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

NOTE 1 : CORPORATE INFORMATION

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

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

NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance:

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

b) Basis of preparation and presentation :

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

c) Use of Estimates :

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

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

Impairment of Property, plant and equipment :

Determining whether a ship is impaired requires an estimation of value in use and fair value less cost of disposal. The key estimates made in the value in use calculation are those regarding discount rates, revenue and operating profit growth rates. The discount rate is estimated using pre-tax rates that reflects current market assessments of the time value of money. The fair values are estimated based on valuations provided by independent valuers considering latest transactions of similar assets.

Useful lives of Property, plant and equipment :

Useful lives of property, plant and equipment are reviewed at each year end based on the best available information. The lives are based on historical experience with similar assets as well as anticipation of future events.

Provisions and Contingent Liabilities :

The Company is a party to certain legal disputes, the outcomes of which cannot be assessed with a high degree of certainty. A provision is recognised where, based on the legal views and advice, it is considered probable that an outflow of resources will be required to settle a present obligation that can be measured reliably. Contingent liabilities are disclosed in Note 35 unless the possibility of a loss arising is considered remote. Management applies its judgement in determining whether or not a provision or contingent liability should be recorded.

d) Property, plant and equipment :

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

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

e) Intangible Assets :

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

f) Non-current asset held for sale :

An item of Property, plant and equipment is classified as non-current asset held for sale at the time when the Management is committed to sell / dispose off the asset as per Memorandum of Agreement entered into and the asset is expected to be sold / disposed off within one year from the date of classification.

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

g) Investments in subsidiaries :

Non-Current Investments in equity shares in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Non-current Investments in Preference Shares in subsidiaries are valued using effective interest rate method.

h) Inventories :

Inventories of fuel oil are carried at lower of cost and net realisable value. Cost is ascertained on first–in–first out basis. The cost includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all costs necessary to make the sale.

i) Borrowing Costs :

Borrowing costs include interest, ancillary cost incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings availed on or after April 1, 2016, to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition/construction of the qualifying assets are capitalised as part of the cost of the asset, upto the date of acquisition/completion of construction. Other borrowing costs are recognised in the period in which they occur except for transaction costs which are amortised over the period of the loan.

j) Revenue Recognition :

Income from services : In case of completed voyages, freight and demurrage earnings are recognised fully and in case of incomplete voyages, freight earnings are recognised prorata on the basis of direct operating expenses incurred as compared to total estimated direct operating expenses for the voyage. Charter hire earnings are accrued on time proportion basis except where the charter party agreements have not been renewed/finalised, in which case it is recognised on provisional basis.

Interest : Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and using the effective interest method.

Dividends : Dividend income is recognised when the Company's right to receive dividend is established.

k) Operating Expenses :

i) Fleet direct operating expenses are charged to the Statement of Profit and Loss on accrual basis.

ii) Bunker consumption cost, which is part of direct operating expenses, is charged to the Statement of Profit and Loss on consumption.

iii) Stores and spares delivered on board the ships are charged to the Statement of Profit and Loss.

iv) Expenses on account of general average claims / damages to ships are charged to the Statement of Profit and Loss in the year in which they are incurred. Claims against the underwriters are accounted for on acceptance of average adjustment by the adjustors.

l) Operating Lease :

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

m) Employee Benefits :

i) Short-Term Employee Benefits :

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

ii) Post Employment Benefits :

Liability is provided for retirement benefits of Provident Fund, Superannuation, Gratuity and Compensated Absences in respect of all eligible employees and for pension benefit to eligible Whole-time Directors of the Company.

a) Defined Contribution Plan

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

b) Defined Benefit Plan

Retirement benefits in the form of Gratuity and Pension plan for eligible Whole-time Directors are considered as defined benefit obligations and are provided for on the basis of actuarial valuations, using the projected unit credit method, as at the date of the Balance Sheet.

c) Other Long-Term Benefits

Long-term compensated absences are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Actuarial gain / loss, comprising of experience adjustments and the effects of changes in actuarial assumptions is recognised in the Statement of Other Comprehensive Income except for Long-term compensated absences where the same is immediately recognised in the Statement of Profit and Loss.

n) Depreciation on Property, Plant and Equipment and Amortisation of Intangible Asset :

i) Depreciation or amortisation is provided on Straight Line Method basis so as to write off the original cost of the asset less its estimated residual value over the estimated useful lives. The estimated useful lives of the assets are as under :

ASSET TYPE	ESTIMATED USEFUL LIFE
Property, plant and equipment :	
Fleet (Main)	
- Crude Oil Tankers	20 years
- Product Tankers * (see note (v) below)	23 years
- Dry Bulk Carriers *	23 years
- Gas Carriers *	27 years
- Speed Boats	13 years
Fleet (Component)	
- Grabs *	10 years
- Dry Dock *	Period from survey certificate date till the estimated date for next special survey
Leasehold Land	Lease period
Ownership Flats and Buildings	60 years
Furniture & Fixtures, Office Equipment, etc.*	5 years
Computers	
- Servers and Networks	6 years
- End User Devices	3 years
Vehicles *	4 years
Mobiles *	2 years
Plant and Equipment *	10 years
Intangible Assets :	
Software	5 years

* For these class of assets, based on internal technical assessment and past experience, the Management believes that the useful lives as given above, best represent the period over which the Management expects the use of the assets. The useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013.

ii) Estimated useful lives of the Fleet and Ownership Flats and Buildings are considered from the year of built. Estimated useful lives in case of all other assets are considered from the date of acquisition by the Company.

iii) Residual value in case of Fleet is estimated initially as amount equal to product of long tonnes and estimated scrap value per long tonne based on previous ten years moving average of scrap rates.

iv) The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

v) During the year, the Company determined that the useful life of product tankers should be lengthened based on historical experience and industry practice. Accordingly the useful life of Product Tankers has been revised from 20 years to 23 years.

o) Asset Impairment :

The carrying amounts of the Company's property plant and equipment are reviewed annually or more frequently to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognised in the Statement of Profit and Loss in the period in which impairment takes place.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.
Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior accounting periods.

p) Foreign Exchange Transactions :

The transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at standard exchange rates determined monthly. Non-monetary items, which are measured in terms of historical costs denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the year end are translated at closing rates. The difference in translation of long term monetary assets acquired and liabilities incurred prior to April 1, 2016 and realised gains and losses on foreign currency transactions relating to acquisition of depreciable capital assets are added to or deducted from the cost of the asset and depreciated over the balance life of the asset; and in other cases, accumulated in a Foreign Currency Monetary Item Translation Difference Account and amortised over the balance period of such long term asset / liability, by recognition as income or expense but not beyond March 31, 2020. The difference in translation of all other monetary assets and liabilities and realised gains and losses on other foreign currency transactions are recognised in the Statement of Profit and Loss.

q) Financial Instruments :

Initial Recognition

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

Subsequent measurement

Financial Assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value through Profit or Loss (FVTPL) or fair value through Other Comprehensive Income (FVOCI), depending on the classification of the financial assets. The purchase and sale of financial assets are accounted for at trade date.

Cash and Cash Equivalents :

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid financial instruments which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less.
Fixed deposit having residual maturity upto twelve months from the reporting period is considered as part of bank balances other than cash and cash equivalent. Fixed deposit with residual maturity more than twelve months from reporting period is classified under other non-current assets.

Trade Receivables and Loans :

These assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Debt Instruments :

Debt instruments are initially measured at amortised cost, fair value through Other Comprehensive Income ('FVOCI') or fair value through Profit or Loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

a) Measured at amortised cost :

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation using EIR and loss arising from impairment, if any, is recognised in the Statement of Profit and Loss.

b) Measured at fair value through Other Comprehensive Income (FVOCI) :

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income. Fair value movements are recognised in the Other Comprehensive Income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

c) Measured at fair value through Profit or Loss (FVTPL) :

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Impairment of financial assets

Expected credit losses are recognised for all financial assets subsequent to initial recognition other than financials assets in FVTPL category. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall. The impairment losses and reversals are recognised in the Statement of Profit and Loss.

Derecognition of financial assets

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

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial liabilities

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

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

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

Derecognition of financial liabilities

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

Offsetting financial instruments

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

Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps, currency swaps, commodity swaps etc. Further details of derivative financial instruments are disclosed in Note 36.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item. The gains or losses on derivative contracts related to the acquisition of depreciable capital assets are added to or deducted from the cost of the assets and not recognised in the Statement of Profit and Loss.

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Hedge accounting

The Company designates certain hedging instruments, which include derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges or cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk. Note 36 sets out details of the fair values of the derivative instruments used for hedging purposes.

Fair value hedges

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

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

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in Other Comprehensive Income and accumulated under the heading of Cash Flow Hedging Reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss.

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

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

r) Taxation :

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Current and deferred tax are recognised as an expense or income in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction. Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period.

s) Provisions and Contingent Liabilities :

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Where the time value of money is material, provisions are measured on a discounted basis.
Contingent liabilities are not recognised but disclosed unless the probability of an outflow of resources is remote. Contingent assets are disclosed where inflow of economic benefits is probable.

t) Earnings per share :

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

u) Government Grants :

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

Applicability of new and revised Ind AS:

Amendments to Ind AS that are notified and adopted by the Company

As per Companies (Indian Accounting Standards) (Amendment) Rules, 2017 dated March 17, 2017, Ministry of Corporate Affairs (MCA) has notified amendments to two new standards namely Ind AS 102 Share-based Payment and Ind AS 7 Statement of Cash Flows which have become effective from April 1, 2017.

There are no share based payment transactions and hence Ind AS 102 is not applicable to the Company.

Further, amendment to Ind AS 7 pertains to additional disclosure requirement such as "An entity will be required to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes." Relevant disclosures in this regard has been provided in Statement of Cash Flow.

New standards issued but not yet effective

MCA on March 28, 2018 notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 (the "Rules"). The Rules notify the new revenue standard Ind AS 115, Revenue from Contracts with Customers and also bring in amendment to existing Ind AS. The Rules shall be effective from reporting periods beginning on or after April 1, 2018.

New revenue standard Ind AS 115 supersedes the existing standards Ind AS 18 – Revenue and Ind AS 11 – Construction Contracts. The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

i. Identification of the contracts with the customer

ii. Identification of the performance obligations in the contract

iii. Determination of the transaction price

iv. Allocation of transaction price to the performance obligations in the contract (identified in step ii)

v. Recognition of revenue when the Company satisfies a performance obligation.

Appendix B, Foreign Currency Transactions and Advance Considerations to Ind AS 21, The Effects of Changes in Foreign Exchange Rates has been notified. The appendix clarifies that the date of the transaction, for the purpose of determining the exchange rate to use on initial recognition of the asset, expense or income, should be the date on which an entity has received or paid an advance consideration in a foreign currency.

The management is currently evaluating the impact of the aforesaid amendments on the Company's financial information.

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

(₹ in crores)

PARTICULARS	GROSS BLOCK					DEPRECIATION / IMPAIRMENT				NET BLOCK	
	AS AT 1/04/2017	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	OTHER ADJUSMENTS [REFER NOTE (c)]	AS AT 31/03/2018	ACCUMULATED DEPRECIATION/ IMPAIRMENT AS AT 31/03/2017	OTHER ADJUSTMENTS/ ON DEDUCTIONS	FOR THE YEAR	ACCUMULATED DEPRECIATION/ IMPAIRMENT AS AT 31/03/2018	AS AT 31/03/2018	AS AT 31/03/2017
Fleet	7242.10	470.10	69.95	1.97	7644.22	1755.17	25.80	484.38	2213.75	**5430.47**	5486.93
Land (Freehold and Perpetual Lease)	59.80	-	-	-	59.80	-	-	-	-	**59.80**	59.80
Ownership Flats and Buildings [Refer Note (a)]	55.41	0.07	-	-	55.48	21.02	(0.01)	1.11	22.14	**33.34**	34.39
Plant and Equipment	7.92	3.25	-	-	11.17	5.77	-	0.55	6.32	**4.85**	2.15
Furniture, Fixtures and Office Equipment	31.58	3.48	0.30	-	34.76	27.65	0.27	1.89	29.27	**5.49**	3.93
Vehicles	17.25	3.74	2.22	-	18.77	10.33	2.04	3.30	11.59	**7.18**	6.92
	7414.06	**480.64**	**72.47**	**1.97**	**7824.20**	**1819.94**	**28.10**	**491.23**	**2283.07**	**5541.13**	5594.12

(₹ in crores)

PARTICULARS	GROSS BLOCK					DEPRECIATION / IMPAIRMENT				NET BLOCK	
	AS AT 1/04/2016	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	OTHER ADJUST-MENTS [REFER NOTE (c)]	AS AT 31/03/2017	ACCUMULATED DEPRECIATION/ IMPAIRMENT AS AT 31/03/2016	OTHER ADJUSTMENTS/ ON DEDUCTIONS	FOR THE YEAR	ACCUMULATED DEPRECIATION/ IMPAIRMENT AS AT 31/03/2017	AS AT 31/03/2017	AS AT 31/03/2016
Fleet	5102.86	2360.38	211.70	(9.44)	7242.10	1543.64	156.12	367.65	1755.17	5486.93	3559.22
Land (Freehold and Perpetual Lease)	59.80	-	-	-	59.80	-	-	-	-	59.80	59.80
Ownership Flats and Buildings [Refer Note (a)]	55.06	0.35	-	-	55.41	19.90	-	1.12	21.02	34.39	35.16
Plant and Equipment	7.66	0.29	0.03	-	7.92	5.32	0.03	0.48	5.77	2.15	2.34
Furniture, Fixtures and Office Equipment	31.57	1.67	1.66	-	31.58	27.74	1.63	1.54	27.65	3.93	3.83
Vehicles	14.65	4.25	1.65	-	17.25	9.22	1.61	2.72	10.33	6.92	5.43
	5271.60	**2366.94**	**215.04**	**(9.44)**	**7414.06**	**1605.82**	**159.39**	**373.51**	**1819.94**	**5594.12**	**3665.78**

Notes :

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

b) The deed of assignment in respect of the Company's leasehold property at Worli is yet to be transferred in the name of the Company.

c) Other adjustments comprise of exchange differences relating to long term monetary items for acquisition of depreciable capital assets on or before March 31, 2016.

d) Fleet with a carrying amount of ₹ 2631.66 crores (as at March 31, 2017 : ₹ 3012.15 crores) and buildings with a carrying amount of ₹ 0.50 crore (as at March 31, 2017 : ₹ 0.26 crore) have been mortgaged to secure borrowings (Refer Note 16).

e) Additions to fleet include the amount of borrowing costs capitalised during the year ₹ Nil (Previous Year : ₹ 3.86 crores).

f) During the current year, based on historical experience and industry practice, the Company reassessed useful life of product tankers from 20 to 23 years. Had the Company continued with earlier estimated useful life, the depreciation charge for the current year would have been higher and profit before tax would have been lower by ₹ 9.21 crores.

NOTE 4 : INTANGIBLE ASSETS

(₹ in crores)

PARTICULARS	GROSS BLOCK					AMORTISATION				NET BLOCK	
	AS AT 1/04/2017	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	OTHER ADJUSTMENTS	AS AT 31/03/2018	ACCUMULATED AMORTISATION AS AT 31/03/2017	OTHER ADJUSTMENTS/ ON DEDUCTIONS	FOR THE YEAR	ACCUMULATED AMORTISATION AS AT 31/03/2018	AS AT 31/03/2018	AS AT 31/03/2017
Software	0.51	1.05	-	-	1.56	0.21	-	0.26	0.47	**1.09**	0.30
	0.51	**1.05**	**-**	**-**	**1.56**	**0.21**	**-**	**0.26**	**0.47**	**1.09**	**0.30**

(₹ in crores)

PARTICULARS	GROSS BLOCK					AMORTISATION				NET BLOCK	
	AS AT 1/04/2016	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	OTHER ADJUSTMENTS	AS AT 31/03/2017	ACCUMULATED AMORTISATION AS AT 31/03/2016	OTHER ADJUSTMENTS/ ON DEDUC-TIONS	FOR THE YEAR	ACCUMULATED AMORTISATION AS AT 31/03/2017	AS AT 31/03/2017	AS AT 31/03/2016
Software	0.39	0.12	-	-	0.51	0.12	-	0.09	0.21	0.30	0.27
	0.39	**0.12**	**-**	**-**	**0.51**	**0.12**	**-**	**0.09**	**0.21**	**0.30**	**0.27**

NOTE 5 : NON-CURRENT INVESTMENTS

	FACE VALUE ₹	AS AT 31/03/2018		AS AT 31/03/2017	
		NO. OF SHARES	₹ IN CRORES	NO. OF SHARES	₹ IN CRORES
Investments in Equity Instruments : (Unquoted - valued at cost)					
Subsidiaries :					
- Greatship (India) Ltd.	**10**	**11,13,45,500**	**1305.14**	11,13,45,500	1305.14
- The Greatship (Singapore) Pte. Ltd. of S$ 1 each		**5,00,000**	**1.15**	5,00,000	1.15
- The Great Eastern Chartering L.L.C.(FZC) of AED 100 each		**1,500**	**0.19**	1,500	0.19
			1306.48		1306.48

	FACE VALUE ₹	AS AT 31/03/2018		AS AT 31/03/2017	
		NO. OF SHARES	₹ IN CRORES	NO. OF SHARES	₹ IN CRORES
Investments in Preference Shares : (Unquoted - valued at amortised cost)					
Subsidiary :					
- Greatship (India) Ltd.					
21.75% Cumulative Redeemable Preference Shares (Refer Note (a))	**10**	**4,45,00,000**	**180.29**	4,45,00,000	178.18
22.50% Cumulative Redeemable Preference Shares (Refer Note (b))	**10**	**6,06,24,000**	**195.51**	6,06,24,000	195.51
			375.80		373.69
Other Investments : (Unquoted - valued at cost)					
Subsidiary :					
- Great Eastern CSR Foundation	**10**	**49,999**	**-**	49,999	-
			-		-
			1682.28		1680.17
Aggregate amount of unquoted investments			**1682.28**		1680.17
Aggregate amount of impairment in value of investments			**-**		-

Notes:

a) 21.75% 4,45,00,000 cumulative redeemable preference shares issued by the subsidiary company, Greatship (India) Limited, are redeemable at a premium of ₹ 30.90 per share in four equal annual tranches from April 1, 2021 to April 1, 2024.
Subsequent to the year end March 31, 2018, the terms of the above mentioned preference shares have been modified by the Board of Directors of the subsidiary company increasing the rate of dividend from 21.75% to 24.60% p.a. effective financial year 2018-19 and deferring the redemption of the said shares in four equal tranches commencing from April 1, 2025.
The subsidiary company has an option of early redemption by providing one month's notice to the Company. The redemption can be in part or in full subject to a minimum of 25 lakhs shares at a time. In case of early redemption, the premium on redemption would be determined at such time so as to provide an effective yield to maturity of 7% p.a. to the Company. The cumulative redeemable preference shares do not contain any equity component.

b) 22.50% 6,06,24,000 cumulative redeemable preference shares are redeemable at a premium of ₹ 20/- per share in four equal annual tranches from April 1, 2018 to April 1, 2021.
During the year ended March 31, 2018, the terms of the above mentioned preference shares have been modified by the Board of Directors of the subsidiary company deferring the redemption of the said shares in four equal tranches commencing from April 1, 2025. The subsidiary company has an option of early redemption by providing one month's notice to the Company. Early redemption can be in part or in full subject to a minimum of 25 lakhs shares at a time. The cumulative redeemable preference shares do not contain any equity compnent.

NOTE 6 : OTHER FINANCIAL ASSETS

(Unsecured)

(₹ in crores)

	NON-CURRENT		CURRENT	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
Considered good				
(a) Security Deposits	**0.53**	1.10	**0.07**	0.24
(b) Mark-to-Market Gains on Derivatives	**-**	-	**171.45**	122.20
(c) Deposits on account of pool arrangement	**29.00**	13.16	**-**	-
(d) Insurance Claims	**-**	-	**10.13**	6.02
(e) Incomplete Voyages	**-**	-	**50.04**	39.53
(f) Unbilled Revenue	**-**	-	**11.62**	6.62
(g) Other Advances	**0.28**	2.02	**0.94**	11.09
Considered doubtful				
(a) Security Deposits	**0.42**	0.44	**-**	-
(b) Other Advances	**1.01**	-	**-**	-
Less : Allowance for doubtful advances	**(1.43)**	(0.44)	**-**	-
	29.81	16.28	**244.25**	185.70

NOTE 7 : CURRENT TAX ASSETS (NET)

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Excess of Advance Payment of Income-tax and Tax Deducted/Collected at Source over Provision for Income-tax	**66.15**	57.03
	66.15	57.03

NOTE 8 : OTHER ASSETS

(Unsecured)

(₹ in crores)

	NON-CURRENT		CURRENT	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
Considered good				
(a) Capital Advances	**-**	12.00	**-**	-
(b) Unutilised Government Grants	**-**	-	**6.24**	-
(c) Indirect tax balances/ recoverable/ credits	**-**	-	**5.04**	0.92
(d) Other Advances	**0.93**	0.87	**23.65**	10.62
Considered doubtful				
(a) Other Advances	**5.98**	-	**0.20**	0.24
Less : Allowance for doubtful advances	**(5.98)**	-	**(0.20)**	(0.24)
	0.93	12.87	**34.93**	11.54

NOTE 9 : INVENTORIES

(Valued at lower of cost and net realisable value)

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Fuel Oil	**96.27**	60.41
	96.27	60.41

Note :

The cost of inventories recognised as an expense during the year was ₹ 320.84 crores (Previous Year : ₹ 172.24 crores).

NOTE 10 : CURRENT INVESTMENTS

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Investments in mutual funds : Unquoted (valued at FVTPL)	**754.21**	862.89
	754.21	862.89
Aggregate amount of unquoted investments	**754.21**	862.89
Aggregate amount of impairment in value of investments	**-**	-

Note :

Mutual Funds aggregating to ₹ 127.23 crores (as at March 31, 2017 : ₹ 152.64 crores) of the above have been placed under lien with a bank for the facilities given by it.

NOTE 11 : TRADE RECEIVABLES

(Unsecured)

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Considered good	**149.79**	46.04
Considered doubtful	**19.49**	5.60
	169.28	51.64
Less : Allowance for Doubtful Receivables	**(19.49)**	(5.60)
	149.79	46.04

Note :

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

Concentration of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse. Historical experience of collection of receivables also indicates that credit risk is low. All trade receivables are reviewed and assessed for default on a quarterly basis. Trade receivables are due from customers having high credit quality and strong financials. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables.

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

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
Opening Balance	**5.60**	10.67
Add : Current year allowance	**17.37**	4.91
Less : Reversal during the year	**(3.48)**	(9.98)
Closing Balance	**19.49**	5.60

NOTE 12 : CASH AND CASH EQUIVALENTS

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
(a) Balances with Banks in Current Accounts	**296.79**	725.51
(b) Cash on Hand	**0.02**	0.02
	296.81	725.53

NOTE 13 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
(a) Term Deposits having residual maturity upto 12 months	**1540.84**	1324.21
(b) Balances with Banks - Unpaid Dividend Account	**7.67**	8.15
(c) Margin Money Deposits (placed with banks under lien against facilities given by the banks.)	**51.43**	126.25
(d) Interest Accrued on Bank Deposits	**18.15**	14.33
	1618.09	1472.94

NOTE 14 : EQUITY SHARE CAPITAL

(₹ in crores)

	AS AT 31/03/2018		AS AT 31/03/2017	
	NOS.	₹ IN CRORES	NOS.	₹ IN CRORES
Authorised :				
Equity Shares of ₹ 10 each	30,00,00,000	**300.00**	30,00,00,000	300.00
Preference Shares of ₹ 10 each	20,00,00,000	**200.00**	20,00,00,000	200.00
	50,00,00,000	**500.00**	50,00,00,000	500.00
Issued :				
Equity Shares of ₹ 10 each	15,11,63,426	**151.16**	15,11,63,426	151.16
	15,11,63,426	**151.16**	15,11,63,426	151.16
Subscribed and Fully Paid :				
Equity Shares of ₹ 10 each	15,07,77,065	**150.78**	15,07,77,065	150.78
Add : Forfeited shares ₹ 30,358 (as at March 31, 2017 : ₹ 30,358)	2,518	**-**	2,518	-
	15,07,79,583	**150.78**	15,07,79,583	150.78

a) Terms/Rights attached to Equity Shares :
The Company has only one class of equity shares having a face value of ₹ 10 each. Each holder of equity shares is entitled to one vote pershare. The Company declares and pays dividends in Indian rupees. Interim dividend is paid as recommended by the Board of Directors.

In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

b) Details of shareholders holding more than 5% equity shares in the Company :

	AS AT 31/03/2018		AS AT 31/03/2017	
	NOS.	% HOLDING	NOS.	% HOLDING
Equity shares of ₹ 10 each fully paid				
Mr. Bharat Kanaiyalal Sheth *	**1,57,19,490**	**10.43%**	1,57,19,490	10.43%
Mr. Ravi Kanaiyalal Sheth *	**1,52,62,504**	**10.12%**	1,52,62,504	10.12%
Nalanda India Equity Fund Limited	**1,05,24,139**	**6.98%**	1,05,24,139	6.98%

*Total shareholding including shares held as Trustee.

c) There are no shares reserved for issue under options and contracts or commitments for the sale of shares.

d) For the period of five years immediately preceding the date as at which the Balance Sheet is prepared :
(i) No shares were allotted pursuant to contracts without payment being received in cash.
(ii) No bonus shares have been issued.
(iii) 15,45,019 equity shares have been bought back during the financial year 2013-14.

e) There are no securities convertible into equity/preference shares.

f) Under orders from the Special Court (Trial of Offences Relating to Transactions in Securities) Act, 1992, the allotment of 2,53,522 (as at March 31, 2017 : 2,53,522) rights equity shares of the Company have been kept in abeyance in accordance with the Companies Act, 2013 till such time as the title of the bonafide owner is certified by the concerned Stock Exchanges. Additional 40,608 (as at March 31, 2017 : 40,608) shares have also been kept in abeyance for disputed cases in consultation with the Bombay Stock Exchange. 92,231 (at at March 31, 2017 : 92,231) shares are unsubscribed out of the total offered to employees on rights basis during the earlier years.

NOTE 15 : OTHER EQUITY

A. Summary of Other Equity

(Refer Statement of Changes in Equity for detailed movement)

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
(a) Capital Reserve	**15.98**	15.98
(b) Securities Premium Reserve	**86.59**	86.59
(c) General Reserve	**2248.46**	2248.46
(d) Capital Redemption Reserve	**240.08**	240.08
(e) Tonnage Tax Reserve under Section 115VT of the Income-tax Act, 1961	**285.00**	270.00
(f) Debenture Redemption Reserve	**787.50**	758.75
(g) Retained Earnings	**1412.93**	1405.71
(h) Cash Flow Hedging Reserve	**3.49**	(7.32)
(i) Foreign Currency Monetary Item Translation Difference Account	**(5.39)**	(7.01)
	5074.64	5011.24

B. Nature of Reserves :

i) **Capital Reserve :** Capital Reserve is created on cancellation of convertible warrants during the year ended March 31, 2009.

ii) **Securities Premium Reserve :** Securities Premium Reserve is used to record the premium on issue of securities of the Company. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

iii) **General Reserve :** General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purposes.

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

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

In respect of the year ended March 31, 2018, the Board of Directors proposed a dividend of ₹ 7.20 per equity share. This equity dividend is subject to approval by the shareholders at the ensuing Annual General Meeting and has not been included as a liability in these financial statements. The total outflow on this account is estimated to be ₹ 126.08 crores including dividend distribution tax.

vi) **Cash Flow Hedging Reserve :** The Cash Flow Hedging Reserve is the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The gains or losses arising thereon are transferred to the Statement of Profit and Loss on settlement.

vii) **Foreign Currency Monetary Item Translation Difference Account :** Exchange differences on translation of long term foreign currency monetary items (other than depreciable assets) are transferred to Foreign Currency Monetary Item Translation Difference Account and amortised over the balance life of such assets / liabilities but not beyond March 31, 2020 .

NOTE 16 : BORROWINGS

(₹ in crores)

	NON-CURRENT		CURRENT MATURITIES OF LONG- TERM DEBT	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
(a) Debentures :				
Secured - at amortised cost :				
Redeemable Non-Convertible Debentures of ₹ 10,00,000 each -				
(i) 8.05% 1500 Debentures redeemable on August 31, 2024	**150.00**	-	**-**	-
(ii) 9.80% 2400 Debentures redeemable on July 3, 2019 [Refer Notes (i) and (iii) below]	**240.00**	240.00	**-**	-
Unsecured - at amortised cost :				
Redeemable Non-Convertible Debentures of ₹ 10,00,000 each -				
(i) 8.25% 1500 Debentures redeemable on May 25, 2027	**150.00**	-	**-**	-
(ii) 8.24% 2000 Debentures redeemable on November 11, 2026	**200.00**	200.00	**-**	-
(iii) 8.70% 2500 Debentures redeemable on May 6, 2026	**250.00**	250.00	**-**	-
(iv) 8.24% 2000 Debentures redeemable on November 11, 2025	**200.00**	200.00	**-**	-
(v) 8.70% 2500 Debentures redeemable on May 31, 2025	**250.00**	250.00	**-**	-
(vi) 7.99% 2500 Debentures redeemable on January 18, 2025	**250.00**	250.00	**-**	-
(vii) 7.99% 2500 Debentures redeemable on January 18, 2024	**250.00**	250.00	**-**	-

	NON-CURRENT		CURRENT MATURITIES OF LONG- TERM DEBT	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
(viii) 9.70% 1000 Debentures redeemable on January 18, 2023	**100.00**	100.00	**-**	-
(ix) 9.70% 1000 Debentures redeemable on January 7, 2023	**100.00**	100.00	**-**	-
(x) 9.70% 500 Debentures redeemable on April 25, 2021	**50.00**	50.00	**-**	-
(xi) 9.70% 1500 Debentures redeemable on April 15, 2021	**150.00**	150.00	**-**	-
(xii) 9.70% 1000 Debentures redeemable on February 2, 2021	**100.00**	100.00	**-**	-
(xiii) 9.60% 2000 Debentures redeemable on November 10, 2019	**200.00**	200.00	**-**	-
(xiv) 9.75% 2350 Debentures redeemable on August 20, 2019	**235.00**	235.00	**-**	-
(xv) 9.35% 425 Debentures redeemable on February 8, 2019	**-**	42.50	**42.50**	42.50
(xvi) 9.35% 425 Debentures redeemable on February 8, 2019	**-**	42.50	**42.50**	42.50
(xvii) 9.40% 900 Debentures redeemable on January 6, 2019	**-**	90.00	**90.00**	-
(xviii) 9.19% 1000 Debentures redeemable on December 24, 2018	**-**	100.00	**100.00**	-
(xix) 9.40% 1000 Debentures redeemed on January 6, 2018 [Refer Note (iii) below]	**-**	-	**-**	100.00
	2875.00	2850.00	**275.00**	185.00
(b) Term Loans from Banks :				
Secured - at amortised cost :				
Foreign Currency Loans from Banks	**709.96**	908.40	**202.99**	330.94
[Refer Notes (ii) and (iii) below]				
	709.96	908.40	**202.99**	330.94
(c) Unamortised Finance Charges	**(8.52)**	(9.93)	**(2.82)**	(2.87)
Total (a + b + c)	**3576.44**	3748.47	**475.17**	513.07
Less : Amount disclosed under Note 19 : Other Financial Liabilities	**-**	-	**(475.17)**	(513.07)
	3576.44	3748.47	**-**	-

(₹ in crores)

	CURRENT	
	AS AT 31/03/2018	AS AT 31/03/2017
Term Loans from Bank		
Unsecured - at amortised cost :		
Buyer's Credit [Refer Note (ii) below]	**171.02**	170.17
	171.02	170.17

Notes :

i) 8.05% 1500 Secured Redeemable Non-Convertible Debentures of ₹ 10,00,000 each, redeemable on August 31, 2024 are secured by exclusive charge on specified ships with 1.20 times cover on the market value of ships and additional security by way of mortgage on immovable property of the Company and 9.80% 2400 Secured Redeemable Non-Convertible Debentures of ₹ 10,00,000 each, redeemable on July 3, 2019, are secured by exclusive charge on specified ships with 1.25 times cover on the book value of ships and additional security by way of mortgage on immovable property of the Company.

ii) Foreign currency loans availed from banks carry interest rates of LIBOR plus 27 to 150 bps for USD loans and LIBOR plus 62 bps for JPY loans. Some loans are on fixed rates basis. The principal repayments are due quarterly, half yearly and annually. These loans are secured by mortgage of specific ships. In case of Buyer's Credit, the tenure is 6 months.

iii) The terms of repayments of non-current borrowings are as under :

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
- between one to three years		
Secured Debentures	**240.00**	240.00
Unsecured Debentures	**535.00**	710.00
Secured Loans from Banks	**243.84**	307.07
	1018.84	1257.07
- between three to five years		
Secured Debentures	**-**	-
Unsecured Debentures	**400.00**	300.00
Secured Loans from Banks	**323.76**	317.98
	723.76	617.98
- over five years		
Secured Debentures	**150.00**	-
Unsecured Debentures	**1550.00**	1600.00
Secured Loans from Banks	**142.36**	283.35
	1842.36	1883.35

NOTE 17 : PROVISIONS

(₹ in crores)

		NON-CURRENT		CURRENT	
		AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
(a)	Provision for Employee Benefits (Refer Note 30)	**27.24**	27.77	**1.21**	1.25
(b)	Vessel Performance/ Offhire Claims (Refer Note below)	**-**	-	**0.10**	0.70
		27.24	27.77	**1.31**	1.95

Note :

The Company has recognised the following provisions in its accounts in respect of obligations arising from past events, the settlement of which is expected to result in an outflow embodying economic benefits

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
Vessel performance/ offhire claims -		
Provision has been recognised for the estimated liability for under-performance of certain vessels and offhire claims under dispute :		
Opening balance	**0.70**	1.27
Less : Reversed during the year	**(0.62)**	(0.72)
Add: Exchange fluctuation on above	**0.02**	0.15
Closing balance	**0.10**	0.70

NOTE 18 : TRADE PAYABLES

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
(a) Dues to Micro and Small enterprises	**-**	-
(b) Dues to Subsidiary Companies (Refer Note 33)	**0.84**	1.84
(c) Dues to others	**182.75**	121.50
	183.59	123.34

Notes :

i) According to the information available with the Company regarding the status of the suppliers as defined under the 'Micro, Small and Medium Enterprises Development Act, 2006', no amount is overdue as at the reporting date, to Micro and Small Enterprises on account of principal amount and the interest due thereon.

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

NOTE 19 : OTHER FINANCIAL LIABILITIES

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
(a) Current Maturities of Long-Term Debt (Refer Note 16)	**475.17**	513.07
(b) Unpaid Dividend	**7.67**	8.15
(c) Interest Accrued but not due on Borrowings	**147.56**	133.52
(d) Mark-to-Market Losses on Derivatives	**629.77**	786.48
(e) Others	**10.57**	9.10
	1270.74	1450.32

NOTE 20 : OTHER CURRENT LIABILITIES

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
(a) Advances from Customers	**17.66**	24.14
(b) Government Grants	**6.24**	-
(c) Statutory Liabilities	**18.96**	2.42
(d) Others	**4.89**	5.17
	47.75	31.73

NOTE 21 : CURRENT TAX LIABILITIES (NET)

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Excess of Provision for Income-tax over Advance Payment of Income-tax and Tax Deducted/ Collected at Source	**19.86**	32.42
	19.86	32.42

NOTE 22 : REVENUE FROM OPERATIONS

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Revenue from -		
- Freight and Demurrage	**1173.40**	766.27
- Charter Hire	**851.83**	897.18
	2025.23	1663.45
(b) Other Operating Revenue	**35.80**	40.51
	2061.03	1703.96

NOTE 23 : OTHER INCOME

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Gain on disposal of Property, plant and equipment (net)	**12.94**	38.58
(b) Foreign Exchange gain/(loss) (net)	**2.66**	(36.17)
(c) Gain on Derivatives Transactions (net)	**205.98**	327.01
(d) Interest Income -		
- on Bank Deposits (at amortised cost)	**43.76**	41.20
- on Preference shares investment in a Subsidiary (at amortised cost)	**25.43**	25.29
- on Others	**1.60**	0.03
	70.79	66.52
(e) Gain on sale of current investments (at FVTPL)	**43.67**	122.66
(f) Miscellaneous Income	**2.20**	2.15
	338.24	520.75

NOTE 24 : EMPLOYEE BENEFIT EXPENSES

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Salaries and Wages	**391.33**	279.02
(b) Contribution to Provident and Other funds (Refer Note 30)	**15.24**	12.41
(c) Staff Welfare Expenses	**28.85**	23.36
	435.42	314.79

NOTE 25 : FINANCE COSTS

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Interest Cost	**321.82**	241.49
(b) Other Borrowing Costs	**3.85**	5.49
(c) Exchange differences regarded as an adjustment to borrowing costs	**2.53**	-
	328.20	246.98

Notes :

i) The amount of borrowing costs capitalised during the year is ₹ Nil (Previous Year : ₹ 3.86 crores).

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

NOTE 26 : DEPRECIATION AND AMORTISATION EXPENSE

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Depreciation on Property, plant and equipment	**491.23**	373.52
(b) Amortisation on Intangible assets	**0.26**	0.08
	491.49	373.60

NOTE 27 : OTHER EXPENSES

(₹ in crores)

(a) Hire of Chartered Ships	**57.33**	50.00
(b) Brokerage and Commission	**13.62**	13.05
(c) Agency Fees	**8.68**	5.94
(d) Repairs and Maintenance -		
- Fleet	**84.03**	49.84
- Buildings	**6.32**	4.22
- Others	**11.78**	9.40
	102.13	63.46
(e) Insurance -		
- Fleet Insurance and Protection and Indemnity Club Insurance	**37.11**	31.28
- Others	**1.30**	0.94
	38.41	32.22

	CURRENT YEAR	PREVIOUS YEAR
(f) Reversal of provision for Loss on Cancelled Contract	**-**	(7.84)
(g) Loss on Cancelled Contract	**-**	7.84
(h) Rent	**0.47**	0.10
(i) Rates and Taxes	**0.52**	0.49
(j) Bad Debts and Advances Written off	**0.20**	0.01
(k) Allowance for Doubtful Debts and Advances (net)	**19.07**	(2.03)
(l) Travelling Expenses	**39.70**	34.12
(m) Payment to Auditor (Refer Note below)	**0.86**	1.32
(n) Expenditure on Corporate Social Responsibility activities (Refer Note 33 & 39)	**9.14**	5.84
(o) Miscellaneous Expenses	**46.98**	36.50
	337.11	241.02

Note :

	CURRENT YEAR	PREVIOUS YEAR
Payment to Auditor -		
- Auditor	**0.81**	0.89
- For Taxation Matters	**-**	0.27
- For Other Services	**0.05**	0.16
- For Reimbursement of Expenses	**-***	-*
	0.86	1.32

* Amount less than ₹ One Lakh

NOTE 28 : TAX EXPENSE

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Current Tax	**39.00**	40.00
(b) MAT Credit Utilised	**(32.00)**	-
	7.00	40.00

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

	CURRENT YEAR	PREVIOUS YEAR
Profit before Income Tax	**167.19**	641.39
Indian statutory income tax rate (including surcharge and cess)	**34.61%**	34.61%
Expected income tax expense as per Indian statutory income tax rate	**57.86**	221.97
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense :		
Tax on Net Profit attributable to tonnage tax activity (net of Deemed Tonnage Income chargeable to tax separately)	**(9.01)**	(131.45)
Items liable to tax in the year of settlement/payment	**(10.22)**	(37.70)

	CURRENT YEAR	PREVIOUS YEAR
Income exempt from tax (net of expenses disallowed)	**4.11**	(0.48)
Gain on disposal of Property, plant and equipment / Capital Items considered separately	**(4.46)**	(13.28)
Others	**0.72**	0.94
Provision for Current Tax as per Books	**39.00**	40.00

Pursuant to the introduction of Section 115VA under the Income-tax Act, 1961, the Company has opted for computation of its income from shipping activities under the Tonnage Tax Scheme. Thus, income from the business of operating ships is assessed on the basis of the Deemed Tonnage Income of the Company and no deferred tax is applicable to such income as there are no temporary differences. The temporary differences in respect of the non-tonnage activities of the Company are not material, in view of which provision for deferred taxation is not recognised.

NOTE 29 : BASIC AND DILUTED EARNINGS PER SHARE

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
(a) Net Profit After Tax (₹ in crores)	**160.19**	601.39
(b) Number of Equity Shares		
(i) Basic Earning per Share		
Weighted Average Number of Equity Shares	**15,07,77,065**	15,07,77,065
(ii) Diluted Earning per Share		
Weighted Average Number of Equity Shares	**15,07,77,065**	15,07,77,065
Shares deemed to be issued for no consideration in respect of :		
- Rights Shares kept in abeyance	**2,86,570**	2,86,570
Weighted Average Number of Equity Shares adjusted for the effect of dilution	**15,10,63,635**	15,10,63,635
(c) Face Value of Equity Share (in Rupees)	**10.00**	10.00
(d) Earnings per Share (in Rupees)		
- Basic	**10.62**	39.89
- Diluted	**10.60**	39.81

NOTE 30 : EMPLOYEE BENEFIT PLANS

A Defined Contribution Plans :

i)The Company has recognised the following amounts in the Statement of Profit and Loss for the year :

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
Contribution to Employees Provident Fund	**5.51**	4.41
Contribution to Employees Superannuation Fund	**4.55**	4.32
Contribution to National Pension Scheme	**0.93**	0.78
Contribution to Seamen’s Provident Fund	**0.77**	0.59
Contribution to Seamen’s Annuity Fund	**0.87**	0.70
Contribution to Seamen’s Rehabilitation Fund	**0.73**	0.58
Contribution to Seamen’s Gratuity Fund	**0.06**	0.09

(ii) General description of Defined Contribution Plans :

Provident Fund :

In accordance with Indian law, all eligible employees of the Company are entitled to receive benefits under the provident fund, a defined con tribution plan in which both the employee and employer (at a determined rate) contribute monthly. The Company contributes as specified under the law to the Provident Fund trust which is liable for future provident fund benefits to the extent of its annual contribution and any shortfall in fund assets based on government specified minimum rates of return relating to current period service and recognises such contributions and shortfall, if any, as an expense in the year incurred. There is no deficiency in the interest cost as the present value of the expected future earnings on the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rates of interest.

Superannuation Fund :

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

National Pension Scheme (NPS) :

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

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

Seamen’s Provident Fund :

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

Seamen’s Annuity Fund :

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

Seamen’s Rehabilitation Fund :

The Company’s contribution towards rehabilitation in respect of seamen is paid to the National Maritime Board Rehabilitation and Welfare Trust as per the National Maritime Board Agreement binding on the Company.

Seamen’s Gratuity Fund :

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

B) Defined Benefit Plans and Other Long Term Benefits :

(i) Valuations in respect of Gratuity, Pension Plan for eligible Whole-time Directors, retired directors/spouses and Compensated Absences have been carried out by an independent actuary as at the Balance Sheet date as per the Projected Unit Credit method, based on the following assumptions :

ACTUARIAL ASSUMPTIONS	GRATUITY		PENSION PLAN		COMPENSATED ABSENCES	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
(a) Discount Rate (p.a.)	**7.55%**	6.69%	**7.55%**	6.69%	**7.55%**	6.69%
(b) Salary Escalation Rate	**4.00%-7.00%**	4.00%-6.00%	**-**	-	**7.00%**	6.00%
(c) Mortality	**IALM - Ultimate 2006-08**	IALM - Ultimate 2006-08	**IALM - Ultimate 2006-08**	IALM - Ultimate 2006-08	**IALM - Ultimate 2006-08**	IALM - Ultimate 2006-08
(d) Withdrawal Rate	**0.50%-4.67%**	0.50%-5.67%	**-**	-	**0.67%-4.67%**	0.67%-5.67%
(e) Expected average remaining service (in years)	**21.08**	22.30	**-**	-	**10.67**	10.04
(f) Weighted average remaining duration of defined benefit obligation (in years)	**8.54**	9.31	**-**	-	**-**	-

ii) Changes in present value of obligations :

(₹ in crores)

	GRATUITY		PENSION PLAN		COMPENSATED ABSENCES	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Liability at the beginning of the year	**23.02**	19.12	**26.51**	23.94	**1.53**	1.19
Current Service Cost	**1.60**	1.70	**-**	-	**0.90**	0.84
Interest Cost	**1.50**	1.46	**1.72**	1.78	**0.10**	0.09
Actuarial (gain)/loss on obligations	**(1.88)**	1.13	**(1.31)**	2.48	**(0.12)**	(0.57)
Benefits Paid	**(1.14)**	(0.41)	**(1.69)**	(1.69)	**(0.09)**	(0.02)
Benefits Transferred in	**0.15**	0.02	**-**	-	**-**	-
Benefits Transferred out	**(0.15)**	-	**-**	-	**-**	-
Liability at the end of the year	**23.10**	23.02	**25.23**	26.51	**2.32**	1.53

iii)Changes in Fair value of Plan Assets :

(₹ in crores)

	GRATUITY		PENSION PLAN		COMPENSATED ABSENCES	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Fair Value of Plan Assets at the beginning of the year	**22.85**	20.22	**-**	-	**-**	-
Adjustment to Opening Balance	**0.33**	(0.13)	**-**	-	**-**	-
Return on Plan Assets excluding amount included in interest income	**0.11**	1.43	**-**	-	**-**	-
Interest Income	**1.52**	1.54	**-**	-	**-**	-
Employer's Contributions	**0.17**	0.20	**1.69**	1.69	**0.09**	0.02
Benefits Paid	**(1.14)**	(0.41)	**(1.69)**	(1.69)	**(0.09)**	(0.02)
Fair Value of Plan Assets at the end of the year	**23.84**	22.85	**-**	-	**-**	-

iv)Funded Status :

(₹ in crores)

	GRATUITY	
	AS AT 31/03/2018	AS AT 31/03/2017
Present value of funded defined benefit obligation	**23.10**	23.02
Fair value of plan assets	**(23.84)**	(22.85)
(Suplus)/Deficit of Plan assets over obligations	**(0.74)**	0.17

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

(₹ in crores)

	GRATUITY		PENSION PLAN		COMPENSATED ABSENCES	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
(Gain)/loss on obligation due to change in demographic assumptions	**(2.10)**	(0.06)	**-**	-	**(0.01)**	-
(Gain)/loss on obligation due to change in financial assumptions	**(1.10)**	1.85	**-**	-	**(0.02)**	0.07
(Gain)/loss on obligation due to change in experience adjustments	**1.32**	(0.66)	**(1.31)**	2.48	**(0.09)**	(0.64)
Total Actuarial (gain)/loss	**(1.88)**	1.13	**(1.31)**	2.48	**(0.12)**	(0.57)

vi) Actual Return on Plan Assets :

(₹ in crores)

	GRATUITY	
	CURRENT YEAR	PREVIOUS YEAR
Return on Plan Assets excl. interest Income	**0.11**	1.43
Interest Income	**1.52**	1.54
Actual Return on Plan Assets	**1.63**	2.97

vii) Amount Recognised in the Balance Sheet :

(₹ in crores)

	GRATUITY		PENSION PLAN		COMPENSATED ABSENCES	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
Liability at the end of the year	**23.10**	23.02	**25.23**	26.51	**2.32**	1.53
Fair Value of Plan Assets at the end of the year	**23.84**	22.85	**-**	-	**-**	-
Short Term Liability	**-**	-	**-**	-	**0.91**	0.81
(Asset)/Liability recognised in the Balance Sheet (net)	**(0.74)**	0.17	**25.23**	26.51	**3.23**	2.34

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

(₹ in crores)

	GRATUITY		PENSION PLAN		COMPENSATED ABSENCES	
	CURRENT YEAR	PREVIOU YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Current Service Cost	**1.60**	1.70	**-**	-	**0.90**	0.84
Net Interest	**(0.02)**	(0.08)	**1.72**	1.78	**0.10**	0.09
Net Actuarial (gain)/loss to be recognised	**-**	-	**-**	-	**(0.12)**	(0.57)
Expenses recognised in the Statement of Profit and Loss	**1.58**	1.62	**1.72**	1.78	**0.88**	0.36

ix) Other Comprehensive Income (OCI) :

(₹ in crores)

	GRATUITY		PENSION PLAN		COMPENSATED ABSENCES	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Actuarial (Gain)/Loss recognised for the period	**(1.88)**	1.13	**(1.31)**	2.48	**-**	-
Return on Plan Assets excl. interest Income	**(0.11)**	(1.43)	**-**	-	**-**	-
Total Actuarial (Gain)/Loss recognised in OCI	**(1.99)**	(0.30)	**(1.31)**	2.48	**-**	-

x) General description of Defined Benefit Plans :

Gratuity Plan :

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

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

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

Investment / Interest Risk

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

Longevity Risk

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

Salary Risk

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

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

Retirement Benefit Scheme including Pension Plan :

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

Compensated Absences :

All eligible union grade employees had an option to freeze the accumulated leave balance as on June 30, 2008. Such frozen accumulated leave balance will be encashed as per the last drawn basic salary at the time of superannuation, death, permanent disablement, resignation or promotion to the non-union category.

With effect from April 1, 2012, all eligible non-union employees have an option to freeze their leave accumulation days on 30th June every year and such frozen accumulated leave balance will be encashed as per the basic salary for the month of June of the relevant year for which leave was frozen at the time of superannuation, death, permanent disablement or resignation.

For all union and non-union grade employees, maximum leave that can be carried forward is 15 days.

The leave over and above 15 days is encashed and paid to employees on June 30th of every year.

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

(₹ in crores)

	GRATUITY	
	AS AT31/03/2018	AS AT31/03/2017
Central Government securities	-	0.39
Public Sector Bonds	**1.00**	1.00
HDFC Group Unit Linked Plan	**22.84**	21.46
Total	**23.84**	22.85

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

xii) Sensitivity Analysis :

(₹ in crores)

PRESENT VALUE OF OBLIGATIONS	DISCOUNT RATE		SALARY ESCALATION RATE		LIFE EXPECTANCY	
	+1%	-1%	+1%	-1%	+1 YEAR	-1 YEAR
Gratuity	21.45	25.03	24.32	22.03	23.08	23.12
Pension	23.46	27.28	-	-	26.69	23.87
Compensated Absences	2.21	2.43	2.39	2.24	2.31	2.31

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

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.
There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

xiii) The defined benefit obligations shall mature after year ended March 31, 2018 as follows :

(₹ in crores)

PRESENT VALUE OF OBLIGATIONS	FIRST YEAR	SECOND YEAR	THIRD YEAR	FOURTH YEAR	FIFTH YEAR	SIX TO TEN YEARS
Gratuity	2.48	2.48	2.50	2.34	2.48	10.87
Pension	1.69	1.69	1.69	1.69	1.69	8.43
Compensated Absences	0.30	0.51	0.28	0.22	0.16	1.19

NOTE 31 : SEGMENT REPORTING

The Company is engaged only in shipping business segment and there are no separate reportable segments as per Ind AS 108, 'Operating Segments'.

Information concerning principal geographic areas is as follows :

(₹ in crores)

SR. NO.	PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
(a)	Revenue from operations :		
	- Revenue outside India	**1036.17**	1014.81
	- Revenue within India	**989.06**	648.64
		2025.23	1663.45

(b) Substantial assets of the Company are ships, which are operating across the world, in view of which they can not be identified by any particular geographical area.

NOTE 32 : OPERATING LEASE

Operating Lease Commitments – where the Company is a lessee

The Company has taken premises on leave and license basis which is similar in substance to an operating lease. The lease has varying terms and renewal rights. The particulars of leasing arrangement are as under :

(₹ in crores)

SR. NO.	PARTICULARS	AS AT 31/03/2018	AS AT 31/03/2017
(a)	Total Future Minimum Lease payments		
	- Not later than 1 year	**0.73**	0.15
	- Later than 1 year and not later than 5 years	**2.23**	0.04
		2.96	0.19

(b) Lease payments recognised in the Statement of Profit and Loss for the year are ₹ 0.47 crore (Previous Year : ₹ 0.10 crore).

NOTE 33 : RELATED PARTY TRANSACTIONS

(I) List of Related Parties :

(a) Parties where control exists :

Subsidiary Companies :
The Greatship (Singapore) Pte. Ltd.
The Great Eastern Chartering L.L.C. (FZC) and its subsidiary :
- The Great Eastern Chartering (Singapore) Pte. Ltd., Singapore

Great Eastern CSR Foundation, India
Greatship (India) Ltd., India and its subsidiaries :
- Greatship Global Holdings Ltd., Mauritius
- Greatship Global Offshore Services Pte. Ltd., Singapore
- GGOS Labuan Ltd., Malaysia. (deregistered on March 4, 2017)
- Greatship Global Energy Services Pte. Ltd., Singapore.
- Greatship (UK) Ltd., UK.
- Greatship Oilfield Services Ltd., India

(b) Key Management Personnel and close members of their family in employment with the Company as at March 31, 2018 :

Mr. K. M. Sheth	- Non - Executive Chairman, father of Mr. Bharat K. Sheth and Mr. Ravi K. Sheth
Mr. Bharat K. Sheth	- Deputy Chairman and Managing Director
Mr. Tapas Icot	- Executive Director and President-Shipping
Mr. G. Shivakumar	- Executive Director and Chief Financial Officer
Mr. Jayesh Trivedi	- Company Secretary
Mr. Ravi K. Sheth	- Non - Executive Director
Mr. Berjis Desai	- Non - Executive Director
Mr. Cyrus Guzder	- Non - Executive Director
Mr. Farrokh Kavarana	- Non - Executive Director
Mrs. Rita Bhagwati	- Non - Executive Director
Dr. Shankar Acharya	- Non - Executive Director
Mr. Vineet Nayyar	- Non - Executive Director
Mr. Rahul R. Sheth	- Son of Mr. Ravi K. Sheth

(c) Other related parties :

Employees' Benefit Plans :
The Provident Fund of The Great Eastern Shipping Company Ltd.
The Great Eastern Shipping Co. Ltd. Employees Gratuity Fund
The Great Eastern Shipping Co. Limited Executives Superannuation Fund
The Great Eastern Shipping Co. Ltd. Floating Staff Superannuation Fund
The Great Eastern Shipping Co. Ltd. Staff Superannuation Fund

II) Transactions with Related Parties :

(₹ in crores)

(A) NATURE OF TRANSACTIONS	SUBSIDIARY COMPANIES		OTHER RELATED PARTIES		KEY MANAGEMENT PERSONNEL AND THEIR CLOSE FAMILY MEMBERS	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Services received from	**14.44**	47.55	**-**	-	**-**	-
- The Greatship (Singapore) Pte. Ltd.						
₹ 7.04 crores (Previous year : ₹ 5.72 crores)						
- The Great Eastern Chartering L.L.C. (FZC)						
₹ 7.40 crores (Previous year : ₹ 41.83 crores)						
Reimbursement of expenses to	**-**	0.98	**-**	-	**-**	-
- The Great Eastern Chartering L.L.C. (FZC)						
Reimbursement of expenses from	**3.55**	-	**-**	-	**-**	-
- The Great Eastern Chartering L.L.C. (FZC)						
Interest income on preference shares investment	**25.43**	25.29	**-**	-	**-**	-
- Greatship (India) Ltd.						
Services rendered to	**1.84**	2.07	**-**	-	**-**	-
- Greatship (India) Ltd.						
Contribution towards CSR	**9.14**	5.84	**-**	-	**-**	-
- Great Eastern CSR Foundation						
Transfer of liability towards retirement benefits of employees from	**-**	0.02	**-**	-	**-**	-
- Greatship (India) Ltd.						
Contribution to post employment benefit plans	**-**	-	**8.89**	8.11	**-**	-
Compensation to key management personnel and close members of their family						
- Salaries	**-**	-	**-**	-	**7.68**	7.40
- Post-employment benefits (Refer Note below)	**-**	-	**-**	-	**1.61**	5.37
- Sitting Fees	**-**	-	**-**	-	**0.31**	0.31
- Commission	**-**	-	**-**	-	**6.28**	8.03
- Dividend	**-**	-	**-**	-	**20.95**	11.93

(₹ in crores)

(B) OUTSTANDING BALANCES	SUBSIDIARY COMPANIES		OTHER RELATED PARTIES		KEY MANAGEMENT PERSONNEL AND THEIR CLOSE FAMILY MEMBERS	
	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 31/03/2018	AS AT 31/03/2017
Receivables	**0.75**	1.64	**-**	-	**-**	-
- Greatship (India) Ltd.						
Advances						
- Post employment benefit plans	**-**	-	**0.48**	-	**-**	-
Payables	**0.84**	1.84	**-**	-	**-**	-
- The Greatship (Singapore) Pte. Ltd.						
₹ 0.47 crore (as at March 31, 2017 : ₹ 0.93 crore)						
- The Great Eastern Chartering L.L.C. (FZC)						
₹ 0.37 crore (as at March 31, 2017 : ₹ 0.91 crore)						
- Post employment benefit plans	**-**	-	**-**	0.65	**-**	-
- Commission payable	**-**	-	**-**	-	**6.28**	8.03
- Provision for retirement benefits	**-**	-	**-**	-	**25.23**	26.51

Note :

Post-employment benefits include reversal of provision for retirement pension benefits payable ₹ 1.14 crores (Previous Year : provision of ₹ 2.68 crores) on the basis of actuarial valuation as per the Retirement Benefits Scheme approved by the Board of Directors.

NOTE 34 : CAPITAL COMMITMENTS

(₹ in crores)

PARTICULARS	AS AT 31/03/2018	AS AT 31/03/2017
Estimated amount of contracts, net of advances paid thereon, remaining to be executed on capital account and not provided for	**330.15**	48.48

NOTE 35 : CONTINGENT LIABILITIES

(₹ in crores)

SR. NO.	PARTICULARS	AS AT 31/03/2018	AS AT 31/03/2017
Claims against the Company, not acknowledged as debts :			
(a)	Sales Tax demands under BST Act, CST Act and VAT Act against which the Company has preferred appeals.	**7.46**	7.46
(b)	Demand from the Office of the Collector & District Magistrate, Mumbai City and from Brihanmumbai Mahanagarpalika towards transfer charges for transfer of premises not acknowledged by the Company.	**4.34**	4.34
(c)	Demand for Custom Duty disputed by the Company	**6.50**	6.50
	[The Company has given bank guarantees amounting to ₹ 3.63 crores (as at March 31, 2017 : ₹ 3.63 crores) against the said Custom Duty demand]		
(d)	Income Tax Demands for various Assessment Years disputed by the Company	**11.64**	34.80
(e)	Demand for wharfage charges against which the Company has tendered a bank guarantee. Stay is obtained under a Writ Petition filed against Chennai Port Trust for restraining encashment of bank guarantee.	**0.99**	0.99

Notes :

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 judgements/decisions pending with various forums/authorities.

ii) The Company does not expect any reimbursements in respect of the above contingent liabilities.

iii) The Company's pending litigations comprise of claims pertaining to proceedings pending with Income Tax, Custom, Sales Tax/VAT, Service Tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions were required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

NOTE 36 : FINANCIAL INSTRUMENTS

A. Capital Management :

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

The capital structure of the Company consists of net debt (borrowings as detailed in Note 19 and offset by cash and bank balances and current investments) and total equity of the Company.

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

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

The gearing ratio was as follows:

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Debt *	**4233.97**	4444.51
Less : Cash and bank balances including current investments	**(2643.29)**	(3038.88)
Net debt	**1590.68**	1405.63
Total equity	**5225.42**	5162.02
Net debt to equity ratio	**0.30**	0.27

*Debt includes redeemable non-convertible debentures and term loans from banks.

B. Financial Assets and Liabilities :

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

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

	AS AT 31/03/2018	AS AT 31/03/2017
Financial Assets :		
Measured at Amortised Cost		
- Investments in subsidiaries		
- Preference shares	**375.80**	373.69
- Trade Receivables	**149.79**	46.04
- Cash and Cash Equivalents	**296.81**	725.53
- Other Bank Balances	**1618.09**	1472.94
- Other Financial Assets	**102.62**	79.78
Measured at Fair value through Profit or Loss		
- Investments in Mutual Funds	**754.21**	862.89
- Derivative Contracts	**167.50**	122.20
Measured at Fair value through OCI		
- Derivative Contracts	**3.94**	-
Total	**3468.76**	3683.07
Financial Liabilities :		
Measured at Amortised Cost		
- Borrowings	**4222.63**	4431.71
- Trade Payables	**183.59**	123.34
- Other Financial Liabilities	**165.80**	150.77
Measured at Fair value through Profit or Loss		
- Derivative Contracts	**629.77**	778.65
Measured at Fair value through OCI		
- Derivative Contracts	**-**	7.83
Total	**5201.79**	5492.30

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

C. Fair value hierarchy :

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels :

> Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

> Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

> Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

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

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Financial Assets :		
Measured at Level 2		
- Investments in Mutual Funds	**754.21**	862.89
- Derivative Contracts	**171.44**	122.20
Total	**925.65**	985.09
Financial Liabilities :		
Measured at Level 2		
- Derivative Contracts	**629.77**	786.48
Total	**629.77**	786.48

Investments in Mutual Funds are valued at the net asset value of the respective units. Derivative instruments are fair valued at the discounted cash flows. Future cash flows are estimated based on forward exchange/ interest rates and contract forward/ interest rates discounted at a rate that reflects the credit risk of various counterparties.

D. Derivative financial instrument and risk management

The Company uses foreign exchange forward contracts, options and interest rate swaps to hedge its exposure to the movements in foreign exchange rates. The use of these reduces the risk to the Company arising out of movement in exchange and interest rates. The Company does not use foreign exchange forward contracts, currency and interest rate swaps and options for trading or speculation purposes. The Company has also entered into cross currency swaps to swap its INR/ JPY borrowings into US dollars to mitigate the exchange risk arising out of foreign currency receivables. The interest rate swap component in the cross currency swap reduces the effective interest costs to the Company.

The Company also uses commodity futures contracts for hedging the exposure to bunker price risk.

(i) Derivative instruments in hedging relationship (Cash Flow Hedges)

(a) Interest Rate Swap Contracts :

DETAILS	AS AT 31/03/2018	AS AT 31/03/2017
Total No. of contracts outstanding	**5**	5
Principal Notional Amount (USD in million)	**65.592**	77.517
Fair Value gain/(loss)- net (₹ in crores)	**4.05**	(5.29)
Maturity Period	**Upto 6 Years**	Upto 7 Years

b) Forward Exchange Contracts :

DETAILS	AS AT 31/03/2018		AS AT 31/03/2017	
	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	-	-	6	-
Foreign Currency Value (USD in million)	-	-	13.700	-
Fair Value gain/(loss)- net (₹ in crores)	-	-	(2.03)	-
Maturity Period	-	-	Upto 1 Year	-

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

During the year ended March 31, 2017, the Company had entered into forward foreign exchange contracts to hedge foreign currency risk of firm commitments and highly probable forecast transactions which had been designated as hedged instruments that qualify as effective cash flow hedges. The mark-to-market loss on these foreign exchange derivative contracts outstanding as at March 31, 2017 has been recorded in the Cash Flow Hedging Reserve. The same is transferred to the Statement of Profit and Loss on the occurrence of the underlying cash flow, except for forwards relating to vessels, whose gains/(losses) are included in the cost of the assets and recognised in the Statement of Profit and Loss over the estimated useful lives as part of depreciation expense.

(ii) Derivative instruments not in hedging relationship

(a) Forward Exchange Option Contracts :

DETAILS	AS AT 31/03/2018		AS AT 31/03/2017	
	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	-	**1**	-	2
Foreign Currency Value (USD in million)	-	**5.000**	-	20.000
Fair Value gain/(loss)- net (₹ in crores)	-	-	-	5.72
Maturity Period	-	**Upto 1 year**	-	Upto 1 year

(b) Forward Exchange Contracts :

DETAILS	AS AT 31/03/2018		AS AT 31/03/2017	
	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	-	**1**	-	-
Foreign Currency Value (USD in million)	-	**2.000**	-	-
Fair Value gain/(loss)- net (₹ in crores)		**0.01**	-	-
Maturity Period	-	**Upto 1 year**	-	-

(c) Spot Currency Contracts :

DETAILS	AS AT 31/03/2018		AS AT 31/03/2017	
	PURCHASE	SALE	PURCHASE	SALE
Total No. of contracts outstanding	-	-	1	-
Foreign Currency Value (USD in million)	-	-	9.664	-
Fair Value gain/(loss)- net (₹ in crores)	-	-	-*	-
Maturity Period	-	-	Upto 1 month	-

* Amount less than ₹ One Lakh

Forward exchange option contracts, forward exchange contracts and spot currency contracts mentioned under (ii) above economically hedge the underlying exposures but hedge accounting is not opted for the same. The gains/ (losses) on such are recognised in the Statement of Profit and Loss .

Forward exchange option contracts and forward exchange contracts were entered into to hedge existing/ highly probable forecast transactions denominated in foreign currency.

(iii) Currency Swap Contracts :

(a) Currency Swap Contracts (JPY to USD) :

DETAILS	CURRENCY	AS AT 31/03/2018	AS AT 31/03/2017
Total No. of contracts outstanding		-	1
Principal Notional Amount (JPY in million)	**JPY/USD**	-	1148.500
Fair Value gain/(loss)- net (₹ in crores)		-	0.08
Maturity Period		-	Upto 1 Year

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

DETAILS	CURRENCY	AS AT 31/03/2018	AS AT 31/03/2017
Total No. of contracts outstanding		**39**	35
Principal Notional Amount (₹ in crores)	**INR/USD**	**3135.00**	3020.00
Fair Value gain/(loss)- net (₹ in crores)		**(462.37)**	(662.76)
Maturity Period		**Upto 10 Years**	Upto 10 Years

The mark-to-market gain on above mentioned currency swap contracts is recognized in the Statement of Profit and Loss.

E. Market risk

(i) Foreign currency risk

Significant proportion of the revenues of the Company are denominated in US dollars. In order to reduce foreign currency risk arising from such receivables the company has entered into derivative contracts to swap its INR borrowings into US dollars and incurring some of its operating and repair costs in foreign currency. The net currency exposure is then managed actively using hedged products like foreign exchange forwards and option contracts.

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

DETAILS	CURRENCY	AS AT 31/03/2018 (CURRENCY IN MILLIONS)	AS AT 31/03/2017 (CURRENCY IN MILLIONS)	AS AT 31/03/2018 (₹ IN CRORES)	AS AT 31/03/2017 (₹ IN CRORES)
Loan Liabilities and Payables	AED	**2.699**	0.963	**4.79**	1.70
	AUD	**0.024**	0.033	**0.12**	0.16
	CAD	-	0.122	-	0.59
	CHF	**0.002**	0.037	**0.01**	0.24
	DKK	**1.283**	0.584	**1.39**	0.54
	EUR	**0.992**	0.351	**8.00**	2.43
	GBP	**0.071**	0.082	**0.66**	0.66
	JPY	**48.564**	53.673	**2.96**	3.11
	NOK	**0.341**	0.104	**0.28**	0.08
	SGD	**1.039**	1.058	**5.17**	4.91
	USD	**750.321**	772.241	**4890.22**	5007.98
	ZAR	**0.215**	0.066	**0.12**	0.03
Receivables	AED	**0.010**	0.046	**0.02**	0.08
	AUD	-	0.033	-	0.16
	CAD	-	0.110	-	0.54
	CHF	**0.006**	0.032	**0.04**	0.21
	DKK	**0.042**	0.022	**0.05**	0.02
	EUR	**0.339**	0.023	**2.74**	0.16
	GBP	**0.002**	0.027	**0.01**	0.22
	JPY	**18.980**	10.157	**1.16**	0.59
	NOK	-	0.009	-	0.01
	SGD	**0.009**	0.019	**0.05**	0.09
	USD	**28.758**	15.323	**187.43**	99.37
	ZAR	-	0.066	-	0.03
Bank Balances	AED	**0.749**	0.167	**1.33**	0.29
	SGD	**0.261**	0.264	**1.30**	1.23
	USD	**276.065**	298.453	**1799.26**	1935.47

Sensitivity Analysis :

A 5% strengthening / weakening of Indian Rupee against key currencies to which the Company is exposed (net of hedge), with all other variables being held constant, would have led to approximately a gain / loss of ₹ 146.02 crores (Previous Year : ₹ 149.19 crores) in the Statement of Profit and Loss.

(ii) Interest rate risk

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

Sensitivity Analysis :

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Company hedges its US dollar interest rate risk through interest rate swaps to reduce the floating interest rate risk. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts.

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

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Fixed Rate Borrowings	**3150.00**	3035.00
Floating Rate Borrowings	**1083.97**	1409.51
Total Borrowings (Gross)	**4233.97**	4444.51

The sensitivity analysis below has been determined to assess the interest rate risk on floating rate borrowings during the reporting period. A 0.50% decrease in interest rates would have led to approximately gain of ₹ 3.66 crores (Previous Year : ₹ 4.76 crores) in Statement of Profit and Loss. A 0.50% increase in interest rate would have led to an equal but opposite effect.

(iii) Price risk

The Company is mainly exposed to the price risk due to its investment in debt mutual funds. The price risk arises due to uncertainties about the future market values of these investments.

Sensitivity Analysis :

A 1% increase in prices would have led to approximately an additional gain of ₹ 7.54 crores (Previous Year : ₹ 8.63 crores) in the Statement of Profit and Loss. A 1% decrease in prices would have led to an equal but opposite effect.

(iv) Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting infinancial loss to the Company. The major class of financial asset of the Company is trade receivables. For credit exposures to customer, management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

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

Cash and Cash Equivalents, derivatives and mutual fund investments :

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

Trade receivables :

Trade receivables consist of a large number of various types of customers, spread across geographical areas. Ongoing credit evaluation is performed on the financial condition of these trade receivables and where appropriate, allowance for losses are provided. Further, the Company groups the trade receivables depending on the type of customers and accordingly credit risk is determined.

Exposure to credit risk :

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 3468.76 crores as at March 31, 2018 (as at March 31, 2017 : ₹ 3683.07 crores), being the total of the carrying amount of investments in subsidiaries, cash and cash equivalents, other bank balances, trade receivables, investments in mutual funds and other financial assets including derivatives instruments.

- Financial assets that are neither past due nor impaired :

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

- Financial assets that are past due and/ or provided for :

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

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

(₹ in crores)

	AS AT 31/032018	AS AT 31/03/2017
Overdue		
- Less than 180 days	**145.33**	45.65
- More than 180 days	**4.46**	0.39
	149.79	46.04

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

(₹ in crores)

	AS AT 31/03/2018	AS AT 31/03/2017
Overdue		
- Less than 180 days	**5.05**	3.41
- More than 180 days	**14.44**	2.19
Less: Allowance for doubtful debts	**(19.49)**	(5.60)
	-	-

(v) Liquidity risk

Liquidity risk may arise from inability to meet financial obligations, including loan repayments and payments for vessel acquisitions. This is dealt with by keeping low leverage, as a result of which the Company is able to borrow even in challenging markets. It is also mitigated by keeping substantial liquidity at all times, which enables the Company to capitalise on any opportunities that may arise.

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

(₹ in crores)

	PAYABLE WITHIN 1 YEAR	PAYABLE WITHIN 2 - 5 YEARS	MORE THAN 5 YEARS	TOTAL
As at March 31, 2018				
Borrowings	649.01	1742.60	1842.36	4233.97
Trade payables	183.59	-	-	183.59
Unpaid Dividend	7.67	-	-	7.67
Interest Accrued but not due on Borrowings	147.56	-	-	147.56
Derivative Contracts	629.77	-	-	629.77
Other Financial Liabilities	10.57	-	-	10.57
	1628.17	**1742.60**	**1842.36**	**5213.13**
As at March 31, 2017				
Borrowings	686.11	1875.05	1883.35	4444.51
Trade payables	123.34	-	-	123.34
Unpaid Dividend	8.15	-	-	8.15
Interest Accrued but not due on Borrowings	133.52	-	-	133.52
Derivative Contracts	786.48	-	-	786.48
Other Financial Liabilities	9.10	-	-	9.10
	1746.70	**1875.05**	**1883.35**	**5505.10**

NOTE 37 : GOVERNMENT GRANTS

The Company receives government assistance in the form of Duty Free Credit Entitlement Certificates (DFCEC) under Service Exports From India Scheme (SEIS) (Previous Year : Served From India Scheme (SFIS)), which are issued to eligible Indian service providers having free foreign exchange earnings. It can be utilised for duty-free imports of office & professional equipment, spares, furniture and consumables or any other items notified by the Government from time to time.

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

(₹ in crores)

	CURRENT YEAR	PREVIOUS YEAR
Opening Balance	**-**	11.98
Add : Licenses received during the year	**6.24**	-
Less : Amount utilised during the year	**-**	(4.92)
Less : Amount lapsed during the year	**-**	(7.06)
Closing Balance	**6.24**	-

NOTE 38 : PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS COVERED UNDER SECTION 186 OF THE COMPANIES ACT, 2013

a) No loans or guarantees have been given to subsidiaries during the year.
b) The particulars of the Company's investments in wholly owned subsidiaries are disclosed in Note 5.

NOTE 39 : CORPORATE SOCIAL RESPONSIBILITY (CSR)

As part of its Corporate Social Responsibity, the Company has set up the Great Eastern CSR Foundation for promoting education, knowledge enhancement and other activities to which the Company has contributed ₹ 9.14 crores during the current year (Previous Year : ₹ 5.84 crores)(Refer Note 27(n)).

(₹ in crores)

		CURRENT YEAR	PREVIOUS YEAR
(a)	Gross amount required to be spent by the Company during the year	**9.14**	5.84
(b)	Amount spent in cash for purposes other than for construction/ acquisition of any asset during the year	**9.14**	5.84
(c)	Provisions for Corporate social responsibility expenses	**-**	-