



**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 Sixty Ninth 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 Thursday, August 10, 2017 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, 2017, 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, 2017 and report of Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. K. M. Sheth (DIN: 00022079), 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 an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (including any modification(s) or re-enactment thereof for the time being in force) and the Rules framed thereunder and pursuant to the recommendation of the Audit Committee, Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No.117366W/W-100018), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (‘AGM’) till the conclusion of the sixth consecutive Annual General Meeting of the Company to be held in the calendar year 2022 (subject to ratification of the appointment by Members at every AGM held after this AGM) at a remuneration to be determined by the Board of Directors.”

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 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 ₹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, May 05, 2017

By Order of the Board

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

Jayesh M. Trivedi
Company Secretary

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 No. 5 herein above, is annexed hereto.
5. The Register of Members and Share Transfer Books of the Company will remain closed from August 04, 2017 to August 10, 2017 (both days inclusive).
6. The dividend declared at the Annual General Meeting will be made payable on or after August 11, 2017, 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, 2017 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 205A(5) of the Companies Act, 1956, the Company has transferred the unclaimed dividend for the year 2008- 09 (55th 2nd and 3rd interim dividend) to the Investor Education and Protection Fund (IEPF). All unclaimed dividend for the year 2009-10 (56th final dividend) will be due for transfer to the IEPF on August 28, 2017 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 August 28, 2017. 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 5 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 Monday, August 07, 2017 and ends at 5.00 p.m. on Wednesday, August 09, 2017. The remote e-voting module will be disabled by Karvy for voting thereafter.

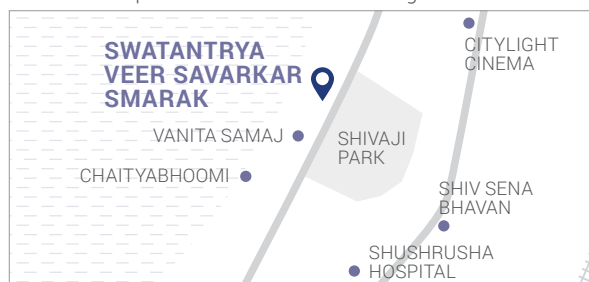
B. In case a Member receives physical copy of the Notice of AGM (for members whose email IDs are not registered with the Company/ Depository Participant):

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. Thursday, August 03, 2017 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: 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: <http://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, 2017 ('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, 2017. 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 NO. 5:

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. 5 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. 5 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, May 05, 2017.

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CIN : L35110MH1948PLC006472

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. K. M. SHETH (age: 85 years) joined the Company in 1952 and was inducted on the Board 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 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 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.

As on date, Mr. K.M. Sheth holds 2,78,133 equity shares in the Company. He has attended all 5 Board meetings held during the financial year 2016-17.



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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 69th Annual General Meeting, to be held on Thursday, August 10, 2017 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:

RESOLUTION NO.	DESCRIPTION
1	Adoption of audited standalone and consolidated financial statements for the financial year ended March 31, 2017, the reports of the Board of Directors and Auditors thereon.
2	Declaration of dividend on equity shares.
3	Re-appointment of Mr. K. M. Sheth as Director of the Company liable to retire by rotation.

RESOLUTION NO.	DESCRIPTION
4	Appointment of Deloitte Haskins & Sells LLP, Chartered Accountants as Auditors of the Company.
5	Issue of secured/unsecured redeemable non – convertible debentures aggregating up to ₹1,000 crores.

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 2017.

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.

2. A proxy need not be a Member of the Company.

3. 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.

4. 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.

5. Appointing a proxy does not prevent a Member from attending the meeting in person if he/she so wishes.

6. 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.

69TH ANNUAL REPORT 2016-17



CHAIRMAN'S STATEMENT



Dear Shareholders,

This year, I wish to address through the Chairman's Letter a host of issues, from covering a deeper understanding of our business to our philosophy on investments and some of the challenges we face as an Indian ship-owner.

Excellence, not short-term profits, is what drives us. This is not to say that profits are unimportant; after all, profit determines our ability to pay dividends and provides us the necessary resources to grow our business. However, our focus on excellence, is what I believe, will create an organizational DNA that will stand for something valuable a generation or two from now, while enabling the company to outperform over the long-term. In the end this will help to create superior value for our stakeholders.

Shipping, as we know too well, is a truly global business in every respect as well as a cyclical and volatile one in which many moving parts across the world has a bearing on earnings as well as asset values. It is not unusual to see swings of 50% or more in earnings and swings of 30% or more in values within a period of twelve months. The natural outcome is that shipping is not a linear result oriented industry and hence issues such as quarter-on-quarter growth of revenue or profit are of little relevance.

This therefore begs the question as to the most prudent strategy for a management team to follow towards creating long term value in such an industry.

At its core, success in the commodity shipping business can come by doing two basic things well: buying and selling the right ships at the right price and time, and running the ships well in the interim. Let us discuss our approach to both of these.

Shipping is a highly capital intensive business where allocation of capital is one of the key determinants of long term profitability. As you may have noticed, interest and depreciation, which are directly affected by the capital cost of the asset, constitute almost half of our operating cost base. This shows the key role that the acquisition price of ships plays in our profitability.

This leads to critical decisions that the management needs to take on when is the 'right' time to buy and whether long term returns are better served by being diversified or focusing on a single sector of the industry. On both these issues we have had intense internal discussions. On the issue of diversification within shipping, we believe that staying diversified is more beneficial as shipping cycles across sectors do not move in tandem and thus we gain more trading opportunities across assets whilst also reducing the time we need to sit on 'cash'. This is of course not to say that moving across asset classes will be seamless and therefore there will be periods of time when cash is the best bet for building long term value.

We have done a lot of work trying to identify the right price for different types of assets. In most cases, this coincides with very weak freight markets, which means that charter rates are unremunerative if not loss-making, i.e., earning a very low or negative current yield. As a result, the purchase decision which is good for the long term is often detrimental to the short term profitability of the company. Conversely, an asset bought in the high part of the freight rate cycle is likely to produce strong returns in the short term, but is likely to produce sub-par returns when considered over the life of the project.

While we believe that above approach will lead to superior returns on our future investments, it is not possible to time troughs and peaks perfectly. However, we expect that investing with such a 'value-based' rather than a 'momentum-based' approach will deliver US Dollars returns on capital in excess of 10% over an investment horizon of 3 to 5 years. With some leverage thrown in, this can translate to an even higher return on equity.

The one possible downside with the value investing method is that there may be significant periods of time when we are unable to invest due to prices not being right. In such times, and with a focus on longer term returns, we will resist the temptation to move from 'low yielding' cash to 'higher yielding' assets.

Another important aspect of the value investing framework, and reason for holding cash, is risk management. Since investments are done in a down-cycle, when operating cash flows are low, there is a need to ensure that your company can continue to operate, without stress, while waiting for the cyclical upturn. This requires cash, and your company will always have adequate amount of cash on its balance sheet at all times. Though this does in theory result in a lower overall return on the balance sheet, we believe that having this flexibility enhances our ability to take the correct commercial decisions without being forced to by financial stress. I call this 'patient capital'.

Yet another challenging aspect of buying ships, particularly second-hand ones, is identifying quality. Our assessment team more often than not gets less than a day in such identification! And, therefore, in this limited time available experience in assessment is invaluable. Last year, for example, we inspected 44 ships to buy just 11. Just as buying quality ships at low points of the cycle is important, so is the decision on how to trade them. Each day our marketing team is left to decide whether it is prudent to commit the ship for a 'spot' voyage of 10 to

50 days, for a year, or indeed to commit the vessel for 3 to 5 years. This is never an easy decision but one that can make significant difference in the eventual returns on the project. The reason I say that it is a difficult decision is that in weak markets longer term earnings are in contango (i.e., higher than short term earnings) while in strong markets they are in backwardation (lower than short term earnings). The temptation is always to capture the higher of the two. This is, more often than not, a classic trap; a long term study of markets has revealed that it is better to keep the assets trading 'spot' in weak markets and vice-versa. This again brings us to the old conflict of long term results versus short term profitability, where we have concluded that results are best judged over the long term rather than on an annual basis. Again, keeping cash in hand to ride out the markets gives us this flexibility.

Shipping being a service industry it is paramount that our assets are kept to very high standards and that the quality of people who run them are second to none. The safety of our seafarers, cargo, and ships is most important to us. Our dedicated quality, safety, and training teams regularly visit ships imparting training and ensuring that robust systems are laid out and followed without compromise.

On the technical front, in order to ensure that our ships are kept to the highest standard each ship is visited on average four to six times in a year, with every aspect of the ship being microscopically analyzed. This focus on quality does not always lead to extra earnings, particularly so with our Indian PSU customers, who are unfortunately guided only by the cheapest rate and tend not to reward strong overall performance. I would implore Indian PSUs to reconsider this approach with a strong emphasis on quality for only then will Indian shipping as a whole move towards achieving excellence.

We have built a dedicated team that will focus solely on the quality of seafarers. Members of our crew are eventually our brand ambassadors on our ships that trade across the world. They are often our link

to our customers and their efficiency of performance leads to customer satisfaction, something which is very important in our business. With the performance of our crew so critical to not just our brand, but the brand of the Indian shipping industry as well, it is very important we must have the ability to hire the best talent in the market. That talent may or may not be Indian. Sadly - and this is a major impediment to us as an Indian shipowner - we are prohibited to source overseas talent to man our ships. Due to Indian taxation issues, we lose some of our best Indian talent to overseas companies. While peers in our industry across the world can pick and choose from a host of nationalities, we in India cannot. Ironically, nothing precludes us from employing foreign nationals to work with us in our offices! I firmly believe that this archaic rule that restricts us from employing the best global talent needs to be addressed expeditiously without which we will always be disadvantaged. This is not to take away from the quality of people on our ships, just to point out that we need more flexibility to be able to compete. If the Indian government is serious in its intent of unshackling serious constraints on industry and has a genuine desire to create global players from amongst us, it must act expeditiously on this.

On the subject of Government, I believe that their understanding of the nuances of our industry and what it takes to create global competitiveness is at times inadequate. The main role of any Government is to provide an environment which encourages growth, eases business impediments and then demands best in class performance from the industry. We Indians are second to none in capability and I, for one, strongly believe that provided with the right environment, we can put Indian shipping at the very top in the world.

Let me now discuss our investment and state of affairs in the offshore sector, in which our largest subsidiary Greatship (India) Limited operates. Currently this sector is experiencing its worst phase in recent memory with oil prices having

witnessed a significant drop. All E&P companies are curtailing fresh expenditure and squeezing costs, and we are feeling the full brunt of this as a service provider.

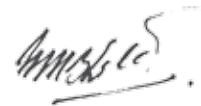
Luckily for us we have successfully paid down a large part of the debt in Greatship over the last ten years, and are thus in a better position to weather the storm than most of our peers. Amidst all the gloom that currently surrounds this sector there will emerge a greater demand for well capitalized companies with a high degree of operational efficiency. On both these counts we score very highly and this will undoubtedly stand us in good stead in obtaining business for our assets.

As a direct consequence of the extreme market conditions asset values too are at multi year lows. The logical question that begs discussion is whether we should be investing at current levels. Unlike shipping the business of offshore has an added challenge of utilization and therefore depending on the length of this weak phase of the cycle, there is a significant negative carry on incremental investments. We are currently in the process of an internal debate on how best to respond to the current market situation.

To conclude, the management is taking every possible step in raising the bar, be it towards operational efficiency, maintenance of assets, attracting the best talent, or improving its process of capital allocation. We believe that all of this together will provide a superior long term return to the shareholders in time to come.

Thank you!

With warm regards,



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

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

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AUDITORS

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Kalpataru Heritage
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Mumbai - 400 001

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Tamarind Tree Foundation - Mobile learning

CORPORATE SOCIAL RESPONSIBILITY

CORPORATE SOCIAL RESPONSIBILITY



GREAT EASTERN
CSR FOUNDATION

Corporate Social Responsibility (CSR) at Great Eastern has seen a definitive progression since its inception in 2015. FY 2016-17 witnessed a notable growth in our portfolio of NGOs, with our partnerships increasing from twelve to fifteen NGO partners. Significantly, the latest projects added to the portfolio focus on livelihood creation for women in drought hit areas of Maharashtra. Altogether, Great Eastern CSR is impacting the lives of people in approximately 40000 households in the country.

Employee volunteering at Great Eastern has also seen significant movement in FY 2016-17. Employees of both Great Eastern and Greatship are increasingly coming to see the inherent value of giving and volunteering.

At Great Eastern, we continue to evolve our CSR program and to learn as we grow. Our work will consistently aim to contribute to the triple bottom line – people, planet and profit. Consequently, we continue to focus on understanding the numerous socio-economic issues in our communities and use that understanding to contribute towards the improvement of society.

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 Education, Health and Livelihood/Skilling.

EDUCATION

- General education promotion i.e. improving the quality of education and/or making education accessible among children from under-served sections of the population.
- Promoting education for physically and mentally challenged children.
- Promoting education for 'extremely vulnerable' children. Special focus is given to projects, which cater to the most vulnerable sections such as slum and street children, tribal children with little access to education etc.

HEALTH

- Support to health, hygiene and nutrition activities that directly compliment the educational access/ progress of the target children.

LIVELIHOOD/ SKILLING

- Support to livelihood promotion through community interventions.
- Skill training programs for youth with focus on facilitating livelihoods (job / self entrepreneurship).

NGO PARTNERS

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

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 18 students from low economic backgrounds.

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. Today, Teach-For-India is in 7 cities - Mumbai, Pune, Delhi, Hyderabad, Chennai, Ahmedabad and Bengaluru.

OUR SUPPORT

In order to help the organization build a movement of leaders to eliminate educational inequity, **GECSRF is funding 46 Fellows from Pune and Delhi.** The funds are going towards the recruitment, selection, training and placement of Fellows in under-resourced classrooms as full-time teachers for a period of two years.

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 6. 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 allow 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 165 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.



Teach for India: students



Tamarind Tree: classroom



3.2.1 : students

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, 400 children are receiving high quality education and more than 51 teachers are receiving the training required to give them the skills needed to motivate and teach the children of Muktangan.**

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. In FY 2016-17 GECSRF supported their teacher training program which resulted in the spread of quality education across multiple schools.**

SWADES FOUNDATION

ABOUT

Founded by Ronnie and Zarina Screwvala, the Swades Foundation operates with the aim to empower rural India. Swades runs a 360 degree model within the Raigad Region of Maharashtra. The model focuses on agriculture, livelihood, education, water, sanitation, community mobilisation, health and nutrition.

OUR SUPPORT

GECSRF is funding Swades to implement the 360 degree program (holistic intervention with focus on education, health, sanitation, water, agriculture/livelihoods, etc.) in one Gram Panchayat and education and livelihood interventions in 5 Gram Panchayats in Raigad, Maharashtra. **This one year project funding helped improve the lives of at least 1200 rural families in the district of Raigad.**

MASOOM

ABOUT

Founded by Nikita Ketkar, Masoom works with night school students to work on 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 and 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

During the first year of the partnership (FY 15-16), GECSRF funded Masoom's work in two night schools (one in Malad and one in Andheri, Mumbai) to provide quality resources and support to the students and faculty. The children supported through this program were extremely hardworking and motivated young adults who worked long hours during the day and came to school to finish their education post work hours. Given the stellar work done by the organization and the results it had shown, GECSRF expanded its funding to fund two more night schools (one in Worli and one in Mulund, Mumbai). Currently, through our combined efforts with Masoom, **more than 300 students are benefiting from the resources and expertise provided by Masoom.**

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 has partnered with Pratham to provide support for two of their 'Learning Centres' and to improve the quality of education through intervention in a part government school in Chembur. **Through these interventions, more than 800 children from some of the most vulnerable backgrounds are receiving high quality education and learning aids.**



Pratham : classroom

HELEN KELLER INSTITUTE FOR DEAF & DEAFBLIND

ABOUT

Helen Keller Institute works with deaf and deafblind children by providing a multitude of services such as counselling services, therapy, special education etc. It is the first institute in Asia to start a programme for deafblind children. Its commitment came from the belief that, "No one is incapable of being taught and no one can do without education". Helen Keller runs a robust special teachers training program that equips teachers with the skills required to work with children with multiple disabilities.

OUR SUPPORT

GECSRF is supporting the special teacher's training program which trains individuals to become fully capable of teaching deaf and deafblind (as well as other disabilities) children. **Through GECSRF funds, 25 special educators were supported, who upon completion of their course have moved on to serve needy children across the country.**



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.

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 40 Career Aware groups which will result in **1360 children and youth receiving life skills and training to improve their chances of getting employment.**



LAHI : Skill training

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 to support 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.**

MANN DESHI FOUNDATION (MDF)

ABOUT

MDF was founded in 1996 by 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)
- 7 Mann Deshi Business Schools (one at each bank branch)
- 3 Mobile Business Schools

OUR SUPPORT

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

SWAYAM SHIKSHAN PRAYOG (SSP)

ABOUT

Founded by 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 50 villages in Latur and Osmanabad in Maharashtra in addition to sustainable solutions to drought and allied issues.



XRCVC : Laboratory skill training

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. **This is having a direct impact on more than 250 children and indirect impact at a national level.**

EMPLOYEE ENGAGEMENT

Employee volunteering has seen even larger growth in 2016-17, with an increasing number of employees starting to offer their time and expertise to our various projects.

Volunteering during the last year focused on tapping the significant talent pool that exists in Great Eastern. Through our various mentorship programs in collaboration with our NGO partners, a number of GE Employees have started to guide economically disadvantaged youth 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.

GECSRF has also continued its very productive partnership with The Wishing Well Foundation in order to run multiple donation drives throughout the year. Employees have been exceedingly generous and made considerable donations. GECSRF also ran blood donation drives in partnership with Tata Memorial Hospital and KEM. The units collected were donated for the free treatment of poor cancer patients and other patients from low income families.

GOING FORWARD

In the coming year, GECSRF will focus on consolidating the impact of the work already going on and exploring the scope for adding further value to the work of our partners through networking support, capacity building inputs, knowledge sharing platforms and so on.

In terms of new partnership, our aim would be to identify rewarding projects in significantly under-served geographies and communities.

On the Employee Engagement front, we hope to proactively convert the goodwill generated over the last 2 years into actual, impactful social volunteering programs that will benefit our local communities.



Jag Arya : Crew carrying out drill

BOARD'S REPORT

BOARD'S REPORT

Your Directors are pleased to present the 69th Annual Report on the business operations and the Financial Statements of your Company for the financial year ended March 31, 2017.

FINANCIAL PERFORMANCE

The financial results of the Company (standalone) for the financial year ended March 31, 2017 are presented below:

(₹ in crores)

	2016-17	2015-16*
Total Revenue	2226.74	2110.39
Total Expenses	1585.35	1473.11
Profit before tax	641.39	637.28
Less : Tax Expenses	40.00	19.00
Profit for the period	601.39	618.28

Retained Earnings		
Balance at the beginning of the year	1558.29	1448.45
Add :		
- Profit for the year	601.39	618.28
- Other Comprehensive Income	(2.14)	(1.34)
Less :		
-Transfer to Tonnage tax reserve	100.00	125.00
-Transfer to Debenture redemption reserve	591.25	25.00
-Dividend on Equity Shares	54.28	309.09
-Dividend Distribution Tax	6.30	48.01
Balance at the end of the year	1405.71	1558.29

*recasted as per Ind AS

The net worth of the Company as on March 31, 2017 was ₹5162.02 crores as compared to ₹4620.08 crores for the previous year.

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

DIVIDEND

During the year, your Directors declared and paid an interim dividend of ₹3.60 per share, resulting in an outflow of ₹60.58 crores (inclusive of tax on dividend).

Your Directors recommend a final dividend of ₹6.50 per share which will result in an outflow of ₹117.96 crores (inclusive of tax on dividend). The dividend will be paid after your approval at the ensuing Annual General Meeting. The aggregate outflow on account of the equity dividend for the year will be ₹178.54 crores (inclusive of tax on dividend). This represents a payout ratio of 29.69% (previous year 39.46%).

MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY PERFORMANCE

In Financial Year (FY) 17, the Company recorded a total income of ₹2226.74 crores (Previous year ₹2110.39 crores) and earned a PBIDT of ₹1261.97 crores (previous year ₹1,108.30 crores).

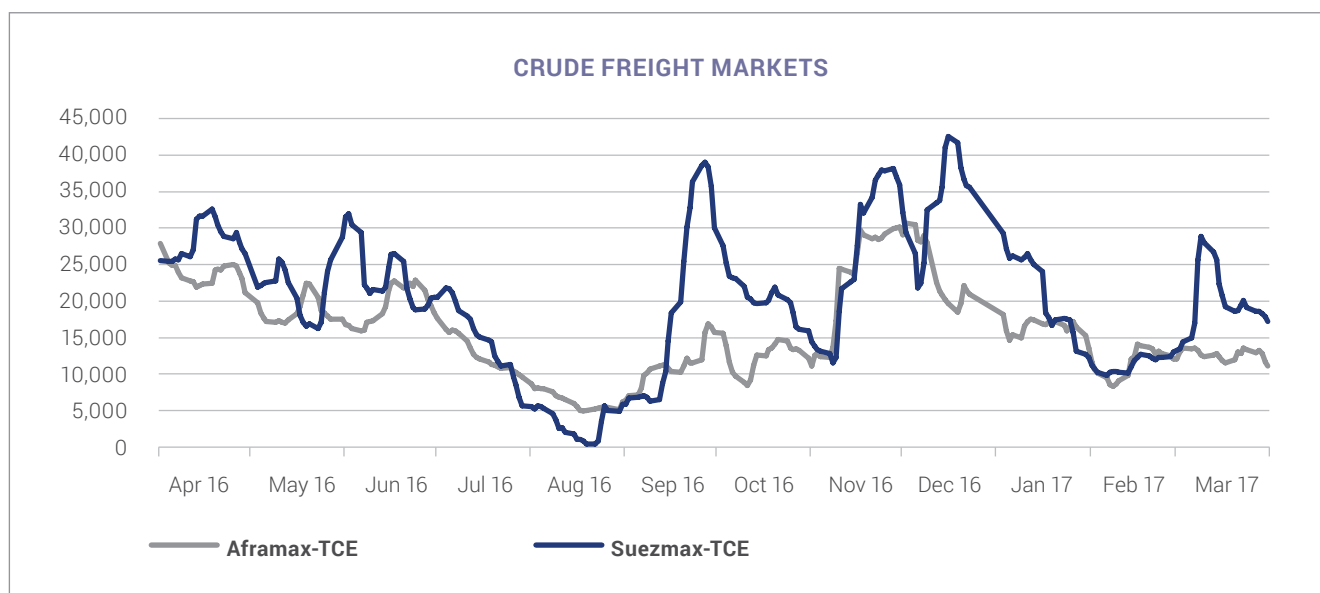
MARKET ANALYSIS

CRUDE MARKETS

The crude oil tanker market in FY 17 saw lower earnings than FY 16 due to the following factors:

- Disruptions in oil supply from West Africa and Canada.
- Oil demand growth slowed down to below 1.4 mbpd coupled with a significant growth in fleet supply at 6.5%.
- Flattening oil price curve leading to less demand for ships for storage and release of a significant number of ships already held in floating storage.
- Weaker refining margins, compared to last year, as products inventory was drawn down, leading to lower crude demand by refineries.

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



Source: Baltic Exchange

These weak earnings led to healthy correction in asset prices for the crude ships and the Company was able to capitalize on the same by acquiring a few modern ships. The Company believes that these acquisitions will be value accretive to the shareholders in the long term.

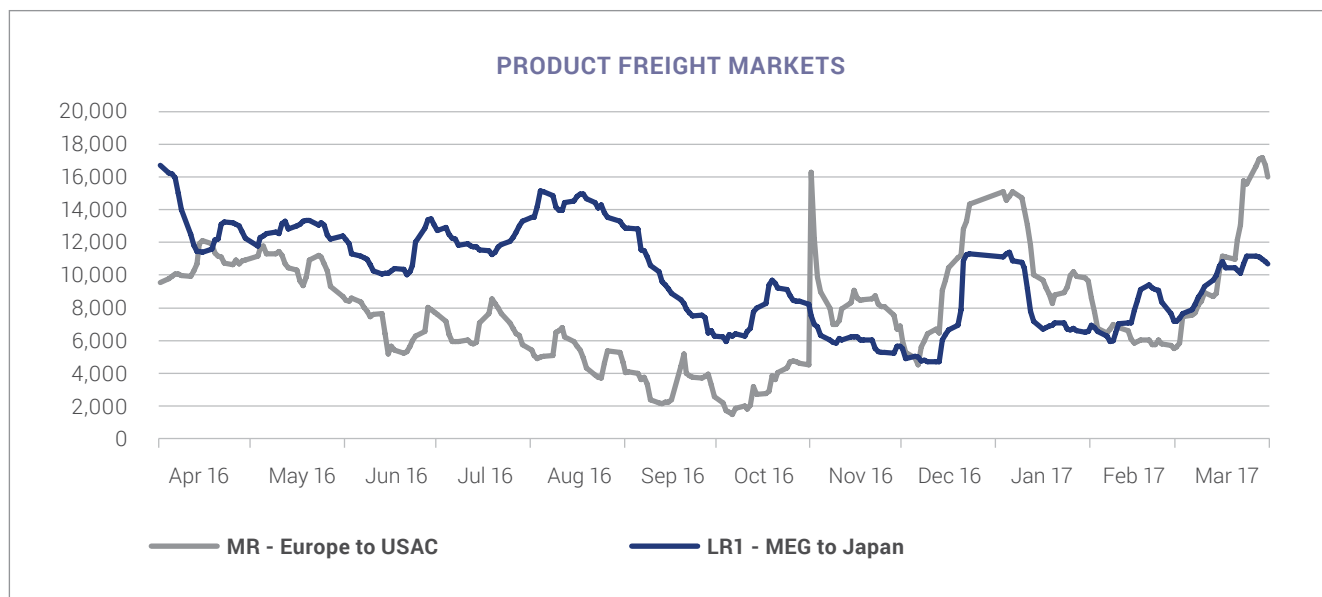
In FY 17, crude tankers, inclusive of 'spot' and 'period', earned an average TCY of \$ 21,853 /day (previous year \$31,913/day).

PRODUCT MARKETS

The clean products trade in FY 17 was adversely affected due to the following factors:

- Due to high refinery runs in FY 16, inventory of products increased significantly, capping product prices and shutting many arbitrage plays.
- The West to East movement of naphtha almost came to a standstill, while the movement of cargo between the EU and US reduced as well.
- Crude prices also began to rise which further added strain to refinery margins.
- The lack of a contango led to a reduction in the number of vessels employed on storage and in slow steaming on certain vessels.
- Fleet supply was also quite strong at 5.5%.

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



Source: Baltic Exchange

As a result of the lackluster earnings, the prices of the clean ships also corrected. The Company bought an MR tanker during FY 17 and also entered into a contract to buy another modern MR tanker just after the conclusion of the financial year. The Company believes that these acquisitions will also be value accretive in the long term.

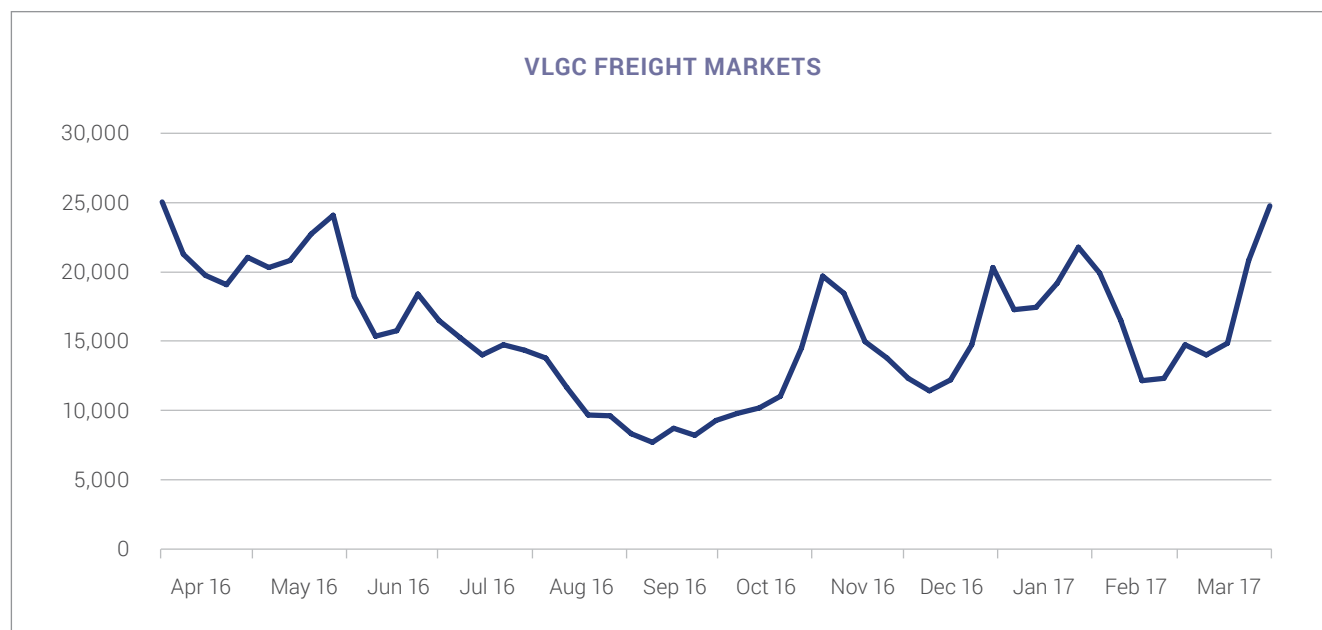
Product carriers, inclusive of 'spot' and 'period', earned an average TCY of \$ 15,707/day (previous year \$20,155/day).

GAS MARKET

The rise of the gas market over the last few years had been characterized broadly by robust demand and the incremental LPG flowing from the US gulf Asia rather than middle east thus contributing tonne miles. To put it in perspective, the total LPG exports from the US, which was 1.42 Mn tons in 2006, grew to about 27-28 Mn tons in Cal 2016, with the majority destined for Asia.

However in FY 17, the fall in crude prices has led to a major slowdown in shale production which consequently has reduced the supply of LPG. Price increases in the US and depressed prices in Asia led to the elimination of arbitrage opportunities. While fundamental demand still remains strong, the cargoes have reduced on the margin. FY 17 also witnessed unprecedented fleet growth at 14.76% with minimal scrapping. As a result the freight markets remained under pressure in FY 17.

The graph below shows the VLGC earnings for FY 17 (\$/day).



Source: Clarksons

The Gas carriers, inclusive of 'spot' and 'period', earned an average TCY of \$ 38,114/day (previous year \$77,586/day).

DRY BULK MARKETS

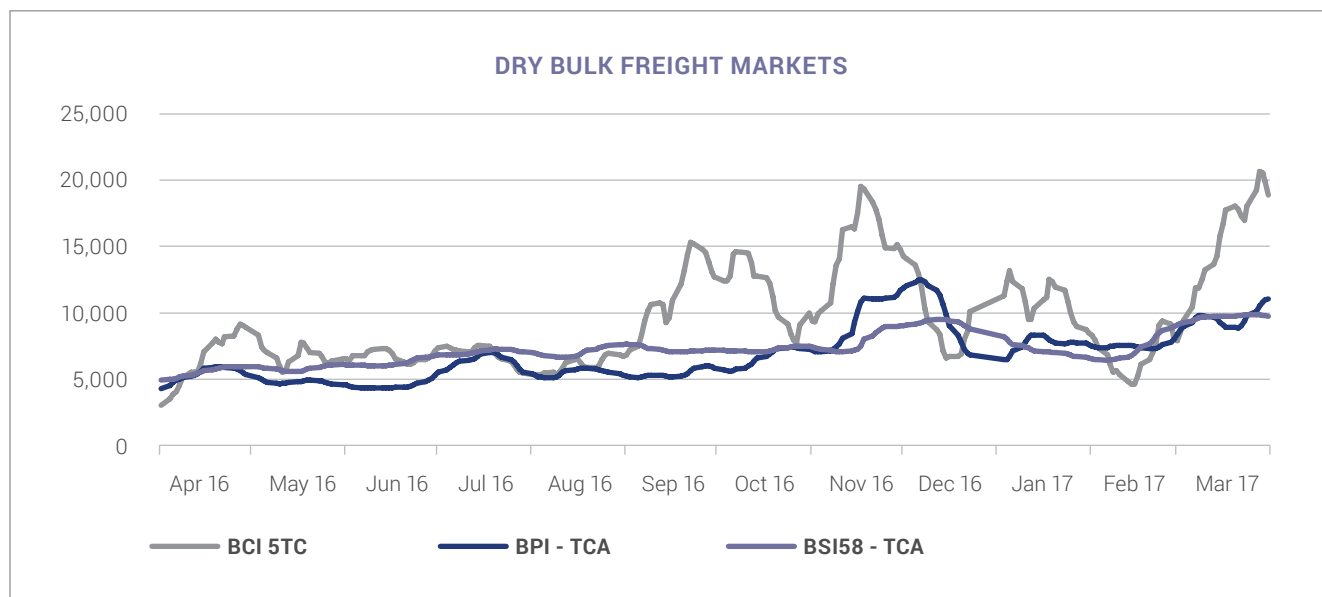
The dry bulk markets began the financial year on a weak note, thus continuing the sentiment of the previous financial year. The defining characteristic of the Dry Bulk market over the last few years is that it is intrinsically dependent on what happens to Chinese cargo volumes.

The following events followed each other during the financial year:

- China closed some iron ore mines with a focus on reducing pollution and steel mills focused more on high quality imported ore. This resulted in a boost in imports.
- The Chinese government in a measure to combat air pollution shut around 290 Mn tons of domestic coal mining capacity, leading to a surge in high quality imported coal.
- The fleet supply remained subdued during the first three quarters due to a high level of scrapping.

The raft of measures by the Chinese government led to a steadily strengthening market through the year with the fourth quarter taking a major turn upwards. The Company purchased several dry bulk ships in the financial year in order to capitalise on the low asset values. These acquisitions are already proving to be value accretive.

The table below shows the earnings of the various Dry bulk ships over FY 17 (\$/day).



Source: Baltic Exchange

In FY 17, the average TCY for dry bulk vessels, inclusive of 'spot' and 'period', was approximately \$ 7,051 /day as compared to \$ 6,638/day in the previous year.

FLEET SIZE AND CHANGE DURING THE FINANCIAL YEAR

As of 31st March 2017, the fleet of your Company stood at 44 ships aggregating 3.69 Mn dwt, with an average age of 9.41 years. During the financial year, your Company took delivery of 7 tankers, 1 Very Large Gas Carrier and 6 Dry bulk carriers aggregating 1.39 Mn dwt. The Company also sold an Aframax tanker in the financial year.

MOVEMENT OF ASSET VALUES

The weakness of the tanker freight markets translated into the weakening of vessel values over the year. The crude vessels lost about 35% - 40% of the value depending on size and age whereas the clean vessels lost about 20% - 30% of their value depending on size and age. The value of the dry bulk vessels moved up on the back of strengthening freight rates with gains of 40% – 80%. Currently, the Company believes that the values of crude tankers have a negative bias especially of the older vessels while the clean tankers have stabilised in values. The values of the dry bulk assets continue to exhibit positive bias on their current valuations.

ORDER BOOK AND OUTLOOK

The tanker order book stands at about 12.6% of the fleet. The majority of this order book is slated to be delivered over the next 12-15 months. As this order book delivers, coupled with the expected extension of OPEC cuts and lower refinery throughputs, the tanker freight markets are expected to remain subdued over the next 6-9 months where after secular demand is expected to make its effect felt on the markets.

The Dry Bulk order book stands at about 8.1% of the fleet and the majority of it is slated to be delivered over the next 12-15 months. Whilst this order book does not seem large, the Company has already seen a large growth in fleet over the last few years and thus it is critical that the order book does not grow. The strength in the freight markets coupled with low asset values is however encouraging owners to order more new buildings which can postpone the return of robust earnings for these vessels. The Company expects the market to plateau around the current earnings level over the next 6 months and the trajectory thereafter shall be guided by additional demand for dry bulk commodities and the increase/decrease of order book in the interim.

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 concerns 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, the earnings of your Company could be impacted negatively if the global economic situation does not improve over the longer term.

VOLATILITY:

Over and above the economic risks, the shipping industry is impacted by numerous short term and regional factors, like political fallouts, weather changes, etc. This results in great amount of volatility in the freight market, which in turn impacts your Company's earnings.

Your Company has attempted to hedge some of the above risk by entering into time charters for part of its fleet. Your Company also believes that one of the main elements of risk management in shipping is the cost of the asset, and will endeavour to time acquisitions and sales in such a way as to reduce risk on the portfolio.

SHIPBOARD PERSONNEL:

Indian officers continue to be in great demand all over the world. Given the unfavorable tax status conferred on a seafarer sailing on Indian-flagged vessels, it is becoming increasingly difficult for your Company to source officers capable of meeting the modern day challenges of worldwide trading. This is more relevant for tanker personnel and may become a hindrance to growth.

OPEC ACTION:

If the OPEC decides to prolong the cut in output, this drop in supply along with increased new building deliveries, could continue to negatively impact the demand for tankers.

CHINESE ECONOMY:

As seen in the recent past, China has been the main driving factor of the shipping demand. The Chinese economy has over the last financial year increased its consumption of imported dry bulk commodities. Whilst this has impacted trade growth positively, this demand needs to continue going forward. If this demand were to falter, this along with increased new building deliveries may renew the negative impact on dry bulk freight markets.

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 include a range of activities such as approvals, authorizations, verifications, reconciliations, review of operating and financial performance, security of assets, segregation of duties, preventive and detective controls.

The systems have been well documented and communicated. They are also tested from time to time through internal as well as external audits.

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.

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

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 profit of ₹754.96 crores for the year under review as compared to ₹1096.98 crores for the previous year. The net worth of the group as on March 31, 2017 was ₹7223.33 crores as compared to ₹6563.48 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, 2017 has been attached along with the financial statements of the Company. The report on performance of the subsidiaries is as follows:

GREATSHIP (INDIA) LIMITED, INDIA

Greatship (India) Limited (GIL), wholly owned subsidiary of your Company and one of India's largest offshore oilfield services providers, has completed its one of the most challenging years in the midst of worst downturn in the offshore oil and gas industry. GIL has, after accounting for an impairment of ₹184.33 crores in asset values, recorded a profit after tax of ₹154.71 crores on a consolidated basis for the year ended March 31, 2017 as compared to ₹523.77 crores for the year ended March 31, 2016, after accounting for impairment of ₹163.09 crores in asset values. The consolidated net worth of GIL for financial year 2017 was ₹3,219.65 crores as compared to ₹3,098.39 crores for financial year 2016.

During the year under review, GIL sold one 1999 built Platform Supply Vessel (PSV), 'Greatship Disha' and its subsidiary in Singapore sold one 2013 built ROV (Remotely Operated Vehicle) Support Vessel (ROVSV), 'Greatship Ragini'. There was no addition to the fleet during the year under review. 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 ROVSVs.

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

GIL has the following wholly owned subsidiaries:

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

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

• Greatship Global Holdings Ltd., Mauritius (GGHL)

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

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

GGOS owns and operates three offshore support vessels which include one Anchor Handling Tug cum Supply Vessel (AHTSV) and two Multipurpose Platform Supply and Support Vessels (MPSSVs). GGOS after accounting for an impairment of USD 16.32 Mn in asset values, incurred a loss of USD 19.96 Mn for the current financial year as against the loss of USD 5.33 Mn in the previous year, after accounting for impairment of USD 8.93 Mn in asset value.

During the year, GGOS's wholly owned subsidiary, GGOS Labuan Ltd., Malaysia was struck off with effect from March 4, 2017.

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

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

• Greatship Oilfield Services Ltd., 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, 2017 there were 87 ship calls at Singapore. The company's profit after tax for the current financial year amounted to S\$ 0.13 Mn as against the profit of S\$ 0.20 Mn in the previous year.

THE GREAT EASTERN SHIPPING CO. LONDON LTD., U.K.

The Great Eastern Shipping Co. London Ltd. was a wholly owned subsidiary of your Company. It did not carry out any operations during the year. The company had filed an application with the Companies House, UK for voluntarily striking off its name from Register of Companies, UK. The company has been dissolved w.e.f August 30, 2016.

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

The Great Eastern Chartering LLC (FZC) is a wholly owned subsidiary of your Company. Chartering of ships is the main activity of this company. The company had in-chartered one Suezmax tanker on 3 years charter which will end in June 2017. The vessel was chartered to The Great Eastern Shipping Co. Ltd. commencing 3rd April 2015 on back to back terms. During the financial year ended March 31, 2017, the company made a loss of USD 0.59 Mn as against the profit of USD 1.65 Mn in the previous year.

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. The company has done no trading activity during the year due to deteriorating market conditions. During the financial year ended March 31, 2017, the company made a loss of USD 0.05 Mn as against the loss of USD 0.10 Mn in the previous year.

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 ₹8.28 crores from the Company and Greatship (India) Limited during the year ended March 31, 2017. The Foundation spent ₹6.87 crores on CSR activities during the year.

Details of CSR activities carried out by Great Eastern CSR Foundation for your Company are set out in the annual report on CSR activities which forms part of this Board's Report.

DEBT FUND RAISING

During the year, fresh debt of ₹1931.21 crores was raised. The gross debt : equity ratio as on March 31, 2017 was 0.86:1 and the debt : equity ratio net of cash and cash equivalents was 0.27:1.

During the year, the Company has bought back and extinguished 100 Secured and 550 Unsecured Debentures of ₹10,00,000 each, aggregating to ₹65 crore.

QUALITY, SAFETY, TRAINING, HEALTH & ENVIRONMENT

A high level of safety on board assets has been maintained during the year on the 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) was 2.34 per million exposure hours and Total Recordable case Frequency (TRCF) was 5.23 per million exposure hours. This is slightly more than the Company's KPI of 2.0 and 4.8 respectively. The increase as compared to last year is due to the re-classification of data collected based on OCIMF guidelines.

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

The need for continuous improvement in safety and operating standards is recognised by the Company and to achieve greater level of compliance a separate department dealing with training at all levels of seafarers has been established. This department identifies the seafarer's training needs on an individual basis and organizes shore-based training in established training institutes. The department is

also involved in designing company specific training modules.

IT INITIATIVES

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

TIGHTENING OF CYBER SECURITY

In this digitally connected world, cyber security is a matter of great concern for all organizations. The Company has appointed a major IT service provider and security expert to assess the vulnerability, both in the shore office and on board the ships, with respect to Cyber security.

The agency is guiding the Company to implement the required technologies in order to reduce vulnerability of the Company's systems.

UPGRADING PLANNED MAINTENANCE SYSTEM (PMS)

The PMS is one of the key functions on board to keep the ship's equipment technically fit to operate with minimum disruption. Your Company is upgrading the PMS software, and this will further help the technical maintenance teams to ensure maximum uptime for all equipment, and to maintain the ship itself to the highest possible standards.

DIGITIZATION INITIATIVE

The goal has been set for the organization to go for paperless environment and IT is enabling the organization towards that direction, by way of making more user friendly software applications to increase usage of software. Also, old paper records are being digitized to maximize accessibility and minimize storage requirements.

GST IMPLEMENTATION INITIATIVE

The Company's ERP system has been developed and built in-house over the past 10 years or more and all of the organization's functions are working through this system. In order to implement GST, a significant amount of modifications are required to be done in the ERP platform before July 2017 deadline. A dedicated team has been on the job to make it happen before deadline, so as to enable your Company to move on to the GST platform seamlessly.

HUMAN RESOURCES

Your Company recognizes the ability to attract and retain the best talent is vital for sustainability and competitive advantage for the organisation. A set of initiatives were implemented for enabling talent acquisition and development during the year. A focused social media campaign improved applicant base for the pre-sea courses held at GEIMS. Introduction of structured scientific recruitment methods resulted in enhancement of quality of cadets at the Institute.

Learning & Development continued to get organizational attention. As in the past, the Company has initiated the 360° feedback process for senior roles to aid in individual development and succession planning. Employees underwent training in shipping business simulation, emotional intelligence, critical thinking and career planning. Team relationship reviews facilitated cohesiveness among members. A special workshop was held for women employees based on career anchors and wheel of balance.

Social café approach was utilized to harness employee camaraderie which included Quiz, Marathon and cultural programs during festive occasions. The annual townhall held in December 2016 helped in employee alignment and building team spirit.

The overall employee engagement measured by Coffman Index stood at 77% compared to 74% in the previous year.

For the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Total number of permanent shore staff and floating staff was 191 and 222 respectively.

GREAT EASTERN INSTITUTE OF MARITIME STUDIES (GEIMS)

The Great Eastern Institute of Maritime Studies, Lonavla (GEIMS) has since inception trained 3068 cadets. These cadets are serving on ships as Nautical, Engineering or Electro-Technical Officers. Almost 70% of the officers of Company's vessels have been trained at GEIMS. This percentage will increase in the next few years.

In August 2016, GEIMS set up a state of the art 'Electrical High Voltage Safety and Switch Gear laboratory with simulator' and obtained approval of the Directorate General of Shipping. With this facility GEIMS has provided the mandatory training to 145 senior Engineers of the Company and to others on payment of fees.

GEIMS was inspected as per the Comprehensive Inspection Programme (CIP) enhanced guidelines of the Director General of Shipping in November 2016 by an Audit team from DNV GL Ship Classification Society. GEIMS was certified that it meets the training requirement criteria as per IMO STCW Convention and effectively complies with all applicable Merchant Shipping Rules, and other associated orders, circulars and guidelines issued by the Directorate General of Shipping. On basis of the successful inspection, GEIMS was once again assigned Grade A1 (outstanding) for three years.

In December 2016, GEIMS was granted approval by the Directorate General of Shipping to conduct the 6-months training course for General Purpose Ratings (GP Rating). The GP Rating training course successfully commenced at GEIMS with a first batch of 37 trainees in January 2017. After successful completion of their training, these trainees are expected to be placed on Company's vessels as trainee seamen.

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee comprises of Mr. Vineet Nayyar (Chairman), Mr. Cyrus Guzder and Mr. Bharat K. Sheth.

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

DIRECTORS

Mr. K. M. Sheth 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. K. M. Sheth has been included in the Notice convening the ensuing Annual General Meeting.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements), 2015.

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.

APPOINTMENT AND REMUNERATION POLICY FOR DIRECTORS AND SENIOR MANAGEMENT

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

The aforesaid policies are enclosed herewith as Annexure 'C' and 'D'.

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

BOARD EVALUATION

Annual performance evaluation of Board, its committees (namely, Audit, Nomination & 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 & 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. 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 & 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 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

Your Company has complied with all the mandatory provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, relating to Corporate Governance. A separate section on Corporate Governance forms part of the Board's Report and the certificate from practicing Company Secretary confirming the compliance of conditions on Corporate Governance is included in the Annual Report.

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 make 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.

However, following transaction, though entered into in the ordinary course of business, may not strictly be treated on arm's length basis:

During the year, the Company has transferred a Hyundai i20 Asta car to Mr. Jayesh M. Trivedi, President (Secl. & Legal) & Company Secretary for no consideration (subject to applicable taxes) as per employment rules of the Company. Mr. Jayesh M. Trivedi had availed the car in 2010 based on his entitlement. The value of car has already been deducted from his salary.

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in Form MGT 9 is enclosed herewith as "Annexure G".

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'. Copy of the Dividend Distribution Policy is also available on the website of the Company : www.greatship.com.

ENERGY CONSERVATION, 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 year under consideration, following Energy Saving Devices were retrofitted for reducing fuel consumption of main propulsion system:

- Jag Rani and Jag Pankhi were retrofitted with Propeller Boss Cap Fins (PBCF), 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 break up this vortex, thereby reducing the loss of energy.

Total cost incurred on above two ships: USD 150,000.

- 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 Rishi, Jag Rani, Jag Roopa and Jag Vishnu during their respective dry dockings during the financial year.

The additional cost incurred for application of the superior anti-fouling coatings was USD 290,000.

During the year, saving of USD 1.06 million 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 13,973 MT.

INITIATIVES OF VESSEL PERFORMANCE MANAGEMENT CELL

VPM Cell in co-ordination with IT Department has developed a Main Engine Performance Monitoring tool and has been rolled out to fleet vessels. This will assist in closer monitoring and analysis of main engine performance over time i.e. trend analysis.

TECHNOLOGY ABSORPTION

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

QUANTIFICATION AND REPORTING OF GREENHOUSE GASES (GHG) EMISSION

Since last year, your Company has started to capture and quantify GHG emission from its business operation 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.

CONTRIBUTION IN THE WORK OF MARINE ENVIRONMENT PROTECTION COMMITTEE OF INTERNATIONAL MARITIME ORGANIZATION

Marine Environment Protection Committee of IMO is currently developing new regulations and reviewing existing regulations for reduction of CO₂ emission from ships. Your Company, as a stake holder, has been providing feedback to this work through Government of India for development of pragmatic regulations for benefit of the environment and society.

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.	1150.34
b) Foreign Exchange used including operating expenses, capital repayment, down payments for acquisition of ships (net of loan), interest payment, etc.	2142.38

AUDITORS

Pursuant to provisions of Section 139 of Companies Act, 2013, Kalyaniwalla & Mistry LLP were appointed as the Statutory Auditors of the Company at the Annual General Meeting held on September 25, 2014, to hold office till the conclusion of the ensuing Annual General Meeting. Since Kalyaniwalla & Mistry LLP has completed its term as prescribed under Section 139(2) of the Companies Act, 2013, the Company is required to appoint another firm as the Statutory Auditor in their place.

Accordingly, the Audit Committee and the Board of Directors have recommended appointment of Deloitte Haskins & Sells LLP as Statutory Auditors to hold office from conclusion of the ensuing Annual General Meeting till the conclusion of the 74th Annual General Meeting to be held in calendar year 2022.

Necessary resolution for their appointment has been included in the Notice convening the ensuing Annual General Meeting.

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, 2017.

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 05, 2017

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 2016-17

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 ₹291.90 crore.
4. The prescribed CSR expenditure (2% of the average net profit as aforesaid) is ₹5.84 crore.
5. Details of CSR spent during the financial year are as follows:
 - a) Total amount to be spent for the financial year 2016-17: ₹5.84 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 ₹5.84 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 05, 2017

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

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	<p>Donation to the Ashoka University project of the International Foundation for Research and Education, New Delhi for providing scholarships to students of low economic status, at least half of whom will be female.</p> <p>The Scholarship will cover Young India Fellowship students - Ashoka's postgraduate program or such other program as may be agreed from time to time.</p> <p>The scholarships were nominated over a period of three years.</p>	Promoting Education	Ashoka University campus is situated at Rajiv Gandhi Education City, Kundlu NCR	₹1.00 cr (to be contributed over a period of 3 financial years)	<p>Total funds utilized by organization: ₹0.33 cr</p> <p>Direct Expenditure: ₹0.33 cr</p> <p>Overheads: NIL</p>	₹1.00 cr	Amount was contributed by Great Eastern CSR Foundation to International Foundation for Research and Education (Ashoka University).
2	<p>Donation to Masoom, a Mumbai based NGO that works with night-school students to work on the academics and provide better career opportunities for them. The donation is towards improving education in four night schools in Mumbai.</p>	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)	<p>Total funds utilized by organization: ₹0.23 cr</p> <p>Direct Expenditure: ₹0.23 cr</p> <p>Overheads: NIL</p>	₹0.45 cr	Amount was contributed by Great Eastern CSR Foundation to Masoom

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
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, Mumbai.	Promoting Education	One learning centre is located at Kamgar Nagar in Kurla while the other learning centre and the school are located in Vashinaka in Chembur.	₹1.52 cr (to be contributed over 3 financial years)	Total funds utilized by organization: ₹0.36 cr Direct Expenditure: ₹0.36 cr Overheads: NIL	₹1.29 cr	Amount was contributed by Great Eastern CSR Foundation to Pratham Mumbai Education Initiative.
4	Donation to 3.2.1. Education Foundation , an NGO that provides quality english education to children from low income communities. GES fund partially support their work at the Mahatma Jyotiba Phule Mumbai Public School. In addition to funding the School, GES will also be funding the 'Sustained Mastery Program' of 3.2.1 Foundation, which is an initiative to provide high quality training to the teachers of government and private schools.	Promoting Education	The school that was funded was the Mahatma Jyotiba Phule Mumbai Public School in Crawford Market, Mumbai	₹0.75 cr (to be contributed over 2 financial years)	Total funds utilized by organization: ₹0.25 cr Direct Expenditure: ₹0.25 cr Overheads: NIL	₹0.50 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 in Mumbai.	Promoting Education	Xavier's College, Mahapalika Marg, Mumbai	₹0.68 cr (to be contributed over 2 financial years)	Total funds utilized by organization: ₹0.17 cr Direct Expenditure: ₹0.17 cr Overheads: NIL	₹0.68 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 IMPLEMENTING AGENCY
6	Donation to Helen Keller Institute for Deaf & Deafblind . Helen Keller Institute works with deaf and deafblind children by providing a multitude of services such as counselling services, therapy, special education etc. GES funds have gone towards the special teachers' training program and have helped increase the number of qualified special educators for the deafblind community.	Promoting Education	Helen Keller Institute for Deaf & Deafblind Shil Mahape Road, Navi Mumbai	₹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 Helen Keller Institute for Deaf & Deafblind.
7	Donation to Antarang Foundation . Antarang 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. • CarereReady – 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 has gone towards supporting 18 CarereReady and 40 Career Aware groups.	Promoting livelihood development and skill training	Antarang centers are located across South and central Mumbai.	₹0.43 cr (to be contributed over 1 financial year)	Total funds utilized by organization: ₹0.30 cr Direct Expenditure: ₹0.30 cr Overheads: NIL	₹0.43 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 DISTRICTS 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
8	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 & hygiene communication. GES funds are supporting one healthcare centre in the Govandi slums.	Promoting healthcare	The Sneha Centre is located in Govandi slum.	₹0.62 cr (to be contributed over 1 financial year)	Total funds utilized by organization: ₹0.62 cr Direct Expenditure: ₹0.62 Cr Overheads: NIL	₹0.62 cr	Amount was contributed by Great Eastern CSR Foundation to SNEHA.
9	Donation to Mann Deshi Foundation (MDF) . 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 MDF 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) • 7 Mann Deshi Business Schools (one at each bank branch) • 3 Mobile Business Schools Great Eastern CSR Foundation funds have gone towards helping 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	₹1.03 cr (to be contributed over 1 financial year)	Total funds utilized by organization: ₹0.19 cr Direct Expenditure: ₹0.19 cr Overheads: NIL	₹0.51 cr	Amount was contributed by Great Eastern CSR Foundation to Mann Deshi 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 appointees 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.

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.

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

Note:

LTA / Medical

- Optional benefit upto a maximum limit of Rs.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.

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 2016-17 and percentage increase in the remuneration of each Director and Key Managerial Personnel (KMP) during the financial year 2016-17 are as follows:

S.R. 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	2.51:1	50.51
2	Mr. Bharat K. Sheth	Deputy Chairman & Managing Director	159.36 :1	(1.81)
3	Mr. Tapas Icot	Executive Director & President (Shipping)	39.02 :1	4.68
4	Mr. G. Shivakumar	Executive Director & CFO	41.01 :1	(0.18)
5	Mr. Ravi K. Sheth*	Director	-	-
6	Mr. Berjis Desai	Independent Director	3.10 :1	17.57
7	Mr. Cyrus Guzder	Independent Director	4.15 :1	8.83
8	Mr. Farrokh Kavarana	Independent Director	2.76 :1	(4.37)
9	Ms. Rita Bhagwati	Independent Director	2.93 :1	7.74
10	Dr. Shankar Acharya	Independent Director	2.51 :1	1.71
11	Mr. Vineet Nayyar	Independent Director	2.34 :1	21.93
12	Mr. Jayesh M. Trivedi	Company Secretary	23.01 :1	22.60

* 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 2016-17 was 20.32 %.
- The Company had 413 permanent employees on the rolls of the Company as on March 31, 2017.
- The average increase in remuneration of employees was 26.63% during the financial year 2016-17. The average increase in the remuneration of KMPs was 1.14% during the financial year 2016-17. Considering business performance as well as performance ratings of the KMPs, the increase 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 (₹)	QUALIFICATIONS	EXPERIENCE (YEARS)	DATE OF COMMENCEMENT OF EMPLOYMENT	AGE (YRS)	LAST EMPLOYMENT HELD
DIRECTORS :							
1 # Bharat K. Sheth	Deputy Chairman & Managing Director	94,580,053	B.Sc. (Scotland)	36	01-Oct-1981	59	-
2 Tapas Ioot	Executive Director & President (Shipping)	23,158,651	B. Com (Hons.), All, DMS, FICA, MFM	39	20-Feb-1991	61	Essar Shipping Ltd.
3 G. Shivakumar	Executive Director & Chief Financial Officer	24,341,687	B.Com., PGDM	27	16-Sep-2008	49	Greatship (India) Ltd.
SHORE STAFF :							
4 Anjan K. Sahu	Assistant Vice President, Technical	12,045,006	B.E., 1st Class MOT	36	29-Dec-1995	55	American Bureau of Shipping
5 Avinash L. Sukthankar	Asst. Vice President - Accounts & MIS	10,905,031	B.Com., ACA	29	15-Sep-1997	53	The Indian Hotels Co. Ltd.
6 Chandrasekharan V. K.	Head - Quality & Safety	10,529,065	B.E., MBA	36	01-Jul-2013	58	Greatship (India) Ltd.
7 David D. Birwadkar	Vice-President, Training & Assessment	12,074,386	1st Class MOT	34	28-Dec-2006	56	Anglo Eastern Ship Management Pvt Ltd
8 Jayesh M. Trivedi	President - Secl. & Legal and Company Secretary	13,658,926	B.Com., BGL, FCS	38	19-Jul-2000	57	DCW Home Products Ltd.
9 Mudit Mehrotra	Assistant Vice President, Technical	12,681,676	1st Class MOT	28	04-Apr-1989	51	-
10 Pradeep Correa	Asst. Vice President - Fleet Personnel	10,686,644	Master FG, MICS	37	26-Apr-2001	56	Varun Shipping Company Ltd.
11 Prakash Correa	Vice President - Operations, International	17,312,568	Master FG	38	23-Jun-2004	58	Varun Shipping Company Ltd.
12 Pramod K. Dhyani	General Manager, Coastal Operations	10,545,694	Master FG	37	16-Apr-1979	59	-
13 Reginald C. Sequeira	Head - Bulk Carrier Business Unit	13,217,809	B.Sc., MBA, LLB	41	18-Dec-2006	61	Noble Chartering Ltd, Hong Kong
14 Somesh K. Kapila	Head - Tanker Business Unit	13,964,002	B.Sc., PGDBM	29	04-May-1995	52	Shipping Corporation of India Ltd.
FLOATING STAFF :							
15 *D. D. Wagh	Master	2,073,032	Master FG	13	17-Jan-2017	31	Fleet Management Ltd.

* 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, RPFCS 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, 2017, 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)
Mr. Jayesh M. Trivedi	Key Managerial Personnel	Transfer of car as per rules of the Company to Key Managerial Personnel.	-	The Company has transferred a Hyundai i20 Asta car to Mr. Jayesh M. Trivedi, President (Secl. & Legal) & Company Secretary for no consideration subject to applicable taxes.	August 11, 2016	Nil

Justification: Mr. Jayesh M. Trivedi, President (Secl. & Legal) & Company Secretary had availed a Hyundai i20 Asta car in 2010 based on his entitlement. The value of car has already been deducted from his salary. Therefore, as per rules of the Company, the car has been transferred to Mr. Jayesh M. Trivedi for no consideration subject to applicable taxes.

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, 2017 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	1.13
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	4.59

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	Payables	-	Outstanding amount towards agency fees and disbursements	0.93
The Great Eastern Chartering LLC (FZC)	Wholly owned Subsidiary	In-Chartering of vessels	Several transactions during the year	Payment for in-chartering of vessels service availed by the Company	71.46
The Great Eastern Chartering LLC (FZC)	Wholly owned Subsidiary	Payables	-	Outstanding amount towards in-chartering of vessels by the Company	0.91
Greatship (India) Ltd.	Wholly owned Subsidiary	Sale of Training Slots	Several transactions during the year	Sale of training slots as per DG Shipping Rules	2.07
Greatship (India) Ltd.	Wholly owned Subsidiary	Transfer of liability towards retirement benefit of employees	Several transactions during the year	Retirement benefits of employees transferred to the Company	0.02
Greatship (India) Ltd.	Wholly owned Subsidiary	Transfer of liability towards retirement benefit of employees	Several transactions during the year	Retirement benefits of employees transferred from the Company (₹36,261/-)	-
Greatship (India) Ltd.	Wholly owned Subsidiary	Dividend Income	Several transactions during the year	Dividend received by the Company as per the terms of equity and preference shares held by the Company	23.32
Greatship (India) Ltd.	Wholly owned Subsidiary	Receivables	-	Receivables towards reimbursement of expenses incurred by the Company	1.64
Great Eastern CSR Foundation	Wholly owned Subsidiary	Donation Given	-	Donation given pursuant to Section 135 of the Companies Act, 2013	5.84
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 Rs. 25 lac and other benefits applicable to his grade from time to time	0.18

For and on behalf of the Board of Directors

K.M. Sheth
Chairman
(DIN : 00022079)

Mumbai, May 05, 2017

The Great Eastern Shipping Company Limited

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, 2017**

[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 6661 3000 / 2492 2100 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	74.70

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		Subsidiary	100%	2(87)(ii)
2	The Great Eastern Chartering LLC (FZC)	Executive Suite ZI-42, P.O. Box 9271, Sharjah, UAE		Subsidiary	100%	2(87)(ii)
3	The Great Eastern Chartering (Singapore) Pte. Ltd.	15, Hoe Chiang Road, #06-03, Tower Fifteen, Singapore 089316		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) Limited	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, Mauritius		Subsidiary	100%	2(87)(ii)
7	Greatship Global Offshore Services Pte. Ltd.*	15, Hoe Chiang Road, #06-03, Tower Fifteen, Singapore 089316		Subsidiary	100%	2(87)(ii)
8	Greatship Global Energy Services Pte. Ltd.**	15, Hoe Chiang Road, #06-03, Tower Fifteen, Singapore 089316		Subsidiary	100%	2(87)(ii)
9	Greatship (UK) Ltd.*	Tower Bridge House, St. Katharine's Way, London E1W 1DD, United Kingdom		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) Limited.

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

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

i. Category-wise Share Holding

CATEGORY OF SHAREHOLDERS	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR				NO. OF SHARES HELD AT THE END OF THE YEAR				% CHANGE DURING THE YEAR
	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
A.PROMOTERS									
1. INDIAN									
a. Individual /HUF	40460768	0	40460768	26.83	39269694	0	39269694	26.04	-0.79
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	5401512	0	5401512	3.58	6296512	0	6296512	4.18	0.59
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) :	45862280	0	45862280	30.42	45566206	0	45566206	30.22	-0.20
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)	45862280	0	45862280	30.42	45566206	0	45566206	30.22	-0.20
B. PUBLIC SHAREHOLDING									
1. INSTITUTIONS									
a. Mutual Funds	23313716	400	23314116	15.46	23649975	2930	23652905	15.69	0.22
b. Financial Institutions / Banks	92079	37410	129489	0.09	86184	34880	121064	0.08	-0.01
c. Central Government	10238	24	10262	0.01	0	10262	10262	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

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	
f. Insurance Companies	5862861	409	5863270	3.89	5603917	409	5604326	3.72	-0.17
g. Foreign Institutional Investors	34366832	16250	34383082	22.80	34902110	16250	34918360	23.16	0.36
h. Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i. Others - IFC Washington	0	1052	1052	0.00	0	1052	1052	0.00	0.00
Sub-Total B(1) :	63645726	55545	63701271	42.25	64242186	65783	64307969	42.65	0.40
2. NON-INSTITUTIONS									
a. Bodies Corporate									
(i) Indian	8799739	65703	8865442	5.88	9066752	65903	9132655	6.06	0.18
(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	18329572	3161266	21490838	14.25	17979187	3125049	21104236	14.00	-0.26
(ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	8980529	391964	9372493	6.22	8832389	338521	9170910	6.08	-0.13
c. Others									
Foreign Nationals	0	0	0	0.00	1000	0	1000	0.00	0.00
Non Resident Indians	988919	19865	1008784	0.67	1066358	19649	1086007	0.72	0.05
Overseas Corporate Bodies	0	1224	1224	0.00	0	1224	1224	0.00	0.00
Sub-Total (B)(2) :	37098759	3640022	40738781	27.02	36945686	3550346	40496032	26.86	-0.16
TOTAL (B)=(B)(1)+(B)(2)	100744485	3695567	104440052	69.27	101187872	3616129	104804001	69.51	0.24
C. SHARES HELD BY CUSTODIANS FOR GDRS AND ADRS									
Public	473077	1656	474733	0.31	405202	1656	406858	0.27	-0.05
GRAND TOTAL (A+B+C)	147079842	3697223	150777065	100.00	147159280	3617785	150777065	100.00	0.00

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 Investments 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	50000	0.03		10000	0.01		-0.02
4	Arjun Ravi Sheth	50040	0.03		50040	0.03		0.00
8	Arti Pankaj Pandey	194686	0.13		194686	0.13		0.00
9	Asha Vasant Sheth	2124081	1.41		2122851	1.41		0.00
10	Ashadeep Trading LLP	203444	0.13		203444	0.13		0.00
11	Bharat K. Sheth	14828490	9.83		15719490*	10.43		0.60
12	Ghanshyam Sevantilal Sheth	10468	0.01		10468	0.01		0.00
13	Gopa Investments Co (Pvt) Ltd	424000	0.28		424000	0.28		0.00
14	Gopali Mulji	450000	0.30		440000	0.29		-0.01
15	Jyoti Bharat Sheth	137796	0.09		137796	0.09		0.00
16	Jyotsna Kanaiyalal Sheth	1167968	0.77		247968	0.16		-0.61
17	Kabir Mulji	529615	0.35		529615	0.35		0.00
18	K. M. Sheth	2058133	1.37		278133	0.18		-1.19
19	Ketaki Vasant Sheth	989980	0.66		989980	0.66		0.00
20	Laadki Trading And Investments Ltd	4624981	3.07		5524981	3.66		0.59
21	Nirja Bharat Sheth	105317	0.07		105317	0.07		0.00
22	Nisha Viraj Mehta	112037	0.07		112037	0.07		0.00
23	Pankaj R. Pandey	11000	0.01	5000	11000	0.01	5000	0.00
24	Pradeep Padgaokar	151282	0.10		151282	0.10		0.00
25	Purnima Sevantilal Sheth	320185	0.21		300000	0.20		-0.01
26	Radhika Ghanshyam Sheth	228203	0.15		178203	0.12		-0.03
27	Rahul Ravi Sheth	108521	0.07		108521	0.07		0.00
28	Ravi K. Sheth	14362504	9.53		15262504*	10.12		0.59
29	Rosaleen Mulji	432000	0.29		432000	0.29		0.00
30	Sachin Mulji	1160659	0.77		1100000	0.73		-0.04
31	Sangita Mulji	582415	0.39		582415	0.39		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	
32	Siddharth Ghanshyam Sheth	111580	0.07		11580	0.01		-0.06
33	Thakkar Trading Private Limited	44655	0.03		44655	0.03		0.00
34	V J Share Enterprises LLP	100832	0.07		95832	0.06		-0.01
TOTAL		45862280	30.42		45566206	30.22		-0.20

* Total shareholding includes shares held as trustee.

iii. Details of changes in promoters' shareholding

SR. 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	K. M. Sheth	2058133	1.37	17.03.2017	(1780000)	Sell (Inter-se Transfer)	278133	0.18
2	Bharat K. Sheth	14828490	9.83	13.05.2016	(9000)	Sell(Inter-se Transfer)	14819490	9.83
				17.03.2017	(12882972)	Sell (Inter-se Transfer)	1936518	1.28
				17.03.2017	15200000	Buy (Inter-se Transfer)	17136518	11.36
				20.03.2017	(517028)	Sell (Inter-se Transfer)	16619490	11.02
				20.03.2017	(900000)	Sell (Inter-se Transfer)	15719490*	10.43
3	Ravi K. Sheth	14362504	9.53	17.03.2017	(13850000)	Sell (Inter-se Transfer)	512504	0.34
				17.03.2017	14232972	Buy (Inter-se Transfer)	14745476	9.78
				20.03.2017	517028	Buy (Inter-se Transfer)	15262504*	10.12

SR. 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
4	Anjali Ajay Nanavati	50000	0.03					
				03.03.2017	(29000)	Sell	21000	0.01
				03.03.2017	(11000)	Sell	10000	0.01
5	Asha Vasant Sheth	2124081	1.41					
				20.05.2016	(1230)	Sell	2122851	1.41
6	Gopali Mulji	450000	0.30					
				10.02.2017	(10000)	Sell	440000	0.29
7	Jyotsna Kanaiyalal Sheth	1167968	0.77					
				17.03.2017	(920000)	Sell (Inter-se Transfer)	247968	0.16
8	Laadki Trading and Investments Ltd	4624981	3.07					
				20.03.2017	900000	Buy (Inter-se Transfer)	5524981	3.66
9	Purnima Sevantilal Sheth	320185	0.21					
				24.03.2017	(15185)	Sell	305000	0.20
				24.03.2017	(5000)	Sell	300000	0.20
10	Radhika Ghanshyam Sheth	228203	0.15					
				03.03.2017	(50000)	Sell	178203	0.12
11	Sachin Mulji	1160659	0.77					
				10.02.2017	(40659)	Sell	1120000	0.74
				17.02.2017	(20000)	Sell	1100000	0.73
12	Siddharth Ghanshyam Sheth	111580	0.07					
				10.02.2017	(11581)	Sell	99999	0.07
				17.02.2017	(88419)	Sell	11580	0.01
13	V J Share Enterprises LLP	100832	0.07					
				20.05.2016	(5000)	Sell	95832	0.06

* Total shareholding includes shares held as trustee.

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

SR. 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	5521490	3.66					
				30.06.2016	(1470)	Sell	5520020	3.66
				15.07.2016	(1470)	Sell	5518550	3.66
				29.07.2016	(1390)	Sell	5517160	3.66
				12.08.2016	(220)	Sell	5516940	3.66
				19.08.2016	(1370)	Sell	5515570	3.66
				26.08.2016	(1370)	Sell	5514200	3.66
				16.09.2016	(2765)	Sell	5511435	3.66
				23.09.2016	2765	Buy	5514200	3.66
3	Fidelity Puritan Trust-Fidelity Low-Priced Stock Fund	4800000	3.18					
				08.07.2016	58574	Buy	4858574	3.22
				15.07.2016	65604	Buy	4924178	3.27
				22.07.2016	26694	Buy	4950872	3.28
				29.07.2016	31166	Buy	4982038	3.30
				04.08.2016	51811	Buy	5033849	3.34
				05.08.2016	66151	Buy	5100000	3.38
4	ICICI Prudential Dynamic Plan	4933555	3.27					
				08.07.2016	5080	Buy	4938635	3.28
				12.08.2016	(161817)	Sell	4776818	3.17
				11.11.2016	266	Buy	4777084	3.17
				18.11.2016	200000	Buy	4977084	3.30
				09.12.2016	4366	Buy	4981450	3.30
				30.12.2016	18550	Buy	5000000	3.32
				17.02.2017	44505	Buy	5044505	3.35
5	ICICI Prudential Value Discovery Fund	3000000	1.99					
				16.09.2016	281053	Buy	3281053	2.18
				21.10.2016	184024	Buy	3465077	2.30
6	General Insurance Corporation of India	3239832	2.15				3239832	2.15
7	SBI Magnum Balanced Fund	1646112	1.09					
				27.05.2016	653888	Buy	2300000	1.53
				03.06.2016	50000	Buy	2350000	1.56

SR. 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
				24.06.2016	149026	Buy	2499026	1.66
				23.09.2016	200974	Buy	2700000	1.79
				02.12.2016	165717	Buy	2865717	1.90
				09.12.2016	50000	Buy	2915717	1.93
8	SBI Emerging Businesses Fund	1900000	1.26					
				27.05.2016	252000	Buy	2152000	1.43
				03.06.2016	148000	Buy	2300000	1.53
				16.09.2016	228000	Buy	2528000	1.68
				23.09.2016	172000	Buy	2700000	1.79
9	UTI-Dividend Yield Fund	2526218	1.68					
				06.05.2016	(5851)	Sell	2520367	1.67
				12.08.2016	(45367)	Sell	2475000	1.64
				19.08.2016	(45000)	Sell	2430000	1.61
				23.09.2016	(54000)	Sell	2376000	1.58
				30.09.2016	(45000)	Sell	2331000	1.55
				14.10.2016	(56787)	Sell	2274213	1.51
				28.10.2016	(24213)	Sell	2250000	1.49
				25.11.2016	(37863)	Sell	2212137	1.47
				02.12.2016	(16137)	Sell	2196000	1.46
				09.12.2016	(10200)	Sell	2185800	1.45
				16.12.2016	(44259)	Sell	2141541	1.42
				23.12.2016	(12176)	Sell	2129365	1.41
				30.12.2016	(14365)	Sell	2115000	1.40
				27.01.2017	(45000)	Sell	2070000	1.37
10	ICICI Prudential Top 100 Fund	0	0.00					
				24.03.2017	1612581	Buy	1612581	1.07
11	Nordea 1 Sicav - Indian Equity Fund	1674512	1.11					
				09.09.2016	(206337)	Sell	1468175	0.97
				21.10.2016	12965	Buy	1481140	0.98
				02.12.2016	(72778)	Sell	1408362	0.93
				16.12.2016	19547	Buy	1427909	0.95
				20.01.2017	15653	Buy	1443562	0.96
				27.01.2017	50121	Buy	1493683	0.99
				03.02.2017	(51754)	Sell	1441929	0.96
				10.02.2017	(4985)	Sell	1436944	0.95
				24.03.2017	(90168)	Sell	1346776	0.89
				31.03.2017	(65863)	Sell	1280913	0.85

v. Shareholding of Directors and Key Managerial Personnel

SR. 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	2058133	1.37	17.03.2017	(1780000)	Sell (Inter-se Transfer)	278133	0.18
2	Bharat K Sheth	14828490	9.83	13.05.2016	(9000)	Sell(Inter-se Transfer)	14819490	9.83
				17.03.2017	(12882972)	Sell (Inter-se Transfer)	1936518	1.28
				17.03.2017	15200000	Buy (Inter-se Transfer)	17136518	11.36
				20.03.2017	(517028)	Sell (Inter-se Transfer)	16619490	11.02
				20.03.2017	(900000)	Sell (Inter-se Transfer)	15719490*	10.43
3	Ravi K Sheth	14362504	9.53	17.03.2017	(13850000)	Sell (Inter-se Transfer)	512504	0.34
				17.03.2017	14232972	Buy (Inter-se Transfer)	14745476	9.78
				20.03.2017	517028	Buy (Inter-se Transfer)	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 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	1437.86	1450.00	-	2887.86
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	20.23	56.55	-	76.78
Total (i+ii+iii)	1458.09	1506.55	-	2964.65
CHANGE IN INDEBTEDNESS DURING THE FINANCIAL YEAR				
* Addition	356.01	1575.20	-	1931.21
* Reduction	(290.08)	(55.00)	-	(345.08)
* Exchange Difference Adjustment	(24.45)	(5.04)	-	(29.49)
Net Change	41.48	1515.16	-	1556.64
INDEBTEDNESS AT THE END OF THE FINANCIAL YEAR				
i) Principal Amount	1479.34	2965.16	-	4444.50
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	19.88	113.63	-	133.51
Total (i+ii+iii)	1499.22	3078.79	-	4578.01

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	29,763,780	13,558,450	12,465,407	55,787,637
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	6,804,567	1,069,821	1,302,670	9,177,058
	(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	54,000,000	7,600,000	9,700,000	71,300,000
	- others, specify	-	-	-	-
5	Others Benefits	4,011,706	930,380	873,610	5,815,696
	TOTAL (A)	94,580,053	23,158,651	24,341,687	142,080,391
	Ceiling as per the Act (₹ in crores)				53.63

- Salary excludes variable pay for previous financial year, i.e. FY 2015-16.
- 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 ₹2.34 crore (previous year ₹0.97 crore) was provided during the year for pension payable to eligible Wholetime Director 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	300,000	400,000	500,000	500,000	400,000	-	2,600,000
	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	1,640,000	1,490,000	1,840,000	2,465,000	1,390,000	-	10,565,000
2	OTHER NON-EXECUTIVE DIRECTORS									
	Fee for attending Board and Committee meetings	500,000	-	-	-	-	-	-	-	500,000
	Commission	990,000	-	-	-	-	-	-	-	990,000
	Others, please specify	15,144,283	-	-	-	-	-	-	-	15,144,283
	Total (2)	16,634,283	-	-	-	-	-	-	-	16,634,283
	TOTAL (B)=(1+2)	16,634,283	1,740,000	1,640,000	1,490,000	1,840,000	2,465,000	1,390,000	-	27,199,283
	TOTAL MANAGERIAL REMUNERATION (A+B)									169,279,674
	OVERALL CEILING AS PER THE ACT (₹ IN CRORES)									58.99

* During the year ₹15,144,283 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 Mr. Ravi K. Sheth is paid by GIL.

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

(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	12,001,286
(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	1,013,211
(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	644,429
TOTAL	13,658,926

* Salary includes variable pay for previous financial year, i.e. FY 2015-16. 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 05, 2017

The Great Eastern Shipping Company Limited

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 31ST MARCH 2017

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

To,
The Members,
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 conduct / 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 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- i) The Companies Act, 2013 ('the Act') and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed 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;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (during the year under review not applicable to the Company);
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ;
 - 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 Company Limited

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

- a) Secretarial Standards issued by the Institute of Company Secretaries of India;
- 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.

1. In the 68th Annual General Meeting dated August 11, 2016, members' approval was taken for issue of Secured/Unsecured Redeemable Non-convertible Debentures aggregating upto Rupees 1500 crores.

2. During the financial year 2016-17, Non-convertible Debentures were issued/allotted by the Company as follows:

DATE	NATURE OF THE SECURITIES	ISSUE / ALLOTMENT	AMOUNT (Rupees)
April 29, 2016	8.70% Non-convertible Debentures (Tranche I & II)	Issue	500 Crore
May 9, 2016	8.70% Non-convertible Debentures (Tranche I)	Allotment	250 Crore
June 1, 2016	8.70% Non-convertible Debentures (Tranche II)	Allotment	250 Crore
November 7, 2016	8.24% Non-convertible Debentures (Tranche I & II)	Issue	400 Crore
November 11, 2016	8.24% Non-convertible Debentures (Tranche I & II)	Allotment	400 Crore
January 16, 2017	7.99% Non-convertible Debentures (Tranche I & II)	Issue	500 Crore
January 19, 2017	7.99% Non-convertible Debentures (Tranche I & II)	Allotment	500 Crore

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

Dipti Mehta

Partner

FCS No : 3667

CP No : 3202

Place : Mumbai

Date : May 05, 2017

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. Wherever 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 P1996MH00750)

Dipti Mehta

Partner

FCS No : 3667

CP No : 3202

Place : Mumbai

Date : May 05, 2017



Jag Pooja at JNPT Port - Liquid Terminal

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 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, 2017 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, 2017 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 DIRECTORS (PROMOTERS)				
Mr. Bharat K. Sheth (DIN: 00022102)	1	-	-	-
EXECUTIVE DIRECTORS				
Mr. Tapas Icot (DIN:00905882)	-	-	-	-
Mr. G. Shivakumar (DIN: 03632124)	-	-	-	-
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	5	2	800
Mr. Cyrus Guzder (DIN: 00080358)	2	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, 2017. 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, 2017, five (5) Board Meetings were held on May 05, 2016, August 11, 2016, November 11, 2016, February 03, 2017 and March 15, 2017.

The attendance of Directors at the Board Meetings held during the year 2016 -17 is as follows:

NAME OF THE DIRECTOR	NO. OF MEETINGS ATTENDED
Mr. K. M. Sheth	5
Mr. Bharat K. Sheth	5
Mr. Berjis Desai	5
Mr. Cyrus Guzder	5
Mr. Farrokh K.Kavarana	3
Ms. Rita Bhagwati	5
Dr. Shankar N. Acharya	4
Mr. Vineet Nayyar	4
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 seven times on May 05, 2016, July 19, 2016, August 11, 2016, November 11, 2016, February 03, 2017, February 18, 2017 and March 15, 2017.

Details of attendance of the members at the Committee meetings held during the year 2016 - 17 is as follows:

	MR. CYRUS GUZDER (CHAIRMAN)	MR. BERJIS DESAI	MR. FARROKH KAVARANA	MS. RITA BHAGWATI
Number of meetings attended	7	7	5	7

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 Wholetime 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 Acharya.

During the year, the Committee met twice on May 05, 2016 and November 11, 2016.

Details of attendance of members at the Committee meetings held during the year 2016-17 is as follows:

	MR. CYRUS GUZDER (CHAIRMAN)	MR. BERJIS DESAI	MR. FARROKH KAVARANA	DR. SHANKAR N. ACHARYA
Number of meetings attended	2	2	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 2016-17

(Amount in ₹)

NAME OF DIRECTOR	SALARY*	BENEFITS	COMMISSION	SITTING FEES
Mr. K. M. Sheth	-	-	990,000	500,000
Mr. Bharat K. Sheth	29,763,780	10,816,273	54,000,000	-
Mr. Ravi K. Sheth**	-	-	-	-
Mr. Berjis Desai	-	-	1,340,000	500,000
Mr. Cyrus Guzder	-	-	1,965,000	500,000
Mr. Farrokh Kavarana	-	-	1,340,000	300,000
Ms. Rita Bhagwati	-	-	1,240,000	500,000
Dr. Shankar Acharya	-	-	1,090,000	400,000
Mr. Vineet Nayyar	-	-	990,000	400,000
Mr. Tapas Icot+	13,558,450	2,000,201	7,600,000	-
Mr. G. Shivakumar+	12,465,407	2,176,280	9,700,000	-
Total	55,787,637	14,992,754	80,255,000	31,00,000

*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. Taps 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 ₹2.34 crore (previous year ₹0.97 crore) was provided during the year for pension payable to Wholetime Directors on their retirement. During the year ₹15,144,283 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 & Remuneration Committee are as follows:

Parameters for performance evaluation of Board

ATTRIBUTE	DESCRIPTION
Strategy & Business Plan Management	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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
Stakeholder value and responsibility	<ul style="list-style-type: none"> • 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.

ATTRIBUTE	DESCRIPTION
Process of meetings	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • HSE records and statutory compliances • Maturity of HSE systems and programs
Financial Performance	<ul style="list-style-type: none"> • Profitability & Return on equity • Financial strength
Market Performance	<ul style="list-style-type: none"> • Asset utilizations, day rates & TCY • Market competitiveness in regions of interest
Operations, Assets & Cost Performance	<ul style="list-style-type: none"> • Fleet uptime • Maturity of technical management systems • Maturity of cost optimization programs
Risk, Quality & Systems Management	<ul style="list-style-type: none"> • Mitigation & management of major risks including statutory compliances • Robustness of process controls • Maturity of IT systems
People Management	<ul style="list-style-type: none"> • 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)	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Independent thinker who shares own views in board discussions • Demonstrates being an independent thinker, and avoids group-think.
Application of insights	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Works effectively independently / collectively with board members • Asks deep questions without being confrontational • Understands and fulfills the functions as assigned by the Board and the law

Additional Parameters for performance evaluation of Chairman

ATTRIBUTE	DESCRIPTION
Management of Board Agenda & Information Flow	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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, 2016 and November 11, 2016. The details of attendance of the members at the Committee meetings held during the year 2016-17 is 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, 12 complaints were received. All the complaints were replied / resolved to the satisfaction of the investors. There were no complaints pending as on March 31, 2017. 1 request for transfer involving 1,113 shares and 12 requests for dematerialization involving 2,776 shares were pending for approval as on March 31, 2017. 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 reduce 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 the 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, 2017
Time	3.00 p.m.
Venue	Auditorium, Swatantryaveer Savarkar Rastriya Smarak, 252, Swatantryaveer Savarkar Marg, Shivaji Park, Dadar West, Mumbai - 400028.
Dividend Payment Date	August 11, 2017
Date of Book Closure	August 04, 2017 to August 10, 2017 (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 69th 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
66th Annual General Meeting	September 25, 2014 at 3.00 p.m.	Patkar Hall, S.N.D.T Women's University, 1, Nathibai Thackersey Road, New Marine Lines, Mumbai 400 020	<ul style="list-style-type: none"> • Appointment of Mr. Tapas Icot as a Wholetime Director of the Company designated as 'Executive Director' for a period of 5 years with effect from August 12, 2014. • Adoption of new Articles of Association. • According consent to the Board of Directors of the Company to borrow upto ₹6,000 crores.
67th Annual General Meeting	August 12, 2015 at 3.00 p.m.	Rama and Sundri Watumull Auditorium, K. C. College, Churchgate, Mumbai 400 020	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • According consent to the Board of Directors of the Company to issue non-convertible debentures aggregating upto ₹1500 crores.

All resolutions moved at the last Annual General Meeting held on August 11, 2016 were passed by electronic voting and ballot conducted at the Annual General Meeting.

All the Directors of the Company other than Mr. Vineet Nayyar attended the last Annual General Meeting held on August 11, 2016.

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, 2017.
- 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 2017
2nd Quarterly Result	Second week of November 2017
3rd Quarterly Result	Second week of February 2018
4th Quarterly Result	April / May 2018

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

GLOBAL DEPOSITORY RECEIPTS	NON-CONVERTIBLE DEBENTURES
Euro MTF Market-Luxembourg Stock Exchange, Kredietbank S.A. Luxembourgise Societe Anonyme 43, Boulevard Royal L-2955 Luxembourg, R. C. Luxembourg B6395	Wholesale Debt Market – National Stock Exchange of India Ltd., Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051

The Company has paid the requisite Annual Listing Fees to all Stock Exchanges for the financial year 2016-17

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 GDRS

81,372 GDRs (equivalent to 4,06,858 equity shares) were outstanding as on March 31, 2017.

OUTSTANDING WARRANTS

No Warrants were outstanding as on March 31, 2017.

PLANT LOCATION

The Company has no plants.

DEBENTURE TRUSTEE

Vistra ITCL (India) Ltd.

The IL&FS Financial Centre,
Plot C- 22, G Block 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 E-mail: greatship.ris@karvy.com	24 B, Rajabahadur Mansion, Ground Floor, Amabalal Doshi Marg, Fort, Mumbai - 400023 Tel : 022 3292 0444

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 ₹28,55,265 and ₹31,74,471 being unclaimed 55th (2nd Interim) and 55th (3rd Interim) dividend was transferred on June 14, 2016 and June 17, 2016 respectively to the IEPF.

All unclaimed dividend for the year 2009-10 (56th final dividend) will be due for transfer to the IEPF on August 28, 2017 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.

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 to the IEPF on August 28, 2017. Any claimant of shares transferred above shall be entitled to claim such shares from IEPF.

The following table gives the dates of dividend declaration or payment since 2009 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
2010	56	Final	29.07.2010	28.08.2017
2011	57 (I)	1st Interim	29.10.2010	28.11.2017
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

THE FOLLOWING TABLE GIVES THE DETAILS OF UNCLAIMED DIVIDEND AMOUNT SINCE 2010

UNCLAIMED DIVIDEND AS ON MARCH 31, 2017								
YEAR	DIV. NO.	TYPE	NO OF WARRANTS ISSUED	NO OF WARRANTS UNCLAIMED	% UNCLAIMED	AMOUNT OF DIVIDEND (₹ LAKHS)	DIVIDEND UNCLAIMED (₹ LAKHS)	% UNCLAIMED
2010	56	Final	103472	9080	8.78	12183	75.6	0.62
2011	57	Interim	100936	10217	10.12	5330	39.74	0.75
2011	57	Final	95727	9790	10.23	6853	47.28	0.69
2012	58	Interim	93791	10982	11.71	4568	36.58	0.80
2012	58	Final	91277	10079	11.04	5330	39.47	0.74
2013	59	Interim	88563	11005	12.43	4569	36.33	0.80
2013	59	Final	85801	10352	12.07	6854	51.27	0.75
2014	60	Interim	81768	11127	13.61	6031	50.42	0.84
2015	61	Interim	77023	10654	13.83	6031	49.66	0.82
2014	60	Final	75993	10522	13.85	7538	60.03	0.80

UNCLAIMED DIVIDEND AS ON MARCH 31, 2017

YEAR	DIV. NO.	TYPE	NO OF WARRANTS ISSUED	NO OF WARRANTS UNCLAIMED	% UNCLAIMED	AMOUNT OF DIVIDEND (₹ LAKHS)	DIVIDEND UNCLAIMED (₹ LAKHS)	% UNCLAIMED
2015	61	Final	74691	10805	14.47	10554	84.79	0.80
2016	62	Interim	75206	11920	15.85	9046	84.09	0.93
2016	62	2nd Interim	74758	11370	15.21	11308	95.17	0.84
2017	63	Interim	74888	14533	19.41	5427	64.15	1.18

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, 2016	3567	355,284
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	14	1424
Number of shareholders to whom shares were transferred from suspense account during the year	14	1424
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2017	3553	353,860

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.

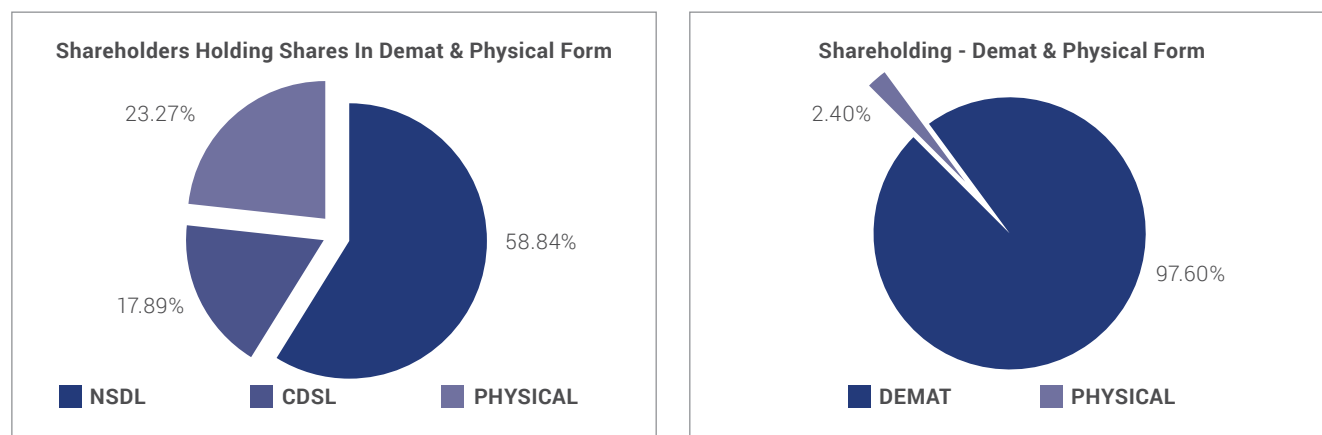
The concerned shareholders are requested to claim their shares by writing to the Company / RTA.

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.

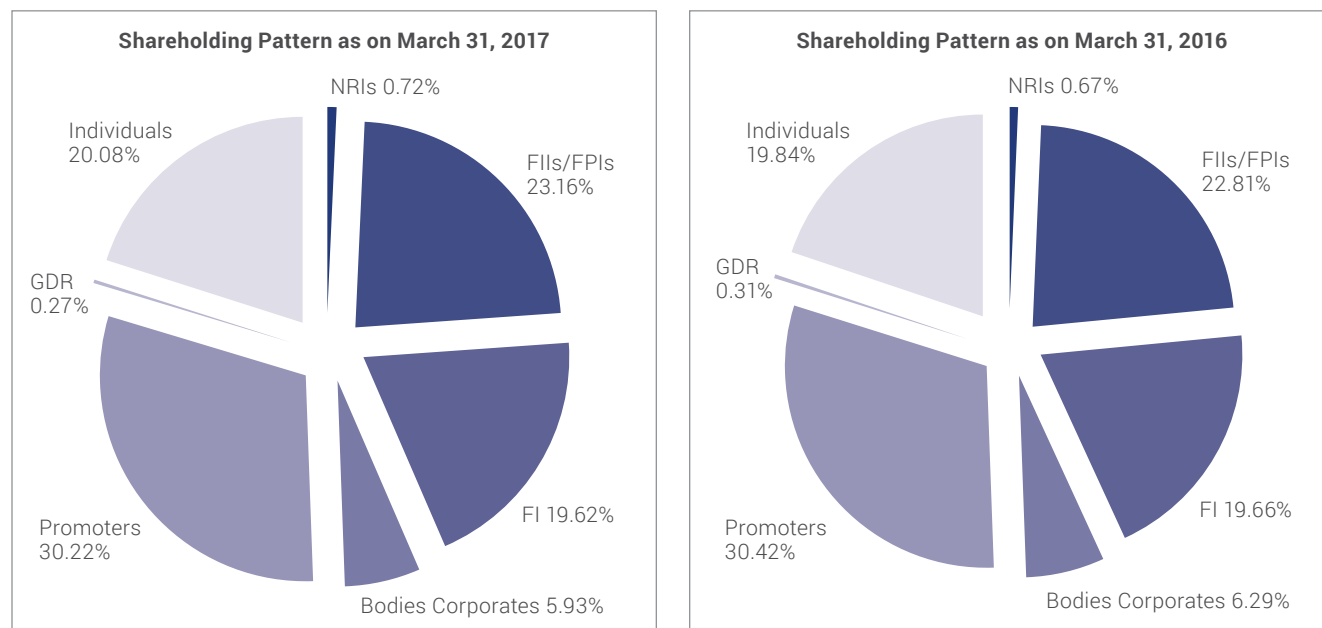
SHARES HELD IN DEMATERIALIZED FORM AND PHYSICAL FORM AS ON MARCH 31, 2017



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, 2017

NO. OF SHARES HELD		SHAREHOLDERS		SHARES	
FROM	TO	NUMBER	% TO TOTAL	NUMBER	% TO TOTAL
1	500	61604	86.26	69,93,270	4.64
501	1000	4547	6.37	33,07,718	2.19
1001	2000	2541	3.56	36,21,546	2.40
2001	3000	871	1.22	21,66,188	1.44
3001	4000	441	0.62	15,50,239	1.03
4001	5000	270	0.38	12,28,364	0.81
5001	10000	584	0.82	42,04,953	2.79
10001 and ABOVE		556	0.78	12,77,04,787	84.70
Total:		71414	100.00	15,07,77,065	100.00

COMPANY'S SHARE PRICE COMPARED TO BSE SENSEX



Source: BSE

MARKET PRICE DATA - HIGH / LOW DURING EACH MONTH IN THE YEAR 2016-17

MONTH	HIGH PRICE (₹)	LOW PRICE (₹)	NO .OF SHARES
Apr-16	344.00	305.30	179762
May-16	335.00	301.75	1213807
Jun-16	319.00	296.60	254481
Jul-16	346.00	310.20	169491
Aug-16	372.15	336.90	481761
Sep-16	385.50	341.80	505557
Oct-16	390.10	354.50	740464
Nov-16	397.60	337.00	410232
Dec-16	383.90	348.75	102900
Jan-17	410.40	362.80	188239
Feb-17	399.40	350.00	177717
Mar-17	437.00	367.00	2282483

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.

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, 2017.

For The Great Eastern Shipping Co. Ltd.

Bharat K. Sheth

Deputy Chairman & Managing Director

Date: May 05, 2017

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
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, 2017 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)

Dipti Mehta

Partner

FCS No : 3667

CP No. : 3202

Place : Mumbai

Date : May 5, 2017

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 : **2016-17**
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) : **₹2226.74 crore**
3. Total profit after taxes (INR) : **₹601.39 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 2017, 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/Director 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? If 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 also cover dealings with / by the Company by / with third parties such as customers, suppliers, 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 : 408**
Floating staff : 960
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.
- Shore staff : 217**
Floating staff : 738
3. Please indicate the Number of permanent women employees.
- Shore staff : 39**
Floating staff : 4
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%**
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 : 80%
Floating staff : 50%
 - » Permanent Women Employees
Shore staff : 80%

Floating staff : Nil

» Casual/Temporary/Contractual Employees

Shore staff : 70%**Floating staff : 40%**

» 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 2016-17.**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?

The 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 section 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 the Great Eastern CSR Foundation have been described in detail as annexure to Board's 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, 2017.

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 Akshay - Acquired in August 2016

ASSET PROFILE

FLEET AS ON 31ST MARCH 2017

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		12.39
	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		9.78
	TOTAL TONNAGE (DWT)		1,608,683		
	NO. OF SHIPS		12		
	AVERAGE AGE (YRS)		11.53		
	% OF TOTAL TONNAGE		44%		
PRODUCT CARRIERS	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		8.12
	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	
	11		530,443		10.61
	TOTAL TONNAGE (DWT)		829,843		
	NO. OF SHIPS		15		
	AVERAGE AGE (YRS)		9.71		
	% OF TOTAL TONNAGE		22%		

TYPE		VESSEL NAME	DWT (MT)	YR BUILT	AV. AGE (YRS)
GAS CARRIERS	LPG CARRIERS	1 JAG VISHNU	49,353	1994	
		2 JAG VIDHI	49,849	1996	
		2	99,202		22.10
	TOTAL TONNAGE (DWT)	99,202			
	NO. OF SHIPS	2			
	AVERAGE AGE (YRS)	22.10			
DRY BULK CARRIERS	CAPESIZE				
		1 JAG ANAND	179,250	2011	
		1	179,250		5.81
	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		2.67
	SUPRAMAX	1 JAG RATAN	52,179	2001	
		2 JAG RAHUL	52,364	2003	
		3 JAG RISHI	56,719	2011	
		4 JAG RANI	56,820	2011	
		5 JAG ROOPA	52,454	2006	
		6 JAG RADHA	58,133	2009	
		6	328,669		9.75
	TOTAL TONNAGE (DWT)	1,159,035			
	NO. OF SHIPS	15			
	AVERAGE AGE (YRS)	5.16			
	% OF TOTAL TONNAGE	31%			
FLEET TOTAL					
TOTAL TONNAGE (DWT)		3,696,763			
NO. OF SHIPS		44			
AVERAGE AGE (YRS)		9.41			

ACQUISITIONS AND SALES DURING FY 2016-17

ACQUISITIONS

CATEGORY	VESSEL TYPE	VESSEL NAME	DWT (MT)	YR BUILT	MONTH OF ACQUISITION
CRUDE OIL CARRIERS	SUEZMAX	JAG LAADKI	1,50,284	2000	Jan-2017
		JAG LEENA	1,57,642	2010	Mar-2017
		JAG LAKSHYA	1,57,642	2011	Mar-2017
	AFRAMAX	JAG LEELA	105,525	2011	Jan-2017
		JAG LAXMI	105,525	2012	Jan-2017
PRODUCT CARRIERS	MEDIUM RANGE	JAG PUNIT	49,717	2016	Apr-2016
		JAG POOJA	48,539	2005	Aug-2016
GAS CARRIER	LPG CARRIER	JAG VIDHI	49,849	1996	Jun-2016
DRY BULK CARRIERS	CAPE SIZE	JAG ANAND	179,250	2011	Jul-2016
	KAMSARMAX	JAG AJAY	82,094	2016	Jun-2016
		JAG AALOK	82,023	2016	Jul-2016
		JAG AKSHAY	82,044	2016	Aug-2016
		JAG AMAR	82,094	2017	Jan-2017
	SUPRAMAX	JAG RADHA	58,133	2009	Dec-2016

SALE

CATEGORY	VESSEL TYPE	VESSEL NAME	DWT (MT)	YR BUILT	MONTH OF SALE
CRUDE OIL CARRIER	AFRAMAX	JAG LAXMI	105,051	1999	May-2016

TRANSACTIONS BETWEEN APRIL 01, 2017 TO MAY 05, 2017

ACQUISITIONS

CATEGORY	VESSEL TYPE	VESSEL NAME	DWT (MT)	YR BUILT	MONTH OF ACQUISITION
DRY BULK CARRIER	SUPRAMAX	JAG ROHAN	52,450	2006	May-2017

CONTRACTED FOR ACQUISITION

CATEGORY	VESSEL TYPE	DWT (MT)	YR BUILT	EXPECTED DELIVERY
PRODUCT CARRIER	MEDIUM RANGE	51,000	2008	Q1 FY18

SUBSIDIARY FLEET AS ON MARCH 31, 2017

GREATSHIP (INDIA) LIMITED AND ITS SUBSIDIARIES

	VESSEL TYPE		VESSEL NAME	COMPANY#	DWT (MT)	YR BUILT	AVERAGE AGE (YRS)
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		8.00
	ANCHOR HANDLING TUG CUM SUPPLY VESSELS	1	m.v. Greatship Anjali	GIL	2,188	2008	
		2	m.v. Greatship Amrita	GIL	2,045	2008	
		3	m.v. Greatship Asmi	GIL	1,634	2009	
		4	m.v. Greatship Ahalya	GIL	1,643	2009	
		5	m.v. Greatship Aarti	GIL	1,650	2009	
		6	m.v. Greatship Vidya	GIL	3,289	2012	
		7	m.v. Greatship Vimla	GIL	3,310	2012	
		8	m.v. Greatship Aditi	GGOS	2,045	2009	
		8			17,804		7.50
	MULTI-PURPOSE PLATFORM SUPPLY AND SUPPORT VESSELS	1	m.v. Greatship Maya	GGOS	4,350	2009	
		2	m.v. Greatship Manisha	GGOS	4,221	2010	
		2			8,571		7.50
	ROV SUPPORT VESSELS	1	m.v. Greatship Ramya	GIL	3,676	2010	
		2	m.v. Greatship Rohini	GIL	3,700	2010	
		3	m.v. Greatship Rashi	GIL	3,700	2011	
		4	m.v. Greatship Roopa	GIL	3,600	2012	
		5	m.v. Greatship Rachna	GIL	3,600	2012	
		5			18,276		6.00
TOTAL OFFSHORE SUPPORT VESSELS							
NUMBER			19				
TOTAL TONNAGE (DWT)			58,539				
AVERAGE AGE (YEARS)			7.21				

VESSEL TYPE		VESSEL NAME		COMPANY#	DWT (MT)	YR BUILT	AVERAGE AGE (YRS)
DRILLING UNITS	350' JACK UP RIG*	1	Greatdrill Chitra	GGES	N.A.	2009	
		2	Greatdrill Chetna	GGES	N.A.	2009	
		3	Greatdrill Chaaya	GGES	N.A.	2013	
		4	Greatdrill Chaaru	GGES	N.A.	2015	
		4					5.50
TOTAL DRILLING UNITS							
NUMBER				4			
AVERAGE AGE (YEARS)				5.50			

GIL stands for 'Greatship (India) Limited';

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

GGES stands for 'Greatship Global Energy Services Pte. Ltd.'

* Held for sale to GIL

TRANSACTIONS DURING FY 2016-17

GREATSHIP (INDIA) LIMITED AND ITS SUBSIDIARIES

VESSEL TYPE		VESSEL NAME		COMPANY#	DWT (MT)	YR BUILT	MONTH OF AQUISITION/SALE
OFFSHORE SUPPORT VESSEL	SALE						
	ROV SUPPORT VESSEL	1	m.v. Greatship Ragini	GGOS	3,600	2013	Nov-16
	PLATFORM SUPPLY VESSEL	1	m.v. Greatship Disha	GIL	3,096	1999	Feb -17

GIL stands for 'Greatship (India) Limited' and

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



FINANCIAL STATEMENTS

THE YEAR AT A GLANCE (CONSOLIDATED)

	MARCH 31, 2017		MARCH 31, 2016*	
	₹ (in crores)	US\$ (in millions)	₹ (in crores)	US\$ (in millions)
	(except for Earnings, Cash earnings and Dividend per share)			
FOR THE YEAR				
Total Revenue	3629.13	541	3926.49	601
Operating Profit (PBIDT)	2121.44	316	2267.07	347
Net Profit	754.96	112	1096.98	168
Cash Profit	1617.20	241	1868.60	286
Earnings per share (₹/US\$)	50.07	0.75	72.76	1.11
Cash earnings per share (₹/US\$)	107.26	1.60	123.93	1.90
Dividend per share (₹/US\$)	10.10	0.15	13.50	0.21
Return on Equity (%)	10.95	10.95	17.87	17.87
AT THE END OF THE YEAR				
Total Assets	15286.51	2357	13932.83	2103
Fixed Assets	10326.69	1592	9253.13	1397
Total Debt	6815.75	1051	5758.94	869
Net Worth	7223.33	1114	6563.48	991
Equity Capital	150.78	23	150.78	23

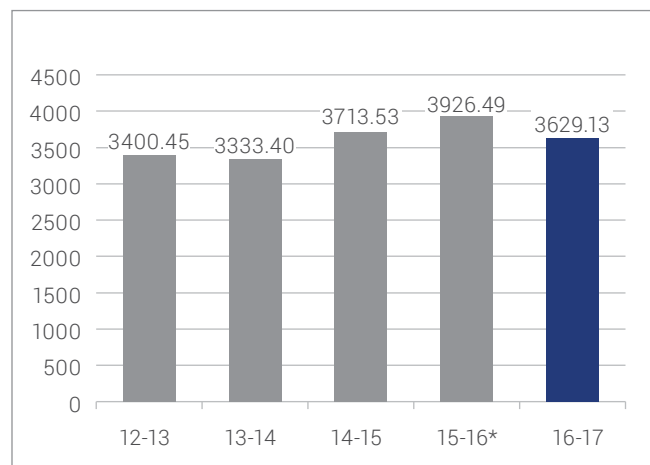
* Figures are restated as per Ind AS

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

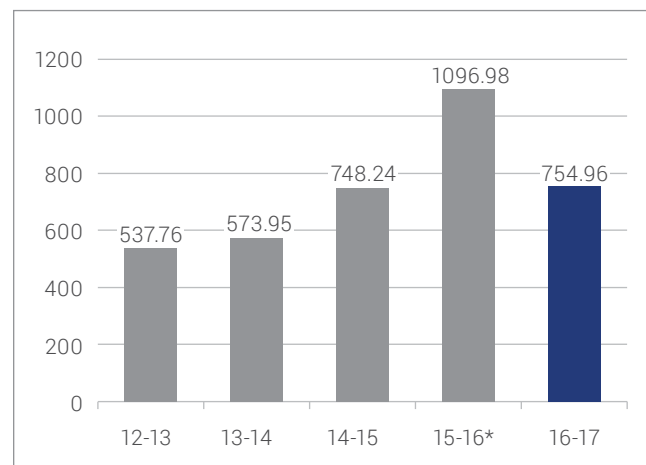
EXCHANGE RATE	₹/US\$	
	2016-17	2015-16
-Average	67.11	65.30
-Closing	64.85	66.25

FINANCIAL HIGHLIGHTS (CONSOLIDATED)

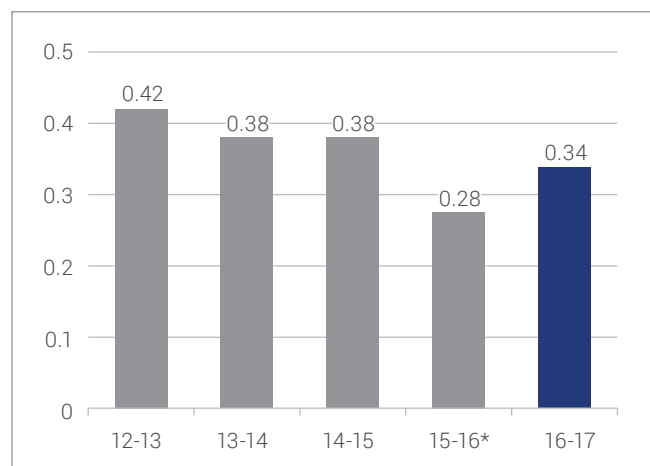
REVENUES ₹ in crores



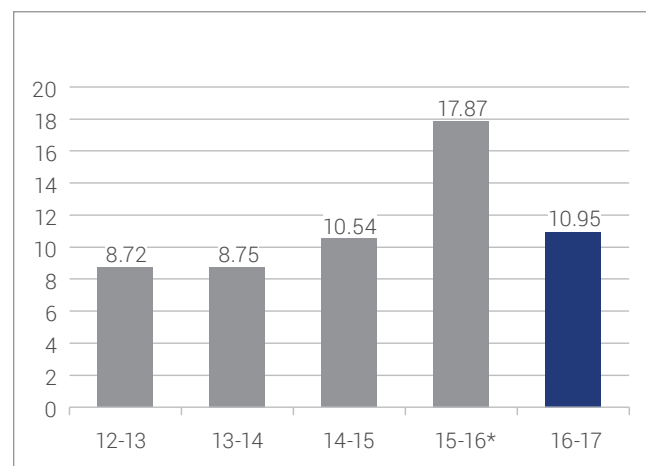
NET PROFIT FOR THE YEAR ₹ in crores



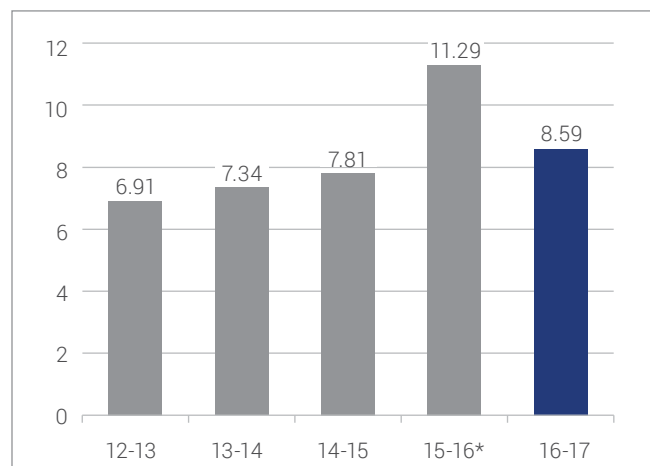
NET DEBT EQUITY RATIO



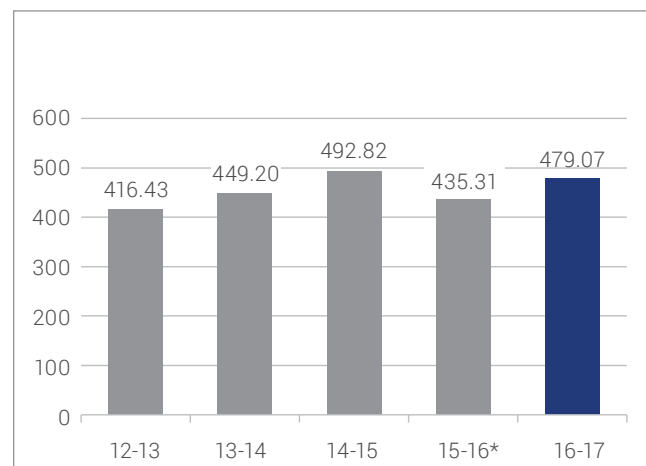
RETURN ON NET WORTH percent



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	
	2012-13	2013-14	2014-15	2015-16	2016-17
PROFIT & LOSS A/C					
Total Revenues	3400.45	3333.40	3713.53	3926.49	3629.13
Operating profit (PBIDT)	1553.26	1673.35	1708.74	2267.07	2121.44
Net Profit (PAT)	537.76	573.95	748.24	1096.98	754.96
BALANCE SHEET					
What The Company Owned					
Fixed Assets	9703.89	10200.42	11114.89	9253.13	10326.69
Investments, net current assets and long term portion of current liabilities and provisions	3376.01	2689.91	2854.44	3057.14	3701.21
Deferred Taxation (Net)	1.18	1.95	0.90	12.15	11.18
TOTAL	13081.08	12892.28	13970.23	12322.42	14039.08
What the Company Owed					
Loans (including current portion)	6739.32	6119.43	6539.61	5758.94	6815.75
TOTAL	6739.32	6119.43	6539.61	5758.94	6815.75
Shareholders' Funds					
Equity Share Capital	152.32	150.78	150.78	150.78	150.78
Reserves & Surplus	6189.44	6622.07	7279.84	6412.70	7072.55
TOTAL	6341.76	6772.85	7430.62	6563.48	7223.33
Gross Debt-Equity ratio	1.06:1	0.90:1	0.88:1	0.88:1	0.94:1
Net Debt-Equity ratio	0.42:1	0.38:1	0.38:1	0.28:1	0.34:1
Return on Net Worth (%)	8.72	8.75	10.54	17.87	10.95
Earning Per Share (in ₹)	35.31	37.87	49.63	72.76	50.07

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, 2017, 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 significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS Financial Statements").

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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these Standalone Ind AS Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS Financial Statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Ind AS, of the financial position of the Company as at March 31, 2017 and its financial performance including Other Comprehensive Income, the changes in equity and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016, ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4

of the said Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.
- e) On the basis of the written representations received from the Directors of the Company as on March 31, 2017 and taken on record by the Board of Directors, none of the Directors of the Company is disqualified as on March 31, 2017, from being appointed as a Director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements. Refer Note No. 34 to the Standalone Ind AS Financial Statements.
 - ii) The Company has made provision, as required under the applicable laws or Accounting Standards for material foreseeable losses, if any, on long term contracts including derivative contracts. Refer Note No. 2(p) and 35 to the Standalone Ind AS Financial Statements.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv) The Company has provided requisite disclosures in its Standalone Ind AS Financials Statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the Management representation, we report that the disclosures are in accordance with the books of account and other records maintained by the Company and as produced to us by the Management. Refer Note No. 39 to the Standalone Ind AS Financials Statements.

For **KALYANIWALLA & MISTRY LLP**

CHARTERED ACCOUNTANTS

Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser

PARTNER

M. No.: 42454

Mumbai: May 5, 2017.

The Great Eastern Shipping Company Limited

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Standalone Ind AS Financial Statements for the year ended March 31, 2017:

STATEMENT ON MATTERS SPECIFIED IN PARAGRAPHS 3 AND 4 OF THE COMPANIES (AUDITOR'S REPORT) ORDER, 2016:

1. Fixed Assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The Company has a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on such verification are not material and have been properly dealt with in the books of account.
 - c) According to the information and explanations given to us and on the basis of the records of the Company examined by us, the title deeds of immovable properties are held in the name of the Company except in one case where the deed of assignment in respect of the Company's leasehold property at Worli (Gross block – ₹ 55.42 crores and Net block – ₹ 48.05 crores) is yet to be transferred in the name of the Company. The Company has received a demand for transfer charges from the Bombay Municipal Corporation for transferring the property in favour of the Company. The Company has filed a writ petition in the Bombay High Court contesting the demand.
2. The Management has conducted physical verification of inventory at reasonable intervals. The discrepancies noticed on physical verification were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
3. During the year, the Company has not granted any loans, secured or unsecured to companies, firms, LLP or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore, the provisions of sub-clauses (a), (b) and (c) of paragraph 3 (iii) of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us and records, examined by us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76, or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder.
6. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013, in respect of any of the activities of the Company.
7. Statutory Dues:
 - a) According to the information and explanations given to us and on the basis of the records examined by us, the Company is regular in depositing undisputed statutory dues, including Shore Staff Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Duty of Customs, Value added tax, Cess and any other statutory dues with the appropriate authorities wherever applicable. We have been informed that in respect of floating staff it is not possible to accurately ascertain the provident fund dues in view of the nature of Company's activities. The Company regularly makes ad hoc payments to the appropriate authorities and on final determination, the balance, if any, is paid. We have been informed that there are no undisputed dues which have remained outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there are no dues of Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax or Cess outstanding on account of any dispute, other than the following:

NAME OF THE STATUTE	NATURE OF DUES	AMOUNT (₹ IN CRORE)	PERIOD TO WHICH THE AMOUNT RELATES	FORUM WHERE DISPUTE IS PENDING
The Central Sales Tax Act, 1956	Sales Tax	0.80 0.87	1998-99	The Sales Tax Appellate Tribunal
The Bombay Sales Tax Act, 1959	Sales Tax	0.07 0.07 0.09	1995-96 1996-97 1997-98	The High Court at Bombay
		3.86 0.70	1998-99	The Sales Tax Appellate Tribunal
		1.00	2001-02	Commissioner of Sales Tax (Appeals)
The Maharashtra VAT Act, 2005	VAT	0.00* 0.00*	2009-10 2010-11	Sales Tax Officer
The Maharashtra Land Revenue Code, 1966	Transfer charges for office premises under the scheme of demerger	1.24	2002-03	The High Court at Bombay
	Transfer Charges for office Premises	3.10	2003-04	The High Court at Bombay
Customs Act, 1962	Custom Duty regarding vessels at different ports	0.04	2009-10	Commissioner of Customs (Appeals), Jamnagar
		0.44 0.07	2010-11 2011-12	CESTAT, Ahmedabad
		0.02	2011-12	Commissioner of Customs (Appeals), Bhubaneswar
		5.56	2012-13	The High Court at Ahmedabad, Chennai and Bhubaneswar
		0.37	2012-13	Commissioner of Customs (Appeals), Jamnagar
		0.01	2013-14	Commissioner of Customs (Appeals), Kolkata
Income-tax Act, 1961	Income-tax	0.75	2007-08	Income Tax Appellate Tribunal, Mumbai
		0.08	2008-09	Income Tax Appellate Tribunal, Mumbai
		0.05	2009-10	Income Tax Appellate Tribunal, Mumbai
		0.03	2013-14	Asst. Commissioner of Income Tax
The Major Port Trusts Act, 1963	Wharfage Charges	0.99	2014-15	The High Court of Judicature at Madras

* Amounts less than ₹ 0.01 crore.

8. According to the information and explanations given to us and based on the documents and records produced before us, there has been no default in repayment of dues to banks or debenture holders. There are no dues to financial institutions or Government.
9. According to the information and explanations given to us and the records examined by us, the term loans obtained by the Company were applied for the purpose for which the loans were obtained. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.
10. During the course of our examination of the books of account and records of the Company, to the best of our knowledge and belief and according to the information and explanations given to us by the Management, no fraud on, or by the Company, has been noticed or reported during the year.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company; hence the provisions of Clause 3(xii) of the Order are not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with Directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **KALYANIWALLA & MISTRY LLP**

CHARTERED ACCOUNTANTS

Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser

PARTNER

M. No.: 42454

Mumbai: May 5, 2017.

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 2(f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Standalone Ind AS Financial Statements for the year ended March 31, 2017.

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013.

We have audited the internal financial controls over financial reporting of THE GREAT EASTERN SHIPPING COMPANY LIMITED ("the Company") as of March 31, 2017, in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind AS Financial Statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Ind AS Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

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

For **KALYANIWALLA & MISTRY LLP**

CHARTERED ACCOUNTANTS

Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser

PARTNER

M. No.: 42454

Mumbai: May 5, 2017.

BALANCE SHEET AS AT MARCH 31, 2017

(₹ in crores)

PARTICULARS	NOTE NO.	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
ASSETS				
I. NON-CURRENT ASSETS :				
(a) Property, Plant and Equipment	4	5594.12	3665.78	3484.13
(b) Capital Work-in-progress		21.71	328.28	121.98
(c) Intangible Assets	5	0.30	0.27	0.35
(d) Intangible Assets under development		0.67	0.15	0.16
(e) Financial Assets				
(i) Non-Current Investments	6	1680.17	1678.19	1731.12
(f) Other Non-Current Assets	7	29.14	3.83	3.89
		7326.11	5676.50	5341.63
II. CURRENT ASSETS :				
(a) Inventories	8	60.41	28.14	52.83
(b) Financial Assets				
(i) Current Investments	9	862.89	885.70	1221.03
(ii) Trade Receivables	10	49.87	91.67	133.91
(iii) Cash and Cash Equivalents	11	725.53	267.96	338.04
(iv) Bank Balances other than (iii) above	12	1472.94	1757.21	1390.49
(c) Current Tax Assets (net)	13	57.03	57.37	51.15
(d) Other Current Assets	7	86.92	90.76	80.12
		3315.59	3178.81	3267.57
TOTAL ASSETS		10641.70	8855.31	8609.20
EQUITY AND LIABILITIES				
I. EQUITY :				
(a) Equity Share Capital	14	150.78	150.78	150.78
(b) Other Equity	15	5011.24	4469.30	4200.73
		5162.02	4620.08	4351.51
II. NON-CURRENT LIABILITIES :				
(a) Financial Liabilities				
(i) Borrowings	16	3748.47	2606.14	2558.52
(b) Provisions	17	28.10	24.96	24.10
		3776.57	2631.10	2582.62
III. CURRENT LIABILITIES :				
(a) Financial Liabilities				
(i) Borrowings	16	170.17	-	-
(ii) Trade Payables	18	100.36	119.33	114.42
(iii) Other Financial Liabilities	19	1319.02	1384.41	1469.19
(b) Other Current Liabilities	20	65.36	65.42	57.69
(c) Provisions	17	15.78	16.13	14.96
(d) Current Tax Liabilities (net)	21	32.42	18.84	18.81
		1703.11	1604.13	1675.07
TOTAL EQUITY AND LIABILITIES		10641.70	8855.31	8609.20
Summary of Significant Accounting Policies	2			
First time adoption of Ind AS	3			

The accompanying notes are an integral part of the financial statements
As per our Report attached hereto

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

Daraius Z. Fraser
Partner
M. No. : 42454
Mumbai : May 5, 2017.

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)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

(₹ in crores)

PARTICULARS	NOTE NO.	CURRENT YEAR	PREVIOUS YEAR
I. Revenue from Operations	22	1703.96	1972.49
II. Other Income	23	522.78	137.90
III. TOTAL INCOME (I + II)		2226.74	2110.39
IV. EXPENSES :			
Employee Benefit Expenses	24	312.46	256.00
Finance Costs	25	246.98	183.37
Depreciation and Amortisation Expense	26	373.60	287.65
Other Expenses	27	652.31	746.09
Total Expenses (IV)		1585.35	1473.11
V. PROFIT BEFORE TAX (III - IV)		641.39	637.28
VI. Tax Expense :			
- Current Tax	28	40.00	34.00
- MAT Credit Utilised	28	-	(15.00)
		40.00	19.00
VII. PROFIT FOR THE YEAR (V - VI)		601.39	618.28
VIII. OTHER COMPREHENSIVE INCOME :			
A (i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined employee benefit plans		(2.14)	(1.34)
(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 and loss on designated portion of hedging instruments in a cash flow hedge		(5.31)	1.38
(b) Movement in Foreign Currency Monetary Item Translation Reserve		8.58	7.35
		3.27	8.73
(ii) Income tax relating to items that may be reclassified to profit or loss		-	-
Other Comprehensive Income (A (i-ii)+B(i-ii))		1.13	7.39
IX. TOTAL COMPREHENSIVE INCOME (VII + VIII)		602.52	625.67
X. EARNINGS PER EQUITY SHARE :	29		
(Face value per share ₹ 10)			
- Basic		₹39.89	₹ 41.01
- Diluted		₹39.81	₹ 40.93
Summary of Significant Accounting Policies	2		
First time adoption of Ind AS	3		

The accompanying notes are an integral part of the financial statements
As per our Report attached hereto

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

G. Shivakumar
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M. No. : 42454

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

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

Mumbai : May 5, 2017.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2017

I. EQUITY SHARE CAPITAL

(₹ in crores)		
BALANCE AS AT APRIL 1, 2015	CHANGES IN EQUITY SHARE CAPITAL DURING THE YEAR	BALANCE AS AT MARCH 31, 2016
150.78	-	150.78
BALANCE AS AT APRIL 1, 2016	CHANGES IN EQUITY SHARE CAPITAL DURING THE YEAR	BALANCE AS AT MARCH 31, 2017
150.78	-	150.78

II. OTHER EQUITY

	RESERVES AND SURPLUS							ITEMS OF OTHER COMPREHENSIVE INCOME			(₹ in crores)
	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, 2015	15.98	86.59	2148.46	240.08	145.00	142.50	1448.45	(3.39)	(22.94)	4200.73	
Profit for the year	-	-	-	-	-	-	618.28	-	-	618.28	
Other Comprehensive Income for the year	-	-	-	-	-	-	(1.34)	1.38	7.35	7.39	
Total comprehensive income for the year	-	-	-	-	-	-	616.94	1.38	7.35	625.67	
Payment of dividends	-	-	-	-	-	-	(309.09)	-	-	(309.09)	
Payment of dividend distribution tax	-	-	-	-	-	-	(48.01)	-	-	(48.01)	
Transfer from Retained Earnings	-	-	-	-	125.00	25.00	(150.00)	-	-	-	
Transfer from Tonnage Tax Reserve	-	-	100.00	-	(100.00)	-	-	-	-	-	
Balance as at March 31, 2016	15.98	86.59	2248.46	240.08	170.00	167.50	1558.29	(2.01)	(15.59)	4469.30	

(₹ 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	RETAINED EARNINGS	EFFECTIVE PORTION OF CASH FLOW HEDGE	FOREIGN CURRENCY MONETARY ITEMS TRANSLATION DIFFERENCE ACCOUNT	
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
Other Comprehensive Income for the year	-	-	-	-	-	-	(2.14)	(5.31)	8.58	1.13
Total comprehensive income for the year	-	-	-	-	-	-	599.25	(5.31)	8.58	602.52
Payment of dividends	-	-	-	-	-	-	(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

As per our Report attached hereto

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

Daraius Z. Fraser
Partner
M. No. : 42454

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)

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

Mumbai : May 5, 2017.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2017

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	641.39	637.28
Adjustments For :		
Depreciation and amortisation expense	373.60	287.65
Interest Income	(66.52)	(62.34)
Interest expense	246.98	183.37
Dividend Income	-	(55.57)
Gain on winding up of subsidiary	-	(1.74)
Net gain on investments	(122.66)	(81.90)
Net gain on disposal of property, plant and equipment	(38.58)	0.70
Provision for loss on cancelled contract	-	7.84
Bad debts and advances written off	0.01	0.34
Provision for doubtful debts and advances (net)	(2.03)	(3.20)
Revaluation of foreign currency balances	(316.60)	91.38
Operating profit before working capital changes	715.59	1003.81
Adjustments For :		
(Increase) / Decrease in trade and other receivables	46.47	48.74
(Increase) / Decrease in inventories	(32.27)	24.69
(Increase) / Decrease in non-current assets	(13.31)	0.06
Increase / (Decrease) in trade payables and other liabilities	(19.25)	4.34
Increase / (Decrease) in non-current liabilities	3.14	0.86
Cash generated from operations	700.37	1082.50
Direct Taxes Paid	(26.08)	(25.19)
Net cash (used in) / generated from operating activities	674.29	1057.31
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for purchase of property, plant and equipment	(2057.15)	(791.96)
Proceeds from disposal of property, plant and equipment	94.22	183.73
Advances for acquisition of vessel	(12.00)	-
Sale proceeds of non-current investments	-	45.50
Purchase of current investments	(5217.90)	(3272.18)
Proceeds from disposal /redemption of current investments	5363.38	3689.45
Withdrawal / (Placement) of deposits with banks (net)	234.37	(319.63)
Dividend received form subsidiaries	-	55.57
Interest received	65.52	67.72
Net cash (used in) / generated from investing activities	(1529.56)	(341.80)

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	1931.21	456.33
Repayments of borrowings	(347.93)	(710.25)
Dividends paid	(54.28)	(312.49)
Dividend distribution tax paid	(6.30)	(48.01)
Interest paid	(194.10)	(189.29)
Net cash (used in) / generated from financing activities	1328.60	(803.71)
Net increase / (decrease) in cash and cash equivalents	473.33	(88.20)
Cash and cash equivalents at the beginning of the year	267.96	338.04
Exchange difference on translation of foreign currency cash and cash equivalents	(15.76)	18.12
Cash and cash equivalents at the end of the year	725.53	267.96

As per our Report attached hereto

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

Daraius Z. Fraser
Partner
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G. Shivakumar
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For and on behalf of the Board

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(DIN : 00022079)

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

Cyrus Guzder
Director
(DIN : 00080358)

Mumbai : May 5, 2017.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

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. Its shares are listed on the Bombay Stock Exchange and the National Stock Exchange of India and on the Luxembourg Stock Exchange. The Company is a major player in the Indian Shipping industry.

NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation :

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention (except for certain financial instruments that are measured at fair values at the end of each reporting period) on accrual basis to comply in all material aspects with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company prepared its financial statements upto the year ended March 31, 2016 in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. The financial statements for the year ended March 31, 2016 and the opening Balance Sheet as at April 1, 2015 have been restated in accordance with Ind AS for comparative information. The details of First-time adoption exemptions availed by the Company are given in Note 3. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Company's Equity, Total Comprehensive Income and Statement of Cash Flows are provided in Note 3.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at April 1, 2015 being the 'date of transition to Ind AS'. All assets and liabilities have been classified as Current and Non-Current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of services rendered and the time between the rendering of the services and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as twelve months for the purpose of Current and Non-Current classification of assets and liabilities.

The financial statements for the year ended March 31, 2017 were approved by the Board of Directors and authorised for issue on May 5, 2017.

b) Basis of Measurement :

These financial statements are prepared under the historical cost convention unless otherwise indicated.

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, is in respect of impairment of property, plant and equipment, useful lives of property, plant and equipment, provision and contingent liabilities.

Impairment of property, plant and equipment :

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

Useful lives of property, plant and equipment :

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

Provisions and Contingent Liabilities :

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions other than retirement benefits and compensated absences are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements.

d) Property, plant and equipment :

Property, plant and equipment (PPE) are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenses related to acquisition and installation of the concerned assets, borrowing costs during construction period (net off capital subsidy / grant received) and excludes any duties / taxes recoverable.

Advances paid towards the acquisition of PPE outstanding at each reporting date is classified as capital advances under Other Non-Current Assets and the cost of assets not put to use before such date are disclosed under capital work in progress.

Subsequent expenditure relating to PPE are capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. All other expenses on maintaining property, plant and equipment, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred except for dry dock expenditure.

Grabs and Dry docks are considered as components of Fleet with estimated useful lives different than the main component of Fleet. Cost relating to Dry dock which is mandatorily required to be carried out as per the Classification Rules and Regulations is recognised in the carrying amount of the Ship and is amortised from the completion of survey till the estimated date for next special survey.

Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment are recognised in the Statement of Profit And Loss.

Exchange differences on repayment and year end translation of foreign currency loans availed upto March 31, 2016 and fair value gains or losses on qualifying cash flow hedges that are transferred from Hedging Reserve relating to acquisition of depreciable capital assets are adjusted to the carrying cost of the assets.

e) Intangible Assets :

Intangible assets are stated at acquisition cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over the estimated useful lives.

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 immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized 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.

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 and demurrage 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 is recognised on a time proportion basis taking into account the principal amount outstanding and the applicable effective interest rate.

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 written off in the year in which they are incurred. Claims against the underwriters are accounted for on acceptance of average adjustment by the adjustors.

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 Leave Encashment in respect of all eligible employees and for pension benefit to 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 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 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.

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 life. The estimated useful life of the assets are as under :

ASSET TYPE	ESTIMATED USEFUL LIFE
Property, plant and equipment :	
Fleet (Main)	
- Crude Oil and Product Tankers	20 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 life of the Fleet and Ownership Flats and Buildings is considered from the year of built. Estimated useful life in case of all other assets is 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. 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.

n) Asset Impairment :

The carrying amounts of the Company's property plant and equipment are reviewed at each Balance Sheet date 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 :

- (i) Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency'). The financial statements are presented in INR, the functional currency of the Company.
- (ii) Transactions in foreign currency 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 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.

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 recognized 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.

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.

Equity Instruments :

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as Other Income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'Other Income' in the Statement of Profit and Loss.

Impairment of financial assets

Expected credit losses are recognized 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 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

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

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

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

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

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 35.

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 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 35 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 :

- (i) Provision for current income-tax is made on the basis of the assessable income under the Income-tax Act, 1961.
- (ii) Deferred income-tax is recognised on timing differences, between taxable income and accounting income which originate in one period and are capable of reversal in one or more subsequent periods only in respect of the non-tonnage activities of the Company. Deferred income tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The tax effect is calculated on the accumulated timing differences at the year end based on tax rates and laws, enacted or substantially enacted as of the Balance Sheet date. Deferred income taxes are not provided on the undistributed earnings of the subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.
- (iii) The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.
- (iv) 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.

r) 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.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

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 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 recognized as deferred revenue in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic basis over the useful lives of the related assets.

NOTE 3 : FIRST-TIME ADOPTION - MANDATORY EXCEPTIONS, OPTIONAL EXEMPTIONS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for the year ended 31st March, 2017, together with the comparative information as at and for the year ended 31st March, 2016 and the opening Ind AS Balance Sheet as at 1st April, 2015, the date of transition to Ind AS.

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its financial statements prepared under previous GAAP, including the Balance Sheet as at 1st April, 2015 and the financial statements as at and for the year ended 31st March, 2016.

Mandatory Exceptions from retrospective application

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

1. Estimates

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

2. Classification and measurement of financial assets

The classification of financial assets to be measured at amortised cost or fair value through Other Comprehensive Income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

Optional Exemptions

1. Deemed cost for property, plant and equipment (including ships under construction)(as per Ind AS requirement alongwith Ind AS 101 exemption)

The Company has used fair value as deemed cost for certain items of Property, Plant & Equipment (PPE) in accordance with the exemptions available under Ind AS 101 with the resultant impact being accounted for in reserves. The consequent impact on change in depreciation is reflected in the Statement of Profit and Loss. In other cases where items of PPE have not been fair valued, the Company has restated their written down values as per provisions under Ind AS 16 with restrospective effect.

2. Component Accounting (as per Ind AS requirement alongwith regrouping)

The Company has elected to account dry dock expenditure as a component of Fleet with useful life different than Fleet (Main). The same was earlier expensed out in the Statement of Profit and Loss.

The Company has elected to account Grabs as a component of Fleet with useful life different than Fleet (Main). The same was earlier accounted under the head 'Plant and Equipment'.

3. Long Term Foreign Currency Monetary Items (as per Ind AS 101 exemption)

The Company has elected to continue accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP.

4. Investments in Equity of Subsidiaries (as per Ind AS 101 exemption)

The Company has elected to measure its investments in equity of subsidiaries at the previous GAAP carrying amount as on the date of transition to Ind AS i.e. April 01, 2015.

Transition to Ind AS – Reconciliations

The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101 :

(i) Reconciliation of equity :

(₹ in crores)

PARTICULARS	NOTE	AS AT MARCH 31, 2016	AS AT APRIL 1, 2015
Equity as per previous GAAP :		5203.64	4930.76
Fair value of assets used as deemed cost on transition	A	(920.15)	(920.15)
Fair value adjustment of financial instruments	B	187.87	72.19
Reversal of proposed dividend provision	C	-	127.03
Redeemable preference shares restated at effective interest rate	D	65.46	65.46
Foreign currency translation adjustment on fair value component of fleet	E	41.84	41.84
Impact of change in incomplete voyage accounting	F	25.76	25.76
Others	G	7.28	8.62
Increase in profit as per Ind AS [Refer note (ii) below]		8.38	-
Equity as per Ind AS :		4620.08	4351.51

(ii) Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016 :

(₹ in crores)

PARTICULARS	NOTE	YEAR ENDED MARCH 31, 2016
Net profit previously reported under previous GAAP :		609.90
Impact on depreciation and impairment due to fair valuation of certain Property, Plant and Equipment and component accounting of dry-dock expenditure	A	192.25
Mark to market gain / (loss) on derivative transactions	B	(134.65)
Mutual fund investments restated at fair value	B	(37.61)
Impact of preference shares restated to account effective interest rate	D	(9.12)
Accounting for incomplete voyage revenue	F	(0.75)
Others	G	(1.74)
Net profit as per Ind AS :		618.28
Other Comprehensive Income		7.39
Total Comprehensive Income		625.67

(iii) Adjustments to Statement of Cash Flows :

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

Notes :

A. Property, plant & equipment :

The Group, has used fair value as deemed cost for certain items of Property, Plant & Equipment in accordance with the exemptions available under Ind AS 101 with the resultant impact being accounted for in reserves. The consequent impact on change in depreciation is reflected in the Statement of Profit and Loss.

The aggregate of the fair values used as deemed cost as on the date of transition and the aggregate adjustments to the carrying amount reported under previous GAAP are as under :

(₹ in crores)

PARTICULARS	AS AT APRIL 1, 2015	
	AGGREGATE FAIR VALUE	AGGREGATE ADJUSTMENTS TO THE CARRYING AMOUNT
Fleet	1300.97	(815.23)
Ships under construction	121.14	(104.92)
Total	1422.11	(920.15)

B. Fair value adjustment to financial instruments :

Investment in mutual funds are restated on April 1, 2015 (transition date) at fair value under Ind AS as against accounting at cost or market value (whichever is lower) under previous GAAP. This has resulted in an increase in equity by ₹ 71.45 crores as on March 31, 2016 and as on April 1, 2015.

Currency swaps derivative instruments entered against the debt exposure were accounted under previous GAAP adopting hedge accounting by matching the offsetting cash flows of the currency swaps against highly probable forecast revenues in foreign currency. But due to lack of economic relationship between these two types of cash flows, the said currency swaps derivative instruments do not qualify for hedge accounting under Ind AS. Hence, the hedge accounting for the said currency swaps derivative instruments is discontinued under Ind AS. Accordingly, the gain or loss on remeasurement of fair values of the said instruments will now be recognized in the Statement of Profit and Loss under Ind AS. This has resulted in an increase in equity by ₹ 116.42 crores as on March 31, 2016 and by ₹ 0.74 crores as on April 1, 2015.

C. Equity dividend including dividend tax :

Under Ind AS, dividend to holders of equity instruments is recognised as liability in the period in which the obligation to pay is established. Under previous GAAP, dividend payable was recorded as a liability in the period to which it related. Accordingly the said liability recognized under previous GAAP is derecognized under Ind AS as on April 1, 2015.

D. Investment in Redeemable Preference Shares :

Investment in preference shares is restated as at April 1, 2015 (transition date) incorporating effective interest rate (EIR) under Ind AS as against accounting the investment at cost under previous GAAP. Calculation of EIR takes into account premium on redemption and dividend. Interest will be accrued at each quarter end at EIR as against the accounting of dividend and premium on redemption on receipt basis under previous GAAP.

E. Derivative transactions :

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

F. Incomplete voyage accounting :

Revenues and expenses in respect of incomplete voyages at the end of the accounting period, are recognised in the Statement of Profit and Loss under Ind AS as detailed in the accounting policies stated above. Under the previous GAAP, the same were recognized in the Statement of Profit and Loss only on completion of the voyage.

G. Others :

Others comprises of adjustments on account of capitalisation of borrowing costs (₹ 7.80 crores), capitalisation of dry dock expenditure as component of fleet (₹ 0.82 crores) and Employee Benefits Actuarial loss transferred from the Statement of Profit and Loss to Other Comprehensive Income (₹ 1.34 crores) as at March 31, 2016.

Others comprises of adjustments on account of capitalisation of borrowing costs (₹ 7.80 crores) and capitalisation of dry dock expenditure as component of fleet (₹ 0.82 crores) as at April 1, 2015.

NOTE 4 : PROPERTY, PLANT AND EQUIPMENT

(₹ in crores)

PARTICULARS	COST				DEPRECIATION / IMPAIRMENT				NET BLOCK		
	AS AT APRIL 1, 2016	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	OTHER ADJUSTMENTS [REFER NOTE (e)]	AS AT MARCH 31, 2017	UPTO MARCH 31, 2016	OTHER ADJUSTMENTS/ ON DEDUCTIONS	FOR THE YEAR	UPTO MARCH 31, 2017	AS AT MARCH 31, 2017	AS AT MARCH 31, 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 (b)]	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

(₹ in crores)

PARTICULARS	COST				DEPRECIATION / IMPAIRMENT				NET BLOCK		
	AS AT APRIL 1, 2015	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR [REFER NOTE (d)]	OTHER ADJUSTMENTS [REFER NOTE (e)]	AS AT MARCH 31, 2016	UPTO MARCH 31, 2015	OTHER ADJUSTMENTS/ ON DEDUCTIONS	FOR THE YEAR	UPTO MARCH 31, 2016	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
Fleet (Deemed Cost)	4638.54	577.87	184.43	70.88	5102.86	1261.58	-	282.06	1543.64	3559.22	3376.96
Land (Freehold and Perpetual Lease)	59.80	-	-	-	59.80	-	-	-	-	59.80	59.80
Ownership Flats and Buildings [Refer Note (b)]	55.06	-	-	-	55.06	18.77	-	1.13	19.90	35.16	36.29
Plant and Equipment	7.55	0.11	-	-	7.66	4.80	-	0.52	5.32	2.34	2.75
Furniture, Fixtures and Office Equipment	29.51	2.12	0.06	-	31.57	26.18	0.06	1.62	27.74	3.83	3.33
Vehicles	13.19	2.67	1.21	-	14.65	8.19	1.21	2.24	9.22	5.43	5.00
	4803.65	582.77	185.70	70.88	5271.60	1319.52	1.27	287.57	1605.82	3665.78	3484.13

Notes :

a) On transition to Ind AS, the Company has elected to measure certain items of Property, Plant and Equipment at the date of transition to Ind AS at their fair values and use those fair values as its deemed cost on the date of transition in accordance with the exemptions available under Ind AS 101, the resultant impact being accounted for in reserves. The consequent impact on change in depreciation is reflected in the Statement of Profit and Loss. In other cases where items of PPE have not been fair valued, the Company has restated their written down values as per provisions under Ind AS 16 with retrospective effect.

The aggregate of the fair values used as deemed cost as on the date of the transition and the aggregate adjustments to the carrying amount reported under previous GAAP are as under:

(₹ in crores)

PARTICULARS	AS AT APRIL 1, 2015	
	AGGREGATE FAIR VALUE	AGGREGATE ADJUSTMENTS TO THE CARRYING AMOUNT
Fleet	1300.97	(815.23)
Ships under construction disclosed under Capital Work-in-progress	121.14	(104.92)
Total	1422.11	(920.15)

b) The ownership flats and buildings include ₹11,760 (Previous Year : ₹11,760) being value of shares held in various co-operative societies.

c) 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.

d) Deductions under Fleet represent vessel acquired and sold on the same day and hence no depreciation has been charged thereon during the year ended March 31, 2016.

e) Other adjustments comprise of fluctuation of the rupee against foreign currencies and losses/(gains) on hedging contracts (including on cancellation of forward covers), relating to long term monetary items for acquisition of depreciable capital assets and losses/(gains) on forward contracts for hedging capital commitments for acquisition of depreciable assets.

f) Fleet with a carrying amount of ₹3012.15 crores (as at March 31, 2016 : ₹2222.82 crores; as at April 1, 2015 : ₹2657.15 crores) and buildings with a carrying amount of ₹0.26 crore (as at March 31, 2016 : ₹0.26 crore; as at April 1, 2015 : ₹0.27 crore) have been mortgaged to secure borrowings of the Company (Refer Note 16). The Company is not allowed to mortgage these assets as security for other borrowings or to sell them to another entity, without approval of the lenders / security trustees.

NOTE 5 : INTANGIBLE ASSETS

(₹ in crores)

PARTICULARS	COST					AMORTISATION				NET BLOCK	
	AS AT APRIL 1, 2016	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	OTHER ADJUSTMENTS	AS AT MARCH 31, 2017	UPTO MARCH 31, 2016	OTHER ADJUSTMENTS/ ON DEDUCTIONS	FOR THE YEAR	UPTO MARCH 31, 2017	AS AT MARCH 31, 2017	AS AT MARCH 31, 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

(₹ in crores)

PARTICULARS	COST					AMORTISATION				NET BLOCK	
	AS AT APRIL 1, 2015	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	OTHER ADJUSTMENTS	AS AT MARCH 31, 2016	UPTO MARCH 31, 2015	OTHER ADJUSTMENTS/ ON DEDUCTIONS	FOR THE YEAR	UPTO MARCH 31, 2016	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
Software	0.39	-	-	-	0.39	0.04	-	0.08	0.12	0.27	0.35
	0.39	-	-	-	0.39	0.04	-	0.08	0.12	0.27	0.35

NOTE 6 : NON-CURRENT INVESTMENTS

	FACE VALUE ₹	AS AT 31/03/2017		AS AT 31/03/2016		AS AT 01/04/2015	
		No. of shares	₹ in crores	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	11,13,45,500	1305.14
- The Great Eastern Shipping Co. London Ltd. of Stg. Pound 10 each [Refer Note (a)]		-	-	-	-	16,000	0.26
- The Greatship (Singapore) Pte. Ltd. of S\$ 1 each		5,00,000	1.15	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	1,500	0.19
			1306.48		1306.48		1306.74
Investments in Preference Shares : (Unquoted - valued at amortised cost)							
Subsidiary :							
- Greatship (India) Ltd.							
21.75% Cumulative Redeemable Preference Shares [Refer Note (b)]	10	4,45,00,000	178.18	4,45,00,000	176.20	5,90,00,000	228.82
22.50% Cumulative Redeemable Preference Shares[Refer Note (c)]	10	6,06,24,000	195.51	6,06,24,000	195.51	6,06,24,000	195.51
			373.69		371.71		424.33
Other Investments : (Unquoted - valued at cost)							
Subsidiary :							
- Great Eastern CSR Foundation	10	-	-	-	-	49,999	0.05
			-		-		0.05
			1680.17		1678.19		1731.12
Aggregate amount of quoted investments			-		-		-
Market Value of quoted investments			-		-		-
Aggregate amount of unquoted investments			1680.17		1678.19		1731.12
Aggregate amount of impairment in value of investments			-		-		-

Notes :

- a) During the year ended March 31, 2016, the Company wound up its wholly owned subsidiary The Great Eastern Shipping Co. London Ltd.
- b) During the year ended March 31, 2016, the terms of the outstanding 4,45,00,000 preference shares issued by the subsidiary company Greatship (India) Ltd. have been modified by increasing the rate of dividend from 7.5% to 21.75% p.a. effective financial year 2015-16 and deferring the redemption of the said shares in four equal instalments from April 1, 2021 to April 1, 2024

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% to the Company. The cumulative redeemable preference shares do not contain any equity component.

- c) 22.50% 6,06,24,000 cumulative redeemable preference shares are redeemable at a premium of ₹20 per share in four equal annual instalments from April 1, 2018 to April 1, 2021.

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 7 : OTHER ASSETS**(Unsecured)****(₹ in crores)**

	OTHER NON-CURRENT ASSETS			OTHER CURRENT ASSETS		
	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Considered good						
(a) Capital Advances	12.00	-	-	-	-	-
(b) Security Deposits	1.32	1.11	1.06	0.28	0.93	0.63
(c) Advances to The Great Eastern Chartering L.L.C. (FZC) - a Related Party	-	-	-	-	2.99	-
(d) Other Advances	15.82	2.72	2.83	86.64	86.84	79.49
Considered doubtful						
(a) Security Deposits	0.44	0.44	0.44	-	-	-
(b) Other Advances	-	-	-	0.24	1.93	2.63
Less : Allowance for doubtful advances	(0.44)	(0.44)	(0.44)	(0.24)	(1.93)	(2.63)
	29.14	3.83	3.89	86.92	90.76	80.12

NOTE 8 : INVENTORIES**(Valued at lower of cost and net realisable value)****(₹ in crores)**

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Fuel Oils	60.41	28.14	52.83
	60.41	28.14	52.83

Note :

The cost of inventories recognised as an expense during the year was ₹172.24 crores (Previous Year : ₹255.68 crores)

NOTE 9 : CURRENT INVESTMENTS**(₹ in crores)**

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Investments in mutual funds : Unquoted (valued at fair value through profit or loss)	862.89	885.70	1221.03
	862.89	885.70	1221.03
Aggregate amount of quoted investments	-	-	-
Market Value of quoted investments	-	-	-
Aggregate amount of unquoted investments	862.89	885.70	1221.03
Aggregate amount of impairment in value of investments	-	-	-

Note :

Mutual Funds aggregating to ₹152.64 crores (as at March 31, 2016 : ₹280.02 crores; as at April 1, 2015 : ₹180.95 crores) of the above have been placed under lien with banks for facilities given by them.

NOTE 10 : TRADE RECEIVABLES

(Unsecured)

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Considered good	49.87	91.67	133.91
Considered doubtful	5.60	10.67	13.09
	55.47	102.34	147.00
Less : Allowance for Doubtful Receivables	(5.60)	(10.67)	(13.09)
	49.87	91.67	133.91

Notes :

- i) 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. The carrying values are assumed to approximate their fair values. 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	10.67	13.09
Add : Current year allowance	31.98	16.59
Less : Reversal during the year	(37.05)	(19.01)
Closing Balance	5.60	10.67

- ii) Trade receivables are subject to confirmation, reconciliation and adjustments, if any.

NOTE 11 : CASH AND CASH EQUIVALENTS

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(a) Balances with Banks in Current Accounts	725.51	267.94	338.02
(b) Cash on Hand	0.02	0.02	0.02
	725.53	267.96	338.04

NOTE 12 : OTHER BANK BALANCES

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(a) Deposits having residual maturity upto 12 months	1324.21	1604.89	1160.16
(b) Balances with Banks - Unpaid Dividend	8.15	9.98	6.58
(c) Margin Money Deposits (placed with banks under lien against facilities given by the banks.)	126.25	127.03	212.18
(d) Interest Accrued on Bank Deposits	14.33	15.31	11.57
	1472.94	1757.21	1390.49

NOTE 13 : CURRENT TAX ASSETS (NET)

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Advance Payment of Income-tax and Tax Deducted at Source (net)	57.03	57.37	51.15
	57.03	57.37	51.15

NOTE 14 : EQUITY SHARE CAPITAL

(₹ in crores)

	AS AT 31/03/2017		AS AT 31/03/2016		AS AT 01/04/2015	
	Nos.	₹ in crores	Nos.	₹ in crores	Nos.	₹ in crores
Authorised :						
Equity Shares of ₹ 10 each	30,00,00,000	300.00	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	20,00,00,000	200.00
	50,00,00,000	500.00	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	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	15,07,77,065	150.78
Add : Forfeited shares ₹30,358 (As at March 31, 2016 : ₹30,358; As at April 1, 2015 : ₹30,358)	2,518	-	2,518	-	2,518	-
	15,07,79,583	150.78	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 per share. 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 31/03/2017		AS AT 31/03/2016		AS AT 01/04/2015	
	Nos.	% holding	Nos.	% holding	Nos.	% holding
Equity shares of ₹ 10 each fully paid						
Mr. Bharat Kanaiyalal Sheth	1,57,19,490	10.43%	1,48,28,490	9.83%	1,63,28,490	10.83%
Mr. Ravi Kanaiyalal Sheth	1,52,62,504	10.12%	1,43,62,504	9.53%	1,43,62,504	9.53%
Nalanda India Equity Fund Limited	1,05,24,139	6.98%	1,05,24,139	6.98%	1,05,24,139	6.98%

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, 2016 : 2,53,522; as at April 1, 2015 : 2,53,522) rights equity shares of the Company have been kept in abeyance in accordance with Section 126(b) of 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, 2016 : 40,608; as at April 1, 2015 : 40,608) shares have also been kept in abeyance for disputed cases in consultation with the Bombay Stock Exchange.

NOTE 15 : OTHER EQUITY

A. Summary Of Other Equity

(Refer Statement of Changes in Equity for detailed movement)

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(a) Capital Reserve	15.98	15.98	15.98
(b) Securities Premium Reserve	86.59	86.59	86.59
(c) General Reserve	2248.46	2248.46	2148.46
(d) Capital Redemption Reserve	240.08	240.08	240.08
(e) Tonnage Tax Reserve under Section 115VT of the Income-tax Act, 1961	270.00	170.00	145.00
(f) Debenture Redemption Reserve	758.75	167.50	142.50
(g) Retained Earnings	1405.71	1558.29	1448.45
(h) Cash Flow Hedging Reserve (Refer Note 35)	(7.32)	(2.01)	(3.39)
(i) Foreign Currency Monetary Item Translation Difference Account	(7.01)	(15.59)	(22.94)
	5011.24	4469.30	4200.73

B. Nature of Reserves :

- Capital Reserve : Capital Reserve created on cancellation of convertible warrants in financial year 2008-09.
- 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.
- General Reserve : General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purposes.
- Tonnage Tax Reserve : Tonnage Tax Reserve created as per the provisions of the Section 115VT of the Income-tax Act, 1961, whereby a minimum of 20% of book profits from the tonnage tax activities are to be utilised for acquiring new ships within 8 years.
- Retained Earnings : Retained Earnings are the profits that the Company has earned till date, less any transfers to General Reserves, Tonnage Tax Reserves, dividends or other distributions paid to shareholders.

During the year ended March 31, 2017, the Board of Directors declared and paid an interim dividend of ₹ 3.60 per equity share aggregating to ₹ 60.58 crores including dividend distribution tax.

In respect of the year ended March 31, 2017, the Board of Directors propose that a dividend of ₹ 6.50 per equity share be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the 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 ₹ 117.96 crores including dividend distribution tax.

Retained Earnings as at April 1, 2015 (date of transition) includes transfer from Cash Flow Hedging Reserve as detailed in Note (vi) below.

- vi) Cash Flow Hedging Reserve : The Cash Flow Hedging Reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of Cash Flow Hedging Reserve will be reclassified to the Statement of Profit and Loss only when the hedged transaction affects the profit or loss.

Currency swaps derivative instruments entered against the debt exposure were accounted under previous GAAP adopting hedge accounting by matching the offsetting cash flows of the currency swaps against highly probable forecast revenues in foreign currency. The hedge accounting for the said currency swaps derivative instruments is discontinued under Ind AS since said currency swaps derivative instruments do not qualify for hedge accounting under Ind AS due to lack of economic relationship between these two types of cash flows. Accordingly, the balance in Cash Flow Hedging Reserve pertaining to the said currency swaps derivative instruments amounting to ₹ 914.40 crores as at April 1, 2015 (transition date) is transferred to Retained Earnings.

- vii) Foreign Currency Monetary Item Translation Difference Account : Exchange differences arising on translation of long term foreign currency monetary items not related to depreciable assets are transferred to Foreign Currency Monetary Item Translation Difference Account and shown in the financial statements under Other Equity and amortised over the balance life of such assets / liabilities by recognition as income / expenditure, but not beyond March 31, 2020 as per the requirement of notification issued by Ministry of Corporate Affairs.

C. Other Comprehensive Income accumulated in Other Equity

The disaggregation of changes in Other Comprehensive Income by each type of reserve in equity is shown below :

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
Opening Balance	7.39	-
Remeasurement gain / (loss) on defined employee benefit plans	(2.14)	(1.34)
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge	(5.31)	1.38
Movement in Foreign Currency Monetary Item Translation Reserve	8.58	7.35
Closing Balance	8.52	7.39

NOTE 16 : BORROWINGS

(₹ in crores)

	NON-CURRENT BORROWINGS			CURRENT MATURITIES OF LONG-TERM DEBT		
	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(a) Debentures :						
Secured - at amortised cost :						
9.80% 2400 (Previous Years : 2500) Redeemable Non-Convertible Debentures of ₹10,00,000 each redeemable on July 3, 2019 [100 Redeemable Non-Convertible Debentures of ₹10,00,000 each bought back during the year] [Refer Notes (i) and (iv) below]						
	240.00	250.00	250.00	-	-	-
Unsecured - at amortised cost :						
Redeemable Non-Convertible Debentures of ₹10,00,000 each -						
(i) 8.24% 2000 Debentures redeemable on November 11, 2026	200.00	-	-	-	-	-
(ii) 8.70% 2500 Debentures redeemable on May 6, 2026	250.00	-	-	-	-	-
(iii) 8.24% 2000 Debentures redeemable on November 11, 2025	200.00	-	-	-	-	-
(iv) 8.70% 2500 Debentures redeemable on May 31, 2025	250.00	-	-	-	-	-
(v) 7.99% 2500 Debentures redeemable on January 18, 2025	250.00	-	-	-	-	-
(vi) 7.99% 2500 Debentures redeemable on January 18, 2024	250.00	-	-	-	-	-
(vii) 9.70% 1000 Debentures redeemable on January 18, 2023	100.00	100.00	100.00	-	-	-
(viii) 9.70% 1000 Debentures redeemable on January 7, 2023	100.00	100.00	100.00	-	-	-
(ix) 9.70% 500 Debentures redeemable on April 25, 2021	50.00	50.00	50.00	-	-	-
(x) 9.70% 1500 Debentures redeemable on April 15, 2021	150.00	150.00	150.00	-	-	-
(xi) 9.70% 1000 Debentures redeemable on February 2, 2021	100.00	100.00	100.00	-	-	-
(xii) 9.60% 2000 Debentures redeemable on November 10, 2019	200.00	200.00	200.00	-	-	-
(xiii) 9.75% 2350 (Previous Years : 2500) Debentures redeemable on August 20, 2019 [150 Redeemable Non-Convertible Debentures of ₹10,00,000 each bought back during the year]	235.00	250.00	250.00	-	-	-

(₹ in crores)

	NON-CURRENT BORROWINGS			CURRENT MATURITIES OF LONG-TERM DEBT		
	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(xiv) 9.35% 425 (Previous Years : 500) Debentures redeemable on February 8, 2019 and 425 (Previous Years : 500) Debentures redeemable on February 8, 2018 [150 Redeemable Non-Convertible Debentures of ₹10,00,000 each bought back during the year]	42.50	100.00	100.00	42.50	-	-
(xv) 9.40% 900 (Previous Years : 1000) Debentures redeemable on January 6, 2019 [100 Redeemable Non-Convertible Debentures of ₹ 10,00,000 each bought back during the year]	90.00	100.00	100.00	-	-	-
(xvi) 9.19% 1000 Debentures redeemable on December 24, 2018	100.00	100.00	100.00	-	-	-
(xvii) 9.35% 425 (Previous Years : 500) Debentures redeemable on February 8, 2019 and 425 (Previous Years : 500) Debentures redeemable on February 8, 2018 [150 Redeemable Non-Convertible Debentures of ₹ 10,00,000 each bought back during the year]	42.50	100.00	100.00	42.50	-	-
(xviii) 9.40% 1000 Debentures redeemable on January 6, 2018	-	100.00	100.00	100.00	-	-
[Refer Notes (ii) and (iv) below]	2850.00	1700.00	1700.00	185.00	-	-
(b) Term Loans from Banks						
Secured - at amortised cost :						
Foreign Currency Loans from Banks [Refer Notes (iii) to (iv) below]	908.40	913.43	864.87	330.94	274.44	494.11
(c) Unamortised Finance Charges	(9.93)	(7.29)	(6.35)	(2.87)	(2.66)	(3.75)
Total (a + b + c)	3748.47	2606.14	2558.52	513.07	271.78	490.36
Less: Amount disclosed under Note 19 : Other Financial Liabilities	-	-	-	(513.07)	(271.78)	(490.36)
	3748.47	2606.14	2558.52	-	-	-

(₹ in crores)

	CURRENT BORROWINGS		
	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(a) Term Loans from Bank			
Unsecured - at amortised cost :	170.17	-	-
Loan repayable on demand [Refer Note (v) below]			
	170.17	-	-

Notes :

- 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.
- The Company maintains unencumbered assets (including cash and cash equivalents) of market value not less than outstanding face value amount of the unsecured debentures.
- Foreign currency loans availed from banks carry interest rates of LIBOR plus 35 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 specified ships and a financial covenant to maintain unencumbered assets.
- The terms of repayments are as under :

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
- between one to three years			
Secured Debentures	240.00	-	-
Unsecured Debentures	710.00	500.00	200.00
Secured Loans from Banks	307.07	508.66	512.38
	1257.07	1008.66	712.38
- between three to five years			
Secured Debentures	-	250.00	250.00
Unsecured Debentures	300.00	550.00	750.00
Secured Loans from Banks	317.98	183.79	248.22
	617.98	983.79	1248.22
- over five years			
Secured Debentures	-	-	-
Unsecured Debentures	1600.00	400.00	500.00
Secured Loans from Banks	283.35	220.98	104.27
	1883.35	620.98	604.27

- Term Loans from bank shown under current borrowings represent Buyer's Credit for a minimum tenure of 6 months repayable on demand.
- The Company does not have any continuing default in repayment of loans and interest as at the reporting date.
- No loans have been guaranteed by Directors or others.

NOTE 17 : PROVISIONS

(₹ in crores)

	NON-CURRENT PROVISIONS			CURRENT PROVISIONS		
	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(a) Provision for Employee Benefits (Refer Note 30)	28.10	24.96	24.10	15.08	14.86	12.14
(b) Vessel Performance/ Offhire Claims (Refer Note below)	-	-	-	0.70	1.27	2.82
	28.10	24.96	24.10	15.78	16.13	14.96

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	1.27	2.82
Add: Additions during the year	-	-
Less: Reversed during the year	(0.57)	(1.55)
Closing balance	0.70	1.27

NOTE 18 : TRADE PAYABLES

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(a) Dues to Micro and Small enterprises	-	-	-
(b) Dues to Subsidiary Companies (Refer Note 32)	1.84	15.04	1.39
(c) Dues to others	98.52	104.29	113.03
	100.36	119.33	114.42

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 interest.
- 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.
- Trade payables are subject to confirmation, reconciliation and adjustments, if any.

NOTE 19 : OTHER FINANCIAL LIABILITIES

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(a) Current Maturities of Long-Term Debt (Refer Note 16)	513.07	271.78	490.36
(b) Liabilities towards Investor Education and Protection Fund, not due			
- Unpaid dividend	8.15	9.98	6.58
(c) Interest Accrued but not due on Borrowings	133.52	76.78	47.94
(d) Mark-to-Market Losses on Derivative Contracts	664.28	1025.87	924.31
	1319.02	1384.41	1469.19

NOTE 20 : OTHER CURRENT LIABILITIES

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(a) Income Received in Advance	27.97	30.04	22.10
(b) Other Liabilities	37.39	35.38	35.59
	65.36	65.42	57.69

NOTE 21 : CURRENT TAX LIABILITIES (NET)

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Provision for taxation (net)	32.42	18.84	18.81
	32.42	18.84	18.81

NOTE 22 : REVENUE FROM OPERATIONS

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Revenue from -		
- Freight and Demurrage	766.27	1417.15
- Charter Hire	897.18	523.70
	1663.45	1940.85
(b) Other Operating Revenue	40.51	31.64
	1703.96	1972.49

NOTE 23 : OTHER INCOME

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Gain / (loss) on disposal of Property, plant and equipment	38.58	(0.70)
(b) Gain / (loss) on Foreign Currency and Derivatives Transactions (net)	290.84	(67.77)
(c) Dividend on Equity shares investment in Subsidiaries (at cost)	-	55.57
(d) Interest Income -		
- on Bank Deposits (at amortised cost)	41.20	36.48
- on Preference shares investment in a Subsidiary (at amortised cost)	25.29	24.75
- on Others (at amortised cost)	0.03	1.11
	66.52	62.34
(e) Profit on winding up of a subsidiary company	-	1.74
(f) Gain / (loss) on sale of current investments (at FVTPL)	122.66	81.95
(g) Provision for Doubtful Debts and Advances Written Back (net)	2.03	3.20
(h) Miscellaneous Income	2.15	1.57
	522.78	137.90

NOTE 24 : EMPLOYEE BENEFIT EXPENSES

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Salaries and Wages	279.02	229.67
(b) Contribution to Provident and Other funds (Refer Note 30)	12.41	10.83
(c) Staff Welfare Expenses	21.03	15.50
	312.46	256.00

NOTE 25 : FINANCE COSTS

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Interest Cost		
Total interest expense	245.35	188.24
Less: amounts included in the cost of qualifying assets	(3.86)	(9.18)
	241.49	179.06
(b) Other Borrowing Costs	5.49	4.31
	246.98	183.37

Note :

The weighted average capitalisation rate on funds borrowed is 4.76% p.a. (Previous Year : 4.97% p.a.).

NOTE 26 : DEPRECIATION AND AMORTISATION EXPENSE

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Depreciation of property, plant and equipment	373.51	287.57
(b) Amortisation of intangible assets	0.09	0.08
	373.60	287.65

NOTE 27 : OTHER EXPENSES

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Fuel Oil and Water	176.72	263.59
(b) Port, Light and Canal Dues	108.84	120.09
(c) Stevedoring and Cargo Expenses	0.13	0.43
(d) Hire of Chartered Ships	50.00	54.36
(e) Brokerage and Commission	13.05	16.65
(f) Agency Fees	5.94	6.65
(g) Consumption of Spares and Stores	121.24	113.40
(h) Repairs and Maintenance -		
- Fleet	49.84	51.61
- Buildings	4.22	5.92
- Others	9.40	8.25
	63.46	65.78
(i) Insurance -		
- Fleet Insurance and Protection Club Fees	31.28	30.03
- Others	0.94	1.03
	32.22	31.06
(j) (Reversal) / Provision for Loss on Cancelled Contract	(7.84)	7.84
(k) Loss on Cancelled Contract	7.84	-
(l) Rent	0.10	0.09
(m) Rates and Taxes	0.49	0.41
(n) Bad Debts and Advances Written off	0.01	0.34
(o) Travelling Expenses	34.12	27.63
(p) Payment to Auditor (Refer Note below)	1.32	1.29
(q) Expenditure on Corporate Social Responsibility activities	5.84	2.99
(r) Miscellaneous Expenses	38.83	33.49
	652.31	746.09

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
Note :		
Payment to Auditor -		
- Auditor	0.89	0.77
- For Taxation Matters	0.27	0.17
- For Other Services	0.16	0.35
- For Reimbursement of Expenses (amount less than ₹ One Lakh)	-	-
	1.32	1.29

NOTE 28 : TAX EXPENSE

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Current Tax	40.00	34.00
(b) MAT Credit Utilised	-	(15.00)
	40.00	19.00

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

	CURRENT YEAR	PREVIOUS YEAR
Profit before Income Tax	641.39	637.28
Indian statutory income tax rate	34.608%	34.608%
Expected income tax expense as per Indian statutory income tax rate	221.97	220.55
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)	(131.45)	(209.36)
Items liable to tax in the year of settlement/payment	(37.70)	38.55
Income exempt from tax (net of expenses disallowed)	(0.48)	(19.51)
Tax on income at different rates	-	(0.95)
(Gain) / Loss on disposal of Property, plant and equipment / Capital Items Considered Separately	(13.28)	3.00
Others	0.94	1.72
Provision for Current Tax as per Books	40.00	34.00

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 timing differences. The timing differences in respect of the non-tonnage activities of the Company are not material, in view of which provision for deferred taxation is not considered necessary.

NOTE 29 : BASIC AND DILUTED EARNINGS PER SHARE

	CURRENT YEAR	PREVIOUS YEAR
(a) Net Profit After Tax (₹ in crores)	601.39	618.28
(b) Number of Equity Shares		
(i) Basic Earning per Share		
Number of Equity Shares as at the beginning and end of the year	15,07,77,065	15,07,77,065
Weighted Average Number of Equity Shares during the year	15,07,77,065	15,07,77,065
(ii) Diluted Earning per Share		
Weighted Average Number of Equity Shares during the year	15,07,77,065	15,07,77,065
Add : Rights Shares kept in abeyance	2,94,130	2,94,130
Weighted Average Number of Equity Shares during the year	15,10,71,195	15,10,71,195
(c) Face Value of Equity Share	₹ 10	₹ 10
(d) Earnings per Share		
- Basic	₹ 39.89	₹ 41.01
- Diluted	₹ 39.81	₹ 40.93

NOTE 30 : EMPLOYEE BENEFIT PLANS

A. Defined Contribution Plans :

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	3.96	3.31
Contribution to Employees Superannuation Fund	4.32	3.71
Contribution to National Pension Scheme	0.78	0.61
Contribution to Seamen's Provident Fund	0.59	0.42
Contribution to Seamen's Annuity Fund	0.70	0.58
Contribution to Seamen's Rehabilitation Fund	0.58	0.48
Contribution to Seamen's Gratuity Fund	0.09	0.14

(i) General description of Significant 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 where set up as a trust 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.

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.

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.

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.

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.

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.

B. Defined Benefit Plans and Other Long Term Benefits :

Valuations in respect of Gratuity, Pension Plan for Whole-time Directors and Leave Encashment have been carried out by an independent actuary as at the Balance Sheet date under the Projected Unit Credit method, based on the following assumptions :

ACTUARIAL ASSUMPTIONS	GRATUITY			PENSION PLAN			LEAVE ENCASHMENT		
	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(a) Discount Rate (p.a.)	6.69%	7.69%	7.80%	6.69%	7.69%	7.80%	6.69%	7.69%	7.80%
(b) Salary Escalation Rate	4.00%- 6.00%	4.00%- 6.00%	4.00%- 6.00%	-	-	-	6.00%	6.00%	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	IALM - Ultimate 2006-08	IALM - Ultimate 2006-08	IALM - Ultimate 2006-08
(d) Withdrawal Rate	0.50%- 5.67%	0.50%- 8.00%	0.50%- 7.00%	-	-	-	0.67%- 5.67%	1.33%- 8.00%	1.33%- 7.00%
(e) Expected average remaining service (in years)	10.71- 24.05	9.54- 24.25	9.74- 24.28	-	-	-	10.04	8.08	8.38

(i) Changes in present value of obligations :

(₹ in crores)

	GRATUITY		PENSION PLAN		LEAVE ENCASHMENT	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Liability at the beginning of the year	19.12	17.20	23.94	23.27	1.20	1.04
Current Service Cost	1.70	1.82	-	-	0.84	0.84
Interest Cost	1.46	1.28	1.78	1.75	0.09	0.06
Actuarial (gain)/loss on obligations	1.13	0.26	2.48	0.61	(0.57)	(0.13)
Benefits Paid	(0.41)	(1.50)	(1.69)	(1.69)	(0.02)	(0.62)
Benefits Transferred in	0.02	0.06	-	-	-	0.01
Liability at the end of the year	23.02	19.12	26.51	23.94	1.54	1.20

(ii) Changes in Fair value of Plan Assets :

(₹ in crores)

	GRATUITY		PENSION PLAN		LEAVE ENCASHMENT	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Fair Value of Plan Assets at the beginning of the year	20.22	19.53	-	-	-	-
Adjustment to Opening Balance	(0.13)	(0.07)	-	-	-	-
Return on Plan Assets excluding amount included in interest income	1.43	(0.43)	-	-	-	-
Interest Income	1.54	1.51	-	-	-	-
Employer's Contributions	0.20	1.18	1.69	1.69	0.02	0.62
Benefits Paid	(0.41)	(1.50)	(1.69)	(1.69)	(0.02)	(0.62)
Fair Value of Plan Assets at the end of the year	22.85	20.22	-	-	-	-

(iii) Funded Status :

(₹ in crores)

	GRATUITY		
	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Present value of funded defined benefit obligation	23.02	19.12	17.20
Fair value of plan assets	(22.85)	(20.22)	(19.53)
(Surplus) / Deficit of Plan assets over obligations	0.17	(1.10)	(2.33)

(iv) Remeasurement of the net defined liability / (asset) :

(₹ in crores)

	GRATUITY		PENSION PLAN		LEAVE ENCASHMENT	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
(Gain) / loss on obligation due to change in demographic assumptions	(0.06)	-	-	-	-	-
(Gain) / loss on obligation due to change in financial assumptions	1.85	0.16	-	-	0.07	0.01
(Gain) / loss on obligation due to change in experience adjustments	(0.66)	0.10	2.48	0.61	(0.64)	(0.14)
Total Actuarial (gain) / loss	1.13	0.26	2.48	0.61	(0.57)	(0.13)

(v) Actual Return on Plan Assets :

(₹ in crores)

	GRATUITY	
	CURRENT YEAR	PREVIOUS YEAR
Return on Plan Assets excl. interest Income	1.43	(0.43)
Interest Income	1.54	1.51
Actual Return on Plan Assets	2.97	1.08

(vi) Amount Recognised in the Balance Sheet :

(₹ in crores)

	GRATUITY			PENSION PLAN			LEAVE ENCASHMENT		
	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Liability at the end of the year	23.02	19.12	17.20	26.51	23.94	23.27	1.54	1.20	1.04
Fair Value of Plan Assets at the end of the year	22.85	20.22	19.53	-	-	-	-	-	-
Amount not recognised in the Balance Sheet Sheet	-	-	0.11	-	-	-	-	-	-
(Asset) / liability recognised in the Balance Sheet Sheet (net)	0.17	(1.10)	(2.22)	26.51	23.94	23.27	1.54	1.20	1.04

(vii) Expenses recognised in the Statement of Profit and Loss :

(₹ in crores)

	GRATUITY		PENSION PLAN		LEAVE ENCASHMENT	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Current Service Cost	1.70	1.82	-	-	0.84	0.84
Net Interest	(0.08)	(0.23)	1.78	1.75	0.09	0.06
Net Actuarial (gain)/loss to be recognised	-	-	-	-	(0.57)	(0.13)
Expenses recognised in the Statement of Profit and Loss	1.62	1.59	1.78	1.75	0.36	0.77

(viii) General Description of Significant 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 Company's investment strategy in respect of its funded plans is implemented within the framework of the applicable statutory requirements. The plans expose the Company to a number of actuarial risks such as investment risk, interest rate risk, longevity risk and inflation risk. 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.

Leave Encashment :

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.

(ix) The fair values of the plan assets at the end of the reporting period for each category, are as follows :

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Central Government securities	0.39	0.53	0.66
State Government securities	-	0.08	0.08
Public Sector Bonds	1.00	1.00	1.49
HDFC Group Unit Linked Plan	21.46	18.61	17.30
Total	22.85	20.22	19.53

(x) Sensitivity Analysis :

(₹ in crores)

PRESENT VALUE OF OBLIGATIONS	DISCOUNT RATE		SALARY ESCALATION RATE	
	+1%	-1%	+1%	-1%
Gratuity	21.12	25.08	24.28	21.79
Pension	24.44	28.92	-	-
Leave Encashment	1.44	1.63	1.63	1.44

(xi) The defined benefit obligations shall mature after year ended March 31, 2017 as follows :

(₹ in crores)

PRESENT VALUE OF OBLIGATIONS	FIRST YEAR	SECOND YEAR	THIRD YEAR	FOURTH YEAR	FIFTH YEAR	SIX TO TEN YEARS
Gratuity	3.43	2.20	2.28	2.22	2.24	7.21
Pension	1.69	1.69	1.69	1.69	1.69	8.47
Leave Encashment	1.08	0.10	0.25	0.11	0.09	0.01

NOTE 31 : SEGMENT INFORMATION

The Company is considered to be a single segment company engaged in shipping business. Consequently, the Company has in its primary segment only one reportable business segment. As per Ind AS 108, 'Operating Segments' if a single financial report contains both consolidated financial statements and the separate financial statements of the parent, segment information needs to be presented only on the basis of the consolidated financial statements. Accordingly, information required to be presented under Ind AS 108, 'Operating Segments' has been given in the consolidated financial statements.

NOTE 32 : RELATED PARTY TRANSACTIONS

(I) List of Related Parties

(a) Parties where control exists :

Subsidiary Companies :

The Great Eastern Shipping Co. (London) Ltd. (wound up as at March 31, 2016)

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 (incorporated on July 9, 2015)

(b) Key Management Personnel and close members of their family in employment with the Company as at March 31, 2017 :

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 CFO
Mr. Jayesh Trivedi	- Company Secretary
Mr. Ravi K. Sheth	- Non - Executive Director (w.e.f. April 1, 2015); - Son of Mr. K. M. Sheth and brother of Mr. Bharat K. Sheth
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	47.55	62.37	-	-	-	-
- The Greatship (Singapore) Pte. Ltd. ₹ 5.72 crores (Previous year : ₹ 6.43 crores)						
- The Great Eastern Chartering L.L.C. (FZC) ₹ 41.83 crores (Previous year : ₹ 55.94 crores)						
Reimbursement of expenses from	0.98	3.69	-	-	-	-
- The Great Eastern Chartering L.L.C. (FZC)						
Interest / Dividend income	23.32	73.63	-	-	-	-
- Greatship (India) Ltd. ₹ 23.32 crores (Previous year : ₹ 68.17 crores)						
- The Great Eastern Shipping Co. London Ltd., U.K. ₹ Nil (Previous year : ₹ 5.46 crores)						
Services rendered to	2.07	1.21	-	-	-	-
- Greatship (India) Ltd.						
Contribution towards CSR	5.84	2.99	-	-	-	-
- Great Eastern CSR Foundation						
Part redemption of preference shares in	-	59.31	-	-	-	-
- Greatship (India) Ltd.						
Transfer of share capital amount on winding up	-	2.00	-	-	-	-
- The Great Eastern Shipping Co. London Ltd., U.K.						
Transfer of liability towards retirement benefits of employees from	0.02	0.07	-	-	-	-
- Greatship (India) Ltd.						
Contribution to employees post employment benefit plans	-	-	8.11	7.76	-	-
Compensation to key management personnel and close members of their family						
- Short-term benefits	-	-	-	-	8.91	8.20
- Post-employment benefits [Refer Note (ii) below]	-	-	-	-	3.91	1.68
- Sitting Fees paid	-	-	-	-	0.31	0.18
- Commission paid	-	-	-	-	8.03	8.56
- Dividend paid	-	-	-	-	11.93	9.48

(₹ in crores)

(b)

OUTSTANDING BALANCES	SUBSIDIARY COMPANIES			OTHER RELATED PARTIES			KEY MANAGEMENT PERSONNEL AND THEIR CLOSE FAMILY MEMBERS		
	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Receivables	1.64	0.69	0.15	-	-	-	-	-	-
- Greatship (India) Ltd.									
Advances	-	2.99	-	-	-	-	-	-	-
- The Great Eastern Chartering L.L.C. (FZC)									
Payables	1.84	15.04	1.39	-	-	-	-	-	-
- The Greatship (Singapore) Pte. Ltd. ₹ 0.93 crore (As at March 31, 2016 : ₹ 0.43 crore); (As at April 1, 2015 : ₹ 1.16 crores)									
- The Great Eastern Chartering L.L.C. (FZC) ₹ 0.91 crore (As at March 31, 2016 : ₹ 14.61 crores); (As at April 1, 2015 : ₹ 0.23 crore)									
- Employees post employment benefit plans	-	-	-	0.65	0.22	0.27	-	-	-
- Commission payable	-	-	-	-	-	-	8.03	8.56	6.52
- Provision for retirement benefits	-	-	-	-	-	-	26.51	23.95	23.27
Financial Guarantee given	-	-	14.57	-	-	-	-	-	-
- Greatship (India) Ltd.									

Notes :

- During the year ended March 31, 2016, the Company transferred Served from India Scheme (SFIS) License worth ₹ 1.00 crore to its wholly owned subsidiary Greatship (India) Ltd.
- The above includes, provision for retirement pension benefits payable ₹ 2.68 crores (Previous year : ₹ 0.57 crore) on the basis of actuarial valuation as per the revised Retirement Benefits Scheme approved by the Board of Directors.

NOTE 33 : CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts, net of advances paid thereon amounting to ₹ 12.76 crores (Previous Year : ₹ 134.19 crores), remaining to be executed on capital account and not provided for ₹ 48.48 crores (Previous Year : ₹ 480.32 crores).

NOTE 34 : CONTINGENT LIABILITIES

(₹ in crores)

SR. NO.	PARTICULARS	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
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	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	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, 2016 : ₹ 3.63 crores; as at April 1, 2015 : ₹ 3.63 crores) against the said Custom Duty demand].	6.50	7.29	7.29
(d)	Service Tax Demands disputed by the Company.	-	4.75	4.75
(e)	Income Tax Demands for various Assessment Years disputed by the Company.	34.80	23.46	3.02
(f)	Demand for wharfage charges against which the Company has tendered a bank guarantee. Stay obtained under a Writ Petition filed against Chennai Port Trust for restraining encashment of bank guarantee.	0.99	0.99	0.99
Guarantees :				
(a)	Guarantees given to banks on behalf of subsidiaries.	-	-	14.57

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 35 : FINANCIAL INSTRUMENTS

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instruments are disclosed in Note 2(p) to the financial statements :

A. Financial Assets and Liabilities :

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

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Financial Assets :			
Measured at Cost			
- Investments in subsidiaries			
- Equity Shares and other investment	1306.48	1306.48	1306.79
Measured at Amortised Cost			
- Investments in subsidiaries			
- Preference shares	373.69	371.71	424.33
- Trade Receivables	49.87	91.67	133.91
- Cash and Cash Equivalents	725.53	267.96	338.04
- Other Bank Balances	1472.94	1757.21	1390.49
Measured at Fair value through Profit or Loss			
- Investments in Mutual Funds	862.89	885.70	1221.03
Total	4791.40	4680.73	4814.59
Financial Liabilities :			
Measured at Amortised Cost			
- Non-Current Borrowings	3748.47	2606.14	2558.52
- Current Borrowings	170.17	-	-
- Trade Payables	100.36	119.33	114.42
- Other Financial Liabilities	654.74	358.54	544.88
Derivative instruments in hedging relationship			
- Interest Rate Swaps	5.79	2.24	4.89
- Forward Buy Contracts	2.03	-	-
- Bunker Hedging	-	-	0.13
Derivative instruments not in hedging relationship			
- Other Financial Liabilities	656.46	1023.63	919.29
Total	5338.02	4109.88	4142.13

Carrying amounts of trade receivables, cash and cash equivalents and trade payables as at March 31, 2017, March 31, 2016 and April 1, 2015 approximate the fair values because of their short term nature. Difference between carrying amounts and fair values of other bank balances, borrowings, and other financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

B. 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 summarises financial assets and liabilities measured at fair value.

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Financial Assets :			
Measured at Level 2			
- Measured at Fair value through Profit or Loss			
- Investments in Mutual Funds	862.89	885.70	1221.03
Total	862.89	885.70	1221.03
Financial Liabilities :			
Measured at Level 2			
- Derivative instruments in hedging relationship			
- Interest Rate Swaps	5.79	2.24	4.89
- Forward Buy Contracts	2.03	-	-
- Bunker Hedging	-	-	0.13
- Derivative instruments not in hedging relationship			
- Other Financial Liabilities	656.46	1023.63	919.29
Total	664.28	1025.87	924.31

The Company uses foreign exchange forward contracts, currency and interest rate swaps and options to hedge its exposure to the movements in foreign exchange rates. The use of these foreign exchange forward contracts, currency and interest rate swaps and options reduces the risk or the cost to the Company and the Company does not use foreign exchange forward contracts, currency and interest rate swaps and options for trading or speculation purposes.

The Company has identified certain derivative contracts entered into to hedge foreign currency risk of firm commitments and highly probable forecast transactions and the interest rate swaps as hedged instruments that qualify as effective cash flow hedges. The mark-to-market gain / (loss) on such derivative contracts is recorded in the Hedging Reserve.

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) Commodity Futures Contracts for Import of Bunker :**

DETAILS	AS AT 31/03/2017		AS AT 31/03/2016		AS AT 01/04/2015	
	PURCHASE	SALE	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	-	-	-	-	4	-
No. of units in MT under above contracts	-	-	-	-	12000.00	-
Amount recognised in Hedging Reserve (loss) / gain (₹ in crores)	-	-	-	-	(0.13)	-
Maturity Period	-	-	-	-	Upto 1 Year	-

(b) Interest Rate Swap Contracts :

DETAILS	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Total No. of contracts outstanding	5	2	5
Principal Notional Amount (USD in million)	77.520	22.800	47.568
Amount recognised in Hedging Reserve (loss) / gain (₹ in crores)	(5.29)	(2.01)	(3.26)
Maturity Period	Upto 7 Years	Upto 3 Years	Upto 4 Years

(c) Forward Exchange Contracts :

DETAILS	AS AT 31/03/2017		AS AT 31/03/2016		AS AT 01/04/2015	
	PURCHASE	SALE	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	6	-	-	-	-	-
Foreign Currency Value (USD in million)	13.700	-	-	-	-	-
Amount recognised in Hedging Reserve (loss) / gain (₹ in crores)	(2.03)	-	-	-	-	-
Maturity Period	Upto 1 Year	-	-	-	-	-

(d) Spot Currency Contracts :

DETAILS	AS AT 31/03/2017		AS AT 31/03/2016		AS AT 01/04/2015	
	PURCHASE	SALE	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	1	-	1	-	-	-
Foreign Currency Value (USD in million)	9.664	-	2.007	-	-	-
Amount recognised in Hedging Reserve (loss) / gain (₹ in crores)	-	-	-	-	-	-
Maturity Period	Upto 1 month	-	Upto 1 month	-	-	-

The derivative contracts mentioned under '(i) Derivative instruments in hedging relationship (Cash flow Hedges) above, having been entered into to hedge foreign currency risk of firm commitments and highly probable forecast transactions and the interest rate swaps and forward exchange contracts have 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, amounting to ₹ 7.32 crores (as at March 31, 2016 : ₹ 2.01 crores; as at April 1, 2015 : ₹ 3.39 crores) has been recorded in the Cash Flow Hedging Reserve.

The interest rate swaps are entered into to hedge the floating monthly, quarterly and half yearly interest payments on borrowings. Fair value gains / (losses) on the interest rate swaps recognised in the Cash Flow Hedging Reserve are transferred to the Statement of Profit and Loss as part of interest expense over the period of borrowings.

Gains / (losses) on forward exchange contracts and spot currency contracts recognised in the Cash Flow Hedging Reserve are transferred to the Statement of Profit and Loss on the occurrence of the underlying cash flow, except for forwards used to hedge highly probable forecast foreign currency purchases relating to construction of new 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) Currency Swap Contracts (JPY to USD) :

DETAILS	CURRENCY	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Total No. of contracts outstanding		1	2	3
Principal Notional Amount (JPY in million)	JPY/USD	1148.500	2171.103	4890.307
Gain / (loss) recognised in the Statement of Profit and Loss during the year (₹ in crores)		1.65	9.65	
Maturity Period		Upto 1 Year	Upto 2 Years	

(b) Currency Swap Contracts (INR to USD) :

DETAILS	CURRENCY	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Total No. of contracts outstanding		35	13	13
Principal Notional Amount (₹ in crores)	INR/USD	3020.00	1700.000	1700.000
Gain / (loss) recognised in the Statement of Profit and Loss during the year (₹ in crores)		320.07	(120.97)	
Maturity Period		Upto 10 Years	Upto 7 Years	

(c) Forward Exchange Option Contracts :

DETAILS	AS AT 31/03/2017		AS AT 31/03/2016		AS AT 01/04/2015	
	PURCHASE	SALE	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	-	2	-	3	-	1
Foreign Currency Value (USD in million)	-	20.000	-	30.000	-	12.000
Gain / (loss) recognised in the Statement of Profit and Loss during the year (₹ in crores)		5.72		1.45		
Maturity Period	-	Upto 1 year	-	Upto 1 year		

(d) Forward Exchange Contracts :

DETAILS	AS AT 31/03/2017		AS AT 31/03/2016		AS AT 01/04/2015	
	PURCHASE	SALE	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	-	-	-	7.00	-	12.00
Foreign Currency Value (USD in million)	-	-	-	19.000	-	60.000
Gain / (loss) recognised in the Statement of Profit and Loss during the year (₹ in crores)		-	-	1.26		
Maturity Period	-	-	-	Upto 1 Year		

The currency swap derivative contracts, forward exchange option contracts and forward exchange contract mentioned under '(ii) Derivative instruments not in hedging relationship' above, economically hedge the underlying exposures but hedge accounting is not opted for the same. The currency swap derivative contracts were entered into to economically hedge the JPY and INR debt by converting the same into USD liability.

The forward exchange option contracts and forward exchange contract were entered into to hedge highly probable forecast transactions denominated in foreign currency.

Gains / losses on the derivative contracts mentioned under (ii) above, are transferred to the Statement of Profit and Loss. The mark-to-market gain on these derivative contracts outstanding as at March 31, 2017 amounting to ₹327.44 crores (as at March 31, 2016 : loss of ₹ 108.61 crores) has been recorded in the Statement of Profit and Loss.

C. Market risk :

(i) Foreign currency risk

Since the majority of the revenues of the Company are denominated in US dollars, there is a translation risk as the Company has to report its financial performance in INR. A significant part of this exposure is hedged by denominating most of its debt servicing obligations in U.S. 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 tenure of these contracts is up to one year.

The Company exposure to unhedged foreign currency is listed as under :

DETAILS	CURRENCY	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Loan Liabilities and Payables	AED	0.963	0.418	0.646
	AUD	0.033	0.004	0.007
	CAD	0.122	-	-
	CHF	0.037	0.008	0.001
	CNY	-	0.001	-
	DKK	0.584	2.431	0.734
	EUR	0.351	0.695	0.369
	GBP	0.082	0.019	0.047
	JPY	53.673	65.967	54.443
	NOK	0.104	0.316	0.477
	SEK	-	0.033	0.004
	SGD	1.058	0.871	3.313
	USD	772.241	567.239	607.493
	ZAR	0.066	-	-
Receivables	AED	0.046	0.038	0.088
	AUD	0.033	0.004	-
	CAD	0.110	-	-
	CHF	0.032	0.032	-
	DKK	0.022	0.103	-
	EUR	0.023	0.353	0.928
	GBP	0.027	-	0.042
	JPY	10.157	5.105	6.208
	NOK	0.009	0.053	0.249

DETAILS	CURRENCY	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
	SGD	0.019	0.022	0.534
	USD	15.323	15.122	13.847
	ZAR	0.066	-	-
Bank Balances	USD	298.453	247.827	177.720
	GBP	-	0.075	0.081
	EUR	-	0.298	0.269
	AED	0.167	0.132	0.406
	SGD	0.264	0.165	0.153
	NOK	-	0.082	0.243
	DKK	-	0.164	0.070

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 ₹ 149.19 crores (Previous Year : ₹ 101.26 crores)

(ii) Interest rate risk

External Commercial Borrowings (ECBs) raised by the Company are based on floating rate and thus the Company is exposed to changes in interest rates. Company has a system for taking suitable hedges through fixed rate interest swaps to minimise its effective borrowing costs.

Sensitivity Analysis :

The sensitivity analysis below has been determined to assess the interest rate risk on floating rate borrowings outstanding at the end of the reporting period. The impact of change in floating interest rate by 50 basis point on the Company's annual interest liability would be ₹ 4.26 crores (Previous Year : ₹ 4.70 crores).

(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 ₹ 8.63 crores (Previous Year : ₹ 8.86 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.

(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, 2017				
Borrowings	683.24	1867.77	1880.70	4431.71
Trade payables	100.36	-	-	100.36
Unpaid Dividend	8.15	-	-	8.15
Interest Accrued but not due on Borrowings	133.52	-	-	133.52
	925.27	1867.77	1880.70	4673.74
As at March 31, 2016				
Borrowings	271.78	1986.27	619.87	2877.92
Trade payables	119.33	-	-	119.33
Unpaid Dividend	9.98	-	-	9.98
Interest Accrued but not due on Borrowings	76.78	-	-	76.78
	477.87	1986.27	619.87	3084.01
As at April 1, 2015				
Borrowings	490.36	1955.05	603.47	3048.88
Trade payables	114.42	-	-	114.42
Unpaid Dividend	6.58	-	-	6.58
Interest Accrued but not due on Borrowings	47.94	-	-	47.94
	659.30	1955.05	603.47	3217.82

NOTE 36 : GOVERNMENT GRANTS

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

Following are the balances of SFIS/DFCEC Licenses held by the Company :

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
Opening Balance	11.98	-
Add : Licenses received during the year	-	18.19
Less : Amount utilised during the year	(4.92)	(6.21)
Less : Amount lapsed during the year	(7.06)	-
Closing Balance	-	11.98

NOTE 37 : 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 6.

NOTE 38 : 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 ₹ 5.84 crores during the current year (Previous Year : ₹ 2.99 crores)[Refer Note 27(q)].

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Gross amount required to be spent by the Company during the year.	5.84	2.99
(b) Amount spent in cash for purposes other than for construction / acquisition of any asset during the year	5.84	2.99
(c) Provisions for corporate social responsibility expenses	-	-

NOTE 39 : SPECIFIED BANK NOTES DISCLOSURE (SBNs)

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

(₹)

PARTICULARS	SBNs	ODNs	TOTAL
Closing cash on hand as on November 8, 2016	4,12,000	2,47,624	6,59,624
Add : Permitted receipts	-	6,15,200	6,15,200
Less : Permitted payments	-	(7,26,234)	(7,26,234)
Less : Amounts deposited with Banks	(4,12,000)	-	(4,12,000)
Closing cash on hand as on December 30, 2016	-	1,36,590	1,36,590

NOTE 40 : GENERAL

Previous year's figures have been regrouped / restated wherever necessary to conform to current year's classification.

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT 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

(₹ in crores)

NAME OF THE SUBSIDIARY	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 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
2 Reporting period	31/03/17	31/03/17	31/03/17	31/03/17	31/03/17	31/03/17	31/03/17	31/03/17	31/03/17
3 Reporting currency	SGD	USD	USD	INR	INR	USD	USD	USD	INR
4 Exchange Rate as on 31.03.2017	₹ 46.43	₹ 64.85	₹ 64.85	₹ 1	₹ 1	₹ 64.85	₹ 64.85	₹ 64.85	₹ 64.85
5 Share capital	2.32	0.27	12.97	0.05	111.35	1440.98	460.83	1095.73	3.24
6 Reserves & surplus	3.27	133.98	(7.11)	8.27	1898.24	52.77	92.11	106.58	16.35
7 Total assets	6.51	144.27	3.31	8.33	4169.92	1495.49	714.95	2874.68	62.98
8 Total Liabilities	0.92	10.02	2.55	0.01	2160.33	1.74	162.02	1672.36	43.38
9 Investments (excluding investment in subsidiaries)	-	3.50	-	-	8.69	-	-	-	-
10 Turnover	5.76	40.05	-	8.69	1336.07	53.45	86.54	435.20	76.55
11 Profit/(loss) before taxation	0.66	(3.81)	(0.32)	1.81	106.55	53.21	(129.01)	(1287.44)	3.29
12 Provision for taxation	0.63	-	-	-	85.38	-	0.44	0.07	0.66
13 Profit after taxation	0.61	(3.81)	(0.32)	1.81	21.16	53.21	(129.45)	(1287.51)	2.63
14 Proposed dividend	-	-	-	-	-	-	-	-	-
15 % of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%

*Notes :

The Great Eastern Shipping Co. London Ltd., UK, has been dissolved w.e.f August 30, 2016.
GGOS Labuan Ltd., Malaysia was struck off with effect from March 4, 2017.
Figures include foreign currency translation adjustment.

For and on behalf of the Board

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)

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 of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and 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, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit. 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 of the Consolidated 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 Consolidated Ind AS Financial Statements are free from material misstatement.

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

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

OPINION

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

OTHER MATTERS:

We did not audit the financial statements of eight subsidiaries included in the Consolidated Ind AS Financial Statements, whose financial statements reflect the Group's share of total assets of Rs. 3,761.15 crores as at March 31, 2017, as well as the Group's share of total revenue

of Rs. 172.43 crores and net cash flows amounting to Rs. 263.88 crores for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. These financial statements 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-sections (3) and (11) 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.

Our opinion on the Consolidated Ind AS Financial Statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

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 the separate financial statements of eight subsidiaries as noted 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), the Consolidated Statement of Changes in Equity and the Statement of Consolidated Cash Flows 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 (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.
- e) On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2017 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the Directors of the Group companies incorporated in India, is disqualified as on March 31, 2017, from being appointed as a Director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"**.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on the separate financial statements of the subsidiary, as noted in the Other Matters paragraph above:
 - i) The Group has disclosed the impact of pending litigations on its consolidated financial position in its Consolidated Ind AS Financial Statements. Refer Note 41 to the Consolidated Ind AS Financial Statements.
 - ii) Provisions have been made in the Consolidated Ind AS Financial Statements, as required under applicable laws or Accounting Standards for material foreseeable losses, if any, on long term contracts, including derivative contracts. Refer Notes 2(p) and 42 to the Consolidated Ind AS Financial Statements.
 - iii) There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary company incorporated in India.
 - iv) The requisite disclosures in the Consolidated Ind AS Financial Statements for holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016, have been provided with respect to the Holding Company and its subsidiary company incorporated in India. Based on audit procedures and relying on the Management representations, we report that the disclosures are in accordance with the books of account and other records maintained by the Holding Company and its subsidiary companies incorporated in India and as produced to us by the Management of the Holding Company. Refer Note 45 to the Consolidated Ind AS Financials Statements.

For **KALYANIWALLA & MISTRY LLP**
CHARTERED ACCOUNTANTS

Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser

PARTNER

M. No.: 42454

Mumbai: May 5, 2017.

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Consolidated Ind AS Financial Statements for the year ended March 31, 2017.

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of THE GREAT EASTERN SHIPPING COMPANY LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary companies, incorporated in India, as of March 31, 2017, in conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company, its subsidiary 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 Holding Company and its subsidiaries, incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 ("the Act" or "the Companies Act").

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company and its subsidiaries, incorporated in India internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS 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 Holding Company and its subsidiaries, incorporated in India 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 Ind AS financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and

3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated Ind AS Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Holding Company and its subsidiary 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, 2017, based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary companies, incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For **KALYANIWALLA & MISTRY LLP**

CHARTERED ACCOUNTANTS

Firm Regn. No.: 104607W / W100166

Darius Z. Fraser

PARTNER

M. No.: 42454

Mumbai: May 5, 2017.

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

(₹ in crores)

PARTICULARS	NOTE NO.	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
ASSETS				
I. NON-CURRENT ASSETS :				
(a) Property, Plant and Equipment	6	10303.87	8924.07	9049.59
(b) Capital Work-in-progress		21.71	328.28	122.46
(c) Intangible Assets	7	0.44	0.63	1.07
(d) Intangible Assets under development		0.67	0.15	0.16
(e) Financial Assets				
(i) Non-Current Investments	8	3.50	-	-
(ii) Other Financial Assets	9	35.47	107.44	110.43
(f) Deferred tax assets (net)	10	11.18	12.15	13.05
(g) Other Non-Current Assets	11	33.65	5.68	5.66
		10410.49	9378.40	9302.42
II. CURRENT ASSETS :				
(a) Inventories	12	144.76	113.23	140.08
(b) Financial Assets				
(i) Current Investments	13	871.58	911.80	1321.43
(ii) Trade Receivables	14	208.93	307.79	334.62
(iii) Cash and Cash Equivalents	15	1480.38	792.97	759.03
(iv) Bank Balances other than (iii) above	16	1986.43	2152.12	1635.07
(c) Current Tax Assets (net)	17	79.92	71.14	55.38
(d) Asset held for sale	18	-	86.82	-
(e) Other Current Assets	11	104.02	118.56	126.50
		4876.02	4554.43	4372.11
TOTAL ASSETS		15286.51	13932.83	13674.53
EQUITY AND LIABILITIES				
I. EQUITY :				
(a) Equity Share Capital	19	150.78	150.78	150.78
(b) Other Equity	20	7072.55	6412.70	5563.35
		7223.33	6563.48	5714.13
II. NON-CURRENT LIABILITIES :				
(a) Financial Liabilities				
(i) Borrowings	21	5770.37	4907.74	5419.70
(b) Provisions	22	41.81	37.61	33.38
(c) Other Non-Current Liabilities	23	25.01	27.15	29.29
		5837.19	4972.50	5482.37
III. CURRENT LIABILITIES				
(a) Financial Liabilities				
(i) Borrowings	21	170.17	-	-
(ii) Trade Payables	24	191.23	224.27	215.96
(iii) Other Financial Liabilities	25	1687.43	1995.39	2083.44
(b) Other Current Liabilities	23	115.90	112.15	123.15
(c) Provisions	22	16.35	32.74	25.09
(d) Current Tax Liabilities (net)	26	44.91	32.30	30.39
		2225.99	2396.85	2478.03
TOTAL EQUITY AND LIABILITIES		15286.51	13932.83	13674.53
Summary of Significant Accounting Policies	1			
First time adoption of Ind AS	2			

The accompanying notes are an integral part of the financial statements
As per our Report attached hereto

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

Daraius Z. Fraser
Partner
M. No. : 42454
Mumbai : May 5, 2017.

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)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

(₹ in crores)

PARTICULARS	NOTE NO.	CURRENT YEAR	PREVIOUS YEAR
I. Revenue from Operations	27	3116.86	3807.77
II. Other Income	28	512.27	118.72
III. TOTAL INCOME (I + II)		3629.13	3926.49
IV. EXPENSES :			
Employee Benefit Expenses	29	596.77	592.41
Finance Costs	30	377.62	287.76
Depreciation and Amortisation Expense	31	677.91	607.93
Impairment Loss	32	184.33	163.69
Other Expenses	33	910.92	1067.01
Total Expenses (IV)		2747.55	2718.80
V. PROFIT BEFORE TAX (III - IV)		881.58	1207.69
VI. Tax Expense :			
- Current Tax	34	125.66	124.80
- Deferred Tax	34	0.96	0.91
- MAT Credit Utilised	34	-	(15.00)
		126.62	110.71
VII. PROFIT FOR THE YEAR (V - VI)		754.96	1096.98
VIII. OTHER COMPREHENSIVE INCOME			
A (i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined employee benefit plans		(0.13)	(3.25)
(b) Equity instruments through Other Comprehensive Income		1.26	-
		1.13	(3.25)
(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) Exchange differences in translating the financial statements of foreign operations		(54.41)	115.63
(b) Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge		10.16	(0.06)
(c) Movement in Foreign Currency Monetary Item Translation Reserve		8.58	7.35
		(35.67)	122.92
(ii) Income tax relating to items that may be reclassified to profit or loss		-	-
Other Comprehensive Income (A (i-ii)+B(i-ii))		(34.54)	119.67
IX. TOTAL COMPREHENSIVE INCOME (VII + VIII)		720.42	1216.65
X. EARNINGS PER EQUITY SHARE :	35		
(Face value per share ₹ 10)			
- Basic		₹ 50.07	₹ 72.76
- Diluted		₹ 49.97	₹ 72.61
Summary of Significant Accounting Policies	1		
First time adoption of Ind AS	2		

The accompanying notes are an integral part of the financial statements
As per our Report attached hereto

For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Regn. No. : 104607W / W100166
Daraius Z. Fraser
Partner
M. No. : 42454
Mumbai : May 5, 2017.

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)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2017

I. EQUITY SHARE CAPITAL

(₹ in crores)

	BALANCE AS AT APRIL 1, 2015	CHANGES IN EQUITY SHARE CAPITAL DURING THE YEAR	BALANCE AS AT MARCH 31, 2016
	150.78	-	150.78
	BALANCE AS AT APRIL 1, 2016	CHANGES IN EQUITY SHARE CAPITAL DURING THE YEAR	BALANCE AS AT MARCH 31, 2017
	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	TAX RESERVE UNDER SECTION 115VT OF THE INCOME-TAX ACT, 1961	DEBENTURE REDEMPTION RESERVE	STATUTORY RESERVE	RETAINED EARNINGS	EQUITY INSTRUMENTS THROUGH COMPREHENSIVE INCOME	EFFECTIVE PORTION OF CASH FLOW HEDGE	FOREIGN CURRENCY MONETARY ITEMS TRANSLATION DIFFERENCE ACCOUNT	FOREIGN CURRENCY TRANSLATION RESERVE	
Balance as at April 1, 2015	21.04	161.35	2206.39	240.08	287.00	142.50	0.13	1856.92	-	(8.09)	(22.94)	678.97	5563.35
Profit for the year	-	-	-	-	-	-	-	1096.98	-	-	-	-	1096.98
Other Comprehensive Income for the year	-	-	-	-	-	-	-	(3.25)	-	(0.06)	7.35	115.63	119.67
Total comprehensive income for the year	-	-	-	-	-	-	-	1093.73	-	(0.06)	7.35	115.63	1216.65
Payment of dividends	-	-	-	-	-	-	-	(309.09)	-	-	-	-	(309.09)
Payment of dividend distribution tax	-	-	-	-	-	-	-	(58.21)	-	-	-	-	(58.21)
Transfer from Retained Earnings	-	-	-	-	160.00	25.00	-	(185.00)	-	-	-	-	-
Transfer from Tonnage Tax Reserve	-	-	100.00	-	(100.00)	-	-	-	-	-	-	-	-
Balance as at March 31, 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

(₹ in crores)

	RESERVES AND SURPLUS							ITEMS OF OTHER COMPREHENSIVE INCOME					TOTAL OTHER EQUITY
	CAPITAL RESERVE	SECURITIES PREMIUM RESERVE	GENERAL RESERVE	CAPITAL REDEMPTION RESERVE	TAX RESERVE UNDER SECTION 115VT OF THE INCOME-TAX ACT, 1961	DEBENTURE REDEMPTION RESERVE	STATUTORY RESERVE	RETAINED EARNINGS	INSTRUMENTS THROUGH COMPREHENSIVE INCOME	EFFECTIVE PORTION OF CASH FLOW HEDGE	FOREIGN CURRENCY MONETARY 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
Other													
Comprehensive Income for the year	-	-	-	-	-	-	-	(0.13)	1.26	10.16	8.58	(54.41)	(34.54)
Total													
comprehensive income for the year	-	-	-	-	-	-	-	754.84	1.26	10.16	8.58	(54.41)	720.43
Payment of dividends	-	-	-	-	-	-	-	(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

As per our Report attached hereto

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

Daraius Z. Fraser
Partner
M. No. : 42454

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 5, 2017.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2017

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	881.58	1207.69
Adjustments For :		
Depreciation and amortisation expense	677.91	607.93
Impairment	184.33	163.69
Interest Income	(56.89)	(46.67)
Interest expense	377.62	287.76
Dividend Income	(0.90)	(1.39)
Net gain on investments	(122.66)	(81.90)
Net gain on disposal of property, plant and equipment	(38.53)	(25.15)
Provision for loss on cancelled contract	-	7.84
Bad debts and advances written off	0.01	0.41
Provision for doubtful debts and advances (net)	(4.42)	10.34
Changes in fair value of embedded derivative	-	(0.70)
Revaluation of foreign currency balances	(333.35)	95.62
Operating profit before working capital changes	1564.70	2225.47
Adjustments For :		
(Increase) / Decrease in trade and other receivables	116.58	46.25
(Increase) / Decrease in inventories	(31.57)	27.06
(Increase) / Decrease in non-current assets	(13.31)	0.04
Increase / (Decrease) in trade payables and other liabilities	(40.02)	(26.34)
Increase / (Decrease) in non-current liabilities	2.06	2.09
Cash generated from operations	1598.44	2274.57
Direct Taxes Paid	(120.27)	(123.84)
Net cash (used in) / generated from operating activities	1478.17	2150.73
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for purchase of property, plant and equipment	(2098.47)	(829.71)
Proceeds from disposal of property, plant and equipment	199.37	267.23
Advances for acquisition of property, plant and equipment	(12.03)	-
Purchase of current investments	(5442.11)	(3464.57)
Proceeds from disposal /redemption of current investments	5605.24	3956.13
Advance paid for Investments	(3.06)	-
Withdrawal / (Placement) of deposits with banks (net)	171.07	(436.03)
Interest received	51.88	37.72
Dividend received	0.90	1.39
Net cash (used in) / generated from investing activities	(1527.21)	(467.84)

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	3783.61	910.14
Repayments of borrowings	(2660.99)	(1922.01)
Dividends paid	(54.28)	(312.49)
Dividend distribution tax paid	(11.05)	(61.89)
Interest paid	(298.98)	(290.41)
Net cash (used in) / generated from financing activities	758.31	(1676.66)
Net increase / (decrease) in cash and cash equivalents	709.27	6.23
Cash and cash equivalents at the beginning of the year	792.97	759.05
Exchange difference on translation of foreign currency cash and cash equivalents	(21.86)	27.69
Cash and cash equivalents at the end of the year	1480.38	792.97

As per our Report attached hereto

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

Daraius Z. Fraser
Partner
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G. Shivakumar
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For and on behalf of the Board

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

Cyrus Guzder
Director
(DIN : 00080358)

Mumbai : May 5, 2017.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

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. Its shares are listed on the Bombay Stock Exchange and the National Stock Exchange of India and on the Luxembourg Stock Exchange. The Company is a major player in the Indian Shipping industry.

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation :

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention (except for certain financial instruments that are measured at fair values at the end of each reporting period) on accrual basis to comply in all material aspects with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Group prepared its financial statements upto the year ended March 31, 2016 in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Group's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. The financial statements for the year ended March 31, 2016 and the opening Balance Sheet as at April 1, 2015 have been restated in accordance with Ind AS for comparative information. The details of first-time adoption exemptions availed by the Group are given in Note 2. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Group's Equity, Total Comprehensive Income and Statement of Cash Flows are provided in Note 2.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at April 1, 2015 being the 'date of transition to Ind AS'. All assets and liabilities have been classified as Current and Non-Current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of services rendered and the time between the rendering of the services and their realisation in cash and cash equivalent, the Group has ascertained its operating cycle as twelve months for the purpose of Current and Non-Current classification of assets and liabilities.

The financial statements for the year ended March 31, 2017 were approved by the Board of Directors and authorised for issue on May 5, 2017.

b) Basis of Measurement :

These financial statements are prepared under the historical cost convention unless otherwise indicated.

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, is in respect of impairment of property, plant and equipment, useful lives of property, plant and equipment, provision and contingent liabilities.

Impairment of property, plant and equipment :

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

Useful lives of property, plant and equipment :

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

Provisions & Contingent Liabilities :

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions other than retirement benefits and compensated absences are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements.

d) Property, plant and equipment :

Property, plant and equipment (PPE) are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenses related to acquisition and installation of the concerned assets, borrowing costs during construction period (net off capital subsidy/grant received) and excludes any duties/taxes recoverable.

Advances paid towards the acquisition of PPE outstanding at each reporting date is classified as capital advances under Other Non-Current Assets and the cost of assets not put to use before such date are disclosed under Capital Work In Progress.

Subsequent expenditure relating to PPE are capitalised only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. All other expenses on maintaining property, plant and equipment, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred except for dry dock expenditure.

Grabs and Dry docks are considered as components of Fleet with estimated useful lives different than the main component of Fleet. Cost relating to Dry dock which is mandatorily required to be carried out as per the Classification Rules and Regulations is recognised in the carrying amount of the Ship and is amortised from the completion of survey till the estimated date for next special survey.

Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment are recognised in the Statement of Profit And Loss.

Exchange differences on repayment and year end translation of foreign currency loans availed upto March 31, 2016 and fair value gains or losses on qualifying cash flow hedges that are transferred from Hedging Reserve relating to acquisition of depreciable capital assets are adjusted to the carrying cost of the assets.

e) Intangible Assets :

Intangible assets are stated at acquisition cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over the estimated useful lives.

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 vessels and stores & spares on rigs are carried at lower of cost and net realisable value. Cost is ascertained on first-in-first out basis for fuel oil and on weighted average basis for stores & spares on rigs. The cost includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

h) Borrowing Costs :

Borrowing costs include interest and 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 and demurrage 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 is recognised on a time proportion basis taking into account the principal amount outstanding and the applicable effective interest rate.

Dividends : Dividend income is recognised when the Company'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) 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.
- (iii) Expenses on account of general average claims / damages to ships are written off in the year in which they are incurred. Claims against the underwriters are accounted for on acceptance of average adjustment by the adjustors.
- (iv) Bunker consumption cost, which is part of direct operating expenses, is charged to the Statement of Profit and Loss on consumption.

k) Leases :

Group is the Lessee.

i) Finance Lease

Lease of assets where the Group assumes substantially the risk and rewards of ownership are classified as finance leases. Assets held under finance leases are recognised as assets of the company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor (net of finance charges) is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Gain / (loss) arising from sale and finance leaseback of the vessel is determined based on fair values. Sale proceeds in excess of fair values and the excess of fair value over sale proceeds are deferred and amortised over the minimum lease terms.

ii) Operating lease

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

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 Leave Encashment in respect of all eligible employees and for pension benefit to 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 of the period when the contributions to the respective funds are due.

b. Defined Benefit Plan

Retirement benefits in the form of Gratuity and the Pension plan for 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.

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 life. The estimated useful life of the assets are as under :

ASSET TYPE	ESTIMATED USEFUL LIFE
Property, plant and equipment :	
Fleet (Main)	
- Crude Oil and Product Tankers	20 years
- Dry Bulk Carriers *	23 years
- Gas Carriers *	27 years
- Offshore Supply Vessels	20 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
Modern Rigs	30 years
Leasehold Land	Lease period
Leasehold Improvements	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 *	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.

- i) Estimated useful life of the Fleet, Rigs and Ownership Flats and Buildings is considered from the year of built. Estimated useful life in case of all other assets is considered from the date of acquisition by the Company.
- ii) 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.
- iii) 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.

n) Asset Impairment :

The carrying amounts of the Group's Property, Plant and Equipment and intangible assets are reviewed at each Balance Sheet date 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 functional currency of the Holding Company is Indian Rupee.

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

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

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on long term foreign currency monetary items relating to acquisition of depreciable assets and recognised in the consolidated financial statements prior to April 1, 2016 as an adjustment to the carrying cost of the depreciable asset, continue to be accounted as an adjustment to the carrying cost of the depreciable asset.
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (refer hedging accounting policies); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in Other Comprehensive Income and reclassified from equity to the Statement Profit and Loss on repayment of the monetary items.

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 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 and 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 :

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 :

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.

Equity Instruments :

All investments in equity instruments classified under financial assets are initially measured at fair value, the Group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Group makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as Other Income in the Statement of Profit and Loss unless the Group has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are 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 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

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

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

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

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

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 42.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in 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 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, cash flow hedges, or hedges of net investments in foreign operations.

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 42 sets out details of the fair values of the derivative instruments used for hedging purposes.

Fair value hedges

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

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

Hedges of net investments in foreign operations

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in Other Comprehensive Income and accumulated under the heading of Foreign Currency Translation Reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss, and is included under the head "Gain / (Loss) on foreign currency and derivatives transactions (net)".

Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the Foreign Currency Translation Reserve are reclassified to the Statement of Profit and Loss on the disposal of the foreign operation.

q) Taxation :

Income tax expense comprises both current and deferred tax. Current and deferred taxes are recognised in the Statement of Profit and Loss.

i) Current income-tax is recognised at the amount expected to be paid to the tax authorities, using the tax rates and tax laws, enacted or substantially enacted as at the Balance Sheet date. Income from shipping activities is assessed on the basis of deemed tonnage income of the Group.

ii) Deferred income-tax is recognised on timing differences, between taxable income and accounting income which originate in one period and are capable of reversal in one or more subsequent periods only in respect of the non-tonnage activities of the Group. Deferred income tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The tax effect is calculated on the accumulated timing differences at the year end based on tax rates and laws, enacted or substantially enacted as of the Balance Sheet date. Deferred income taxes are not provided on the undistributed earnings of the subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

iii) The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

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.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

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 Grant :

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

NOTE 2 : FIRST-TIME ADOPTION - MANDATORY EXCEPTIONS, OPTIONAL EXEMPTIONS

The Holding Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 1, 2016, with a transition date of April 1, 2015. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Group has prepared financial statements which comply with Ind AS for year ended March 31, 2017, together with the comparative information as at and for the year ended March 31, 2016 and the opening Ind AS Balance Sheet as at April 1, 2015, the date of transition to Ind AS.

In preparing these Ind AS financial statements, the Group has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Group in restating its financial statements prepared under previous GAAP, including the Balance Sheet as at April 1, 2015 and the financial statements as at and for the year ended March 31, 2016.

Mandatory Exceptions from retrospective application

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

1. Estimates

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

2. Classification and measurement of financial assets

The classification of financial assets to be measured at amortised cost or fair value through Other Comprehensive Income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

Optional Exemptions

1. Deemed cost for property, plant and equipment (including ships under construction) (as per Ind AS requirement alongwith Ind AS 101 exemption)

The Group has used fair value as deemed cost for certain items of Property, Plant and Equipment (PPE) and ships under construction in accordance with the exemptions available under Ind AS 101 with the resultant impact being accounted for in reserves. The consequent impact on change in depreciation is reflected in the Statement of Profit and Loss. In other cases where items of PPE have not been fair valued, the Group has restated their written down values as per provisions under Ind AS 16 with retrospective effect.

2. Component Accounting (as per Ind AS requirement alongwith regrouping)

The Group has elected to account dry dock expenditure as a component of Fleet with useful life different than Fleet (Main). The same was earlier expensed out in the Statement of Profit and Loss.

The Group has elected to account Grabs as a component of Fleet with useful life different than Fleet (Main). The same was earlier accounted under the head 'Plant and Equipment'.

3. Cumulative translation differences on foreign operations (as per Ind AS 101 exemption)

The Group has opted not to reset the cumulative translation differences on foreign operations that existed as of the transition date to zero.

4. Long Term Foreign Currency Monetary Items (as per Ind AS 101 exemption)

The Group has elected to continue accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP.

5. Assessment of embedded derivatives (as per Ind AS 101 exemption)

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

Transition to Ind AS – Reconciliations

The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

(i) Reconciliation of equity :

(₹ in crores)

PARTICULARS	NOTE	AS AT MARCH 31, 2016	AS AT APRIL 1, 2015
Equity as per previous GAAP :		8283.90	7430.62
Fair value of assets used as deemed cost on transition	A	(2020.66)	(2020.66)
Deferred tax on fair value adjustments to non-tonnage assets	A	12.15	12.15
Fair value adjustment of financial instruments	B	180.05	67.21
Reversal of proposed dividend provision (including dividend tax)	C	-	137.22
Foreign currency translation adjustment on fair value component of fleet	D	(20.14)	41.84
Impact of change in incomplete voyage accounting	E	25.76	25.76
Others	F	16.78	19.99
Increase in profit as per Ind AS [Refer note (ii) below]		57.58	-
Rectification of dividend provision	G	28.06	-
Equity as per Ind AS :		6563.48	5714.13

(ii) Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016 :

(₹ in crores)

PARTICULARS	NOTE	YEAR ENDED MARCH 31, 2016
Net profit previously reported under previous GAAP :		1039.40
Impact on depreciation and impairment due to fair valuation of certain Property, Plant and Equipment and component accounting of dry-dock expenditure	A	225.49
Mark to market gain / (loss) on derivative transactions	B	(127.35)
Mutual fund investments restated at fair value	B	(37.61)
Accounting for incomplete voyage revenue	E	(0.75)
Others	F	(2.20)
Net profit as per Ind AS :		1096.98
Other Comprehensive Income		119.67
Total Comprehensive Income		1216.65

(iii) Adjustments to Statement of Cash flows

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

Notes :

a) Property, plant and equipment :

The Group has used fair value as deemed cost for certain items of Property, Plant and Equipment in accordance with the exemptions available under Ind AS 101 with the resultant impact being accounted for in reserves. The consequent impact on change in depreciation is reflected in the Statement of Profit and Loss.

The aggregate of the fair values used as deemed cost as on the date of transition and the aggregate adjustments to the carrying amount reported under previous GAAP are as under :

(₹ in crores)

PARTICULARS	AS AT APRIL 1, 2015	
	AGGREGATE FAIR VALUE	AGGREGATE ADJUSTMENTS TO THE CARRYING AMOUNT
Rigs	3125.00	(829.38)
Fleet	1807.22	(950.04)
Plant and Equipment	34.01	(136.32)
Ships under construction	121.14	(104.92)
Total	5087.37	(2020.66)

b) Fair value adjustment to financial instruments :

Investment in mutual funds are restated as at April 1, 2015 (transition date) at fair value under Ind AS as against accounting at cost or market value (whichever is lower) under previous GAAP. This has resulted in an increase in equity by ₹ 63.63 crores as at March 31, 2016 and by ₹ 66.47 crores as at April 1, 2015.

Currency swaps derivative instruments entered against the debt exposure were accounted under previous GAAP adopting hedge accounting by matching the offsetting cash flows of the currency swaps against highly probable forecast revenues in foreign currency. But due to lack of economic relationship between these two types of cash flows, the said currency swaps derivative instruments do not qualify for hedge accounting under Ind AS. Hence, the hedge accounting for the said currency swaps derivative instruments is discontinued under Ind AS. Accordingly, the gain or loss on remeasurement of fair values of the said instruments will now be recognised in the Statement of Profit and Loss under Ind AS. This has resulted in an increase in equity by ₹ 116.42 crores as at March 31, 2016 and by ₹ 0.74 crores as at April 1, 2015.

c) Equity dividend including dividend tax :

Under Ind AS, dividend to holders of equity instruments and tax on the same is recognised as liability in the period in which the obligation to pay is established. Under previous GAAP, dividend payable and tax on the same was recorded as a liability in the period to which it related. Accordingly the said liability recognised under previous GAAP is derecognised under Ind AS as at April 1, 2015.

d) Derivative transactions :

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

e) Incomplete voyage accounting :

Revenues and expenses in respect of incomplete voyages at the end of the accounting period, are recognised in the Statement of Profit and Loss under Ind AS as detailed in the accounting policies stated above. Under the previous GAAP, the same were recognised in the Statement of Profit and Loss only on completion of the voyage.

f) Others :

Others comprises of adjustments on account of capitalisation of borrowing costs (₹ 7.80 crores), capitalisation of dry dock expenditure as component of fleet (₹ 12.90 crores), Employee Benefits Actuarial loss transferred from the Statement of Profit and Loss to Other Comprehensive Income (₹ 3.25 crores) and mark to market loss on embedded derivative on charter hire contract (₹ 0.67 crore) as at March 31, 2016.

Others comprises of adjustments on account of capitalisation of borrowing costs (₹ 7.80 crores), capitalisation of dry dock expenditure as component of fleet (₹ 12.90 crores) and mark to market loss on embedded derivative on charter hire contract (₹ 0.71 crore) as at April 1, 2015.

g) Rectification of dividend provision :

Rectification for elimination of provision for dividend on consolidation.

NOTE 3 : 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 4 :

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, 2017.

NOTE 5 :

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 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
1	The Great Eastern Shipping Co. London Ltd. (wound up as at the end of the year ended March 31, 2016)	U.K.	-	-	100%
2	The Greatship (Singapore) Pte. Ltd.	Singapore	100%	100%	100%
3	The Great Eastern Chartering L.L.C. (FZC)	U.A.E.	100%	100%	100%
3a	The Great Eastern Chartering (Singapore) Pte. Ltd. (wholly owned subsidiary of The Great Eastern Chartering L.L.C. (FZC))	Singapore	100%	100%	100%
4	Greatship (India) Ltd.	India	100%	100%	100%
4a	Greatship Global Holdings Ltd. (wholly owned subsidiary of Greatship (India) Ltd.)	Mauritius	100%	100%	100%
	(i) Greatship Global Offshore Services Pte. Ltd. (wholly owned subsidiary of Greatship Global Holdings Ltd.)	Singapore	100%	100%	100%
	1. GGOS Labuan Ltd. (wholly owned subsidiary of Greatship Global Offshore Services Pte. Ltd.) (Deregistered on March 4, 2017)	Malaysia	-	100%	100%
4b	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%	100%
4c	Greatship (UK) Ltd. (wholly owned subsidiary of Greatship (India) Ltd.)	U.K.	100%	100%	100%
4d	Greatship Oilfield Services Ltd. (wholly owned subsidiary of Greatship (India) Ltd.) (incorporated on July 9, 2015)	India	100%	100%	-
5	Great Eastern CSR Foundation	India	100%	100%	100%

NOTE 6 : PROPERTY, PLANT AND EQUIPMENT

(₹ in crores)

PARTICULARS	COST				DEPRECIATION / IMPAIRMENT				NET BLOCK		
	AS AT APRIL 1, 2016	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	OTHER ADJUSTMENTS [REFER NOTE (f)]	AS AT MARCH 31, 2017	UPTO MARCH 31, 2016	OTHER ADJUSTMENTS/ ON DEDUCTIONS	FOR THE YEAR	UPTO MARCH 31, 2017	AS AT MARCH 31, 2017	AS AT MARCH 31, 2016
Fleet	7892.55	2381.32	316.54	(26.98)	9930.35	2303.58	259.40	709.93	2754.11	7176.24	5588.97
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 (b)]	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	34.26	1.82	2.56	35.00	4.86	5.59
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

(₹ in crores)

PARTICULARS	COST				DEPRECIATION / IMPAIRMENT				NET BLOCK		
	AS AT APRIL 1, 2015	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR [REFER NOTE (d)]	OTHER ADJUSTMENTS [REFER NOTE (f)]	AS AT MARCH 31, 2016	UPTO MARCH 31, 2015	OTHER ADJUSTMENTS/ ON DEDUCTIONS	FOR THE YEAR	UPTO MARCH 31, 2016	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
Fleet (Deemed Cost)	7559.48	603.61	438.38	167.84	7892.55	1784.94	46.72	565.36	2303.58	5588.97	5774.54
Rigs	3124.97	-	-	187.54	3312.51	-	(1.92)	131.49	133.41	3179.10	3124.97
Land (Freehold and Perpetual Lease)	59.80	-	-	-	59.80	-	-	-	-	59.80	59.80
Ownership Flats and Buildings [Refer Note (b)]	55.06	-	-	-	55.06	18.77	-	1.13	19.90	35.16	36.29
Leasehold Improvements	5.30	-	-	-	5.30	2.92	-	1.06	3.98	1.32	2.38
Plant and Equipment	41.54	13.27	-	1.56	56.37	4.80	(0.07)	7.00	11.87	44.50	36.74
Furniture, Fixtures and Office Equipment	37.67	2.47	0.38	0.09	39.85	31.87	0.31	2.70	34.26	5.59	5.80
Vehicles	20.36	4.76	1.61	-	23.51	11.29	1.53	4.12	13.88	9.63	9.07
	10904.18	624.11	440.37	357.03	11444.95	1854.59	46.57	712.86	2520.88	8924.07	9049.59

Notes:

a) On transition to Ind AS, the Group has elected to measure certain items of Property, Plant and Equipment at the date of transition to Ind AS at their fair values and use those fair values as its deemed cost on the date of transition in accordance with the exemptions available under Ind AS 101, the resultant impact being accounted for in reserves. The consequent impact on change in depreciation is reflected in the Statement of Profit and Loss. In other cases where items of PPE have not been fair valued, the Group has restated their written down values as per provisions under Ind AS 16 with retrospective effect.

The aggregate of the fair values used as deemed cost as on the date of the transition and the aggregate adjustments to the carrying amount reported under previous GAAP are as under:

(₹ in crores)

PARTICULARS	AS AT APRIL 1, 2015	
	AGGREGATE FAIR VALUE	AGGREGATE ADJUSTMENTS TO THE CARRYING AMOUNT
Fleet	1807.22	(950.04)
Rigs	3125.00	(829.38)
Plant and Equipment	34.01	(136.32)
Ships under construction disclosed under Capital Work-in-progress	121.14	(104.92)
Total	5087.37	(2020.66)

b) The ownership flats and buildings include ₹ 11,760 (Previous Year : ₹ 11,760) being value of shares held in various co-operative societies.

c) 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.

d) During the year ended March 31, 2016, deductions under Fleet include :

- (i) vessel acquired and sold on the same day and hence no depreciation has been charged thereon.
- (ii) vessel classified as asset held for sale and removed from net block.

e) In accordance with the Ind AS 36, 'Impairment of Assets', the Group has recognised impairment loss amounting to ₹ 184.33 crores (Previous Year : ₹ 105.37 crores) under Fleet during the year included in Note 32.

f) Other adjustments comprise of fluctuation of the rupee against foreign currencies and losses/(gains) on hedging contracts (including on cancellation of forward covers), relating to long term monetary items for acquisition of depreciable capital assets and losses/(gains) on forward contracts for hedging capital commitments for acquisition of depreciable assets.

g) Fleet and Rigs with a carrying amount of ₹ 7339.12 crores (as at March 31, 2016 : ₹ 7206.53 crores; as at April 1, 2015 : ₹ 8179.68 crores) and buildings with a carrying amount of ₹ 0.26 crore (as at March 31, 2016 : ₹ 0.26 crore; as at April 1, 2015 : ₹ 0.27 crore) have been mortgaged to secure borrowings of the Group (Refer Note 21). The Group is not allowed to mortgage these assets as security for other borrowings or to sell them to another entity, without approval of the lenders / security trustees.

NOTE 7 : INTANGIBLE ASSETS

(₹ in crores)

PARTICULARS	COST				AMORTISATION				NET BLOCK	
	AS AT APRIL 1, 2016	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	OTHER ADJUSTMENTS	AS AT MARCH 31, 2017	UPTO MARCH 31, 2016	OTHER ADJUSTMENTS/ ON DEDUCTIONS	FOR THE YEAR	UPTO MARCH 31, 2017	AS AT MARCH 31, 2016
Software	5.34	0.13	-	-	5.47	4.71	-	0.32	5.03	0.63
	5.34	0.13	-	-	5.47	4.71	-	0.32	5.03	0.63

(₹ in crores)

PARTICULARS	COST				AMORTISATION				NET BLOCK	
	AS AT APRIL 1, 2015	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	OTHER ADJUSTMENTS	AS AT MARCH 31, 2016	UPTO MARCH 31, 2015	OTHER ADJUSTMENTS/ ON DEDUCTIONS	FOR THE YEAR	UPTO MARCH 31, 2016	AS AT MARCH 31, 2015
Software	5.34	-	-	-	5.34	4.27	-	0.44	4.71	1.07
	5.34	-	-	-	5.34	4.27	-	0.44	4.71	1.07

NOTE 8 : NON-CURRENT INVESTMENTS

	AS AT 31/03/2017		AS AT 31/03/2016		AS AT 01/04/2015	
	No. of shares	₹ in crores	No. of shares	₹ in crores	No. of shares	₹ in crores
Investments in Equity Instruments						
Equity shares : (Quoted - valued at fair value through OCI)						
Safe Bulkers, Inc.	2,44,568	3.50	-	-	-	-
Equity Shares : (Unquoted - valued at fair value through profit or loss)						
Seachange Maritime L.L.C.	11,04,000	-	11,04,000	-	11,04,000	-
		3.50		-		-
Aggregate amount of quoted investments		3.50		-		-
Market Value of quoted investments		3.50		-		-
Aggregate amount of unquoted investments		-		-		-
Aggregate amount of impairment in value of investments		-		-		-

NOTE 9 : OTHER NON-CURRENT FINANCIAL ASSETS (UNSECURED)

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(a) Non-Current Bank Balances (Refer Note 16)	34.78	94.94	102.04
(b) Interest Accrued	0.69	12.50	8.39
	35.47	107.44	110.43

NOTE 10 : DEFERRED TAX ASSETS (NET)

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Deferred tax assets (net) (in respect of the non-tonnage activities of the Group)	11.18	12.15	13.05
	11.18	12.15	13.05

Notes :

(₹ in crores)

DEFERRED TAX ASSETS / (LIABILITIES) IN RELATION TO:	AS AT 01/04/2016	RECOGNISED IN STATEMENT OF PROFIT AND LOSS	AS AT 31/03/2017
Property, plant and equipment	12.03	(1.13)	10.89
Provision for doubtful debts	-	0.20	0.20
Defined benefit obligations	0.12	(0.03)	0.09
	12.15	(0.96)	11.18

(₹ in crores)

DEFERRED TAX ASSETS / (LIABILITIES) IN RELATION TO:	AS AT 01/04/2015	RECOGNISED IN STATEMENT OF PROFIT AND LOSS	AS AT 31/03/2016
Property, plant and equipment	12.78	(0.76)	12.03
Provision for doubtful debts	-	-	-
Defined benefit obligations	0.27	(0.15)	0.12
	13.05	(0.91)	12.15

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 only in respect of the taxable temporary differences relating to the non tonnage income.

NOTE 11 : OTHER ASSETS (UNSECURED)

(₹ in crores)

	OTHER NON-CURRENT ASSETS			OTHER CURRENT ASSETS		
	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Considered good						
(a) Capital Advances	12.03	0.33	0.42	-	-	-
(b) Security Deposits	2.84	2.63	2.56	3.09	4.46	13.98
(c) Other Advances	18.78	2.72	2.68	100.93	114.10	112.52
Considered doubtful						
(a) Security Deposits	0.44	0.44	0.44	-	-	-
(b) Other Advances	-	-	-	2.59	4.33	4.90
Less : Allowance for doubtful advances	(0.44)	(0.44)	(0.44)	(2.59)	(4.33)	(4.90)
	33.65	5.68	5.66	104.02	118.56	126.50

NOTE 12 : INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(a) Stores and Spares on Board Rigs	68.04	68.03	67.28
(b) Fuel Oils	76.72	45.20	72.80
	144.76	113.23	140.08

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 ₹ 263.24 crores (Previous Year : ₹ 364.09 crores).

NOTE 13 : CURRENT INVESTMENTS

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Investments in mutual funds : Unquoted (valued at fair value through profit or loss)	871.58	911.80	1321.43
	871.58	911.80	1321.43
Aggregate amount of quoted investments	-	-	-
Market Value of quoted investments	-	-	-
Aggregate amount of unquoted investments	871.58	911.80	1321.43
Aggregate amount of impairment in value of investments	-	-	-

Note:

Mutual Funds aggregating to ₹ 152.64 crores (as at March 31, 2016 : ₹ 280.02 crores; as at April 1, 2015 : ₹ 180.95 crores) of the above have been placed under lien with banks for facilities given by them.

**NOTE 14 : TRADE RECEIVABLES
(UNSECURED)**

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Considered good	208.93	307.79	334.62
Considered doubtful	9.12	29.83	18.29
	218.05	337.62	352.91
Less : Allowance for Doubtful Receivables	(9.12)	(29.83)	(18.29)
	208.93	307.79	334.62

Notes:

- i) 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. The carrying values are assumed to approximate their fair values. 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	29.83	18.29
Add : Current year allowance	34.07	33.39
Less : Reversal during the year	(54.78)	(21.85)
Closing Balance	9.12	29.83

- ii) Trade receivables are subject to confirmation, reconciliation and adjustments, if any.

NOTE 15 : CASH AND CASH EQUIVALENTS

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(a) Balances with Banks in Current Accounts	1426.87	780.83	730.69
(b) Bank Deposits having maturity period of less than 3 months	53.45	12.06	28.30
(c) Cash on Hand	0.06	0.08	0.04
	1480.38	792.97	759.03

NOTE 16 : OTHER BANK BALANCES

(₹ in crores)

	NON-CURRENT			CURRENT		
	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(a) Deposits having residual maturity upto 12 months	-	-	-	1800.75	1966.54	1374.41
(b) Deposits with maturity period of more than 12 months	32.43	92.75	100.00	-	-	-
(c) Balances with Banks - Unpaid Dividend	-	-	-	8.15	9.98	6.58
(d) Margin Money Deposits	2.35	2.19	2.04	147.77	159.63	242.06
(e) Interest Accrued on Bank Deposits	-	-	-	29.76	15.97	12.02
	34.78	94.94	102.04	1986.43	2152.12	1635.07
Less : Amount disclosed under Note 9 : Other Non-Current Financial Assets	(34.78)	(94.94)	(102.04)	-	-	-
	-	-	-	1986.43	2152.12	1635.07
Margin Money given as security :						
Margin Money Deposits comprise of -						
(i) deposits placed with banks under lien against facilities given by the banks	-	-	-	126.25	127.03	212.18
(ii) earmarked balances with banks in margin deposits	2.35	2.19	2.04	21.52	32.60	29.88
	2.35	2.19	2.04	147.77	159.63	242.06

NOTE 17 : CURRENT TAX ASSETS (NET)

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Advance Payment of Income-tax and Tax Deducted at Source (net)	79.92	71.14	55.38
	79.92	71.14	55.38

NOTE 18 : ASSET HELD FOR SALE

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Vessel held for sale	-	86.82	-
	-	86.82	-

Reclassification from Property, plant and equipment :

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
Gross Block (Refer Note 6)	173.16	173.16
Add : Additions during the year	14.20	-
Less : Accumulated depreciation	(27.18)	(27.18)
Less: Impairment loss	(59.16)	(59.16)
Less : Disposed during the year	(101.02)	-
	-	86.82

Note :

The vessel classified as held for sale during the year ended March 31, 2016, was sold during the current year.

NOTE 19 : EQUITY SHARE CAPITAL

	AS AT 31/03/2017		AS AT 31/03/2016		AS AT 01/04/2015	
	Nos.	₹ in crores	Nos.	₹ in crores	Nos.	₹ in crores
Authorised :						
Equity Shares of ₹ 10 each	30,00,00,000	300.00	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	20,00,00,000	200.00
	50,00,00,000	500.00	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	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	15,07,77,065	150.78
Add : Forfeited shares ₹ 30,358						
(As at March 31, 2016 : ₹ 30,358;	2,518	-	2,518	-	2,518	-
As at April 1, 2015 : ₹ 30,358)						
	15,07,79,583	150.78	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 31/03/2017		AS AT 31/03/2016		AS AT 01/04/2015	
	Nos.	% holding	Nos.	% holding	Nos.	% holding
Equity shares of ₹ 10 each fully paid						
Mr. Bharat Kanaiyalal Sheth	1,57,19,490	10.43%	1,48,28,490	9.83%	1,63,28,490	10.83%
Mr. Ravi Kanaiyalal Sheth	1,52,62,504	10.12%	1,43,62,504	9.53%	1,43,62,504	9.53%
Nalanda India Equity Fund Limited	1,05,24,139	6.98%	1,05,24,139	6.98%	1,05,24,139	6.98%

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, 2016 : 2,53,522; as at April 1, 2015 : 2,53,522) rights equity shares of the Company have been kept in abeyance in accordance with Section 126(b) of 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, 2016 : 40,608; as at April 1, 2015 : 40,608) shares have also been kept in abeyance for disputed cases in consultation with the Bombay Stock Exchange.

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 the scheme. All the ESOPs are in respect of GIL's shares where each stock option is equivalent to one equity share.

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

During the previous year, as per the Encashment Scheme approved in the year 2012, the option grantees under all Schemes were given an opportunity to encash all or part of their vested options as on March 31, 2015 and accordingly 6,51,480 options were encashed by the option grantees during the financial year 2015-16. If there is no IPO by March 31, 2018, similar window would be opened to encash the remaining stock options (there would be no unvested stock options at that time). With this encashment, a total of 14,17,420 options have been encashed under the said Encashment Scheme, including 7,65,940 options encashed in 2012. With the encashment of all the outstanding stock options under the Scheme ESOP 2007, the Scheme stands closed as on March 31, 2016.

Total options outstanding as on March 31, 2017 is 1,51,060.

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	-	-	-
14	Method of Settlement	Equity	Equity/Cash	Equity
15	Vesting period from the date of grant	One year	20% equally over a period of five years	20% equally over a period of five years
16	Vesting conditions	Continued employment with the Holding Company 'The Great Eastern Shipping Co. Ltd. (includes transfer within group companies)	Continued employment with the Company or subsidiaries (includes transfer within group companies)	Continued employment with the Company or subsidiaries (includes transfer within group companies)

Pursuant to the encashment scheme for Employee Stock Options (ESOPs) introduced by the GIL during 2012, 1,41,74,420 options were encashed at the fair value determined under the scheme. Since the encashment scheme also provides for another window to be opened in March 2018 to encash stock options that have vested till such date, the liability in respect of the outstanding options has also been measured at the fair value determined in accordance with the encashment scheme and the difference in the fair value and the exercise price is amortised over vesting period.

The cumulative amount of employee stock option expense amortised upto March 31, 2017 of ₹ 2.38 crores (Previous Year : ₹ 2.30 crores) is included in Non - current provisions.

NOTE 20 : OTHER EQUITY

A. SUMMARY OF OTHER EQUITY

(Refer Statement of Changes in Equity for detailed movement)

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
a) Capital Reserve	21.04	21.04	21.04
b) Securities Premium Reserves	161.35	161.35	161.35
c) General Reserve	2306.39	2306.39	2206.39
d) Capital Redemption Reserve	240.08	240.08	240.08
e) Tonnage Tax Reserve under Section 115VT of the Income-tax Act, 1961	457.00	347.00	287.00
f) Debenture Redemption Reserve	758.75	167.50	142.50
g) Statutory Reserve	0.13	0.13	0.13
h) Retained Earnings	2391.36	2398.35	1856.92
i) Equity instruments through Other Comprehensive Income	1.26	-	-
j) Cash Flow Hedging Reserve (Refer Note 42)	2.01	(8.15)	(8.09)
k) Foreign Currency Monetary Item Translation Difference Account	(7.01)	(15.59)	(22.94)
l) Foreign Currency Translation Reserve	740.19	794.60	678.97
	7072.55	6412.70	5563.35

B. NATURE OF RESERVES

- i) Capital Reserve : Capital Reserve created on cancellation of convertible warrants in financial year 2008-09.
- ii) Securities Premium Reserves : 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 General Reserves, Tonnage Tax Reserves, dividends or other distributions paid to shareholders.
During the year ended March 31, 2017, the Board of Directors declared and paid an interim dividend of ₹ 3.60 per equity share aggregating to ₹ 60.58 crores including dividend distribution tax.
In respect of the year ended March 31, 2017, the Board of Directors propose that a dividend of ₹ 6.50 per equity share be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the 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 ₹ 117.96 crores including dividend distribution tax.

Retained Earnings as at April 1, 2015 (date of transition) includes transfer from Cash Flow Hedging Reserve as detailed in Note (viii) below.

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

Currency swaps derivative instruments entered against the debt exposure were accounted under previous GAAP adopting hedge accounting by matching the offsetting cash flows of the currency swaps against highly probable forecast revenues in foreign currency. The hedge accounting for the said currency swaps derivative instruments is discontinued under Ind AS since said currency swaps derivative instruments do not qualify for hedge accounting under Ind AS due to lack of economic relationship between these two types of cash flows. Accordingly, the balance in Cash Flow Hedging Reserve pertaining to the said currency swaps derivative instruments amounting to ₹ 918.77 crores as at April 1, 2015 (transition date) is transferred to Retained Earnings.

ix) Foreign Currency Monetary Item Translation Difference Account : Exchange differences arising on translation of long term foreign currency monetary items not related to depreciable assets are transferred to Foreign Currency Monetary Item Translation Difference Account and shown in the financial statements under Other Equity and amortised over the balance life of such assets /liabilities by recognition as income/expenditure, but not beyond March 31, 2020 as per the requirement of notification issued by Ministry of Corporate Affairs.

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. ₹) 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.

C. OTHER COMPREHENSIVE INCOME ACCUMULATED IN OTHER EQUITY

The disaggregation of changes in Other Comprehensive Income by each type of reserve in equity is shown below:

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
Opening Balance	119.67	-
Remeasurement gain/(loss) on defined employee benefit plans	(0.13)	(3.25)
Equity instruments through Other Comprehensive Income	1.26	-
Exchange differences in translating the financial statements of foreign operations	(54.41)	115.63
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge	10.16	(0.06)
Movement in Foreign Currency Monetary Item Translation Reserve	8.58	7.35
Closing Balance	85.13	119.67

NOTE 21 : BORROWINGS

(₹ in crores)

	NON-CURRENT BORROWINGS			CURRENT MATURITIES OF LONG- TERM DEBT		
	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(a) Debentures :						
Secured - at amortised cost :						
9.80% 2400 (Previous Years : 2500)						
Redeemable Non-Convertible Debentures of ₹10,00,000 each redeemable on July 3, 2019	240.00	250.00	250.00	-	-	-
[100 Redeemable Non-Convertible Debentures of ₹10,00,000 each bought back during the year]						
[Refer Notes (i) and (iv) below]						
Unsecured - at amortised cost :						
Redeemable Non-Convertible Debentures of ₹ 10,00,000 each -						
i) 8.24% 2000 Debentures redeemable on November 11, 2026	200.00	-	-	-	-	-
ii) 8.70% 2500 Debentures redeemable on May 6, 2026	250.00	-	-	-	-	-
iii) 8.24% 2000 Debentures redeemable on November 11, 2025	200.00	-	-	-	-	-
iv) 8.70% 2500 Debentures redeemable on May 31, 2025	250.00	-	-	-	-	-
v) 7.99% 2500 Debentures redeemable on January 18, 2025	250.00	-	-	-	-	-
vi) 7.99% 2500 Debentures redeemable on January 18, 2024	250.00	-	-	-	-	-
vii) 9.70% 1000 Debentures redeemable on January 18, 2023	100.00	100.00	100.00	-	-	-
viii) 9.70% 1000 Debentures redeemable on January 7, 2023	100.00	100.00	100.00	-	-	-
ix) 9.70% 500 Debentures redeemable on April 25, 2021	50.00	50.00	50.00	-	-	-
x) 9.70% 1500 Debentures redeemable on April 15, 2021	150.00	150.00	150.00	-	-	-
xi) 9.70% 1000 Debentures redeemable on February 2, 2021	100.00	100.00	100.00	-	-	-
xii) 9.60% 2000 Debentures redeemable on November 10, 2019	200.00	200.00	200.00	-	-	-
xiii) 9.75% 2350 (Previous Years : 2500) Debentures redeemable on August 20, 2019	235.00	250.00	250.00	-	-	-
[150 Redeemable Non-Convertible Debentures of ₹ 10,00,000 each bought back during the year]						

(₹ in crores)

	NON-CURRENT BORROWINGS			CURRENT MATURITIES OF LONG- TERM DEBT		
	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
xiv) 9.35% 425 (Previous Years : 500) Debentures redeemable on February 8, 2019 and 425 (Previous Years : 500) Debentures redeemable on February 8, 2018 [150 Redeemable Non-Convertible Debentures of ₹ 10,00,000 each bought back during the year]	42.50	100.00	100.00	42.50	-	-
xv) 9.40% 900 (Previous Years : 1000) Debentures redeemable on January 6, 2019 [100 Redeemable Non-Convertible Debentures of ₹ 10,00,000 each bought back during the year]	90.00	100.00	100.00	-	-	-
xvi) 9.19% 1000 Debentures redeemable on December 24, 2018	100.00	100.00	100.00	-	-	-
xvii) 9.35% 425 (Previous Years : 500) Debentures redeemable on February 8, 2019 and 425 (Previous Years : 500) Debentures redeemable on February 8, 2018 [150 Redeemable Non-Convertible Debentures of ₹ 10,00,000 each bought back during the year]	42.50	100.00	100.00	42.50	-	-
xviii) 9.40% 1000 Debentures redeemable on January 6, 2018	-	100.00	100.00	100.00	-	-
[Refer Notes (ii) and (iv) below]						
	2850.00	1700.00	1700.00	185.00	-	-
(b) Term Loans from Banks :						
Secured - at amortised cost :						
Foreign Currency Loans from Banks [Refer Notes (iii) and (iv) below]	2932.16	3228.11	3746.69	694.10	862.44	1063.72
(c) Unamortised Finance Charges	(11.79)	(20.37)	(26.99)	(3.89)	(11.24)	(11.11)
Total (a + b + c)	5770.37	4907.74	5419.70	875.21	851.20	1052.61
Less : Amount disclosed under Note 25 : Other Financial Liabilities	-	-	-	(875.21)	(851.20)	(1052.61)
	5770.37	4907.74	5419.70	-	-	-

(₹ in crores)

	CURRENT BORROWINGS		
	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(a) Term Loans from Bank :			
Secured - at amortised cost :			
Loan repayable on demand	170.17	-	-
[Refer Note (v) below]			
	170.17	-	-

Notes :

- i) 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) The Group maintains unencumbered assets (including cash and cash equivalents) of market value not less than outstanding face value amount of the unsecured debentures.
- iii) Foreign currency loans availed from banks carry interest rates of LIBOR plus 35 to 250 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 specified vessels, a financial covenant to maintain unencumbered assets, assignment of shipbuilding contracts, assignment of earning, charge on earning account and insurance contracts/policies of specified vessels. The Holding Company has issued guarantees as securities for some loans.
- iv) The terms of repayments are as under :

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
- between one to three years			
Secured Debentures	240.00	-	-
Unsecured Debentures	710.00	500.00	200.00
Secured Loans from Banks	1089.24	1771.15	2028.73
	2039.24	2271.15	2228.73
- between three to five years			
Secured Debentures	-	250.00	250.00
Unsecured Debentures	300.00	550.00	750.00
Secured Loans from Banks	810.90	1179.97	1447.43
	1110.90	1979.97	2447.43
- over five years			
Secured Debentures	-	-	-
Unsecured Debentures	1600.00	400.00	500.00
Secured Loans from Banks	1032.02	276.99	270.53
	2632.02	676.99	770.53

- v) Term Loans from bank shown under current borrowings represent Buyer's Credit for a minimum tenure of 6 months repayable on demand.
- vi) The Group does not have any continuing default in repayment of loans and interest as at the reporting date.
- vii) No loans have been guaranteed by Directors or others.

NOTE 22 : PROVISIONS

(₹ in crores)

	NON-CURRENT PROVISIONS			CURRENT PROVISIONS		
	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Provision for Employee Benefits (Refer Note 36)	41.81	37.61	33.38	15.65	31.47	22.27
Vessel Performance/ Offhire Claims (Refer Note below)	-	-	-	0.70	1.27	2.82
	41.81	37.61	33.38	16.35	32.74	25.09

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	1.27	2.82
Add: Additions during the year	-	-
Less: Reversed during the year	(0.57)	(1.55)
	0.70	1.27

NOTE 23 : OTHER LIABILITIES

(₹ in crores)

	OTHER NON-CURRENT LIABILITIES			OTHER CURRENT LIABILITIES		
	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(a) Income Received in Advance	-	-	-	28.03	30.04	28.35
(b) Government grants (Refer Note below)	25.01	27.15	29.29	-	-	-
(c) Other Liabilities	-	-	-	87.87	82.11	94.80
	25.01	27.15	29.29	115.90	112.15	123.15

Note :

Government grants represent unamortised amount of duty saved on capital goods imported, including spares, under the Serve from India Scheme (SFIS).

NOTE 24 : TRADE PAYABLES

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(a) Dues to Micro and Small enterprises	-	-	-
(b) Dues to others	191.23	224.27	215.96
	191.23	224.27	215.96

Notes :

- i) According to the information available with the Group 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 interest.
- ii) 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.
- iii) Trade payables are subject to confirmation, reconciliation and adjustments, if any.

NOTE 25 : OTHER FINANCIAL LIABILITIES

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(a) Current Maturities of Long-Term Debt (Refer Note 21)*	875.21	851.20	1052.61
(b) Liabilities towards Investor Education and Protection Fund, not due - Unpaid dividend	8.15	9.98	6.58
(c) Interest Accrued but not due on Borrowings	144.32	88.63	60.34
(d) Mark-to-Market Losses on Derivative Contracts	655.00	1040.76	960.23
(e) Provision for Dividend Distribution Tax	4.75	4.82	3.68
	1687.43	1995.39	2083.44

*As at March 31, 2016, Current Maturities of Long-Term Debt include ₹ 74.53 crores relating to a Long-Term Debt reclassified as current due to proposed refinancing arrangement.

NOTE 26 : CURRENT TAX LIABILITIES (NET)

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Provision for taxation (net)	44.91	32.30	30.39
	44.91	32.30	30.39

NOTE 27 : REVENUE FROM OPERATIONS

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Revenue from -		
- Freight and Demurrage	766.27	1435.93
- Charter Hire	2304.42	2332.61
	3070.69	3768.54
(b) Other Operating Revenue	46.17	39.23
	3116.86	3807.77

NOTE 28 : OTHER INCOME

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Gain/(Loss) on disposal of Property, plant and equipment	38.53	25.15
(b) Gain/(Loss) on Foreign Currency and Derivatives Transactions (net)	284.35	(39.82)
(c) Dividend from Units in Mutual Funds (at FVTPL)	0.90	1.39
(d) Interest Income -		
- on Bank Deposits (at amortised cost)	55.43	45.54
- on Others (at amortised cost)	1.46	1.13
	56.89	46.67
(e) Gain/(Loss) on sale of current investments (at FVTPL)	122.66	81.95
(f) Provision for Doubtful Debts and Advances Written Back (net)	6.06	-
(g) Miscellaneous Income	2.88	3.38
	512.27	118.72

NOTE 29 : EMPLOYEE BENEFIT EXPENSES

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Salaries and Wages	536.84	539.92
(b) Contribution to Provident and Other funds (Refer Note 36)	21.71	18.17
(c) Share based payments to employees	0.08	0.55
(d) Staff Welfare Expenses	38.14	33.77
	596.77	592.41

NOTE 30 : FINANCE COSTS

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Interest Cost		
Total interest expense	331.12	278.74
Less: amounts included in the cost of qualifying assets	(3.86)	(9.18)
	327.26	269.56
(b) Other Borrowing Costs	50.36	18.20
	377.62	287.76

Note :

The weighted average capitalisation rate on funds borrowed generally is 4.76% p.a. (Previous Year : 4.97% p.a.).

NOTE 31 : DEPRECIATION AND AMORTISATION EXPENSE

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Depreciation of property, plant and equipment	677.59	607.49
(b) Amortisation of intangible assets	0.32	0.44
	677.91	607.93

NOTE 32 : IMPAIRMENT LOSS

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Depreciation of property, plant and equipment	184.33	105.37
(b) Impairment loss on asset held for sale	-	58.32
	184.33	163.69

Notes :

- (i) During the current year, the Group has reviewed the carrying amount of its fleet consequent to the steep fall in oil prices and resultant fall in charter hire rate for its supply vessels as well as the fall in market value of such vessels, the Group has made provision for impairment loss on eight (Previous Year : four) supply vessels aggregating to ₹ 184.33 crores (Previous Year : ₹ 105.37 crores) as the carrying amount of the said vessels was lower than its recoverable amount.
- (ii) During the current year, the Group had agreed to sell "Greatship Disha" at a price lower than its carrying amount, consequently the Group has booked an impairment loss of ₹ 9.65 crores (Previous Year : ₹ 'NIL') to write down the asset to its net realisable value. The vessel was delivered in the subsequent quarter.

NOTE 33 : OTHER EXPENSES

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Fuel Oil and Water	192.80	287.86
(b) Port, Light and Canal Dues	109.80	123.02
(c) Stevedoring and Cargo Expenses	0.13	0.43
(d) Hire of Chartered Ships	89.84	105.83
(e) Brokerage and Commission	13.85	20.16
(f) Agency Fees	7.98	8.53
(g) Consumption of Spares and Stores	196.16	203.12
(h) Repairs and Maintenance -		
- Fleet	74.73	74.42
- Buildings	4.35	6.19
- Others	11.35	10.29
	90.43	90.90
(i) Insurance -		
- Fleet Insurance and Protection Club Fees	53.68	57.68
- Others	2.68	2.58
	56.36	60.26
(j) (Reversal)/Provision for Loss on Cancelled Contract	(7.84)	7.84
(j) Loss on Cancelled Contract	7.84	-
(k) Rent	7.10	6.89
(l) Rates and Taxes	0.50	0.44
(m) Bad Debts and Advances Written off	0.01	0.41
(n) Provision for Doubtful Debts and Advances (net)	1.64	10.34
(o) Travelling Expenses	45.99	41.73
(p) Loss on Cancellation of Hedging Contract	0.31	0.59
(q) Expenditure on Corporate Social Responsibility activities	9.59	6.75
(r) Miscellaneous Expenses	88.43	91.91
	910.92	1067.01

NOTE 34 : TAX EXPENSE

	CURRENT YEAR	PREVIOUS YEAR
(a) Current Tax	125.66	124.80
(b) Deferred Tax	0.96	0.91
(c) MAT Credit Utilised	-	(15.00)
	126.62	110.71

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	881.58	1207.69
Indian statutory income tax rate	34.608%	34.608%
Expected income tax expense as per Indian statutory income tax rate	305.10	417.96
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)	(84.82)	(229.21)
Items liable to tax in the year of settlement/payment	(48.32)	38.55
Income exempt from tax (net of expenses disallowed)	(44.03)	(102.98)
Expenses not deductible for tax purpose	8.94	10.89
Tax on income at different rates	0.16	(7.23)
(Gain)/ Loss on disposal of Property, plant and equipment / Capital Items Considered Separately	(14.53)	(7.58)
Others	4.12	5.31
Provision for Current Tax and Deferred Tax as per Books	126.62	125.71

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 timing differences.

NOTE 35 : BASIC AND DILUTED EARNINGS PER SHARE

	CURRENT YEAR	PREVIOUS YEAR
(a) Net Profit After Tax (₹ in crores)	754.96	1096.98
(b) Number of Equity Shares		
(i) Basic Earning per Share :		
Number of Equity Shares as at the beginning and end of the year	15,07,77,065	15,07,77,065
Weighted Average Number of Equity Shares during the year	15,07,77,065	15,07,77,065
(ii) Diluted Earning per Share :		
Weighted Average Number of Equity Shares during the year	15,07,77,065	15,07,77,065
Add : Rights Shares kept in abeyance	2,94,130	2,94,130
Weighted Average Number of Equity Shares during the year	15,10,71,195	15,10,71,195
(c) Face Value of Equity Share	₹ 10	₹ 10
(d) Earnings per Share		
- Basic	₹ 50.07	₹ 72.76
- Diluted	₹ 49.97	₹ 72.61

NOTE 36 : EMPLOYEE BENEFIT PLANS**A) DEFINED CONTRIBUTION PLANS :**

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	7.82	7.51
Contribution to Employees Superannuation Fund	4.66	4.03
Contribution to National Pension Scheme	1.13	0.94
Contribution to Seamen's Provident Fund	1.48	0.84
Contribution to Seamen's Annuity Fund	1.36	1.28
Contribution to Seamen's Rehabilitation Fund	0.58	0.48
Contribution to Seamen's Gratuity Fund	0.31	0.34

i) General description of Significant 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 where set up as a trust 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. The Group also contributes to Provident Fund Authorities for eligible employees of some of its subsidiary Companies.

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.

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.

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.

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.

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.

B) DEFINED BENEFIT PLANS AND OTHER LONG TERM BENEFITS :

Valuations in respect of Gratuity, Pension Plan for Whole-time Directors and Leave Encashment have been carried out by an independent actuary as at the Balance Sheet date under the Projected Unit Credit method, based on the following assumptions :

ACTUARIAL ASSUMPTIONS	GRATUITY			PENSION PLAN			LEAVE ENCASHMENT		
	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(a) Discount Rate (p.a.)	6.69%- 6.94%	7.46%- 7.69%	7.80%- 8.00%	6.69%- 6.94%	7.46%- 7.69%	7.80%- 8.00%	6.69%- 6.94%	7.46%- 7.69%	7.80%- 8.00%
(b) Salary Escalation Rate	3.00%- 6.00%	4.00%- 6.00%	4.00%- 6.00%	-	-	-	5.00%- 6.00%	5.00%- 6.00%	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	IALM - Ultimate 2006-08	IALM - Ultimate 2006-08	IALM - Ultimate 2006-08
(d) Withdrawal Rate	0.50%- 8.00%	0.50%- 8.00%	0.50%- 8.00%	-	-	-	0.67%- 8.00%	1.33%- 8.00%	1.33%- 8.00%
(e) Expected average remaining service (in years)	7.84- 24.05	8.13- 24.25	8.34- 24.28	-	-	-	7.84- 10.04	8.08- 8.13	8.34- 8.38

i) Changes in present value of obligations :

(₹ in crores)

	GRATUITY		PENSION PLAN		LEAVE ENCASHMENT	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Liability at the beginning of the year	29.07	24.02	33.01	30.27	1.74	1.40
Current Service Cost	4.63	4.59	-	-	0.89	0.90
Interest Cost	2.16	1.81	2.46	2.31	0.13	0.09
Actuarial (gain)/loss on obligations	(0.66)	0.35	3.30	2.12	(0.66)	(0.01)
Benefits Paid	(1.63)	(1.76)	(1.69)	(1.69)	(0.05)	(0.65)
Benefits Transferred in	0.02	0.06	-	-	-	0.01
Liability at the end of the year	33.59	29.07	37.08	33.01	2.05	1.74

ii) Changes in Fair value of Plan Assets :

(₹ in crores)

	GRATUITY		PENSION PLAN		LEAVE ENCASHMENT	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Fair Value of Plan Assets at the beginning of the year	30.96	26.51	-	-	-	-
Adjustment to Opening Balance	(0.13)	(0.07)	-	-	-	-
Return on Plan Assets excluding amount included in interest income	2.47	(0.74)	-	-	-	-
Interest Income	2.19	2.14	-	-	-	-
Employer's Contributions	0.22	4.88	1.69	1.69	0.05	0.66
Benefits Paid	(1.62)	(1.76)	(1.69)	(1.69)	(0.05)	(0.66)
Fair Value of Plan Assets at the end of the year	34.09	30.96	-	-	-	-

iii) Funded Status :

(₹ in crores)

	GRATUITY		
	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Present value of funded defined benefit obligation	33.59	29.07	24.02
Fair value of plan assets	(34.09)	(30.96)	(26.51)
(Surplus) / Deficit of Plan assets over obligations	(0.50)	(1.89)	(2.49)

iv) Remeasurement of the net defined liability / (asset) :

(₹ in crores)

	GRATUITY		PENSION PLAN		LEAVE ENCASHMENT	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
(Gain)/loss on obligation due to change in demographic assumptions	(0.29)	-	-	-	-	-
(Gain)/loss on obligation due to change in financial assumptions	1.61	(0.45)	-	-	0.08	(0.09)
(Gain)/loss on obligation due to change in experience adjustments	(1.98)	0.80	3.30	2.12	(0.74)	0.08
Total Actuarial (gain)/loss	(0.66)	0.35	3.30	2.12	(0.66)	(0.01)

v) Actual Return on Plan Assets :

(₹ in crores)

	GRATUITY	
	CURRENT YEAR	PREVIOUS YEAR
Return on Plan Assets excl. interest Income	2.47	(0.74)
Interest Income	2.19	2.14
Actual Return on Plan Assets	4.66	1.40

vi) Amount Recognised in the Balance Sheet :

(₹ in crores)

	GRATUITY			PENSION PLAN			LEAVE ENCASHMENT		
	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Liability at the end of the year	33.59	29.07	24.02	37.08	33.01	30.27	2.05	1.74	1.40
Fair Value of Plan Assets at the end of the year	34.09	30.96	26.61	-	-	-	-	-	-
Amount not recognised in the Balance Sheet	-	-	0.11	-	-	-	-	-	-
(Asset)/Liability recognised in the Balance Sheet (net)	(0.50)	(1.89)	(2.38)	37.08	33.01	30.27	2.05	1.74	1.40

vii) Expenses recognised in the Statement of Profit and Loss :

(₹ in crores)

	GRATUITY		PENSION PLAN		LEAVE ENCASHMENT	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Current Service Cost	4.63	4.59	-	-	0.89	0.90
Net Interest	(0.03)	(0.33)	2.46	2.31	0.13	0.09
Net Actuarial (gain)/loss to be recognised	-	-	-	-	(0.66)	(0.01)
Expenses recognised in Statement of Profit and Loss	4.60	4.26	2.46	2.31	0.36	0.98

viii) General description of Significant 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 Group's investment strategy in respect of its funded plans is implemented within the framework of the applicable statutory requirements. The plans expose the Group to a number of actuarial risks such as investment risk, interest rate risk, longevity risk and inflation risk. 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.

Leave Encashment :

"All eligible union grade employees of the Holding Company 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 of the Holding Company 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 of Holding Company, 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. In case of Subsidiary Company, all eligible employees can carry forward and encash leave upto superannuation, death, permanent disablement and resignation subject to maximum accumulation allowed at 15 days. The leave over and above 15 days for all employees is encashed and paid to employees, subject to maximum of 20 days on June 30, every year.

ix) 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 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Central Government securities	0.39	0.53	0.66
State Government securities	-	0.08	0.08
Public Sector Bonds	1.00	1.00	1.49
HDFC Group Unit Linked Plan	32.70	29.35	24.28
Total	34.09	30.96	26.51

x) Sensitivity Analysis :

(₹ in crores)

PRESENT VALUE OF OBLIGATIONS	DISCOUNT RATE		SALARY ESCALATION RATE	
	+1%	-1%	+1%	-1%
Gratuity	31.04	36.42	35.49	31.79
Pension	33.52	41.62	-	-
Leave Encashment	1.93	2.17	2.17	1.93

xi) The defined benefit obligations shall mature after year ended March 31, 2017 as follows :

(₹ in crores)

PRESENT VALUE OF OBLIGATIONS	FIRST YEAR	SECOND YEAR	THIRD YEAR	FOURTH YEAR	FIFTH YEAR	SIX TO TEN YEARS
Gratuity	3.85	2.73	3.43	2.60	3.56	12.55
Pension	1.69	1.69	1.69	1.69	1.69	8.47
Leave Encashment	1.14	0.17	0.38	0.17	0.21	0.11

NOTE 37 : 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) Primary segment reporting by business segment :

(₹ in crores)

	SHIPPING		OFFSHORE		TOTAL	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Revenue :						
Total Revenue	2234.31	2131.14	1424.61	1875.80	3658.92	4006.94
Less : Inter Segment Revenue					29.79	80.45
Net Revenue					3629.13	3926.49
Results :						
Profit before Interest and Tax	857.85	745.67	401.35	749.78	1259.20	1495.45
Less : Interest					377.62	287.76
Total Profit before tax					881.58	1207.69
Provision for Taxation :						
- Current tax					125.66	124.80
- Deferred Tax					0.96	0.91
- MAT Credit Utilised					-	(15.00)
Net Profit					754.96	1096.98
Other Information :						
Capital Expenditure	2061.01	789.09	36.28	40.83	2097.29	829.92
Depreciation	373.61	287.65	304.30	320.28	677.91	607.93
Impairment	-	-	184.33	163.69	184.33	163.69

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Assets			
- Shipping	9047.56	7261.21	6977.38
- Offshore	6147.85	6588.33	6628.72
Total	15195.41	13849.54	13606.10
Liabilities			
- Shipping	987.08	1305.06	795.61
- Offshore	215.44	273.05	662.09
Total	1202.52	1578.11	1457.70

b) Secondary segment reporting by geographical segment :

(₹ in crores)

(i)	SEGMENT-WISE REVENUE :	CURRENT YEAR	PREVIOUS YEAR
	- Revenue outside India	1273.19	1481.96
	- Revenue within India	2355.94	2444.53
		3629.13	3926.49

(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 segment.

(iii) In view of (ii) above the total cost incurred during the year, geographical segment-wise is not ascertainable.

NOTE 38 : 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)

DETAILS	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
(a) Total Future Minimum Lease payments			
- Not later than 1 year	11.09	19.60	22.40
- Later than 1 year and not later than 5 years	17.20	28.53	6.00
- Later than 5 years	-	-	-
	28.29	46.08	26.31

(b) Lease payments recognised in the Statement of Profit and Loss for the year ₹ 19.49 crores (Previous Year ₹ 25.10 crores).

(c) Vessels taken/given on time charter hire are considered as operating lease.

NOTE 39 : 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 on March 31, 2017:

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 CFO
Mr. Tapas Icot	- Executive Director and President-Shipping
Mr. Jayesh Trivedi	- Company Secretary
Mr. Ravi K. Sheth	- Non - Executive Director of Holding Company (w.e.f. April 1, 2015); - Executive Director of Subsidiary company; - Son of Mr. K. M. Sheth and brother of Mr. Bharat K. Sheth
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 employees post employment benefit plans	8.11	11.40	-	-
	Compensation to key management personnel and close members of their family				
	- Short-term benefits	-	-	12.36	12.08
	- Post-employment benefits (Refer note below)	-	-	5.42	3.77
	- Share based payment	-	-	-	0.29
	- Sitting Fees paid	-	-	0.42	0.24
	- Commission paid	-	-	12.67	13.55
	- Dividend paid	-	-	11.93	9.48

(₹ in crores)

(b)	OUTSTANDING BALANCES	OTHER RELATED PARTIES			KEY MANAGEMENT PERSONNEL AND THEIR CLOSE FAMILY MEMBERS		
		AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
	Payables						
	- Employees post employment benefit plans	0.65	0.22	0.27	-	-	-
	- Commission payable	-	-	-	12.67	13.55	12.03
	- Provision for retirement benefits	-	-	-	37.08	33.02	30.27

Note :

The above includes, provision for retirement pension benefits payable ₹ 4.17 crores (Previous year : ₹ 2.65 crores) on the basis of actuarial valuation as per the revised Retirement Benefits Scheme approved by the Board of Directors.

NOTE 40 : CAPITAL AND OTHER COMMITMENTS

- (a) Estimated amount of contracts, net of advances paid thereon amounting to ₹ 12.76 crores (Previous Year : ₹ 134.52 crores), remaining to be executed on capital account and not provided for ₹ 48.48 crores (Previous Year : ₹ 480.53 crores).
- (b) Other commitments outstanding on account of Corporate Social Responsibility obligations amounting to ₹ 6.69 crores (Previous Year : ₹ 9.70 crores)

NOTE 41 : CONTINGENT LIABILITIES

(₹ in crores)

SR. NO. PARTICULARS		AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Claims against the Company, not acknowledged as debts :				
(a)	Sales Tax demands under BST Act, CST Act and VAT Act.	15.24	90.98	90.98
(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 a Company in the Group.	4.34	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, 2016 : ₹ 3.63 crores; as at April 1, 2015 : ₹ 3.63 crores) against the said Custom Duty demand]	21.93	22.94	22.94
(d)	Service Tax Demands disputed by the respective Companies	405.30	410.05	310.81
(e)	Income Tax Demands for various Assessment Years disputed by the respective Companies	57.34	40.63	22.52
(f)	Demand for wharfage charges against which the Company in the Group has tendered a bank guarantee. Stay obtained under a Writ Petition filed against Chennai Port Trust for restraining encashment of bank guarantee.	0.99	0.99	0.99
Guarantees :				
(a)	Guarantees given by banks - performance guarantees and bid bonds.	138.56	214.27	191.86
(b)	Guarantees given to banks on behalf of subsidiaries.	-	-	14.57

Notes :

- i) 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.
- ii) The Group does not expect any reimbursements in respect of the above contingent liabilities.
- iii) 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 42 : FINANCIAL INSTRUMENTS

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instruments are disclosed in Note 1(p) to the financial statements :

A. Financial Assets and Liabilities :

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

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Financial Assets :			
Measured at Amortised Cost			
- Trade Receivables	208.93	307.79	334.62
- Cash and Cash Equivalents	1480.38	792.97	759.03
- Other Bank Balances	1986.43	2152.12	1635.07
- Other Non-Current Financial Assets	35.47	107.44	110.43
Measured at Fair value through Profit or Loss			
- Investments in Mutual Funds	871.58	911.80	1321.43
Measured at Fair value through OCI			
- Investments in Quoted Equity Shares	3.50	-	-
Total	4586.29	4272.12	4160.58
Financial Liabilities :			
Measured at Amortised Cost			
- Non-Current Borrowings	5770.37	4907.74	5419.70
- Current Borrowings	170.17	-	-
- Trade payables	191.23	224.27	215.96
- Other Financial liabilities	1032.43	954.63	1123.21
Derivative instruments in hedging relationship			
- Interest Rate Swaps	(3.62)	8.79	13.43
- Forward Buy Contracts	2.03	-	-
- Forward Sell Contracts	0.13	(1.02)	(0.30)
- Bunker Hedging	-	-	0.13
Derivative instruments not in hedging relationship			
- Other Financial liabilities	656.46	1032.99	946.97
Total	7819.20	7127.40	7719.10

Carrying amounts of trade receivables, cash and cash equivalents and trade payables as at March 31, 2017, March 31, 2016 and April 1, 2015 approximate the fair values because of their short term nature. Difference between carrying amounts and fair values of other bank balances, borrowings and other financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

B. 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 summarises financial assets and liabilities measured at fair value.

(₹ in crores)

	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Financial Assets :			
Measured at Level 1			
- Measured at Fair value through OCI			
- Investments in Quoted Equity Shares	3.50	-	-
Measured at Level 2			
- Measured at Fair value through Profit or Loss			
- Investments in mutual funds	871.58	911.80	1321.43
Total	875.08	911.80	1321.43
Financial Liabilities :			
Measured at Level 2			
Derivative instruments in hedging relationship			
- Interest Rate Swaps	(3.62)	8.79	13.43
- Forward Buy Contracts	2.03	-	-
- Forward Sell Contracts	0.13	(1.02)	(0.30)
- Bunker Hedging	-	-	0.13
Derivative instruments not in hedging relationship			
- Other Financial liabilities	656.46	1032.99	946.97
Total	655.00	1040.76	960.23

The Group uses foreign exchange forward contracts, currency and interest rate swaps and options to hedge its exposure to the movements in foreign exchange rates. The use of these foreign exchange forward contracts, currency and interest rate swaps and options reduces the risk or the cost to the Group and the Group does not use foreign exchange forward contracts, currency and interest rate swaps and options for trading or speculation purposes.

The Group has identified certain derivative contracts entered into to hedge foreign currency risk of firm commitments and highly probable forecast transactions and the interest rate swaps as hedged instruments that qualify as effective cash flow hedges. The mark-to-market gain/(loss) on such derivative contracts is recorded in the Hedging Reserve.

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) Commodity Futures Contracts for Import of Bunker :**

DETAILS	AS AT 31/03/2017		AS AT 31/03/2016		AS AT 01/04/2015	
	PURCHASE	SALE	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	-	-	-	-	4	-
No. of units in MT under above contracts	-	-	-	-	12000.00	-
Amount recognised in Hedging Reserve (loss)/gain (₹ in crores)	-	-	-	-	(0.13)	-
Maturity Period	-	-	-	-	Upto 1 Year	-

(b) Interest Rate Swap Contracts :

DETAILS	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Total No. of contracts outstanding	22	13	18
Principal Notional Amount (USD in million)	299.019	172.800	267.568
Amount recognised in Hedging Reserve (loss)/gain (₹ in crores)	4.18	(9.17)	(8.25)
Maturity Period	Upto 7 Years	Upto 5 Years	Upto 6 Years

(c) Forward Exchange Contracts :

DETAILS	AS AT 31/03/2017		AS AT 31/03/2016		AS AT 01/04/2015	
	PURCHASE	SALE	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	10	-	-	24	-	12
Foreign Currency Value (USD in million)	17.972	-	-	12.000	-	12.000
Amount recognised in Hedging Reserve (loss)/gain (₹ in crores)	(2.16)	-	-	1.02	-	0.30
Maturity Period	Upto 1 Year	-	-	Upto 1 Year	-	Upto 1 Year

(d) Spot Currency Contracts :

DETAILS	AS AT 31/03/2017		AS AT 31/03/2016		AS AT 01/04/2015	
	PURCHASE	SALE	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	1	-	1	-	-	-
Foreign Currency Value (USD in million)	9.664	-	2.007	-	-	-
Amount recognised in Hedging Reserve (loss)/gain (₹ in crores)	-	-	-	-	-	-
Maturity Period	Upto 1 month	-	Upto 1 month	-	-	-

The derivative contracts mentioned under '(i) Derivative instruments in hedging relationship (Cash flow Hedges) above, having been entered into to hedge foreign currency risk of firm commitments and highly probable forecast transactions and the interest rate swaps and forward exchange contracts have been designated as hedged instruments that qualify as effective cash flow hedges. The mark-to-market gain on these foreign exchange derivative contracts outstanding as at March 31, 2017, amounting to ₹ 2.01 crores (as at March 31, 2016 : loss of ₹ 8.15 crores ; as at April 1, 2015 : loss of ₹ 8.09 crores) has been recorded in the Hedging Reserve.

The interest rate swaps are entered into to hedge the floating monthly, quarterly and half yearly interest payments on borrowings. Fair value gains/(losses) on the interest rate swaps recognised in the Hedging Reserve are transferred to the Statement of Profit and Loss as

part of interest expense over the period of borrowings.

Gains/(losses) on forward exchange contracts and spot currency contracts recognised in the Hedging Reserve are transferred to the Statement of Profit and Loss on the occurrence of the underlying cash flow, except for forwards used to hedge highly probable forecast foreign currency purchases relating to construction of new 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) Currency Swap Contracts (JPY to USD) :

DETAILS	CURRENCY	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Total No. of contracts outstanding		1	5	9
Principal Notional Amount (JPY in million)	JPY/USD	1148.500	3598.103	7864.243
Gain/(Loss) recognised in the Statement of Profit and Loss during the year (₹ in crores)		1.65	0.26	
Maturity Period		Upto 1 Year	Upto 3 Years	

(b) Currency Swap Contracts (INR to USD) :

DETAILS	CURRENCY	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Total No. of contracts outstanding		35	13	13
Principal Notional Amount (₹ in crores)	INR/USD	3020.00	1700.00	1700.00
Gain/(Loss) recognised in the Statement of Profit and Loss during the year (₹ in crores)		320.07	(120.97)	
Maturity Period		Upto 10 Years	Upto 7 Years	

(c) Forward Exchange Option Contracts :

DETAILS	AS AT 31/03/2017		AS AT 31/03/2016		AS AT 01/04/2015	
	PURCHASE	SALE	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	-	2	-	3	-	1
Foreign Currency Value (USD in million)	-	20.00	-	30.00	-	12.00
Gain/(Loss) recognised in the Statement of Profit and Loss during the year (₹ in crores)	-	5.72	-	1.45		
Maturity Period	-	Upto 1 year	-	Upto 1 year	-	

(d) Forward Exchange Contracts :

DETAILS	AS AT 31/03/2017		AS AT 31/03/2016		AS AT 01/04/2015	
	PURCHASE	SALE	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	-	-	-	7	-	12
Foreign Currency Value (USD in million)	-	-	-	19.00	-	60.00
Gain/(Loss) recognised in the Statement of Profit and Loss during the year (₹ in crores)	-	-	-	1.26		
Maturity Period	-	-	-	Upto 1 Year		

The currency swap derivative contracts and Forward Exchange Option Contracts mentioned under '(ii) Derivative instruments not in hedging relationship' above, economically hedge the underlying exposures but hedge accounting is not opted for the same.

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

The Forward Exchange Option Contracts were entered into to hedge highly probable forecast transactions denominated in foreign currency.

Gains / losses on the derivative contracts mentioned under (ii) above, are transferred to the Statement of Profit and Loss. The mark-to-market gain on these derivative contracts outstanding as on March 31, 2017 amounting to ₹ 327.44 crores (as at March 31, 2016 : loss of ₹ 118.00 crores) has been recorded in the Statement of Profit and Loss.

C. Market risk**(i) Foreign currency risk**

Since the majority of the revenues of the Group are denominated in US dollars, there is a translation risk as the Group has to report its financial performance in INR. A significant part of this exposure is hedged by denominating most of its debt servicing obligations in U.S. 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 tenure of these contracts is up to one year.

The Group exposure to unhedged foreign currency as on March 31, 2017 is listed as under

DETAILS	CURRENCY	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
Loan Liabilities and Payables	AED	0.963	0.418	0.646
	AUD	0.033	0.004	0.007
	BRL	22.000	21.000	19.000
	CAD	0.122	-	-
	CHF	0.037	0.008	0.001
	CNY	-	0.001	-
	DKK	0.584	2.431	0.734
	EUR	0.351	0.695	0.369
	GBP	0.082	0.019	0.047
	JPY	58.673	1503.967	3043.443
	NOK	0.104	0.316	0.477
	SEK	-	0.033	0.004

(in millions)

DETAILS	CURRENCY	AS AT 31/03/2017	AS AT 31/03/2016	AS AT 01/04/2015
	SGD	2.858	1.784	4.058
	USD	860.101	678.019	745.457
	ZAR	0.066	-	-
Receivables	AED	0.046	0.038	0.088
	AUD	0.033	0.004	-
	BRL	2.000	2.000	5.000
	CAD	0.110	-	-
	CHF	0.032	0.032	-
	DKK	0.022	0.103	-
	EUR	0.023	0.353	0.928
	GBP	0.027	-	0.042
	JPY	10.157	5.105	6.208
	NOK	0.009	0.053	0.249
	SGD	0.019	0.022	0.534
	USD	36.323	33.672	28.847
	ZAR	0.066	-	-
Bank Balances	USD	361.453	302.827	203.720
	GBP	-	0.075	0.081
	EUR	-	0.298	0.269
	AED	0.167	0.132	0.406
	SGD	0.264	0.165	0.153
	NOK	-	0.082	0.243
	DKK	-	0.164	0.070

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 an gain / loss of ₹ 153.34 crores (Previous Year : ₹ 120.50 crores).

(ii) Interest rate risk

External Commercial Borrowings (ECBs) raised by the Group are based on floating rate and thus the Group is exposed to changes in interest rates. Group has a system for taking suitable hedges through fixed rate interest swaps to minimise its effective borrowing costs.

The sensitivity analysis below has been determined to assess the interest rate risk on floating rate borrowings and derivative instruments outstanding at the end of the reporting period. The impact of change in floating interest rate by 50 basis point on the Group's annual interest liability would be ₹ 11.73 crores (Previous Year : ₹ 15.39 crores).

(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 ₹ 8.63 crores (Previous Year : ₹ 8.86 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.

(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 Group's non derivative financial liabilities based on contractually agreed undiscounted cash flows :

(₹ in crores)

	PAYABLE WITHIN 1 YEAR	PAYABLE WITHIN 2 - 5 YEARS	MORE THAN 5 YEARS	TOTAL
As at March 31, 2017				
Borrowings	1045.38	3141.11	2629.26	6815.75
Trade payables	191.23	-	-	191.23
Unpaid dividend	8.15	-	-	8.15
Interest accrued but not due on borrowings	144.32	-	-	144.32
Provision for Dividend Distribution Tax	4.75	-	-	4.75
	1393.83	3141.11	2629.26	7164.20
As at March 31, 2016				
Borrowings	851.20	4231.93	675.80	5758.94
Trade payables	224.27	-	-	224.27
Unpaid dividend	9.98	-	-	9.98
Interest accrued but not due on borrowings	88.63	-	-	88.63
Provision for Dividend Distribution Tax	4.82	-	-	4.82
	1178.90	4231.93	675.80	6086.64
As at April 1, 2015				
Borrowings	1052.61	4650.23	769.48	6472.31
Trade payables	215.96	-	-	215.96
Unpaid dividend	6.58	-	-	6.58
Interest accrued but not due on borrowings	60.34	-	-	60.34
Provision for Dividend Distribution Tax	3.68	-	-	3.68
	1339.17	4650.23	769.48	6758.87

NOTE 43 : GOVERNMENT GRANTS

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

Following are the balances of SFIS / DFCEC Licenses held by the Group :

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
Opening Balance	18.46	0.95
Add : Licenses received during the year	-	32.32
Less : Amount utilised during the year	(9.80)	(14.81)
Less : Amount lapsed during the year	(7.06)	-
Closing Balance	1.60	18.46

NOTE 44 : CORPORATE SOCIAL RESPONSIBILITY (CSR)

As part of its Corporate Social Responsibility, the Group has spent ₹ 9.59 crores for promoting education, knowledge enhancement and other activities during the current year (Previous Year : ₹ 6.75 crores)(Refer Note 33(q)).

NOTE 45 : SPECIFIED BANK NOTES DISCLOSURE (SBNs)

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

(₹)

PARTICULARS	SBNs	ODNs	TOTAL
Closing cash on hand as on November 8, 2016	514,500	267,545	782,045
Add : Permitted receipts	-	1,043,200	1,043,200
Less : Permitted payments	-	(1,128,863)	(1,128,863)
Less : Amounts deposited / exchanged with Banks	(514,500)	2,000	(512,500)
Closing cash on hand as on December 30, 2016	-	183,882	183,882

NOTE 46 : ADDITIONAL INFORMATION AS REQUIRED BY SCHEDULE III OF THE COMPANIES ACT, 2013

(a) 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 Great Eastern Shipping Co. London Ltd.	-	-	-	-	-	-	-	-
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)
Intercompany Eliminations/ Adjustments	118.09%	8529.81	99.95%	754.59	98.67%	(34.08)	100.01%	720.51
	-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

(b) AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

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
<u>Parent</u>								
The Great Eastern Shipping Co. Ltd.	70.39%	4620.08	56.36%	618.28	6.18%	7.39	51.43%	625.67
<u>Indian Subsidiaries</u>								
Greatship (India) Ltd.	47.21%	3098.42	47.75%	523.77	88.47%	105.87	51.75%	629.64
Great Eastern CSR Foundation	0.10%	6.51	0.04%	0.49	-	-	0.04%	0.49
<u>Foreign Subsidiaries</u>								
The Great Eastern Shipping Co. London Ltd.	-	-	-0.02%	(0.23)	-2.61%	(3.12)	-0.28%	(3.35)
The Greatship (Singapore) Pte. Ltd.	0.08%	5.29	0.09%	0.97	0.14%	0.17	0.09%	1.14
The Great Eastern Chartering L.L.C. (FZC)	2.13%	139.74	0.98%	10.78	6.20%	7.42	1.50%	18.20
Intercompany Eliminations/ Adjustments	119.91%	7870.04	105.20%	1154.06	98.38%	117.73	104.53%	1271.79
	-19.91%	(1306.56)	-5.20%	(57.08)	1.62%	1.94	-4.53%	(55.14)
Total	100.00%	6563.48	100.00%	1096.98	100.00%	119.67	100.00%	1216.65

NOTE 47 : GENERAL

The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Holding Company for its separate financial statements. Previous year's figures have been regrouped/restated wherever necessary to conform to current year's classification.

NOTES

NOTES



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