



GREATSHIP (INDIA) LIMITED

# Annual Report 2022-2023



**Positive.  
Progressive.**



## Contents

<b>Corporate Information</b>	<b>03</b>
<b>Key Performance Indicators (Consolidated)</b>	<b>04</b>
<b>Management Statement</b>	<b>06</b>
<b>Board's Report</b>	<b>09</b>
<b>Management Discussion And Analysis</b>	<b>18</b>
<b>Corporate Governance</b>	<b>27</b>
<b>Fleet Profile</b>	<b>55</b>
<b>Auditor's Report</b>	<b>57</b>
<b>Financial Statements</b>	<b>67</b>
<b>Statement Pertaining To Subsidiaries</b>	<b>133</b>
<b>Consolidated Financial Statements</b>	<b>134</b>

# Corporate Information

**Mr. Bharat K. Sheth**

CHAIRMAN

**Mr. Ravi K. Sheth**

MANAGING DIRECTOR

**Mr. P. R. Naware**

EXECUTIVE DIRECTOR

**Mr. Alok Mahajan**

EXECUTIVE DIRECTOR

& CHIEF OPERATING OFFICER

**Mrs. Bhavna Doshi**

**Mrs. Rita Bhagwati**

**Mr. Shaleen Sharma**

INDEPENDENT DIRECTORS

**Mr. G. Shivakumar**

CHIEF FINANCIAL OFFICER

**Ms. Amisha Ghia**

COMPANY SECRETARY

**One International Center**

**Tower 3, 23rd Floor**

**Senapati Bapat Marg**

**Elphinstone Road (West)**

**Mumbai 400 013**

REGISTERED OFFICE

**U 63090 MH 2002 PLC 136326**

CORPORATE IDENTITY NUMBER

**Deloitte Haskins & Sells LLP**

**Chartered Accountants**

**One International Center**

**Tower 3, 27th-32nd Floor**

**Senapati Bapat Marg**

**Elphinstone Road (West)**

**Mumbai 400 013**

**Maharashtra, India**

AUDITORS

**[www.greatshipglobal.com](http://www.greatshipglobal.com)**

WEBSITE



## KEY PERFORMANCE INDICATORS (CONSOLIDATED)

### 5 YEARS AT A GLANCE

₹ in Crores

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
<b>PROFIT &amp; LOSS A/C</b>					
Total Income	956.02	846.80	668.22	725.45	938.23
Operating Profit (PBIDT)	500.46	348.78	205.75	216.80	346.97
Net Profit (PAT)	(7.88)	(64.75)	(131.12)	(143.69)	33.62
<b>BALANCE SHEET</b>					
<b>What the Company owned</b>					
Fixed Assets	4,082.29	3,940.88	3,673.15	3,449.91	3,308.90
Investments & Net Current Assets (net of long term portion of current liabilities & provisions)	1,065.63	933.16	678.42	708.18	812.74
<b>TOTAL ASSETS</b>	<b>5,147.92</b>	<b>4,874.04</b>	<b>4,351.57</b>	<b>4,158.09</b>	<b>4,121.64</b>
<b>What the Company owed</b>					
Loans*	2,252.83	2,038.99	1,651.89	1,553.48	1,451.71
<b>Shareholders' Funds</b>					
Equity Share Capital	111.35	111.35	111.35	111.35	111.35
Reserves & Surplus	2,783.74	2,723.70	2,588.33	2,493.26	2,558.58
<b>TOTAL</b>	<b>2,895.09</b>	<b>2,835.05</b>	<b>2,699.68</b>	<b>2,604.61</b>	<b>2,669.93</b>
<b>TOTAL LIABILITIES</b>	<b>5,147.92</b>	<b>4,874.04</b>	<b>4,351.57</b>	<b>4,158.09</b>	<b>4,121.64</b>

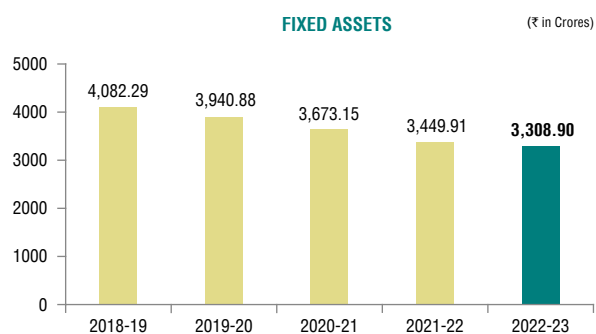
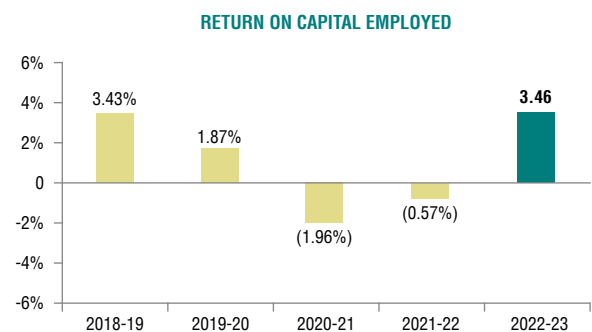
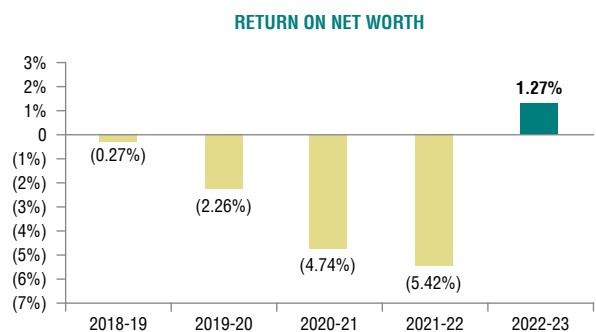
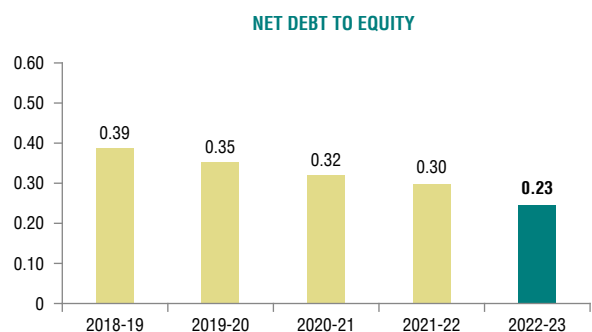
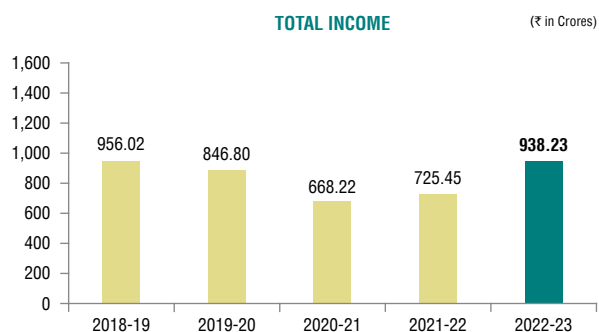
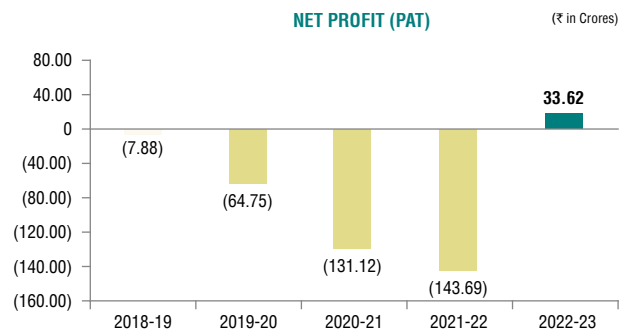
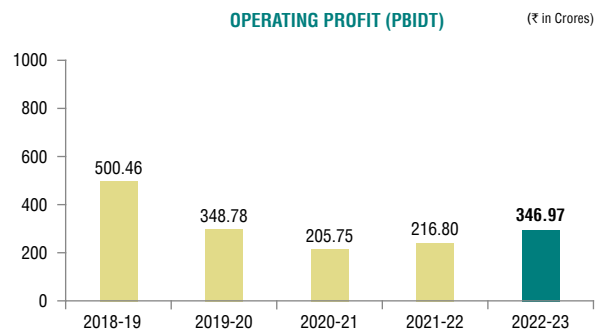
(US\$ in Millions)

<b>IN US DOLLARS</b>	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
<b>PROFIT &amp; LOSS A/C</b>					
Total Income (US\$ mn)	137.42	119.96	89.87	97.72	117.29
Operating Profit (PBIDT)	71.94	49.41	27.67	29.20	43.38
PAT (US\$ mn)	(1.13)	(9.17)	(17.64)	(19.35)	4.20
<b>BALANCE SHEET</b>					
<b>What the Company owned</b>					
Fixed Assets	590.35	520.80	502.41	455.19	402.69
Investments & Net Current Assets (net of long term portion of current liabilities & provisions)	154.10	123.32	92.80	93.44	98.91
<b>TOTAL ASSETS</b>	<b>744.46</b>	<b>644.12</b>	<b>595.21</b>	<b>548.63</b>	<b>501.60</b>
<b>What the Company owed</b>					
Loans*	325.79	269.46	225.95	204.97	176.67
<b>Shareholders' Funds</b>					
Equity Share Capital	16.10	14.72	15.23	14.69	13.55
Reserves & Surplus	402.57	359.94	354.03	328.97	311.38
<b>TOTAL</b>	<b>418.67</b>	<b>374.66</b>	<b>369.26</b>	<b>343.66</b>	<b>324.93</b>
<b>TOTAL LIABILITIES</b>	<b>744.46</b>	<b>644.12</b>	<b>595.21</b>	<b>548.63</b>	<b>501.60</b>

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Debt-equity Ratio*	0.78	0.72	0.61	0.60	0.54
Net Debt-equity Ratio*	0.39	0.35	0.32	0.30	0.23
Return On Networth (%)	(0.27)	(2.26)	(4.74)	(5.42)	1.27
Return On Capital Employed (%)	3.43	1.87	(1.96)	(0.57)	3.46
Earning Per Share (in ₹)	(0.71)	(5.82)	(11.78)	(12.90)	3.02

\* includes preference share capital

## 5 YEARS TREND



## MANAGEMENT STATEMENT

Dear Stakeholders

The concluded financial year 2022-23 marks 16 years since commencement of offshore oilfield services business for the company. Roughly defining upcycles and downcycles for the industry, based on our experience of utilization and charter rates, the 8 year period from FY 07 to FY 14 could be classified as good years while the 7 years FY15 to FY22 as down years. Based on this experience since inception and looking at data of previous cycles it is evident that offshore oil and gas service business goes through long cycles.

As you would recall, in the last Management Statement we had commented on how the geopolitical developments and the post Covid recovery in energy demand has brought back, to the fore, the lack of spare production capacity. As Europe went through a scramble for securing enough gas to go through the winter, other regions felt the pressure through sky high gas prices. Despite Western world's desire to cut off Russian oil from the market, most of it stayed and just got rerouted to Asia. The reality is that there isn't enough spare production capacity to replace Russian supplies of oil and gas.

The surge in renewable investments was expected to dent demand for fossil fuels in not too distant future. Major oil companies, under pressure from Investor and activists and unsure of long term demand prospects, focused on reducing capital allocation to oil and gas projects. Rapid rise in production of US shale oil & gas was another reason for lack of investment in traditional sources. In the last decade as the Shale/tight oil production jumped from less than 1 mbpd to over 8 mbpd, Shale threatened to be the swing producer with ability to open taps whenever oil prices went up and cut production as the price went down. This ceding of marginal producer's role and expectation of continuing growth of shale oil reduced the incentive for undertaking traditional new projects with long payback profiles.

All these factors have now taken a back seat. Despite the strides made in renewables, reliance on fossil fuels is substantial and here to stay for reasonably long period. Last one year of almost flatline shale production despite the demand recovery probably indicates that the last decades' rapid growth is not likely to be replicated and peak shale production isn't far from current levels.

By most estimates, oil demand is likely to peak only sometime in the 2030s and then drop off only gradually. Prior to the war it was expected that due to its relative clean burning properties, gas demand would continue to grow well beyond the oil demand peak. However, heavy reliance on Russian gas and very high prices throughout Cal 22 has curbed enthusiasm for gas. As a result, many agencies have trimmed down their long-term forecasts for gas demand. Nonetheless, Oil & Gas is expected to remain a major source of energy for at least next couple of decades. The severe underinvestment in traditional oil and gas projects are getting reversed. For now, Middle East is leading the charge but other regions too

are expected to join in. Catering to this demand over the next 2 decades requires significant investments in existing and new oil and gas fields. Due to limitations of new land based unexploited plays, offshore oil projects are expected to take up a large share of the incremental E&P spending especially in the Middle East.

Having recently gone through a long and deep down phase, under the backdrop of the above mentioned structural development, the improvements in utilization and charter rates for vessels and rigs over the past one year gives us hope that FY 23 could go down as the year of transition for a new Up-Cycle for the business.

Turning to operating performance, during the year Greatdrill Chitra commenced her 3 year contract after undergoing the necessary contract preparation. We also secured 3 year contract for Greatdrill Chaaru at a charter rate which is approximately 75% higher than her ongoing charter. The new contract is expected to commence in Q3 FY 24, after completion of the ongoing charter.

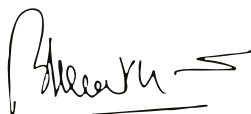
In the Offshore logistics segment, during the year, to take advantage of improved markets, we have positioned one AHTSV Greatship Vidya, in the West African market. Our MPSVs owned by Singapore based wholly owned subsidiary GGOS have been operating on short term contracts in markets of South East Asia and West Africa. These vessels have benefited from improvement in market conditions with every repricing showing a substantial jump over previous. Greatship Ramya also owned by GGOS and engaged in Well Stimulation projects in West Africa got repriced on a 3 year contract at rate that is substantially higher than previous contract. In India, Greatship Dhriti has secured a 5 year contract for operations on the East Coast of India at substantially higher rates than her previous contract. Generally, the recovery in Indian market tends to lag international markets and the extent of recovery may be at variance with the experience elsewhere, however, we expect vessels trading in India to get priced higher as they come up for repricing over the next 2 financial years. During the year, looking at the opportunities that exist in the 80T AHTSV/OSV market in India we acquired a 2007 built AHTSV now renamed Greatship Amaira. This was our first vessel purchase since 2015. Since the acquisition the vessel has been gainfully employed on a short term contract while awaiting outcome of a long term contract.

In terms of technical performance, the unplanned technical downtime for the offshore logistics, at 2.26% was marginally higher than historical average. This was largely down to a long technical downtime on one vessel due to a specific technical challenge. Despite this, our fleet utilization of 91.5% was highest in last 8 years. The rig fleet continued to achieve high technical uptime. The unplanned downtime for the rig fleet was 0.82%.

Turning to financial performance, the topline for the year increased by approx. 29% over FY 22 to reach INR 938 Crore. As we continued executing the contracts done during the downcycle, the realized charter rates were still not at profitable levels. However, the reported profit of INR 34 Crore was a substantial improvement compared to a loss of INR 143 Crore for FY 22. The operating cash flows over the year also showed a substantial improvement over FY 22. As a result, we ended the year with similar levels of cash as at the start of the year despite the reduction in bank debt. The gross and net debt to equity ratio improved to 0.54 and 0.23 respectively from 0.60 and 0.30 at the end of FY 22. The net bank debt has reduced to USD 32.06 Million as of end of the financial year.

Having gone through the difficult downturn, our focus over the next few years would be to ensure high technical uptime and to best utilize the improved market conditions while deciding chartering strategy for the assets coming up for rollover over the next 1-2 years. As always, we look forward to continued support from all the stakeholders.

Warm Regards



Bharat K. Sheth



Ravi K. Sheth

Mumbai, May 05, 2023



## BOARD'S REPORT

Your Directors have pleasure in presenting the thirteenth Annual Report for the year ended March 31, 2023.

### FINANCIAL HIGHLIGHTS

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

(₹ in crores)

PARTICULARS	STANDALONE		CONSOLIDATED	
	Current Year	Previous Year	Current Year	Previous Year
Total Revenue	804.19	606.25	938.23	725.45
Total Expenses	597.49	560.21	700.71	628.29
Depreciation and amortisation expense	207.29	209.65	261.96	261.99
Impairment loss	-	7.74	-	7.74
<b>Loss before tax</b>	<b>(0.59)</b>	<b>(171.35)</b>	<b>(24.44)</b>	<b>(172.57)</b>
Less: Provision of tax				
- Current tax	0.09	0.09	5.00	0.27
- Reversal of taxes for earlier year	(45.56)	-	(45.56)	-
- Deferred Tax	(11.44)	(22.39)	(17.50)	(29.15)
<b>Total Tax</b>	<b>(56.91)</b>	<b>(22.30)</b>	<b>(58.06)</b>	<b>(28.88)</b>
<b>Profit/(Loss) for the year after tax</b>	<b>56.32</b>	<b>(149.05)</b>	<b>33.62</b>	<b>(143.69)</b>
<b>Retained Earnings</b>				
<b>Balance at the beginning of the year</b>	<b>100.88</b>	<b>249.12</b>	<b>302.61</b>	<b>445.49</b>
Add : On account of Onerous contract	(29.30)	-	(29.30)	-
Add: Profit/(Loss) for the year after tax	56.32	(149.05)	33.62	(143.69)
Add: Other Comprehensive Income / (Loss)	(1.07)	1.31	(1.07)	1.31
Less: Transfer to Tonnage Tax Reserve Account under section 115VT of the Income-tax Act, 1961	(10.00)	(0.50)	(10.00)	(0.50)
<b>Balance at the end of the year</b>	<b>116.83</b>	<b>100.88</b>	<b>295.86</b>	<b>302.61</b>

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

## DIVIDEND

Although your Company has made profit during the financial year ended on March 31, 2023 and has sufficient accumulated profits and free reserves, your Directors have not recommended any equity dividend for the financial year ended March 31, 2023, in order to conserve resources.

Dividend on the preference shares of your Company for the financial year ended March 31, 2023 would be payable, in accordance with the terms of preference shares, as detailed below:

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

entailing a total outgo of ₹ 24.59 crores.

The net amount of dividend after deduction of necessary taxes would be paid to the preference shareholder of the Company, 'The Great Eastern Shipping Company Limited', on May 20, 2023 or immediately next working day in accordance with the terms of preference shares.

## SHARE CAPITAL

The total paid up equity share capital of your Company as on March 31, 2023 is ₹ 111.35 crores comprising of 111,345,500 equity shares of face value of ₹ 10 each. Your Company has also issued two series of redeemable cumulative preference shares and the details of total outstanding preference shares under two series as on March 31, 2023 are as under:

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

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

## FINANCIAL PERFORMANCE (CONSOLIDATED)

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

The consolidated net worth of the Group for financial year 2022-23 was ₹ 2,669.93 crores as compared to ₹ 2,604.61 crores for financial year 2021-22.

## SUBSIDIARIES

As on March 31, 2023, your Company has four (4) wholly owned subsidiaries as under (together referred to as 'Subsidiaries'):

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

Your Company's investment in its subsidiaries as on March 31, 2023 stands at ₹ 493.23 crores. During the year, your Company has not made any further investment in its subsidiaries. A statement pursuant to section 129(3) of the Companies Act, 2013 read with rule 5 of the Companies (Accounts) Rules, 2014, containing the salient features of the financial statements of your Company's subsidiaries has been attached along with the financial statements of your Company.

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

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

GGES has incurred a net profit of USD 0.11 Mn for the current financial year as against the net loss of USD 0.02 Mn in the previous year. The net profit in the current year has been on account of the interest received on bank deposits and net loss in the previous year has been on account of reduction in the interest rates resulting into reduced interest on bank deposits.

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

GGOS owns and operates two Multi-purpose Platform Supply and Support Vessels and one R-Class Supply Vessel. GGOS has earned a net profit of USD 1.80 Mn for the current financial year as against the net profit of USD 2.93 Mn in the previous year. The reason for decline in net profit in the current year is due to provision made for debtors.

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

GUK's net loss for the current financial year amounted to USD 0.02 Mn as against the net loss of USD 0.32 Mn in the previous year. Higher net loss in the previous year has been on account of foreign exchange difference which arose on account of the reimbursement of expenses to parent company.

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

During the year under review, GOSL has been exploring possible business opportunities and has incurred certain expenses resulting into net losses of less than ₹ 0.01 crore for the current financial year (Previous Year: ₹ 0.01 crore).

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

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

The internal audit covering the key business processes of your Company is carried out by a firm of external Chartered Accountants. The scope of the internal audit exercise including the key business processes and selected risk areas to be audited is finalized in consultation with the Audit Committee. The audit reports with significant observations, if any and follow up actions thereon are reported to the Audit Committee. Ernst & Young LLP have been acting as the internal auditors of the Company since financial year 2018-19.

### CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) is an integral part of Company's culture and as a responsible corporate citizen, your Company operates with careful consideration of its environmental and social impact. Your Company's CSR focus areas which were in line with the globally accepted Sustainable Development Goals included Education, Health and Livelihoods.

Copy of the CSR Policy of the Company is enclosed as Annexure 3. The CSR Policy is also available on the Company's website: [www.greatshipglobal.com](http://www.greatshipglobal.com).

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

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

## DIRECTORS

### Re-appointment/Re-designation:

The Board of Directors of your Company have at their meeting held on November 02, 2022 re-appointed Mr. P.R. Naware as the 'Executive Director' of the Company for a period of 1 year with effect from November 7, 2022. Re-appointment of Mr. P. R. Naware as 'Executive Director' has been approved by the shareholders at their Extra-ordinary General Meeting held on November 4, 2022.

Further, the Board of Directors of your Company have at their meeting held on November 02, 2022 approved the change in the designation of Mr. Alok Mahajan as the Executive Director and Chief Operating Officer of the Company w.e.f November 7, 2022. Re-designation and change in the terms of Mr. Alok Mahajan has been approved by the shareholders at their Extra-ordinary General Meeting held on November 4, 2022.

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

Necessary resolutions for the re-appointment of Mr. Bharat K. Sheth on account of retirement by rotation have been included in the Notice convening the ensuing Annual General Meeting.

### Independent Directors:

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

### Policy for Appointments and Remuneration Policy

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

The Policy for Appointments including the criteria for determining qualifications, positive attributes and independence of Directors and other matters, as required under section 178 of the Companies Act, 2013 is annexed herewith as Annexure 5 and the Remuneration Policy is annexed herewith as Annexure 6.

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

### Board Meetings

During the year, 6 meetings of the Board were held out of which two meetings were held through video conferencing. The details of Board meetings as well as Committee meetings are given in the Annexure 2 to this Report.

## Evaluation of Board's Performance

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

In accordance with the Performance Evaluation Framework, Performance Evaluation Forms were circulated to all the Directors to record their evaluation of the Board, its Committees and the Non-Executive Directors including the Chairman for the financial year 2022-23. Evaluation of the Executive Directors was based on the evaluation of the Company which was done based on the presentation made by the Management.

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

## SECRETARIAL STANDARDS

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

## DEBT FUNDS

The amount of debt of the Company both at standalone and consolidated level was ₹ 1,451.71 crores as on March 31, 2023 as against ₹ 1,553.48 crores as on March 31, 2022. The standalone and consolidated debt includes liability related to redeemable preference share capital amounting to ₹ 358.33 crores at the end of financial year 2022-23 and ₹ 356.99 crores at the end of financial year 2021-22. The gross debt: equity ratio as on March 31, 2023 was 0.67:1 on standalone basis and 0.54:1 on consolidated basis (previous year: 0.73:1 on standalone basis and 0.60:1 on consolidated basis).

## DEPOSITS

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

## TRANSFER TO RESERVES

Your Company proposes to transfer ₹ 10.00 crores to Tonnage Tax Reserve as required under the provisions of The Income Tax Act, 1961.

## DIRECTORS' RESPONSIBILITY STATEMENT

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

1. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. they have selected accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;

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

### **RISK MANAGEMENT POLICY**

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

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

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

### **VIGIL MECHANISM**

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

A copy of Whistle Blowing Policy is available on the Company's website: [www.greatshipglobal.com](http://www.greatshipglobal.com).

### **PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE / INTERNAL COMPLAINTS COMMITTEE**

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

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

### **ANNUAL RETURN**

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

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

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

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

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

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

## MATERIAL CHANGES AFFECTING THE COMPANY

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

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

## REPORTING OF FRAUDS BY AUDITORS

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

## ENERGY CONSERVATION AND TECHNOLOGY ABSORPTION

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

### Energy Saving Devices:

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

### Wetted Surface Maintenance and Improved anti-fouling paints:

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

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

### Monitoring of vessel performance:

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

the fuel consumption in each of the modes are closely monitored.

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

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

During the year, 5 vessels have been dry docked. There has been a significant improvement in the fuel efficiency of these vessels after the dry docking.

#### **Reduction of Green House Gas Emission from Ships:**

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

For the 5 vessels dry docked during the year, the hull cleaning was performed, and a fresh coat of anti-fouling paints have been applied for hull protection and enhanced energy efficiency. Underwater hull cleaning of 2 vessels has been carried out to reduce fuel consumption.

#### **FOREIGN EXCHANGE EARNINGS AND OUTGO**

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

a) Foreign Exchange earned and saved (on account of charter hire earnings, etc.)	₹ 717.76 crores
b) Foreign Exchange used (including operating expenses, capital payment, loan repayments, interest payment, etc.)	₹ 409.35 crores

#### **AUDITORS**

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) were appointed as the statutory auditors of the Company at the 20th Annual General Meeting (AGM) held on July 25, 2022 and shall hold office until the conclusion of the 25th AGM of the Company to be held in the calendar year 2027.

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

#### **SECRETARIAL AUDIT**

M/s. MMJB & Associates LLP, , Company Secretaries, were appointed to conduct the Secretarial Audit of the Company for the F.Y. 2022-23, in accordance with the provisions of section 204 of the Companies Act, 2013, read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.



The Secretarial Auditors' Report for the financial year 2022-23 does not contain any qualification, reservation or adverse remark. The Secretarial Auditors' Report is annexed to this report as Annexure 8.

### **COST RECORDS AND COST AUDIT**

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

### **APPRECIATION**

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

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

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

Mumbai, May 05, 2023



## ANNEXURE 1 TO THE BOARD'S REPORT

### MANAGEMENT DISCUSSION AND ANALYSIS

Your Company continued to be in the business of providing offshore drilling services and support vessel services to the offshore industry during this year. The offshore services industry provides services necessary to enable delivery of energy to the world. Offshore oil and gas represents 16% of global energy supply, with the developing offshore wind power sector representing 0.4% of global energy supply.

The industry that your Company operates in largely derives its revenue base from capital expenditure, whether in upstream oil and gas or, presently to a limited extent, in offshore wind power development. The energy industry is cyclical and so is its investment pattern. Energy commodity prices, and thus demand in the offshore services market, started exhibiting signs of a cyclical upturn from the lows of a post-COVID slump even prior to the war in Ukraine. However, the war seemed to have catalysed an acceleration in both these trends in 2022. Global offshore spending is estimated to have increased by more than 10% in 2022.

Such developments had a salutary effect on demand for offshore vessels and rigs globally, and your Company began to observe this effect in terms of increasing leading edge dayrates within the markets in which it operates. The Company's operations continued to be consistent and reliable, and well regarded by its customers and other stakeholders in FY23.

#### COMPANY PERFORMANCE

In financial year 2022-23, your Company has recorded a total income of ₹ 804.19 crores (previous year ₹ 606.25 crores) on a standalone basis and ₹ 938.23 crores (previous year ₹ 725.45 crores) on a consolidated basis. In the current financial year, the Company has earned a profit before interest, depreciation (including impairment) & tax of ₹ 316.04 crores (previous year ₹ 165.56 crores) and ₹ 346.97 crores (previous year ₹ 216.80 crores) on a standalone and consolidated basis, respectively. Your Company's net profit for the current financial year is ₹ 56.32 crores (previous year net loss ₹ 149.05 crores) and net profit ₹ 33.62 crores (previous year net loss ₹ 143.69 crores) on a standalone and consolidated basis, respectively.

Your Company has been consistently bringing down its net bank debt and the same stands at ₹ 263.43 crores as of 31st March 2023 (as compared to the peak of ₹ 433.09 crores at end of FY 22)

#### OFFSHORE LOGISTICS

##### Market trend and analysis

Your company's vessel fleet operations continued to be India-centric during FY-23, though the proportion of fleet operating outside India was marginally higher compared to last year. Overall, about three fourths of our fleet operating days for this financial year were employed on the Indian coast while the remaining one fourth were in international waters. The international operations were primarily in South East Asia and in the African offshore markets.

Energy prices surged in Feb 2022 following the war in Ukraine. Spot Brent oil prices which broke through the US\$ 100 per barrel barrier in Feb-22, remained above that mark for some time thereafter, even averaging above US\$ 120 per barrel for the month of June 2022. A near panic regarding uncertain Russian natural supplies caused spot natural gas prices to spike in Europe, with Dutch TTF natural gas spot price spiking beyond Euro 300 per MWH in June. Energy commodity prices returned to relatively normal ranges and remained relatively rangebound thereafter. However, the events of this period put discussions around energy security and associated investment required towards the same, firmly back on the radar of governments and companies. Such sentiment along with significantly improving cashflows of E&P companies through the year, ensured that 2022 witnessed significant increase in global upstream capex including in the offshore space.

The activity in the offshore space, and thus the demand for offshore vessels accelerated in the first half of 2022. Such demand led to a tightening of available vessel supply, and dayrates took a considerable step up in the first quarter of FY23, especially in the Western markets. While your company does not presently participate in that market, the fact that spot AHTSV (Anchor Handling Tug Supply Vessel) rates in the benchmark North Sea market reached levels last seen in the pre-2015 market high demonstrates the strength witnessed in certain quarters of the offshore vessel market in the months immediately following the Ukraine war. While spot rates pulled back thereafter, overall market dayrates continued to average higher compared to previous years, while term rates continued to strongly improve through 2022. The last quarter of FY23 witnessed some slowing down of such upward momentum in these markets, but the financial year ended with leading edge market dayrates marked at a significant premium to those at the start of the year. Illustratively, the term rates for the large PSV (Platform Supply Vessel) market in West Africa, one of the stronger performing segments of the offshore market in FY23, were rated 50-70% higher at the end of FY23 as compared to the start of the year.

The South East Asian market had also seen dayrates begin to climb from post-COVID lows in FY22 itself, but witnessed a further sharper improvement in FY23. Increased demand across the oil and gas space in multiple countries across the region, further aided by windfarm activity also absorbing a number of vessels, ensured that vessel utilisations rose and dayrates increased substantially. For some of the larger, more capable assets, market dayrates at the end of FY23 were double the post-COVID low levels witnessed in FY21.

Upward movements in dayrates in Western markets in the first half of FY23 were rapid and more significant as compared to the Indian vessel market in that period. The Indian vessel market is largely dominated by ONGC tenders, and while that market experienced pressure from such global market tightening too, such pressure initially manifested itself in the form of unfulfilled tender requirements, a rarity in recent years. However, rate movements followed soon thereafter with rates for both short term requirements and longer term contracts increasing thereafter.

## Company Performance

As of April 2022, more than three fourths of the available days of the fleet for FY23 were already covered by firm contracts. Much of this revenue coverage was on account of a large part of the fleet operating on long term Indian charters at such time, though some amount of this coverage was also due to contracts for vessels operating outside India. Many of such existing contracts either in India or outside, were further extended later in the year, either as per existing extension options available to the charterers in the contracts or via mutual agreement. Even the vessels that did complete their contracts during the year, experienced lower waiting times thereafter as the constructive market conditions described above allowed for more continuous employment as compared to previous years.

All these factors ensured that commercial downtime for the fleet for FY23 was less than half that of FY22. Thus, the overall utilisation of the entire vessel fleet (considering all downtime incurred for both commercial and technical reasons) improved to above 91% levels for FY23, which is the highest level achieved since the last 8 years. This is in spite of a small increase in the technical downtime component.

It is also to be noted that a large majority of revenue from term charters in India was derived from contracts priced prior to this year. Thus, while the contract coverage described above helped in achieving high levels of fleet utilization, the revenues from the business did not immediately align with market levels this year. The vessel operating internationally, and on shorter term business in India, did see an improvement in their earnings though. Overall, the revenue from our vessel business improved by 27% in FY23.

## Fleet Changes

During the year under review, the Company did not make any fresh newbuilding commitments, but there was one addition to our vessel fleet.

The Company bought a 2007-built AHTSV “TC Lam Son”, of 80T bollard pull capacity, in March-2023. The vessel was delivered in Thailand and registered under Indian ownership with her new name “Greatship Amaira”. This purchase represented the Company’s first vessel acquisition after a gap of about eight years.

Thus, as on March 31, 2023, the vessel fleet of the Group stands at nineteen vessels which comprises four Platform Supply Vessels (PSVs), four R-Class Supply Vessels, nine Anchor Handling Tug cum Supply Vessels (AHTSVs) and two Multi-purpose Platform Supply and Support Vessels (MPSSVs).

### **Outlook for offshore logistics market**

As mentioned previously in this report, global offshore spending is estimated to have grown by 10% or more in the year 2022. Energy market consultants, Rystad Energy, have stated in their Mar-23 outlook that global offshore spending would continue to grow in excess of 10% in 2023 and 2024. If such outlook were to be broadly correct, such spending growth would be supportive of continued demand growth for the offshore vessel market.

However, it is also to be noted that the acceleration of positive trends in the offshore vessel market seemed to have precipitated by the US\$ 90 -120 per barrel band of Brent oil prices, and breakaway natural gas prices of 2022. Commodity prices have retreated from such levels in recent months as demand recession concerns have began to take hold particularly in many OECD countries, with central banks raising interest rates sharply to fight inflation. While commodity prices have remained sufficiently elevated to be considered broadly supportive for continued E&P spending, it is also to be noted that the last two OPEC actions have been production cuts, one in Oct-2022 and, more recently, in Apr-2023 again. Even if these recent oil and gas price movements have made the immediate upstream spending outlook more hazy, assessments by market analysts suggest that offshore demand outlook remains positive over the medium term.

More than a third of the stacked global AHTSV and PSV fleet was reactivated during FY23, while about 30% of the vessel orderbook at beginning of FY23 was delivered during the financial year. Such numbers imply that there is still a considerable number of vessels in stacked condition or available to be delivered from the shipyards. However, market commentary suggests that many of these remaining vessels may be highly challenged to enter the active vessel fleet due to the rundown condition of such stacked vessels, while it has been questioned whether the extent of orderbook shown on paper is actually available for delivery. In any case, practically the entire orderbook of newbuilding offshore vessels comprises of orders placed prior to 2015. There has been little, practically nil, new ordering of vessels for the last eight years. Even as market conditions have improved, the trend of lack of newbuilding vessel orders has continued. Such developments imply that the evolution of active fleet supply should be constructive over the medium term.

However, the influx of vessels from stacked conditions and from the shipyards that has already occurred over the past eighteen months has swollen the numbers of the active fleet. If the growth momentum of upstream spending were to get impacted due to the economic concerns mentioned above, along with its resultant impact on oil and gas prices, we could potentially see a loosening of the present demand-supply balance over the short term. However, it may also be pertinent to note that the active offshore vessel fleet size as of 2023 is smaller, and older, than in 2014.

As of Apr-23, your Company has revenue locked up about 70% of the total days of its vessel fleet for FY24. While the vessels have been working off its legacy contracts, about half of the total vessel days in FY24 are still covered on their older, relatively lower rate term contracts. However, the proportion of capacity covered at improved rates and available to be repriced if better market conditions persist, continues to increase with time. Even if with a lag, arising out of the inertia of the legacy contracts, the expectations would be for potentially positive market conditions to drive improvement in the financials of your Company’s vessel business over the coming period.

## DRILLING SERVICES

### Market Trend and Analysis

The dynamics of oil and gas prices and their resultant impact on upstream spending described in the Offshore Logistics section above, drove the offshore drilling market too in FY23.

The improvement in offshore drilling markets that was witnessed in FY22 continued to be seen in FY23 too. The number of rigs under contract increased by a further 5% from the start of the year to end FY23 showing 465 offshore rigs on contract. However, if rigs with forward commitments were to be included too, the number of committed rigs rises to 535 rigs, 388 of which are jackups which would take marketed utilization (including forward commitments) for the jackup fleet to 90% levels. Such marketed utilization (including forward commitments) for the offshore jackup rig fleet was last seen to be at such 90% levels in the July-August 2014 period.

Such trends in utilization during the year invariably propelled dayrate developments across many markets. While dayrates for jackup contracts in the Middle East, which was the hub of jackup rig activity during the year, were assessed in the US\$75,000 to 85,000 per day range at the start of FY23, by the second half of the year dayrates for new jackup contracts in the region easily eclipsed US\$ 100,000 per day. While the South East Asian region initially lagged behind the Middle Eastern market with dayrates hovering around US\$ 70,000 per day levels for a large part of 2022, it had caught up by the end of FY23 with dayrate assessments in the region also exceeding US\$ 100,000 per day for jackup contracts.

The demand in the Indian jackup market was relatively steady, but as global supply tightened and dayrates soared in other markets, dayrates in the Indian market improved too. The Indian jackup market is dominated by the ONGC tender business which typically tends to have requirements for a 3-years' duration. While the initial improvements in dayrates from one tender to the next were somewhat limited, showing single digit percentage gains initially, this market finally saw a step change with a tender awarded in late 2022, with awarded dayrates almost doubling from those typically prevailing in prior ONGC tenders.

Such positive developments in various rig markets slowed down the pace of rig attrition dramatically during the year. For six years prior to FY23, 137 jackup rigs were scrapped or were moved out of the global rig fleet, for an average of 23 rig retirements a year during this period. In FY23, only four jackup rigs were retired. On the other hand, nine new jackup rigs were delivered from shipyards, leading to a net increase in the global jackup fleet, albeit a marginal one.

### Company Performance

Your Company had all four of its rigs on term contracts with ONGC at the start of FY23. Three of those contracts extended through the entire FY23, while the rig Greatdrill Chitra's contract was slated to end in May. However, that contract was further extended, as per contractual provisions, by a few months. The rig was already awarded for a follow-on ONGC term contract and thus, with limited downtime between two contracts for undertaking repair and maintenance, Greatdrill Chitra commenced her next contract in Dec-22. Thus, apart from such necessary technical downtime, your Company's rig fleet practically experienced full commercial utilisations during FY23.

Greatdrill Chaaya was awarded a contract in the aforementioned ONGC tender at a significantly improved rate in late 2022. However, since that contract is slated to commence only around the end of calendar 2023, the revenues earned this year in our drilling business were entirely from contracts that reflected the older, lower market pricing. Thus, the revenues from the drilling business in FY23 were 31% higher as compared to FY22.

## Fleet Changes

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

## Outlook for Drilling Market

The global offshore drilling market has been continuously improving since experiencing post-COVID lows a couple of years ago. The increasing energy prices since then, that experienced a further upward inflexion due to the war in Ukraine have been supportive of cashflows of E&P companies and have led to increased E&P expenditures and, hence offshore drilling activities. On the back of a global rig fleet that is now smaller than it was eight years ago, there has been a tightening of rig availability and increase in rig dayrates over the last couple of years.

Further growth in demand in coming years would be contingent on healthy levels of upstream spending, which tend to be driven by expectations of high oil and gas prices. Energy prices in first quarter of 2023 have had a bearish bias, and OPEC has announced a production cut in March. However, consensus expectation among market analysts is for steady demand for drilling rigs in the coming year. As mentioned in the report previously, the active rig fleet is experiencing high utilisations presently. The newbuilding orderbook shows only about 20 jackup rigs available in Asian shipyards, some of which are already contracted. Thus, incremental supply is likely to be limited in the short term.

The Indian rig market improved in FY23 and has come close to, but not quite matched, the rate developments seen in markets like the Middle East. It remains to be seen whether there could be further improvements in the Indian market so as to close this gap .

Your Company's drilling rigs have been contracted to operate within the Indian drilling market for the entirety of FY24. Thus, all going well, the drilling business should experience full commercial utilisations, excluding any technical downtime, for the coming year too. As previously mentioned, only one of our rigs would be commencing a contract at current, improved market levels in FY24, that too around the end of 2023. Thus, while the revenue for the drilling business for the coming year been largely secured, the improvement in the business financials is likely to continue to lag market developments in FY24.

## QUALITY, HEALTH, SAFETY & ENVIRONMENT

During the financial year 2022-23, the compliance towards the Integrated Management System comprising ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Management System) and ISO 45001:2018 (Occupational Health and Safety Management System) for office (including vessel operations) and rigs was maintained. These systems are certified by Indian Register Quality Systems, Mumbai.

Annual Surveillance Audit for certification of compliance towards Integrated Management System for office (including vessel operations) and rigs was completed in the month of May 2022. This audit was carried out by Indian Register Quality Systems, Mumbai.

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

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

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

	GIL* - Vessels	GGOS* – Vessels	GIL* RIGS
Fatality	Nil	NIL	Nil
LTI (Loss Time Incident)	0	1	2
TRC(Total Recordable Cases)	0	1	2
LTIF (Loss Time Incident Frequency Rate)	0	1.15	0.47
TRIF (Total Recordable Incident Frequency Rate)	0	1.15	0.47

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

All Fleet vessels & rigs carry out on board safety, environment, and security training in the form of drills, safety movies and computer-based training modules. The training comprises of the onboard training, training imparted by the shore staff, classroom training conducted onshore and training imparted through e-learning modules.

Greatship Ahalya was awarded the Certificate of Commendation from IMO, in recognition of the bravery at sea demonstrated in rescuing the survivors of the Accommodation Barge P-305 during Cyclone Tauktae. The IMO Council conferred the award to honour the crew of Indian Naval vessels INS Kochi and INS Kolkata, as well as our vessel Greatship Ahalya, for the rescue of 261 personnel (of which there were 18 casualties) on board the accommodation barge P-305, following its collision with an oil rig during cyclone Tauktae. The Citation was received by the Master of Greatship Ahalya, Captain Sushil Kumar Singh from the Secretary General of IMO on a special ceremony conducted in IMO Head Quarters in London on 2nd of November, 2022.

Greatship has embarked on an initiative for collection, analysis, and monitoring of the emission of the Green House gas. Based on the analysis, the company will identify the measures to reduce the GHG emission in line with the impending IMO mandate. The reduction is aimed to be achieved through both technical and operational improvement initiatives. To commence with, a standardized template will be prepared to capture the fuel consumption in various operational modes for all our vessels. We will collaborate with the Clients and domain experts to achieve the objective.

During the year, for Vessels division, your Company has undertaken the following key initiatives for imparting training and for enhancement of safety onboard-

- a) The onboard training is provided by the senior officers on the job and by the QST department through various modules prepared in-house and through the drills, circulars received from flag administration, IMCA and other industry sources. Training is also being provided ashore to enhance the capability of the crew and officers in specialized courses such as SAP, ISM, ISPS, IMS, DP related matters. At the same time, the shore staff is also undergoing various maritime management courses for enhancement of their capabilities.
- b) With a focus on LFI (Learning From Incidents) concept, the Safety Flashes published by IMCA, MTS and other organizations are being circulated to all the vessels. The Company has also taken active participation in reporting the incidents to IMCA to be shared in the industry.
- c) Your Company continues to impart training on shore with the help of E-Learning Modules such as "Position Reference Systems on DP Systems" and a familiarization course on Cyber Security.

- d) An LMS (Learning Management System) platform has been designed by “Stratbeans” for the exclusive use of your Company. An E-Learning Module on Safety Management System Familiarization has been designed and uploaded on the Platform. It is envisaged that with this tool, training and skill development will be a continuous process with participants being able to log in from the comfort of their homes. Three more training modules on Risk Assessment, Enhancement of Safety Culture and SMS Familiarisation for Ratings have also been designed and uploaded in the LMS Platform. Total 700 participants have logged on to the Portal to participate in the training.
- e) The simplified e-learning module designed exclusively for the ratings with an objective to familiarise them with the Company’s Safety Management System has been uploaded in the E-Learning Platform. This has been attended by 56 no. of participants. This Module can be run as a mobile application on both on Android and iOS. The contents are completely video based program with very little PDF documents (Only the Policy Documents). This Module provides a concise version of the work procedures from SMS manuals. Encouraging feedback has been received from all the participants who completed this training. We have also launched several incentive mechanisms to increase the participation of the crew. This is expected to reinforce the safe work culture among the ratings.
- f) Your Company has launched an innovative Program of engaging a Safety Coach for a higher level of interaction with the crew members on board during the Operation. A very highly experienced Master Mariner was identified for carrying out this training. Deployment of Safety Coach onboard for a duration of 4-5 days towards imparting safety training onboard is a part of the Program. The safety coach stays onboard and observes the operations being conducted on board with an objective to improve the safe working practices to eliminate the accidents and injuries in the workplace. Total 5 vessels have been covered under this training scheme last year. We have received several positive recommendations from the Safety Coach.
- g) Further, as a part of direct interaction from the Managing Director with the crew, a video message with the MD exhorting all the vessel staff to focus on personal safety was circulated. This was an initiative to convey the message from the Top Management to the Crew on Board which is the basic tenets of the International Safety Management Code.
- h) Leadership & Management Development course was conducted online by an experienced Coach for the Senior Officers. The course was attended by 19 senior members of the Vessel Management Team (Captains/ Chief Engineers/ Chief Officers & 2nd Engineers). The objective of the Program was to develop the leadership skills of the Senior Officers for mentoring the crew on board in improving the Safety Culture through effective communication.
- i) Training on Risk Assessment comprising of theoretical concepts of risk assessments and practice on sample risk assessments was conducted on board 9 vessels by an experienced external trainer.
- j) Total five vessels have been attended last year for conducting sessions on positive mental health and enhancing of the well-being of the seafarers on board. The sessions on board are being conducted by practicing clinical psychologist. We have witnessed the positive impact of this program which is evidenced by the encouraging feedback from the vessel staff.
- k) Greatship India Limited had undergone OVMSA (Offshore Vessel Management & Self-Assessment) Audit by Shell with reasonably good outcome.
- l) Greatship Vidya, Greatship Vimla and Greatship Dhvani have successfully undergone OVID Inspection & Audit for the prospective Charter during the last quarter.

For Drilling Rigs, your Company has undertaken some key initiatives during the year including but not limited to the following –

- a) Implementation of Safety Step-Up plan in view of increasing LTI & recordable incidents during Covid-19 period (Safety Step-Up plan has achieved good results with NIL Recordable Incidents in last two quarters on all four rigs);



- b) Completion of Annual Safety Audits for all Rigs;
- c) COVID-19 safety protocols maintained on Rigs, no outbreak reported from Rigs during the year;
- d) Rig Chitra contract changeover project at shallow waters in Mumbai anchorage was completed without any LTI or Recordable incident;
- e) The Competency Assurance Program (CAP) is implemented effectively with its two Modules, Safety & Technical (Position Specific) to maintain competent workforce across the fleet;
- f) Training Matrix is strictly implemented for all positions on the Rigs, trainings are in progress from late 2022 after COVID-19 lockdown;
- g) Behaviour Based Safety Program is implemented effectively on the Rigs which is serving its purpose in prevention of incidents;
- h) No non-conformance was reported under Internal & External audits;
- i) Rig Greatdrill Chetna received appreciation for achieving Highest Meterage in 24 hrs;
- j) Rig Greatdrill Chaaru received appreciation from VIP Visit of the Minister of State in the Ministry of Petroleum and Natural Gas;
- k) Rig Greatdrill Chetna, Chitra, Chaaya & Chaaru achieved average score of over 90% in Client Feedback / Satisfaction Survey from ONGC under stringent criteria;
- l) Rig Greatdrill Chetna, Chaaya & Chaaru: received appreciation from ONGC VIP visits;
- m) Rig Greatdrill Chaaya received "SAFE INSTALLATION" Award from ONGC for Excellent Contribution towards Safety, Health & Environment.

## IT INITIATIVES

During the financial year 2022-23, your Company has undertaken the following IT activities to effectively meet the business requirements:

Your company successfully completed the first surveillance audit of the global Information Security Standards, ISO 27001:2013 certificate.

- Through the comprehensive Business Continuity Planning (BCP) measures taken, your company has successfully managed to continue uninterrupted working of the 'in office' as well as 'work from home' hybrid work pattern throughout the year.
- Your company carried out a thorough Vulnerability Assessment and Penetration Testing (VAPT) and addressed all findings thereby making the IT landscape more robust.
- The readiness of Disaster Recovery (DR) site was verified through comprehensive DR drills for all critical applications.
- The SAP setup is being fully leveraged and all statutory requirements were completed within specified timelines.

- Your company launched a focused 'Information Security Awareness Quiz' that is mandatory for all employees to be completed on annual basis, to ensure appropriate practice and awareness of related policies and procedures across the organisation.

## HUMAN RESOURCES

During the financial year 2022-23, as the pandemic effect waned, the offshore sector has been on a path to recovery and is expected to continue its momentum and improve further. This has resulted in a crunch in availability of competent and qualified offshore personnel. Your company has ensured that there is no disruption in operations due to unavailability of personnel while maintaining competitive wage levels. Additional steps like introduction of retention bonus and developing an internally trained talent pipeline have been taken to remain competitive in a tight labour market for offshore personnel. To ensure that there is no capability gap due to higher than usual attrition and change in personnel on board, focussed efforts have been taken for training personnel on Company's operations and safety procedures.

As on March 31, 2023, the Company and its subsidiaries employed 133 personnel onshore (including contractual staff and excluding support staff) and around 779 personnel offshore (including contractual staff and excluding support staff).



## ANNEXURE 2 TO THE BOARD'S REPORT

### CORPORATE GOVERNANCE REPORT

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

#### BOARD OF DIRECTORS

##### Composition of the Board

Your Company recognizes and embraces the importance of a diverse board in its success. The composition of the Board of the Company is an optimum combination of Executive, Non-Executive and Independent Directors (hereinafter referred to as 'Board') to separate the Board functions of governance and management.

As on March 31, 2023, the Board comprised of seven Directors, consisting of one Non-Executive Chairman, three Executive Directors and three Independent Directors including two women Directors. All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board. The profiles of Directors are available on the Company's website: [www.greatshipglobal.com](http://www.greatshipglobal.com).

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

##### Meetings of the Board

The dates for Board meetings to be scheduled during the financial year are decided in advance in consultation with the Board. Six Board meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days, as prescribed in Companies Act, 2013. The Board meetings on April 29, 2022, July 25, 2022 (through Video Conferencing), November 02, 2022 (through Video Conferencing), November 11-12, 2022 (offsite), January 23, 2023 and March 02, 2023. The necessary quorum was present for all the Board meetings.

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

Name of Director	Nature of Directorship	Number of Board Meetings Attended
Mr. Bharat K. Sheth (DIN:00022102)	Non-Executive Chairman	5
Mrs. Bhavna Doshi (DIN:00400508)	Independent Director	6
Mrs. Rita Bhagwati (DIN:06990589)	Independent Director	6
Mr. Shaleen Sharma (DIN:00202295)	Independent Director	6

Name of Director	Nature of Directorship	Number of Board Meetings Attended
Mr. Ravi K. Sheth (DIN:00022121)	Managing Director	6
Mr. Alok Mahajan (DIN:00452309)	Executive Director & Chief Operating Officer	6
Mr. P. R. Naware (DIN:00041519)	Executive Director	6

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

The Composition of the Board of Directors and the number of other Directorships and Memberships/Chairmanships of committees in other public companies as on March 31, 2023 are as follows:

Name of Director	Nature of Directorship	As on March 31, 2023		
		Number of other directorship public*	Other Committee Memberships**	Chairperson of other Committees**
Mr. Bharat K. Sheth (DIN:00022102)	Non-Executive Chairman	2	1	NIL
Mrs. Bhavna Doshi (DIN:00400508)	Independent Director	6	2	4
Mrs. Rita Bhagwati (DIN:06990589)	Independent Director	1	NIL	NIL
Mr. Shaleen Sharma (DIN:00202295)	Independent Director	NIL	NIL	NIL
Mr. Ravi K. Sheth (DIN:00022121)	Managing Director	1	NIL	NIL
Mr. Alok Mahajan (DIN:00452309)	Executive Director & Chief Operating Officer	1	NIL	NIL
Mr. P. R. Naware (DIN:00041519)	Executive Director	NIL	NIL	NIL

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

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

### Meeting of Independent Directors

During the year, separate meeting of Independent Directors of the Company without the presence of the Non-Independent Directors and Members of Management was held on April 28, 2022, as required under schedule IV to the Act (Code for Independent Directors). At the said meeting, the Independent Directors:

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

### Director's Induction & Familiarisation

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

The format of the letter of appointment is available on our website [www.greatshipglobal.com](http://www.greatshipglobal.com).

### Code of Conduct

The Board of Directors have adopted a 'Code of Business Conduct and Ethics for the Board of Directors and Members of Senior Management'. The Code mainly covers amongst other things, the duties and obligations of the Directors and Senior Management of the Company. The Code of Conduct is available on the Company's website: [www.greatshipglobal.com](http://www.greatshipglobal.com).

All the Board members and senior management personnel have confirmed compliance with the code for the financial year ended March 31, 2023. A declaration to that effect signed by the Managing Director is attached and forms part of the Annual Report of the Company.

## COMMITTEES OF THE BOARD OF DIRECTORS

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

### A) AUDIT COMMITTEE

- i. The Committee currently comprises of four (04) Directors (out of which 3 are Independent Directors), namely, Mr. Shaleen Sharma (Chairman), Mrs. Rita Bhagwati, Mrs. Bhavna Doshi and Mr. P. R. Naware.
- ii. During the year, four meetings of the Audit Committee were held on April 29, 2022, July 25, 2022 (through Video Conferencing), November 11, 2022 and January 23, 2023.

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

<b>Name of the Member</b>	<b>Number of meetings attended during financial year 2022-23</b>
Mr. Shaleen Sharma (Chairman)	4
Mrs. Bhavna Doshi	4
Mrs. Rita Bhagwati	4
Mr. P. R. Naware	4

- iii. The Audit Committee meetings are attended by the Chief Financial Officer, representatives of Internal Audit Firm and Statutory Auditors. Whenever required, the Chairman and other senior officials are requested to attend the meetings. Ms. Amisha Ghia, Company Secretary is the Secretary of the Committee.
- iv. Terms of reference of the Audit Committee are broadly as under:
- recommending to the Board the appointment, re-appointment, removal, remuneration and terms of appointment of auditors of the company;
  - review and monitor the auditor's independence and performance, and effectiveness of audit process;
  - examination of the financial statement and the auditors' report thereon;
  - 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;
  - monitoring the end use of funds raised through public offers and related matters;
  - overseeing the vigil mechanism established in accordance with the requirements of the Companies Act, 2013; and
  - such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such Committee and carry out any other function as may be required in relation to the above terms of reference.

## **B) NOMINATION AND REMUNERATION COMMITTEE**

- The Committee currently comprises of three (03) Independent Directors, namely, Mr. Shaleen Sharma (Chairman), Mrs. Rita Bhagwati and Mrs. Bhavna Doshi
- During the year, two meetings of the Committee were held on April 28, 2022 and November 02, 2022 (through Video Conferencing).

Details of attendance of the members at the Committee meetings held during the year are as under:

<b>Name of the Member</b>	<b>Number of meetings attended during financial year 2022-23</b>
Mr. Shaleen Sharma (Chairman)	2
Mrs. Bhavna Doshi	2
Mrs. Rita Bhagwati	2

- Ms. Amisha Ghia, Company Secretary is the Secretary of the Committee.

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

#### **Directors' Remuneration:**

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

#### **Remuneration to Whole-Time Directors:**

Although the Company had made profits in the financial year 2022-23, in accordance with the calculations under section 198 of the Companies Act, 2013, based on the standalone financial statements, the Company did not have profits for the payment of remuneration to Whole-Time Directors. The Company has obtained necessary approval of the shareholder(s) by way of a special resolution for payment of remuneration to the Whole-Time Directors in the event of absence or inadequacy of profits as required under the provisions of the section II of part II of schedule V of the Companies Act, 2013.

Details of Remuneration paid/to be paid to Whole-Time Directors for financial year 2022-23:

(Amount in ₹)

<b>Name of Director</b>	<b>Salary</b>	<b>Perquisites</b>	<b>Other Benefits<sup>#</sup></b>	<b>Variable Pay</b>
Mr. Ravi K. Sheth, Managing Director	21,629,160	2,702,021	-	23,400,000
Mr. P. R. Naware, Executive Director	9,499,759	86,016	784,553	4,500,000
Mr. Alok Mahajan, Executive Director & Chief Operating Officer	13,727,251	102,536	885,120	9,000,000

- Salary includes contribution to provident fund and superannuation fund and does not include provisions made for Retirement Benefit Scheme for Managing Director/Post-Retirement Medical Benefit Scheme for Executive Director*
- Variable Pay for financial year 2022-23 to be paid in financial year 2023-24*
- Whole-Time Directors are also entitled to gratuity in accordance with the Company's rules*
- #does not form part of calculation of remuneration under section 198 of the Act*

- Presently, there are no stock options granted to the Whole-Time Directors
- The Board has approved and implemented Retirement Benefit Scheme for its Managing Director w.e.f April 1, 2012. The Scheme provides for provision of pension, medical reimbursement and other benefits to the retiring

Managing Director. On the basis of actuarial valuation, in the current year a provision for an amount of ₹ 0.87 crore was made for pension payable to Managing Director on his retirement (in the previous year the provision amount was ₹ 0.47 crores).

- c. The Board has also approved and implemented Post-Retirement Medical Benefit Scheme for the Executive Directors and Senior Management Employees of the Company w.e.f February 4, 2019. The Scheme provides for provision of certain medical benefits and reimbursements after retirement to selected employees, including the Executive Directors. On the basis of actuarial valuation, in the current year a provision for an amount of ₹ 0.02 crore was made for the medical benefits to be provided to the Executive Director post his retirement (in the previous year the provision of ₹ 0.08 crore was made).
- d. The Company or Mr. Ravi K. Sheth shall be entitled to terminate his appointment by giving six months' notice in writing.
- e. The Company or Executive Directors shall be entitled to terminate their appointment by giving three months' notice in writing.

Remuneration to Non-Executive Directors, including Independent Directors:

The Board of Directors have at their meeting held on May 05, 2023 approved the payment of remuneration to Non-Executive Directors, including Independent Directors of the Company for the financial year 2022-23 in accordance with the provisions of Schedule V of the Companies Act, 2013, subject to the approval of the Shareholder(s) of the Company by way of special resolution.

Details of remuneration and sitting fees paid/to be paid to the Non - Executive Directors including Independent Directors of the Company for financial year 2022-23 are as under:

(Amount in ₹)		
Name of Director	Remuneration*	Sitting Fees
Mr. Bharat K. Sheth	5,400,000	Nil
Mrs. Rita Bhagwati	900,000	1,200,000
Mr. Shaleen Sharma	900,000	1,200,000
Mrs. Bhavna Doshi	900,000	1,200,000
<b>Total</b>	<b>8,100,000</b>	<b>3,600,000</b>

\* Remuneration for financial year 2022-23 to be paid in financial year 2023-24.

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

**C) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

- i. The Committee currently comprises of three (03) Directors (out of which 2 are Independent Directors), namely, Mrs. Rita Bhagwati (Chairman), Mr. Shaleen Sharma and Mr. P. R. Naware.
- ii. During the year, one meeting of the Committee was held on April 29, 2022.



iii. Details of attendance of the members at the Committee meeting held during the year are as under:

<b>Name of the Member</b>	<b>Number of meetings attended during financial year 2022-23</b>
Mrs. Rita Bhagwati (Chairman)	1
Mr. Shaleen Sharma	1
Mr. P. R. Naware	1

iv. Ms. Amisha Ghia, Company Secretary is the Secretary of the Committee.

v. Terms of reference of the Corporate Social Responsibility Committee are broadly as under:

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

## **DECLARATION BY THE MANAGING DIRECTOR REGARDING ADHERENCE TO THE COMPANY'S CODE OF CONDUCT**

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, 2023.

**For Greatship (India) Limited**

**Ravi K. Sheth**  
**Managing Director**

Date: April 24, 2023

## ANNEXURE 3 TO THE BOARD'S REPORT

### CORPORATE SOCIAL RESPONSIBILITY POLICY - THE GREAT EASTERN GROUP

#### 1. Introduction: The Great Eastern Group

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

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

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

#### 2. CSR focus areas

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

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

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

#### 3. Geography

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

#### 4. CSR Budget

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

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

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

## 5. Governance

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

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

### a. Board of Directors:

The Boards of GES/GIL will be responsible for:

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

### b. Corporate Social Responsibility (CSR) Committee

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

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

### c. Corporate Social Responsibility (CSR) Team

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

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

## 6. Onboarding a Partner

### a. Identification of a Partner

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

### b. Due Diligence

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

**c. CSR Committees**

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

**d. Partner Statutory Compliances**

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

**e. Memorandum of Understanding (MoU)**

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

**7. Monitoring and Evaluation**

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

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

**8. Employee Engagement**

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

**9. Compliance**

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

**10. Effective Date**

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

## ANNEXURE 4 TO THE BOARD'S REPORT

### ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON 1ST DAY OF APRIL 2022 TO 31ST DAY OF MARCH 2023

#### 1. Brief outline on CSR Policy of the Company:

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

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

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

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

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

#### 2. Composition of CSR Committee:

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

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

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

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

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
NIL	NIL	Not Applicable	Not Applicable	NIL	Not Applicable

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)		
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
NOT APPLICABLE												

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

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

- (d) Amount spent in Administrative Overheads : NIL
- (e) Amount spent on Impact Assessment, if applicable : NIL
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : NIL
- (g) Excess amount for set off, if any: NIL

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

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹ crores)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
1.	FY 2019-20	NA	NIL	NA	NIL	NA	NIL
2.	FY 2020-21	NA	NIL	NA	NIL	NA	NIL
3.	FY 2021-22	NA	NIL	NA	NIL	NA	NIL
	<b>TOTAL</b>	NA	NIL	NA	NIL	NA	NIL

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

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

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

**(asset-wise details).**

- a. Date of creation or acquisition of the capital asset(s): Not Applicable
- b. Amount of CSR spent for creation or acquisition of capital asset: Not Applicable



- c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc : Not Applicable
  - d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Not Applicable
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) – Not Applicable

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

**Mrs. Rita Bhagwati**  
**Chairman – CSR Committee**  
**(DIN: 06990589)**

Mumbai, May 05, 2023



## ANNEXURE 5 TO THE BOARD'S REPORT

### POLICY FOR APPOINTMENTS

#### Policy Adoption

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

#### Purpose

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

#### APPOINTMENT POLICY FOR DIRECTORS

##### 1. Board Constitution

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

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

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

##### 2. Qualifications and Experience

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

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

##### 3. Attributes

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

##### 4. Appointment process

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

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

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

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

##### 1. Review of organization structure and Competency Requirements

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

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

## 2. Appointment of KMP and SMP

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

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

### Annexure 1: Criteria for appointment

#### I. Executive Directors

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

#### II. Independent Directors

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

## ANNEXURE 6 TO THE BOARD'S REPORT

### REMUNERATION POLICY

#### POLICY ADOPTION

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

#### REMUNERATION POLICY FOR THE DIRECTORS

##### 1. Recommendation & approval authorities

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

##### 2. Forward looking nature

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

#### EXECUTIVE DIRECTORS

##### Key Principles

Attracting and retaining requisite talent is a key objective of the Company's approach to remuneration. The core elements of salary, variable pay<sup>1</sup>, benefits and pension continue to provide an effective, relatively simple, performance-based system that fits well with the nature of Company's business and strategy.

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

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

<sup>1</sup> amended w.e.f. October 30, 2018

## Elements of remuneration

Executive directors' remuneration shall be divided into following elements:

### 1. Consolidated Salary

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

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

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

### 2. Benefits

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

Annexure - 1 details the benefits applicable for Executive Directors.

### 3. Reimbursements

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

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

### 4. Variable Pay<sup>3</sup>

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

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

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

<sup>2</sup> amended w.e.f October 30, 2018

<sup>3</sup> amended w.e.f October 30, 2018

## **NON-EXECUTIVE DIRECTORS**

### **Key Principles**

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

### **Elements of Remuneration**

#### **1. Sitting fees <sup>4</sup>**

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

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

#### **2. Remuneration <sup>9</sup>**

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

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

#### **3. Reimbursements <sup>5</sup>**

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

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

<sup>4</sup> amended w.e.f October 30, 2018

<sup>5</sup> inserted w.e.f October 30, 2018

<sup>9</sup> amended w.e.f April 30, 2021

**Annexure – 1: Benefits applicable for Executive Directors <sup>6</sup>****Managing Director:**

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

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

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

**Other Executive Director(s):**

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

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

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

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

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

**2. Forward looking nature**

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

<sup>6</sup> replaced w.e.f October 30, 2018

<sup>7</sup> inserted w.e.f February 4, 2019

### 3. Key Principles

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

#### a. Fixed and variable components:

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

#### b. Benchmarking compensation packages:

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

### 4. Elements of remuneration

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

#### a. Fixed Pay or the CTC:

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

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

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

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

#### b. Variable Pay or Performance Incentive Pay:

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

#### c. Other Benefits:

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

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

<sup>8</sup> inserted w.e.f February 4, 2019.



## ANNEXURE 7 TO THE BOARD'S REPORT

### FORM NO. AOC -2

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

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

The details of contracts/arrangements or transactions entered into during the year ended March 31, 2023, which are not at arm's length basis are as follows:

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

Justification : NA

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

The details of contracts/arrangements or transactions at arm's length basis and in the ordinary course of business of the Company for the year ended March 31, 2023 are as follows:

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions	Amount (₹ in crores)
1	The Great Eastern Shipping Co. Ltd.	Parent Company	Effective interest cost on redeemable preference Shares	Annual	Interest cost accrued by the Company as per the terms of preference shares issued by the Company	25.93
2			Purchase of training slots	Several transactions during the year	Service charges for allotment of training slots	1.25
3			Payables	-	Payables towards purchase of training slots	0.88
4			Dividend Payable	-	Preference dividend payable by the Company as per the terms of preference shares issued by the Company	24.59
5			Reimbursement of Expenses	-	Reimbursement of expenses received	(0.30)
6			Reimbursement of Expenses	-	Reimbursement of expenses paid	0.08

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions	Amount (₹ in crores)
7	Greatship (UK) Limited	Wholly Owned Subsidiary	Payables	-	Payables towards the vessels chartered to WOS and others, if any	15.60
8	Greatship Global Energy Services Pte. Ltd	Wholly Owned Subsidiary	Dividend received	-	Dividend received	(23.21)
9	Ms. Nirja B. Sheth	Daughter of Mr. Bharat K. Sheth (Chairman of the Company)	Holding office or place of profit	With effect from December 1, 2016	Salary up to ₹ 25,00,000/- p.a (including performance incentive pays and periodic increments) and other benefits applicable to her designation/grade from time to time	0.21

For and on behalf of the  
Board of Directors

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

Mumbai, May 05, 2023

## ANNEXURE 8 TO THE BOARD'S REPORT

FORM NO. MR.3

### SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Greatship (India) Limited,**  
One International Center,  
Tower 3, 23<sup>rd</sup> Floor, Senapati Bapat Marg,  
Elphinstone Road (West), Mumbai - 400013

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

#### Auditor's Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended on March 31, 2023 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings and Overseas Direct Investment; **(Foreign Direct Investment is not applicable to the Company during the Audit Period);**

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the Company during the Audit Period)**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable to the Company during the Audit Period)**
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with company;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)** and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(Not Applicable to the Company during the Audit Period)**

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

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

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

**We further report that** having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the acts and Rules thereunder which are specifically applicable to the Company:

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

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period

under review except reappointment and change in designation of Executive directors were carried out in compliance with the provisions of the Act.

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

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

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

**MMJB Associates & LLP**  
**Company Secretaries**

**Omkar Dindorkar**  
**Designated Partner**  
**ACS:** 43029  
**CP No.** 24580  
**PR No:** 2826/2022  
**UDIN:** A043029E000257562

**Place:** Mumbai  
**Date:** May 05, 2023

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

## ANNEXURE

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

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

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

### **MMJB Associates & LLP** **Company Secretaries**

**Omkar Dindorkar**  
**Designated Partner**  
**ACS:** 43029  
**CP No.** 24580  
**PR No:** 2826/2022  
**UDIN:** A043029E000257562

**Place:** Mumbai  
**Date:** May 05, 2023

## FLEET AS ON MARCH 31, 2023

### GREATSHIP (INDIA) LIMITED AND ITS SUBSIDIARIES

Category	Vessel/Rig Name	Company#	DWT (MT)	Year Built	Average Age (Years)
<b>OFFSHORE SUPPORT VESSELS</b>					
<b>Platform Supply Vessels</b>					
1	m.v. Greatship Dipti	GIL	3,228	2005	
2	m.v. Greatship Dhriti	GIL	3,318	2008	
3	m.v. Greatship Dhvani	GIL	3,304	2008	
4	m.v. Greatship Prachi	GIL	4,194	2015	
<b>4</b>			<b>14,044</b>		<b>13.63</b>
<b>R Class Supply Vessels</b>					
1	m.v. Greatship Ramya	GGOS	2,233	2010	
2	m.v. Greatship Rashi	GIL	3,608	2011	
3	m.v. Greatship Roopa	GIL	3,656	2012	
4	m.v. Greatship Rachna	GIL	3,629	2012	
<b>4</b>			<b>13,126</b>		<b>11.47</b>
<b>Anchor Handling Tug cum Supply Vessels</b>					
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 Aditi	GIL	2,045	2009	
7	m.v. Greatship Vidya	GIL	3,289	2012	
8	m.v. Greatship Vimla	GIL	3,311	2012	
9	m.v. Greatship Amaira	GIL	1,650	2007	
<b>9</b>			<b>19,455</b>		<b>13.71</b>
<b>Multi-purpose Platform Supply and Support Vessels</b>					
1	m.v. Greatship Maya	GGOS	4,252	2009	
2	m.v. Greatship Manisha	GGOS	4,221	2010	
<b>2</b>			<b>8,473</b>		<b>12.94</b>
<b>TOTAL OFFSHORE SUPPORT VESSELS</b>					
Number	<b>19</b>				
Total Tonnage (dwt)	<b>55,265</b>				
Average Age (years)	<b>13.13</b>				

Category	Rig Name	Company#	DWT (MT)	Year Built	Average Age (Years)
----------	----------	----------	----------	------------	---------------------

**DRILLING UNITS****350' Jack Up Rigs**

1	Greatdrill Chitra	GIL	N.A.	2009	
2	Greatdrill Chetna	GIL	N.A.	2009	
3	Greatdrill Chaaya	GIL	N.A.	2013	
4	Greatdrill Chaaru	GIL	N.A.	2015	
<b>4</b>					<b>11.45</b>

**TOTAL DRILLING UNITS**

Number	<b>4</b>
Average Age (years)	<b>11.45</b>

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

**ACQUISITIONS/SALES DURING FY 2022-23****Greatship (India) Limited and its Subsidiaries**

CATEGORY	VESSEL NAME	COMPANY#	DWT (MT)	YEAR BUILT	MONTH OF AQUISITION/SALE
----------	-------------	----------	----------	------------	--------------------------

**ACQUISITION**OFFSHORE SUPPORT VESSEL**Anchor Handling Tug cum Supply Vessel**

1	m.v. Greatship Amaira	GIL	1,650	2007	Mar-23
---	-----------------------	-----	-------	------	--------

# GIL stands for 'Greatship (India) Limited'



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

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of Greatship (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

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

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

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

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

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

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

#### Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the standalone financial statements.

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, 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.
  - 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 Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid during the year / provided for the year by the Company to its Managing Director and Executive Directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act. The Board of Directors have recommended payment of remuneration of Rs. 0.27 crore and Rs. 0.54 crore to non-executive independent directors and non-executive chairman, respectively, for the financial year 2022-23 at its meeting held on May 5, 2023 in accordance with the provisions of section 197 read with Schedule V of the Act, which is provided for in the books of account and is subject to approval by the shareholders by a special resolution at the ensuing general meeting of the Company.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 46 to the standalone financial statements.

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 27 to the standalone financial statements.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a. The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 54 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b. The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 54 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The dividend on preference shares approved for the previous year and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

**Samir R. Shah**  
**Partner**

Membership No. 101708  
 UDIN: 23101708BGYJAY9253

Mumbai, May 05, 2023

## ANNEXURE 'A'

### TO THE INDEPENDENT AUDITOR'S REPORT

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

**Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to standalone financial statements of Greatship (India) Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

#### **Meaning of Internal Financial Controls with reference to standalone financial statements**

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of

records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to standalone financial statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Samir R. Shah**  
**Partner**  
Membership No. 101708  
UDIN: 23101708BGYJAY9253

Mumbai, May 05, 2023

## ANNEXURE 'B'

### TO THE INDEPENDENT AUDITOR'S REPORT

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

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

- (i) In respect of Property, Plant and Equipment and Intangible Assets:
- (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets.
  - B. The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Property, Plant and Equipment, capital work-in-progress and right-of-use assets were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) Based on our examination of the records provided to us, we report that, the Company has no immovable property other than those that have been taken on lease and disclosed as right-of-use assets in the financial statements, and the lease agreements are duly executed in favour of the Company.
  - (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) during the year. The Company does not have any intangible assets.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii) In respect of Inventory:
- (a) The inventories except materials-in-transit, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of materials-in-transit, the materials have been received subsequent to the year-end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories, when compared with the books of account.
  - (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets, and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii) The Company has not provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. The investments in mutual funds made during the year are not, prima facie, prejudicial to the interest of the Company.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of investments. The Company has not granted loans, made investments or provided any guarantees or securities under Section 185 and 186 of the Act.

- v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
- vii) In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of Statute	Nature of Dues	Period for which the amount relates	Forum where dispute is pending	Amount # (INR crore)
Income Tax Act, 1961	Income Tax	FY 2015-16	Commissioner of Income Tax (Appeal)	0.46
The Finance Act, 1994 (Service tax legislation)	Service Tax	FY 2009-10	Supreme Court	21.94
The Finance Act, 1994 (Service tax legislation)	Service Tax	FY 2008-09 to FY 2014-15 and October 2015 to June 2017	Customs Excise & Service Tax Appellate Tribunal	352.65*
Customs Act, 1962	Customs Duty	FY 2009-10 to FY 2013-14	Various Forums	0.33
Customs Act, 1962	Customs Duty	FY 2009-10	Commissioner of Customs	14.55
Maharashtra Value Added Tax Act, 2002	MVAT	FY 2008-09	Bombay High Court	0.87*
Maharashtra Value Added Tax Act, 2002	MVAT	FY 2015-16	Deputy Commissioner (Appeals)	73.15*

#excludes interest and penalty.

\*net of payment under protest aggregating to Rs. 20.37 crores.

- viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.
- ix) In respect of Borrowings:
- (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.



- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) There are no funds raised on short-term basis and hence, reporting under clause 3(ix)(d) is not applicable.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x) In respect of issue of securities:
- (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi) In respect of Fraud:
- (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv) In respect of Internal Audit:
- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period up to September 30, 2022 and draft of the internal audit reports issued after the balance sheet date covering the period October 1, 2022 to March 31, 2023 for the period under audit.
- xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company or subsidiaries or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) In respect of Section 45-IA:
- (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

- (b) The Group does not have any Core Investment Company (as defined in the Core Investment Companies (Reserve Bank) Directors, 2016) as part of the Group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors of the Company during the year.
- xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) The Company has losses in previous three years and therefore is not required to spend amount towards Corporate Social Responsibility (CSR) and hence, reporting under clause 3(xx) of the Order is not applicable to the Company.



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

**Samir R. Shah**  
**Partner**

Membership No. 101708  
UDIN: 23101708BGYJAY9253

Mumbai, May 05, 2023

**BALANCE SHEET**

AS AT MARCH 31, 2023

	Notes	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	7	2,663.10	2,779.02
(b) Capital work-in-progress	8	7.72	0.61
(c) Right-of-use of assets	9	15.99	18.97
(d) Intangible assets	10	-	0.02
(e) Financial assets			
(i) Non-current investments	11	493.23	493.23
(ii) Deposits with bank	12	3.23	-
(iii) Other non-current financial assets	13	10.12	16.05
(f) Non-current tax assets (net)	14C	38.44	28.83
(g) Other non-current assets	15	23.98	23.68
		<b>3,255.81</b>	<b>3,360.41</b>
<b>2 Current assets</b>			
(a) Inventories	16	90.58	82.23
(b) Financial assets			
(i) Current investments	17	20.74	32.80
(ii) Trade receivables	18	93.37	73.27
(iii) Cash and cash equivalents	19	278.42	341.08
(iv) Bank balances other than cash and cash equivalents	20	86.15	3.09
(v) Other current financial assets	21	22.30	4.29
(c) Other current assets	22	15.27	8.14
		<b>606.83</b>	<b>544.90</b>
<b>TOTAL ASSETS</b>		<b>3,862.64</b>	<b>3,905.31</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	23	111.35	111.35
(b) Other equity	24	2,063.17	2,028.86
		<b>2,174.52</b>	<b>2,140.21</b>

	Notes	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
<b>LIABILITIES</b>			
<b>1 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Long term borrowings	25	1,157.22	1,364.11
(ii) Lease liabilities	30	12.27	15.92
(iii) Other non-current financial liabilities	26	-	0.28
(b) Provisions	27A	18.97	12.28
(c) Deferred tax liabilities (net)	14D	30.72	39.38
(d) Other non-current liabilities	28	13.36	15.70
		<b>1,232.54</b>	<b>1,447.67</b>
<b>2 Current liabilities</b>			
(a) Financial liabilities			
(i) Short term borrowings	25	293.34	188.94
(ii) Trade payables	29		
(a) total outstanding dues of micro and small enterprises		5.19	5.13
(b) total outstanding dues of creditors other than micro and small enterprises		53.14	48.25
(ii) Lease liabilities	30	5.80	4.82
(iv) Other current financial liabilities	31	60.53	50.40
(b) Other current liabilities	32	7.63	6.70
(c) Provisions	27B	13.76	1.41
(d) Current tax liabilities (net)	14C	16.19	11.78
		<b>455.58</b>	<b>317.43</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,862.64</b>	<b>3,905.31</b>

Significant accounting policies 5

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

As per our Report of even date attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells LLP**

**Chartered Accountants**

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

**Samir R. Shah**

Partner

(Membership No.: 101708)

**Ravi K. Sheth**

Managing Director

(DIN No : 00022121)

**Alok A. Mahajan**

Executive Director &

Chief Operating Officer

(DIN No : 00452309)

Place : Mumbai

Date : May 5, 2023

**G. Shivakumar**

Chief Financial Officer

**Amisha M. Ghia**

Company Secretary

(M. No. A18247)

## STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2023

Particulars	Notes	Year Ended March 31, 2023 ₹ in Crores	Year ended March 31, 2022 ₹ in Crores
<b>Income</b>			
I Revenue from operations	33	707.13	570.34
II Other income	34	97.06	35.91
III <b>Total income</b>		<b>804.19</b>	<b>606.25</b>
<b>IV Expenses</b>			
Employee benefits expense	35	210.29	189.73
Finance costs	36	109.34	119.52
Depreciation and amortisation expenses	37	207.29	209.65
Impairment loss	38	-	7.74
Other expenses	39	277.86	250.96
<b>Total expenses</b>		<b>804.78</b>	<b>777.60</b>
V <b>Loss before tax</b>		<b>(0.59)</b>	<b>(171.35)</b>
<b>VI Tax expense</b>			
Current tax	14A	0.09	0.09
Reversal of taxes for earlier years	14A	(45.56)	-
Deferred tax (net)	14A	(11.44)	(22.39)
<b>Total tax expense</b>		<b>(56.91)</b>	<b>(22.30)</b>
VII <b>Profit / (Loss) for the year</b>		<b>56.32</b>	<b>(149.05)</b>
<b>VIII Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to Profit or Loss			
- Remeasurements of the defined benefit plans		(1.29)	1.68
(ii) Income tax on items that will not be reclassified to Profit or Loss		0.22	(0.37)
B (i) Items that will be reclassified to Profit or Loss			
- Net changes in fair value of hedging instruments in a cash flow hedge		11.36	34.77
(ii) Income tax relating to items that will be reclassified to Profit or Loss		(3.00)	(8.85)
<b>Total other comprehensive income (A+B)</b>		<b>7.29</b>	<b>27.23</b>

Particulars	Notes	Year Ended March 31, 2023 ₹ in Crores	Year ended March 31, 2022 ₹ in Crores
<b>IX Total comprehensive income / (loss) for the year (VII+VIII)</b>		<b>63.61</b>	<b>(121.82)</b>

Earnings per equity share

40

[Nominal value per share ₹10 : previous year ₹10]

Basic &amp; Diluted

5.06

(13.39)

Significant accounting policies

5

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

As per our Report of even date attached

For and on behalf of the Board of Directors

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

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

**Samir R. Shah**

Partner

(Membership No.: 101708)

**Ravi K. Sheth**

Managing Director

(DIN No : 00022121)

**Alok A. Mahajan**

Executive Director &amp;

Chief Operating Officer

(DIN No : 00452309)

Place : Mumbai

Date : May 5, 2023

**G. Shivakumar**

Chief Financial Officer

**Amisha M. Ghia**

Company Secretary

(M. No. A18247)

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

₹ in Crores

### A EQUITY SHARE CAPITAL

Balance as at April 1, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at April 1, 2022	Changes in equity share capital during the year	Balance as at March 31, 2023
111.35	-	111.35	-	111.35

Balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at April 1, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022
111.35	-	111.35	-	111.35

### B OTHER EQUITY

₹ in Crores

Particulars	Reserves and Surplus						Other Comprehensive Income	Total
	Capital reserve	Capital redemption reserve	Securities premium	General reserve	Tonnage tax reserve	Retained earnings	Cash flow hedging reserve	
<b>Balance as at April 1, 2022</b>	<b>489.32</b>	<b>43.50</b>	<b>1,155.13</b>	<b>147.35</b>	<b>82.50</b>	<b>100.88</b>	<b>10.18</b>	<b>2,028.86</b>
Impact on account of onerous contract (refer note 52)	-	-	-	-	-	(29.30)	-	(29.30)
	<b>489.32</b>	<b>43.50</b>	<b>1,155.13</b>	<b>147.35</b>	<b>82.50</b>	<b>71.58</b>	<b>10.18</b>	<b>1,999.56</b>
Profit for the year	-	-	-	-	-	56.32	-	56.32
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(1.07)	8.36	7.29
Transfer from retained earnings to tonnage tax reserve	-	-	-	-	10.00	(10.00)	-	-
<b>Balance as at March 31, 2023</b>	<b>489.32</b>	<b>43.50</b>	<b>1,155.13</b>	<b>147.35</b>	<b>92.50</b>	<b>116.83</b>	<b>18.54</b>	<b>2,063.17</b>

₹ in Crores

Particulars	Reserves and Surplus						Other comprehensive income	Total
	Capital reserve	Capital redemption reserve	Securities premium	General reserve	Tonnage tax reserve	Retained earnings	Cash flow hedging reserve	
<b>Balance as at April 1, 2021</b>	<b>489.32</b>	<b>43.50</b>	<b>1,155.13</b>	<b>147.35</b>	<b>82.00</b>	<b>249.12</b>	<b>(15.74)</b>	<b>2,150.68</b>
Loss for the year	-	-	-	-	-	(149.05)	-	(149.05)
Other comprehensive income for the year, net of income tax	-	-	-	-	-	1.31	25.92	27.23
Transfer from tonnage tax reserve to general reserve	-	-	-	-	-	-	-	-
Transfer from retained earnings to tonnage tax reserve	-	-	-	-	0.50	(0.50)	-	-
<b>Balance as at March 31, 2022</b>	<b>489.32</b>	<b>43.50</b>	<b>1,155.13</b>	<b>147.35</b>	<b>82.50</b>	<b>100.88</b>	<b>10.18</b>	<b>2,028.86</b>

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

As per our report of even date attached

For **DELOITTE HASKINS & SELLS LLP**  
**Chartered Accountants**

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

For and on behalf of Board of Directors

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

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

**Alok A. Mahajan**  
Executive Director  
& Chief Operating  
Officer  
(DIN No :  
00452309)

**G. Shivakumar**  
Chief Financial  
Officer

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

Place : Mumbai  
Date : May 5, 2023



## CASH FLOW STATEMENT

### FOR THE YEAR ENDED MARCH 31, 2023

Particulars	Year Ended March 31, 2023 ₹ in Crores	Year ended March 31, 2022 ₹ in Crores
<b>Cash flow from operating activities :</b>		
<b>Loss before tax</b>	<b>(0.59)</b>	<b>(171.35)</b>
<b>Adjustments for:</b>		
Depreciation and amortisation expense	207.29	209.65
Impairment loss on tangible assets	-	7.74
Dividend received from foreign subsidiary	(23.21)	-
Finance costs	109.34	119.52
Profit on sale of vessels / other fixed assets	(0.04)	(4.83)
Reversal for doubtful debts and advances (net)	(0.08)	(0.02)
Interest income	(7.16)	(1.91)
Excess provision written back	-	(8.61)
Insurance claim settled	(44.73)	-
Amortisation of income from government grants	(2.34)	-
Profit on sale of current investments	(1.29)	(0.33)
Loss on asset held for scrap	-	12.56
Reversal on account of onerous contract	(11.12)	-
Exchange differences on translation / adjustments of foreign currency balances	54.43	(6.64)
Profit on derivative transaction (net)	(2.65)	(5.68)
<b>Operating profit before working capital changes :</b>	<b>277.85</b>	<b>150.10</b>
<b>Adjustments for working capital changes</b>		
(Increase) / Decrease in inventories	(8.35)	4.14
(Increase) / Decrease in trade receivables	(19.67)	28.48
(Increase) / Decrease in other financial assets and other assets	(6.40)	9.09
Increase / (Decrease) in trade payables	3.46	(14.68)
Increase / (Decrease) in other financial liabilities, provisions and other liabilities	9.84	(10.73)
<b>Cash Generated From Operations :</b>	<b>256.73</b>	<b>166.40</b>
(Taxes paid) / Refund received	40.27	30.75
<b>Net cash from operating activities :</b>	<b>297.00</b>	<b>197.15</b>

## CASH FLOW STATEMENT (CONTINUED)

### FOR THE YEAR ENDED MARCH 31, 2023

Particulars	Year Ended March 31, 2023 ₹ in Crores	Year ended March 31, 2022 ₹ in Crores
<b>Cash flow from investing activities :</b>		
Purchase of property, plant and equipment	(93.24)	(54.28)
Proceeds from sale of property, plant and equipment	0.05	12.34
Proceeds from sale of current investments	115.35	37.60
Purchase of current investments	(101.99)	(62.51)
Interest received	7.16	1.90
Insurance claim settled	44.73	-
Dividend received from foreign subsidiary	23.21	-
Bank deposits having original maturity more than three months placed	(168.47)	(0.14)
Bank deposits having original maturity more than three months redeemed	82.73	223.09
<b>Net cash (used) / from investing activities :</b>	<b>(90.47)</b>	<b>157.99</b>
<b>Cash flow from financing activities :</b>		
Repayment of long term borrowings	(206.24)	(149.42)
Interest paid	(56.64)	(48.80)
Dividend paid on preference shares	(24.59)	(24.59)
Repayment of lease liability	(6.38)	(6.12)
<b>Net cash used in financing activities :</b>	<b>(293.85)</b>	<b>(228.92)</b>
<b>Net (decrease) / increase in cash and cash equivalents :</b>	<b>(87.32)</b>	<b>126.22</b>
<b>Cash and cash equivalents - opening balance</b>	<b>341.08</b>	<b>199.46</b>
Gain on exchange rate changes in cash and cash equivalents	24.66	15.40
<b>Cash and cash equivalents - closing balance</b>	<b>278.42</b>	<b>341.08</b>

Notes :

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

## CASH FLOW STATEMENT (CONTINUED)

### FOR THE YEAR ENDED MARCH 31, 2023

₹ in Crores

Particulars	As at March 31, 2023	Cash flows (net)	Non-cash changes		As at March 31, 2022
			Foreign exchange movement	Amortised cost to Profit and Loss (net)	
Foreign currency term loans from banks	1,093.38	(206.24)	98.84	4.29	1,196.49
Redeemable cumulative Preference shares capital	358.33	-	-	1.34	356.99
<b>Total liabilities from financing activities</b>	<b>1,451.71</b>	<b>(206.24)</b>	<b>98.84</b>	<b>5.63</b>	<b>1,553.48</b>

₹ in Crores

Particulars	As at March 31, 2022	Cash flows (net)	Non-cash changes		As at March 31, 2021
			Foreign exchange movement	Amortised cost to Profit and Loss (net)	
Foreign currency term loans from banks	1,196.49	(149.42)	45.77	3.99	1,296.15
Redeemable cumulative Preference shares capital	356.99	-	-	1.25	355.74
<b>Total liabilities from financing activities</b>	<b>1,553.48</b>	<b>(149.42)</b>	<b>45.77</b>	<b>5.24</b>	<b>1,651.89</b>

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

As per our Report of even date attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells LLP**

**Chartered Accountants**

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

**Samir R. Shah**

Partner

(Membership No.: 101708)

**Ravi K. Sheth**

Managing Director

(DIN No : 00022121)

**Alok A. Mahajan**

Executive Director &

Chief Operating Officer

(DIN No : 00452309)

Place : Mumbai

Date : May 5, 2023

**G. Shivakumar**

Chief Financial Officer

**Amisha M. Ghia**

Company Secretary

(M. No. A18247)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 1 Background

Greatship (India) Limited (“the Company”) is a public company domiciled in India and incorporated in the year 2002 under the provisions of the Companies Act, 1956. The company is engaged in providing offshore oilfield services with the principal activity of offshore logistics and drilling services. The company presently owns and operates 7 Platform Supply Vessels (PSVs) (Including 3 R-Class Supply Vessels) and 9 Anchor Handling Tug cum Supply Vessels (AHTSVs) in the Indian and International markets. The company also owns and operates 4 Jack up Drilling Rigs. There have been no significant changes in the nature of these activities during the financial year. The company is a wholly owned subsidiary of The Great Eastern Shipping Company Limited (GESCO) which is listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

The financial statements of the Company for the year ended March 31, 2023 were approved for issue in accordance with the resolution of the Board of Directors on May 5, 2023.

### 2 Statement of Compliance with Ind AS

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

### 3 Basis of Preparation

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

### 4 Use of Estimates

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

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

#### *Impairment of property, plant and equipment*

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

#### *Useful lives and residual values of property, plant and equipment*

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

### *Provisions and Contingent Liabilities*

The Company is a party to certain legal disputes, the outcomes of which cannot be assessed with a high degree of certainty. A provision is recognised where, based on the legal views and advice, it is considered probable that an outflow of resources will be required to settle a present obligation that can be measured reliably. Disclosure of contingent liabilities is made in Note 46 unless the possibility of a loss arising is considered remote. Management applies its judgement in determining whether or not a provision should be recorded or contingent liability should be disclosed.

## 5 Significant Accounting Policies

### (a) Property, Plant & Equipment :

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

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

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

### **Capital work-in-progress and Capital advances :**

Cost of assets not ready for intended use as on the Balance Sheet date, is shown as capital work-in-progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Other Non-Current Assets.

### (b) Intangible Assets :

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

### (c) Non-current assets held for sale :

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

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

### (d) Depreciation and Amortisation

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

Estimated useful lives of the assets are as follows:

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

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

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

Estimated useful life of the Fleet and Modern Rigs 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.

Derecognition :

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

**(e) Impairment :**

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

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

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that

would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior accounting periods.

**(f) Inventories :**

Inventories of fuel oil (includes returnable fuel oil from charterer as per terms of the time charter agreement), stores and spares on rigs and at warehouse are carried at lower of cost and net realizable value. Stores and spares delivered on board the vessels are charged to Statement of Profit and Loss. Stores and spares of Rigs are charged to Statement of Profit and Loss on consumption basis. Cost is ascertained on first-in-first-out basis for fuel oil and on weighted average basis for stores and spares on Rigs. Net realisable value represents the estimated selling price for inventories less all costs necessary to make the sale or expected amount to be realised from use as estimated by the management, as applicable.

**(g) Financial Instruments :**

Initial Recognition

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

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

Subsequent measurement

**Financial Assets**

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

**Cash and Cash Equivalents**

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

Fixed deposit having residual maturity more than three months but less than twelve 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 financial assets.

**Financial Assets at amortised cost**

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

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

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

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

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

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

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

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

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

**Investment in Subsidiaries**

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

**Impairment of financial assets**

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

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

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

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



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

### **Derecognition of financial assets**

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

### **Financial liabilities and equity instruments**

#### **Classification as debt or equity**

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

#### **Equity instruments**

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

#### **Financial liabilities**

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

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

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

#### **Financial guarantee contracts**

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

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

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

#### **Derecognition of financial liabilities**

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

**Effective interest method**

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

**Offsetting financial instruments**

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

**Derivative financial instruments**

The Company enters into a variety of derivative financial instruments like foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. Further details of derivative financial instruments are disclosed in Note 43.

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

**Hedge accounting**

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

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk. Note 43 sets out details of the fair values of the derivative instruments used for hedging purposes.

**Fair value hedges**

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

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

### Cash flow hedges

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

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

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

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

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

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

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

#### (h) Revenue Recognition :

The Company earns revenue primarily from drilling and offshore support services performed by deploying rigs and support vessels under contracts with customers. Revenue from drilling services is earned on performance of activity which are paid on a day rate basis over the period of the contract as and when specified services are rendered, which

may vary depending upon the nature of operations of rigs during the day. Such daytime consideration is attributed to the distinct time period to which it relates within the contract term, and therefore, is recognised as the services are performed. Revenue from offshore support services is earned on a day rate basis as per the terms of the contract and is recognised accordingly.

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

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

**(i) Leases :**

**Company as a Lessee**

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

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

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

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

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

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

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

**Company as a Lessor**

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

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

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

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

**Post- Employment Benefits**

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

**i. Defined Contribution Plans**

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

**ii. Defined Benefit Plan**

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

**Other Long Term Benefits**

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

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

**(k) Borrowing Costs :**

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

**(l) Foreign Currency Translation :**

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

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

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

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

#### **(m) Income Taxes :**

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

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

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

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

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

Deferred tax assets and liabilities are measured using tax rates and laws, enacted or substantively enacted as of the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as an income or expense in the period that includes the enactment or substantive enactment date. Deferred

income taxes are not provided on the undistributed earnings of the subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

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

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

**(n) Provisions and Contingent Liabilities :**

Provisions are recognised in the financial statement in respect of present obligations (legal or constructive) as a result of past events if it is probable that the Company will be required to settle the obligation, and which can be reliably estimated. Provisions are measured at the best estimate of the consideration required to settle the present obligation at the Balance Sheet date. In case of onerous contract present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it, if applicable. The cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

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

**(o) Earnings Per Share :**

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

**(p) Government Grant :**

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

**(q) Current/Non-Current Classification :**

Any asset or liability is classified as current if it satisfies any of the following conditions :

- (i) the asset/liability is expected to be realised/settled in the Company's normal operating cycle;

- (ii) the asset is intended for sale or consumption;
- (iii) the asset/liability is held primarily for the purpose of trading;
- (iv) the asset/liability is expected to be realised/settled within twelve months after the reporting period;
- (v) the asset is cash and cash equivalent or other bank balances unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- (vi) in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date;
- (vii) All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months.

## 6 Recent Accounting Developments

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company is in the process of evaluating the impact of these amendments.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company is in the process of evaluating the impact of these amendments.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company is in the process of evaluating the impact of these amendments.



## 7 PROPERTY, PLANT AND EQUIPMENT

₹ in Crores

Description	Fleet*	Rigs*	Leasehold improvements	Plant and equipment*	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
<b>Gross block</b>									
Balance as at April 1, 2022	2,037.50	2,437.45	5.30	69.91	1.03	9.58	2.29	3.70	4,566.76
Additions	77.36	-	-	7.21	-	1.09	0.06	0.37	86.09
Disposals	(22.44)	-	-	-	-	(0.60)	(0.05)	(0.01)	(23.10)
<b>Balance as at March 31, 2023</b>	<b>2,092.42</b>	<b>2,437.45</b>	<b>5.30</b>	<b>77.12</b>	<b>1.03</b>	<b>10.07</b>	<b>2.30</b>	<b>4.06</b>	<b>4,629.75</b>
<b>Accumulated depreciation / impairment</b>									
Accumulated depreciation / impairment as at April 1, 2022	1,285.08	447.02	5.30	36.63	1.02	7.26	2.22	3.20	1,787.73
Depreciation for the year	96.54	96.95	-	6.93	-	1.24	0.04	0.27	201.97
Impairment loss for the year	-	-	-	-	-	-	-	-	-
Disposals	(22.44)	-	-	-	-	(0.56)	(0.05)	-	(23.05)
<b>Accumulated depreciation / impairment as at March 31, 2023</b>	<b>1,359.18</b>	<b>543.97</b>	<b>5.30</b>	<b>43.56</b>	<b>1.02</b>	<b>7.94</b>	<b>2.21</b>	<b>3.47</b>	<b>1,966.65</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>733.24</b>	<b>1,893.48</b>	<b>-</b>	<b>33.56</b>	<b>0.01</b>	<b>2.13</b>	<b>0.09</b>	<b>0.59</b>	<b>2,663.10</b>

## 7 PROPERTY, PLANT AND EQUIPMENT (Continue)

₹ in Crores

Description	Fleet*	Rigs*	Leasehold improvements	Plant and equipment*	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
<b>Gross block</b>									
<b>Balance as at April 1, 2021</b>	<b>2,144.14</b>	<b>2,431.00</b>	<b>5.30</b>	<b>51.21</b>	<b>1.03</b>	<b>9.48</b>	<b>2.27</b>	<b>3.42</b>	<b>4,647.85</b>
Additions	26.83	11.20	-	18.70	-	1.40	0.02	0.28	58.43
Disposals	(133.47)	(4.75)	-	-	-	(1.30)	-	-	(139.52)
<b>Balance as at March 31, 2022</b>	<b>2,037.50</b>	<b>2,437.45</b>	<b>5.30</b>	<b>69.91</b>	<b>1.03</b>	<b>9.58</b>	<b>2.29</b>	<b>3.70</b>	<b>4,566.76</b>
<b>Accumulated depreciation / impairment</b>									
<b>Accumulated depreciation / impairment as at April 1, 2021</b>	<b>1,291.37</b>	<b>354.90</b>	<b>5.30</b>	<b>29.96</b>	<b>1.02</b>	<b>7.20</b>	<b>2.18</b>	<b>3.01</b>	<b>1,694.94</b>
Depreciation for the year	99.38	96.87	-	6.67	-	1.25	0.04	0.19	204.40
Impairment loss for the year	7.74	-	-	-	-	-	-	-	7.74
Disposals	(113.41)	(4.75)	-	-	-	(1.19)	-	-	(119.35)
<b>Accumulated depreciation / impairment as at March 31, 2022</b>	<b>1,285.08</b>	<b>447.02</b>	<b>5.30</b>	<b>36.63</b>	<b>1.02</b>	<b>7.26</b>	<b>2.22</b>	<b>3.20</b>	<b>1,787.73</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>752.42</b>	<b>1,990.43</b>	<b>-</b>	<b>33.28</b>	<b>0.01</b>	<b>2.32</b>	<b>0.07</b>	<b>0.50</b>	<b>2,779.02</b>

Rigs with carrying amount of ₹ 1,927.04 crores (previous year : Rigs ₹ 2,023.71 crores) have been mortgaged/hypothecated against borrowings, the details relating to which have been described in Note 25.

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

## 8 CAPITAL WORK-IN-PROGRESS (CWIP)

CWIP balance as at March 31, 2023 amounting to ₹ 7.72 crores (as at March 31, 2022 amounting to ₹ 0.61 crores) pertains to materials for dry dock and other capital items ordered during the year.

## 9 RIGHT-OF-USE OF ASSETS

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

	As at March 31, 2023 ₹ in Crores
<b>Balance as at April 1, 2022</b>	18.97
Addition	2.32
Depreciation	5.30
<b>Balance as at March 31, 2023</b>	<b>15.99</b>
	As at March 31, 2022 ₹ in Crores
<b>Balance as at April 1, 2021</b>	24.05
Addition	0.14
Depreciation	5.22
<b>Balance as at March 31, 2022</b>	<b>18.97</b>

The aggregate depreciation on Right-of-use of assets has been included under depreciation and amortisation expense in the Statement of Profit and Loss. Refer Note 37.

## 10 INTANGIBLE ASSETS

Description	Computer software ₹ in Crores
<b>Gross block</b>	
<b>Balance as at April 1, 2022</b>	<b>5.11</b>
Additions	-
Disposals	-
<b>Balance as at March 31, 2023</b>	<b>5.11</b>
<b>Accumulated amortisation</b>	
<b>Balance as at April 1, 2022</b>	<b>5.09</b>
Amortisation for the year	0.02
Disposals	-
<b>Accumulated depreciation /impairment as at March 31, 2023</b>	<b>5.11</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>-</b>
<b>Computer software</b>	
<b>₹ in Crores</b>	
<b>Gross block</b>	
<b>Balance as at April 1, 2021</b>	<b>5.11</b>
Additions	-
Disposals	-
<b>Balance as at March 31, 2022</b>	<b>5.11</b>
<b>Accumulated amortisation</b>	
<b>Accumulated depreciation /impairment as at April 1, 2021</b>	<b>5.06</b>
Amortisation for the year	0.03
Disposals	-
<b>Accumulated depreciation /impairment as at March 31, 2022</b>	<b>5.09</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>0.02</b>

**11 NON CURRENT INVESTMENTS**

	As at March 31, 2023		As at March 31, 2022	
Investment in Equity Instruments - fully paid up (Unquoted - valued at cost)				
Subsidiaries	No. of Shares	₹ in Crores	No. of Shares	₹ in Crores
Greatship Global Energy Services Pte. Ltd., Singapore	2,28,829	65.61	2,28,829	65.61
Greatship Global Offshore Services Pte. Ltd.	7,11,01,378	425.10	7,11,01,378	425.10
Greatship (UK) Ltd.	5,00,000	2.26	5,00,000	2.26
Greatship Oilfield Services Limited	2,60,000	0.26	2,60,000	0.26
		<b>493.23</b>		<b>493.23</b>
<b>Aggregate amount of unquoted investments</b>		<b>493.23</b>		<b>493.23</b>

Information about subsidiaries				Proportion of equity interest	
Sr. No.	Name of the Company	Country of Incorporation	Principal Activity	As at March 31, 2023	As at March 31, 2022
1	Greatship Global Energy Services Pte. Ltd. ("GGES") (Incorporated on October 23, 2006)	Singapore	Owning, chartering and operating mobile offshore drilling units.	100%	100%
2	Greatship Global Offshore Services Pte. Ltd. ("GGOS") (Incorporated on May 08, 2007)	Singapore	Owning and operating offshore supply vessels.	100%	100%
3	Greatship (UK) Ltd. ("GUK") (Incorporated on October 29, 2010)	UK	Operating offshore supply and support vessels.	100%	100%
4	Greatship Oilfield Services Ltd., ("GOSL") (Incorporated on July 9, 2015)	INDIA	Offshore oilfield services.	100%	100%

**12 DEPOSITS WITH BANKS**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Earmarked balances with bank*	3.23	-
	<b>3.23</b>	<b>-</b>

\* Earmarked with Customs

**13 OTHER NON-CURRENT FINANCIAL ASSETS**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
(Unsecured, considered good)		
Security deposits	2.57	2.57
Derivatives designated as cash flow hedges		
- Mark - to - market gain on interest rate swaps and forward contracts	5.77	13.37
Derivatives not designated as Cash flow hedges		
- Mark - to - market loss on Interest rate collar	1.78	0.11
	<b>10.12</b>	<b>16.05</b>

**14 INCOME TAXES**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
<b>A. Income tax expense comprise of the following :</b>		
Current tax	0.09	0.09
Reversal of taxes for earlier years	(45.56)	-
Deferred tax	(11.44)	(22.39)
	<b>(56.91)</b>	<b>(22.30)</b>

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

Profit before tax	<b>(0.59)</b>	<b>(171.35)</b>
Indian statutory income tax rate	25.17%	25.17%
Expected income tax expense	(0.15)	(43.12)
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense :		
(Profit) / Loss attributable to tonnage tax activity *	(8.47)	16.76
Income exempt from income tax	(6.50)	0.08
Expense/(Reversal) not considered for tax purpose	3.43	3.43
Impact of earlier years adjustments**	(45.56)	-
Others (net)	0.34	0.55
Total income tax expense	<b>(56.91)</b>	<b>(22.30)</b>

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
<b>C. Tax assets and liabilities</b>		
Non current tax assets (net)	38.44	28.83
Current tax liabilities (net)	16.19	11.78

**D. Significant components of net deferred tax assets and liabilities for the period ended March 31, 2023 are as follows :**

(₹ in Crores)

	Balance as at April 1, 2022	Recognised in Statement of Profit or Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2023
Deferred tax assets / (liabilities) in relation to:				
Property, plant and equipment	(158.15)	4.34	-	(153.81)
Defined benefit obligation	(2.12)	-	0.22	(1.90)
Fair value of hedging instruments in a cash flow hedge	(4.31)	-	(3.00)	(7.31)
Unabsorbed depreciation	125.20	7.10	-	132.30
Net deferred tax assets / (liabilities)	(39.38)	11.44	(2.78)	(30.72)

**Significant components of net deferred tax assets and liabilities for the year ended March 31, 2022 are as follows :**

(₹ in Crores)

	Balance as at April 1, 2021	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2022
Deferred tax assets / (liabilities) in relation to:				
Property, plant and equipment	(139.39)	(18.76)	-	(158.15)
Defined benefit obligation	(1.75)	-	(0.37)	(2.12)
Fair value of hedging instruments in a cash flow hedge	4.54	-	(8.85)	(4.31)
Unabsorbed depreciation	84.05	41.15	-	125.20
Net deferred tax assets / (liabilities)	(52.54)	22.39	(9.22)	(39.38)

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

\*\* The Company has reversed provision for tax relating to earlier years based on the favourable orders received, time barred assessments, etc.

**15 OTHER NON-CURRENT ASSETS**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
(Unsecured, considered good)		
Security deposits with government authorities	22.11	21.85
Capital advances	1.87	1.83
	<b>23.98</b>	<b>23.68</b>

**16 INVENTORIES**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
“Stores and spares (Includes material in transit as on March 31, 2023 ₹ 4.25 crore (previous year ₹ 5.34 crore))”	73.29	65.93
Fuel oil	17.29	16.30
	<b>90.58</b>	<b>82.23</b>

Notes:

- Inventories are carried at lower of cost and net realisable value.
- Inventories of stores and spares on rigs and fuel oil on vessels and rigs are recognised as expense on consumption, and stores and spares relating to vessels are recognised as expense when delivered on board the vessels. The cost of inventories recognised as an expense is ₹ 98.44 crores (previous year: ₹ 102.01 crores).

**17 CURRENT INVESTMENTS**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Investments in mutual funds : Unquoted (Valued at fair value through Profit and Loss)	20.74	32.80
	<b>20.74</b>	<b>32.80</b>
<b>Aggregate amount of unquoted investments</b>	<b>20.74</b>	<b>32.80</b>



## 18 TRADE RECEIVABLES

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Unsecured		
- Considered good	27.44	16.28
- Considered doubtful	0.20	1.68
- Unbilled revenue	65.93	56.99
	93.57	74.95
Less: Allowances for doubtful receivables	(0.20)	(1.68)
	<b>93.37</b>	<b>73.27</b>

## Trade receivables Ageing Schedule

(₹ in Crores)

As at 31 March, 2023	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed trade receivable - considered good	13.21	11.80	-	-	-	-	25.01
Undisputed trade receivable - considered doubtful	-	-	-	0.20	-	-	0.20
Disputed trade receivable - considered good	-	-	2.43	-	-	-	2.43
Disputed trade receivable - considered doubtful	-	-	-	-	-	-	-
	<b>13.21</b>	<b>11.80</b>	<b>2.43</b>	<b>0.20</b>	<b>-</b>	<b>-</b>	<b>27.64</b>
Add : Unbilled revenue							65.93
							<b>93.57</b>

(₹ in Crores)

As at 31 March, 2022	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed trade receivable - considered good	7.06	7.98	1.24	-	-	-	16.28
Undisputed trade receivable - considered doubtful	-	-	-	0.28	-	1.40	1.68
Disputed trade receivable - considered good	-	-	-	-	-	-	-
Disputed trade receivable - considered doubtful	-	-	-	-	-	-	-
	<b>7.06</b>	<b>7.98</b>	<b>1.24</b>	<b>0.28</b>	<b>-</b>	<b>1.40</b>	<b>17.96</b>
Add : Unbilled revenue							56.99
							<b>74.95</b>

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

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

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

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Balances as at the beginning of the year	1.68	1.70
Add: Current year allowance	0.20	0.28
Less: Reversal during the year	(1.68)	(0.30)
Balances as at the end of the year	<b>0.20</b>	<b>1.68</b>

## 19 CASH AND CASH EQUIVALENTS

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Balances with banks		
-Current accounts	278.42	341.07
Cash in hand	-*	0.01
	<b>278.42</b>	<b>341.08</b>

\* Less than ₹ 1 lakh

## 20 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Balances with bank*	86.15	3.09
	<b>86.15</b>	<b>3.09</b>

\* Includes earmarked balance of ₹ Nil (Previous year ₹ 3.09 crores)

## 21 OTHER CURRENT FINANCIAL ASSETS

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Derivatives designated as cash flow hedges		
- Mark - to - market gain on interest rate swaps and forward contracts	21.64	3.27
Derivatives not designated as Cash flow hedges		
- Mark - to - market loss on Interest rate collar	0.66	0.03
Other assets	-	0.99
	<b>22.30</b>	<b>4.29</b>

**22 OTHER CURRENT ASSETS**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Prepayments	5.94	3.79
Advances to suppliers, masters, agents and others	3.84	4.19
Indirect tax balances/ recoverable credits	4.93	-
Surplus in gratuity funds (refer note 35)	0.56	0.16
	<b>15.27</b>	<b>8.14</b>

**23 EQUITY SHARE CAPITAL**

	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	₹ In Crores	No. of Shares	₹ In Crores
<b>Authorised</b>				
Equity Shares of par value ₹10/- each	135,000,000	135.00	135,000,000	135.00
		<b>135.00</b>		<b>135.00</b>
<b>Issued, subscribed and paid up</b>				
Equity Shares of par value ₹10/- fully paid up	111,345,500	111.35	111,345,500	111.35
<b>Total</b>		<b>111.35</b>		<b>111.35</b>

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

Details	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	₹ In Crores	No. of Shares	₹ In Crores
<b>Equity Shares of par value ₹10/- fully paid up</b>				
Outstanding at the beginning of the year	111,345,500	111.35	111,345,500	111.35
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	<b>111,345,500</b>	<b>111.35</b>	<b>111,345,500</b>	<b>111.35</b>

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

The holders of equity shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.

**(c) Shares held by the holding company :**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Equity Shares	111.35	111.35

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

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

Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	% of Holding	No. of Shares held	% of Holding	No. of Shares held
<b>Equity Shares</b>				
The Great Eastern Shipping Company Limited, the holding company along with its Nominees	100%	111,345,500	100%	111,345,500

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

**(e) Details of the shares held by promoters :**

The Company is a wholly owned subsidiary of The Great Eastern Shipping Company Limited and its share are being held by "The Great Eastern Shipping Company Limited along with its Nominees", being the promoters of the Company and there are no change in shares being held by the Promoters during the current and previous financial year.

**(f)** No shares are allotted as fully paid up pursuant to contract (s) without payment being received in cash during the period of five years immediately preceding the reporting date.

**(g)** No shares are allotted as fully paid up by way of bonus shares and no shares have been bought back during five years immediately preceding the reporting date.

**24 OTHER EQUITY**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
<b>Summary of Other Equity</b>		
Reserves and Surplus		
Capital reserve	489.32	489.32
Capital redemption reserve	43.50	43.50
Securities premium	1,155.13	1,155.13
General reserve	147.35	147.35
Tonnage tax reserve	92.50	82.50
Retained earnings	116.83	100.88
Cash flow hedging reserve	18.54	10.18
	<b>2,063.17</b>	<b>2,028.86</b>

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
<b>Reserves and Surplus</b>		
<b>Capital reserve</b>		
Balance at the beginning and end of the year	489.32	489.32
<b>Capital redemption reserve</b>		
Balance at the beginning and at the end of the year	43.50	43.50
<b>Securities premium</b>		
Balance at the beginning and at the end of the year	1,155.13	1,155.13
<b>General reserve</b>		
Balance at the beginning and at the end of the year	147.35	147.35
<b>Tonnage tax reserve</b>		
Balance at the beginning of the year	82.50	82.00
Add: Transfer from retained earnings	10.00	0.50
Balance at the end of the year	92.50	82.50
<b>Retained earnings</b>		
Balance at the beginning of the year	100.88	249.12
Add: Impact on account of onerous contract (Refer note 52)	(29.30)	-
	71.58	249.12
Add: Profit / (Loss) for the year	56.32	(149.05)
Add: Other Comprehensive Income / (loss) for the year	(1.07)	1.31
Less: Transfer to tonnage tax reserve Account under section 115VT of the Income Tax Act, 1961	(10.00)	(0.50)
Balance at the end of the year	116.83	100.88
<b>Items of Other Comprehensive Income</b>		
<b>Cash flow hedging reserve</b>		
Balance at the beginning of the year	10.18	(15.74)
Add : Fair value gain / (loss) on derivative contracts designated as cash flow hedges (net)	8.36	25.92
Balance at the end of the year	18.54	10.18
	<b>2,063.17</b>	<b>2,028.86</b>

**Nature of reserves**Capital reserve

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

Securities premium

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

General reserve

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

Tonnage Tax reserve

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

Retained Earnings

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

Cash flow Hedging reserve

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

**25 LONG TERM BORROWINGS**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Secured - at amortised cost		
Foreign currency term loans from banks	1,093.38	1,196.49
Less: Current maturities of long term borrowings	(293.34)	(188.94)
Less: Interest accrued but not due on long term borrowings (included in Note 31)	(1.15)	(0.43)
	798.89	1,007.12
Unsecured - at amortised cost		
Redeemable cumulative Preference shares capital		
24.60 % Cumulative Redeemable Preference Shares of par value ₹10/- fully paid up	176.46	175.12
22.50% Cumulative Redeemable Preference Shares of par value ₹10/- fully paid up	181.87	181.87
	358.33	356.99
	<b>1,157.22</b>	<b>1,364.11</b>

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

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

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
1-2 years	799.97	273.23
2-3 years	-	737.85
	<b>799.97</b>	<b>1,011.08</b>
Less: Unamortised finance charges	<b>(1.08)</b>	<b>(3.96)</b>
	<b>798.89</b>	<b>1,007.12</b>

- b. Preference Shares :

The total outstanding preference shares include the below:

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

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

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

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

## 26 OTHER NON-CURRENT FINANCIAL LIABILITIES

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Derivatives not designated as cash flow hedges		
- Mark - to - market loss on interest rate collar	-	0.28
	-	<b>0.28</b>

**27 PROVISIONS**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
<b>A. Non current</b>		
Provision for employee benefits		
- Provision for compensated absences (refer note 35)	0.53	0.37
- Director's retirement benefit plan (refer note 35)	12.43	11.56
- Medical Retirement Benefit payable	0.33	0.35
Provision for Onerous Contract (refer note 52)	5.68	-
	<b>18.97</b>	<b>12.28</b>
<b>B. Current</b>		
Provision for employee benefits		
- Provision for compensated absences (refer note 35)	0.61	0.74
- Medical Retirement Benefit payable	0.65	0.67
Provision for Onerous Contract (refer note 52)	12.50	-
	<b>13.76</b>	<b>1.41</b>

Movement in provision for onerous contract :

**Particulars**

Opening balance as on 01.04.22	-	-
Impact on account of onerous contract (refer note 52)	29.30	-
Provision during the year	-	-
Reversal during the year	(11.12)	-
<b>Closing balance</b>	<b>18.18</b>	<b>-</b>

**28 OTHER NON-CURRENT LIABILITIES**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Government grants #	13.36	15.70
	<b>13.36</b>	<b>15.70</b>

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

**29 TRADE PAYABLES**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Payable to micro and small enterprises (refer note 48)	5.19	5.13
Payable to others	53.14	48.25
[includes ₹ 15.60 crores (previous year : ₹ 14.39 crores) due to a subsidiary]		
	<b>58.33</b>	<b>53.38</b>



**Trade payables ageing schedule :**

(₹ in Crores)

As at 31 March, 2023	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro and small enterprises	4.07	1.12	-	-	-	5.19
Total outstanding dues of creditors other than micro and small enterprises	18.42	14.21	3.89	0.79	15.83	53.14
Disputed dues of micro and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
	<b>22.49</b>	<b>15.33</b>	<b>3.89</b>	<b>0.79</b>	<b>15.83</b>	<b>58.33</b>

(₹ in Crores)

As at 31 March, 2022	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro and small enterprises	2.80	2.32	-	0.01	-	5.13
Total outstanding dues of creditors other than micro and small enterprises	15.99	16.55	0.96	0.21	14.54	48.25
Disputed dues of micro and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
	<b>18.79</b>	<b>18.87</b>	<b>0.96</b>	<b>0.22</b>	<b>14.54</b>	<b>53.38</b>

There are no unbilled trade payables, hence the same are not disclosed in the ageing schedule.

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

**30 LEASE LIABILITY**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Non - current lease liability	12.27	15.92
Current lease liability	5.80	4.82
	<b>18.07</b>	<b>20.74</b>

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

Movement in Lease liabilities:

Particulars		
Opening balance	20.74	24.81
Addition	2.32	0.14
Finance cost accrued during the year	1.62	1.87
Payment of lease liability	(6.61)	(6.09)
<b>Closing balance</b>	<b>18.07</b>	<b>20.74</b>

Rental expenses recorded for short term lease was ₹ 0.26 crore for the year ended March 31, 2023 (previous year : ₹ 0.61 crore).

**31 OTHER CURRENT FINANCIAL LIABILITIES**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Interest accrued but not due on long term borrowings	1.15	0.43
Preference dividend payable	24.59	24.59
Derivatives designated as Cash flow hedges		
- Mark - to - market gain on interest rate swaps and forward contracts	1.61	2.19
Derivatives not designated as Cash flow hedges		
- Mark - to - market loss on Interest rate collar	-	0.06
Other payables :		
- Employee benefits	25.90	18.79
- Accrued expenses	5.03	3.58
- Others	2.25	0.76
	<b>60.53</b>	<b>50.40</b>

**32 OTHER CURRENT LIABILITIES**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Statutory liabilities	7.63	6.70
	<b>7.63</b>	<b>6.70</b>

**33 REVENUE FROM OPERATIONS**

	Year Ended March 31, 2023 ₹ in Crores	Year Ended March 31, 2022 ₹ in Crores
Sale of services		
Charter hire income (refer note 44)	704.31	568.69
Other operating revenues		
Insurance claims	2.82	1.65
	<b>707.13</b>	<b>570.34</b>

**34 OTHER INCOME**

	Year Ended March 31, 2023 ₹ in Crores	Year Ended March 31, 2022 ₹ in Crores
a Interest income		
on deposits with banks (at amortised cost)	7.16	1.91
on income tax refund	15.12	11.91
b Dividend income		-
Dividend from foreign subsidiary (designated at cost)	23.21	-
c Other non-operating income		
Claim Settlement	44.73	-
Gain on derivatives transactions (net)	2.65	5.68
Income from Government grants (at amortised cost)	2.34	2.34
Profit on sale of vessels / other fixed assets	0.04	4.83
Reversal for doubtful debts and advances (net)	0.08	0.02
Profit on sale / Mark To Market (MTM) of current investments (at FVTPL)*	1.29	0.33
Excess provision written back	-	8.61
Miscellaneous income	0.44	0.28
	<b>97.06</b>	<b>35.91</b>

\* Net of MTM gain of Rs. 0.47 crores (Previous year loss : ₹ 0.12 crores)

**35 EMPLOYEE BENEFITS EXPENSE**

	Year Ended March 31, 2023 ₹ in Crores	Year Ended March 31, 2022 ₹ in Crores
Salaries and wages	193.11	170.33
Contribution to provident and other funds (refer note below)	6.99	6.75
Staff welfare expenses	10.19	12.65
	<b>210.29</b>	<b>189.73</b>

**a) Defined Contribution Plans :**

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

Particulars	Year Ended March 31, 2023 ₹ in Crores	Year Ended March 31, 2022 ₹ in Crores
Contribution to Provident Fund	2.23	2.14
Contribution to Superannuation Fund	0.25	0.23
Contribution to National Pension Scheme	0.15	0.33
Contribution to Seamens' Provident Fund	1.15	1.07
Contribution to Seamens' Pension Annuity Fund	0.31	0.31
Contribution to Seamens' Gratuity Fund	0.29	0.28

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

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

**ii) Superannuation Fund :**

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

**iii) National Pension Scheme (NPS) :**

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

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

**iv) Seamen's Provident Fund :**

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

**v) Seamen's Pension Annuity Fund :**

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

**vi) Seamen's Gratuity Fund :**

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

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

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

₹ in Crores

Actuarial Assumption	Gratuity		Pension Plan		Compensated Absences	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
a) Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.	LIC (a) (1996-98) Ultimate	LIC (a) (1996-98) Ultimate	IALM (2012-14) Ult.	IALM (2012-14) Ult.
b) Interest / Discount Rate	7.57%	6.78%	7.57%	7.09%	7.57%	6.78%
c) Rate of increase in compensation						
Shore Staff	10.00%	5.00%	-	-	10.00%	5.00%
Rig Staff	6.00%	5.00%	-	-	-	-
d) Expected average remaining service						
Shore Staff	7.33	7.55	-	-	7.33	7.55
Rig Staff	7.11	8.50	-	-	-	-

₹ in Crores

Actuarial Assumption	Gratuity		Pension Plan		Compensated Absences	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
e) Employee Attrition rate						
Shore Staff	8.00%	8.00%	-	-	8.00%	8.00%
Rig Staff (Past Service : 0 to 5)	25.00%	20.00%	-	-	-	-
Rig Staff (Past Service : 6 to 42)	5.00%	4.00%	-	-	-	-
f) Weighted average remaining duration of Defined Benefit Obligation (in years)						
Shore Staff	5.36	5.03	-	-	5.01	4.58
Rig Staff	7.37	8.55	-	-	-	-
IALM (2012-14) Ult. - Indian Assured Lives Mortality (2012-14) Ultimate						
<b>i) Change in Present Value of Obligations :</b>						
Present value obligation at the beginning of the year	17.70	17.26	11.56	11.09	0.60	0.62
Interest Cost	1.09	1.01	0.82	0.72	0.03	0.03
Current Service Cost	2.72	2.52	-	-	0.04	0.03
Benefits Paid	(1.86)	(1.95)	-	-	(0.07)	(0.09)
Transfer in	-	-	-	-	-	-
Actuarial (Gain) / loss on Obligation	0.59	(1.14)	0.05	(0.25)	0.15	0.01
Present value obligation at the end of the year	20.24	17.70	12.43	11.56	0.75	0.60
<b>ii) Fair Value of Plan Assets :</b>						
Opening Fair Value of Plan Assets	17.87	17.64	-	-	-	-
Adjustment to Opening Fair Value of Plan Asset	-	0.11	-	-	-	-
Return on Plan Assets (excluding Interest Income)	(0.65)	0.19	-	-	-	-
Interest Income	1.20	1.13	-	-	-	-
Employer's Contribution	4.24	0.75	-	-	0.07	0.09
Benefits Paid	(1.86)	(1.95)	-	-	(0.07)	(0.09)
Fair Value of Plan Assets at the end of the year	20.80	17.87	-	-	-	-

The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets.

₹ in Crores

Actuarial Assumption	Gratuity		Pension Plan		Compensated Absences	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>iii) Return on plan assets :</b>						
Actual Return on Plan Assets	0.55	1.32	-	-	-	-
Interest Income	1.20	1.13	-	-	-	-
Return on plan assets excluding interest income	(0.65)	0.19	-	-	-	-
<b>iv) Actuarial Gain/Loss on obligation</b>						
Due to Demographic Assumption	0.09	-	-	-	-	-
Due to Financial Assumption	0.55	(0.35)	(0.56)	0.39	0.13	(0.01)
Due to experience	(0.05)	(0.78)	0.61	(0.64)	0.02	0.02
Total Actuarial (Gain)/Loss	0.59	(1.13)	0.05	(0.25)	0.15	0.01
<b>v) Amounts Recognised in the Balance Sheet:</b>						
Present Value of obligation at the end of the Year	(20.24)	(17.70)	(12.43)	(11.56)	(0.75)	(0.60)
Fair Value of Plan Assets at the end of the year	20.80	17.87	-	-	-	-
Funded Status	0.56	0.16	(12.43)	(11.56)	(0.75)	(0.60)
Short Term Liability	-	-	-	-	(0.39)	(0.52)
Net Assets / (Liability) recognised in the balance sheet	0.56	0.16	(12.43)	(11.56)	(1.14)	(1.12)
<b>vi) Expenses Recognised in the Statement of Profit and Loss</b>						
Current Service Cost	2.72	2.52	-	-	0.04	0.03
Interest Cost (Net)	(0.11)	(0.12)	0.82	0.72	0.03	0.03
Actuarial Gain/(Loss) recognised for the period	-	-	-	-	0.15	0.01
Expenses recognised in the profit and loss account	2.61	2.40	0.82	0.72	0.22	0.07

₹ in Crores

Actuarial Assumption	Gratuity		Pension Plan		Compensated Absences	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>vii) Other Comprehensive Income (OCI)</b>						
Actuarial (Gain)/Loss recognized for the year	0.59	(1.14)	0.05	(0.25)	-	-
Return on Plan Assets excluding net interest	0.65	(0.19)	-	-	-	-
Total Actuarial (Gain)/Loss recognized in (OCI)	1.24	(1.33)	0.05	(0.25)	-	-
<b>viii) Investment Details ( % invested )</b>						
HDFC Life Defensive Management Fund II	80%	100%	-	-	-	-
HDFC Life Secured Managed Fund II	20%	0%	-	-	-	-
<b>ix) Asset Liability Comparisons</b>						
Present Value of Defined benefit obligation	(20.24)	(17.70)	(12.43)	(11.56)	(0.75)	(0.60)
Plan assets	20.80	17.86	-	-	-	-
Surplus or (Deficit) in the plan	0.56	0.16	(12.43)	(11.56)	(0.75)	(0.60)
Experience adjustments on plan assets	(0.65)	0.19	-	-	-	-
<b>x) Sensitivity Analysis</b>						
	<b>DR : Discount Rate</b>		<b>ER : Salary Escalation Rate</b>			
	PVO DR +1%	PVO DR -1%	PVO ER +1%	PVO ER -1%		
<b>Gratuity</b>						
Present Value of Obligation	19.19	21.38	20.72	19.72		
<b>Pension Plan</b>						
Present Value of Obligation	11.38	13.67	-	-		
<b>Compensated Absences</b>						
Present Value of Obligation	0.71	0.79	0.79	0.72		

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

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

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



xi) Expected Payout	First	Second	Third	Fourth	Fifth	Six to Ten years
<b>Gratuity</b>						
Present Value of Obligation	3.85	2.54	1.93	1.90	1.71	7.87
<b>Pension Plan</b>						
Present Value of Obligation	-	-	-	-	-	-
<b>Compensated Absences</b>						
Present Value of Obligation	0.22	0.07	0.08	0.04	0.07	0.25

**General Description:****i) Gratuity :**

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

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

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

**Investment / Interest Risk**

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

**Longevity Risk**

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

**Salary Risk**

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

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

**ii) Pension Plan :**

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

**iii) Compensated Absences :**

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

**iv) Post Retirement Benefit Scheme:**

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

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

- The discount rate is based on the benchmark yield available on Government Bonds , having regard to the term of the liabilities which is 7.56% p.a. on 30 year bond.
- The severity of the claim is assumed to be 10% of INR 50 Lakhs, frequency of the claim to be 25% and the rate of inflation in medical cost to be 5% p.a.
- Also considered 80% of LIC Annuitant Table (1996-98) for the mortality rate post retirement and no withdrawal rate has been considered.

**36 FINANCE COSTS**

	Year Ended March 31, 2023 ₹ in Crores	Year Ended March 31, 2022 ₹ in Crores
Interest expense	58.28	50.12
Finance charges (upfront fees, agency fees, prepayment fees)	4.24	4.54
Effective interest cost on redeemable preference shares	25.93	25.84
Exchange differences regarded as an adjustment to borrowing cost	20.89	39.02
	<b>109.34</b>	<b>119.52</b>

**37 DEPRECIATION AND AMORTISATION EXPENSE**

	Year Ended March 31, 2023 ₹ in Crores	Year Ended March 31, 2022 ₹ in Crores
Depreciation on tangible assets (refer note 7)	201.97	204.40
Depreciation on right of use assets (refer note 9)	5.30	5.22
Amortisation on intangible assets (refer note 10)	0.02	0.03
	<b>207.29</b>	<b>209.65</b>

**38 IMPAIRMENT LOSS**

	Year Ended March 31, 2023 ₹ in Crores	Year Ended March 31, 2022 ₹ in Crores
Impairment of tangible assets (refer note 7)	-	7.74
	<b>-</b>	<b>7.74</b>

The Company carried out review of 'recoverable amount' of rigs and support vessels, and recognised impairment loss of ₹ NIL (previous year: 7.74 crores for three support vessels). The 'recoverable amount' of an asset is determined as higher of fair value less cost to sell and 'value in use' (present value of estimated future cash flows expected from an asset) as per Ind AS 36, Impairment of Assets. The discount rate used for estimation of the net present value was 6.63% p.a. (Previous Year: 6.17% p.a.).

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

**39 OTHER EXPENSES**

	Year Ended March 31, 2023 ₹ in Crores	Year Ended March 31, 2022 ₹ in Crores
Fuel, oil & water	15.73	24.04
Hire of vessels and equipment	10.44	15.98
Consumption of stores and spares	82.71	77.97
Payment to contract staff	12.31	12.37
Agency fees	1.29	1.25
Port dues	1.17	3.10
Repairs and maintenance		
- Rigs and vessels	42.72	40.09
- Buildings	0.15	0.08
- Others	1.26	1.04
Insurance		
- Fleet insurance	19.05	12.48
- Others	2.28	1.98
Travelling and conveyance expenses	6.71	7.15
Communication expenses	9.05	8.08
Rent	0.26	0.61
Rates and taxes	0.06	10.56
(Reversal) / Expense on account of onerous contract	(11.12)	-
Payment to auditors (refer note 41)	0.55	0.50
Loss on asset held for scrap	-	12.56
( Profit ) / Loss on foreign currency transactions (net)	46.24	(9.49)
Miscellaneous expenses	37.00	30.61
	<b>277.86</b>	<b>250.96</b>

**40 EARNINGS PER SHARE**

	Year Ended March 31, 2023 ₹ in Crores	Year Ended March 31, 2022 ₹ in Crores
Profit / (Loss) attributable to equity share holders (Rs In crores) (A)	56.32	(149.05)
Weighted average number of equity shares for basic and diluted EPS (B)	111,345,500	111,345,500
Face value of per equity share ₹	10.00	10.00
Basic and diluted earnings per share (A / B) ₹	5.06	(13.39)

**41 PAYMENT TO AUDITORS**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
a) Audit fees (including limited review)	0.52	0.47
b) In Other capacity		
- Certification and other services	0.03	0.03
	<b>0.55</b>	<b>0.50</b>

**42 RELATED PARTY DISCLOSURE**

## I) List of Related Parties

**a) Holding Company :**

The Great Eastern Shipping Company Ltd.

**b) Subsidiary Companies :**

Greatship Global Energy Services Pte. Ltd., Singapore

Greatship Global Offshore Services Pte. Ltd., Singapore

Greatship (UK) Ltd., UK

Greatship Oilfield Services Limited, India

**c) Fellow Subsidiaries :**

The Great Eastern Chartering LLC (FZC), Sharjah

The Greatship (Singapore) Pte. Ltd., Singapore

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

Great Eastern Services Ltd.

Great Eastern CSR Foundation, India

**d) Key Management Personnel :**

Executive Directors

Mr. Ravi K. Sheth

Mr. P.R. Naware

Mr. Alok Mahajan

Non-Executive Directors

Mr. Bharat K. Sheth (Chairman)

Ms. Rita Bhagwati

Mr. Shaleen Sharma

Ms. Bhavna Doshi

**Others**

Mr. G. Shivakumar - Chief Financial Officer

Ms. Amisha Ghia - Company Secretary

**e) Relative of Key Management Personnel :**

Ms. Nirja B. Sheth - Daughter of Chairman

**f) Other Related party :**

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

The Provident Fund of The Great Eastern Shipping Company Ltd.

The Great Eastern Shipping Co. Ltd. Employees Gratuity Fund

The Great Eastern Shipping Co. Limited Executives Supperannuation Fund

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

The Great Eastern Shipping Co. Ltd. Staff Supperannuation Fund

## II) Details of transactions with related parties during the year

(₹ in Crores)

Nature of transaction	Holding Company		Subsidiary Companies		Fellow Subsidiaries and other Related Party		Key Management Personnel and Relatives	
	Year Ended March 31, 2023	Year ended March 31, 2022	Year Ended March 31, 2023	Year ended March 31, 2022	Year Ended March 31, 2023	Year ended March 31, 2022	Year Ended March 31, 2023	Year ended March 31, 2022
<b>Transactions during the year:</b>								
Effective interest cost on redeemable preference shares	25.93	25.84	-	-	-	-	-	-
Penalty for downtime received	-	-	-	(10.04)	-	-	-	-
Executive directors								
Short term benefits	-	-	-	-	-	-	9.01	8.72
Post employment benefits	-	-	-	-	-	-	1.03	0.46
Non-executive directors								
Remuneration	-	-	-	-	-	-	0.31	0.23
Sitting fees	-	-	-	-	-	-	0.36	0.35
Others								
Short term benefits	-	-	-	-	-	-	0.90	0.83
Post employment benefits	-	-	-	-	-	-	0.06	0.01
Contribution to post employment benefit plans	-	-	-	-	4.50	0.98	-	-
Reimbursement of expenses from	(0.30)	-	-	-	-	-	-	-
Reimbursement of expenses to	0.08	-	-	-	-	-	-	-
Service charges for allotment of training slots	1.25	1.25	-	-	-	-	-	-
Dividend received	-	-	(23.21)	-	-	-	-	-

(₹ in Crores)

Nature of transaction	Holding Company		Subsidiary Companies		Fellow Subsidiaries and other Related Party		Key Management Personnel and Relatives	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>Outstanding Balances</b>								
Payables	0.88	0.89	15.60	14.39	-	-	-	-
Dividend Payable	24.59	24.59	-	-	-	-	-	-
Post employment benefit plans (asset) / liability	-	-	-	-	(0.56)	(0.16)	-	-
Remuneration payable								
Executive directors	-	-	-	-	-	-	16.40	15.31
Non-executive directors	-	-	-	-	-	-	0.31	0.23

**Terms and conditions of transactions with related parties**

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

## 43 FINANCIAL INSTRUMENTS

### (a) Capital Management

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

The capital structure of the Company consists of net debt (borrowings as detailed in note 25 and offset by cash and bank balances, deposits with bank and current investments) and total equity of the Company.

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

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

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

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Debt*	1,451.71	1,553.48
Less : Cash and bank balances including current investments	(388.54)	(376.97)
<b>Net debt</b>	<b>1,063.17</b>	<b>1,176.51</b>
<b>Total equity</b>	<b>2,174.52</b>	<b>2,140.21</b>
<b>Net debt to equity ratio</b>	<b>0.49</b>	<b>0.55</b>

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

### (b) Financial assets and liabilities

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

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

	Carrying value as on	
	March 31, 2023 ₹ in Crores	March 31, 2022 ₹ in Crores
<b>Financial Assets</b>		
<b>Measured at amortised cost</b>		
Cash and cash equivalents	278.42	341.08
Other financial assets	2.57	3.56
Bank balances other than cash and cash equivalents	86.15	3.09
Deposits with bank	3.23	-
Trade receivables	93.37	73.27
<b>Measured at fair value through profit and loss</b>		
Current investments	20.74	32.80
Derivative contracts	27.41	16.64
<b>Measured at fair value through OCI</b>		
Derivative contracts	2.44	0.14
	<b>514.33</b>	<b>470.58</b>



	Carrying value as on	
	March 31, 2023 ₹ in Crores	March 31, 2022 ₹ in Crores
<b>Financial Liabilities</b>		
<b>Measured at amortised cost</b>		
Foreign currency term loans from banks	1,093.38	1,196.49
Preference share capital including redemption premium	358.33	356.99
Preference dividend payable including dividend distribution tax	24.59	24.59
Trade payables	58.33	53.38
Lease Liability	18.07	20.74
Other financial liabilities	33.18	23.13
<b>Measured at fair value through profit and loss</b>		
Derivative contracts	1.61	2.19
<b>Measured at fair value through OCI</b>		
Derivative contracts	-	0.34
	<b>1,587.49</b>	<b>1,677.85</b>

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

#### Fair value hierarchy

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

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores	Level	Valuation technique and key inputs
<b>Financial Assets and Liabilities</b>				
Investments in liquid mutual funds	20.74	32.80	Level 2	The mutual funds are valued at the Net asset value of the respective units.
Derivative financial instruments (net)	28.24	14.25	Level 2	Discounted cash flows. Future cash flows are estimated based on forward exchange/ interest rates and contract forward/ interest rates discounted at a rate that reflects the credit risk of various counterparties.

**(c) Derivative financial instrument and risk management**

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

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

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

**(i) Forward exchange contracts:**

Details	As at March 31, 2023		As at March 31, 2022	
	Purchase	Sale	Purchase	Sale
Total no. of contracts	-	36	-	23
Notional amount of foreign currency (USD Million)	-	18.00	-	11.50
Amount in hedging reserve gain / (loss) (₹ in crores)	-	(1.16)	-	0.59
Maturity Period	-	upto 12 months	-	upto 12 months

**(ii) Interest rate swap contracts:**

Details	As at March 31, 2023		As at March 31, 2022	
	Purchase	Sale	Purchase	Sale
Total No. of contracts	13		20	
Principal notional amount (USD million)	74.67		146.01	
Amount in hedging reserve gain (₹ in crores)	26.96		13.86	
Maturity Period	upto 18 months		upto 30 months	

The above mentioned derivative contracts have been entered to hedge foreign currency risk of firm commitments and the interest rate risk, which have been designated as hedge instruments that qualify as effective cash flow hedges. The mark-to-market gain / loss on these derivative contracts outstanding as on March 31, 2023 amounting to gain of ₹ 25.80 crores [ previous year gain : ₹ 14.45 crores (net) ] has been recorded in the Cash flow hedging reserve as on March 31, 2023.

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

## II) Derivative instruments not in hedging relationship :

**Interest rate collar contracts :**

Details	As at March 31, 2023	As at March 31, 2022
Total no. of Contracts	3	3
Principal Notional Amount (USD million)	16.20	19.28
Mark to market gain/(loss) recognised (₹ in crores)	2.44	(0.20)
Maturity Period	upto 18 months	upto 30 months

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

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

Gains / (Loss) on the derivative contracts mentioned under (II) above, are recognised to the Statement of Profit and Loss. The mark-to-market on these derivative contracts outstanding as on March 31, 2023 amounting to gain ₹ 2.44 crores (previous year loss: ₹ 0.20 crores) has been recognised in the Statement of Profit and Loss.

**(d) Market risk***i) Foreign currency risk*

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

The company exposure to unhedged foreign currency is listed below :

Details	Currency in Millions		₹ in Crores	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Foreign currency term loans from banks				
USD	133.40	158.80	1,096.19	1,203.58
Financial liabilities				
USD	3.46	3.04	28.39	23.04
EUR	0.39	0.13	3.48	1.09
JPY	4.53	1.49	0.28	0.09
NOK	0.04	0.00*	0.03	0.00*
SGD	0.07	0.06	0.44	0.36
AED	0.06	0.02	0.12	0.05
GBP	0.09	0.02	0.95	0.20
SEK	0.01	-	0.01	-
THB	0.88	-	0.21	-

Details	Currency in Millions		₹ in Crores	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial assets				
USD	2.24	0.79	18.39	6.02
EUR	0.09	0.14	0.79	1.15
JPY	-	7.01	-	0.43
SGD	0.00*	0.03	0.01	0.17
GBP	0.01	0.00*	0.14	0.02
NOK	0.01	-	0.01	-
Cash and cash equivalents and bank balances other than cash and cash equivalents				
USD	42.29	43.35	347.49	328.57
EUR	0.02	0.04	0.21	0.32
SGD	0.16	0.11	0.97	0.64
GBP	0.07	0.06	0.69	0.62
Net currency exposure				
USD	(92.33)	(117.70)	(758.70)	(892.04)
EUR	(0.28)	0.05	(2.47)	0.38
JPY	(4.53)	5.52	(0.28)	0.34
NOK	(0.04)	(0.00)*	(0.03)	(0.00)*
SGD	0.09	0.08	0.54	0.45
AED	(0.06)	(0.02)	(0.12)	(0.05)
GBP	(0.01)	0.04	(0.13)	0.44
SEK	(0.01)	-	(0.01)	-
THB	(0.88)	-	(0.21)	-

\* Less than Rs. 1 Lakhs

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 ₹ 38.07 crores (previous year : ₹ 44.52 crores) in the Statement of Profit and Loss.

ii) *Interest rate risk*

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

*Interest rate sensitivity*

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

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

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

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Fixed rate borrowings (Redeemable preference shares)	358.33	356.99
Floating rate borrowings (Foreign currency term loans from banks)	1,093.38	1,196.49
<b>Total borrowings</b>	<b>1,451.71</b>	<b>1,553.48</b>

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

If interest rate had been 50 basis points higher or lower and all other variables were held constant, the company's profit for the year would increase or decrease by ₹ 1.95 crores (previous year: ₹ 1.51 crores). Impact of interest rate movement is mainly attributable to the company's exposure to interest rates on its variable rate borrowings on delivered rigs.

**(e) Credit risk**

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

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

*Trade receivables :*

The trade receivables of the company comprise 1 debtor (previous year: 1 debtor) that individually represented 79.82% (previous year: 88.96%) of trade receivables. Due to the nature of the Company's operations, revenue and receivable are typically concentrated amongst a relatively niche customer base. The Company has policies in place to ensure that contracts are with customers of stable financial standing and appropriate credit history.

The credit period of receivables ranges from 20 to 45 days generally without security. There has been no significant change in the credit quality of past due receivables.

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

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

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

*Cash and Cash Equivalents, derivatives and mutual fund investments :*

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

**Exposure to credit risk :**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 514.33 crores as at March 31, 2023 and ₹ 470.58 crores as at March 31, 2022, being the total of the carrying amount of balances and deposits with banks, trade receivables, mutual fund investments and other financial assets including derivatives instruments.

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

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

The Company's trade receivables not past due include receivables amounting to ₹ 13.21 crores (previous year: ₹ 7.06 crores).

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

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

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

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Overdue (net of provision)		
- Less than 180 days	11.80	7.98
- More than 180 days	2.43	1.24
	<b>14.23</b>	<b>9.22</b>

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

Overdue		
- More than 365 days	0.20	1.68
Less: Allowance for doubtful debts	(0.20)	(1.68)
	-	-

**(f) Liquidity risk**

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

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

	₹ in Crores			
	Payable within 1 year	Payable within 2 - 5 years	More than 5 years	Total
<b>As at March 31, 2023</b>				
Borrowings	294.49	798.89	-	1,093.38
Interest commitment	75.56	29.54	-	105.10
Trade payables	58.33	-	-	58.33
Other financial liabilities	33.18	-	-	33.18
Preference share capital including redemption premium	-	272.91	85.42	358.33
Preference dividend payable and commitments including dividend distribution tax	24.59	61.47	-	86.06
Lease liability	5.80	12.27	-	18.07
Derivative contract	1.61	-	-	1.61
	<b>493.56</b>	<b>1,175.08</b>	<b>85.42</b>	<b>1,754.06</b>
<b>As at March 31, 2022</b>				
Borrowings	189.37	1,007.12	-	1,196.49
Interest commitment	27.24	30.75	-	57.99
Trade payables	53.38	-	-	53.38
Other financial liabilities	23.13	-	-	23.13
Preference share capital including redemption premium	-	181.94	175.05	356.99
Preference dividend payable and commitments including dividend distribution tax	24.59	79.91	6.15	110.65
Lease liability	4.82	15.92	-	20.74
Derivative Contract	2.25	0.28	-	2.53
	<b>324.78</b>	<b>1,315.92</b>	<b>181.20</b>	<b>1,821.90</b>

#### 44 SEGMENT REPORTING

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

##### Revenue from Operations :

Particulars	Year Ended March 31, 2023 ₹ in Crores	Year Ended March 31, 2022 ₹ in Crores
Revenue from customers outside India	50.19	16.49
Revenue from customers within India	654.12	552.20
<b>Total</b>	<b>704.31</b>	<b>568.69</b>

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

#### 45 TIME CHARTER (IND AS 116)

##### The Company has entered into time charter arrangements for Rigs and Fleet (vessels).

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

Particulars	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Total Future Time Charter payments*		
- Less than 1 year	541.50	528.92
- More than 1 year and less than 5 years	1,110.18	793.55
- More than 5 years	20.04	-

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

##### Note:

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



**46 CONTINGENT LIABILITIES**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Claims against the Company not acknowledged as debt:		
i) Service Tax	384.83	384.83
Demand pertains to applicability of service tax on drilling services rendered at certain locations in high seas and non-payment of service tax under reverse charge mechanism# on certain foreign expenses		
ii) Customs duty	14.88	17.52
Demand pertains to wrong classification of Marine Gas Oil/HFHSD and vessels imported.		
iii) Value Added Tax ('VAT') / Central Sales Tax ('CST')	84.15	2.87
Demand pertains to levy of Maharashtra VAT / CST on Time charter hire of vessels / services rendered by using Rigs considering the same to be a 'deemed sale' transaction.		
iv) Income tax	0.46	10.13

Amounts pertaining to points above are excluding interest and penalty.

# Service tax authorities had issued Show Cause Notices as to why service tax under Reverse Charge Mechanism is not payable on payment made to foreign vendors towards Bareboat Charter of rigs and certain other services. The service tax authorities have issued two Orders-in-Original confirming entire service tax demand for the period from FY 2008-09 to FY 2014-15 and October 2015 to June 2017 - appeal is filed and pending before Appellate Tribunal.

Notes :

- i) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of final judgements.
- ii) The Company's pending litigations comprise of claims pertaining to proceedings pending with Income Tax, Custom, Sales Tax / VAT, Service Tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions were required or disclosed as contingent liabilities where applicable, in its financial statements. Company considers that all pending disputes are strong on merits.
- iii) For AY 09-10, the department has filed an appeal before the Bombay High Court in March 2020 against the order of Income Tax Appellate Tribunal. If the matter goes against the Company, there would be reduction in carried forward losses which have been set off against the taxable profits of the subsequent years.

**47 CAPITAL COMMITMENTS**

Estimated amount of contracts, net of advances paid thereon, remaining to be executed on capital account and not provided for ₹ 16.70 crores (previous year ₹ 3.20 crores).

**48 DISCLOSURES RELATING MICRO, SMALL AND MEDIUM ENTERPRISES**

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

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
(a) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)		
- Principal amount due to Micro and Small enterprises	5.19	5.13
- Interest due on above	-	-
(b) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(e) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

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

**49 SUBSEQUENT EVENTS**

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

- 50** The particulars of guarantees, if any and investments covered under section 186 of The Companies Act 2013 are disclosed under Note 11 and Note 42 respectively.
- 51** During the year, the Company received claim from insurance company of ₹ 44.73 crore towards full and final settlement for vessel Greatship Rohini which had met with a major fire accident during financial year ended March 31, 2021. The claim has been recognized as other income during the year ended March 31, 2023.
- 52** “On March 23, 2022, the Ministry of Company Affairs notified amendments to certain Indian Accounting Standards vide the Companies (Indian Accounting Standards) Amendment Rules, 2022 (“The Rules 2022”) effective for annual periods beginning on or after April 1, 2022. The Rules 2022 notified an amendment to Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets (“IND AS 37”) – “Onerous Contracts”- “Cost of Fulfilling a Contract” regarding costs a Company should include as the cost of fulfilling a contract when assessing whether a contract is onerous. The amendment extends the definition of cost of fulfilling a contract to include allocation of other costs that relate directly to fulfilling a contract. The adoption of this amendment as at April 1, 2022 has resulted in a reduction of Rs. 29.30 Crores in the opening Retained Earnings with a corresponding provision for onerous contracts as prescribed in the Rules 2022.”

## 53 RATIO ANALYSIS

RATIO	Numerator	Denominator	Year ended March 31, 2023	Year ended March 31, 2022	% Change	Reason for Variance
Current ratio (in times)	Current asset	Current liability	1.33	1.72	(22%)	
Debt - Equity ratio (in times)	Total debt	Shareholder's equity	0.67	0.73	(8%)	
Debt service coverage ratio (in times)	Earnings for debt service = Net profit after taxes, depreciation and interest	Debt service = Interest & Lease Payments + Principal Repayments	0.98	0.60	63%	Increase in earnings for debt service in current year.
Return on equity ratio (in %)	Net profits /(loss) after taxes	Shareholder's equity	2.59%	(6.96%)	(37%)	Increase in net profit during the current year.
Trade receivable turnover ratio (in times)	Net sales	Average trade receivable	8.45	6.53	29%	Due to increase in net sales during the current year.
Trade payable turnover ratio (in times)	Expenses for goods and services	Average trade payable	4.35	3.76	16%	
Net capital turnover ratio (in times)	Net sales	Working capital = Current assets – Current liabilities	4.66	2.50	86%	Reduction in working capital in current year as compared to previous year on account of increase in liability pertaining to short term borrowings and increase in net sales.
Net profit ratio (in %)	Net profit /(loss)	Net sales	8.00%	(26.21%)	(131%)	Due to increase in net profit during the current year.
Return on capital employed (in %)	Earnings before interest and taxes	Capital employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	2.97%	(1.39%)	(314%)	Increase in earnings before interest and taxes in current year as compared to previous year on account of increase in revenue during the year.
Return on investment (in %)	Profit on sale/ MTM of current investments (at FVTPL)	Time weight average value of investment	5.29%	2.72%	94%	Increase in profit on sale of current investments during the current year.

**54 OTHER STATUTORY INFORMATION**

- i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- ii) The Company is not declared wilful defaulter by and bank or financials institution or lender during the year.
- iii) The Company does not have any transactions with companies struck off.
- iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- v) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- vi) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- vii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- viii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- ix) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- x) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

## STATEMENT PERTAINING TO SUBSIDIARIES

### Form AOC - 1

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

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

#### PART 'A': SUBSIDIARIES

(₹ in Crores)

Sr. No.	Name of the Subsidiary	Greatship Global Offshore Services Pte. Ltd.	Greatship Global Energy Services Pte. Ltd.	Greatship (UK) Limited	Greatship Oilfield Services Limited
1	Date from which it became a subsidiary	08 May 2007	23 October 2006	29 October 2010	09 July 2015
2	Reporting Period	31 March 2023	31 March 2023	31 March 2023	31 March 2023
3	Reporting currency	USD	USD	USD	INR
4	Exchange Rate as on 31.03.2023	₹ 82.17	₹ 82.17	₹ 82.17	NA
5	Share Capital	583.90	41.09	4.11	0.26
6	Reserves & Surplus	13.13	58.96	1.68	(0.08)
7	Total Assets	620.92	100.73	21.51	0.18
8	Total Liabilities	23.89	0.68	15.73	-
9	Investments	-	-	-	-
10	Turnover	159.25	2.38	-	-
11	Profit/(Loss) before tax	19.81	1.16	(0.16)	-*
12	Tax expense	5.06	0.25	-	-
13	Profit/(Loss) after tax	14.75	0.91	(0.16)	-*
14	Proposed Dividend	-	-	-	-
15	% of shareholding	100%	100%	100%	100%

\* Less than Rs 1 Lakhs

Notes:

1. During the year, Greatship Oilfield Services Limited has been exploring possible business opportunities to commence operations.
2. During the year, Greatship Global Energy Services Pte. Ltd. paid dividend of USD 3,000,000 to Greatship (India) Limited.
3. Figures include foreign currency translation adjustment.

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

For and behalf of the Board of Directors

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

**Alok M. Mahajan**  
Executive Director &  
Chief Operating Officer  
(DIN No : 00452309)

**G. Shivakumar**  
Chief Financial Officer

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

Mumbai, May 05, 2023

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

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Greatship (India) Limited (“the Parent” /“the Company”) and its subsidiaries, (the Parent and its subsidiaries together referred to as “the Group”) which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the “consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (“Ind AS”), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

#### Basis for Opinion

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

#### Information Other than the Financial Statements and Auditor’s Report Thereon

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

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

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

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

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

### Other Matters

We did not audit the financial statements/ financial information of 3 subsidiaries, whose financial statements/ financial information reflect total assets of Rs. 743.16 crores as at March 31, 2023, total revenues of Rs. 157.34 crores and net cash outflows amounting to Rs. 21.64 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements/financial information of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable, that:



- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent as on March 31, 2023 taken on record by the Board of Directors of the Parent and its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 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 with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure A” which is based on the auditors’ reports of the Parent and a subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid during the year / provided for the year by the Company to its Managing Director and Executive Directors is in accordance with the provisions of section 197 read with Schedule V of the Act. The Board of Directors have recommended payment of remuneration of Rs. 0.27 crore and Rs. 0.54 crore to non-executive independent directors and non-executive chairman, respectively, for the financial year 2022-23 at its meeting held on May 5, 2023 in accordance with the provisions of section 197 read with Schedule V of the Act, which is provided for in the books of account and is subject to approval by the shareholders by a special resolution at the ensuing general meeting of the Company.

- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 46 to the consolidated financial statements.
  - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 29 to the consolidated financial statements.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent, and its subsidiary company incorporated in India.

- iv. a. The respective Managements of the Parent and its subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in note 53 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or the subsidiary to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or the subsidiary (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b. The respective Managements of the Parent and its subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in note 53 to the consolidated financial statements, no funds have been received by the Parent or the subsidiary from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Parent or the subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us of the Parent and its subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
- v. The dividend on preference shares approved for the previous year and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Parent/ Holding Company and its subsidiaries, associates and joint ventures which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor’s Report) Order, 2020 (“CARO”/ “the Order”) issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us included in the consolidated financial statements to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in the CARO reports of the companies included in the consolidated financial statements.

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

**Samir R. Shah**  
**Partner**

Membership No. 101708  
 UDIN: 23101708BGYJAZ7017

Mumbai, May 05, 2023

## ANNEXURE 'A'

### TO THE INDEPENDENT AUDITOR'S REPORT

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

**Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Greatship (India) Limited (hereinafter referred to as "the Parent") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary company, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls with reference to consolidated financial statements**

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements

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

#### **Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion to the best of our information and according to the explanations given to us, the Parent and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Samir R. Shah**  
**Partner**

Membership No. 101708  
UDIN: 23101708BGYJAZ7017

Mumbai, May 05, 2023

## CONSOLIDATED BALANCE SHEET

### AS AT MARCH 31, 2023

Particulars	Notes	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	9	3,281.55	3,425.98
(b) Capital work-in-progress	10	7.72	0.61
(c) Right-of-use of assets	11	19.63	23.30
(d) Intangible assets	12	-	0.02
(e) Financial assets			
(i) Deposits with bank	13	3.23	-
(ii) Other non-current financial assets	14	10.50	16.39
(f) Non-current tax assets (net)	15C	38.44	28.83
(g) Other non-current assets	16	24.01	25.93
		<b>3,385.08</b>	<b>3,521.06</b>
<b>2 Current assets</b>			
(a) Inventories	17	94.48	84.88
(b) Financial assets			
(i) Current investments	18	20.74	32.80
(ii) Trade receivables	19	134.02	106.77
(iii) Cash and cash equivalents	20	336.94	415.57
(iv) Bank balances other than cash and cash equivalents	21	469.04	315.03
(v) Other current financial assets	22	22.30	4.29
(c) Other current assets	23	16.71	9.62
		<b>1,094.23</b>	<b>968.96</b>
<b>TOTAL ASSETS</b>		<b>4,479.31</b>	<b>4,490.02</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	24	111.35	111.35
(b) Other equity	25	2,558.58	2,493.26
		<b>2,669.93</b>	<b>2,604.61</b>
<b>LIABILITIES</b>			
<b>1 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Long term borrowings	26	1,157.22	1,364.11
(ii) Lease liabilities	27	14.70	19.48
(iii) Other non-current financial liabilities	28	-	0.28

Particulars	Notes	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
(b) Provisions	29A	19.39	12.68
(c) Deferred tax liability (net)	15D	127.70	141.16
(d) Other non-current liabilities	30	13.36	15.70
		<b>1,332.37</b>	<b>1,553.41</b>
<b>2 Current liabilities</b>			
(a) Financial liabilities			
(i) Short term borrowings	26	293.34	188.94
(ii) Trade payables	31		
(a) total outstanding dues of micro and small enterprises		5.19	5.13
(b) total outstanding dues of creditors other than micro and small enterprises		68.09	58.33
(ii) Lease liabilities	27	7.03	5.90
(iv) Other current financial liabilities	32	63.76	53.19
(b) Other current liabilities	33	7.81	6.88
(c) Provisions	29B	13.85	1.57
(d) Current tax liabilities (net)	15C	17.94	12.06
		<b>477.01</b>	<b>332.00</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,479.31</b>	<b>4,490.02</b>

Significant accounting policies 7

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

As per our Report of even date attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells LLP**

**Chartered Accountants**

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

**Samir R. Shah**

Partner

(Membership No.: 101708)

**Ravi K. Sheth**

Managing Director

(DIN No : 00022121)

**Alok A. Mahajan**

Executive Director &

Chief Operating Officer

(DIN No : 00452309)

Place : Mumbai

Date : May 5, 2023

**G. Shivakumar**

Chief Financial Officer

**Amisha M. Ghia**

Company Secretary

(M. No. A18247)

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS

### FOR THE YEAR ENDED MARCH 31, 2023

Particulars	Notes	Year Ended	Year ended
		March 31, 2023	March 31, 2022
		₹ in Crores	₹ in Crores
<b>Income</b>			
I Revenue from operations	34	854.54	675.82
II Other income	35	83.69	49.63
III <b>Total income</b>		<b>938.23</b>	<b>725.45</b>
<b>IV Expenses</b>			
Employee benefits expense	36	258.47	230.56
Finance costs	37	109.45	119.64
Depreciation and amortisation expense	38	261.96	261.99
Impairment loss	39	-	7.74
Other expenses	40	332.79	278.09
<b>Total expenses</b>		<b>962.67</b>	<b>898.02</b>
V <b>Loss before tax</b>		<b>(24.44)</b>	<b>(172.57)</b>
<b>VI Tax Expense</b>			
Current tax	15A	5.00	0.27
Reversal of taxes for earlier years	15A	(45.56)	-
Deferred tax (net)	15A	(17.50)	(29.15)
<b>Total tax expense</b>		<b>(58.06)</b>	<b>(28.88)</b>
VII <b>Profit / (Loss) for the year</b>		<b>33.62</b>	<b>(143.69)</b>
<b>VIII Other Comprehensive Income</b>			
<b>A (i) Items that will not be reclassified to Profit or Loss</b>			
- Remeasurements of the defined benefit plans		(1.29)	1.68
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		0.22	(0.37)
<b>B (i) Items that will be reclassified to Profit or Loss</b>			
- Exchange difference on translation of foreign operations		54.97	22.88
- The effective portion of gains and loss on hedging instruments in a cash flow hedge		11.36	34.77
<b>(ii) Income tax relating to items that will be reclassified to Profit or Loss</b>			
- Exchange difference on translation of foreign operations		(1.26)	(1.49)
- The effective portion of gains and loss on hedging instruments in a cash flow hedge		(3.00)	(8.85)
<b>Total other comprehensive income (A+B)</b>		<b>61.00</b>	<b>48.62</b>

Particulars	Notes	Year Ended March 31, 2023 ₹ in Crores	Year ended March 31, 2022 ₹ in Crores
<b>IX Total comprehensive income/(loss) for the year (VII+VIII)</b>		<b>94.62</b>	<b>(95.07)</b>
<b>Profit / (Loss) for the year attributable to :</b>			
- Owners of the Company		33.62	(143.69)
- Non controlling interests		-	-
		<b>33.62</b>	<b>(143.69)</b>
<b>Other Comprehensive income attributable to :</b>			
- Owners of the Company		61.00	48.62
- Non controlling interests		-	-
		<b>61.00</b>	<b>48.62</b>
<b>Total comprehensive income/(loss) for the year attributable to :</b>			
- Owners of the Company		94.62	(95.07)
- Non controlling interests		-	-
		<b>94.62</b>	<b>(95.07)</b>
Significant accounting policies	7		
Earnings per equity share [Nominal value per share ₹ 10 : previous year ₹ 10]			
Basic and Diluted	41	3.02	(12.90)

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

As per our Report of even date attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells LLP**

**Chartered Accountants**

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

**Samir R. Shah**

Partner

(Membership No.: 101708)

**Ravi K. Sheth**

Managing Director

(DIN No : 00022121)

**Alok A. Mahajan**

Executive Director &

Chief Operating Officer  
(DIN No : 00452309)

Place : Mumbai

Date : May 5, 2023

**G. Shivakumar**

Chief Financial Officer

**Amisha M. Ghia**

Company Secretary

(M. No. A18247)



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

### FOR THE YEAR ENDED MARCH 31, 2023

₹ in Crores

#### A EQUITY SHARE CAPITAL

Balance as at April 1, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at April 1, 2022	Changes in equity share capital during the year	Balance as at March 31, 2023
111.35	-	111.35	-	111.35

Balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at April 1, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022
111.35	-	111.35	-	111.35

#### B OTHER EQUITY

Particulars	Reserves and Surplus						Other Comprehensive Income		Total
	Capital reserve	Capital redemption reserve	Securities premium	General reserve	Tonnage tax reserve	Retained earnings	Foreign currency translation reserve	Cash flow hedging reserve	
<b>Balance as at April 1, 2022</b>	<b>2.95</b>	<b>43.50</b>	<b>1,155.13</b>	<b>147.35</b>	<b>82.50</b>	<b>302.61</b>	<b>749.04</b>	<b>10.18</b>	<b>2,493.26</b>
Impact on account of onerous contract (refer note 51)	-	-	-	-	-	(29.30)	-	-	(29.30)
	<b>2.95</b>	<b>43.50</b>	<b>1,155.13</b>	<b>147.35</b>	<b>82.50</b>	<b>273.31</b>	<b>749.04</b>	<b>10.18</b>	<b>2,463.96</b>
Profit for the year	-	-	-	-	-	33.62	-	-	33.62
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(1.07)	53.71	8.36	61.00
Transfer from retained earnings to tonnage tax reserve	-	-	-	-	10.00	(10.00)	-	-	-
<b>Balance as at March 31, 2023</b>	<b>2.95</b>	<b>43.50</b>	<b>1,155.13</b>	<b>147.35</b>	<b>92.50</b>	<b>295.86</b>	<b>802.75</b>	<b>18.54</b>	<b>2,558.58</b>

Particulars	Reserves and Surplus						Other Comprehensive Income		Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Tonnage Tax Reserve	Retained Earnings	Foreign Currency Translation Reserve	Cash flow Hedging Reserve	
<b>Balance as at April 1, 2021</b>	<b>2.95</b>	<b>43.50</b>	<b>1,155.13</b>	<b>147.35</b>	<b>82.00</b>	<b>445.49</b>	<b>727.65</b>	<b>(15.74)</b>	<b>2,588.33</b>
Loss for the year	-	-	-	-	-	(143.69)	-	-	(143.69)
Other comprehensive income / (loss) for the year, net of income tax	-	-	-	-	-	1.31	21.39	25.92	48.62
Transfer from tonnage tax reserve to general reserve	-	-	-	-	-	-	-	-	-
Transfer from retained earnings to tonnage tax reserve	-	-	-	-	0.50	(0.50)	-	-	-
<b>Balance as at March 31, 2022</b>	<b>2.95</b>	<b>43.50</b>	<b>1,155.13</b>	<b>147.35</b>	<b>82.50</b>	<b>302.61</b>	<b>749.04</b>	<b>10.18</b>	<b>2,493.26</b>

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

As per our report of even date attached

For **DELOITTE HASKINS & SELLS LLP**

For and on behalf of Board of Directors

**Chartered Accountants**

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

**Samir R. Shah**

Partner

(Membership No.: 101708)

**Ravi K. Sheth**

Managing Director

(DIN No : 00022121)

**Alok A. Mahajan**

Executive Director

& Chief Operating Officer

(DIN No : 00452309)

**G. Shivakumar**

Chief Financial Officer

**Amisha M. Ghia**

Company Secretary

(M. No. A18247)

Place : Mumbai

Date : May 5, 2023

## CONSOLIDATED STATEMENT OF CASH FLOWS

### FOR THE YEAR ENDED ON MARCH 31, 2023

Particulars	Year Ended March 31, 2023 ₹ in Crores	Year Ended March 31, 2022 ₹ in Crores
<b>Cash flow from operating activities :</b>		
<b>Loss before tax</b>	(24.44)	(172.57)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	261.96	261.99
Impairment loss	-	7.74
Finance costs	109.45	119.64
Profit on sale of vessels / other fixed assets	(0.29)	(4.83)
Loss on discarded asset	-	1.48
Loss on asset held for scrap	-	12.56
Allowance for doubtful debts and advances (net)	16.60	0.90
Reversal on account of onerous contract	(11.12)	-
Interest income	(16.62)	(4.78)
Insurance claim settled	(44.73)	-
Amortisation of income from government grants	(2.34)	-
Provision for gratuity expenses	-	(0.66)
Profit on sale of current investments	(1.29)	(0.33)
Exchange differences on translation / adjustments of foreign currency balances	53.77	(2.95)
Excess Provision written back /off	-	(19.32)
Profit on derivative transaction (net)	(2.65)	(5.68)
<b>Operating profit before working capital changes :</b>	<b>338.30</b>	<b>193.19</b>
<b>Adjustments for working capital changes</b>		
(Increase) / Decrease in inventories	(9.35)	2.27
(Increase) / Decrease in trade receivables	(40.50)	15.78
(Increase) / Decrease in other financial assets and other assets	(6.22)	8.35
Increase / (Decrease) in trade payables	7.11	(19.19)
Increase / (Decrease) in other financial liabilities, provisions and other liabilities	9.95	(11.36)
<b>Cash generated from operations :</b>	<b>299.29</b>	<b>189.04</b>
( Taxes paid ) / Refund received	36.77	30.29
<b>Net cash from operating activities :</b>	<b>336.06</b>	<b>219.33</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

### FOR THE YEAR ENDED ON MARCH 31, 2023

Particulars	Year Ended March 31, 2023 ₹ in Crores	Year Ended March 31, 2022 ₹ in Crores
<b>Cash flow from investing activities :</b>		
Purchase of property, plant and equipment	(96.32)	(56.79)
Proceeds from sale of property, plant and equipment	0.33	12.64
Proceeds from sale of current investments	115.35	37.60
Purchase of current investments	(101.99)	(62.51)
Interest received	10.75	6.71
Insurance claim settled	44.73	-
Bank deposits having original maturity more than three months placed	(533.66)	(304.16)
Bank deposits having original maturity more than three months redeemed	410.29	537.06
<b>Net cash from / (used) in investing activities :</b>	<b>(150.52)</b>	<b>170.55</b>
<b>Cash flow from financing activities :</b>		
Repayment of long term borrowings	(206.24)	(149.42)
Interest paid	(56.64)	(48.80)
Dividend paid on preference shares	(24.59)	(24.59)
Repayment of lease liability	(7.63)	(7.27)
<b>Net cash used in financing activities :</b>	<b>(295.10)</b>	<b>(230.08)</b>
<b>Net (decrease) / increase in cash and cash equivalents :</b>	<b>(109.56)</b>	<b>159.80</b>
<b>Cash and cash equivalents - opening balance</b>	<b>415.57</b>	<b>238.93</b>
Gain on exchange rate changes in cash and cash equivalents	30.93	16.84
<b>Cash and cash equivalents - closing balance</b>	<b>336.94</b>	<b>415.57</b>

## CONSOLIDATED STATEMENT OF CASH FLOW (CONTINUED)

### FOR THE YEAR ENDED ON MARCH 31, 2023

Notes:

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

₹ in Crores

Particulars	As at March 31, 2023	Cash flows (net)	Non-cash changes		As at March 31, 2022
			Foreign exchange movement	Amortised cost to Profit and Loss (net)	
Foreign currency term loans from banks	1,093.38	(206.24)	98.84	4.29	1,196.49
Redeemable cumulative Preference shares capital	358.33	-	-	1.34	356.99
<b>Total liabilities from financing activities</b>	<b>1,451.71</b>	<b>(206.24)</b>	<b>98.84</b>	<b>5.63</b>	<b>1,553.48</b>

₹ in Crores

Particulars	As at March 31, 2022	Cash flows (net)	Non-cash changes		As at March 31, 2021
			Foreign exchange movement	Amortised cost to Profit and Loss (net)	
Foreign currency term loans from banks	1,196.49	(149.42)	45.77	3.99	1,296.15
Redeemable cumulative Preference shares capital	356.99	-	-	1.25	355.74
<b>Total liabilities from financing activities</b>	<b>1,553.48</b>	<b>(149.42)</b>	<b>45.77</b>	<b>5.24</b>	<b>1,651.89</b>

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

As per our Report of even date attached

For and on behalf of the Board of Directors

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

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

**Samir R. Shah**

Partner

(Membership No.: 101708)

**Ravi K. Sheth**

Managing Director

(DIN No : 00022121)

**Alok A. Mahajan**Executive Director &  
Chief Operating Officer  
(DIN No : 00452309)

Place : Mumbai

Date : May 5, 2023

**G. Shivakumar**

Chief Financial Officer

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 1 Background

Greatship (India) Limited (“the Company”) is a public company domiciled in India and incorporated in the year 2002 under the provisions of the Companies Act, 1956. Greatship (India) Limited, the holding company along with its wholly owned subsidiaries (collectively referred to as Group) is engaged in providing offshore oilfield services with the principal activity of offshore logistics and drilling services. The Group presently owns and operates 8 Platform Supply Vessels (PSVs) (Including 4 R-Class Supply Vessels), 9 Anchor Handling Tug cum Supply Vessels (AHTSVs) and 2 Multi-purpose Platform Supply and Support Vessels (MPSSVs) in the Indian and International markets. The Group also owns and operates 4 Jack up Drilling Rigs. There have been no significant changes in the nature of these activities during the financial year. The company is a wholly owned subsidiary of The Great Eastern Shipping Company Limited (GESCO) which is listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

The consolidated financial statements of the Group for the year ended March 31, 2023 were approved for issue in accordance with the resolution of the Board of Directors on May 5, 2023.

### 2 Statement of Compliance with IND AS

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

### 3 Basis of Preparation

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

### 4 Basis of Consolidation

The consolidated financial statements relate to Greatship (India) Limited (“the Holding Company”) and its wholly owned subsidiaries together referred to as “the Group”.

The consolidation of accounts of the Company with its subsidiaries has been prepared in accordance with Ind AS 110 ‘Consolidated Financial Statements’. The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to use its power to affect its returns by using its power over the entity.

The financial statements of the parent and its subsidiaries are combined on a line by line basis and intra group balances, intra group transactions and intra group unrealised profits or losses are fully eliminated.

In case of foreign subsidiaries, revenue items are consolidated at the average rates of exchange prevailing during the period. All assets and liabilities are converted at the exchange rates prevailing at the end of the period. Exchange gain / (loss) arising on conversion are recognised under foreign currency translation reserve in the consolidated balance sheet and under other comprehensive income under the Statement of Profit and Loss account.

Changes in the Company’s interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Company’s interests and the non-controlling interests are adjusted to reflect

the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

The financial statements of the subsidiaries used in the consolidation are drawn upto the same reporting date as that of the Company i.e. March 31, 2023.

## 5 Information on subsidiaries

The subsidiary companies considered in the consolidated financial statements are;

Sr. No.	Name of the Company	Country of Incorporation	Percentage of voting power	
			Current Year	Previous Year
1.	Greatship Global Energy Services Pte. Ltd. (“GGES”) (incorporated on October 23, 2006)	Singapore	100%	100%
2.	Greatship Global Offshore Services Pte. Ltd. (“GGOS”) (incorporated on May 08, 2007)	Singapore	100%	100%
3.	Greatship (UK) Ltd. (“GUK”) (incorporated on October 29, 2010)	UK	100%	100%
4.	Greatship Oilfield Services Ltd., (“GOSL”) (Incorporated on July 9, 2015)	India	100%	100%

## 6 Use of Estimates

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

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

### *Impairment of property, plant and equipment*

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

### *Useful lives and residual values of property, plant and equipment*

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

### *Provisions and Contingent Liabilities*

The Group is a party to certain legal disputes, the outcomes of which cannot be assessed with a high degree of certainty. A provision is recognised where, based on the legal views and advice, it is considered probable that an outflow of resources will be required to settle a present obligation that can be measured reliably. Disclosure of contingent liabilities is made in Note 46 unless the possibility of a loss arising is considered remote. Management applies its judgement in determining whether or not a provision should be recorded or contingent liability should be disclosed.

## 7 Significant Accounting Policies

### (a) Property, Plant & Equipment :

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

### Capital work-in-progress and Capital advances :

Cost of assets not ready for intended use as on the Balance Sheet date, is shown as capital work-in-progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Other Non-Current Assets.

### (b) Intangible Assets :

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

### (c) Non-current assets held for sale :

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

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

### (d) Depreciation and Amortisation

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



Estimated useful lives of the assets are as follows:

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

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

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

Estimated useful life of the Fleet and Modern Rigs 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.

Derecognition :

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

**(e) Impairment :**

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

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

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

**(f) Inventories :**

Inventories of fuel oil (includes returnable fuel oil from charterer as per terms of the time charter agreement), stores and spares on rigs and at warehouse are carried at lower of cost and net realizable value. Stores and spares delivered on board the vessels are charged to revenue. Stores and spares of Rigs are charged to revenue on consumption basis. Cost is ascertained on first-in-first-out basis for fuel oil and on weighted average basis for stores and spares on Rigs. Net realisable value represents the estimated selling price for inventories less all costs necessary to make the sale or expected amount to be realised from use as estimated by the management, as applicable.

**(g) Financial Instruments :**

Initial Recognition

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

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

Subsequent measurement

**Financial Assets**

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

**Cash and Cash Equivalents**

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

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

**Financial Assets at amortised cost**

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

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

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

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

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

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

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

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

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

#### **Impairment of financial assets**

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

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

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

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

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

### **Derecognition of financial assets**

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

### **Financial liabilities and equity instruments**

#### **Classification as debt or equity**

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

#### **Equity instruments**

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

#### **Financial liabilities**

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

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

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

#### **Financial guarantee contracts**

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

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

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

#### **Derecognition of financial liabilities**

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

**Effective interest method**

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

**Offsetting financial instruments**

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

**Derivative financial instruments**

The Group enters into a variety of derivative financial instruments like foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. Further details of derivative financial instruments are disclosed in Note 43.

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

**Hedge accounting**

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

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk. Note 43 sets out details of the fair values of the derivative instruments used for hedging purposes.

**Fair value hedges**

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

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

### Cash flow hedges

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

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

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

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

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

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

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

### Hedges of net investments in foreign operations

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated under the heading of foreign currency translation reserve. The gain or loss relating to the ineffective

portion is recognised immediately in the Statement of Profit and Loss, and is included under the head “Gain / Loss on foreign currency transactions (net)”.

Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.

**(h) Revenue Recognition:**

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

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

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

**(i) Leases:**

**Group as a Lessee**

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

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

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

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

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

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

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

### **The Group as a Lessor**

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

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

## **(j) Employee Benefits:**

### **Short-Term Employee Benefits**

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

### **Post- Employment Benefits**

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

#### **i. Defined Contribution Plans**

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

#### **ii. Defined Benefit Plan**

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

### **Other Long Term Benefits**

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

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



**(k) Borrowing Costs:**

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

**(l) Foreign currency translation:**

The functional currency of the Group is determined on the basis of the primary economic environment in which it operates. The functional currency of the Holding Company is Indian National Rupee (INR). The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

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

**(m) Income taxes:**

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

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

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

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

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

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

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

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

**(n) Provisions and Contingent Liabilities :**

Provisions are recognised in the consolidated financial statement in respect of present obligations (legal or constructive) as a result of past events if it is probable that the Group will be required to settle the obligation, and which can be reliably estimated. Provisions are measured at the best estimate of the consideration required to settle the present obligation at the Balance Sheet date. In case of onerous contract present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it, if applicable. The cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

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

**(o) Earnings per share:**

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

**(p) Government Grant:**

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants are recognised in the Statement of Profit and

Loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants used to acquire non current asset are 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.

**(q) Current/Non-Current Classification :**

Any asset or liability is classified as current if it satisfies any of the following conditions :

- (i) the asset/liability is expected to be realised/settled in the Company's normal operating cycle;
- (ii) the asset is intended for sale or consumption;
- (iii) the asset/liability is held primarily for the purpose of trading;
- (iv) the asset/liability is expected to be realised/settled within twelve months after the reporting period;
- (v) the asset is cash and cash equivalent or other bank balances unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- (vi) in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date;
- (vii) All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months.

## 8 Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

**Ind AS 1 - Presentation of Financial Statements** - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group is in the process of evaluating the impact of these amendments.

**Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors** - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group is in the process of evaluating the impact of these amendments.

**Ind AS 12 - Income Taxes** - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group is in the process of evaluating the impact of these amendments.

## 9 PROPERTY, PLANT AND EQUIPMENT

₹ in Crores

Description	Fleet*	Rigs*	Leasehold improvements	Plant and equipment*	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
<b>Gross block</b>									
<b>Balance as at April 1, 2022</b>	<b>2,673.73</b>	<b>3,227.33</b>	<b>5.30</b>	<b>79.79</b>	<b>3.26</b>	<b>9.58</b>	<b>2.30</b>	<b>4.99</b>	<b>6,006.28</b>
Additions	82.74	-	-	7.21	-	1.09	0.07	0.38	91.49
Disposals	(22.49)	-	-	-	(0.03)	(0.60)	(0.05)	(0.04)	(23.21)
Translation exchange difference	40.34	-	-	-	0.11	-	-	0.02	40.47
<b>Balance as at March 31, 2023</b>	<b>2,774.32</b>	<b>3,227.33</b>	<b>5.30</b>	<b>87.00</b>	<b>3.34</b>	<b>10.07</b>	<b>2.32</b>	<b>5.35</b>	<b>6,115.03</b>
<b>Accumulated depreciation / impairment</b>									
<b>Accumulated depreciation / impairment as at April 1, 2022</b>	<b>1,677.94</b>	<b>833.86</b>	<b>5.30</b>	<b>46.35</b>	<b>2.85</b>	<b>7.26</b>	<b>2.22</b>	<b>4.53</b>	<b>2,580.31</b>
Depreciation for the year	129.45	117.16	-	6.94	0.34	1.24	0.04	0.27	255.44
Impairment loss for the year	-	-	-	-	-	-	-	-	-
Disposals	(22.46)	-	-	-	(0.03)	(0.56)	(0.05)	-	(23.10)
Translation exchange difference	20.72	-	-	-	0.10	-	-	0.02	20.84
<b>Accumulated depreciation / impairment as at March 31, 2023</b>	<b>1,805.65</b>	<b>951.02</b>	<b>5.30</b>	<b>53.29</b>	<b>3.26</b>	<b>7.94</b>	<b>2.21</b>	<b>4.82</b>	<b>2,833.49</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>968.67</b>	<b>2,276.31</b>	<b>-</b>	<b>33.71</b>	<b>0.08</b>	<b>2.13</b>	<b>0.11</b>	<b>0.53</b>	<b>3,281.55</b>

## 9 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

₹ in Crores

Description	Fleet*	Rigs*	Leasehold improvements	Plant and equipment*	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
<b>Gross block</b>									
<b>Balance as at April 1, 2021</b>	<b>2,765.70</b>	<b>3,220.88</b>	<b>5.30</b>	<b>61.09</b>	<b>3.21</b>	<b>9.48</b>	<b>2.28</b>	<b>4.87</b>	<b>6,072.81</b>
Additions	27.16	11.20	-	18.70	-	1.40	0.02	0.30	58.78
Disposals	(136.14)	(4.75)	-	-	-	(1.30)	-	(0.19)	(142.38)
Translation exchange difference	17.01	-	-	-	0.05	-	-	0.01	17.07
<b>Balance as at March 31, 2022</b>	<b>2,673.73</b>	<b>3,227.33</b>	<b>5.30</b>	<b>79.79</b>	<b>3.26</b>	<b>9.58</b>	<b>2.30</b>	<b>4.99</b>	<b>6,006.28</b>
<b>Accumulated depreciation / impairment</b>									
<b>Accumulated depreciation / impairment as at April 1, 2021</b>	<b>1,647.76</b>	<b>720.79</b>	<b>5.30</b>	<b>39.26</b>	<b>2.55</b>	<b>7.20</b>	<b>2.18</b>	<b>4.32</b>	<b>2,429.36</b>
Depreciation for the year	128.96	117.82	-	7.09	0.28	1.25	0.04	0.19	255.63
Impairment loss for the year	7.74	-	-	-	-	-	-	-	7.74
Disposals	(113.59)	(4.75)	-	-	-	(1.19)	-	-	(119.53)
Translation exchange difference	7.07	-	-	-	0.02	-	-	0.01	7.10
<b>Accumulated depreciation / impairment as at March 31, 2022</b>	<b>1,677.94</b>	<b>833.86</b>	<b>5.30</b>	<b>46.35</b>	<b>2.85</b>	<b>7.26</b>	<b>2.22</b>	<b>4.53</b>	<b>2,580.31</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>995.79</b>	<b>2,393.47</b>	<b>-</b>	<b>33.44</b>	<b>0.41</b>	<b>2.32</b>	<b>0.08</b>	<b>0.46</b>	<b>3,425.98</b>

Rigs with carrying amount of ₹ 1,927.04 crores (previous year : Rigs ₹ 2,023.71 crores) have been mortgaged/hypothecated against borrowings, the details relating to which have been described in Note 26.

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

**10 CAPITAL WORK-IN-PROGRESS (CWIP)**

CWIP balance as at March 31, 2023 amounting to ₹ 7.72 crores (as at March 31, 2022 amounting to ₹ 0.61 crores) pertains to materials for dry dock and other capital items ordered during the year.

**11 RIGHT-OF-USE OF ASSETS**

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

	As at March 31, 2023 ₹ in Crores
<b>Balance as at April 1, 2022</b>	<b>23.30</b>
Addition	2.83
Depreciation	6.50
<b>Balance as at March 31, 2023</b>	<b>19.63</b>
	As at March 31, 2022 ₹ in Crores
<b>Balance as at April 1, 2021</b>	<b>29.32</b>
Addition	0.31
Depreciation	6.33
<b>Balance as at March 31, 2022</b>	<b>23.30</b>

The aggregate depreciation on Right-of-use of assets has been included under depreciation and amortisation expense in the Statement of Profit and Loss. Refer note 38.

**12 INTANGIBLE ASSETS**

Description	Computer software ₹ in Crores
<b>Gross block</b>	
<b>Balance as at April 1, 2022</b>	<b>5.11</b>
Additions	-
Disposals	-
<b>Balance as at March 31, 2023</b>	<b>5.11</b>
<b>Accumulated amortisation</b>	
<b>Balance as at April 1, 2022</b>	<b>5.09</b>
Amortisation for the year	0.02
Disposals	-
<b>Balance as at March 31, 2023</b>	<b>5.11</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>-</b>

Description	Computer software ₹ in Crores
<b>Gross block</b>	
<b>Balance as at April 1, 2021</b>	<b>5.11</b>
Additions	-
Disposals	-
<b>Balance as at March 31, 2022</b>	<b>5.11</b>
<b>Accumulated amortisation</b>	
<b>Balance as at April 1, 2021</b>	<b>5.06</b>
Amortisation for the year	0.03
Disposals	-
<b>Balance as at March 31, 2022</b>	<b>5.09</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>0.02</b>

### 13 DEPOSITS WITH BANK

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Earmarked balances with bank*	3.23	-
	<b>3.23</b>	<b>-</b>

\* Earmarked with customs

### 14 OTHER NON-CURRENT FINANCIAL ASSETS

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
(Unsecured, considered good)		
Security deposits	2.95	2.91
Derivatives designated as cash flow hedges		
- Mark - to - market gain on interest rate swaps and forward contracts	5.77	13.37
Derivatives not designated as Cash flow hedges		
- Mark - to - market loss on Interest rate collar	1.78	0.11
	<b>10.50</b>	<b>16.39</b>

## 15 INCOME TAXES

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
<b>A. Income tax expense comprise of the following :</b>		
Current tax	5.00	0.27
Reversal of taxes for earlier years	(45.56)	-
Deferred tax	(17.50)	(29.15)
	<b>(58.06)</b>	<b>(28.88)</b>
<b>B. The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in the Statement of Profit and Loss is as follows :</b>		
<b>Profit before tax</b>	<b>(24.44)</b>	<b>(172.57)</b>
Indian statutory income tax rate	25.17%	25.17%
Expected income tax expense	(6.15)	(43.43)
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense :		
(Profit) / Loss attributable to tonnage tax activity*	(8.47)	16.76
Income/ (Expense) Exempt/ not chargeable from/ to Income Tax	1.90	(4.71)
Expense/(Reversal) not considered for tax purpose	(2.63)	(3.32)
Tax on income at different rates	(2.48)	(0.02)
Impact on account of consolidation adjustments	5.26	5.16
Impact of earlier years adjustments **	(45.56)	-
Others (net)	0.07	0.68
Total income tax expense	<b>(58.06)</b>	<b>(28.88)</b>
<b>C. Tax assets and liabilities</b>		
	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Non current tax assets (net)	38.44	28.83
Current tax liabilities (net)	17.94	12.06



**D. Significant components of net deferred tax assets and liabilities for the period ended March 31, 2023 are as follows:**

(₹ in Crores)

	Balance as at April 1, 2022	Recognised in Statement of Profit or Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2023
Deferred tax assets / (liabilities) in relation to :				
Property, plant and equipment	(259.84)	10.41	(1.26)	(250.69)
Defined benefit obligation	(2.11)	-	0.22	(1.89)
Fair value of hedging instruments in a cash flow hedge	(4.31)	-	(3.00)	(7.31)
Unabsorbed depreciation	125.35	6.96	-	132.31
Others	(0.25)	0.13	-	(0.12)
Net deferred tax assets / (liabilities)	(141.16)	17.50	(4.04)	(127.70)

**Significant components of net deferred tax assets and liabilities for the year ended March 31, 2022 are as follows :**

(₹ in Crores)

	Balance as at April 1, 2021	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2022
Deferred tax assets / (liabilities) in relation to :				
Property, plant and equipment	(246.22)	(12.13)	(1.49)	(259.84)
Defined benefit obligation	(1.74)	-	(0.37)	(2.11)
Fair value of hedging instruments in a cash flow hedge	4.54	-	(8.85)	(4.31)
Unabsorbed depreciation	84.06	41.29	-	125.35
Others	(0.24)	(0.01)	-	(0.25)
Net deferred tax assets / (liabilities)	(159.60)	29.15	(10.71)	(141.16)

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

Income from operation of Singapore registered vessels operating outside the limits of the port of Singapore is also exempt under section 13A of the Singapore Income tax act.

Deferred income tax is not provided on undistributed earnings of the subsidiaries amounting to ₹ 73.77 crores (previous year ₹ 77.99 crore) as it is probable that the temporary differences will not reverse in the foreseeable future.

- \*\* The Group has reversed provision for tax relating to earlier years based on the favourable orders received, time barred assessments, etc.

**16 OTHER NON CURRENT ASSETS**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
(Unsecured, considered good)		
Security deposits with Government Authorities	22.14	21.88
Capital advances	1.87	4.05
	<b>24.01</b>	<b>25.93</b>

**17 INVENTORIES**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Stores and spares (Includes material in transit as on March 31, 2023 ₹ 4.25 crore (previous year ₹ 5.34 crore))	73.29	65.93
Fuel Oil	21.19	18.95
	<b>94.48</b>	<b>84.88</b>

Notes:

- a. Inventories are carried at lower of cost and net realisable value.
- b. Inventories of stores and spares on rigs and fuel oil on vessels and rigs are recognised as expense on consumption, and stores and spares relating to vessels are recognised as expense when delivered on board the vessels. The cost of inventories recognised as an expense is ₹ 113.64 crores (previous year: ₹ 109.70 crores).

**18 CURRENT INVESTMENTS**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Investments in mutual funds : Unquoted (Valued at fair value through Profit and Loss)	20.74	32.80
	<b>20.74</b>	<b>32.80</b>
<b>Aggregate amount of unquoted investments</b>	<b>20.74</b>	<b>32.80</b>

**19 TRADE RECEIVABLES**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Unsecured		
- Considered good	68.09	49.78
- Considered doubtful	17.75	2.90
- Unbilled revenue	65.93	56.99
	151.77	109.67
Less: Allowance for doubtful trade receivables	(17.75)	(2.90)
	<b>134.02</b>	<b>106.77</b>

## Trade receivables Ageing Schedule

(₹ in Crores)

As at 31 March, 2023	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed trade receivable - considered good	47.70	17.96	-	-	-	-	65.66
Undisputed trade receivable - considered doubtful	-	-	5.91	11.54	-	0.30	17.75
Disputed trade receivable - considered good	-	-	2.43	-	-	-	2.43
Disputed trade receivable - considered doubtful	-	-	-	-	-	-	-
	<b>47.70</b>	<b>17.96</b>	<b>8.34</b>	<b>11.54</b>	<b>-</b>	<b>0.30</b>	<b>85.84</b>
Add : Unbilled revenue							65.93
							<b>151.77</b>

(₹ in Crores)

As at 31 March, 2022	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed trade receivable - considered good	27.41	18.77	3.60	-	-	-	49.78
Undisputed trade receivable - considered doubtful	-	0.94	-	0.28	-	1.68	2.90
Disputed trade receivable - considered good	-	-	-	-	-	-	-
Disputed trade receivable - considered doubtful	-	-	-	-	-	-	-
	<b>27.41</b>	<b>19.71</b>	<b>3.60</b>	<b>0.28</b>	<b>-</b>	<b>1.68</b>	<b>52.68</b>
Add : Unbilled revenue							56.99
							<b>109.67</b>

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

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

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

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Balances as at the beginning of the year	2.90	3.14
Add: Current year allowance	16.53	1.23
Less: Reversal during the year	(1.68)	(1.47)
Balances as at the end of the year	17.75	2.90

**20 CASH AND CASH EQUIVALENTS**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Balances with banks		
- Current accounts	336.93	415.55
Cash in hand	0.01	0.02
	<b>336.94</b>	<b>415.57</b>

**21 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Balances with bank*	86.15	3.09
Term deposits with maturity more than three months but less than twelve months	382.89	311.94
	<b>469.04</b>	<b>315.03</b>

\* Includes earmarked balance of ₹ Nil (Previous year ₹ 3.09 crores)

**22 OTHER CURRENT FINANCIAL ASSETS**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Derivatives designated as cash flow hedges		
- Mark - to - market gain on interest rate swaps and forward contracts	21.64	3.27
Derivatives not designated as Cash flow hedges		
- Mark - to - market loss on Interest rate collar	0.66	0.03
Other assets	-	0.99
	<b>22.30</b>	<b>4.29</b>

**23 OTHER CURRENT ASSETS**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Prepayments	6.65	4.49
Advances to suppliers, masters, agents and others	4.60	5.00
Surplus in gratuity fund (refer note 36)	0.53	0.13
Indirect tax balances/ recoverable credits	4.93	-
	<b>16.71</b>	<b>9.62</b>

## 24 EQUITY SHARE CAPITAL

	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	₹ In Crores	No. of Shares	₹ In Crores
<b>Authorised</b>				
Equity shares of par value ₹10/- each	135,000,000	135.00	135,000,000	135.00
		<b>135.00</b>		<b>135.00</b>
<b>Issued, subscribed and paid up</b>				
Equity shares of par value ₹10/- fully paid up	111,345,500	111.35	111,345,500	111.35
<b>Total</b>		<b>111.35</b>		<b>111.35</b>

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

Details	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	₹ In Crores	No. of Shares	₹ In Crores
<b>Equity shares of par value ₹10/- fully paid up</b>				
Outstanding at the beginning of the year	111,345,500	111.35	111,345,500	111.35
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	<b>111,345,500</b>	<b>111.35</b>	<b>111,345,500</b>	<b>111.35</b>

## (b) Rights, preferences and restrictions attached to equity shares:

**Equity Shares:**

The holders of equity shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.

## (c) Shares held by the holding company :

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Equity Shares	111.35	111.35

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

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

Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	% of Holding	No. of Shares held	% of Holding	No. of Shares held
<b>Equity shares</b>				
The Great Eastern Shipping Company Limited, the holding company along with its Nominees	100%	111,345,500	100%	111,345,500

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

**(e) Details of the shares hold by promoters :**

The Company is a wholly owned subsidiary of The Great Eastern Shipping Company Limited and its share are being held by "The Great Eastern Shipping Company Limited along with its Nominees", being the promoters of the Company and there are no change in shares being held by the Promoters during the current and previous financial year.

**(f)** No shares are allotted as fully paid up pursuant to contract (s) without payment being received in cash during the period of five years immediately preceding the reporting date.

**(g)** No shares are allotted as fully paid up by way of bonus shares and no shares have been bought back during five years immediately preceding the reporting date.

**25 OTHER EQUITY**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Summary of Other Equity		
Reserves and Surplus		
Capital reserve	2.95	2.95
Capital redemption reserve	43.50	43.50
Securities premium	1,155.13	1,155.13
General reserve	147.35	147.35
Tonnage tax reserve	92.50	82.50
Retained earnings	295.86	302.61
Other Comprehensive Income		
Foreign currency translation reserve	802.75	749.04
Cash flow hedging reserve	18.54	10.18
	<b>2,558.58</b>	<b>2,493.26</b>

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
<b>Reserves and Surplus</b>		
<b>Capital reserve</b>		
Balance at the beginning and at the end of the year	2.95	2.95
<b>Capital redemption reserve</b>		
Balance at the beginning and at the end of the year	43.50	43.50
<b>Securities premium</b>		
Balance at the beginning and at the end of the year	1,155.13	1,155.13
<b>General reserve</b>		
Balance at the beginning and at the end of the year	147.35	147.35
<b>Tonnage Tax reserve</b>		
Balance at the beginning of the year	82.50	82.00
Add: Transfer from retained earnings	10.00	0.50
Balance at the end of the year	92.50	82.50
<b>Retained earnings</b>		
Balance at the beginning of the year	302.61	445.49
Add: Impact on account of onerous contract (Refer note 51)	(29.30)	-
	273.31	445.49
Add: Profit / (Loss) for the year	33.62	(143.69)
Add: Other Comprehensive income / (loss) for the year	(1.07)	1.31
Less: Transfer to Tonnage Tax Reserve Account under section 115VT of the Income Tax Act, 1961	(10.00)	(0.50)
Balance at the end of the year	295.86	302.61
<b>Items of Other Comprehensive Income</b>		
<b>Foreign currency translation reserve</b>		
Balance at the beginning of the year	749.04	727.65
Add / (Less): Exchange differences on net investments in subsidiaries	53.71	21.39
Balance at the end of the year	802.75	749.04
<b>Cash flow Hedging reserve</b>		
Balance at the beginning of the year	10.18	(15.74)
Add : Fair value gain / (loss) on derivative contracts designated as cash flow hedges (net)	8.36	25.92
Balance at the end of the year	18.54	10.18
	<b>2,558.58</b>	<b>2,493.26</b>

**Nature of reserves**Capital reserve

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

Securities premium

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

General reserve

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

Tonnage Tax reserve

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

Foreign currency translation reserve

This reserve represents balances of Exchange differences on monetary items considered as part of net investment in foreign operations. All resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

Retained earnings

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

Cash flow hedging reserve

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

**26 LONG TERM BORROWINGS**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Secured - at amortised cost		
Foreign currency term loans from banks	1,093.38	1,196.49
Less: Current maturities of long term borrowings	(293.34)	(188.94)
Less: Interest accrued but not due on long term borrowings (included in note 32)	(1.15)	(0.43)
	798.89	1,007.12
Unsecured - at amortised cost		
Redeemable Cumulative Preference share capital		
24.60% Cumulative Redeemable Preference Shares of par value ₹10/- fully paid up	176.46	175.12
22.50% Cumulative Redeemable Preference Shares of par value ₹10/- fully paid up	181.87	181.87
	358.33	356.99
	<b>1,157.22</b>	<b>1,364.11</b>



- a. Foreign currency term loans are secured by mortgage on the rigs, assignment of earnings, charge on earnings account (where applicable) and insurance contracts/policies of respective rigs (refer note 9). The loans carry interest at the rate round about of LIBOR plus 215 bps (previous year : LIBOR plus 215 bps) and are repayable in quarterly / half yearly instalments over one to two years.

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

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
1-2 years	799.97	273.23
2-3 years	-	737.85
3-4 years	-	-
	<u>799.97</u>	<u>1,011.08</u>
Less: Unamortised finance charges	(1.08)	(3.96)
	<u>798.89</u>	<u>1,007.12</u>

b. Preference Shares :

The total outstanding preference shares include the below :

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

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

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

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

## 27 LEASE LIABILITY

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Non - current lease liability	14.70	19.48
Current lease liability	7.03	5.90
	<u>21.73</u>	<u>25.38</u>

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

Movement in lease liabilities :

Particulars	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Opening balance	25.38	30.30
Addition	2.83	0.31
Finance cost accrued during the year	1.74	1.99
Payment of lease liability	(8.22)	(7.23)
<b>Closing balance</b>	<b>21.73</b>	<b>25.38</b>

Rental expenses recorded for short term lease was ₹ 0.28 crore for the year ended March 31, 2023 (previous year : ₹ 0.61 crore).

## 28 OTHER NON-CURRENT FINANCIAL LIABILITIES

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Derivatives not designated as cash flow hedges		
- Mark - to - market loss on interest rate collar	-	0.28
	-	<b>0.28</b>

## 29 PROVISIONS

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
<b>A. Non-current</b>		
Provision for employee benefits		
- Provision for gratuity (refer note 36)	0.25	0.23
- Provision for compensated absences (refer note 36)	0.70	0.54
- Director's Retirement Benefit Plan (refer note 36)	12.43	11.56
- Medical Retirement Benefit payable	0.33	0.35
Provision for Onerous Contract (refer note 51)	5.68	-
	<b>19.39</b>	<b>12.68</b>
<b>B. Current</b>		
Provision for employee benefits		
- Provision for compensated absences (refer note 36)	0.70	0.90
- Medical Retirement Benefit payable	0.65	0.67
Provision for Onerous Contract (refer note 51)	12.50	-
	<b>13.85</b>	<b>1.57</b>

Movement in provision for onerous contract :

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Opening balance as on 01.04.22	-	-
Impact on account of onerous contract (refer note 51)	29.30	-
Provision during the year	-	-
Reversal during the year	(11.12)	-
<b>Closing balance</b>	<b>18.18</b>	-

### 30 OTHER NON-CURRENT LIABILITIES

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Government grants #	13.36	15.70
	<b>13.36</b>	<b>15.70</b>

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

### 31 TRADE PAYABLES

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Payable to micro and small enterprises (refer note 48)	5.19	5.13
Payable to others	68.09	58.33
	<b>73.28</b>	<b>63.46</b>

Trade payables ageing schedule :

(₹ in Crores)

As at 31 March, 2023	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro and small enterprises	4.07	1.12	-	-	-	5.19
Total outstanding dues of creditors other than micro and small enterprises	31.22	16.27	3.90	0.79	15.91	68.09
Disputed dues of micro and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
	<b>35.29</b>	<b>17.39</b>	<b>3.90</b>	<b>0.79</b>	<b>15.91</b>	<b>73.28</b>

(₹ in Crores)

As at 31 March, 2022	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro and small enterprises	2.80	2.32	-	0.01	-	5.13
Total outstanding dues of creditors other than micro and small enterprises	24.31	18.16	1.03	0.29	14.54	58.33
Disputed dues of micro and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
	<b>27.11</b>	<b>20.48</b>	<b>1.03</b>	<b>0.30</b>	<b>14.54</b>	<b>63.46</b>

There are no unbilled trade payables, hence the same are not disclosed in the ageing schedule.

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

### 32 OTHER FINANCIAL LIABILITIES

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Interest accrued but not due on long term borrowings	1.15	0.43
Preference dividend payable	24.59	24.59
Derivatives designated as Cash flow hedges		
- Mark - to - market loss on Interest rate swaps and forward contracts	1.61	2.19
Derivatives not designated as Cash flow hedges		
- Mark - to - market loss on Interest rate collar	-	0.06
Other payables :		
- Employee benefits	28.88	21.34
- Accrued expenses	5.28	3.82
- Others	2.25	0.76
	<b>63.76</b>	<b>53.19</b>

### 33 OTHER CURRENT LIABILITIES

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Statutory liabilities	7.61	6.69
Income received in advance	0.20	0.19
	<b>7.81</b>	<b>6.88</b>

**34 REVENUE FROM OPERATIONS**

	Year Ended March 31, 2023 ₹ in Crores	Year ended March 31, 2022 ₹ in Crores
Sale of services		
Charter hire income (refer note 44)	851.72	674.17
Other operating revenues		
Insurance claims	2.82	1.65
	<b>854.54</b>	<b>675.82</b>

**35 OTHER INCOME**

	Year Ended March 31, 2023 ₹ in Crores	Year ended March 31, 2022 ₹ in Crores
a Interest income		
on deposits with banks (at amortised cost)	16.61	4.78
on income tax refund	15.12	11.91
b Other non-operating income		
Gain on derivatives transactions (net)	2.65	5.68
Profit on sale of vessels / other fixed assets	0.29	4.83
Claim Settlement	44.73	-
Excess provision written back	-	18.13
Reversal / (Allowance) of doubtful debt / other provisions of earlier years	-	1.19
Income from Government grants (amortised)	2.34	2.34
Profit on sale / Mark To Market (MTM) of current investments (at FVTPL)*	1.29	0.33
Miscellaneous income	0.66	0.44
	<b>83.69</b>	<b>49.63</b>

\* Net of MTM gain of ₹ 0.47 crores (Previous year loss : ₹ 0.12 crores)

**36 EMPLOYEE BENEFITS EXPENSES**

	Year Ended March 31, 2023 ₹ in Crores	Year ended March 31, 2022 ₹ in Crores
Salaries, wages and allowances	234.16	205.31
Contribution to provident and other funds (Refer note below)	7.88	7.53
Staff welfare expenses	16.43	17.72
	<b>258.47</b>	<b>230.56</b>

**a) Defined Contribution Plans :**

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

Contribution to Provident Fund	3.10	2.14
Contribution to Superannuation Fund	0.25	0.23
Contribution to National Pension Scheme	0.15	0.33
Contribution to Seamens' Provident Fund	1.15	1.07
Contribution to Seamens' Pension Annuity Fund	0.31	0.31
Contribution to Seamens' Gratuity Fund	0.29	0.28

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

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

In accordance with the Singapore law, all eligible employees (Singapore citizens and Permanent Residents in Singapore) of the Group are entitled to receive benefits under the Central provident fund, a defined contribution plan, based on age brackets, in which both the employee and employer (at a determined rate) contribute monthly. The Group contributes as specified under the law to the Government administered provident fund plan. This plan is a defined contribution plan as the obligation of the employer is limited to the monthly contributions made to the fund. The contributions made to the fund are recognised as an expense in Statement of Profit and Loss under employee benefit expenses.

**ii) Superannuation Fund :**

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

**iii) National Pension Scheme (NPS) :**

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

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

**iv) Seamen's Provident Fund :**

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

**v) Seamen's Pension Annuity Fund :**

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

**vi) Seamen's Gratuity Fund :**

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

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

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

Actuarial Assumption	(₹ in Crores)					
	Gratuity		Pension Plan		Compensated Absences	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
a) Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.	LIC (a) (1996-98) Ultimate	LIC (a) (1996-98) Ultimate	IALM (2012-14) Ult.	IALM (2012-14) Ult.
b) Interest / Discount Rate	7.57%	6.78%	7.57%	7.09%	7.57%	6.78%
c) Rate of increase in compensation						
Shore Staff	10.00%	5.00%	-	-	10.00%	5.00%
Rig Staff	6.00%	5.00%	-	-	-	-
d) Expected average remaining service						
Shore Staff	7.33	7.55	-	-	7.33	7.55
Rig Staff	7.11	8.50	-	-	-	-
Subsidiary Shore Staff	7.60	7.89	-	-	-	-
e) Employee Attrition rate						
Shore Staff & Subsidiary Shore Staff	8.00%	8.00%	-	-	8.00%	8.00%
Rig Staff (Past Service : 0 to 5)	25.00%	20.00%	-	-	-	-
Rig Staff (Past Service : 6 to 42)	5.00%	4.00%	-	-	-	-
f) Weighted average remaining duration of Defined Benefit Obligation (in years)						
Shore Staff	5.36	5.03	-	-	5.01	4.58
Rig Staff	7.37	8.55	-	-	-	-
Subsidiary Shore Staff	7.49	7.71	-	-	-	-

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

	Gratuity		Pension Plan		Compensated Absences	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>i) Change in Present Value of Obligations :</b>						
Present value obligation at the beginning of the year	17.97	18.18	11.56	11.09	0.60	0.62
Interest Cost	1.10	1.05	0.82	0.72	0.03	0.03
Current Service Cost	2.72	2.53	-	-	0.04	0.03
Benefits Paid	(1.86)	(1.95)	-	-	(0.07)	(0.09)
Transfer in	-	-	-	-	-	-
Actuarial (Gain) / loss on Obligation	0.59	(1.84)	0.05	(0.25)	0.15	0.01
Present value obligation at the end of the year	20.52	17.97	12.43	11.56	0.75	0.60
<b>ii) Fair Value of Plan Assets :</b>						
Opening Fair Value of Plan Assets	17.87	17.64	-	-	-	-
Adjustment to Opening Fair Value of Plan Asset	-	0.11	-	-	-	-
Return on Plan Assets (excluding Interest Income)	(0.65)	0.19	-	-	-	-
Interest Income	1.20	1.13	-	-	-	-
Employer's Contribution	4.24	0.75	-	-	0.07	0.09
Benefits Paid	(1.86)	(1.95)	-	-	(0.07)	(0.09)
Fair Value of Plan Assets at the end of the year	20.80	17.87	-	-	-	-
The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets.						
<b>iii) Return on plan assets :</b>						
Actual Return on Plan Assets	0.55	1.32	-	-	-	-
Interest Income	1.20	1.13	-	-	-	-
Return on plan assets excluding interest income	(0.65)	0.19	-	-	-	-
<b>iv) Actuarial Gain/Loss on obligation</b>						
Due to Demographic Assumption	0.09	-	-	-	-	-
Due to Financial Assumption	0.55	(0.36)	(0.56)	0.39	0.13	(0.01)
Due to experience	(0.06)	(1.47)	0.61	(0.64)	0.02	0.02
Total Actuarial (Gain)/Loss	0.59	(1.83)	0.05	(0.25)	0.15	0.01



	Gratuity		Pension Plan		Compensated Absences	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>v) Amounts Recognised in the Balance Sheet:</b>						
Present Value of obligation at the end of the Year	(20.52)	(17.97)	(12.43)	(11.56)	(0.75)	(0.60)
Fair Value of Plan Assets at the end of the year	20.80	17.87	-	-	-	-
Funded Status	0.28	(0.10)	(12.43)	(11.56)	(0.75)	(0.60)
Short Term Liability	-	-	-	-	(0.39)	(0.52)
Net Assets / (Liability) recognised in the balance sheet	0.28	(0.10)	(12.43)	(11.56)	(1.14)	(1.12)
<b>vi) Expenses Recognised in the Statement of Profit and Loss</b>						
Current Service Cost	2.72	2.53	-	-	0.04	0.03
Interest Cost (Net)	(0.10)	(0.07)	0.82	0.72	0.03	0.03
Actuarial Gain/(Loss) recognised for the period	-	-	-	-	0.15	0.01
Expenses recognised in the profit and loss account	2.62	2.46	0.82	0.72	0.22	0.07
<b>vii) Other Comprehensive Income (OCI)</b>						
Actuarial (Gain)/Loss recognized for the year	0.59	(1.84)	0.05	(0.25)	-	-
Return on Plan Assets excluding net interest	0.65	(0.19)	-	-	-	-
Total Actuarial (Gain)/Loss recognized in (OCI)	1.24	(2.03)	0.05	(0.25)	-	-
<b>viii) Investment Details ( % invested )</b>						
HDFC Life Defensive Management Fund II	79%	99%	-	-	-	-
HDFC Life Secured Managed Fund II	20%	0%	-	-	-	-
<b>ix) Asset Liability Comparisons</b>						
Present Value of Defined benefit obligation	(20.51)	(17.97)	(12.43)	(11.56)	(0.75)	(0.60)
Plan assets	20.79	17.86	-	-	-	-
Surplus or (Deficit) in the plan	0.28	(0.11)	(12.43)	(11.56)	(0.75)	(0.60)
Experience adjustments on plan assets	(0.65)	0.19	-	-	-	-

**x) Sensitivity Analysis**

	DR : Discount Rate		ER : Salary Escalation Rate	
	PVO DR + 1%	PVO DR - 1%	PVO ER + 1%	PVO ER - 1%
<b>Gratuity</b>				
Present Value of Obligation	19.46	21.69	21.00	20.00
<b>Pension Plan</b>				
Present Value of Obligation	11.38	13.67	-	-
<b>Compensated Absences</b>				
Present Value of Obligation	0.71	0.79	0.79	0.72

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

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

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

**xi) Expected Payout**

	First	Second	Third	Fourth	Fifth	Six to Ten years
<b>Gratuity</b>						
Present Value of Obligation	3.88	2.57	1.96	1.93	1.74	7.99
<b>Pension Plan</b>						
Present Value of Obligation	-	-	-	-	-	-
<b>Compensated Absences</b>						
Present Value of Obligation	0.22	0.07	0.08	0.04	0.07	0.25

**General Description:****i) Gratuity :**

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

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

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

**Investment / Interest Risk**

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

**Longevity Risk**

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

**Salary Risk**

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

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

**ii) Pension Plan :**

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

**iii) Compensated Absences :**

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

**iv) Post Retirement Benefit Scheme :**

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

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

- The discount rate is based on the benchmark yield available on Government Bonds , having regard to the term of the liabilities which is 7.56% p.a. on 30 year bond.
- The severity of the claim is assumed to be 10% of INR 50 Lakhs, frequency of the claim to be 25% and the rate of inflation in medical cost to be 5% p.a.
- Also considered 80% of LIC Annuitant Table (1996-98) for the mortality rate post retirement and no withdrawal rate has been considered.”

**37 FINANCE COSTS**

	Year Ended March 31, 2023 ₹ in Crores	Year Ended March 31, 2022 ₹ in Crores
Interest expense	58.39	50.24
Finance charges (upfront fees, agency fees, prepayment fees)	4.24	4.54
Effective interest cost on redeemable preference shares	25.93	25.84
Exchange differences regarded as an adjustment to borrowing cost	20.89	39.02
	<b>109.45</b>	<b>119.64</b>

**38 DEPRECIATION AND AMORTISATION EXPENSE**

	Year Ended March 31, 2023 ₹ in Crores	Year Ended March 31, 2022 ₹ in Crores
Depreciation on tangible assets (refer note 9)	255.44	255.63
Depreciation on right of use assets (refer note 11)	6.50	6.33
Amortisation on intangible assets (refer note 12)	0.02	0.03
	<b>261.96</b>	<b>261.99</b>

**39 IMPAIRMENT LOSS**

	Year Ended March 31, 2023 ₹ in Crores	Year Ended March 31, 2022 ₹ in Crores
Impairment of tangible assets (refer note 9)	-	7.74
	-	<b>7.74</b>

The Group carried out review of 'recoverable amount' of rigs and support vessels, and recognised impairment loss of ₹ NIL (previous year: 7.74 crores for three support vessels). The 'recoverable amount' of an asset is determined as higher of fair value less cost to sell and 'value in use' (present value of estimated future cash flows expected from an asset) as per Ind AS 36, Impairment of Assets. The discount rate used for estimation of the net present value was 6.63% p.a. (Previous Year: 6.17% p.a.).

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

**40 OTHER EXPENSES**

	Year Ended March 31, 2023 ₹ in Crores	Year Ended March 31, 2022 ₹ in Crores
Fuel, oil and water	19.89	25.00
Hire of vessels and equipment	10.44	15.98
Consumption of stores and spares	93.75	84.70
Payment to contract staff	12.31	12.37
Agency fees	3.92	2.59
Port dues	1.17	3.10
Repairs and maintenance		
- Rigs and vessels	51.55	42.18
- Buildings	0.15	0.08
- Others	1.34	1.07
Insurance		
- Fleet insurance	21.15	14.47
- Others	2.54	2.24
Travelling and conveyance expenses	9.85	9.85
Communication expenses	10.15	9.20
Rent*	0.28	0.61
Rates and taxes	0.06	10.56
Payment to auditors	0.65	0.65
(Reversal) / Allowance for doubtful debts and advances (net)	16.60	0.90
(Reversal) / Expense on account of onerous contract	(11.12)	-
(Profit)/ Loss on foreign currency transactions (net)	47.21	(4.73)
Loss on asset held for scrap	-	12.56
Loss on discarded asset	-	1.48
Miscellaneous expenses	40.90	33.23
	<b>332.79</b>	<b>278.09</b>

**41 EARNINGS PER SHARE**

	Year Ended March 31, 2023 ₹ in Crores	Year ended March 31, 2022 ₹ in Crores
Profit / (Loss) attributable to equity share holders (₹ in crores) (A)	33.62	(143.69)
Weighted average number of equity shares for basic and diluted EPS (B)	111,345,500	111,345,500
Face value of per equity share	₹ 10.00	10.00
Basic and Diluted earnings per share (A/B)	₹ 3.02	(12.90)

**42 RELATED PARTY DISCLOSURE****(i) List of Related Parties****a) Holding Company :**

The Great Eastern Shipping Company Ltd.

**b) Fellow Subsidiaries :**

The Great Eastern Chartering LLC (FZC), Sharjah  
 The Greatship (Singapore) Pte. Ltd., Singapore  
 The Great Eastern Chartering (Singapore) Pte. Ltd., Singapore  
 Great Eastern Services Ltd.  
 Great Eastern CSR Foundation, India

**c) Key Management Personnel :**

Executive Directors

Mr. Ravi K. Sheth  
 Mr. P.R. Naware  
 Mr. Alok Mahajan

Non-Executive Directors

Mr. Bharat K. Sheth (Chairman)  
 Ms. Rita Bhagwati  
 Mr. Shaleen Sharma  
 Ms. Bhavna Doshi

Others

Mr. G. Shivakumar - Chief Financial Officer  
 Ms. Amisha Ghia - Company Secretary

**d) Relative of Key Management Personnel :**

Ms. Nirja B. Sheth - Daughter of Chairman

e) **Other related party:**

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

The Provident Fund of The Great Eastern Shipping Company Ltd.

The Great Eastern Shipping Co. Ltd. Employees Gratuity Fund

The Great Eastern Shipping Co. Limited Executives Supperannuation Fund

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

The Great Eastern Shipping Co. Ltd. Staff Supperannuation Fund

(ii) **Transactions with related parties**

(₹ in Crores)

Nature of transaction	Holding Company		Fellow subsidiaries and Other Related Party		Key Management Personnel and Relatives	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>Transactions during the year:</b>						
Effective interest cost on redeemable preference shares	25.93	25.84	-	-	-	-
Executive Directors						
Short term benefits	-	-	-	-	9.01	8.72
Post employment benefits	-	-	-	-	1.03	0.46
Non-executive directors						
Remuneration	-	-	-	-	0.31	0.23
Sitting fees	-	-	-	-	0.36	0.35
Others						
Short term benefits	-	-	-	-	0.90	0.83
Post employment benefits	-	-	-	-	0.06	0.01
Contribution to post employment benefit plans	-	-	4.50	0.98	-	-
Rent Received	-	-	(0.23)	(0.22)	-	-
Reimbursement of expenses from	(0.30)	-	-	-	-	-
Reimbursement of expenses to	0.08	-	-	-	-	-
Service charges for allotment of training slots	1.25	1.25	-	-	-	-

( ₹ in Crores )

Nature of transaction	Holding Company		Fellow Subsidiaries and Other Related Party		Key Management Personnel and Relatives	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>Outstanding Balances</b>						
Payables	0.88	0.89	-	-	-	-
Dividend payable	24.59	24.59	-	-	-	-
Post employment benefit plans (asset) / liability	-	-	(0.56)	(0.16)	-	-
Remuneration payable						
Executive Directors	-	-	-	-	16.40	15.31
Non-executive Directors	-	-	-	-	0.31	0.23

**Terms and conditions of transactions with related parties**

All Related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis.

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

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

The capital structure of the Group consists of net debt (borrowing as detailed in note 26 and offset by cash and bank balances, deposits with bank and current investments) and total equity of the Group.

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

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

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

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Debt*	1,451.71	1,553.48
Less: Cash and bank balances including current investments	(829.95)	(763.40)
<b>Net debt</b>	<b>621.76</b>	<b>790.08</b>
<b>Total equity</b>	<b>2,669.93</b>	<b>2,604.61</b>
<b>Net debt to equity ratio</b>	<b>0.23</b>	<b>0.30</b>

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



**(b) Financial assets and liabilities**

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instruments are disclosed in Note 7 (g) to the Consolidated financial statements.

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

( ₹ in Crores )

	Carrying value as on	
	March 31, 2023 ₹ in Crores	March 31, 2022 ₹ in Crores
<b>Financial Assets</b>		
<b>Measured at Amortised Cost</b>		
Cash and cash equivalents	336.94	415.57
Other financial assets	2.95	3.90
Bank balances other than cash and cash equivalents	469.04	315.03
Deposits with banks	3.23	-
Trade receivables	134.02	106.77
<b>Measured at fair value through profit and loss</b>		
Current investments	20.74	32.80
Derivative contracts	27.41	16.64
<b>Measured at fair value through OCI</b>		
Derivative contracts	2.44	0.14
	<b>996.77</b>	<b>890.85</b>
<b>Financial Liabilities</b>		
<b>Measured at amortised cost</b>		
Foreign currency term loans from banks	1,093.38	1,196.49
Preference share capital including redemption premium	358.33	356.99
Preference dividend payable including dividend distribution tax	24.59	24.59
Trade payables	73.28	63.46
Lease liability	21.73	25.38
Other financial liabilities	36.41	25.92
<b>Measured at fair value through profit and loss</b>		
Derivative contracts	1.61	2.19
<b>Measured at fair value through OCI</b>		
Derivative contracts	-	0.34
	<b>1,609.33</b>	<b>1,695.36</b>

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

#### Fair value hierarchy

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

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Financial Assets and Liabilities	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores	Level	Valuation technique and key inputs
Investments in liquid mutual funds	20.74	32.80	Level 2	The mutual funds are valued at the net asset value of the respective units.
Derivative financial instruments (net)	28.24	14.25	Level 2	Discounted cash flows. Future cash flows are estimated based on forward exchange/ interest rates and contract forward/ interest rates discounted at a rate that reflects the credit risk of various counterparties.

#### (c) Derivative financial instrument and risk management

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

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

l) Derivative instruments in hedging relationship (Cashflow hedges) :

##### (i) Forward exchange contracts:

Details	As at March 31, 2023		As at March 31, 2022	
	Purchase	Sale	Purchase	Sale
Total no. of contracts	-	36	-	23
Notional amount of foreign currency (USD in Million)	-	18.00	-	11.50
Amount in hedging reserve gain (₹ in crores)	-	(1.16)	-	0.59
Maturity period	-	upto 12 months	-	upto 12 months

**(ii) Interest rate swap contracts:**

<b>Details</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Total No. of contracts	13	20
Principal notional amount (USD million)	74.67	146.01
Amount in hedging reserve gain/(loss) (₹ in crores)	26.96	13.86
Maturity period	upto 18 months	upto 30 months

The above mentioned derivative contracts have been entered to hedge foreign currency risk of firm commitments and the interest rate risk, which have been designated as hedge instruments that qualify as effective cash flow hedges. The mark-to-market gain / loss on these derivative contracts outstanding as on March 31, 2023 amounting to gain of ₹ 25.80 crores [ previous year gain: ₹ 14.45 crores (net) ] has been recorded in the cash flow hedging reserve as on March 31, 2022.

The interest rate swaps are entered to hedge quarterly interest payments on borrowings. Fair value gains and losses on the interest rate swaps recognised in cash flow hedging reserve are transferred to the Statement of Profit and Loss as part of interest expense on settlement.

**II) Derivative instruments not in hedging relationship :****Interest rate collar contracts :**

<b>Details</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Total no. of Contracts	3	3
Principal Notional Amount (USD million)	16.20	19.28
Mark to market loss recognised (₹ In crores)	2.44	(0.20)
Maturity Period	upto 18 months	upto 30 months

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

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

Gains / (Loss) on the derivative contracts mentioned under (II) above, are recognised to the Statement of Profit and Loss. The mark-to-market on these derivative contracts outstanding as on March 31, 2023 amounting to gain ₹ 2.44 crores (previous Year loss : ₹ 0.20 crores) has been recognised in the Statement of Profit and Loss.

(d) **Market risk**i) *Foreign currency risk*

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

The Group's exposure to unhedged foreign currency is listed below:

Details	As at	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Currency in Millions		₹ in Crores	
Foreign currency term loans from banks				
USD	133.40	158.80	1,096.19	1,203.58
Financial liabilities				
USD	1.56	1.14	12.79	8.66
THB	0.88	-	0.21	-
SGD	1.50	1.57	9.25	8.77
EUR	0.45	0.21	4.03	1.79
GBP	0.09	0.01	0.93	0.12
SEK	0.01	-	0.01	-
JPY	4.53	3.36	0.28	0.21
NOK	0.04	0.00*	0.03	0.00*
AED	0.06	0.02	0.12	0.05
ZAR	0.00*	0.06	0.00*	0.03
MYR	0.09	1.22	0.16	2.20
Financial assets				
USD	2.24	0.79	18.39	6.02
MYR	-	10.09	-	18.20
SGD	0.13	0.17	0.77	0.94
EUR	0.12	0.30	1.06	2.54
GBP	0.01	0.00*	0.14	0.02
NOK	0.01	-	0.01	-
JPY	0.01	7.01	0.00*	0.43
Cash and cash equivalents and Bank balances other than cash and cash equivalents				
USD	42.29	43.35	347.49	328.57
SGD	0.26	0.23	1.58	1.31
EUR	0.02	0.04	0.21	0.32
GBP	0.07	0.06	0.69	0.62

Details	As at	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Currency in Millions		₹ in Crores	
Net currency exposure				
USD	(90.43)	(115.80)	(743.10)	(877.65)
THB	(0.88)	-	(0.21)	-
SGD	(1.12)	(1.17)	(6.90)	(6.52)
EUR	(0.31)	0.13	(2.76)	1.06
GBP	(0.01)	0.05	(0.10)	0.52
JPY	(4.53)	3.65	(0.28)	0.23
NOK	(0.04)	(0.00)*	(0.03)	(0.00)*
AED	(0.06)	(0.02)	(0.12)	(0.05)
ZAR	(0.00)*	(0.06)	(0.00)	(0.03)
MYR	(0.09)	8.87	(0.16)	16.00
SEK	(0.01)	-	(0.01)	-

\* Less than Rs 1 Lakhs

The un-hedged foreign currency exposures have been given in respect of currencies other than functional currency of the respective enterprises.

A 5% strengthening / weakening of Indian Rupee against key currencies to which the Group is exposed (net of hedge), with all other variables being held constant, would have led to approximately a Gain / Loss of ₹ 37.68 crores (previous year: ₹ 43.30 crores) in the Statement of Profit and Loss.

#### ii) *Interest rate risk*

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

#### *Interest rate sensitivity*

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

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in Indian rupees and US dollars with a mix of fixed and floating rates of interest. The Group hedges its US dollar interest rate risk through interest rate swaps and interest rate collars to reduce the floating interest rate risk. The Group has exposure to interest rate risk, arising principally on changes in LIBOR rates. The risk is managed by the Group by the use of interest rate swap and interest rate collar contracts.

Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

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

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Fixed rate borrowings (Redeemable preference shares)	358.33	356.99
Floating rate borrowings (Foreign currency term loans from banks)	1,093.38	1,196.49
<b>Total borrowings</b>	<b>1,451.71</b>	<b>1,553.48</b>

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

If interest rate had been 50 basis points higher or lower and all other variables were held constant, the Group's profit for the year would have increased/decreased by ₹ 1.95 crores (previous year: ₹ 1.51 crores).

(e) **Credit risk**

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

As the 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 Balance Sheet.

Trade receivables :

The trade receivables of the Group comprise 1 debtor (previous year: 1 debtor) that individually represented 55.61% (previous year: 61.05%) of trade receivables. Due to the nature of the Group's operations, revenue and receivable are typically concentrated amongst a relatively niche customer base. The Group has policies in place to ensure that contracts are with customers of stable financial standing and appropriate credit history.

The credit period of receivables ranges from 20 to 60 days generally without security. There has been no significant change in the credit quality of past due receivables.

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

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

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

Cash and cash equivalents, derivatives and mutual fund investments :

Credit risk on cash and cash equivalents is limited as the Group invests in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investments in

liquid mutual funds units from reputed funds. For derivative and financial instruments, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

#### Exposure to credit risk :

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 996.77 crores as at March 31, 2023 and ₹ 890.85 crores as at March 31, 2022, being the total of the carrying amount of balances and deposits with banks, trade receivables, mutual fund investments and other financial assets including derivatives instruments.

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

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

The Group's trade receivables not past due include receivables amounting to ₹ 47.70 crores (previous year: ₹ 27.41 crores).

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

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

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

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Overdue (net of provision)		
- Less than 180 days	17.96	18.77
- More than 180 days	2.43	3.60
	<b>20.39</b>	<b>22.37</b>

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

Overdue - more than 365 days	11.84	1.96
Due but impaired	5.91	0.94
Less: Allowance for doubtful trade receivables	(17.75)	(2.90)
	-	-

##### (f) *Liquidity risk*

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

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

₹ in Crores

	Payable within 1 year	Payable within 2 - 5 years	More than 5 years	Total
<b>As at March 31, 2023</b>				
Foreign currency term loans from banks	294.49	798.89	-	1,093.38
Interest commitment	75.56	29.54	-	105.10
Trade payables	73.28	-	-	73.28
Preference share capital including redemption premium	-	272.91	85.42	358.33
Preference dividend payable and commitments including dividend distribution tax	24.59	61.47	-	86.06
Other financial liabilities	36.41	-	-	36.41
Lease liability	7.03	14.70	-	21.73
Derivative contract	1.61	-	-	1.61
	512.97	1,177.51	85.42	1,775.90
<b>As at March 31, 2022</b>				
Foreign currency term loans from banks	189.37	1,007.12	-	1,196.49
Interest commitment	27.24	30.75	-	57.99
Trade payables	63.46	-	-	63.46
Preference share capital including redemption premium	-	181.94	175.05	356.99
Preference dividend payable and commitments including dividend distribution tax	24.59	79.91	6.15	110.65
Other financial liabilities	25.92	-	-	25.92
Lease liability	5.90	19.48	-	25.38
Derivative Contract	2.25	0.28	-	2.53
	338.73	1319.48	181.20	1,839.41



#### 44 SEGMENT REPORTING

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

##### Revenue from Operations :

Particulars	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Revenue from customers outside India	197.60	121.97
Revenue from customers within India	654.12	552.20
<b>Total</b>	<b>851.72</b>	<b>674.17</b>

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

#### 45 TIME CHARTER (IND AS 116)

The Group has entered into time charter arrangements for Rigs and Fleet (vessels).

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

Particulars	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
Total Future Time Charter payments*		
- Less than 1 year	591.73	559.21
- More than 1 year and less than 5 years	1,231.17	795.05
- More than 5 years	20.04	-

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

Note:

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

**46 CONTINGENT LIABILITIES**

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
a) Claims against the Group not acknowledged as debts:		
i) Service Tax	384.83	384.83
Demand pertains to applicability of service tax on drilling services rendered at certain locations in high seas and non-payment of service tax under reverse charge mechanism# on certain foreign expenses		
ii) Customs duty	14.88	17.52
Demand pertains to wrong classification of Marine Gas Oil/HFHSO and vessels imported.		
iii) Value Added Tax ('VAT') / Central Sales Tax ('CST')	84.15	2.87
Demand pertains to levy of Maharashtra VAT / GST on Time charter hire of vessels / services rendered by using Rigs considering the same to be a 'deemed sale' transaction		
iv) Income Tax	0.46	10.13

Amounts pertaining to points above are excluding interest and penalty.

# Service tax authorities had issued Show Cause Notices as to why service tax under Reverse Charge Mechanism is not payable on payment made to foreign vendors towards Bareboat Charter of rigs and certain other services. The service tax authorities have issued two Orders-in-Original confirming entire service tax demand for the period from FY 2008-09 to FY 2014-15 and October 2015 to June 2017 - appeal is filed and pending before Appellate Tribunal.

Notes :

- I) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of final judgements.
- II) The Company's pending litigations comprise of claims pertaining to proceedings pending with Income Tax, Custom, Sales Tax / VAT, Service Tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions were required or disclosed as contingent liabilities where applicable, in its financial statements. Company considers that all pending disputes are strong on merits.
- III) For AY 09-10, the department has filed an appeal before the Bombay High Court in March 2020 against the order of Income Tax Appellate Tribunal. If the matter goes against the Company, there would be reduction in carried forward losses which have been set off against the taxable profits of the subsequent years.

**47 CAPITAL COMMITMENTS**

Estimated amount of contracts, net of advances paid thereon, remaining to be executed on capital account and not provided for ₹ 16.70 crores (previous year: ₹ 4.36 crores).

**48 DISCLOSURES RELATING MICRO, SMALL AND MEDIUM ENTERPRISES**

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

	As at March 31, 2023 ₹ in Crores	As at March 31, 2022 ₹ in Crores
a) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)		
- Principal amount due to Micro and Small enterprises	5.19	5.13
- Interest due on above	-	-
b) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

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

**49 SUBSEQUENT EVENTS**

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

**50** During the year, the Company received claim from insurance company of ₹ 44.73 crore towards full and final settlement for vessel Greatship Rohini which had met with a major fire accident during financial year ended March 31, 2021. The claim has been recognized as other income during the year ended March 31, 2023.

**51** “On March 23, 2022, the Ministry of Company Affairs notified amendments to certain Indian Accounting Standards vide the Companies (Indian Accounting Standards) Amendment Rules, 2022 (“The Rules 2022”) effective for annual periods beginning on or after April 1, 2022. The Rules 2022 notified an amendment to Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets (“IND AS 37”) – “Onerous Contracts”- “Cost of Fulfilling a Contract” regarding costs a Company should include as the cost of fulfilling a contract when assessing whether a contract is onerous. The amendment extends the definition of cost of fulfilling a contract to include allocation of other costs that relate directly to fulfilling a contract. The adoption of this amendment as at April 1, 2022 has resulted in a reduction of Rs. 29.30 Crores in the opening Retained Earnings with a corresponding provision for onerous contracts as prescribed in the Rules 2022.”

## 52 ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013.

(₹ In Crores)

Name of Enterprise	FY 2022-23							
	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
<u>Parent</u>								
Greatship (India) Limited	81.44%	2,174.52	167.52%	56.32	11.95%	7.29	67.23%	63.61
<u>Indian subsidiary</u>								
Greatship Oilfield Services Limited	0.01%	0.18	0.00%	-	-	-	-	-
<u>Foreign subsidiary</u>								
Greatship Global Energy Services Pte. Ltd.	3.75%	100.03	2.65%	0.89	-	-	0.94%	0.89
Greatship Global Offshore Services Pte. Ltd.	22.36%	597.03	42.68%	14.35	-	-	15.17%	14.35
Greatship (UK) Ltd.	0.22%	5.80	(0.48%)	(0.16)	-	-	(0.17%)	(0.16)
	107.78%	2,877.56	212.37%	71.40	11.95%	7.29	83.16%	78.69
Intercompany Eliminations / Adjustments	(7.78%)	(207.63)	(112.37%)	(37.78)	88.05%	53.71	16.84%	15.93
<b>Total</b>	<b>100.00%</b>	<b>2,669.93</b>	<b>100.00%</b>	<b>33.62</b>	<b>100.00%</b>	<b>61.00</b>	<b>100.00%</b>	<b>94.62</b>

Name of Enterprise	FY 2021-22							
	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
<u>Parent</u>								
Greatship (India) Limited	82.17%	2,140.21	103.73%	(149.05)	56.01%	27.23	128.14%	(121.82)
<u>Indian subsidiary</u>								
Greatship Oilfield Services Limited	0.01%	0.18	0.01%	(0.01)	-	-	0.00	(0.01)
<u>Foreign subsidiary</u>								
Greatship Global Energy Services Pte. Ltd.	4.38%	114.16	0.10%	(0.14)	-	-	0.15%	(0.14)
Greatship Global Offshore Services Pte. Ltd.	20.62%	537.07	(15.16%)	21.78	-	-	(22.91%)	21.78
Greatship (UK) Ltd.	0.21%	5.50	1.65%	(2.37)	-	-	2.49%	(2.37)
	107.39%	2,797.12	90.33%	(129.79)	56.01%	27.23	107.88%	(102.56)
Intercompany Eliminations / Adjustments	(7.39%)	(192.51)	9.67%	(13.90)	43.99%	21.39	(7.88%)	7.49
<b>Total</b>	<b>100.00%</b>	<b>2,604.61</b>	<b>100%</b>	<b>(143.69)</b>	<b>100.00%</b>	<b>48.62</b>	<b>100.00%</b>	<b>(95.07)</b>

**53 OTHER STATUTORY INFORMATION**

- i) The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.
- ii) The Group is not declared wilful defaulter by any bank or financial institution or lender during the year.
- iii) The Group does not have any transactions with companies struck off.
- iv) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- v) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- vi) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- vii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- viii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- ix) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- x) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.



GREATSHIP (INDIA) LIMITED

One International Center, Tower 3, 23rd Floor,  
Elphinstone Road (West), Senapati Bapat  
Marg, Mumbai 400013

[www.greatshipglobal.com](http://www.greatshipglobal.com)