

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

BOARD OF DIRECTORS

The current policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board of Directors (hereinafter referred to as 'Board') and to separate the Board functions of governance and management.

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

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

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

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

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

*Total Shareholding including shares held as Trustee.

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

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

FAMILIARIZATION PROGRAMMES FOR INDEPENDENT DIRECTORS

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

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

CODE OF CONDUCT

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

BOARD MEETINGS

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

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

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

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

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

COMMITTEES

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

A. AUDIT COMMITTEE

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

TERMS OF REFERENCE OF THE AUDIT COMMITTEE ARE AS FOLLOWS:

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

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

COMPOSITION OF AUDIT COMMITTEE

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

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

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

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

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

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

B. NOMINATION & REMUNERATION COMMITTEE

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

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

COMPOSITION OF NOMINATION & REMUNERATION COMMITTEE

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

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

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

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

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

REMUNERATION POLICY

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

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

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

(Amount in ₹)

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

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

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

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

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

PARAMETERS FOR PERFORMANCE EVALUATION

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

PARAMETERS FOR PERFORMANCE EVALUATION OF BOARD

ATTRIBUTE	DESCRIPTION
Strategy & Business Plan Management	<ul style="list-style-type: none"> • The Board understands the interests and risk-returns philosophy of the shareholders and bases investment and financial plans on them • The Board ensures the development of business strategy and plans to suit the economic environment and growth opportunities • Significant time of the Board is being devoted to management of current and potential strategic issues
Risk Management & Controls	<ul style="list-style-type: none"> • The Board considers, understands, and approves the process implemented by management to effectively identify, assess, and respond to the organization's key risks. • The Board evaluates strategic risks • The Board (directly or through Audit Committee) ensures the integrity of the entity's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.
Compliances & Governance	<ul style="list-style-type: none"> • The Board ensures compliances with corporate governance practices in line with applicable regulations and best-practices • The Board oversees the process of disclosure and communications. • The Board regularly reviews the grievance redressal mechanism of investors, details of grievances received, disposed of and those remaining unresolved. • The Board monitors and manages potential conflicts of interest of management, members of the board of directors and shareholders, including misuse of corporate assets and abuse in related party transactions. • Sufficient number of non-interested members of the board of directors (capable of exercising independent judgment) take decisions in respect of matters where there is a potential for conflict of interest • The Board sets a good corporate culture and the values for the group employees.
Business Performance	<ul style="list-style-type: none"> • The Board is effective in reviewing and setting long and short-term performance goals for the organization against the business strategy • The Board is effective in monitoring business performance and guiding Management in prioritizing areas of focus and resolving business challenges
Board Constitution & Functioning	<ul style="list-style-type: none"> • The Board comprises a set of directors that collectively possess the diversity of skills required for oversight and guidance to Management. • Structure of the Board and appointment process for directors is as per the Company's Policy for Appointment of Directors and Board Diversity. • Role and responsibilities of the Board/ Committee are clearly documented. • The Board facilitates the independent directors to perform their role effectively as a member of the board of directors and also as a member of a committee of board of directors and any criticism by such directors is taken constructively. • Adequate induction and professional development programmes are made available to new and existing directors. Continuing directors training is provided to ensure that the members of board of directors are kept up to date

ATTRIBUTE	DESCRIPTION
Stakeholder value and responsibility	<ul style="list-style-type: none"> • Decision making process of the Board is adequate to assess creation of stakeholder value • The Board has mechanisms in place to communicate and engage with various stakeholders • The Board acts on a fully informed basis, in good faith, with due diligence and care, with high ethical standards and in the best interest of the entity and the stakeholders. • The Board treats shareholders and stakeholders fairly where decisions of the board of directors may affect different shareholder/ stakeholder groups differently. • The Board regularly reviews the Business Responsibility Reporting / related corporate social responsibility initiatives of the entity and contribution to society, environment etc.
Process of meetings	<ul style="list-style-type: none"> • The processes of setting of Board meeting agenda and furnishing information required by the directors for discharging their duties is effective • Board meetings are conducted with adequate length and quality of debates including involvement of all directors for effective and efficient decision making • Meetings are being held on a regular basis • Frequency of such meetings is enough for the Board to undertake its duties properly • Logistics for the meeting is being handled properly- venue, format, timing, etc • Agenda is circulated well before the meeting. It has all relevant information to take decision on the matter. It involves major substantial decisions. • Outstanding items of previous meetings are followed-up and taken up in subsequent agendas. • Board discusses every issue comprehensively and depending on the importance of the subject. • Environment of the meeting induces free-flowing discussions, healthy debate and contribution by everyone without any fear or fervor. Critical and dissenting suggestions are welcomed. • Minutes are being recorded properly. Minutes are timely circulated to all the Board members. Dissenting views are recorded in the minutes. • Board is adequately informed of material matters in between meetings • Adequate secretarial and logistical support is available for conducting Board meetings. • Whenever required sufficient funds are made available to the Board for conducting its meeting effectively, seeking expert advice e.g. Legal, accounting, etc.
Management Performance	<ul style="list-style-type: none"> • The Board 'steps back' to assist executive management by challenging the assumptions underlying strategy, strategic initiatives (such as acquisitions), risk appetite, exposures and the key areas of the entity's focus. • Board evaluates and monitors management regularly and fairly and provides constructive feedback and strategic guidance. • Remuneration of the Board and management is in line with its performance and with industry peers. It is in long term interests of the company and its shareholders. • The Board selects, compensates, monitors and, when necessary, replaces key managerial personnel based on such evaluation. • Level of independence of the management from the Board is adequate. • Board and the management are able to actively access each other and exchange information • Appropriate and adequate succession plan is in place and is being reviewed and overseen regularly by the Board

PARAMETERS FOR PERFORMANCE EVALUATION OF EXECUTIVE DIRECTORS

PARAMETER	GUIDELINES
Health, Safety and Environment (HSE) Performance & Compliances	<ul style="list-style-type: none"> • HSE records and statutory compliances • Maturity of HSE systems and programs
Financial Performance	<ul style="list-style-type: none"> • Profitability & Return on equity • Financial strength
Market Performance	<ul style="list-style-type: none"> • Asset utilizations, day rates & TCY • Market competitiveness in regions of interest
Operations, Assets & Cost Performance	<ul style="list-style-type: none"> • Fleet uptime • Maturity of technical management systems • Maturity of cost optimization programs
Risk, Quality & Systems Management	<ul style="list-style-type: none"> • Mitigation & management of major risks including statutory compliances • Robustness of process controls • Maturity of IT systems
People Management	<ul style="list-style-type: none"> • Talent competitiveness & manpower availability • Manpower competence & productivity • Succession Planning

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

ATTRIBUTE	DESCRIPTION
Independence (for independent directors only)	<ul style="list-style-type: none"> • Maintains independence as defined in section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
Understanding of the business	<ul style="list-style-type: none"> • Demonstrates required understanding of the business of the company and its environment, strategy and risks • Possesses and applies breadth of experience in viewing issues from alternative perspectives
Time commitment	<ul style="list-style-type: none"> • Dedicates the time required for attending board / board sub-committee meetings • Prepares for the board / board sub-committee meetings on the agenda ahead of time
Integrity in functioning	<ul style="list-style-type: none"> • Independent thinker who shares own views in board discussions • Demonstrates being an independent thinker, and avoids group-think.
Application of insights	<ul style="list-style-type: none"> • Applies own knowledge and insights on issues • Flexible and responsive to change • Is able to identify opportunities or risks that require closer scrutiny and probe further keeping in mind shareholders' interests
Functioning	<ul style="list-style-type: none"> • Works effectively independently / collectively with board members • Asks deep questions without being confrontational • Understands and fulfills the functions as assigned by the Board members and the law

ADDITIONAL PARAMETERS FOR PERFORMANCE EVALUATION OF CHAIRMAN

ATTRIBUTE	DESCRIPTION
Management of Board Agenda & Information Flow	<ul style="list-style-type: none"> • Selection of issues & decisions as board meeting agenda items • Allocation of adequate time for debate on agenda items in board meetings • Collation and presentation of information required to board members
Management of Board Meetings	<ul style="list-style-type: none"> • Respecting diversity of views within board members by conducting discussions including views from all board members • Managing discussions with efficiency to conclude clear decisions and action points
Team Leadership	<ul style="list-style-type: none"> • Keeping the board members committed to actively engage in their responsibilities with adequate dedication of time for company familiarization, preparations and participation in meetings • Drawing on the specific expertise & capabilities of each director • Resolving conflicts between opposing points of view and converging on an approach to problems
Personal Attributes	<ul style="list-style-type: none"> • The Chairperson displays efficient leadership, is open-minded, decisive, courteous, displays professionalism, able to coordinate the discussion, etc. and is overall able to steer the meeting effectively • The Chairperson is impartial in conducting discussions, seeking views and dealing with dissent, etc. • The Chairperson is sufficiently committed to the Board and its meetings. • The Chairperson is able to keep shareholders' interest in mind during discussions and decisions.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

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

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

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

COMPOSITION OF THE COMMITTEE

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

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

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

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

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

RISK MANAGEMENT

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

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

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

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

GENERAL MEETINGS

Next Annual General Meeting and date of Book Closure

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

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

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

GENERAL BODY MEETINGS HELD DURING PREVIOUS THREE FINANCIAL YEARS

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

MEETING	TIME	LOCATION	SPECIAL RESOLUTIONS PASSED
67th Annual General Meeting	August 12, 2015 at 3.00 p.m.	Rama and Sundri Watumull Auditorium, K. C. College, Churchgate, Mumbai 400 020	<ul style="list-style-type: none"> • Reappointment of Mr. Bharat K. Sheth as a Wholetime Director of the Company designated as 'Dy. Chairman and Managing Director' for a period of 5 years with effect from April 01, 2015. • Appointment of Mr. G Shivakumar as a Wholetime Director of the Company designated as 'Executive Director' for a period of 5 years with effect from November 14, 2014. • According consent to the Board of Directors of the Company to issue non-convertible debentures aggregating upto ₹500 crores.
68th Annual General Meeting	August 11, 2016 at 3.00 p.m.	Rama and Sundri Watumull Auditorium, K. C. College, Churchgate, Mumbai 400 020	<ul style="list-style-type: none"> • According consent to the Board of Directors of the Company to issue non-convertible debentures aggregating upto ₹1500 crores.

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

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

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

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

DISCLOSURES

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

MEANS OF COMMUNICATION TO SHAREHOLDERS

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

Website of the Company: www.greatship.com

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

SHAREHOLDERS INFORMATION

FINANCIAL CALENDAR

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

LISTING ON STOCK EXCHANGES

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

NON-CONVERTIBLE DEBENTURES

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

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

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

SHARE TRANSFER SYSTEM

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

OUTSTANDING WARRANTS

No Warrants were outstanding as on March 31, 2018.

PLANT LOCATION

The Company has no plants.

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

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

ADDRESS FOR CORRESPONDENCE

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

ADDITIONAL SHAREHOLDERS INFORMATION

UNCLAIMED DIVIDENDS AND SHARES

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

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

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

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

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

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

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

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

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

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

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

EQUITY SHARES HELD IN UNCLAIMED SUSPENSE ACCOUNT

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

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

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

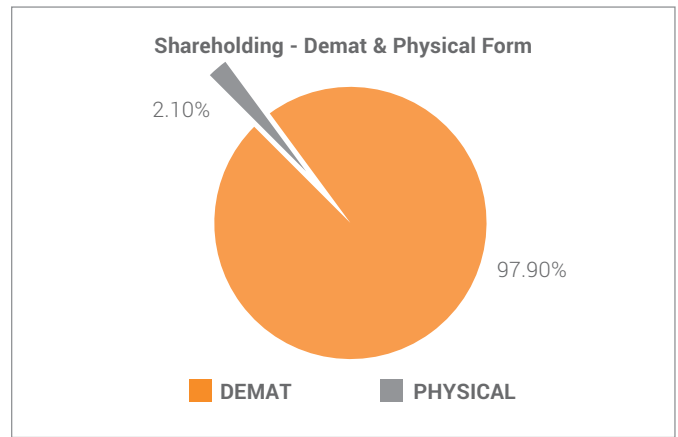
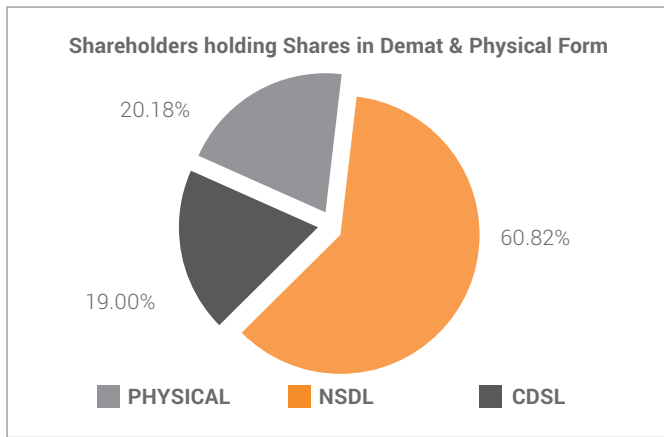
The concerned shareholders are requested to claim their shares by writing to the Company / RTA.

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

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

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

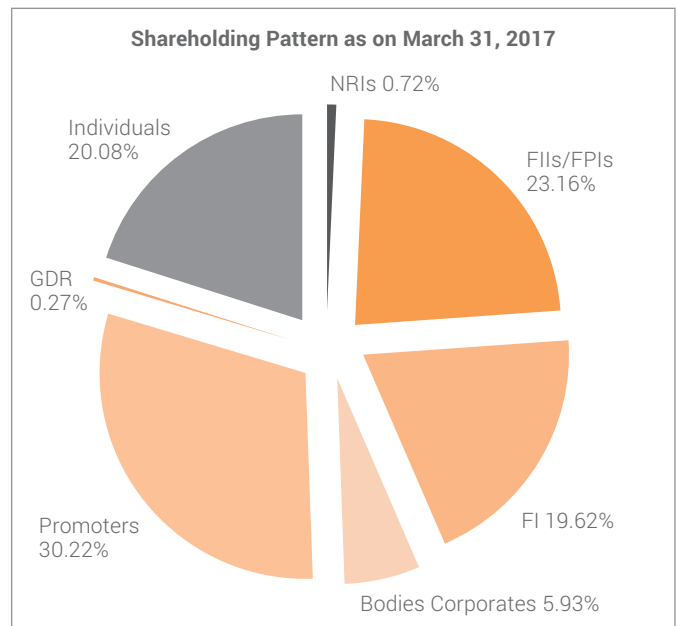
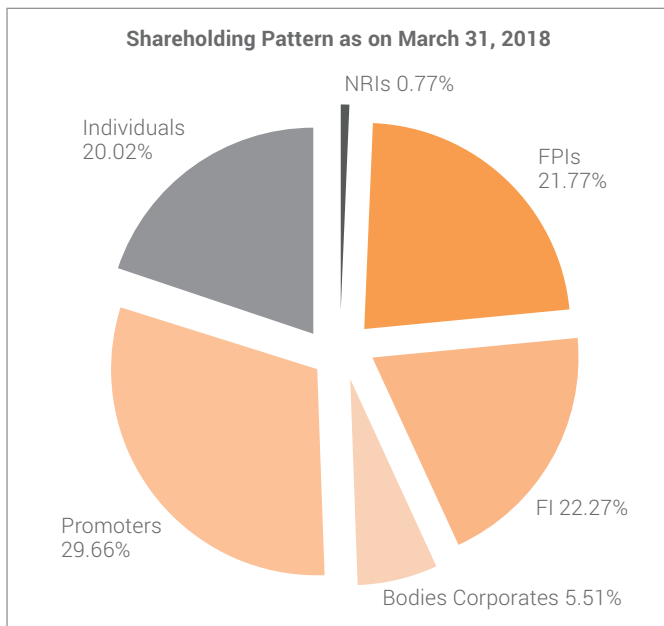
SHARES HELD IN DEMATERIALIZED FORM AND PHYSICAL FORM AS ON MARCH 31, 2018



SHAREHOLDERS HOLDING SHARES IN DEMATERIALIZED FORM MAY NOTE THAT:

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

SHAREHOLDING PATTERN :



DISTRIBUTION OF HOLDINGS AS ON MARCH 31, 2018

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

COMPANY'S SHARE PRICE COMPARED TO BSE SENSEX



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

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

Source: BSE

STATUS OF COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

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

THE BOARD

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

SHAREHOLDERS' RIGHTS

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

AUDIT QUALIFICATIONS

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

SEPARATION OF OFFICES OF CHAIRMAN AND DEPUTY CHAIRMAN & MANAGING DIRECTOR

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

REPORTING OF INTERNAL AUDITOR

The internal auditor reports directly to the Audit Committee.

THE GREAT EASTERN SHIPPING CO. LTD.

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

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

For the Great Eastern Shipping Co. Ltd.

Bharat K. Sheth

Deputy Chairman & Managing Director

Date: May 04, 2018

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
The Great Eastern Shipping Company Limited

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

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

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

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

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

For Mehta & Mehta,

Company Secretaries

(ICSI Unique Code P1996MH007500)

Ashwini Inamdar

Partner

FCS No : 9409

CP No. : 11226

Place : Mumbai

Date : May 4, 2018