,849	1996	
		2	99,202		23.10
	MEDIUM GAS CARRIER	1 JAG VIJAYA	26,897	1997	
		1	26,897		20.78
	TOTAL TONNAGE (DWT)	126,099			
	NO. OF SHIPS	3			
	AVERAGE AGE (YRS)	22.33			
	% OF TOTAL TONNAGE	3%			
DRY BULK CARRIERS	CAPESIZE	1 JAG ANAND	179,250	2011	
		1	179,250		6.81
	KAMSARMAX	1 JAG AARATI	80,324	2011	
		2 JAG ADITI	80,325	2011	
		3 JAG ARYA	80,480	2011	
		4 JAG ARNAV	81,732	2015	
		5 JAG AJAY	82,094	2016	
		6 JAG AALOK	82,023	2016	
		7 JAG AKSHAY	82,044	2016	
		8 JAG AMAR	82,094	2017	
		8	651,116		3.69
	SUPRAMAX	1 JAG RATAN	52,179	2001	
		2 JAG RISHI	56,719	2011	
		3 JAG RANI	56,820	2011	
		4 JAG ROOPA	52,454	2006	
		5 JAG RADHA	58,133	2009	
		6 JAG ROHAN	52,450	2006	
		6	328,755		10.40
	TOTAL TONNAGE (DWT)	1,159,121			
	NO. OF SHIPS	15			
	AVERAGE AGE (YRS)	6.58			
	% OF TOTAL TONNAGE	30%			
FLEET TOTAL					
	TOTAL TONNAGE (DWT)	3,880,809			
	NO. OF SHIPS	47			
	AVERAGE AGE (YRS)	10.58			

ACQUISITIONS AND SALES DURING FY 2017-18

ACQUISITIONS

CATEGORY	TYPE	VESSEL NAME	DWT (MT)	YR BUILT	MONTH OF ACQUISITION
PRODUCT CARRIERS	Long Range Two	JAG LOKESH	105,599	2009	Sep-2017
	Medium Range	JAG PAVITRA	51,464	2008	June-2017
GAS CARRIER	Medium Gas Carrier	JAG VIJAYA	26,897	1997	Sep-2017
DRY BULK CARRIER	Supramax	JAG ROHAN	52,450	2006	May-2017

SALE

CATEGORY	TYPE	VESSEL NAME	DWT (MT)	YR BUILT	MONTH OF SALE
DRY BULK CARRIER	Supramax	JAG RAHUL	52,364	2003	Feb-2018

TRANSACTIONS BETWEEN APRIL 01, 2018 TO MAY 04, 2018

ACQUISITION

CATEGORY	TYPE	VESSEL NAME	DWT (MT)	YR BUILT	MONTH OF ACQUISITION
GAS CARRIER	Very Large Gas Carrier	JAG VIRAAT	54,450	2007	Apr-2018

CONTRACTED FOR ACQUISITION

CATEGORY	TYPE	VESSEL NAME	DWT (MT)	YR BUILT	EXPECTED DELIVERY
GAS CARRIER	Medium Gas Carrier	JAG VAYU	38,427	1996	Q1-FY2019

SUBSIDIARIES FLEET AS ON MARCH 31, 2018

GREATSHIP (INDIA) LIMITED AND ITS SUBSIDIARIES

	CATEGORY		VESSEL NAME	COMPANY #	DWT (MT)	YEAR BUILT	AVERAGE AGE
OFFSHORE SUPPORT VESSELS	PLATFORM SUPPLY VESSELS	1	m.v. Greatship Dipti	GIL	3,228	2005	
		2	m.v. Greatship Dhriti	GIL	3,330	2008	
		3	m.v. Greatship Dhvani	GIL	3,330	2008	
		4	m.v. Greatship Prachi	GIL	4,000	2015	
		4			13,888		9.00
	ANCHOR HANDLING TUG CUM SUPPLY VESSELS	1	m.v. Greatship Anjali	GIL	2,188	2008	
		2	m.v. Greatship Amrita	GIL	2,045	2008	
		3	m.v. Greatship Asmi	GIL	1,634	2009	
		4	m.v. Greatship Ahalya	GIL	1,643	2009	
		5	m.v. Greatship Aarti	GIL	1,650	2009	
		6	m.v. Greatship Vidya	GIL	3,289	2012	
		7	m.v. Greatship Vimla	GIL	3,310	2012	
		8	m.v. Greatship Aditi	GGOS	2,045	2009	
		8			17,804		8.50
	MULTI-PURPOSE PLATFORM SUPPLY AND SUPPORT VESSELS	1	m.v. Greatship Maya	GGOS	4,350	2009	
		2	m.v. Greatship Manisha	GGOS	4,221	2010	
		2			8,571		8.50
	ROV SUPPORT VESSELS	1	m.v. Greatship Ramya	GIL	3,676	2010	
		2	m.v. Greatship Rohini	GIL	3,700	2010	
		3	m.v. Greatship Rashi	GIL	3,700	2011	
		4	m.v. Greatship Roopa	GIL	3,600	2012	
		5	m.v. Greatship Rachna	GIL	3,600	2012	
		5			18,276		7.00
	TOTAL OFFSHORE SUPPORT VESSELS						
	Number		19				
	Total Tonnage (dwt)		58,539				
	Average Age (years)		8.21				

	CATEGORY		VESSEL NAME	COMPANY #	DWT (MT)	YEAR BUILT	AVERAGE AGE
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					6.50
	TOTAL DRILLING UNITS						
	Number	4					
	Average Age (years)	6.50					

GIL stands for 'Greatship (India) Limited';

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

@ Acquired from Greatship Global Energy Services Pte. Ltd. on June 19, 2017.

ACQUISITIONS/SALES DURING FY 2017-18 – NIL

TRANSACTIONS BETWEEN APRIL 1, 2018 TO MAY 04, 2018 - NIL



FINANCIAL STATEMENTS

THE YEAR AT A GLANCE (CONSOLIDATED)

	MARCH 31, 2018		MARCH 31, 2017	
	₹ (IN CRORES)	US\$ (IN MILLIONS)	₹ (IN CRORES)	US\$ (IN MILLIONS)
	(EXCEPT FOR EARNINGS, CASH EARNINGS AND DIVIDEND PER SHARE)			
FOR THE YEAR				
Total Revenue	3376.50	524	3622.76	540
Operating Profit (PBIDT)	1508.46	234	2121.44	316
Net Profit	(209.57)	(33)	754.96	112
Cash Profit	1035.49	161	1617.20	241
Earnings per share (₹/US\$)	(13.90)	(0.22)	50.07	0.75
Cash earnings per share (₹/US\$)	68.68	1.07	107.26	1.60
Dividend per share (₹/US\$)	7.20	0.11	10.10	0.15
Return on Equity (percentage)	(2.96)	(2.96)	10.95	10.95
AT THE END OF THE YEAR				
Total assets	14649.46	2248	15402.28	2375
Fixed assets	9822.00	1507	10326.69	1592
Total debt	6213.34	953	6815.75	1051
Net worth	6929.22	1063	7223.33	1114
Equity Capital	150.78	23	150.78	23

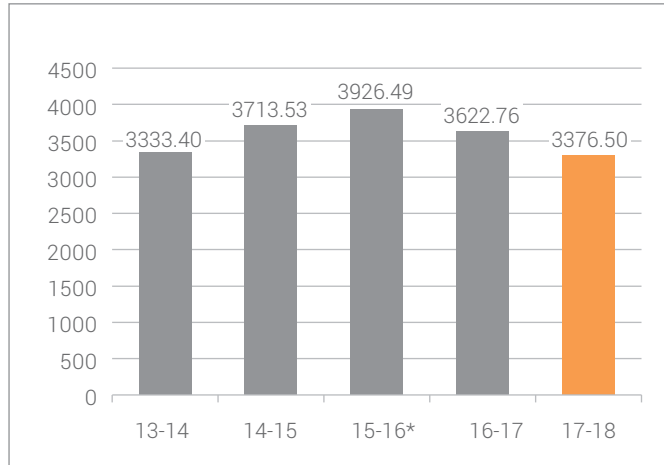
Note:

Figures in US\$ are arrived at by converting Rupee figures at the average conversion rate for all for the year items and at closing rate for all year end items, as given below, to facilitate comparison

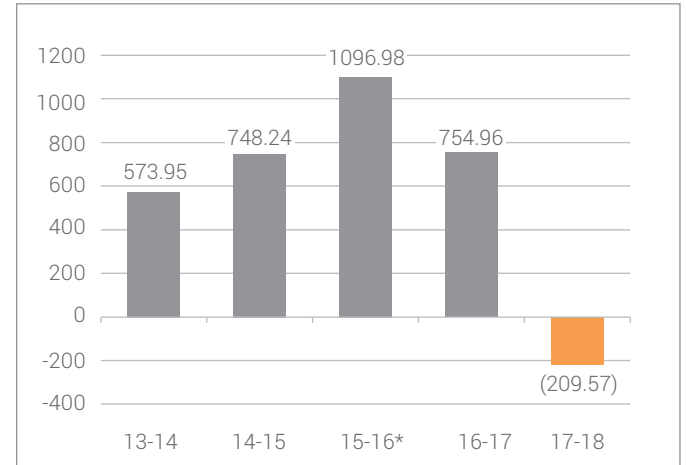
₹/US\$		
EXCHANGE RATE	2017-18	2016-17
-Average	64.48	67.11
-Closing	65.175	64.85

FINANCIAL HIGHLIGHTS (CONSOLIDATED)

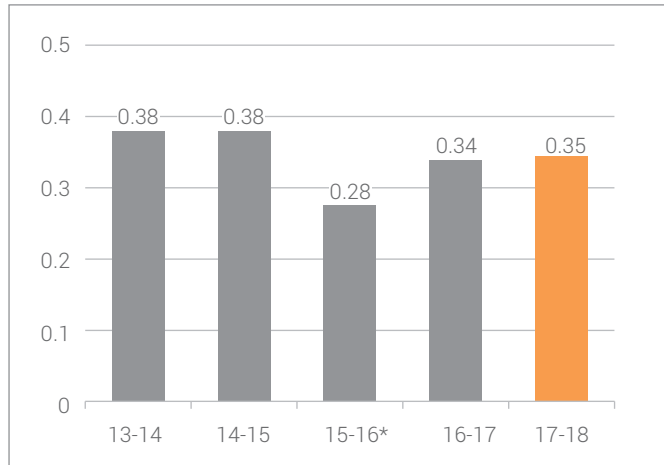
REVENUES ₹ in crores



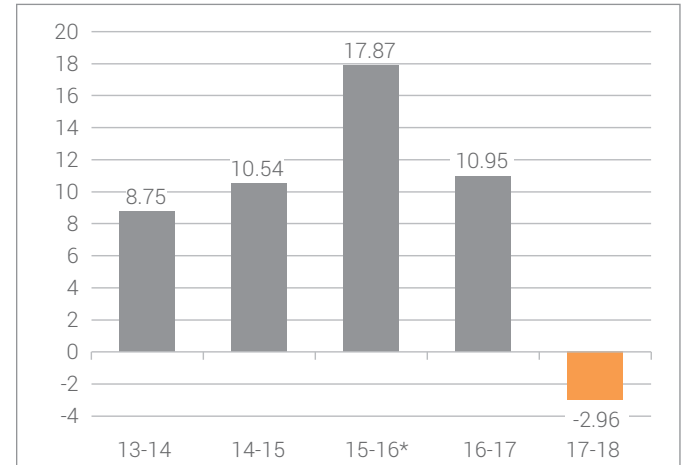
NET PROFIT FOR THE YEAR ₹ in crores



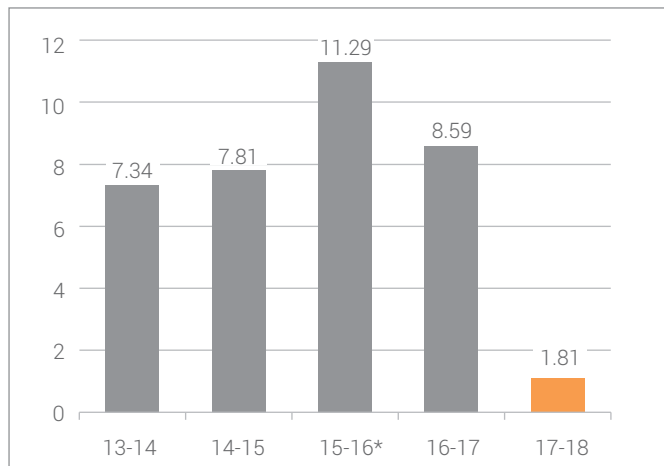
NET DEBT EQUITY RATIO



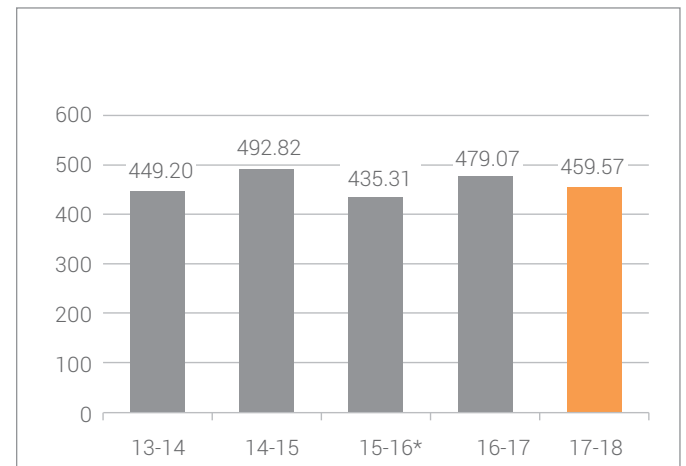
RETURN ON NET WORTH percent



RETURN ON CAPITAL EMPLOYED percent



BOOK VALUE PER SHARE ₹



* Figures are restated as per Ind AS

5 YEARS AT A GLANCE (CONSOLIDATED)

(₹ in crores)

	PREVIOUS GAAP		IND AS		
	2013-14	2014-15	2015-16*	2016-17	2017-18
PROFIT & LOSS A/C					
Total Revenues	3333.40	3713.53	3926.49	3622.76	3376.50
Operating profit (PBIDT)	1673.35	1708.74	2267.07	2121.44	1508.46
Net Profit (PAT)	573.95	748.24	1096.98	754.96	(209.57)
BALANCE SHEET					
What the Company Owned					
Fixed Assets	10200.42	11114.89	9253.13	10326.69	9822.00
Investments, net other assets and long term portion of current liabilities and provisions	2689.91	2854.44	3057.14	3701.21	3528.31
Deferred Taxation (Net)	1.95	0.90	12.15	11.18	(207.75)
TOTAL	12892.28	13970.23	12322.42	14039.08	13142.56
What the Company Owed					
Loans (including current portion)	6119.43	6539.61	5758.94	6815.75	6213.34
TOTAL	6119.43	6539.61	5758.94	6815.75	6213.34
Shareholders' Funds					
Equity Share Capital	150.78	150.78	150.78	150.78	150.78
Other Equity	6622.07	7279.84	6412.70	7072.55	6778.44
TOTAL	6772.85	7430.62	6563.48	7223.33	6929.22
Gross Debt-Equity ratio	0.90:1	0.88:1	0.88:1	0.94:1	0.90:1
Net Debt-Equity ratio	0.38:1	0.38:1	0.28:1	0.34:1	0.35:1
Return on Net Worth (%)	8.75	10.54	17.87	10.95	(2.96)
Earning Per Share (in ₹)	37.87	49.63	72.76	50.07	(13.90)

* Figures are restated as per Ind AS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE GREAT EASTERN SHIPPING COMPANY LIMITED

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of The Great Eastern Shipping Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

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

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

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Our opinion on the standalone Ind AS financial statements is not modified in respect of the above matter

OTHER MATTER

The comparative financial statements of the Company for the year ended March 31, 2017 prepared in accordance with Ind AS included in these standalone Ind AS financial statements have been audited by the predecessor auditor. The report of the predecessor auditor on these comparative financial statements dated May 5, 2017 expressed an unmodified opinion.

Our opinion on the standalone Ind AS financial statements is not modified in respect of the above matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, 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)

P. R. Ramesh
Partner
(Membership No. 70928)

Mumbai, May 4, 2018

THE GREAT EASTERN SHIPPING CO. LTD.

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 to the members of The Great Eastern Shipping Company Limited 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 The Great Eastern Shipping Company Limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company 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 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’ internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company 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, 2018, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

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

P. R. Ramesh

Partner

(Membership No. 70928)

Mumbai, May 4, 2018

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 to the members of The Great Eastern Shipping Company Limited of even date)

- (i) In respect of the Company's property, plant and equipment:
- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - b) The Company has a program of verification of property, plant and equipment to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us, the records examined by us and based on the examination of the sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable property that has been taken on lease and disclosed as fixed asset in the financial statements, the deed of assignment is yet to be transferred in the name of the Company.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and 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, the 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 Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit within the meaning of Section 73 to Section 76 of the Act during the year and does not have any unpaid deposits as at March 31, 2018. 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 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:
- a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.
 - c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2018 on account of disputes are given below:

NAME OF STATUTE	NATURE OF DUES	AMOUNT (₹ IN CRORES)	PERIOD TO WHICH THE AMOUNT RELATES	FORUM WHERE DISPUTE IS PENDING
The Central Sales Tax Act, 1956	Sales Tax	1.67	1998-99	The Sales Tax Appellate Tribunal
The Bombay Sales Tax Act, 1959	Sales Tax	0.23	1995-96 to 1997-98	The High Court at Bombay
		4.56	1998-99	The Sales Tax Appellate Tribunal
		1.00	2001-02	Commissioner of Sales Tax Appeals
Customs Act, 1962	Custom Duty regarding vessels at different ports	0.04	2009-10	Commissioner of Customs (Appeals), Jamnagar
		0.51	2010-11 to 2011-12	CESTAT, Ahmedabad
		0.02	2011-12	Commissioner of Customs (Appeals), Bhubaneswar
		5.56	2012-13	The High Court at Ahmedabad, Bhubaneswar and Chennai
		0.37	2012-13	Commissioner of Customs (Appeals), Jamnagar
		0.01	2013-14	Commissioner of Customs (Appeals), Kolkata
Income Tax Act, 1961	Income Tax	0.88	2007-08 to 2009-10	Income Tax Appellate Tribunal, Mumbai
		0.03	2013-14	Assistant Commissioner of Income Tax

- (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 or debenture holders. The Company has not taken any loans or borrowings from financial institution or government.
- (ix) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were raised other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of initial public offer or further public offer during the year.
- (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 according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (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 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 is 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 subsidiary 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)

P. R. Ramesh

Partner

(Membership No. 70928)

Mumbai, May 4, 2018

BALANCE SHEET AS AT MARCH 31, 2018**(₹ in crores)**

PARTICULARS	NOTE NO.	AS AT 31/03/2018	AS AT 31/03/2017
ASSETS			
I. NON-CURRENT ASSETS:			
(a) Property, Plant and Equipment	3	5541.13	5594.12
(b) Capital Work-in-progress		7.63	21.70
(c) Intangible Assets	4	1.09	0.30
(d) Intangible Assets under development		-	0.67
(e) Financial Assets			
(i) Non-Current Investments	5	1682.28	1680.17
(ii) Other Financial Assets	6	29.81	16.28
(f) Current Tax Assets (net)	7	66.15	57.03
(g) Other Non-Current Assets	8	0.93	12.87
		7329.02	7383.14
II. CURRENT ASSETS:			
(a) Inventories	9	96.27	60.41
(b) Financial Assets			
(i) Current Investments	10	754.21	862.89
(ii) Trade Receivables	11	149.79	46.04
(iii) Cash and Cash Equivalents	12	296.81	725.53
(iv) Bank Balances other than (iii) above	13	1618.09	1472.94
(v) Other Financial Assets	6	244.25	185.70
(c) Other Current Assets	8	34.93	11.54
		3194.35	3365.05
TOTAL ASSETS		10523.37	10748.19
EQUITY AND LIABILITIES			
I. EQUITY:			
(a) Equity Share Capital	14	150.78	150.78
(b) Other Equity	15	5074.64	5011.24
		5225.42	5162.02
II. NON-CURRENT LIABILITIES:			
(a) Financial Liabilities			
(i) Borrowings	16	3576.44	3748.47
(b) Provisions	17	27.24	27.77
III. CURRENT LIABILITIES:		3603.68	3776.24
(a) Financial Liabilities			
(i) Borrowings	16	171.02	170.17
(ii) Trade Payables	18	183.59	123.34
(iii) Other Financial Liabilities	19	1270.74	1450.32
(b) Other Current Liabilities	20	47.75	31.73
(c) Provisions	17	1.31	1.95
(d) Current Tax Liabilities (net)	21	19.86	32.42
		1694.27	1809.93
TOTAL EQUITY AND LIABILITIES		10523.37	10748.19
Significant Accounting Policies	2		

The accompanying notes are an integral part of the financial statements

As per our Report of even date

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

Firm Regn. No. : 117366W / W - 100018

P. R Ramesh

Partner

M. No. : 70928

G. Shivakumar

Executive Director & CFO

(DIN : 03632124)

Jayesh M. Trivedi

Company Secretary

(M. No. : 2822)

For and on behalf of the Board

K. M. Sheth

Chairman

(DIN : 00022079)

Bharat K. Sheth

Deputy Chairman & Managing Director

(DIN : 00022102)

Cyrus Guzder

Director

(DIN : 00080358)

Mumbai : May 4, 2018.

THE GREAT EASTERN SHIPPING CO. LTD.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(₹ in crores)

PARTICULARS	NOTE NO.	CURRENT YEAR	PREVIOUS YEAR
I. Revenue from Operations	22	2061.03	1703.96
II. Other Income	23	338.24	520.75
III. TOTAL INCOME (I + II)		2399.27	2224.71
IV. EXPENSES:			
Fuel Oil and Water		321.43	176.72
Port, Light and Canal Dues		175.07	108.97
Consumption of Spares and Stores		143.36	121.24
Employee Benefit Expenses	24	435.42	314.79
Finance Costs	25	328.20	246.98
Depreciation and Amortisation Expense	26	491.49	373.60
Other Expenses	27	337.11	241.02
TOTAL EXPENSES (IV)		2232.08	1583.32
V. PROFIT BEFORE TAX (III - IV)		167.19	641.39
VI. TAX EXPENSE:			
- Current Tax	28	39.00	40.00
- MAT Credit Utilised	28	(32.00)	-
		7.00	40.00
VII. PROFIT FOR THE YEAR (V - VI)		160.19	601.39
VIII. OTHER COMPREHENSIVE INCOME			
A. (i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined employee benefit plans		3.42	(2.14)
		3.42	(2.14)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B. (i) Items that may be reclassified to profit or loss			
(a) Effective portion of gains/(losses) on designated portion of hedging instruments in a cash flow hedge		11.37	(5.31)
(b) Movement in Foreign Currency Monetary Item Translation Reserve		1.62	8.58
		12.99	3.27
(ii) Income tax relating to items that may be reclassified to profit or loss		0.56	-
Other Comprehensive Income (A(i-ii)+B(i-ii))		15.85	1.13
IX. TOTAL COMPREHENSIVE INCOME (VII + VIII)		176.04	602.52
X. EARNINGS PER EQUITY SHARE: (IN ₹)	29		
(Face value per share ₹10/-)			
- Basic		10.62	39.89
- Diluted		10.60	39.81
Significant Accounting Policies	2		

The accompanying notes are an integral part of the financial statements

As per our Report of even date

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

Firm Regn. No. : 117366W / W - 100018

P. R. Ramesh

Partner

M. No. : 70928

G. Shivakumar

Executive Director & CFO

(DIN : 03632124)

Jayesh M. Trivedi

Company Secretary

(M. No. : 2822)

For and on behalf of the Board

K. M. Sheth

Chairman

(DIN : 00022079)

Bharat K. Sheth

Deputy Chairman & Managing Director

(DIN : 00022102)

Cyrus Guzder

Director

(DIN : 00080358)

Mumbai : May 4, 2018.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

I. EQUITY SHARE CAPITAL

	(₹ in crores)	
	BALANCE AS AT APRIL 1, 2016	BALANCE AS AT MARCH 31, 2017
	150.78	150.78
		-

	CHANGES IN EQUITY SHARE CAPITAL DURING THE YEAR	
BALANCE AS AT APRIL 1, 2017	BALANCE AS AT MARCH 31, 2018	
150.78	150.78	
	-	

II. OTHER EQUITY

	RESERVES AND SURPLUS							ITEMS OF OTHER COMPREHENSIVE INCOME		TOTAL OTHER EQUITY
	CAPITAL RESERVE	SECURITIES PREMIUM RESERVE	GENERAL RESERVE	CAPITAL REDEMPTION RESERVE	TONNAGE TAX RESERVE UNDER SECTION 115VT OF THE INCOME-TAX ACT, 1961	DEBENTURE REDEMPTION RESERVE	RETAINED EARNINGS	EFFECTIVE PORTION OF CASH FLOW HEDGE	FOREIGN CURRENCY MONETARY ITEMS TRANSLATION DIFFERENCE	
Balance as at April 1, 2016	15.98	86.59	2248.46	240.08	170.00	167.50	1558.29	(2.01)	(15.59)	4469.30
Profit for the year	-	-	-	-	-	-	601.39	-	-	601.39
Remeasurement of defined employee benefit plans	-	-	-	-	-	-	(2.14)	-	-	(2.14)
Effective portion of gains/(losses)	-	-	-	-	-	-	-	(5.31)	-	(5.31)
Movement during the year	-	-	-	-	-	-	-	-	8.58	8.58
Total comprehensive income for the year	-	-	-	-	-	-	599.25	(5.31)	8.58	602.52
Payment of dividend	-	-	-	-	-	-	(54.28)	-	-	(54.28)
Payment of dividend distribution tax	-	-	-	-	-	-	(6.30)	-	-	(6.30)
Transfer from Retained Earnings	-	-	-	-	100.00	591.25	(691.25)	-	-	-
Balance as at March 31, 2017	15.98	86.59	2248.46	240.08	270.00	758.75	1405.71	(7.32)	(7.01)	5011.24

	RESERVES AND SURPLUS						ITEMS OF OTHER COMPREHENSIVE INCOME			TOTAL OTHER EQUITY
	CAPITAL RESERVE	SECURITIES PREMIUM RESERVE	GENERAL RESERVE	CAPITAL REDEMPTION RESERVE	TONNAGE TAX RESERVE UNDER SECTION 115VT OF THE INCOME-TAX ACT, 1961	DEBENTURE REDEMPTION RESERVE	RETAINED EARNINGS	EFFECTIVE PORTION OF CASH FLOW HEDGE	FOREIGN CURRENCY MONETARY ITEMS TRANSLATION DIFFERENCE ACCOUNT	
Balance as at April 1, 2017	15.98	86.59	2248.46	240.08	270.00	758.75	1405.71	(7.32)	(7.01)	5011.24
Profit for the year	-	-	-	-	-	-	160.19	-	-	160.19
Remeasurement of defined employee benefit plans	-	-	-	-	-	-	3.42	-	-	3.42
Effective portion of gains/ (losses)	-	-	-	-	-	-	-	10.81	-	10.81
Movement during the year	-	-	-	-	-	-	-	-	1.62	1.62
Total comprehensive income for the year	-	-	-	-	-	-	163.61	10.81	1.62	176.04
Payment of dividend	-	-	-	-	-	-	(98.01)	-	-	(98.01)
Payment of dividend distribution tax	-	-	-	-	-	-	(14.63)	-	-	(14.63)
Transfer from Retained Earnings	-	-	-	-	15.00	28.75	(43.75)	-	-	-
Balance as at March 31, 2018	15.98	86.59	2248.46	240.08	285.00	787.50	1412.93	3.49	(5.39)	5074.64

The accompanying notes are an integral part of the financial statements
As per our Report of even date

For and on behalf of the Board

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
Firm Regn. No. : 117366W / W - 100018
P. R. Ramesh
Partner
M. No. : 70928

G. Shivakumar
Executive Director & CFO
(DIN : 03632124)
Jayesh M. Trivedi
Company Secretary
(M. No. : 2822)

K. M. Sheth
Chairman
(DIN : 00022079)
Bharat K. Sheth
Deputy Chairman & Managing Director
(DIN : 00022102)

Cyrus Guzder
Director
(DIN : 00080358)

Mumbai : May 4, 2018.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2018

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax for the year	167.19	641.39
Adjustments For :		
Depreciation and amortisation expense	491.49	373.60
Interest Income	(70.79)	(66.52)
Finance Cost	328.20	246.98
(Gain)/Loss on Settlement of Derivative contracts	(2.31)	45.07
Net gain on investments	(43.67)	(122.66)
Net gain on disposal of property, plant and equipment	(12.94)	(38.58)
Bad debts and advances written off	0.20	0.01
Provision for doubtful debts and advances (net)	19.07	(2.03)
Revaluation of foreign currency balances /MTM on derivative transactions	(211.62)	(316.60)
Operating profit before working capital changes	664.82	760.66
Adjustments For :		
(Increase) / Decrease in trade and other receivables	(152.51)	46.47
(Increase) / Decrease in inventories	(35.86)	(32.27)
Increase / (Decrease) in trade payables	57.34	(13.31)
Increase / (Decrease) in other liabilities	19.35	(16.11)
Cash generated from operations	553.14	745.44
Direct Taxes Paid	(28.68)	(26.08)
Net cash (used in) / generated from operating activities	524.46	719.36
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for purchase of property, plant and equipment	(466.95)	(2057.15)
Proceeds from disposal of property, plant and equipment	57.32	94.22
Advances for acquisition of ship	-	(12.00)
Purchase of current investments	(2485.86)	(5217.90)
Proceeds from disposal /redemption of investments	2638.20	5363.38
Placements of deposits with banks	(1657.24)	(1844.50)
Withdrawal of deposits with banks	1509.46	2078.86
Interest received	64.86	65.52
Net cash (used in) / generated from investing activities	(340.21)	(1529.57)

	CURRENT YEAR	PREVIOUS YEAR
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	300.00	1931.21
Repayments of borrowings	(515.80)	(345.08)
Dividend paid	(98.01)	(54.28)
Dividend distribution tax paid	(14.63)	(6.30)
Gain/(Loss) on settlement of derivative contracts	2.31	(45.07)
Interest paid	(310.84)	(196.94)
Net cash (used in) / generated from financing activities	(636.97)	1283.54
Net increase / (decrease) in cash and cash equivalents	(452.72)	473.33
Cash and cash equivalents at the beginning of the year	725.53	267.96
Exchange difference on translation of foreign currency cash and cash equivalents	24.00	(15.76)
Cash and cash equivalents at the end of the year	296.81	725.53

The above Statement of Cash flows has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flow".

Reconciliation for changes in liabilities arising from financing activities including both changes arising from cash flows and non-cash changes as per the requirement of Amendment to Ind AS 7 :

PARTICULARS	AS AT MARCH 31, 2017	CASH FLOWS (NET)	NON-CASH CHANGES				AS AT MARCH 31, 2018
			FAIR VALUE CHANGES	FOREIGN EXCHANGE MOVEMENT	ACQUISITION	AMORTISED COST	
Foreign currency term loan from banks	1405.93	(330.80)	-	5.26	-	-	1080.39
Non convertible Debentures	3025.78	115.00	-	-	-	1.46	3142.24
Total	4431.71	(215.80)	-	5.26	-	1.46	4222.63

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

As per our Report of even date

For and on behalf of the Board

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
Firm Regn. No. : 117366W / W - 100018

G. Shivakumar
Executive Director & CFO
(DIN : 03632124)

K. M. Sheth
Chairman
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Cyrus Guzder
Director
(DIN : 00080358)

P. R. Ramesh
Partner
M. No. : 70928

Jayesh M. Trivedi
Company Secretary
(M. No. : 2822)

Bharat K. Sheth
Deputy Chairman & Managing
Director
(DIN : 00022102)

Mumbai : May 4, 2018.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

NOTE 1 : CORPORATE INFORMATION

The Great Eastern Shipping Company Ltd. (the Company) is a public limited company registered in India under the provisions of the Companies Act, 1913 and has its registered office in Mumbai, Maharashtra, India. Its shares are listed on the Bombay Stock Exchange and the National Stock Exchange of India. The Company is a major player in the Indian Shipping industry.

The financial statements for the year ended March 31, 2018 were approved by the Board of Directors and authorised for issue on May 4, 2018.

NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance:

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards), Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

b) Basis of preparation and presentation :

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 the reporting period.

c) 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 recognised 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, are in respect of impairment of property, plant and equipment and intangible assets, useful lives of property, plant and equipment, provision and contingent liabilities.

Impairment of Property, plant and equipment :

Determining whether a ship 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 are those regarding discount rates, revenue and operating profit growth rates. The discount rate is estimated using pre-tax rates that reflects 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 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.

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. Contingent liabilities are disclosed in Note 35 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.

d) Property, plant and equipment :

Property, plant & equipment (PPE) are stated at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenses related to acquisition, installation of the concerned assets and any attributable cost of bringing the asset to

the condition of its intended use. Borrowing costs attributable to the acquisition or construction of a qualifying asset is also capitalised as part of the cost of the asset.

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 recognised in the Statement of Profit and Loss.

e) 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.

f) Non-current asset held for sale :

An item of Property, plant and equipment is classified as non-current asset held for sale at the time when the Management is committed to sell / dispose off the asset as per Memorandum of Agreement entered into and the asset is expected to be sold / disposed off 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 costs to sell.

g) Investments in subsidiaries :

Non-Current Investments in equity shares in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Non-current Investments in Preference Shares in subsidiaries are valued using effective interest rate method.

h) Inventories :

Inventories of fuel oil are carried at lower of cost and net realisable value. Cost is ascertained on first-in-first out basis. The cost includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all costs necessary to make the sale.

i) Borrowing Costs :

Borrowing costs include interest, ancillary cost incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings availed on or after April 1, 2016, to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition/construction of the qualifying assets are capitalised as part of the cost of the asset, upto the date of acquisition/completion of construction. Other borrowing costs are recognised in the period in which they occur except for transaction costs which are amortised over the period of the loan.

j) Revenue Recognition :

Income from services : In case of completed voyages, freight and demurrage earnings are recognised fully and in case of incomplete voyages, freight earnings are recognised prorata on the basis of direct operating expenses incurred as compared to total estimated direct operating expenses for the voyage. Charter hire earnings are accrued on time proportion basis except where the charter party agreements have not been renewed/finalised, in which case it is recognised on provisional basis.

Interest : Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and using the effective interest method.

Dividends : Dividend income is recognised when the Company's right to receive dividend is established.

k) Operating Expenses :

- i) Fleet direct operating expenses are charged to the Statement of Profit and Loss on accrual basis.
- ii) Bunker consumption cost, which is part of direct operating expenses, is charged to the Statement of Profit and Loss on consumption.
- iii) Stores and spares delivered on board the ships are charged to the Statement of Profit and Loss.
- iv) Expenses on account of general average claims / damages to ships are charged to the Statement of Profit and Loss in the year in which they are incurred. Claims against the underwriters are accounted for on acceptance of average adjustment by the adjustors.

l) Operating Lease :

Lease arrangements where the risks and rewards incidental to ownership of an asset vests with the lessor, are recognised as operating lease. Operating lease payments are recognised on a straight line basis over the lease term in the Statement of Profit and Loss, unless the lease agreement explicitly provides for future increase to compensate general inflation.

m) Employee Benefits :**i) 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.

ii) Post Employment Benefits :

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

a) Defined Contribution Plan

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

b) Defined Benefit Plan

Retirement benefits in the form of Gratuity and Pension plan for eligible Whole-time Directors are considered as defined benefit obligations and are provided for on the basis of actuarial valuations, using the projected unit credit method, as at the date of the Balance Sheet.

c) Other Long-Term Benefits

Long-term compensated absences are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Actuarial gain / loss, comprising of experience adjustments and the effects of changes in actuarial assumptions is recognised in the Statement of Other Comprehensive Income except for Long-term compensated absences where the same is immediately recognised in the Statement of Profit and Loss.

n) Depreciation on Property, Plant and Equipment and Amortisation of Intangible Asset :

- i) Depreciation or amortisation is provided on Straight Line Method basis so as to write off the original cost of the asset less its estimated residual value over the estimated useful lives. The estimated useful lives of the assets are as under :

ASSET TYPE	ESTIMATED USEFUL LIFE
Property, plant and equipment :	
Fleet (Main)	
- Crude Oil Tankers	20 years
- Product Tankers * (see note (v) below)	23 years
- Dry Bulk Carriers *	23 years
- Gas Carriers *	27 years
- Speed Boats	13 years
Fleet (Component)	
- Grabs *	10 years
- Dry Dock *	Period from survey certificate date till the estimated date for next special survey
Leasehold Land	Lease period
Ownership Flats and Buildings	60 years
Furniture & Fixtures, Office Equipment, etc.*	5 years
Computers	
- Servers and Networks	6 years
- End User Devices	3 years
Vehicles *	4 years
Mobiles *	2 years
Plant and Equipment *	10 years
Intangible Assets :	
Software	5 years

* For these class of assets, based on internal technical assessment and past experience, the Management believes that the useful lives as given above, best represent the period over which the Management expects the use of the assets. The useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013.

- ii) Estimated useful lives of the Fleet and Ownership Flats and Buildings are considered from the year of built. Estimated useful lives in case of all other assets are considered from the date of acquisition by the Company.
- iii) Residual value in case of Fleet is estimated initially as amount equal to product of long tonnes and estimated scrap value per long tonne based on previous ten years moving average of scrap rates.
- iv) The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.
- v) During the year, the Company determined that the useful life of product tankers should be lengthened based on historical experience and industry practice. Accordingly the useful life of Product Tankers has been revised from 20 years to 23 years.

o) Asset Impairment :

The carrying amounts of the Company's property plant and equipment are reviewed annually or more frequently to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognised in the Statement of Profit and Loss in the period in which impairment takes place.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

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.

p) Foreign Exchange Transactions :

The transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at standard exchange rates determined monthly. Non-monetary items, which are measured in terms of historical costs denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the year end are translated at closing rates. The difference in translation of long term monetary assets acquired and liabilities incurred prior to April 1, 2016 and realised gains and losses on foreign currency transactions relating to acquisition of depreciable capital assets are added to or deducted from the cost of the asset and depreciated over the balance life of the asset; and in other cases, accumulated in a Foreign Currency Monetary Item Translation Difference Account and amortised over the balance period of such long term asset / liability, by recognition as income or expense but not beyond March 31, 2020. The difference in translation of all other monetary assets and liabilities and realised gains and losses on other foreign currency transactions are recognised in the Statement of Profit and Loss.

q) 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 through Profit or Loss (FVTPL) or fair value through Other Comprehensive Income (FVOCI), 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 upto twelve months from the reporting period is considered as part of bank balances other than cash and cash equivalent. Fixed deposit with residual maturity more than twelve months from reporting period is classified under other non-current assets.

Trade Receivables and Loans :

These assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Debt Instruments :

Debt instruments are initially measured at amortised cost, fair value through Other Comprehensive Income ('FVOCI') or fair value through Profit or Loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

a) Measured at amortised cost :

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation using EIR and loss arising from impairment, if any, is recognised in the Statement of Profit and Loss.

b) Measured at fair value through Other Comprehensive Income (FVOCI) :

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income. Fair value movements are recognised in the Other Comprehensive Income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

c) Measured at fair value through Profit or Loss (FVTPL) :

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Impairment of financial assets

Expected credit losses are recognised for all financial assets subsequent to initial recognition other than financials assets in FVTPL category. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall. The impairment losses and reversals are recognised in the Statement of Profit and Loss.

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 the 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.

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.

Offsetting financial instruments

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

Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps, currency swaps, commodity swaps etc. Further details of derivative financial instruments are disclosed in Note 36.

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 the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item. The gains or losses on derivative contracts related to the acquisition of depreciable capital assets are added to or deducted from the cost of the assets and not recognised in the Statement of Profit and Loss.

Embedded derivatives

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

Hedge accounting

The Company designates certain hedging instruments, which include derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges or 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 36 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 the Statement of Profit and 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.

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.

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.

r) Taxation :

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period 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 is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

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

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction. Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

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

s) Provisions and Contingent Liabilities :

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Where the time value of money is material, provisions are measured on a discounted basis.

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.

t) Earnings per share :

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

u) Government Grants :

Government grants are not recognised until there is a reasonable assurance that the Company will comply with the conditions attached 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 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.

Applicability of new and revised Ind AS:**Amendments to Ind AS that are notified and adopted by the Company**

As per Companies (Indian Accounting Standards) (Amendment) Rules, 2017 dated March 17, 2017, Ministry of Corporate Affairs (MCA) has notified amendments to two new standards namely Ind AS 102 Share-based Payment and Ind AS 7 Statement of Cash Flows which have become effective from April 1, 2017.

There are no share based payment transactions and hence Ind AS 102 is not applicable to the Company.

Further, amendment to Ind AS 7 pertains to additional disclosure requirement such as "An entity will be required to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes." Relevant disclosures in this regard has been provided in Statement of Cash Flow.

New standards issued but not yet effective

MCA on March 28, 2018 notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 (the "Rules"). The Rules notify the new revenue standard Ind AS 115, Revenue from Contracts with Customers and also bring in amendment to existing Ind AS. The Rules shall be effective from reporting periods beginning on or after April 1, 2018.

New revenue standard Ind AS 115 supersedes the existing standards Ind AS 18 – Revenue and Ind AS 11 – Construction Contracts. The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

- i. Identification of the contracts with the customer
- ii. Identification of the performance obligations in the contract
- iii. Determination of the transaction price
- iv. Allocation of transaction price to the performance obligations in the contract (identified in step ii)
- v. Recognition of revenue when the Company satisfies a performance obligation.

Appendix B, Foreign Currency Transactions and Advance Considerations to Ind AS 21, The Effects of Changes in Foreign Exchange Rates has been notified. The appendix clarifies that the date of the transaction, for the purpose of determining the exchange rate to use on initial recognition of the asset, expense or income, should be the date on which an entity has received or paid an advance consideration in a foreign currency.

The management is currently evaluating the impact of the aforesaid amendments on the Company's financial information.

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

(₹ in crores)

PARTICULARS	GROSS BLOCK				DEPRECIATION / IMPAIRMENT				NET BLOCK		
	AS AT 1/04/2017	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	OTHER ADJUSTMENTS [REFER NOTE (c)]	AS AT 31/03/2018	ACCUMULATED DEPRECIATION/ IMPAIRMENT AS AT 31/03/2017	OTHER ADJUSTMENTS/ ON DEDUCTIONS	FOR THE YEAR	ACCUMULATED DEPRECIATION/ IMPAIRMENT AS AT 31/03/2018	AS AT 31/03/2018	AS AT 31/03/2017
Fleet	7242.10	470.10	69.95	1.97	7644.22	1755.17	25.80	484.38	2213.75	5430.47	5486.93
Land (Freehold and Perpetual Lease)	59.80	-	-	-	59.80	-	-	-	-	59.80	59.80
Ownership Flats and Buildings [Refer Note (a)]	55.41	0.07	-	-	55.48	21.02	(0.01)	1.11	22.14	33.34	34.39
Plant and Equipment	7.92	3.25	-	-	11.17	5.77	-	0.55	6.32	4.85	2.15
Furniture, Fixtures and Office Equipment	31.58	3.48	0.30	-	34.76	27.65	0.27	1.89	29.27	5.49	3.93
Vehicles	17.25	3.74	2.22	-	18.77	10.33	2.04	3.30	11.59	7.18	6.92
	7414.06	480.64	72.47	1.97	7824.20	1819.94	28.10	491.23	2283.07	5541.13	5594.12

(₹ in crores)

PARTICULARS	GROSS BLOCK					DEPRECIATION / IMPAIRMENT				NET BLOCK	
	AS AT 1/04/2016	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	OTHER ADJUST- MENTS [REFER NOTE (c)]	AS AT 31/03/2017	ACCUMULATED DEPRECIATION/ IMPAIRMENT AS AT 31/03/2016	OTHER ADJUSTMENTS/ ON DEDUCTIONS	FOR THE YEAR	ACCUMULATED DEPRECIATION/ IMPAIRMENT AS AT 31/03/2017	AS AT 31/03/2017	AS AT 31/03/2016
Fleet	5102.86	2360.38	211.70	(9.44)	7242.10	1543.64	156.12	367.65	1755.17	5486.93	3559.22
Land (Freehold and Perpetual Lease)	59.80	-	-	-	59.80	-	-	-	-	59.80	59.80
Ownership Flats and Buildings [Refer Note (a)]	55.06	0.35	-	-	55.41	19.90	-	1.12	21.02	34.39	35.16
Plant and Equipment	7.66	0.29	0.03	-	7.92	5.32	0.03	0.48	5.77	2.15	2.34
Furniture, Fixtures and Office Equipment	31.57	1.67	1.66	-	31.58	27.74	1.63	1.54	27.65	3.93	3.83
Vehicles	14.65	4.25	1.65	-	17.25	9.22	1.61	2.72	10.33	6.92	5.43
	5271.60	2366.94	215.04	(9.44)	7414.06	1605.82	159.39	373.51	1819.94	5594.12	3665.78

Notes :

- a) The ownership flats and buildings include ₹ 11,760 (Previous Year : ₹ 11,760) being value of shares held in various co-operative societies.
- b) The deed of assignment in respect of the Company's leasehold property at Worli is yet to be transferred in the name of the Company.
- c) Other adjustments comprise of exchange differences relating to long term monetary items for acquisition of depreciable capital assets on or before March 31, 2016.
- d) Fleet with a carrying amount of ₹ 2631.66 crores (as at March 31, 2017 : ₹ 3012.15 crores) and buildings with a carrying amount of ₹ 0.50 crore (as at March 31, 2017 : ₹ 0.26 crore) have been mortgaged to secure borrowings (Refer Note 16).
- e) Additions to fleet include the amount of borrowing costs capitalised during the year ₹ Nil (Previous Year : ₹ 3.86 crores).
- f) During the current year, based on historical experience and industry practice, the Company reassessed useful life of product tankers from 20 to 23 years. Had the Company continued with earlier estimated useful life, the depreciation charge for the current year would have been higher and profit before tax would have been lower by ₹ 9.21 crores.

NOTE 4 : INTANGIBLE ASSETS

(₹ in crores)

PARTICULARS	GROSS BLOCK					AMORTISATION				NET BLOCK	
	AS AT 1/04/2017	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	OTHER ADJUSTMENTS	AS AT 31/03/2018	ACCUMULATED AMORTISATION AS AT 31/03/2017	OTHER ADJUSTMENTS/ ON DEDUCTIONS	FOR THE YEAR	ACCUMULATED AMORTISATION AS AT 31/03/2018	AS AT 31/03/2018	AS AT 31/03/2017
Software	0.51	1.05	-	-	1.56	0.21	-	0.26	0.47	1.09	0.30
	0.51	1.05	-	-	1.56	0.21	-	0.26	0.47	1.09	0.30

(₹ in crores)

PARTICULARS	GROSS BLOCK					AMORTISATION				NET BLOCK	
	AS AT 1/04/2016	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	OTHER ADJUSTMENTS	AS AT 31/03/2017	ACCUMULATED AMORTISATION AS AT 31/03/2016	OTHER ADJUSTMENTS/ ON DEDUC- TIONS	FOR THE YEAR	ACCUMULATED AMORTISATION AS AT 31/03/2017	AS AT 31/03/2017	AS AT 31/03/2016
Software	0.39	0.12	-	-	0.51	0.12	-	0.09	0.21	0.30	0.27
	0.39	0.12	-	-	0.51	0.12	-	0.09	0.21	0.30	0.27

NOTE 5 : NON-CURRENT INVESTMENTS

	FACE VALUE ₹	AS AT 31/03/2018		AS AT 31/03/2017	
		NO. OF SHARES	₹ IN CRORES	NO. OF SHARES	₹ IN CRORES
Investments in Equity Instruments : (Unquoted - valued at cost)					
Subsidiaries :					
- Greatship (India) Ltd.	10	11,13,45,500	1305.14	11,13,45,500	1305.14
- The Greatship (Singapore) Pte. Ltd. of S\$ 1 each		5,00,000	1.15	5,00,000	1.15
- The Great Eastern Chartering L.L.C.(FZC) of AED 100 each		1,500	0.19	1,500	0.19
			1306.48	1306.48	

	FACE VALUE ₹	AS AT 31/03/2018		AS AT 31/03/2017	
		NO. OF SHARES	₹ IN CRORES	NO. OF SHARES	₹ IN CRORES
Investments in Preference Shares : (Unquoted - valued at amortised cost)					
Subsidiary :					
- Greatship (India) Ltd.					
21.75% Cumulative Redeemable Preference Shares (Refer Note (a))	10	4,45,00,000	180.29	4,45,00,000	178.18
22.50% Cumulative Redeemable Preference Shares (Refer Note (b))	10	6,06,24,000	195.51	6,06,24,000	195.51
			375.80		373.69
Other Investments : (Unquoted - valued at cost)					
Subsidiary :					
- Great Eastern CSR Foundation	10	49,999	-	49,999	-
			-		-
			1682.28		1680.17
Aggregate amount of unquoted investments			1682.28		1680.17
Aggregate amount of impairment in value of investments			-		-

Notes:

- a) 21.75% 4,45,00,000 cumulative redeemable preference shares issued by the subsidiary company, Greatship (India) Limited, are redeemable at a premium of ₹ 30.90 per share in four equal annual tranches from April 1, 2021 to April 1, 2024.
- Subsequent to the year end March 31, 2018, the terms of the above mentioned preference shares have been modified by the Board of Directors of the subsidiary company increasing the rate of dividend from 21.75% to 24.60% p.a. effective financial year 2018-19 and deferring the redemption of the said shares in four equal tranches commencing from April 1, 2025.
- The subsidiary company has an option of early redemption by providing one month's notice to the Company. The redemption can be in part or in full subject to a minimum of 25 lakhs shares at a time. In case of early redemption, the premium on redemption would be determined at such time so as to provide an effective yield to maturity of 7% p.a. to the Company. The cumulative redeemable preference shares do not contain any equity component.
- b) 22.50% 6,06,24,000 cumulative redeemable preference shares are redeemable at a premium of ₹ 20/- per share in four equal annual tranches from April 1, 2018 to April 1, 2021.
- During the year ended March 31, 2018, the terms of the above mentioned preference shares have been modified by the Board of Directors of the subsidiary company deferring the redemption of the said shares in four equal tranches commencing from April 1, 2025. The subsidiary company has an option of early redemption by providing one month's notice to the 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.

NOTE 6 : OTHER FINANCIAL ASSETS**(Unsecured)****(₹ in crores)**

	NON-CURRENT		CURRENT	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
Considered good				
(a) Security Deposits	0.53	1.10	0.07	0.24
(b) Mark-to-Market Gains on Derivatives	-	-	171.45	122.20
(c) Deposits on account of pool arrangement	29.00	13.16	-	-
(d) Insurance Claims	-	-	10.13	6.02
(e) Incomplete Voyages	-	-	50.04	39.53
(f) Unbilled Revenue	-	-	11.62	6.62
(g) Other Advances	0.28	2.02	0.94	11.09
Considered doubtful				
(a) Security Deposits	0.42	0.44	-	-
(b) Other Advances	1.01	-	-	-
Less : Allowance for doubtful advances	(1.43)	(0.44)	-	-
	29.81	16.28	244.25	185.70

NOTE 7 : CURRENT TAX ASSETS (NET)**(₹ in crores)**

	AS AT 31/03/2018	AS AT 31/03/2017
Excess of Advance Payment of Income-tax and Tax Deducted/Collected at Source over Provision for Income-tax	66.15	57.03
	66.15	57.03

NOTE 8 : OTHER ASSETS**(Unsecured)****(₹ in crores)**

	NON-CURRENT		CURRENT	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
Considered good				
(a) Capital Advances	-	12.00	-	-
(b) Unutilised Government Grants	-	-	6.24	-
(c) Indirect tax balances/ recoverable/ credits	-	-	5.04	0.92
(d) Other Advances	0.93	0.87	23.65	10.62
Considered doubtful				
(a) Other Advances	5.98	-	0.20	0.24
Less : Allowance for doubtful advances	(5.98)	-	(0.20)	(0.24)
	0.93	12.87	34.93	11.54

NOTE 9 : INVENTORIES

(Valued at lower of cost and net realisable value)

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Fuel Oil	96.27	60.41
	96.27	60.41

Note :

The cost of inventories recognised as an expense during the year was ₹ 320.84 crores (Previous Year : ₹ 172.24 crores).

NOTE 10 : CURRENT INVESTMENTS

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Investments in mutual funds : Unquoted (valued at FVTPL)	754.21	862.89
	754.21	862.89
Aggregate amount of unquoted investments	754.21	862.89
Aggregate amount of impairment in value of investments	-	-

Note :

Mutual Funds aggregating to ₹ 127.23 crores (as at March 31, 2017 : ₹ 152.64 crores) of the above have been placed under lien with a bank for the facilities given by it.

NOTE 11 : TRADE RECEIVABLES

(Unsecured)

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Considered good	149.79	46.04
Considered doubtful	19.49	5.60
	169.28	51.64
Less : Allowance for Doubtful Receivables	(19.49)	(5.60)
	149.79	46.04

Note :

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.

Concentration of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse. Historical experience of collection of receivables also indicates that credit risk is low. All trade receivables are reviewed and assessed for default on a quarterly basis. Trade receivables are due 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 historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables.

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

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
Opening Balance	5.60	10.67
Add : Current year allowance	17.37	4.91
Less : Reversal during the year	(3.48)	(9.98)
Closing Balance	19.49	5.60

NOTE 12 : CASH AND CASH EQUIVALENTS

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
(a) Balances with Banks in Current Accounts	296.79	725.51
(b) Cash on Hand	0.02	0.02
	296.81	725.53

NOTE 13 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
(a) Term Deposits having residual maturity upto 12 months	1540.84	1324.21
(b) Balances with Banks - Unpaid Dividend Account	7.67	8.15
(c) Margin Money Deposits (placed with banks under lien against facilities given by the banks.)	51.43	126.25
(d) Interest Accrued on Bank Deposits	18.15	14.33
	1618.09	1472.94

NOTE 14 : EQUITY SHARE CAPITAL

(₹ in crores)

	AS AT 31/03/2018		AS AT 31/03/2017	
	NOS.	₹ IN CRORES	NOS.	₹ IN CRORES
Authorised :				
Equity Shares of ₹ 10 each	30,00,00,000	300.00	30,00,00,000	300.00
Preference Shares of ₹ 10 each	20,00,00,000	200.00	20,00,00,000	200.00
	50,00,00,000	500.00	50,00,00,000	500.00
Issued :				
Equity Shares of ₹ 10 each	15,11,63,426	151.16	15,11,63,426	151.16
	15,11,63,426	151.16	15,11,63,426	151.16
Subscribed and Fully Paid :				
Equity Shares of ₹ 10 each	15,07,77,065	150.78	15,07,77,065	150.78
Add : Forfeited shares ₹ 30,358 (as at March 31, 2017 : ₹ 30,358)	2,518	-	2,518	-
	15,07,79,583	150.78	15,07,79,583	150.78

a) Terms/Rights attached to Equity Shares :

The Company has only one class of equity shares having a face value of ₹ 10 each. Each holder of equity shares is entitled to one vote pershare. The Company declares and pays dividends in Indian rupees. Interim dividend is paid as recommended by the Board of Directors.

In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

b) Details of shareholders holding more than 5% equity shares in the Company :

	AS AT 31/03/2018		AS AT 31/03/2017	
	NOS.	% HOLDING	NOS.	% HOLDING
Equity shares of ₹ 10 each fully paid				
Mr. Bharat Kanaiyalal Sheth *	1,57,19,490	10.43%	1,57,19,490	10.43%
Mr. Ravi Kanaiyalal Sheth *	1,52,62,504	10.12%	1,52,62,504	10.12%
Nalanda India Equity Fund Limited	1,05,24,139	6.98%	1,05,24,139	6.98%

*Total shareholding including shares held as Trustee.

c) There are no shares reserved for issue under options and contracts or commitments for the sale of shares.

d) For the period of five years immediately preceding the date as at which the Balance Sheet is prepared :

- (i) No shares were allotted pursuant to contracts without payment being received in cash.
- (ii) No bonus shares have been issued.
- (iii) 15,45,019 equity shares have been bought back during the financial year 2013-14.

e) There are no securities convertible into equity/preference shares.

f) Under orders from the Special Court (Trial of Offences Relating to Transactions in Securities) Act, 1992, the allotment of 2,53,522 (as at March 31, 2017 : 2,53,522) rights equity shares of the Company have been kept in abeyance in accordance with the Companies Act, 2013 till such time as the title of the bonafide owner is certified by the concerned Stock Exchanges. Additional 40,608 (as at March 31, 2017 : 40,608) shares have also been kept in abeyance for disputed cases in consultation with the Bombay Stock Exchange. 92,231 (at at March 31, 2017 : 92,231) shares are unsubscribed out of the total offered to employees on rights basis during the earlier years.

NOTE 15 : OTHER EQUITY

A. Summary of Other Equity

(Refer Statement of Changes in Equity for detailed movement)

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
(a) Capital Reserve	15.98	15.98
(b) Securities Premium Reserve	86.59	86.59
(c) General Reserve	2248.46	2248.46
(d) Capital Redemption Reserve	240.08	240.08
(e) Tonnage Tax Reserve under Section 115VT of the Income-tax Act, 1961	285.00	270.00
(f) Debenture Redemption Reserve	787.50	758.75
(g) Retained Earnings	1412.93	1405.71
(h) Cash Flow Hedging Reserve	3.49	(7.32)
(i) Foreign Currency Monetary Item Translation Difference Account	(5.39)	(7.01)
	5074.64	5011.24

B. Nature of Reserves :

- i) Capital Reserve :** Capital Reserve is created on cancellation of convertible warrants during the year ended March 31, 2009.
- ii) Securities Premium Reserve :** Securities Premium Reserve is used to record the premium on issue of securities of the Company. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
- iii) General Reserve :** General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purposes.
- iv) 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.
- v) 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.
- In respect of the year ended March 31, 2018, the Board of Directors proposed a dividend of ₹ 7.20 per equity share. This equity dividend is subject to approval by the shareholders at the ensuing Annual General Meeting and has not been included as a liability in these financial statements. The total outflow on this account is estimated to be ₹ 126.08 crores including dividend distribution tax.
- vi) 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.
- vii) Foreign Currency Monetary Item Translation Difference Account :** Exchange differences on translation of long term foreign currency monetary items (other than depreciable assets) are transferred to Foreign Currency Monetary Item Translation Difference Account and amortised over the balance life of such assets / liabilities but not beyond March 31, 2020 .

NOTE 16 : BORROWINGS

(₹ in crores)

	NON-CURRENT		CURRENT MATURITIES OF LONG- TERM DEBT	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
(a) Debentures :				
Secured - at amortised cost :				
Redeemable Non-Convertible Debentures of ₹ 10,00,000 each -				
(i) 8.05% 1500 Debentures redeemable on August 31, 2024	150.00	-	-	-
(ii) 9.80% 2400 Debentures redeemable on July 3, 2019 [Refer Notes (i) and (iii) below]	240.00	240.00	-	-
Unsecured - at amortised cost :				
Redeemable Non-Convertible Debentures of ₹ 10,00,000 each -				
(i) 8.25% 1500 Debentures redeemable on May 25, 2027	150.00	-	-	-
(ii) 8.24% 2000 Debentures redeemable on November 11, 2026	200.00	200.00	-	-
(iii) 8.70% 2500 Debentures redeemable on May 6, 2026	250.00	250.00	-	-
(iv) 8.24% 2000 Debentures redeemable on November 11, 2025	200.00	200.00	-	-
(v) 8.70% 2500 Debentures redeemable on May 31, 2025	250.00	250.00	-	-
(vi) 7.99% 2500 Debentures redeemable on January 18, 2025	250.00	250.00	-	-
(vii) 7.99% 2500 Debentures redeemable on January 18, 2024	250.00	250.00	-	-

	NON-CURRENT		CURRENT MATURITIES OF LONG- TERM DEBT	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
(viii) 9.70% 1000 Debentures redeemable on January 18, 2023	100.00	100.00	-	-
(ix) 9.70% 1000 Debentures redeemable on January 7, 2023	100.00	100.00	-	-
(x) 9.70% 500 Debentures redeemable on April 25, 2021	50.00	50.00	-	-
(xi) 9.70% 1500 Debentures redeemable on April 15, 2021	150.00	150.00	-	-
(xii) 9.70% 1000 Debentures redeemable on February 2, 2021	100.00	100.00	-	-
(xiii) 9.60% 2000 Debentures redeemable on November 10, 2019	200.00	200.00	-	-
(xiv) 9.75% 2350 Debentures redeemable on August 20, 2019	235.00	235.00	-	-
(xv) 9.35% 425 Debentures redeemable on February 8, 2019	-	42.50	42.50	42.50
(xvi) 9.35% 425 Debentures redeemable on February 8, 2019	-	42.50	42.50	42.50
(xvii) 9.40% 900 Debentures redeemable on January 6, 2019	-	90.00	90.00	-
(xviii) 9.19% 1000 Debentures redeemable on December 24, 2018	-	100.00	100.00	-
(xix) 9.40% 1000 Debentures redeemed on January 6, 2018 [Refer Note (iii) below]	-	-	-	100.00
	2875.00	2850.00	275.00	185.00
(b) Term Loans from Banks :				
Secured - at amortised cost :				
Foreign Currency Loans from Banks	709.96	908.40	202.99	330.94
[Refer Notes (ii) and (iii) below]				
	709.96	908.40	202.99	330.94
(c) Unamortised Finance Charges	(8.52)	(9.93)	(2.82)	(2.87)
Total (a + b + c)	3576.44	3748.47	475.17	513.07
Less : Amount disclosed under Note 19 : Other Financial Liabilities	-	-	(475.17)	(513.07)
	3576.44	3748.47	-	-

(₹ in crores)

	CURRENT	
	AS AT 31/03/2018	AS AT 31/03/2017
Term Loans from Bank		
Unsecured - at amortised cost :		
Buyer's Credit	171.02	170.17
[Refer Note (ii) below]		
	171.02	170.17

Notes :

- i) 8.05% 1500 Secured Redeemable Non-Convertible Debentures of ₹ 10,00,000 each, redeemable on August 31, 2024 are secured by exclusive charge on specified ships with 1.20 times cover on the market value of ships and additional security by way of mortgage on immovable property of the Company and 9.80% 2400 Secured Redeemable Non-Convertible Debentures of ₹ 10,00,000 each, redeemable on July 3, 2019, are secured by exclusive charge on specified ships with 1.25 times cover on the book value of ships and additional security by way of mortgage on immovable property of the Company.

- ii) Foreign currency loans availed from banks carry interest rates of LIBOR plus 27 to 150 bps for USD loans and LIBOR plus 62 bps for JPY loans. Some loans are on fixed rates basis. The principal repayments are due quarterly, half yearly and annually. These loans are secured by mortgage of specific ships. In case of Buyer's Credit, the tenure is 6 months.

- iii) The terms of repayments of non-current borrowings are as under :

(₹ in crores)		
	AS AT 31/03/2018	AS AT 31/03/2017
- between one to three years		
Secured Debentures	240.00	240.00
Unsecured Debentures	535.00	710.00
Secured Loans from Banks	243.84	307.07
	1018.84	1257.07
- between three to five years		
Secured Debentures	-	-
Unsecured Debentures	400.00	300.00
Secured Loans from Banks	323.76	317.98
	723.76	617.98
- over five years		
Secured Debentures	150.00	-
Unsecured Debentures	1550.00	1600.00
Secured Loans from Banks	142.36	283.35
	1842.36	1883.35

NOTE 17 : PROVISIONS

(₹ in crores)				
	NON-CURRENT		CURRENT	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
(a) Provision for Employee Benefits (Refer Note 30)	27.24	27.77	1.21	1.25
(b) Vessel Performance/ Offhire Claims (Refer Note below)	-	-	0.10	0.70
	27.24	27.77	1.31	1.95

Note :

The Company has recognised the following provisions in its accounts in respect of obligations arising from past events, the settlement of which is expected to result in an outflow embodying economic benefits

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
Vessel performance/ offhire claims -		
Provision has been recognised for the estimated liability for under-performance of certain vessels and offhire claims under dispute :		
Opening balance	0.70	1.27
Less : Reversed during the year	(0.62)	(0.72)
Add: Exchange fluctuation on above	0.02	0.15
Closing balance	0.10	0.70

NOTE 18 : TRADE PAYABLES

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
(a) Dues to Micro and Small enterprises	-	-
(b) Dues to Subsidiary Companies (Refer Note 33)	0.84	1.84
(c) Dues to others	182.75	121.50
	183.59	123.34

Notes :

- According to the information available with the Company regarding the status of the suppliers as defined under the 'Micro, Small and Medium Enterprises Development Act, 2006', no amount is overdue as at the reporting date, to Micro and Small Enterprises on account of principal amount and the interest due thereon.
- Trade payables are recognised at their original invoiced amounts which represent their fair values on initial recognition. Trade payables are considered to be of short duration and are not discounted.

NOTE 19 : OTHER FINANCIAL LIABILITIES

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
(a) Current Maturities of Long-Term Debt (Refer Note 16)	475.17	513.07
(b) Unpaid Dividend	7.67	8.15
(c) Interest Accrued but not due on Borrowings	147.56	133.52
(d) Mark-to-Market Losses on Derivatives	629.77	786.48
(e) Others	10.57	9.10
	1270.74	1450.32

NOTE 20 : OTHER CURRENT LIABILITIES

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
(a) Advances from Customers	17.66	24.14
(b) Government Grants	6.24	-
(c) Statutory Liabilities	18.96	2.42
(d) Others	4.89	5.17
	47.75	31.73

NOTE 21 : CURRENT TAX LIABILITIES (NET)

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Excess of Provision for Income-tax over Advance Payment of Income-tax and Tax Deducted/ Collected at Source	19.86	32.42
	19.86	32.42

NOTE 22 : REVENUE FROM OPERATIONS

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Revenue from -		
- Freight and Demurrage	1173.40	766.27
- Charter Hire	851.83	897.18
	2025.23	1663.45
(b) Other Operating Revenue	35.80	40.51
	2061.03	1703.96

NOTE 23 : OTHER INCOME

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Gain on disposal of Property, plant and equipment (net)	12.94	38.58
(b) Foreign Exchange gain/(loss) (net)	2.66	(36.17)
(c) Gain on Derivatives Transactions (net)	205.98	327.01
(d) Interest Income -		
- on Bank Deposits (at amortised cost)	43.76	41.20
- on Preference shares investment in a Subsidiary (at amortised cost)	25.43	25.29
- on Others	1.60	0.03
	70.79	66.52
(e) Gain on sale of current investments (at FVTPL)	43.67	122.66
(f) Miscellaneous Income	2.20	2.15
	338.24	520.75

NOTE 24 : EMPLOYEE BENEFIT EXPENSES

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Salaries and Wages	391.33	279.02
(b) Contribution to Provident and Other funds (Refer Note 30)	15.24	12.41
(c) Staff Welfare Expenses	28.85	23.36
	435.42	314.79

NOTE 25 : FINANCE COSTS

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Interest Cost	321.82	241.49
(b) Other Borrowing Costs	3.85	5.49
(c) Exchange differences regarded as an adjustment to borrowing costs	2.53	-
	328.20	246.98

Notes :

- The amount of borrowing costs capitalised during the year is ₹ Nil (Previous Year : ₹ 3.86 crores).
- The weighted average capitalisation rate on funds borrowed is Nil (Previous Year : 4.76% p.a.).

NOTE 26 : DEPRECIATION AND AMORTISATION EXPENSE

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Depreciation on Property, plant and equipment	491.23	373.52
(b) Amortisation on Intangible assets	0.26	0.08
	491.49	373.60

NOTE 27 : OTHER EXPENSES

(₹ in crores)

(a) Hire of Chartered Ships	57.33	50.00
(b) Brokerage and Commission	13.62	13.05
(c) Agency Fees	8.68	5.94
(d) Repairs and Maintenance -		
- Fleet	84.03	49.84
- Buildings	6.32	4.22
- Others	11.78	9.40
	102.13	63.46
(e) Insurance -		
- Fleet Insurance and Protection and Indemnity Club Insurance	37.11	31.28
- Others	1.30	0.94
	38.41	32.22

	CURRENT YEAR	PREVIOUS YEAR
(f) Reversal of provision for Loss on Cancelled Contract	-	(7.84)
(g) Loss on Cancelled Contract	-	7.84
(h) Rent	0.47	0.10
(i) Rates and Taxes	0.52	0.49
(j) Bad Debts and Advances Written off	0.20	0.01
(k) Allowance for Doubtful Debts and Advances (net)	19.07	(2.03)
(l) Travelling Expenses	39.70	34.12
(m) Payment to Auditor (Refer Note below)	0.86	1.32
(n) Expenditure on Corporate Social Responsibility activities (Refer Note 33 & 39)	9.14	5.84
(o) Miscellaneous Expenses	46.98	36.50
	337.11	241.02

Note :

	CURRENT YEAR	PREVIOUS YEAR
Payment to Auditor -		
- Auditor	0.81	0.89
- For Taxation Matters	-	0.27
- For Other Services	0.05	0.16
- For Reimbursement of Expenses	-*	-*
	0.86	1.32

* Amount less than ₹ One Lakh

NOTE 28 : TAX EXPENSE

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Current Tax	39.00	40.00
(b) MAT Credit Utilised	(32.00)	-
	7.00	40.00

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:

	CURRENT YEAR	PREVIOUS YEAR
Profit before Income Tax	167.19	641.39
Indian statutory income tax rate (including surcharge and cess)	34.61%	34.61%
Expected income tax expense as per Indian statutory income tax rate	57.86	221.97
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense :		
Tax on Net Profit attributable to tonnage tax activity (net of Deemed Tonnage Income chargeable to tax separately)	(9.01)	(131.45)
Items liable to tax in the year of settlement/payment	(10.22)	(37.70)

	CURRENT YEAR	PREVIOUS YEAR
Income exempt from tax (net of expenses disallowed)	4.11	(0.48)
Gain on disposal of Property, plant and equipment / Capital Items considered separately	(4.46)	(13.28)
Others	0.72	0.94
Provision for Current Tax as per Books	39.00	40.00

Pursuant to the introduction of Section 115VA under the Income-tax Act, 1961, the Company has opted for computation of its income from shipping activities under the Tonnage Tax Scheme. 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. The temporary differences in respect of the non-tonnage activities of the Company are not material, in view of which provision for deferred taxation is not recognised.

NOTE 29 : BASIC AND DILUTED EARNINGS PER SHARE

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Net Profit After Tax (₹ in crores)	160.19	601.39
(b) Number of Equity Shares		
(i) Basic Earning per Share		
Weighted Average Number of Equity Shares	15,07,77,065	15,07,77,065
(ii) Diluted Earning per Share		
Weighted Average Number of Equity Shares	15,07,77,065	15,07,77,065
Shares deemed to be issued for no consideration in respect of :		
- Rights Shares kept in abeyance	2,86,570	2,86,570
Weighted Average Number of Equity Shares adjusted for the effect of dilution	15,10,63,635	15,10,63,635
(c) Face Value of Equity Share (in Rupees)	10.00	10.00
(d) Earnings per Share (in Rupees)		
- Basic	10.62	39.89
- Diluted	10.60	39.81

NOTE 30 : EMPLOYEE BENEFIT PLANS

A Defined Contribution Plans :

i) The Company has recognised the following amounts in the Statement of Profit and Loss for the year :

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
Contribution to Employees Provident Fund	5.51	4.41
Contribution to Employees Superannuation Fund	4.55	4.32
Contribution to National Pension Scheme	0.93	0.78
Contribution to Seamen's Provident Fund	0.77	0.59
Contribution to Seamen's Annuity Fund	0.87	0.70
Contribution to Seamen's Rehabilitation Fund	0.73	0.58
Contribution to Seamen's Gratuity Fund	0.06	0.09

(ii) General description of Defined Contribution Plans :**Provident Fund :**

In accordance with 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 Provident Fund trust which is liable for future provident fund benefits to the extent of its annual contribution and any shortfall in fund assets based on government specified minimum rates of return relating to current period service and recognises such contributions and shortfall, if any, as an expense in the year incurred. There is no deficiency in the interest cost as the present value of the expected future earnings on the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rates of interest.

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.

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.

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 binding on the Company.

Seamen's 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 binding on the Company.

Seamen's Rehabilitation Fund :

The Company's contribution towards rehabilitation in respect of seamen is paid to the National Maritime Board Rehabilitation and Welfare Trust as per the National Maritime Board Agreement binding on the Company.

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 binding on the Company.

B) Defined Benefit Plans and Other Long Term Benefits :

(i) Valuations in respect of Gratuity, Pension Plan for eligible Whole-time Directors, retired directors/spouses and Compensated Absences have been carried out by an independent actuary as at the Balance Sheet date as per the Projected Unit Credit method, based on the following assumptions :

ACTUARIAL ASSUMPTIONS	GRATUITY		PENSION PLAN		COMPENSATED ABSENCES	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
(a) Discount Rate (p.a.)	7.55%	6.69%	7.55%	6.69%	7.55%	6.69%
(b) Salary Escalation Rate	4.00%-7.00%	4.00%-6.00%	-	-	7.00%	6.00%
(c) Mortality	IALM - Ultimate 2006-08	IALM - Ultimate 2006-08	IALM - Ultimate 2006-08	IALM - Ultimate 2006-08	IALM - Ultimate 2006-08	IALM - Ultimate 2006-08
(d) Withdrawal Rate	0.50%-4.67%	0.50%-5.67%	-	-	0.67%-4.67%	0.67%-5.67%
(e) Expected average remaining service (in years)	21.08	22.30	-	-	10.67	10.04
(f) Weighted average remaining duration of defined benefit obligation (in years)	8.54	9.31	-	-	-	-

ii) Changes in present value of obligations :

(₹ in crores)

	GRATUITY		PENSION PLAN		COMPENSATED ABSENCES	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Liability at the beginning of the year	23.02	19.12	26.51	23.94	1.53	1.19
Current Service Cost	1.60	1.70	-	-	0.90	0.84
Interest Cost	1.50	1.46	1.72	1.78	0.10	0.09
Actuarial (gain)/loss on obligations	(1.88)	1.13	(1.31)	2.48	(0.12)	(0.57)
Benefits Paid	(1.14)	(0.41)	(1.69)	(1.69)	(0.09)	(0.02)
Benefits Transferred in	0.15	0.02	-	-	-	-
Benefits Transferred out	(0.15)	-	-	-	-	-
Liability at the end of the year	23.10	23.02	25.23	26.51	2.32	1.53

iii) Changes in Fair value of Plan Assets :

(₹ in crores)

	GRATUITY		PENSION PLAN		COMPENSATED ABSENCES	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Fair Value of Plan Assets at the beginning of the year	22.85	20.22	-	-	-	-
Adjustment to Opening Balance	0.33	(0.13)	-	-	-	-
Return on Plan Assets excluding amount included in interest income	0.11	1.43	-	-	-	-
Interest Income	1.52	1.54	-	-	-	-
Employer's Contributions	0.17	0.20	1.69	1.69	0.09	0.02
Benefits Paid	(1.14)	(0.41)	(1.69)	(1.69)	(0.09)	(0.02)
Fair Value of Plan Assets at the end of the year	23.84	22.85	-	-	-	-

iv) Funded Status :

(₹ in crores)

	GRATUITY	
	AS AT 31/03/2018	AS AT 31/03/2017
Present value of funded defined benefit obligation	23.10	23.02
Fair value of plan assets	(23.84)	(22.85)
(Suplus)/Deficit of Plan assets over obligations	(0.74)	0.17

v) Remeasurement of the net defined liability / (asset) :

(₹ in crores)

	GRATUITY		PENSION PLAN		COMPENSATED ABSENCES	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
(Gain)/loss on obligation due to change in demographic assumptions	(2.10)	(0.06)	-	-	(0.01)	-
(Gain)/loss on obligation due to change in financial assumptions	(1.10)	1.85	-	-	(0.02)	0.07
(Gain)/loss on obligation due to change in experience adjustments	1.32	(0.66)	(1.31)	2.48	(0.09)	(0.64)
Total Actuarial (gain)/loss	(1.88)	1.13	(1.31)	2.48	(0.12)	(0.57)

vi) Actual Return on Plan Assets :

(₹ in crores)

	GRATUITY	
	CURRENT YEAR	PREVIOUS YEAR
Return on Plan Assets excl. interest Income	0.11	1.43
Interest Income	1.52	1.54
Actual Return on Plan Assets	1.63	2.97

vii) Amount Recognised in the Balance Sheet :

(₹ in crores)

	GRATUITY		PENSION PLAN		COMPENSATED ABSENCES	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
Liability at the end of the year	23.10	23.02	25.23	26.51	2.32	1.53
Fair Value of Plan Assets at the end of the year	23.84	22.85	-	-	-	-
Short Term Liability	-	-	-	-	0.91	0.81
(Asset)/Liability recognised in the Balance Sheet (net)	(0.74)	0.17	25.23	26.51	3.23	2.34

viii) Expenses recognised in the Statement of Profit and Loss :

(₹ in crores)

	GRATUITY		PENSION PLAN		COMPENSATED ABSENCES	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Current Service Cost	1.60	1.70	-	-	0.90	0.84
Net Interest	(0.02)	(0.08)	1.72	1.78	0.10	0.09
Net Actuarial (gain)/loss to be recognised	-	-	-	-	(0.12)	(0.57)
Expenses recognised in the Statement of Profit and Loss	1.58	1.62	1.72	1.78	0.88	0.36

ix) Other Comprehensive Income (OCI) :

(₹ in crores)

	GRATUITY		PENSION PLAN		COMPENSATED ABSENCES	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Actuarial (Gain)/Loss recognised for the period	(1.88)	1.13	(1.31)	2.48	-	-
Return on Plan Assets excl. interest Income	(0.11)	(1.43)	-	-	-	-
Total Actuarial (Gain)/Loss recognised in OCI	(1.99)	(0.30)	(1.31)	2.48	-	-

x) General description of Defined Benefit Plans :**Gratuity Plan :**

Gratuity is payable to all eligible employees of the Company on superannuation, death, permanent disablement or 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 plan is administered by a separate fund that is legally separated from the Company. The Company's investment strategy in respect of its funded plan is implemented within the framework of the applicable statutory requirements.

The plan exposes 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.

Retirement Benefit Scheme including Pension Plan :

Under the Company's Retirement Benefit Scheme for the Whole-time Directors, all the eligible Whole-time Directors are entitled to the benefits of the scheme only after attaining the age of 62 years, except for retirement due to physical disability or death while in office, in which case, the benefits shall start on his retirement due to such physical disability or death. The benefits are in the form of monthly pension @ 50% of his last drawn monthly salary subject to maximum of ₹ 1.25 crores p.a. (Previous Year : ₹ 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 expenses for self and spouse, overseas medical treatment upto ₹ 0.50 crore for self/spouse, office space including office facilities in the Company's office premises. Benefits also include use of Company's car including reimbursement of driver's salary and other related expenses during his lifetime and in the event of his demise, his spouse will be entitled to avail the said benefit during her lifetime.

Compensated Absences :

All eligible union grade employees had an option to freeze the accumulated leave balance as on June 30, 2008. Such frozen accumulated leave balance will be encashed as per the last drawn basic salary at the time of superannuation, death, permanent disablement, resignation or promotion to the non-union category.

With effect from April 1, 2012, all eligible non-union employees have an option to freeze their leave accumulation days on 30th June every year and such frozen accumulated leave balance will be encashed as per the basic salary for the month of June of the relevant year for which leave was frozen at the time of superannuation, death, permanent disablement or resignation.

For all union and non-union grade employees, maximum leave that can be carried forward is 15 days.

The leave over and above 15 days is encashed and paid to employees on June 30th of every year.

xi) The fair values of the plan assets at the end of the reporting period for each category, are as follows :

(₹ in crores)

	GRATUITY	
	AS AT31/03/2018	AS AT31/03/2017
Central Government securities	-	0.39
Public Sector Bonds	1.00	1.00
HDFC Group Unit Linked Plan	22.84	21.46
Total	23.84	22.85

The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets.

xii) Sensitivity Analysis :**(₹ in crores)**

PRESENT VALUE OF OBLIGATIONS	DISCOUNT RATE		SALARY ESCALATION RATE		LIFE EXPECTANCY	
	+1%	-1%	+1%	-1%	+1 YEAR	-1 YEAR
Gratuity	21.45	25.03	24.32	22.03	23.08	23.12
Pension	23.46	27.28	-	-	26.69	23.87
Compensated Absences	2.21	2.43	2.39	2.24	2.31	2.31

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.

xiii) The defined benefit obligations shall mature after year ended March 31, 2018 as follows :**(₹ in crores)**

PRESENT VALUE OF OBLIGATIONS	FIRST YEAR	SECOND YEAR	THIRD YEAR	FOURTH YEAR	FIFTH YEAR	SIX TO TEN YEARS
Gratuity	2.48	2.48	2.50	2.34	2.48	10.87
Pension	1.69	1.69	1.69	1.69	1.69	8.43
Compensated Absences	0.30	0.51	0.28	0.22	0.16	1.19

NOTE 31 : SEGMENT REPORTING

The Company is engaged only in shipping business segment and there are no separate reportable segments as per Ind AS 108, 'Operating Segments'.

Information concerning principal geographic areas is as follows :

(₹ in crores)

SR. NO.	PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
(a)	Revenue from operations :		
	- Revenue outside India	1036.17	1014.81
	- Revenue within India	989.06	648.64
		2025.23	1663.45

(b) Substantial assets of the Company are ships, which are operating across the world, in view of which they can not be identified by any particular geographical area.

NOTE 32 : OPERATING LEASE

Operating Lease Commitments – where the Company is a lessee

The Company has taken premises on leave and license basis which is similar in substance to an operating lease. The lease has varying terms and renewal rights. The particulars of leasing arrangement are as under :

(₹ in crores)			
SR. NO.	PARTICULARS	AS AT 31/03/2018	AS AT 31/03/2017
(a)	Total Future Minimum Lease payments		
	- Not later than 1 year	0.73	0.15
	- Later than 1 year and not later than 5 years	2.23	0.04
		2.96	0.19

(b) Lease payments recognised in the Statement of Profit and Loss for the year are ₹ 0.47 crore (Previous Year : ₹ 0.10 crore).

NOTE 33 : RELATED PARTY TRANSACTIONS

(I) List of Related Parties :

(a) Parties where control exists :

Subsidiary Companies :

The Greatship (Singapore) Pte. Ltd.

The Great Eastern Chartering L.L.C. (FZC) and its subsidiary :

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

Great Eastern CSR Foundation, India

Greatship (India) Ltd., India and its subsidiaries :

- Greatship Global Holdings Ltd., Mauritius
- Greatship Global Offshore Services Pte. Ltd., Singapore
- GGOS Labuan Ltd., Malaysia. (deregistered on March 4, 2017)
- Greatship Global Energy Services Pte. Ltd., Singapore.
- Greatship (UK) Ltd., UK.
- Greatship Oilfield Services Ltd., India

(b) Key Management Personnel and close members of their family in employment with the Company as at March 31, 2018 :

Mr. K. M. Sheth	- Non - Executive Chairman, father of Mr. Bharat K. Sheth and Mr. Ravi K. Sheth
Mr. Bharat K. Sheth	- Deputy Chairman and Managing Director
Mr. Tapas Icot	- Executive Director and President-Shipping
Mr. G. Shivakumar	- Executive Director and Chief Financial Officer
Mr. Jayesh Trivedi	- Company Secretary
Mr. Ravi K. Sheth	- Non - Executive Director
Mr. Berjis Desai	- Non - Executive Director
Mr. Cyrus Guzder	- Non - Executive Director
Mr. Farrokh Kavarana	- Non - Executive Director
Mrs. Rita Bhagwati	- Non - Executive Director
Dr. Shankar Acharya	- Non - Executive Director
Mr. Vineet Nayyar	- Non - Executive Director
Mr. Rahul R. Sheth	- Son of Mr. Ravi K. Sheth

(c) Other related parties :

Employees' Benefit Plans :

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) Transactions with Related Parties :

(₹ in crores)

(A) NATURE OF TRANSACTIONS	SUBSIDIARY COMPANIES		OTHER RELATED PARTIES		KEY MANAGEMENT PERSONNEL AND THEIR CLOSE FAMILY MEMBERS	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Services received from	14.44	47.55	-	-	-	-
- The Greatship (Singapore) Pte. Ltd.						
₹ 7.04 crores (Previous year : ₹ 5.72 crores)						
- The Great Eastern Chartering L.L.C. (FZC)						
₹ 7.40 crores (Previous year : ₹ 41.83 crores)						
Reimbursement of expenses to	-	0.98	-	-	-	-
- The Great Eastern Chartering L.L.C. (FZC)						
Reimbursement of expenses from	3.55	-	-	-	-	-
- The Great Eastern Chartering L.L.C. (FZC)						
Interest income on preference shares investment	25.43	25.29	-	-	-	-
- Greatship (India) Ltd.						
Services rendered to	1.84	2.07	-	-	-	-
- Greatship (India) Ltd.						
Contribution towards CSR	9.14	5.84	-	-	-	-
- Great Eastern CSR Foundation						
Transfer of liability towards retirement benefits of employees from	-	0.02	-	-	-	-
- Greatship (India) Ltd.						
Contribution to post employment benefit plans	-	-	8.89	8.11	-	-
Compensation to key management personnel and close members of their family						
- Salaries	-	-	-	-	7.68	7.40
- Post-employment benefits (Refer Note below)	-	-	-	-	1.61	5.37
- Sitting Fees	-	-	-	-	0.31	0.31
- Commission	-	-	-	-	6.28	8.03
- Dividend	-	-	-	-	20.95	11.93

(₹ in crores)

(B) OUTSTANDING BALANCES	SUBSIDIARY COMPANIES		OTHER RELATED PARTIES		KEY MANAGEMENT PERSONNEL AND THEIR CLOSE FAMILY MEMBERS	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
Receivables	0.75	1.64	-	-	-	-
- Greatship (India) Ltd.						
Advances						
- Post employment benefit plans	-	-	0.48	-	-	-
Payables	0.84	1.84	-	-	-	-
- The Greatship (Singapore) Pte. Ltd.						
₹ 0.47 crore (as at March 31, 2017 : ₹ 0.93 crore)						
- The Great Eastern Chartering L.L.C. (FZC)						
₹ 0.37 crore (as at March 31, 2017 : ₹ 0.91 crore)						
- Post employment benefit plans	-	-	-	0.65	-	-
- Commission payable	-	-	-	-	6.28	8.03
- Provision for retirement benefits	-	-	-	-	25.23	26.51

Note :

Post-employment benefits include reversal of provision for retirement pension benefits payable ₹ 1.14 crores (Previous Year : provision of ₹ 2.68 crores) on the basis of actuarial valuation as per the Retirement Benefits Scheme approved by the Board of Directors.

NOTE 34 : CAPITAL COMMITMENTS

(₹ in crores)

PARTICULARS	AS AT 31/03/2018	AS AT 31/03/2017
Estimated amount of contracts, net of advances paid thereon, remaining to be executed on capital account and not provided for	330.15	48.48

NOTE 35 : CONTINGENT LIABILITIES

(₹ in crores)

SR. NO.	PARTICULARS	AS AT 31/03/2018	AS AT 31/03/2017
Claims against the Company, not acknowledged as debts :			
(a)	Sales Tax demands under BST Act, CST Act and VAT Act against which the Company has preferred appeals.	7.46	7.46
(b)	Demand from the Office of the Collector & District Magistrate, Mumbai City and from Brihanmumbai Mahanagarpalika towards transfer charges for transfer of premises not acknowledged by the Company.	4.34	4.34
(c)	Demand for Custom Duty disputed by the Company [The Company has given bank guarantees amounting to ₹ 3.63 crores (as at March 31, 2017 : ₹ 3.63 crores) against the said Custom Duty demand]	6.50	6.50
(d)	Income Tax Demands for various Assessment Years disputed by the Company	11.64	34.80
(e)	Demand for wharfage charges against which the Company has tendered a bank guarantee. Stay is obtained under a Writ Petition filed against Chennai Port Trust for restraining encashment of bank guarantee.	0.99	0.99

Notes :

- 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 judgements/decisions pending with various forums/authorities.
- The Company does not expect any reimbursements in respect of the above contingent liabilities.
- 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 and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

NOTE 36 : 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 19 and offset by cash and bank balances 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 was as follows:

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Debt *	4233.97	4444.51
Less : Cash and bank balances including current investments	(2643.29)	(3038.88)
Net debt	1590.68	1405.63
Total equity	5225.42	5162.02
Net debt to equity ratio	0.30	0.27

*Debt includes redeemable non-convertible debentures and term loans from banks.

B. Financial Assets and Liabilities :

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which incomes and expenses are recognised, in respect of each class of financial asset, financial liability and equity instruments are disclosed in Note 2(q) to the financial statements :

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

	AS AT 31/03/2018	AS AT 31/03/2017
Financial Assets :		
Measured at Amortised Cost		
- Investments in subsidiaries		
- Preference shares	375.80	373.69
- Trade Receivables	149.79	46.04
- Cash and Cash Equivalents	296.81	725.53
- Other Bank Balances	1618.09	1472.94
- Other Financial Assets	102.62	79.78
Measured at Fair value through Profit or Loss		
- Investments in Mutual Funds	754.21	862.89
- Derivative Contracts	167.50	122.20
Measured at Fair value through OCI		
- Derivative Contracts	3.94	-
Total	3468.76	3683.07
Financial Liabilities :		
Measured at Amortised Cost		
- Borrowings	4222.63	4431.71
- Trade Payables	183.59	123.34
- Other Financial Liabilities	165.80	150.77
Measured at Fair value through Profit or Loss		
- Derivative Contracts	629.77	778.65
Measured at Fair value through OCI		
- Derivative Contracts	-	7.83
Total	5201.79	5492.30

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

C. Fair value hierarchy :

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels :

- > Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- > Level 2 - Inputs are 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 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

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

	(₹ in crores)	
	AS AT 31/03/2018	AS AT 31/03/2017
Financial Assets :		
Measured at Level 2		
- Investments in Mutual Funds	754.21	862.89
- Derivative Contracts	171.44	122.20
Total	925.65	985.09
Financial Liabilities :		
Measured at Level 2		
- Derivative Contracts	629.77	786.48
Total	629.77	786.48

Investments in Mutual Funds are valued at the net asset value of the respective units. Derivative instruments are fair valued at the 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.

D. Derivative financial instrument and risk management

The Company uses foreign exchange forward contracts, options and interest rate swaps to hedge its exposure to the movements in foreign exchange rates. The use of these reduces the risk to the Company arising out of movement in exchange and interest rates. The Company does not use foreign exchange forward contracts, currency and interest rate swaps and options for trading or speculation purposes. The Company has also entered into cross currency swaps to swap its INR/ JPY borrowings into US dollars to mitigate the exchange risk arising out of foreign currency receivables. The interest rate swap component in the cross currency swap reduces the effective interest costs to the Company.

The Company also uses commodity futures contracts for hedging the exposure to bunker price risk.

(i) Derivative instruments in hedging relationship (Cash Flow Hedges)**(a) Interest Rate Swap Contracts :**

DETAILS	AS AT 31/03/2018	AS AT 31/03/2017
Total No. of contracts outstanding	5	5
Principal Notional Amount (USD in million)	65.592	77.517
Fair Value gain/(loss)- net (₹ in crores)	4.05	(5.29)
Maturity Period	Upto 6 Years	Upto 7 Years

b) Forward Exchange Contracts :

DETAILS	AS AT 31/03/2018		AS AT 31/03/2017	
	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	-	-	6	-
Foreign Currency Value (USD in million)	-	-	13.700	-
Fair Value gain/(loss)- net (₹ in crores)	-	-	(2.03)	-
Maturity Period	-	-	Upto 1 Year	-

The interest rate swaps are entered to hedge interest payments from floating to fixed on borrowings. Fair value gains /(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.

During the year ended March 31, 2017, the Company had entered into forward foreign exchange contracts to hedge foreign currency risk of firm commitments and highly probable forecast transactions which had been designated as hedged instruments that qualify as effective cash flow hedges. The mark-to-market loss on these foreign exchange derivative contracts outstanding as at March 31, 2017 has been recorded in the Cash Flow Hedging Reserve. The same is transferred to the Statement of Profit and Loss on the occurrence of the underlying cash flow, except for forwards relating to vessels, whose gains/(losses) are included in the cost of the assets and recognised in the Statement of Profit and Loss over the estimated useful lives as part of depreciation expense.

(ii) Derivative instruments not in hedging relationship**(a) Forward Exchange Option Contracts :**

DETAILS	AS AT 31/03/2018		AS AT 31/03/2017	
	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	-	1	-	2
Foreign Currency Value (USD in million)	-	5.000	-	20.000
Fair Value gain/(loss)- net (₹ in crores)	-	-	-	5.72
Maturity Period	-	Upto 1 year	-	Upto 1 year

(b) Forward Exchange Contracts :

DETAILS	AS AT 31/03/2018		AS AT 31/03/2017	
	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	-	1	-	-
Foreign Currency Value (USD in million)	-	2.000	-	-
Fair Value gain/(loss)- net (₹ in crores)	-	0.01	-	-
Maturity Period	-	Upto 1 year	-	-

(c) Spot Currency Contracts :

DETAILS	AS AT 31/03/2018		AS AT 31/03/2017	
	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	-	-	1	-
Foreign Currency Value (USD in million)	-	-	9.664	-
Fair Value gain/(loss)- net (₹ in crores)	-	-	-*	-
Maturity Period	-	-	Upto 1 month	-

* Amount less than ₹ One Lakh

Forward exchange option contracts, forward exchange contracts and spot currency contracts mentioned under (ii) above economically hedge the underlying exposures but hedge accounting is not opted for the same. The gains/ (losses) on such are recognised in the Statement of Profit and Loss .

Forward exchange option contracts and forward exchange contracts were entered into to hedge existing/ highly probable forecast transactions denominated in foreign currency.

(iii) Currency Swap Contracts :**(a) Currency Swap Contracts (JPY to USD) :**

DETAILS	CURRENCY	AS AT 31/03/2018	AS AT 31/03/2017
Total No. of contracts outstanding		-	1
Principal Notional Amount (JPY in million)	JPY/USD	-	1148.500
Fair Value gain/(loss)- net (₹ in crores)		-	0.08
Maturity Period		-	Upto 1 Year

(b) Currency Swap Contracts (INR to USD) :

DETAILS	CURRENCY	AS AT 31/03/2018	AS AT 31/03/2017
Total No. of contracts outstanding		39	35
Principal Notional Amount (₹ in crores)	INR/USD	3135.00	3020.00
Fair Value gain/(loss)- net (₹ in crores)		(462.37)	(662.76)
Maturity Period		Upto 10 Years	Upto 10 Years

The mark-to-market gain on above mentioned currency swap contracts is recognized in the Statement of Profit and Loss.

E. Market risk

(i) Foreign currency risk

Significant proportion of the revenues of the Company are denominated in US dollars. In order to reduce foreign currency risk arising from such receivables the company has entered into derivative contracts to swap its INR borrowings into US dollars and incurring some of its operating and repair costs in foreign currency. The net currency exposure is then managed actively using hedged products like foreign exchange forwards and option contracts.

The Company exposure to unhedged foreign currency is listed as under :

DETAILS	CURRENCY	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
		(CURRENCY IN MILLIONS)	(CURRENCY IN MILLIONS)	(₹ IN CRORES)	(₹ IN CRORES)
Loan Liabilities and Payables	AED	2.699	0.963	4.79	1.70
	AUD	0.024	0.033	0.12	0.16
	CAD	-	0.122	-	0.59
	CHF	0.002	0.037	0.01	0.24
	DKK	1.283	0.584	1.39	0.54
	EUR	0.992	0.351	8.00	2.43
	GBP	0.071	0.082	0.66	0.66
	JPY	48.564	53.673	2.96	3.11
	NOK	0.341	0.104	0.28	0.08
	SGD	1.039	1.058	5.17	4.91
	USD	750.321	772.241	4890.22	5007.98
	ZAR	0.215	0.066	0.12	0.03
Receivables	AED	0.010	0.046	0.02	0.08
	AUD	-	0.033	-	0.16
	CAD	-	0.110	-	0.54
	CHF	0.006	0.032	0.04	0.21
	DKK	0.042	0.022	0.05	0.02
	EUR	0.339	0.023	2.74	0.16
	GBP	0.002	0.027	0.01	0.22
	JPY	18.980	10.157	1.16	0.59
	NOK	-	0.009	-	0.01
	SGD	0.009	0.019	0.05	0.09
	USD	28.758	15.323	187.43	99.37
	ZAR	-	0.066	-	0.03
Bank Balances	AED	0.749	0.167	1.33	0.29
	SGD	0.261	0.264	1.30	1.23
	USD	276.065	298.453	1799.26	1935.47

Sensitivity Analysis :

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 ₹ 146.02 crores (Previous Year : ₹ 149.19 crores) in the Statement of Profit and Loss.

(ii) Interest rate risk

The Company has mix of fixed and floating rate loans and generally uses Interest rate swaps as cash flow hedges of future interest payments, which have economic effect of converting the borrowings from floating to fixed interest rate loans. 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.

Sensitivity Analysis :

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 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 to reduce the floating interest rate risk. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts.

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

	(₹ in crores)	
	AS AT 31/03/2018	AS AT 31/03/2017
Fixed Rate Borrowings	3150.00	3035.00
Floating Rate Borrowings	1083.97	1409.51
Total Borrowings (Gross)	4233.97	4444.51

The sensitivity analysis below has been determined to assess the interest rate risk on floating rate borrowings during the reporting period. A 0.50% decrease in interest rates would have led to approximately gain of ₹ 3.66 crores (Previous Year : ₹ 4.76 crores) in Statement of Profit and Loss. A 0.50% increase in interest rate would have led to an equal but opposite effect.

(iii) Price risk

The Company is mainly exposed to the price risk due to its investment in debt mutual funds. The price risk arises due to uncertainties about the future market values of these investments.

Sensitivity Analysis :

A 1% increase in prices would have led to approximately an additional gain of ₹ 7.54 crores (Previous Year : ₹ 8.63 crores) in the Statement of Profit and Loss. A 1% decrease in prices would have led to an equal but opposite effect.

(iv) Credit risk

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

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

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 having high credit-ratings assigned by credit-rating agencies.

Trade receivables :

Trade receivables consist of a large number of various types of customers, spread across geographical areas. Ongoing credit evaluation is performed on the financial condition of these trade receivables and where appropriate, allowance for losses are provided. Further, the Company groups the trade receivables depending on the type of customers and accordingly credit risk is determined.

Exposure to credit risk :

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 3468.76 crores as at March 31, 2018 (as at March 31, 2017 : ₹ 3683.07 crores), being the total of the carrying amount of investments in subsidiaries, cash and cash equivalents, other bank balances, trade receivables, investments in mutual funds and other financial assets including derivatives instruments.

- 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.

- Financial assets that are past due and/ or provided for :

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

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

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Overdue		
- Less than 180 days	145.33	45.65
- More than 180 days	4.46	0.39
	149.79	46.04

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

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Overdue		
- Less than 180 days	5.05	3.41
- More than 180 days	14.44	2.19
Less: Allowance for doubtful debts	(19.49)	(5.60)
	-	-

(v) Liquidity risk

Liquidity risk may arise from inability to meet financial obligations, including loan repayments and payments for vessel acquisitions. This is dealt with by keeping low leverage, as a result of which the Company is able to borrow even in challenging markets. It is also mitigated by keeping substantial liquidity at all times, which enables the Company to capitalise on any opportunities that may arise.

The following table shows the maturity analysis of the 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 March 31, 2018				
Borrowings	649.01	1742.60	1842.36	4233.97
Trade payables	183.59	-	-	183.59
Unpaid Dividend	7.67	-	-	7.67
Interest Accrued but not due on Borrowings	147.56	-	-	147.56
Derivative Contracts	629.77	-	-	629.77
Other Financial Liabilities	10.57	-	-	10.57
	1628.17	1742.60	1842.36	5213.13
As at March 31, 2017				
Borrowings	686.11	1875.05	1883.35	4444.51
Trade payables	123.34	-	-	123.34
Unpaid Dividend	8.15	-	-	8.15
Interest Accrued but not due on Borrowings	133.52	-	-	133.52
Derivative Contracts	786.48	-	-	786.48
Other Financial Liabilities	9.10	-	-	9.10
	1746.70	1875.05	1883.35	5505.10

NOTE 37 : GOVERNMENT GRANTS

The Company receives government assistance in the form of Duty Free Credit Entitlement Certificates (DFCEC) under Service Exports From India Scheme (SEIS) (Previous Year : 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 DFCEC Licenses held by the Company :

	(₹ in crores)	
	CURRENT YEAR	PREVIOUS YEAR
Opening Balance	-	11.98
Add : Licenses received during the year	6.24	-
Less : Amount utilised during the year	-	(4.92)
Less : Amount lapsed during the year	-	(7.06)
Closing Balance	6.24	-

NOTE 38 : PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS COVERED UNDER SECTION 186 OF THE COMPANIES ACT, 2013

- a) No loans or guarantees have been given to subsidiaries during the year.
 b) The particulars of the Company's investments in wholly owned subsidiaries are disclosed in Note 5.

NOTE 39 : CORPORATE SOCIAL RESPONSIBILITY (CSR)

As part of its Corporate Social Responsibility, the Company has set up the Great Eastern CSR Foundation for promoting education, knowledge enhancement and other activities to which the Company has contributed ₹ 9.14 crores during the current year (Previous Year : ₹ 5.84 crores)(Refer Note 27(n)).

(₹ in crores)		
	CURRENT YEAR	PREVIOUS YEAR
(a) Gross amount required to be spent by the Company during the year	9.14	5.84
(b) Amount spent in cash for purposes other than for construction/ acquisition of any asset during the year	9.14	5.84
(c) Provisions for Corporate social responsibility expenses	-	-

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES/JOINT VENTURES

Form AOC - I

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

PART "A" : SUBSIDIARIES

SR. NO.	NAME OF THE SUBSIDIARY	₹ in crores									
		GREATSHIP (SINGAPORE) PTE.LTD	GREAT EASTERN CHARTERING L.L.C (FZC)	THE GREAT EASTERN CHARTERING (SINGAPORE) PTE. LTD.	GREAT EASTERN CSR FOUNDATION	GREATSHIP (INDIA) LIMITED	GREATSHIP GLOBAL HOLDINGS LTD.	GREATSHIP GLOBAL OFFSHORE SERVICES PTE. LTD.	GREATSHIP GLOBAL ENERGY SERVICES PTE. LTD.	GREATSHIP (UK) LIMITED	GREATSHIP OILFIELD SERVICES LTD.
1	Date from which it became a subsidiary	28/03/1994	01/11/2004	17/04/2013	26/02/2015	26/06/2002	30/05/2007	08/05/2007	23/10/2006	29/10/2010	09/07/2015
2	Reporting period	31/03/2018	31/03/2018	31/03/2018	31/03/2018	31/03/2018	31/03/2018	31/03/2018	31/03/2018	31/03/2018	31/03/2018
3	Reporting currency	SGD	USD	USD	INR	INR	USD	USD	USD	USD	INR
4	Exchange Rate as on 31/03/2018	₹ 49.77	₹ 65.175	₹ 65.175	₹ 1	₹ 1	₹ 65.175	₹ 65.175	₹ 65.175	₹ 65.175	₹ 1
5	Share capital	2.49	0.19	13.61	0.05	111.35	1448.20	463.14	1101.22	3.26	0.26
6	Reserves & surplus	4.23	139.39	(8.76)	11.15	1902.61	52.52	(38.04)	7.31	16.30	(0.04)
7	Total assets	7.40	145.17	4.88	11.20	6486.28	1500.87	445.44	1109.97	55.65	0.22
8	Total Liabilities	0.68	5.59	0.03	0#	4472.32	0.15	20.34	1.44	36.09	0#
9	Investments (excluding investment in subsidiaries)	-	68.67	-	-	33.24	-	-	-	-	-
10	Turnover	7.81	13.90	-	13.25	1057.00	-	77.66	77.01	20.16	-
11	Profit/(loss) before taxation	0.73	1.44	(0.06)	2.89	96.14	(0.78)	(131.28)	56.04	(0.63)	(0.04)
12	Provision for taxation	-	-	-	-	111.00	-	-	0.38	(0.49)	-
13	Profit after taxation	0.61	1.44	(0.06)	2.89	(14.86)	(0.78)	(131.28)	55.66	(0.14)	(0.04)
14	Proposed dividend	-	-	-	-	-	-	-	-	-	-
15	% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Amount less than ₹ 1 lakh

For and on behalf of the Board

Note :

Figures include foreign currency translation adjustment.

G. Shivakumar
Executive Director & CFO
(DIN : 03632124)

K. M. Sheth
Chairman
(DIN : 00022079)

Part "B" : NOT APPLICABLE

Jayesh M. Trivedi
Company Secretary
(M. No. : 2822)

Bharat K. Sheth
Deputy Chairman & Managing Director
(DIN : 00022102)

Cyrus Guzder
Director
(DIN : 00080358)

Mumbai, May 4, 2018

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE GREAT EASTERN SHIPPING COMPANY LIMITED

REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

We have audited the accompanying consolidated Ind AS financial statements of The Great Eastern Shipping Company Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements / financial information of the subsidiaries referred to in the Other Matters paragraph below, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March

31, 2018, and their consolidated loss, consolidated total comprehensive loss, consolidated statement of changes in equity and their consolidated cash flows for the year ended on that date.

OTHER MATTERS

We did not audit the financial statements / financial information of 7 subsidiaries, whose financial statements / financial information reflect total assets of Rs. 3,263.05 crores as at March 31, 2018, total revenues of Rs. 194.45 crores and net cash outflows amounting to Rs. 209.88 crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

The comparative financial statements of the Group for the year ended March 31, 2017 prepared in accordance with Ind AS included in these consolidated Ind AS financial statements have been audited by the predecessor auditor. The report of the predecessor auditor on these comparative financial statements dated May 5, 2017 expressed an unmodified opinion.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of other auditors on separate financial statements / financial information of subsidiaries incorporated in India, referred in the Other Matters paragraph 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 Ind AS financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- e) On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2018 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 Holding Company and subsidiary companies 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, for the reasons stated therein.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - ii. Provision has been made in the consolidated Ind AS 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 has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

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

P. R. Ramesh

Partner

(Membership No. 70928)

Mumbai, May 4, 2018

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 to the members of The Great Eastern Shipping Company Limited 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 Ind AS financial statements of The Great Eastern Shipping Company Limited (hereinafter referred to as “the Holding Company”) as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India, as of that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies, 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, 2018, based on internal financial 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)

P. R. Ramesh

Partner

(Membership No. 70928)

Mumbai, May 4, 2018

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

(₹ in crores)

PARTICULARS	NOTE NO.	AS AT 31/03/2018	AS AT 31/03/2017
ASSETS :			
I. NON-CURRENT ASSETS :			
a) Property, Plant and Equipment	5	9807.21	10303.87
b) Capital Work-in-progress		13.47	21.71
c) Intangible Assets	6	1.32	0.44
d) Intangible Assets under development		-	0.67
e) Financial Assets			
i. Non-Current Investments	7	68.67	3.50
ii. Other Financial Assets	8	91.03	53.27
f) Current Tax Assets (net)	9	96.89	79.92
g) Deferred Tax Assets (net)	10	-	11.18
h) Other Non-Current Assets	11	3.78	15.85
		10082.37	10490.41
II. CURRENT ASSETS :			
a) Inventories	12	176.00	144.76
b) Financial Assets			
i. Current Investments	13	787.45	871.58
ii. Trade Receivables	14	243.45	205.10
iii. Cash and Cash Equivalents	15	878.67	1480.38
iv. Bank Balances other than (iii) above	16	2076.20	1986.43
v. Other Financial Assets	8	341.14	196.60
c) Other Current Assets	11	64.18	27.02
		4567.09	4911.87
TOTAL ASSETS		14649.46	15402.28
EQUITY AND LIABILITIES :			
I. EQUITY :			
a) Equity Share Capital	17	150.78	150.78
b) Other Equity	18	6778.44	7072.55
		6929.22	7223.33
II. NON-CURRENT LIABILITIES :			
a) Financial Liabilities			
i. Borrowings	19	5361.42	5770.37
b) Provisions	20	39.43	41.48
c) Deferred Tax Liabilities (net)	21	207.75	-
d) Other Non-Current Liabilities	22	22.86	25.01
		5631.46	5836.86
III. CURRENT LIABILITIES :			
a) Financial Liabilities			
i. Borrowings	19	171.02	170.17
ii. Trade Payables	23	303.24	219.22
iii. Other Financial Liabilities	24	1511.25	1849.03
b) Other Current Liabilities	22	70.25	56.23
c) Provisions	20	1.76	2.53
d) Current Tax Liabilities (net)	25	31.26	44.91
		2088.78	2342.09
TOTAL EQUITY AND LIABILITIES		14649.46	15402.28

Significant Accounting Policies

1

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

As per our Report of even date

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
Firm Regn. No. : 117366W / W - 100018

P. R. Ramesh
Partner
M. No. : 70928

G. Shivakumar
Executive Director & CFO
(DIN : 03632124)

Jayesh M. Trivedi
Company Secretary
(M. No. : 2822)

For and on behalf of the Board

K. M. Sheth
Chairman
(DIN : 00022079)

Bharat K. Sheth
Deputy Chairman & Managing Director
(DIN : 00022102)

Cyrus Guzder
Director
(DIN : 00080358)

Mumbai : May 4, 2018.

THE GREAT EASTERN SHIPPING CO. LTD.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(₹ in crores)

PARTICULARS	NOTE NO.	CURRENT YEAR	PREVIOUS YEAR
I. Revenue from Operations	26	3038.38	3116.86
II. Other Income	27	338.12	505.90
III. TOTAL INCOME (I + II)		3376.50	3622.76
IV. EXPENSES :			
Fuel Oil and Water		347.09	192.80
Port, Light and Canal Dues		175.72	109.93
Consumption of Spares and Stores		211.37	196.16
Employee Benefit Expenses	28	674.44	599.10
Finance Costs	29	455.08	377.62
Depreciation and Amortisation Expense	30	768.67	677.91
Impairment Loss	31	206.39	184.33
Other Expenses	32	459.42	403.33
TOTAL EXPENSES (IV)		3298.18	2741.18
V. PROFIT BEFORE TAX (III - IV)		78.32	881.58
VI. TAX EXPENSE :			
- Current Tax	33	109.89	125.66
- Deferred Tax	33	210.00	0.96
- MAT Credit Utilised	33	(32.00)	-
		287.89	126.62
VII. PROFIT FOR THE YEAR (V - VI)		(209.57)	754.96
VIII. OTHER COMPREHENSIVE INCOME			
A. (i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined employee benefit plans		6.38	(0.13)
(b) Equity instruments through Other Comprehensive Income		-	1.26
		6.38	1.13
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.94	-
B. (i) Items that may be reclassified to profit or loss			
(a) Exchange differences in translating the financial statements of foreign operations		(2.17)	(54.41)
(b) Effective portion of gains/(losses) on designated portion of hedging instruments in a cash flow hedge		31.72	10.16
(c) Movement in Foreign Currency Monetary Item Translation Reserve		1.62	8.58
		31.17	(35.67)
(ii) Income tax relating to items that may be reclassified to profit or loss		8.56	-
Other Comprehensive Income (A(i-ii)+B(i-ii))		28.05	(34.54)
IX. TOTAL COMPREHENSIVE INCOME (VII + VIII)		(181.52)	720.42
X. EARNINGS PER EQUITY SHARE : (IN ₹)	34		
(Face value per share ₹ 10/-)			
- Basic		(13.90)	50.07
- Diluted		(13.90)	49.98

Significant Accounting Policies

1

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

As per our Report of even date

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

Firm Regn. No. : 117366W / W - 100018

P. R. Ramesh

Partner

M. No. : 70928

G. Shivakumar

Executive Director & CFO

(DIN : 03632124)

Jayesh M. Trivedi

Company Secretary

(M. No. : 2822)

For and on behalf of the Board

K. M. Sheth

Chairman

(DIN : 00022079)

Bharat K. Sheth

Deputy Chairman & Managing Director

(DIN : 00022102)

Cyrus Guzder

Director

(DIN : 00080358)

Mumbai : May 4, 2018.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

I. EQUITY SHARE CAPITAL

	(₹ in crores)		
	BALANCE AS AT APRIL 1, 2016	CHANGES IN EQUITY SHARE CAPITAL DURING THE YEAR	BALANCE AS AT MARCH 31, 2017
	150.78	-	150.78

	(₹ in crores)		
	BALANCE AS AT APRIL 1, 2017	CHANGES IN EQUITY SHARE CAPITAL DURING THE YEAR	BALANCE AS AT MARCH 31, 2018
	150.78	-	150.78

II. OTHER EQUITY

₹ in crores													
	RESERVES AND SURPLUS						ITEMS OF OTHER COMPREHENSIVE INCOME					TOTAL OTHER EQUITY	
	CAPITAL RESERVE	SECURITIES PREMIUM RESERVE	GENERAL RESERVE	CAPITAL REDEMPTION RESERVE	TONNAGE TAX RESERVE UNDER SECTION 115VT OF THE INCOME-TAX ACT, 1961	DEBENTURE REDEMPTION RESERVE	STATUTORY RESERVE	RETAINED EARNINGS	EQUITY INSTRUMENTS THROUGH OTHER COMPREHENSIVE INCOME	EFFECTIVE PORTION OF CASH FLOW HEDGE	FOREIGN CURRENCY MONETARY ITEMS TRANSLATION DIFFERENCE ACCOUNT		FOREIGN CURRENCY TRANSLATION RESERVE
Balance as at April 1, 2016	21.04	161.35	2306.39	240.08	347.00	167.50	0.13	2398.35	-	(8.15)	(15.59)	794.60	6412.70
Profit for the year	-	-	-	-	-	-	-	754.96	-	-	-	-	754.96
Remeasurement of defined employee benefit plans	-	-	-	-	-	-	-	(0.13)	-	-	-	-	(0.13)
Equity instruments through Other Comprehensive Income	-	-	-	-	-	-	-	-	1.26	-	-	-	1.26
Effective portion of gains/(losses)	-	-	-	-	-	-	-	-	-	10.16	-	-	10.16
Movement during the year	-	-	-	-	-	-	-	-	-	-	8.58	(54.41)	(45.83)
Total comprehensive income for the year	-	-	-	-	-	-	-	754.84	1.26	10.16	8.58	(54.41)	720.43
Payment of dividend	-	-	-	-	-	-	-	(54.28)	-	-	-	-	(54.28)
Payment of dividend distribution tax	-	-	-	-	-	-	-	(6.30)	-	-	-	-	(6.30)
Transfer from Retained Earnings	-	-	-	-	110.00	591.25	-	(701.25)	-	-	-	-	-
Balance as at March 31, 2017	21.04	161.35	2306.39	240.08	457.00	758.75	0.13	2391.36	1.26	2.01	(7.01)	740.19	7072.55

	RESERVES AND SURPLUS						ITEMS OF OTHER COMPREHENSIVE INCOME					TOTAL OTHER EQUITY	
	CAPITAL RESERVE	SECURITIES PREMIUM RESERVE	GENERAL RESERVE	CAPITAL REDEMPTION RESERVE	TONNAGE TAX RESERVE UNDER SECTION 115VT OF THE INCOME-TAX ACT, 1961	DEBENTURE REDEMPTION RESERVE	STATUTORY RESERVE	RETAINED EARNINGS	EQUITY INSTRUMENTS THROUGH OTHER COMPREHENSIVE INCOME	EFFECTIVE PORTION OF CASH FLOW HEDGE	FOREIGN CURRENCY MONETARY ITEMS TRANSLATION DIFFERENCE ACCOUNT		FOREIGN CURRENCY TRANS- LATION RESERVE
Balance as at April 1, 2017	21.04	161.35	2306.39	240.08	457.00	758.75	0.13	2391.36	1.26	2.01	(7.01)	740.19	7072.55
Profit for the year	-	-	-	-	-	-	-	(209.57)	-	-	-	-	(209.57)
Remeasurement of defined employee benefit plans	-	-	-	-	-	-	-	5.44	-	-	-	-	5.44
Effective portion of gains/(losses)	-	-	-	-	-	-	-	-	-	23.16	-	-	23.16
Movement during the year	-	-	-	-	-	-	-	-	-	-	1.62	(2.11)	(0.49)
Total comprehensive income for the year	-	-	-	-	-	-	-	(204.13)	-	23.16	1.62	(2.11)	(181.47)
Payment of dividend	-	-	-	-	-	-	-	(98.01)	-	-	-	-	(98.01)
Payment of dividend distribution tax	-	-	-	-	-	-	-	(14.63)	-	-	-	-	(14.63)
Transfer from Retained Earnings	-	-	-	-	15.50	28.75	-	(44.25)	-	-	-	-	-
Transfer from Tonnage Tax Reserve under Section 115VT of the Income-tax Act, 1961	-	-	42.00	-	(42.00)	-	-	-	-	-	-	-	-
Balance as at March 31, 2018	21.04	161.35	2348.39	240.08	430.50	787.50	0.13	2030.33	1.26	25.17	(5.39)	738.08	6778.44

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

As per our Report of even date

For and on behalf of the Board

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
Firm Regn. No. : 117366W / W - 100018

G. Shivakumar
Executive Director & CFO
(DIN : 03632124)

K. M. Sheth
Chairman
(DIN : 00022079)

Cyrus Guzder
Director
(DIN : 00080358)

P. R. Ramesh
Partner
M. No. : 70928

Jayesh M. Trivedi
Company Secretary
(M. No. : 2822)

Bharat K. Sheth
Deputy Chairman & Managing Director
(DIN : 00022102)

Mumbai : May 4, 2018.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2018

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit Before tax	78.32	881.58
Adjustments For :		
Depreciation and amortisation expense	768.67	677.91
Impairment loss on property, plant and equipment	206.39	184.33
Interest Income	(62.97)	(56.89)
Finance cost	455.08	377.62
(Gain)/Loss on settlement of derivative contracts	(2.31)	45.07
Dividend Income	(1.92)	(0.90)
Net gain on investments	(43.13)	(122.66)
Net gain on disposal of property, plant and equipment	(12.96)	(38.53)
Bad debts and advances written off	0.20	0.01
Provision for doubtful debts and advances (net)	29.88	(4.42)
Revaluation of foreign currency balances/MTM on derivative transactions	(236.83)	(334.77)
Operating profit before working capital changes	1178.42	1608.35
Adjustments For :		
(Increase) / Decrease in trade and other receivables	(130.39)	103.27
(Increase) / Decrease in inventories	(31.23)	(31.57)
Increase / (Decrease) in trade payables and other liabilities	39.99	(40.02)
Increase / (Decrease) in non-current liabilities	20.66	2.06
Cash generated from operations	1077.45	1642.09
Direct Taxes Paid	(108.53)	(120.27)
Net cash (used in) / generated from operating activities	968.92	1521.82
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for purchase of property, plant and equipment	(528.39)	(2098.47)
Proceeds from disposal of property, plant and equipment	57.36	199.37
Advances for acquisition of property, plant and equipment	-	(12.03)
Purchase of current investments	(2815.18)	(5442.11)
Proceeds from disposal /redemption of current investments	2957.17	5605.24
Purchase of Non Current Investments	(76.02)	(3.06)
Withdrawal of deposits with banks	2281.33	2644.57
Placement of deposits with banks	(2402.17)	(2472.08)
Interest received	74.52	51.88
Dividend received	1.92	0.90
Net cash (used in) / generated from investing activities	(449.46)	(1525.79)

	CURRENT YEAR	PREVIOUS YEAR
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	1890.36	3783.61
Repayments of borrowings	(2483.95)	(2658.14)
Dividend paid	(98.01)	(54.28)
Dividend distribution tax paid	(14.63)	(11.05)
Gain/(loss) on settlement of derivative contracts	2.31	(45.07)
Interest paid	(453.96)	(301.82)
Net cash (used in) / generated from financing activities	(1157.88)	713.25
Net increase / (decrease) in cash and cash equivalents	(638.42)	709.28
Cash and cash equivalents at the beginning of the year	1480.38	792.97
Exchange difference on translation of foreign currency cash and cash equivalents	36.71	(21.86)
Cash and cash equivalents at the end of the year	878.67	1480.38

The above Statement of Cash flows has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flow".

Reconciliation for changes in liabilities arising from financing activities including both changes arising from cash flows and non-cash changes as per the requirement of Amendment to Ind AS 7 :

PARTICULARS	AS AT MARCH 31, 2017	CASH FLOWS (NET)	NON-CASH CHANGES				AS AT MARCH 31, 2018
			FAIR VALUE CHANGES	FOREIGN EXCHANGE MOVEMENT	ACQUISITION	AMORTISED COST	
Foreign currency term loan from banks	3789.97	(708.58)	-	22.42	-	(32.71)	3071.10
Non convertible Debentures	3025.78	115.00	-	-	-	1.46	3142.24
Total	6815.75	(593.58)	-	22.42	-	(31.25)	6213.34

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

As per our Report of even date

For and on behalf of the Board

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
Firm Regn. No. : 117366W / W - 100018

G. Shivakumar
Executive Director & CFO
(DIN : 03632124)

K. M. Sheth
Chairman
(DIN : 00022079)

Cyrus Guzder
Director
(DIN : 00080358)

P. R. Ramesh
Partner
M. No. : 70928

Jayesh M. Trivedi
Company Secretary
(M. No. : 2822)

Bharat K. Sheth
Deputy Chairman & Managing Director
(DIN : 00022102)

Mumbai : May 4, 2018.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

CORPORATE INFORMATION

The Great Eastern Shipping Company Ltd. (the Holding Company) is a public limited Company registered in India under the provisions of the Companies Act, 1913 and has its registered office in Mumbai, Maharashtra, India. Its shares are listed on the Bombay Stock Exchange and the National Stock Exchange of India. The Company along with its subsidiaries is a major player in the Indian Shipping industry.

The financial statements for the year ended March 31, 2018 were approved by the Board of Directors and authorised for issue on May 4, 2018.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance:

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards), Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

b) Basis of preparation and presentation:

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.

c) Use of Estimates :

The preparation of 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 recognised 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, are 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 ship, 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 are those regarding discount rates, revenue and operating profit growth rates. The discount rate is estimated using pre-tax rates that reflects 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 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.

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. Contingent liabilities are disclosed in Note 40 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.

d) Property, plant and equipment :

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

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.

e) 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 the Statement of Profit and Loss.

f) Non-current asset held for sale :

An item of Property, plant and equipment is classified as non-current asset held for sale at the time when the Management is committed to sell / dispose off the asset as per Memorandum of Agreement entered into and the asset is expected to be sold / disposed off 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 costs to sell.

g) Inventories :

Inventories of fuel oil on fleet and rigs and stores and spares on rigs are carried at lower of cost and net realisable value. Cost is ascertained on first-in-first out basis. The cost includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all costs necessary to make the sale.

h) Borrowing Costs :

Borrowing costs include interest, ancillary cost incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings availed on or after April 1, 2016, to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition/construction of the qualifying assets are capitalised as part of the cost of the asset, upto the date of acquisition/completion of construction. Other borrowing costs are recognised in the period in which they occur except for transaction costs which are amortised over the period of the loan.

i) Revenue Recognition :

Income from services: In case of completed voyages, freight and demurrage earnings are recognised fully and in case of incomplete voyages, freight earnings are recognised prorata on the basis of direct operating expenses incurred as compared to total estimated direct operating expenses for the voyage. Charter hire earnings are accrued on time proportion basis except where the charter party agreements have not been renewed/finalised, in which case it is recognised on provisional basis.

Interest: Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and using the effective interest method.

Dividends: Dividend income is recognised when the Group's right to receive dividend is established.

j) Operating Expenses :

- i. Fleet direct operating expenses are charged to the Statement of Profit and Loss on accrual basis.
- ii. Bunker consumption cost, which is part of direct operating expenses, is charged to the Statement of Profit and Loss on consumption.
- iii. Stores and spares delivered on board the ships are charged to the Statement of Profit and Loss. Spares on board rigs are charged to the Statement of Profit and Loss on consumption basis.
- iv. Expenses on account of general average claims / damages to ships are charged to the Statement of Profit and Loss in the year in which they are incurred. Claims against the underwriters are accounted for on acceptance of average adjustment by the adjustors.

k) Operating Lease :

Lease arrangements where the risks and rewards incidental to ownership of an asset vests with the lessor, are recognised as operating lease. Operating lease payments are recognised on a straight line basis over the lease term in the Statement of Profit and Loss, unless the lease agreement explicitly provides for future increase to compensate general inflation.

l) Employee Benefits :**i. 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.

ii. Post Employment Benefits :

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

a. Defined Contribution Plan

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

b. Defined Benefit Plan

Retirement benefits in the form of Gratuity and Pension plan for eligible Whole-time Directors are considered as defined benefit obligations and are provided for on the basis of actuarial valuations, using the projected unit credit method, as at the date of the Balance Sheet.

c. Other Long-Term Benefits

Long-term compensated absences are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Actuarial gain / loss, comprising of experience adjustments and the effects of changes in actuarial assumptions is recognised in the Statement of Other Comprehensive Income except for Long-term compensated absences where the same is immediately recognised in the Statement of Profit and Loss.

Employee share based payments

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

m) Depreciation on Property, Plant and Equipment and Amortisation of Intangible Asset :

- i. Depreciation or amortisation is provided on Straight Line Method basis so as to write off the original cost of the asset less its estimated residual value over the estimated useful lives. The estimated useful lives of the assets are as under :

ASSET TYPE	ESTIMATED USEFUL LIFE
Property, plant and equipment :	
Fleet (Main)	
- Crude Oil Tankers	20 years
- Product Tankers * (see note (v) below)	23 years
- Dry Bulk Carriers *	23 years
- Gas Carriers *	27 years
- Speed Boats	13 years
Modern Rigs	30 years

ASSET TYPE	ESTIMATED USEFUL LIFE
Fleet/Rigs (Component)	
- Grabs *	10 years
- Dry Dock *	Period from survey certificate date till the estimated date for next special survey
Leasehold Land	Lease period
Ownership Flats and Buildings	60 years
Furniture & Fixtures, Office Equipment *	5 years
Computers	
- Servers and Networks	6 years
- End User Devices	3 years
Vehicles *	4 years
Mobiles *	2 years
Plant and Equipment *	3 to 10 years
Intangible Assets :	
Software	5 years

* For these class of assets, based on internal technical assessment and past experience, the Management believes that the useful lives as given above, best represent the period over which the Management expects the use of the assets. The useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013.

- ii. Estimated useful lives of the Fleet, Rigs and Ownership Flats and Buildings are considered from the year of built. Estimated useful lives in case of all other assets are considered from the date of acquisition by the Group.
- iii. Residual value in case of Fleet (other than Offshore Supply Vessels and Speed Boats) is estimated initially as amount equal to product of long tonnes and estimated scrap value per long tonne based on previous ten years moving average of scrap rates. Residual value in case of Offshore Supply Vessels has been estimated on the basis of Light Displacement Weight (LDT) of the vessels and the prevailing average rate for steel scrap. The residual value in case of rigs has been estimated at 5% of the cost of rig. In case of other assets, the residual value, being negligible, has been considered as Nil.
- iv. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.
- v. During the year, the Group determined that the useful life of product tankers should be lengthened based on historical experience and industry practice. Accordingly the useful life of Product Tankers has been revised from 20 years to 23 years.

n) Asset Impairment :

The carrying amounts of the Group's Property Plant and Equipment are reviewed annually or more frequently to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognised in the Statement of Profit and Loss in the period in which impairment takes place.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

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.

o) Foreign Exchange Transactions :

The transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at standard exchange rates determined monthly. Non monetary items, which are measured in terms of historical costs denominated in a foreign currency are reported

using the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the year end are translated at closing rates. The difference in translation of long term monetary assets acquired and liabilities incurred prior to April 1, 2016 and realised gains and losses on foreign currency transactions relating to acquisition of depreciable capital assets are added to or deducted from the cost of the asset and depreciated over the balance life of the asset; and in other cases, accumulated in a Foreign Currency Monetary Item Translation Difference Account and amortised over the balance period of such long term asset / liability, by recognition as income or expense but not beyond March 31, 2020. The difference in translation of all other monetary assets and liabilities and realised gains and losses on other foreign currency transactions are recognised in the Statement of Profit and Loss.

p) 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 through Profit or Loss (FVTPL) or fair value through Other Comprehensive Income (FVOCI), 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 upto twelve months from the reporting period is considered as part of bank balances other than cash and cash equivalent. Fixed deposit with residual maturity more than twelve months from reporting period is classified under other non current assets.

Trade Receivables and Loans:

These assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Debt Instruments:

Debt instruments are initially measured at amortised cost, fair value through Other Comprehensive Income ('FVOCI') or fair value through Profit or Loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

a. Measured at amortised cost :

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation using EIR and loss arising from impairment, if any, is recognised in the Statement of Profit and Loss.

b. Measured at fair value through Other Comprehensive Income (FVOCI) :

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income. Fair value movements are recognised in the Other Comprehensive Income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

c. Measured at fair value through Profit or Loss (FVTPL) :

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Impairment of financial assets

Expected credit losses are recognised for all financial assets subsequent to initial recognition other than financial assets in FVTPL category. The Group's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall. The impairment losses and reversals are recognised in the Statement of Profit and Loss.

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 the 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.

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.

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 to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps, currency swaps, commodity swaps etc. Further details of derivative financial instruments are disclosed in Note 41.

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 the Statement of Profit and Loss

depends on the nature of the hedging relationship and the nature of the hedged item. The gains or losses on derivative contracts related to the acquisition of depreciable capital assets are added to or deducted from the cost of the assets and not recognised in the Statement of Profit and Loss.

Embedded derivatives

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

Hedge accounting

The Group designates certain hedging instruments, which include derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges or 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 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 41 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 the Statement of Profit and 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.

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.

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.

q) Taxation :

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. The Group's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period 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 is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Current and deferred tax are recognised as an expense or income in the Statement of Profit and Loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction. Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

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

r) Provisions and Contingent Liabilities :

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Where the time value of money is material, provisions are measured on a discounted basis.

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.

s) Earnings per share :

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

t) Government Grants :

Government grants are not recognised until there is a reasonable assurance that the Group will comply with the conditions attached 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.

Applicability of new and revised Ind AS:

Amendments to Ind AS that are notified and adopted by the Group

As per Companies (Indian Accounting Standards) (Amendment) Rules, 2017 dated March 17, 2017, Ministry of Corporate Affairs (MCA) has notified amendments to two new standards namely Ind AS 102 Share-based Payment and Ind AS 7 Statement of Cash Flows which have become effective from April 1, 2017.

The outstanding number of Company's equity options and provision for the same on the basis of fair value is not significant and therefore amendment to Ind AS 102 does not have material effect on the financial information.

Further, amendment to Ind AS 7 pertains to additional disclosure requirement that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes." Relevant disclosures in this regard has been provided in Statement of Cash Flow.

New standards issued but not yet effective

MCA on March 28, 2018 notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 (the "Rules"). The Rules notify the new revenue standard Ind AS 115, Revenue from Contracts with Customers and also bring in amendment to existing Ind AS. The Rules shall be effective from reporting periods beginning on or after April 01, 2018.

New revenue standard Ind AS 115 supersedes the existing standards Ind AS 18 – Revenue and Ind AS 11 – Construction Contracts. The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

- i. Identification of the contracts with the customer
- ii. Identification of the performance obligations in the contract
- iii. Determination of the transaction price
- iv. Allocation of transaction price to the performance obligations in the contract (identified in step ii)
- v. Recognition of revenue when the Group satisfies a performance obligation.

Appendix B, Foreign Currency Transactions and Advance Considerations to Ind AS 21, The Effects of Changes in Foreign Exchange Rates has been notified. The appendix clarifies that the date of the transaction, for the purpose of determining the exchange rate to use on initial recognition of the asset, expense or income, should be the date on which an entity has received or paid an advance consideration in a foreign currency.

The management is currently evaluating the impact of the aforesaid amendments on the Group's financial information.

NOTE 2 : BASIS OF CONSOLIDATION

The consolidated financial statements relate to The Great Eastern Shipping Company Ltd., (GESCO) the Holding Company and its subsidiaries (collectively referred to as the Group). The consolidated financial statements of the Company with its subsidiaries have been prepared in accordance with the requirements of Ind AS 110, 'Consolidated Financial Statements'. The financial statements of the parent and its subsidiaries are combined on a line by line basis and intra group balances, intra group transactions and unrealised profits/(losses) are fully eliminated.

In case of foreign subsidiaries, revenue items are consolidated at an average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Exchange gains/(losses) arising on conversion are recognised under Foreign Currency Translation Reserve.

In the consolidated financial statements, 'Goodwill' represents the excess of the cost to the Company of its investment in the subsidiaries over its share of equity, at the respective dates on which the investments are made. Alternatively, where the share of equity as on the date of investment is in excess of cost of investment, it is recognised as 'Capital Reserve' in the consolidated financial statements.

NOTE 3 :

The financial statements of the subsidiaries used in the consolidation are drawn upto the same reporting date as that of the Holding Company i.e. March 31, 2018.

NOTE 4 :

The subsidiary companies considered in these consolidated financial statements are :

SR. NO.	NAME OF THE COMPANIES	COUNTRY OF INCORPORATION	OWNERSHIP IN % EITHER DIRECTLY OR THROUGH SUBSIDIARIES	
			AS AT 31/03/2018	AS AT 31/03/2017
1	The Greatship (Singapore) Pte. Ltd.	Singapore	100%	100%
2	The Great Eastern Chartering L.L.C. (FZC)	U.A.E.	100%	100%
2a	The Great Eastern Chartering (Singapore) Pte. Ltd. (wholly owned subsidiary of The Great Eastern Chartering L.L.C. (FZC))	Singapore	100%	100%
3	Greatship (India) Ltd.	India	100%	100%
3a	Greatship Global Holdings Ltd. (wholly owned subsidiary of Greatship (India) Ltd.)	Mauritius	100%	100%
	- Greatship Global Offshore Services Pte. Ltd. (wholly owned subsidiary of Greatship Global Holdings Ltd.)	Singapore	100%	100%
	- GGOS Labuan Ltd. (wholly owned subsidiary of Greatship Global Offshore Services Pte. Ltd.) (Deregistered on March 4, 2017)	Malaysia	-	100%
3b	Greatship Global Energy Services Pte. Ltd. (subsidiary of Greatship Global Holdings Ltd. upto March 28, 2017 and direct subsidiary of Greatship (India) Ltd. thereafter)	Singapore	100%	100%
3c	Greatship (UK) Ltd. (wholly owned subsidiary of Greatship (India) Ltd.)	U.K.	100%	100%
3d	Greatship Oilfield Services Ltd. (wholly owned subsidiary of Greatship (India) Ltd.)	India	100%	100%
4	Great Eastern CSR Foundation	India	100%	100%

NOTE 5 : PROPERTY, PLANT AND EQUIPMENT

(₹ in crores)

PARTICULARS	GROSS BLOCK				DEPRECIATION / IMPAIRMENT				NET BLOCK		
	AS AT 1/04/2017	ADDITIONS DURING THE YEAR	DEDUC- TIONS DURING THE YEAR	OTHER ADJUSTMENTS [REFER NOTE (d)]	AS AT 31/03/2018	ACCUMULATED DEPRECIATION/ IMPAIRMENT AS AT 31/03/2017	OTHER ADJUSTMENTS/ ON DEDUCTIONS	FOR THE YEAR	ACCUMULATED DEPRECIATION/ IMPAIRMENT AS AT 31/03/2018	AS AT 31/03/2018	AS AT 31/03/2017
Fleet	9930.35	509.43	127.06	3.68	10316.40	2754.10	81.28	829.71	3502.53	6813.87	7176.25
Rigs	3242.51	10.57	3.75	(18.50)	3230.83	261.22	5.24	129.05	385.03	2845.80	2981.29
Land (Freehold and Perpetual Lease)	59.80	-	-	-	59.80	-	-	-	-	59.80	59.80
Ownership Flats and Buildings[Refer Note (a)]	55.41	0.07	-	-	55.48	21.02	(0.01)	1.11	22.14	33.34	34.39
Leasehold Improvements	5.30	-	-	-	5.30	5.04	-	0.26	5.30	-	0.26
Plant and Equipment	56.67	9.68	-	(0.15)	66.20	19.25	0.05	7.32	26.52	39.68	37.42
Furniture, Fixtures and Office Equipment	39.86	3.74	0.31	0.02	43.31	35.01	0.27	2.50	37.24	6.07	4.85
Vehicles	25.84	4.00	2.61	-	27.23	16.23	2.42	4.77	18.58	8.65	9.61
	13415.74	537.49	133.73	(14.95)	13804.55	3111.87	89.25	974.72	3997.34	9807.21	10303.87

(₹ in crores)

PARTICULARS	GROSS BLOCK				DEPRECIATION / IMPAIRMENT				NET BLOCK		
	AS AT 1/04/2016	ADDITIONS DURING THE YEAR	DEDUC- TIONS DURING THE YEAR	OTHER ADJUSTMENTS [REFER NOTE (d)]	AS AT 31/03/2017	ACCUMULATED/ DEPRECIATION/ IMPAIRMENT AS AT 31/03/2016	OTHER ADJUSTMENTS/ ON DEDUCTIONS	FOR THE YEAR	ACCUMULATED/ DEPRECIATION/ IMPAIRMENT AS AT 31/03/2017	AS AT 31/03/2017	AS AT 31/03/2016
Fleet	7892.55	2381.32	316.54	(26.98)	9930.35	2303.57	259.40	709.93	2754.10	7176.25	5588.98
Rigs	3312.51	-	-	(70.00)	3242.51	133.41	7.36	135.17	261.22	2981.29	3179.10
Land (Freehold and Perpetual Lease)	59.80	-	-	-	59.80	-	-	-	-	59.80	59.80
Ownership Flats and Buildings[Refer Note (a)]	55.06	0.35	-	-	55.41	19.90	-	1.12	21.02	34.39	35.16
Leasehold Improvements	5.30	-	-	-	5.30	3.98	-	1.06	5.04	0.26	1.32
Plant and Equipment	56.37	0.92	0.03	(0.59)	56.67	11.87	0.29	7.67	19.25	37.42	44.50
Furniture, Fixtures and Office Equipment	39.85	1.86	1.81	(0.04)	39.86	34.27	1.82	2.56	35.01	4.85	5.58
Vehicles	23.51	4.57	2.24	-	25.84	13.88	2.06	4.41	16.23	9.61	9.63
	11444.95	2389.02	320.62	(97.61)	13415.74	2520.88	270.93	861.92	3111.87	10303.87	8924.07

Notes :

- a) The ownership flats and buildings include ₹ 11,760 (Previous Year : ₹ 11,760) being value of shares held in various co-operative societies.
- b) The deed of assignment in respect of the Group's leasehold property at Worli is yet to be transferred in the name of the Group.
- c) In accordance with the Ind AS 36, 'Impairment of Assets', the Group has recognised impairment loss amounting to ₹ 206.39 crores (Previous Year : ₹ 184.33 crores) under Fleet during the year (Refer Note 31).
- d) Other adjustments comprise of exchange differences relating to long term monetary items for acquisition of depreciable capital assets on or before March 31, 2016.
- e) Fleet and Rigs with a carrying amount of ₹ 5860.12 crores (as at March 31, 2017 : ₹ 7339.12 crores) and buildings with a carrying amount of ₹ 0.50 crore (as at March 31, 2017 : ₹ 0.26 crore) have been mortgaged to secure borrowings (Refer Note 19).
- f) Additions to fleet include the amount of borrowing costs capitalised during the year ₹ Nil (Previous Year : ₹ 3.86 crores).
- g) During the current year, based on historical experience and industry practice, the Group reassessed useful life of product tankers from 20 to 23 years. Had the Company continued with earlier estimated useful life, the depreciation charge for the current year would have been higher and profit before tax would have been lower by ₹ 9.21 crores.

NOTE 6 : INTANGIBLE ASSETS

(₹ in crores)

PARTICULARS	GROSS BLOCK				AMORTISATION				NET BLOCK		
	AS AT 1/04/2017	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	OTHER ADJUSTMENTS	AS AT 31/03/2018	ACCUMULATED AMORTISATION AS AT 31/03/2017	OTHER ADJUSTMENTS/ ON DEDUCTIONS	FOR THE YEAR	ACCUMULATED AMORTISATION AS AT 31/03/2018	AS AT 31/03/2018	AS AT 31/03/2017
Software	5.47	1.21	-	-	6.68	5.03	-	0.33	5.36	1.32	0.44
	5.47	1.21	-	-	6.68	5.03	-	0.33	5.36	1.32	0.44

(₹ in crores)

PARTICULARS	GROSS BLOCK				AMORTISATION				NET BLOCK		
	AS AT 1/04/2016	ADDITIONS DURING THE YEAR	DEDUC- TIONS DURING THE YEAR	OTHER ADJUSTMENTS	AS AT 31/03/2017	ACCUMULATED AMORTISATION AS AT 31/03/2016	OTHER ADJUSTMENTS/ ON DEDUCTIONS	FOR THE YEAR	ACCUMULATED AMORTISATION AS AT 31/03/2017	AS AT 31/03/2017	AS AT 31/03/2016
Software	5.34	0.13	-	-	5.47	4.71	-	0.32	5.03	0.44	0.63
	5.34	0.13	-	-	5.47	4.71	-	0.32	5.03	0.44	0.63

NOTE 7 : NON-CURRENT INVESTMENTS

	AS AT 31/03/2018		AS AT 31/03/2017	
	NO. OF SHARES	₹ IN CRORES	NO. OF SHARES	₹ IN CRORES
Investments in Equity Instruments				
Equity shares : (Quoted - valued at FVOCI)				
Avance Gas Holding	15,88,264	30.32	-	-
BW LPG	3,58,013	10.72	-	-
Gener8 Maritime Inc.	1,51,399	5.73	-	-
Star Bulk Carriers Corp	1,28,100	9.69	-	-
Ardmore Shipping Corp.	50,000	2.54	-	-
Safe Bulkers, Inc.	-	-	2,44,568	3.50
		59.00		3.50
Equity Shares : (Quoted - valued at FVTPL)				
Scorpio Tankers RG	7,49,382	15.02	-	-
Less : Provision for impairment in value of investments		(5.35)		-
		9.67		-
Equity Shares : (Unquoted - valued at FVTPL)				
Seachange Maritime L.L.C.	11,04,000	26.07	11,04,000	25.94
Less : Provision for impairment in value of investments		(26.07)		(25.94)
		-		-
		68.67		3.50
Aggregate amount of quoted investments		68.67		3.50
Market Value of quoted investments		68.67		3.50
Aggregate amount of unquoted investments		-		-
Aggregate amount of impairment in value of investments		31.42		25.94

NOTE 8 : OTHER FINANCIAL ASSETS**(UNSECURED)****(₹ in crores)**

	NON-CURRENT		CURRENT	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
Considered good				
a) Deposits with maturity period of more than 12 months	58.66	32.43	-	-
b) Margin Money Deposits	-	2.35	-	-
c) Interest Accrued	1.04	0.69	-	-
d) Security Deposits	2.05	2.62	0.07	0.24
e) Mark-to-Market Gains on Derivatives	-	-	201.78	131.48
f) Deposits on account of pool arrangement	29.00	13.16	-	-
g) Insurance Claims	-	-	10.13	6.02
h) Incomplete Voyages	-	-	50.04	39.53
i) Unbilled Revenue	-	-	77.30	8.24
j) Other Advances	0.28	2.02	1.82	11.09
Considered doubtful				
a) Security Deposits	0.42	0.44	-	-
b) Other Advances	1.01	-	-	-
Less : Allowance for doubtful advances	(1.43)	(0.44)	-	-
	91.03	53.27	341.14	196.60

NOTE 9 : CURRENT TAX ASSETS (NET)**(₹ in crores)**

	AS AT 31/03/2018	AS AT 31/03/2017
Excess of Advance Payment of Income-tax and Tax Deducted/Collected at Source over Provision for Income-tax	96.89	79.92
	96.89	79.92

NOTE 10 : DEFERRED TAX ASSETS (NET)**(₹ in crores)**

	AS AT 31/03/2018	AS AT 31/03/2017
Deferred Tax Assets (Net)	-	11.18
	-	11.18

NOTE:**(₹ in crores)**

DEFERRED TAX ASSETS / (LIABILITIES) IN RELATION TO:	AS AT 01/04/2017	RECOGNISED IN STATEMENT OF PROFIT AND LOSS	RECOGNISED IN OTHER COMPREHENSIVE INCOME	AS AT 31/03/2018
Property, plant and equipment	10.89	(266.61)	-	(255.72)
Provision for doubtful debts	0.20	(0.31)	-	(0.11)
Defined benefit obligations	0.09	(0.09)	(0.94)	(0.94)
MAT credit entitlement	-	60.00	-	60.00
Fair value of hedging instruments in a cash flow hedge	-	-	(8.00)	(8.00)
Others	-	(2.98)	-	(2.98)
	11.18	(210.00)	(8.94)	(207.75)

(₹ in crores)

DEFERRED TAX ASSETS / (LIABILITIES) IN RELATION TO:	AS AT 01/04/2016	RECOGNISED IN STATEMENT OF PROFIT AND LOSS	RECOGNISED IN OTHER COMPREHENSIVE INCOME	AS AT 31/03/2017
Property, plant and equipment	12.02	(1.13)	-	10.89
Provision for doubtful debts	-	0.20	-	0.20
Defined benefit obligations	0.12	(0.03)	-	0.09
	12.14	(0.96)	-	11.18

Income from shipping activities of the Group in India is assessed on the basis of deemed tonnage income in accordance with the provisions of Section 115VA of the Income Tax Act, 1961 and no deferred tax is applicable to such income as there are no taxable temporary differences. Income from operation of vessels and rigs operating outside the limits of the port of Singapore is also exempt under Section 13A of the Singapore Income Tax Act.

Consequently, deferred tax is recognised in respect of the taxable temporary differences relating to rigs and other non tonnage income.

NOTE 11 : OTHER ASSETS**(UNSECURED)****(₹ in crores)**

	NON-CURRENT		CURRENT	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
Considered good				
(a) Capital Advances	2.85	12.03	-	-
(b) Unutilised Government Grants	-	-	14.81	-
(c) Indirect tax balances/ recoverable/ credits	-	-	5.04	0.92
(d) Other Advances *	0.93	3.82	44.33	26.10
Considered doubtful				
(a) Other Advances	5.98	-	0.20	0.24
Less : Allowance for doubtful advances	(5.98)	-	(0.20)	(0.24)
	3.78	15.85	64.18	27.02

* Other Advances mainly includes advances to suppliers, masters, agents and others.

NOTE 12 : INVENTORIES**(VALUED AT LOWER OF COST AND NET REALISABLE VALUE)****(₹ in crores)**

	AS AT 31/03/2018	AS AT 31/03/2017
(a) Stores and Spares on Board Rigs	62.97	68.04
(b) Fuel Oil	113.03	76.72
	176.00	144.76

NOTE :

Inventories of stores and spares on rigs and fuel oils 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 during the year was ₹ 320.84 crores (Previous Year : ₹ 172.24 crores).

NOTE 13 : CURRENT INVESTMENTS**(₹ in crores)**

	AS AT 31/03/2018	AS AT 31/03/2017
Investments in mutual funds : Unquoted (valued at FVTPL)	787.45	871.58
	787.45	871.58
Aggregate amount of unquoted investments	787.45	871.58
Aggregate amount of impairment in value of investments	-	-

NOTE :

Mutual Funds aggregating to ₹ 127.23 crores (as at March 31, 2017 : ₹ 152.64 crores) of the above have been placed under lien with a bank for facilities given by it.

NOTE 14 : TRADE RECEIVABLES**(UNSECURED)****(₹ in crores)**

	AS AT 31/03/2018	AS AT 31/03/2017
Considered good	243.45	205.10
Considered doubtful	33.94	9.12
	277.39	214.22
Less : Allowance for Doubtful Receivables	(33.94)	(9.12)
	243.45	205.10

NOTE :

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.

Concentration of credit risk with respect to trade receivables are limited, due to the Group's customer base being large and diverse. Historical experience of collection of receivables also indicates that credit risk is low. All trade receivables are reviewed and assessed for default on a quarterly basis. Trade receivables are due from customers having high credit quality and strong financials. In determining the allowances for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables.

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

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
Opening Balance	9.12	28.46
Add : Current year allowance	30.45	7.00
Less : Reversal during the year	(5.63)	(26.34)
Closing Balance	33.94	9.12

NOTE 15 : CASH AND CASH EQUIVALENTS

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
(a) Balances with Banks in Current Accounts	833.26	1426.87
(b) Bank Deposits having maturity period of less than 3 months	45.35	53.45
(c) Cash on Hand	0.06	0.06
	878.67	1480.38

NOTE 16 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
(a) Term Deposits having residual maturity upto 12 months	1992.49	1800.75
(b) Balances with Banks - Unpaid Dividend Account	7.67	8.15
(c) Margin Money Deposits	57.82	147.77
(d) Interest Accrued on Bank Deposits	18.22	29.76
	2076.20	1986.43
Margin Money given as security :		
Margin Money Deposits comprise of -		
(i) Deposits placed with banks under lien against facilities given by the banks	51.43	126.25
(ii) Earmarked balances with banks in margin deposits	6.39	21.52
	57.82	147.77

NOTE 17 : EQUITY SHARE CAPITAL

	AS AT 31/03/2018		AS AT 31/03/2017	
	NOS.	₹ IN CRORES	NOS.	₹ IN CRORES
Authorised :				
Equity Shares of ₹ 10 each	30,00,00,000	300.00	30,00,00,000	300.00
Preference Shares of ₹ 10 each	20,00,00,000	200.00	20,00,00,000	200.00
	50,00,00,000	500.00	50,00,00,000	500.00
Issued :				
Equity Shares of ₹ 10 each	15,11,63,426	151.16	15,11,63,426	151.16
	15,11,63,426	151.16	15,11,63,426	151.16
Subscribed and Fully Paid :				
Equity Shares of ₹ 10 each	15,07,77,065	150.78	15,07,77,065	150.78
Add : Forfeited shares ₹ 30,358 (as at March 31, 2017 : ₹ 30,358)	2,518	-	2,518	-
	15,07,79,583	150.78	15,07,79,583	150.78

a) Terms/Rights attached to Equity Shares :

The Holding Company has only one class of equity shares having a face value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividends in Indian rupees. Interim dividend is paid as recommended by the Board of Directors.

In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

b) Details of shareholders holding more than 5% equity shares in the Holding Company :

	AS AT 31/03/2018		AS AT 31/03/2017	
	NOS.	% HOLDING	NOS.	% HOLDING
Equity shares of ₹ 10 each fully paid				
Mr. Bharat Kanaiyalal Sheth*	1,57,19,490	10.43%	1,57,19,490	10.43%
Mr. Ravi Kanaiyalal Sheth*	1,52,62,504	10.12%	1,52,62,504	10.12%
Nalanda India Equity Fund Limited	1,05,24,139	6.98%	1,05,24,139	6.98%

* Total shareholding including shares held as Trustee.

c) There are no shares reserved for issue under options and contracts or commitments for the sale of shares.

d) For the period of five years immediately preceding the date as at which the Balance Sheet is prepared :

- No shares were allotted pursuant to contracts without payment being received in cash.
- No bonus shares have been issued.
- 15,45,019 equity shares have been bought back during the financial year 2013-14.

e) There are no securities convertible into equity/preference shares.

f) Under orders from the Special Court (Trial of Offences Relating to Transactions in Securities) Act, 1992, the allotment of 2,53,522 (as at March 31, 2017 : 2,53,522) rights equity shares of the Company have been kept in abeyance in accordance with the Companies Act, 2013 till such time as the title of the bonafide owner is certified by the concerned Stock Exchanges. Additional 40,608 (as at March 31, 2017 : 40,608) shares have also been kept in abeyance for disputed cases in consultation with the Bombay Stock Exchange. 92,231 (as at March 31, 2017 : 92,231) shares are unsubscribed out of the total offered to employees on rights basis during the earlier years.

g) Employee Stock Option Scheme :

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

During the year under review, no grant of stock options were made under any of the Schemes in line with the GIL's decision to not make any further grants under the existing Schemes. There was no forfeiture of options under any Scheme during the year under review.

The total options outstanding as on March 31, 2018 is 151,060 (Previous Year : 151,060).

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

SR. NO.	PARTICULARS	ESOP 2007 - II	ESOP 2008 - II	ESOP 2010
1	Date of Grant	28/01/08	23/10/08 19/03/09 05/05/09 24/07/09 23/10/09 28/12/09 18/03/10 30/04/10	23/09/10 30/04/11 24/10/11 27/04/12
2	Date of Board Approval	20/11/07	28/01/08	18/03/10
3	Date of Shareholders' Approval	21/11/07	31/01/08	23/04/10
4	Options approved*	2,00,000	17,10,000	10,28,900
5	Options outstanding at the beginning of the year	4,600	44,700	1,01,760
6	Options granted during the year	-	-	-
7	Options cancelled/forfeited during the year	-	-	-
8	Options exercised during the year	-	-	-
9	Options encashed during the year	-	-	-
10	Options outstanding at the end of the year	4,600	44,700	1,01,760
11	Exercise Price/Weighted Average Exercise Price	100	135	135
12	Exercise period from the date of vesting	One year from the date of vesting/ listing whichever is later	One year from the date of vesting/ listing whichever is later	One year from the date of vesting/ listing whichever is later
13	Exercisable at end of the year	-	-	-

SR. NO.	PARTICULARS	ESOP 2007 - II	ESOP 2008 - II	ESOP 2010
14	Method of Settlement	Equity	Equity/Cash	Equity
15	Vesting period from the date of grant	One year	20% equally over a period of five years	20% equally over a period of five years
16	Vesting conditions	Continued employment with the Holding Company 'The Great Eastern Shipping Co. Ltd. (includes transfer within group companies)	Continued employment with the Company or subsidiaries (includes transfer within group companies)	Continued employment with the Company or subsidiaries (includes transfer within group companies)

Pursuant to the encashment introduced in 2012 and 2015, a total of 1,417,420 options have been encashed at the fair value determined under the encashment scheme. As per the encashment proposal approved in the year 2015, if there was no IPO before March 2018, the option grantees under all Schemes were to be given the last opportunity to encash all their remaining stock options. Accordingly, the Board of Directors of GIL had at their meeting held on March 21, 2018 approved the said encashment proposal for the outstanding stock options under all the existing ESOP Schemes. Accordingly, the liability in respect of the outstanding options has also been measured at fair value determined in accordance with the encashment scheme.

The cumulative amount of employee stock option expense amortised upto March 31, 2018 of ₹ 0.37 crores (Previous Year : ₹ Nil) is included in Current provisions and upto March 31, 2018 of ₹ Nil (Previous Year : ₹ 2.38 crores) is included in Non-current provisions.

NOTE 18 : OTHER EQUITY

A.SUMMARY OF OTHER EQUITY

(Refer Statement of Changes in Equity for detailed movement)

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
(a) Capital Reserve	21.04	21.04
(b) Securities Premium Reserves	161.35	161.35
(c) General Reserve	2348.39	2306.39
(d) Capital Redemption Reserve	240.08	240.08
(e) Tonnage Tax Reserve under Section 115VT of the Income-tax Act, 1961	430.50	457.00
(f) Debenture Redemption Reserve	787.50	758.75
(g) Statutory Reserve	0.13	0.13
(h) Retained Earnings	2030.33	2391.36
(i) Equity instruments through Other Comprehensive Income	1.26	1.26
(j) Cash Flow Hedging Reserve	25.17	2.01
(k) Foreign Currency Monetary Item Translation Difference Account	(5.39)	(7.01)
(l) Foreign Currency Translation Reserve	738.08	740.19
	6778.44	7072.55

B. NATURE OF RESERVES :

- i. **Capital Reserve** : Capital Reserve is created on cancellation of convertible warrants during the year ended March 31, 2009.
- ii. **Securities Premium Reserve** : Securities Premium Reserve is used to record the premium on issue of securities of the Group. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
- iii. **General Reserve** : General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purposes.

- iv. 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.
- v. Statutory Reserve :** Statutory Reserve is created by appropriating 10% of the profit of subsidiary company The Great Eastern Chartering L.L.C. (FZC) as required by the implementing regulations of Sharjah Airport International Free Zone Authority. The said subsidiary company can discontinue such annual transfers when the reserve totals 50% of the paid up share capital. The reserve is not available for distribution except as provided in the Federal Law. No such transfer was made during the year as the minimum requirement of the reserve at 50% of the share capital has been reached.
- vi. 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.
In respect of the year ended March 31, 2018, the Board of Directors proposed a dividend of ₹ 7.20 per equity share. This equity dividend is subject to approval by the shareholders at the ensuing Annual General Meeting and has not been included as a liability in these financial statements. The total outflow on this account is estimated to be ₹ 126.08 crores including dividend distribution tax.
- vii. Equity instruments through Other Comprehensive Income :** This comprises the cumulative net change in the fair value of financial assets until the assets are derecognised or impaired.
- viii. 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."
- ix. Foreign Currency Monetary Item Translation Difference Account :** Exchange differences on translation of long term foreign currency monetary items (other than depreciable assets) are transferred to Foreign Currency Monetary Item Translation Difference Account and amortised over the balance life of such assets / liabilities but not beyond March 31, 2020 .
- x. Foreign Currency Translation Reserve :** Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Indian Rupees) are recognised directly in Other Comprehensive Income and accumulated in the Foreign Currency Translation Reserve. Exchange differences previously accumulated in the Foreign Currency Translation Reserve (in respect of translating both the net assets of foreign operations and hedges of foreign operations) are reclassified to the Statement of Profit and Loss on the disposal of the foreign operation.

NOTE 19 : BORROWINGS

(₹ in crores)

	NON-CURRENT		CURRENT MATURITIES OF LONG-TERM DEBT	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
(a) Debentures :				
Secured - at amortised cost :				
Redeemable Non-Convertible Debentures of ₹ 10,00,000 each -				
(i) 8.05% 1500 Debentures redeemable on August 31, 2024	150.00	-	-	-
(ii) 9.80% 2400 Debentures redeemable on July 3, 2019	240.00	240.00	-	-
[Refer Notes (i) and (iii) below]				
Unsecured - at amortised cost :				
Redeemable Non-Convertible Debentures of ₹ 10,00,000 each -				
(i) 8.25% 1500 Debentures redeemable on May 25, 2027	150.00	-	-	-
(ii) 8.24% 2000 Debentures redeemable on November 11, 2026	200.00	200.00	-	-
(iii) 8.70% 2500 Debentures redeemable on May 6, 2026	250.00	250.00	-	-
(iv) 8.24% 2000 Debentures redeemable on November 11, 2025	200.00	200.00	-	-
(v) 8.70% 2500 Debentures redeemable on May 31, 2025	250.00	250.00	-	-
(vi) 7.99% 2500 Debentures redeemable on January 18, 2025	250.00	250.00	-	-
(vii) 7.99% 2500 Debentures redeemable on January 18, 2024	250.00	250.00	-	-
(viii) 9.70% 1000 Debentures redeemable on January 18, 2023	100.00	100.00	-	-
(ix) 9.70% 1000 Debentures redeemable on January 7, 2023	100.00	100.00	-	-
(x) 9.70% 500 Debentures redeemable on April 25, 2021	50.00	50.00	-	-
(xi) 9.70% 1500 Debentures redeemable on April 15, 2021	150.00	150.00	-	-
(xii) 9.70% 1000 Debentures redeemable on February 2, 2021	100.00	100.00	-	-
(xiii) 9.60% 2000 Debentures redeemable on November 10, 2019	200.00	200.00	-	-
(xiv) 9.75% 2350 Debentures redeemable on August 20, 2019	235.00	235.00	-	-
(xv) 9.35% 425 Debentures redeemable on February 8, 2019	-	42.50	42.50	42.50
(xvi) 9.35% 425 Debentures redeemable on February 8, 2019	-	42.50	42.50	42.50
(xvii) 9.40% 900 Debentures redeemable on January 6, 2019	-	90.00	90.00	-
(xviii) 9.19% 1000 Debentures redeemable on December 24, 2018	-	100.00	100.00	-
(xix) 9.40% 1000 Debentures redeemed on January 6, 2018	-	-	-	100.00
[Refer Note (iii) below]				
	2875.00	2850.00	275.00	185.00
(b) Term Loans from Banks :				
Secured - at amortised cost :				
Foreign Currency Loans from Banks				
	2517.11	2932.16	415.07	694.10
[Refer Notes (ii) and (iii) below]				
	2517.11	2932.16	415.07	694.10

	NON-CURRENT		CURRENT MATURITIES OF LONG-TERM DEBT	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
(c) Unamortised Finance Charges	(30.69)	(11.79)	(9.17)	(3.89)
Total (a + b + c)	5361.42	5770.37	680.90	875.21
Less : Amount disclosed under Note 24 : Other Financial Liabilities	-	-	(680.90)	(875.21)
	5361.42	5770.37	-	-

(₹ in crores)

	CURRENT	
	AS AT 31/03/2018	AS AT 31/03/2017
Term Loans from Bank :		
Unsecured - at amortised cost :		
Buyer's Credit	171.02	170.17
[Refer Note (ii) below]		
	171.02	170.17

Notes :

- i. 8.05% 1500 Secured Redeemable Non-Convertible Debentures of ₹ 10,00,000 each, redeemable on August 31, 2024 are secured by exclusive charge on specified ships with 1.20 times cover on the market value of ships and additional security by way of mortgage on immovable property of the Group and 9.80% 2400 Secured Redeemable Non-Convertible Debentures of ₹ 10,00,000 each, redeemable on July 3, 2019, are secured by exclusive charge on specified ships with 1.25 times cover on the book value of ships and additional security by way of mortgage on immovable property of the Group.
- ii. Foreign currency loans availed from banks carry interest rates of LIBOR plus 27 to 215 bps for USD loans and LIBOR plus 62 bps for JPY loans. Some loans are on fixed rates basis. The principal repayments are due quarterly, half yearly and annually. These loans are secured by mortgage of specific ships and rigs, assignment of earnings, charge on earning account and insurance contracts/policies of respective ships. In case of Buyer's Credit, the tenure is 6 months.
- iii. The terms of repayments of non-current borrowings are as under :

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
- between one to three years		
Secured Debentures	240.00	240.00
Unsecured Debentures	535.00	710.00
Secured Loans from Banks	777.45	1089.24
	1552.45	2039.24
- between three to five years		
Secured Debentures	-	-
Unsecured Debentures	400.00	300.00
Secured Loans from Banks	683.46	810.90
	1083.46	1110.90

	AS AT 31/03/2018	AS AT 31/03/2017
- over five years		
Secured Debentures	150.00	-
Unsecured Debentures	1550.00	1600.00
Secured Loans from Banks	1056.20	1032.02
	2756.20	2632.02

NOTE 20 : PROVISIONS

(₹ in crores)

	NON - CURRENT		CURRENT	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
(a) Provision for Employee Benefits (Refer Note 35)	39.43	41.48	1.66	1.83
(b) Vessel Performance/ Offhire Claims (Refer Note below)	-	-	0.10	0.70
	39.43	41.48	1.76	2.53

Note :

The Group recognised the following provisions in its accounts in respect of obligations arising from past events, the settlement of which is expected to result in an outflow embodying economic benefits.

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
Vessel performance/ offhire claims -		
Provision has been recognised for the estimated liability for under-performance of certain vessels and offhire claims under dispute :		
Opening balance	0.70	1.27
Less: Reversed during the year	(0.62)	(0.72)
Add: Exchange fluctuation on above	0.02	0.15
Closing balance	0.10	0.70

NOTE 21 : DEFERRED TAX LIABILITIES (NET)

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Deferred Tax Liabilities (Net)	207.75	-
	207.75	-

NOTE 22 : OTHER LIABILITIES

(₹ in crores)

	NON - CURRENT		CURRENT	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
(a) Advances from Customers	-	-	17.73	24.20
(b) Government Grants	22.86	25.01	14.81	-
(c) Statutory Liabilities	-	-	25.16	2.42
(d) Others	-	-	12.55	29.61
	22.86	25.01	70.25	56.23

NOTE 23 : TRADE PAYABLES

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Trade Payables	303.24	219.22
	303.24	219.22

Note :

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

NOTE 24 : OTHER FINANCIAL LIABILITIES

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
(a) Current Maturities of Long-Term Debt (Refer Note 19)	680.90	875.21
(b) Unpaid Dividend	7.67	8.15
(c) Interest Accrued but not due on Borrowings	151.29	144.32
(d) Mark-to-Market Losses on Derivatives	629.77	786.48
(e) Provision for Dividend Distribution Tax	4.79	4.75
(f) Others	36.83	30.12
	1511.25	1849.03

NOTE 25 : CURRENT TAX LIABILITIES (NET)

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Excess of Provision for Income-tax over Advance Payment of Income-tax and Tax Deducted/Collected at Source	31.26	44.91
	31.26	44.91

NOTE 26 : REVENUE FROM OPERATIONS

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Revenue from -		
- Freight and Demurrage	1173.40	766.27
- Charter Hire	1822.07	2304.42
	2995.47	3070.69
(b) Other Operating Revenue	42.91	46.17
	3038.38	3116.86

NOTE 27 : OTHER INCOME

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Gain on disposal of Property, plant and equipment (net)	12.96	38.53
(b) Foreign Exchange gain/(loss) (net)	7.75	(43.18)
(c) Gain on Derivatives Transactions (net)	206.63	327.22
(d) Dividend from Units in Mutual Funds (at FVTPL)	1.92	0.90
(e) Interest Income -		
- on Bank Deposits (at amortised cost)	61.37	55.43
- on Others	1.60	1.46
	62.97	56.89
(f) Gain on sale of current investments (at FVTPL)	43.13	122.66
(g) Miscellaneous Income	2.76	2.88
	338.12	505.90

NOTE 28 : EMPLOYEE BENEFIT EXPENSES

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Salaries and Wages	609.13	536.84
(b) Contribution to Provident and Other funds (Refer Note 35)	23.07	21.71
(c) Share based payments to employees	(2.01)	0.08
(d) Staff Welfare Expenses	44.25	40.47
	674.44	599.10

NOTE 29 : FINANCE COSTS

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Interest Cost	410.92	327.26
(b) Other Borrowing Costs	24.96	50.36
(c) Exchange differences regarded as an adjustment to borrowing costs	19.20	-
	455.08	377.62

Notes :

- The amount of borrowing costs capitalised during the year is ₹ Nil (Previous Year : ₹ 3.86 crores).
- The weighted average capitalisation rate on funds borrowed is Nil (Previous Year : 4.76% p.a.).

NOTE 30 : DEPRECIATION AND AMORTISATION EXPENSE

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Depreciation on Property, plant and equipment	768.34	677.59
(b) Amortisation on Intangible assets	0.33	0.32
	768.67	677.91

NOTE 31 : IMPAIRMENT LOSS

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
Impairment loss on Property, plant and equipment	206.39	184.33
	206.39	184.33

Notes :

- The Group carried out a review of the recoverable amounts of fleet and rigs owing to further fall in charter hire rates, and recognised impairment loss of ₹ 206.39 crores on fifteen vessels (Previous Year : ₹ 174.68 crores on eight vessels). The recoverable amounts [(₹ 724.39 crores for ten vessels (Previous Year : ₹ 424.48 crores for five vessels)) and [(₹ 364.98 crores for five vessels (Previous Year : ₹ 139.43 crores for three vessels))] were determined on the basis of their value in use and fair value (level 3) respectively. The discount rate used in measuring value in use was 6.50% p.a. (Previous Year : 5.80% p.a.).
- During the previous financial year, the Group had sold a support vessel at a price lower than its carrying amount, consequently the Group has booked an impairment loss of ₹ 9.65 crores to write down the asset to its net realisable value.

NOTE 32 : OTHER EXPENSES

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Hire of Chartered Ships	65.79	89.84
(b) Brokerage and Commission	14.72	13.85
(c) Agency Fees	10.75	7.98
(d) Repairs and Maintenance -		
- Fleet	108.82	74.73
- Buildings	6.48	4.35
- Others	13.81	11.35
	129.11	90.43
(e) Insurance -		
- Fleet Insurance and Protection and Indemnity Club Insurance	51.01	53.68
- Others	3.03	2.68
	54.04	56.36
(f) Reversal of provision for Loss on Cancelled Contract	-	(7.84)
(g) Loss on Cancelled Contract	-	7.84
(h) Rent	7.55	7.10
(i) Rates and Taxes	0.55	0.50
(j) Bad Debts and Advances Written off	0.20	0.01
(k) Allowance for Doubtful Debts and Advances (net)	29.88	(4.42)
(l) Travelling Expenses	48.60	45.99
(m) Expenditure on Corporate Social Responsibility activities (Refer Note 43)	12.08	9.59
(n) Miscellaneous Expenses	86.15	86.10
	459.42	403.33

NOTE 33 : TAX EXPENSE

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Current Tax	109.89	125.66
(b) Deferred Tax	210.00	0.96
(c) MAT Credit Utilised	(32.00)	-
	287.89	126.62

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:

	(₹ in crores)	
	CURRENT YEAR	PREVIOUS YEAR
Profit before Income Tax	78.32	881.58
Indian statutory income tax rate (including surcharge and cess)	34.61%	34.61%
Expected income tax expense as per Indian statutory income tax rate	27.10	305.10
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense :		
Tax on Net (Profit)/Loss attributable to tonnage tax activity (net of Deemed Tonnage Income chargeable to tax separately)	57.18	(84.82)
Items liable to tax in the year of settlement/payment	(10.22)	(48.32)
Income exempt from tax (net of expenses disallowed)	67.88	(44.03)
Expenses not deductible for tax purpose	189.22	8.94
Tax on income at different rates	(10.91)	0.16
Gain on disposal of Property, plant and equipment / Capital Items considered separately	(4.47)	(14.53)
Others	4.11	4.12
Provision for Current Tax and Deferred Tax as per Books	319.89	126.62

Pursuant to the introduction of Section 115VA under the Income-tax Act, 1961, the Group has opted for computation of its income from shipping activities under the Tonnage Tax Scheme. 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.

NOTE 34 : BASIC AND DILUTED EARNINGS PER SHARE

	CURRENT YEAR	PREVIOUS YEAR
(a) Net Profit After Tax (₹ in crores)	(209.57)	754.96
(b) Number of Equity Shares		
(i) Basic Earning per Share :		
Weighted Average Number of Equity Shares	15,07,77,065	15,07,77,065
(ii) Diluted Earning per Share :		
Weighted Average Number of Equity Shares	15,07,77,065	15,07,77,065
Shares deemed to be issued for no consideration in respect of :		
- Rights Shares kept in abeyance	2,86,570	2,86,570
Weighted Average Number of Equity Shares adjusted for the effect of dilution	15,10,63,635	15,10,63,635
(c) Face Value of Equity Share (in ₹)	10.00	10.00
(d) Earnings per Share (in ₹)		
- Basic	(13.90)	50.07
- Diluted *	(13.90)	49.98

* Diluted EPS for year ended March 31, 2018 is considered same as Basic EPS, since the effect is anti-dilutive.

NOTE 35 : EMPLOYEE BENEFIT PLANS

A) Defined Contribution Plans :

i) The Group has recognised the following amounts in the Statement of Profit and Loss for the year :

	(₹ in crores)	
	CURRENT YEAR	PREVIOUS YEAR
Contribution to Employees Provident Fund	8.52	9.01
Contribution to Employees Superannuation Fund	4.85	4.66
Contribution to National Pension Scheme	1.27	1.13
Contribution to Seamen's Provident Fund	1.69	1.48
Contribution to Seamen's Annuity Fund	1.51	1.36
Contribution to Seamen's Rehabilitation Fund	0.73	0.58
Contribution to Seamen's Gratuity Fund	0.29	0.31

ii) General description of Defined Contribution Plans :

Provident Fund :

In accordance with 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 Provident Fund trust which is liable for future provident fund benefits to the extent of its annual contribution and any shortfall in fund assets based on government specified minimum rates of return relating to current period service and recognises such contributions and shortfall, if any, as an expense in the year incurred. There is no deficiency in the interest cost as the present value of the expected future earnings on the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rates of interest.

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.

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.

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 binding on the Group.

Seamen's 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 binding on the Group.

Seamen's Rehabilitation Fund :

The Group's contribution towards rehabilitation in respect of seamen is paid to the National Maritime Board Rehabilitation and Welfare Trust as per the National Maritime Board Agreement binding on the Group.

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 binding on the Group.

B. Defined Benefit Plans and Other Long Term Benefits :

- i) Valuations in respect of Gratuity, Pension Plan for eligible Whole-time Directors, retired directors/spouses and Compensated Absences have been carried out by an independent actuary as at the Balance Sheet date as per the Projected Unit Credit method, based on the following assumptions :

ACTUARIAL ASSUMPTIONS	GRATUITY		PENSION PLAN		COMPENSATED ABSENCES	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
(a) Discount Rate (p.a.)	7.55%-7.65%	6.69%-6.94%	7.40%-7.55%	6.69%-6.94%	7.55%-7.65%	6.69%-6.94%
(b) Salary Escalation Rate	3.00%-7.00%	3.00%-6.00%	-	-	5.00%-7.00%	5.00%-6.00%
(c) Mortality	IALM - Ultimate 2006-08	IALM - Ultimate 2006-08	IALM - Ultimate 2006-08	IALM - Ultimate 2006-08	IALM - Ultimate 2006-08	IALM - Ultimate 2006-08
(d) Withdrawal Rate	0.50%-8.00%	0.50%-8.00%	-	-	0.67%-8.00%	0.67%-8.00%
(e) Expected average remaining service (in years)	5.91-21.08	6.33-22.30	-	-	7.77-10.67	7.84-10.04
(f) Weighted average remaining duration of defined benefit obligation (in years)	4.93-10.37	5.10-9.50	-	-	-	-

ii) Changes in present value of obligations :

(₹ in crores)

	GRATUITY		PENSION PLAN		COMPENSATED ABSENCES	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Liability at the beginning of the year	34.46	29.82	37.08	33.01	2.04	1.73
Current Service Cost	4.02	4.72	-	-	0.97	0.89
Interest Cost	2.27	2.21	2.46	2.46	0.13	0.13
Actuarial (gain)/loss on obligations	(3.99)	(0.68)	(2.26)	3.30	(0.22)	(0.66)
Benefits Paid	(1.81)	(1.63)	(1.69)	(1.69)	(0.11)	(0.05)
Benefits Transferred in	0.15	0.02	-	-	-	-
Benefits Transferred out	(0.15)	-	-	-	-	-
Liability at the end of the year	34.95	34.46	35.59	37.08	2.81	2.04

iii) Changes in Fair value of Plan Assets :

(₹ in crores)

	GRATUITY		PENSION PLAN		COMPENSATED ABSENCES	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Fair Value of Plan Assets at the beginning of the year	34.09	30.96	-	-	-	-
Adjustment to Opening Balance	0.33	(0.13)	-	-	-	-
Return on Plan Assets excluding amount included in interest income	0.07	2.47	-	-	-	-
Interest Income	2.28	2.19	-	-	-	-
Employer's Contributions	0.17	0.22	1.69	1.69	0.11	0.05
Benefits Paid	(1.81)	(1.62)	(1.69)	(1.69)	(0.11)	(0.05)
Fair Value of Plan Assets at the end of the year	35.13	34.09	-	-	-	-

iv) Funded Status :

(₹ in crores)

	GRATUITY	
	AS AT 31/03/2018	AS AT 31/03/2017
Present value of funded defined benefit obligation	34.95	34.46
Fair value of plan assets	(35.13)	(34.09)
(Surplus) / Deficit of Plan assets over obligations	(0.18)	0.37

v) Remeasurement of the net defined liability / (asset) :

(₹ in crores)

	GRATUITY		PENSION PLAN		COMPENSATED ABSENCES	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
(Gain)/loss on obligation due to change in demographic assumptions	(2.10)	(0.29)	-	-	(0.01)	-
(Gain)/loss on obligation due to change in financial assumptions	(1.66)	1.63	-	-	(0.03)	0.08
(Gain)/loss on obligation due to change in experience adjustments	(0.22)	(2.02)	(2.26)	3.30	(0.18)	(0.74)
Total Actuarial (gain)/loss	(3.98)	(0.68)	(2.26)	3.30	(0.22)	(0.66)

vi) Actual Return on Plan Assets :

(₹ in crores)

	GRATUITY	
	CURRENT YEAR	PREVIOUS YEAR
Return on Plan Assets excl. interest Income	0.83	3.13
Interest Income	2.28	2.19
Actual Return on Plan Assets	3.11	5.32

vii) Amount Recognised in the Balance Sheet :

(₹ in crores)

	GRATUITY		PENSION PLAN		COMPENSATED ABSENCES	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
Liability at the end of the year	34.95	34.46	35.59	37.08	2.81	2.04
Fair Value of Plan Assets at the end of the year	35.13	34.09	-	-	-	-
Short Term Liability	-	-	-	-	1.30	1.20
(Asset)/Liability recognised in the Balance Sheet (net)	(0.18)	0.37	35.59	37.08	4.11	3.24

viii) Expenses recognised in the Statement of Profit and Loss :

(₹ in crores)

	GRATUITY		PENSION PLAN		COMPENSATED ABSENCES	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Current Service Cost	4.02	4.72	-	-	0.97	0.89
Net Interest	(0.01)	0.02	2.46	2.46	0.13	0.13
Net Actuarial (gain)/loss to be recognised	-	-	-	-	(0.22)	(0.66)
Expenses recognised in the Statement of Profit and Loss	4.01	4.74	2.46	2.46	0.88	0.36

ix) Other Comprehensive Income (OCI) :

(₹ in crores)

	GRATUITY		PENSION PLAN		COMPENSATED ABSENCES	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Actuarial (Gain)/Loss recognised for the period	(3.98)	(0.68)	(2.26)	3.30	-	-
Return on Plan Assets excl. interest Income	(0.07)	(2.47)	-	-	-	-
Total Actuarial (Gain)/Loss recognised in OCI	(4.05)	(3.15)	(2.26)	3.30	-	-

x) General description of Defined Benefit Plans :**Gratuity Plan :**

Gratuity is payable to all eligible employees of the Group on superannuation, death, permanent disablement or resignation in terms of the provisions of the Payment of Gratuity Act or as per the Group'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 plan is administered by a separate fund that is legally separated from the Group. The Group's investment strategy in respect of its funded plan is implemented within the framework of the applicable statutory requirements.

The plan exposes 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.

Retirement Benefit Scheme including Pension Plan :

Under the Group's Retirement Benefit Scheme for the Whole-time Directors, all the eligible Whole-time Directors are entitled to the benefits of the scheme only after attaining the age of 62 years, except for retirement due to physical disability or death while in office, in which case, the benefits shall start on his retirement due to such physical disability or death. The benefits are in the form of monthly pension @ 50% of his last drawn monthly salary subject to maximum of ₹ 1.25 crores p.a. (Previous Year : ₹ 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 expenses for self and spouse, overseas medical treatment upto ₹ 0.50 crore for self/spouse, office space including office facilities in the Group's office premises. Benefits also include use of Group's car including reimbursement of driver's salary and other related expenses during his lifetime and in the event of his demise, his spouse will be entitled to avail the said benefit during her lifetime.

Compensated Absences :

All eligible union grade employees had an option to freeze the accumulated leave balance as on June 30, 2008. Such frozen accumulated leave balance will be encashed as per the last drawn basic salary at the time of superannuation, death, permanent disablement, resignation or promotion to the non-union category.

With effect from April 1, 2012, all eligible non-union employees have an option to freeze their leave accumulation days on 30th June every year and such frozen accumulated leave balance will be encashed as per the basic salary for the month of June of the relevant year for which leave was frozen at the time of superannuation, death, permanent disablement or resignation.

For all union and non-union grade employees, maximum leave that can be carried forward is 15 days.

The leave over and above 15 days is encashed and paid to employees on June 30th of every year.

xi) The fair values of the plan assets at the end of the reporting period for each category, are as follows :

(₹ in crores)

	GRATUITY	
	AS AT 31/03/2018	AS AT 31/03/2017
Central Government securities	-	0.39
Public Sector Bonds	1.00	1.00
HDFC Group Unit Linked Plan	33.75	32.04
Total	34.75	33.43

The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets.

xii) Sensitivity Analysis :**(₹ in crores)**

PRESENT VALUE OF OBLIGATIONS	DISCOUNT RATE		SALARY ESCALATION RATE	
	+1%	-1%	+1%	-1%
Gratuity	32.61	37.71	36.83	33.28
Pension	32.54	39.98	-	-
Compensated Absences	2.69	2.95	2.91	2.72

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.

xiii) The defined benefit obligations shall mature after year ended March 31, 2018 as follows :**(₹ in crores)**

PRESENT VALUE OF OBLIGATIONS	FIRST YEAR	SECOND YEAR	THIRD YEAR	FOURTH YEAR	FIFTH YEAR	SIX TO TEN YEARS
Gratuity	3.70	4.62	3.67	3.04	3.69	15.82
Pension	1.69	1.69	1.69	1.69	1.69	8.43
Compensated Absences	0.36	0.64	0.34	0.32	0.22	1.42

NOTE 36 : SEGMENT REPORTING

The Group has identified two business segments as reportable segments on the basis of nature of business. The business segments comprise 1) Shipping business and 2) Offshore business.

The segments are defined as components of Group for which discrete financial information is available that is evaluated regularly by the Managing Directors of the segments in deciding how to allocate resources and assessing information.

Revenues and expenses attributable to segments are reported under each reportable segments.

Assets and liabilities that are attributable to segments are disclosed under each reportable segments.

(a) Segment reporting :

(₹ in crores)

	SHIPPING		OFFSHORE		TOTAL	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Revenue :						
Total Revenue	2406.07	2231.97	1001.54	1420.58	3407.61	3652.55
Less : Inter Segment Revenue					31.11	29.79
Net Revenue					3376.50	3622.76
Results :						
Profit before Interest and Tax	469.75	857.85	63.65	401.35	533.40	1259.20
Less : Interest	328.20	246.98	126.88	130.64	455.08	377.62
Total Profit before tax	141.55	610.87	(63.23)	270.71	78.32	881.58
Provision for Taxation :						
- Current tax	39.00	40.03	70.89	85.63	109.89	125.66
- Deferred Tax	-	-	210.00	0.96	210.00	0.96
- MAT Credit Utilised	(32.00)	-	-	-	(32.00)	-
Net Profit	134.55	570.84	(344.12)	184.12	(209.57)	754.96
Other Information :						
Capital Expenditure	466.95	2061.01	55.04	36.28	521.99	2097.29
Depreciation	491.50	373.61	277.17	304.30	768.67	677.91
Impairment	-	-	206.39	184.33	206.39	184.33
Interest Income	48.79	46.01	14.18	10.88	62.97	56.89

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Assets		
- Shipping	9003.31	9223.49
- Offshore	5646.15	6178.79
Total	14649.46	15402.28
Liabilities		
- Shipping	5303.43	5595.15
- Offshore	2416.81	2583.80
Total	7720.24	8178.95

(b) Information concerning principal geographic areas is as follows :**(₹ in crores)**

(i) REVENUE FROM OPERATIONS :	CURRENT YEAR	PREVIOUS YEAR
- Revenue outside India	1127.28	1181.28
- Revenue within India	1868.19	1889.41
	2995.47	3070.69

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

NOTE 37 : OPERATING LEASE**Operating Lease Commitments – where the Group is a lessee**

The Group has taken premises and equipments on leave and license basis which is similar in substance to an operating lease. The lease has varying terms and renewal rights. The particulars of leasing arrangement are as under :

(₹ in crores)

SR. NO.	PARTICULARS	AS AT 31/03/2018	AS AT 31/03/2017
(a)	Total Future Minimum Lease payments		
	- Not later than 1 year	10.09	11.24
	- Later than 1 year and not later than 5 years	14.52	17.24
		24.61	28.48

(b) Lease payments recognised in the Statement of Profit and Loss for the year are ₹ 10.42 crores (Previous Year : ₹ 19.60 crores).

(c) Vessels taken/given on time charter hire are not considered as operating lease.

NOTE 38 : RELATED PARTY TRANSACTIONS**(I) List of Related Parties :****(a) Key Management Personnel and close members of their family in employment with the Holding Company as at March 31, 2018 :**

Mr. K. M. Sheth	- Non - Executive Chairman, father of Mr. Bharat K. Sheth and Mr. Ravi K. Sheth
Mr. Bharat K. Sheth	- Deputy Chairman and Managing Director
Mr. G Shivakumar	- Executive Director and Chief Financial Officer
Mr. Tapas Icot	- Executive Director and President-Shipping
Mr. Jayesh Trivedi	- Company Secretary
Mr. Ravi K. Sheth	- Non - Executive Director of Holding Company, Executive Director of Subsidiary company
Mr. Berjis Desai	- Non - Executive Director
Mr. Cyrus Guzder	- Non - Executive Director
Mr. Farrokh Kavarana	- Non - Executive Director
Mrs. Rita Bhagwati	- Non - Executive Director
Dr. Shankar Acharya	- Non - Executive Director
Mr. Vineet Nayyar	- Non - Executive Director
Mr. Rahul R. Sheth	- Son of Mr. Ravi K. Sheth
Ms. Nirja B. Sheth	- Daughter of Mr. Bharat K. Sheth

(b) Other related parties :

Employees' Benefit Plans :

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

Greatship (India) Limited Employees Gratuity Trust

(II) Transactions with Related Parties :

(₹ in crores)

(A) NATURE OF TRANSACTIONS	OTHER RELATED PARTIES		KEY MANAGEMENT PERSONNEL AND THEIR CLOSE FAMILY MEMBERS	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Contribution to post employment benefit plans	8.89	8.11	-	-
Compensation to key management personnel and close members of their family				
- Salaries	-	-	11.07	10.85
- Post-employment benefits (Refer Note below)	-	-	1.41	6.88
- Sitting Fees	-	-	0.38	0.42
- Commission	-	-	10.51	12.67
- Dividend	-	-	20.95	11.93

(₹ in crores)

(B) OUTSTANDING BALANCES	OTHER RELATED PARTIES		KEY MANAGEMENT PERSONNEL AND THEIR CLOSE FAMILY MEMBERS	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
Advances				
- Post employment benefit plans	0.48	-	-	-
Payables				
- Post employment benefit plans	-	0.65	-	-
- Commission payable	-	-	10.51	12.67
- Provision for retirement benefits	-	-	35.59	37.08

Note :

Post employment benefits include reversal of provision for retirement pension benefits payable ₹1.35 crores (Previous Year : provision of ₹ 4.17 crores) on the basis of actuarial valuation as per the Retirement Benefits Scheme approved by the Board of Directors.

NOTE 39 : CAPITAL COMMITMENTS

(₹ in crores)

PARTICULARS	AS AT 31/03/2018	AS AT 31/03/2017
Estimated amount of contracts, net of advances paid thereon, remaining to be executed on capital account and not provided for	330.26	48.48

NOTE 40 : CONTINGENT LIABILITIES

(₹ in crores)

SR. NO.	PARTICULARS	AS AT 31/03/2018	AS AT 31/03/2017
	Claims against the Company, not acknowledged as debts :		
(a)	Sales Tax demands under BST Act, CST Act and VAT Act	76.75	11.34
(b)	Demand from the Office of the Collector and District Magistrate, Mumbai City and from Brihanmumbai Mahanagarpalika towards transfer charges for transfer of premises not acknowledged by the Holding Company.	4.34	4.34
(c)	Demand for Custom Duty disputed by the respective Companies [The Holding Company has given bank guarantees amounting to ₹ 3.63 crores (as at March 31, 2017 : ₹ 3.63 crores) against the said Custom Duty demand]	21.38	21.93
(d)	Service Tax Demands disputed by the respective Companies Demand pertains to jurisdictional applicability on charter hire, excess utilisation of CENVAT Credit, supply of fuel / diesel by the charterers and non-payment of service tax under reverse charge mechanism on various input services received from foreign vendors. Appeals have been filed against these demand orders before the appellate authorities.	304.23	410.05
(e)	Income Tax Demands for various Assessment Years disputed by the respective Companies	34.41	57.34
(f)	Demand for wharfage charges against which the Holding Company has tendered a Bank Guarantee. Stay is obtained under a Writ Petition filed against Chennai Port Trust for restraining encashment of Bank Guarantee.	0.99	0.99

Notes :

- It is not practicable for the Group 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 judgements/decisions pending with various forums/authorities.
- The Group does not expect any reimbursements in respect of the above contingent liabilities.
- The Group's pending litigations comprise of claims pertaining to proceedings pending with Income Tax, Custom, Sales Tax/VAT, Service Tax and other authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions were required and disclosed as contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

NOTE 41 : 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 (borrowings as detailed in Note 19 and offset by cash and bank balances 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 was as follows:

	(₹ in crores)	
	AS AT 31/03/2018	AS AT 31/03/2017
Debt *	6253.20	6831.43
Less : Cash and bank balances including current investments	(3775.09)	(4335.26)
Net debt	2478.11	2496.17
Total equity	6929.22	7223.33
Net debt to equity ratio	0.36	0.35

*Debt includes redeemable non-convertible debentures and term loans from banks.

B. Financial Assets and Liabilities :

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which incomes and expenses are recognised, in respect of each class of financial asset, financial liability and equity instruments are disclosed in Note 1(p) to the financial statements :

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

	(₹ in crores)	
	AS AT 31/03/2018	AS AT 31/03/2017
Financial Assets :		
Measured at Amortised Cost		
- Trade Receivables	243.45	205.10
- Cash and Cash Equivalents	878.67	1480.38
- Other Bank Balances	2076.20	1986.43
- Other Financial Assets	230.40	118.39
Measured at Fair value through Profit or Loss		
- Investments in Mutual Funds	787.45	871.58
- Investments in Quoted Equity Shares	9.67	-
- Derivative Contracts	168.16	122.20
Measured at Fair value through OCI		
- Investments in Quoted Equity Shares	59.00	3.50
- Derivative Contracts	33.61	9.28
Total	4486.61	4796.86

	AS AT 31/03/2018	AS AT 31/03/2017
Financial Liabilities :		
Measured at Amortised Cost		
- Borrowings	6213.34	6815.75
- Trade Payables	303.24	219.22
- Other Financial Liabilities	200.58	187.34
Measured at Fair value through Profit or Loss		
- Derivative Contracts	629.77	778.65
Measured at Fair value through OCI		
- Derivative Contracts	-	7.83
Total	7346.93	8008.79

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

C. Fair value hierarchy :

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels :

- > Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- > Level 2 - Inputs are 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 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

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

	(₹ in crores)	
	AS AT 31/03/2018	AS AT 31/03/2017
Financial Assets :		
Measured at Level 2		
- Investments in Mutual Funds	787.45	871.58
- Investments in Quoted Equity Shares	68.67	3.50
- Derivative Contracts	201.77	131.48
Total	1057.89	1006.56
Financial Liabilities :		
Measured at Level 2		
- Derivative Contracts	629.77	786.48
Total	629.77	786.48

Investments in Mutual Funds are valued at the net asset value of the respective units. Derivative instruments are fair valued at the 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.

D. Derivative financial instrument and risk management

The Group uses foreign exchange forward contracts, options and interest rate swaps to hedge its exposure to the movements in foreign exchange rates. The use of these reduces the risk to the Group arising out of movement in exchange and interest rates. The Group does not use foreign exchange forward contracts, currency and interest rate swaps and options for trading or speculation purposes. The Group has also entered into cross currency swaps to swap its INR/ JPY borrowings into US dollars to mitigate the exchange risk arising out of foreign currency receivables. The interest rate swap component in the cross currency swap reduces the effective interest costs to the Group.

The Group also uses commodity futures contracts for hedging the exposure to bunker price risk.

(i) Derivative instruments in hedging relationship (Cash Flow Hedges)

(a) Interest Rate Swap Contracts :

DETAILS	AS AT 31/03/2018	AS AT 31/03/2017
Total No. of contracts outstanding	16	22
Principal Notional Amount (USD in million)	235.860	299.016
Fair Value gain/(loss)- net (₹ in crores)	33.73	4.17
Maturity Period	Upto 7 Years	Upto 7 Years

(b) Forward Exchange Contracts :

DETAILS	AS AT 31/03/2018		AS AT 31/03/2017	
	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	12	-	10	-
Foreign Currency Value (USD in million)	3.000	-	17.970	-
Fair Value gain/(loss)- net (₹ in crores)	-	-	(2.16)	-
Maturity Period	Upto 1 Year	-	Upto 1 Year	-

The interest rate swaps are entered to hedge interest payments from floating to fixed on borrowings. Fair value gains /(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.

The Group had entered into forward foreign exchange contracts to hedge foreign currency risk of firm commitments and highly probable forecast transactions which had been designated as hedged instruments that qualify as effective cash flow hedges. The mark-to-market loss on these foreign exchange derivative contracts outstanding as at March 31, 2017 has been recorded in the Cash Flow Hedging Reserve. The same is transferred to the Statement of Profit and Loss on the occurrence of the underlying cash flow, except for forwards relating to vessels, whose gains/(losses) are included in the cost of the assets and recognised in the Statement of Profit and Loss over the estimated useful lives as part of depreciation expense.

(ii) Derivative instruments not in hedging relationship

(a) Forward Exchange Option Contracts :

DETAILS	AS AT 31/03/2018		AS AT 31/03/2017	
	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	-	1	-	2
Foreign Currency Value (USD in million)	-	5.000	-	20.000
Fair Value gain/(loss)- net (₹ in crores)	-	-	-	5.72
Maturity Period	-	Upto 1 year	-	Upto 1 year

(b) Forward Exchange Contracts :

DETAILS	AS AT 31/03/2018		AS AT 31/03/2017	
	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	-	1	-	-
Foreign Currency Value (USD in million)	-	2.000	-	-
Fair Value gain/(loss)- net (₹ in crores)	-	0.01	-	-
Maturity Period	-	Upto 1 Year	-	-

(c) Spot Currency Contracts :

DETAILS	AS AT 31/03/2018		AS AT 31/03/2017	
	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	-	-	1	-
Foreign Currency Value (USD in million)	-	-	9.664	-
Fair Value gain/(loss)- net (₹ in crores)	-	-	-*	-
Maturity Period	-	-	Upto 1 month	-

* Amount less than ₹ One Lakh

(d) Interest Rate Collar Contracts :

DETAILS	AS AT 31/03/2018	AS AT 31/03/2017
Total No. of contracts outstanding	3	-
Principal Notional Amount (USD in million)	28.991	-
Fair Value gain/(loss)- net (₹ in crores)	0.65	-
Maturity Period	Upto 7 Years	-

Forward exchange option contracts, forward exchange contracts and spot currency contracts mentioned under (ii) above economically hedge the underlying exposures but hedge accounting is not opted for the same. The gains/ (losses) on such are recognised in the Statement of Profit and Loss .

Forward exchange option contracts and forward exchange contracts were entered into to hedge existing/ highly probable forecast transactions denominated in foreign currency.

(iii) Currency Swap Contracts :**(a) Currency Swap Contracts (JPY to USD) :**

DETAILS	CURRENCY	AS AT 31/03/2018	AS AT 31/03/2017
Total No. of contracts outstanding		-	1
Principal Notional Amount (JPY in million)	JPY/USD	-	1148.50
Fair Value gain/(loss)- net (₹ in crores)		-	0.08
Maturity Period		-	Upto 1 Year

(b) Currency Swap Contracts (INR to USD) :

DETAILS	CURRENCY	AS AT 31/03/2018	AS AT 31/03/2017
Total No. of contracts outstanding		39	35
Principal Notional Amount (₹ in crores)	INR/USD	3135.00	3020.00
Fair Value gain/(loss)- net (₹ in crores)		(462.37)	(662.76)
Maturity Period		Upto 10 Years	Upto 10 Years

The mark-to-market gain on above mentioned currency swap contracts is recognised in the Statement of Profit and Loss.

E. Market risk**(i) Foreign currency risk**

Significant proportion of the revenues of the Group are denominated in US dollars. In order to reduce foreign currency risk arising from such receivables the Group has entered into derivative contracts to swap its INR borrowings into US dollars and incurring some of its operating and repair costs in foreign currency. The net currency exposure is then managed actively using hedged products like foreign exchange forwards and option contracts.

The Group exposure to unhedged foreign currency is listed as under :

DETAILS	CURRENCY	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
		(CURRENCY IN MILLIONS)	(CURRENCY IN MILLIONS)	(₹ IN CRORES)	(₹ IN CRORES)
Loan Liabilities and Payables	AED	2.784	1.051	4.94	1.85
	AUD	0.024	0.033	0.12	0.16
	BRL	21.636	22.052	42.32	45.12
	CAD	-	0.122	-	0.59
	CHF	0.002	0.037	0.01	0.24
	DKK	1.283	0.590	1.39	0.55
	EUR	1.677	0.561	13.52	3.88
	GBP	0.288	0.300	2.65	2.43
	JPY	59.743	59.061	3.64	3.43
	NOK	0.831	0.883	0.69	0.67
	SGD	2.406	2.558	11.97	11.88
	USD	1065.310	860.945	6943.16	5583.23
	ZAR	0.215	0.896	0.12	0.44
Receivables	AED	0.010	0.046	0.02	0.08
	AUD	-	0.033	-	0.16
	BRL	-	1.779	-	3.64
	CAD	-	0.110	-	0.54
	CHF	0.006	0.032	0.04	0.21
	DKK	0.042	0.022	0.05	0.02
	EUR	0.671	0.183	5.41	1.27

DETAILS	CURRENCY	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
		(CURRENCY IN MILLIONS)	(CURRENCY IN MILLIONS)	(₹ IN CRORES)	(₹ IN CRORES)
	GBP	0.002	0.041	0.01	0.33
	JPY	18.980	10.157	1.16	0.59
	NOK	0.016	0.060	0.01	0.05
	SGD	0.313	0.245	1.56	1.14
	USD	39.467	36.100	257.23	234.11
	ZAR	-	0.066	-	0.03
Bank Balances	AED	0.749	0.167	1.33	0.29
	EUR	0.211	0.036	1.70	0.25
	GBP	0.052	0.069	0.48	0.55
	SGD	0.437	0.763	2.18	3.54
	USD	355.086	361.098	2314.28	2341.72

Sensitivity Analysis :

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 ₹ 219.30 crores (Previous Year : ₹ 153.34 crores) in the Statement of Profit and Loss.

(ii) Interest rate risk

The Group has mix of fixed and floating rate loans and generally uses Interest rate swaps as cash flow hedges of future interest payments, which have economic effect of converting the borrowings from floating to fixed interest rate loans. 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.

Sensitivity Analysis :

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 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 to reduce the floating interest rate risk. The Group has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts.

The following table provides a breakup of the Group's fixed and floating rate borrowings :

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Fixed Rate Borrowings	3150.00	3035.00
Floating Rate Borrowings	3103.20	3796.43
Total Borrowings (Gross)	6253.20	6831.43

The sensitivity analysis below has been determined to assess the interest rate risk on floating rate borrowings during the reporting period. A 0.50% decrease in interest rates would have led to approximately gain of ₹ 8.00 crores (Previous Year : ₹ 12.23 crores) in Statement of Profit and Loss. A 0.50% increase in interest rate would have led to an equal but opposite effect.

(iii) Price risk

The Group is mainly exposed to the price risk due to its investment in debt mutual funds. The price risk arises due to uncertainties about the future market values of these investments.

Sensitivity Analysis :

A 1% increase in prices would have led to approximately an additional gain of ₹ 7.87 crores (Previous Year : ₹ 8.72 crores) in the Statement of Profit and Loss. A 1% decrease in prices would have led to an equal but opposite effect.

(iv) 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 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.

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 having high credit-ratings assigned by credit-rating agencies.

Trade receivables :

Trade receivables consist of a large number of various types of customers, spread across geographical areas. Ongoing credit evaluation is performed on the financial condition of these trade receivables and where appropriate, allowance for losses are provided. Further, the Group groups the trade receivables depending on the type of customers and accordingly credit risk is determined.

Exposure to credit risk :

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 4486.61 crores as at March 31, 2018 (as at March 31, 2017 : ₹ 4796.86 crores), being the total of the carrying amount of investments in subsidiaries, cash and cash equivalents, other bank balances, trade receivables, investments in mutual funds and other financial assets including derivatives instruments.

- 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 ₹ 48.31 crores (Previous Year : ₹ 117.61 crores).

- Financial assets that are past due and/ or provided for :

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

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

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Overdue		
- Less than 180 days	189.06	82.51
- More than 180 days	5.70	4.97
	194.76	87.48

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

	(₹ in crores)	
	AS AT 31/03/2018	AS AT 31/03/2017
Overdue		
- Less than 180 days	5.05	3.41
- More than 180 days	28.89	5.71
Less: Allowance for doubtful debts	(33.94)	(9.12)
	-	-

(v) Liquidity risk

Liquidity risk may arise from inability to meet financial obligations, including loan repayments and payments for vessel acquisitions. This is dealt with by keeping low leverage, as a result of which the Group is able to borrow even in challenging markets. It is also mitigated by keeping substantial liquidity at all times, which enables the Group to capitalise on any opportunities that may arise.

The following table shows the maturity analysis of the 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 March 31, 2018				
Borrowings	861.09	2635.91	2756.20	6253.20
Trade payables	303.24	-	-	303.24
Unpaid Dividend	7.67	-	-	7.67
Interest Accrued but not due on Borrowings	151.29	-	-	151.29
Derivative Contracts	629.77	-	-	629.77
Provision for Dividend Distribution Tax	4.79	-	-	4.79
Other Financial Liabilities	36.83	-	-	36.83
	1994.68	2635.91	2756.20	7386.79
As at March 31, 2017				
Borrowings	1049.27	3150.14	2632.02	6831.43
Trade payables	219.22	-	-	219.22
Unpaid Dividend	8.15	-	-	8.15
Interest Accrued but not due on Borrowings	144.32	-	-	144.32
Derivative Contracts	786.48	-	-	786.48
Provision for Dividend Distribution Tax	4.75	-	-	4.75
Other Financial Liabilities	30.12	-	-	30.12
	2242.31	3150.14	2632.02	8024.47

NOTE 42 : GOVERNMENT GRANTS

The Group receives government assistance in the form of Duty Free Credit Entitlement Certificates (DFCEC) under Service Exports From India Scheme (SEIS) (Previous Year : 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 DFCEC Licenses held by the Group :

	(₹ in crores)	
	CURRENT YEAR	PREVIOUS YEAR
Opening Balance	1.60	18.46
Add : Licenses received during the year	17.02	-
Less : Amount utilised during the year	(3.67)	(9.80)
Less : Amount lapsed during the year	(0.14)	(7.06)
Closing Balance	14.81	1.60

NOTE 43 : CORPORATE SOCIAL RESPONSIBILITY (CSR)

As part of its Corporate Social Responsibility, the Group has spent ₹ 12.08 crores for promoting education, knowledge enhancement and other activities during the current year (Previous Year : ₹ 9.59 crores)(Refer Note 32(m)).

NOTE 44 : ADDITIONAL INFORMATION AS REQUIRED BY SCHEDULE III OF THE COMPANIES ACT, 2013

a) As at and for the year ended March 31, 2018

NAME OF ENTERPRISE	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	₹ IN CRORES	AS % OF CONSOLIDATED PROFIT OR LOSS	₹ IN CRORES	AS % OF CONSOLIDATED OTHER COMPREHENSIVE INCOME	₹ IN CRORES	AS % OF CONSOLIDATED TOTAL COMPREHENSIVE INCOME	₹ IN CRORES
Parent								
The Great Eastern Shipping Co. Ltd.	75.41%	5225.42	-76.44%	160.19	56.51%	15.85	-96.98%	176.04
Indian Subsidiaries								
Greatship (India) Ltd.	41.17%	2852.79	178.88%	(374.88)	28.59%	8.02	202.10%	(366.86)
Great Eastern CSR Foundation	0.16%	11.20	-1.37%	2.88	-	-	-1.59%	2.88
Foreign Subsidiaries								
The Greatship (Singapore) Pte. Ltd.	0.10%	6.72	-0.33%	0.69	1.00%	0.28	-0.53%	0.97
The Great Eastern Chartering L.L.C. (FZC)	2.01%	139.57	-0.69%	1.44	13.90%	3.90	-2.94%	5.34
Intercompany Eliminations/ Adjust- ments	118.85%	8235.70	100.05%	(209.68)	100.00%	28.05	100.06%	(181.63)
	-18.85%	(1306.48)	-0.05%	0.11	-	-	-0.06%	0.11
Total	100.00%	6929.22	100.00%	(209.57)	100.00%	28.05	100.00%	(181.52)

b) As at and for the year ended March 31, 2017

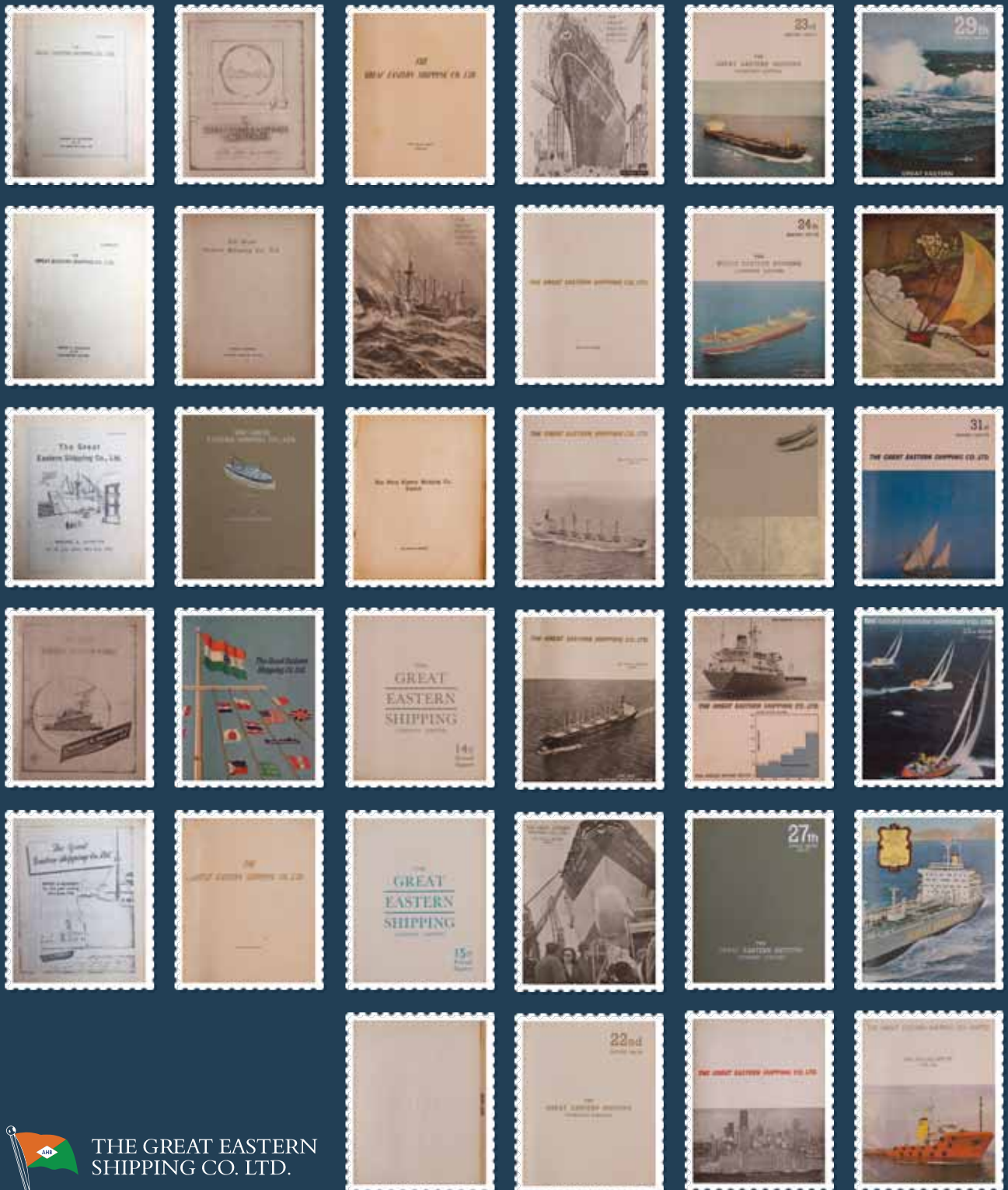
NAME OF ENTERPRISE	NET ASSETS, I.E., TOTAL ASSETS MINUS TOTAL LIABILITIES		SHARE IN PROFIT OR LOSS		SHARE IN OTHER COMPREHENSIVE INCOME		SHARE IN TOTAL COMPREHENSIVE INCOME	
	AS % OF CONSOLIDATED NET ASSETS	₹ IN CRORES	AS % OF CONSOLIDATED PROFIT OR LOSS	₹ IN CRORES	AS % OF CONSOLIDATED OTHER COMPREHENSIVE INCOME	₹ IN CRORES	AS % OF CONSOLIDATED TOTAL COMPREHENSIVE INCOME	₹ IN CRORES
Parent								
The Great Eastern Shipping Co. Ltd.	71.46%	5162.02	79.66%	601.39	-3.27%	1.13	83.63%	602.52
Indian Subsidiaries								
Greatship (India) Ltd.	44.57%	3219.66	20.49%	154.71	96.84%	(33.45)	16.83%	121.26
Great Eastern CSR Foundation	0.12%	8.32	0.24%	1.81	-	-	0.25%	1.81
Foreign Subsidiaries								
The Greatship (Singapore) Pte. Ltd.	0.08%	5.58	0.08%	0.63	0.58%	(0.20)	0.06%	0.43
The Great Eastern Chartering L.L.C. (FZC)	1.86%	134.23	-0.52%	(3.95)	4.52%	(1.56)	-0.76%	(5.51)
	118.09%	8529.81	99.95%	754.59	98.67%	(34.08)	100.01%	720.51
Intercompany Eliminations/ Adjust- ments	-18.09%	(1306.48)	0.05%	0.37	1.33%	(0.46)	-0.01%	(0.09)
Total	100.00%	7223.33	100.00%	754.96	100.00%	(34.54)	100.00%	720.42

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THE GREAT EASTERN
SHIPPING CO. LTD.

REGISTERED OFFICE
OCEAN HOUSE
134/A, Dr. Annie Besant Road,
Worli, Mumbai - 400 018

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