

**A COMPARATIVE PERFORMANCE ANALYSIS OF SHIPPING
COMPANIES IN INDIA WITH SPECIAL REFERENCE TO
CHARTERING**

*A dissertation submitted to the School of Maritime Management,
Indian Maritime University in partial fulfilment for the requirements for
the award of degree in MBA- International Transport and Logistics
Management*

Submitted

By

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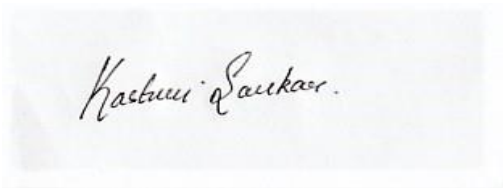
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DECLARATION

I, KASTURI SARKAR (**Reg. No. 2003305017**), student of School of Maritime Management, Indian Maritime University –Chennai Campus, hereby declare that this project report titled **A Comparative Performance Analysis of Shipping Companies in India with Special Reference to chartering** submitted in partial fulfilment of the requirement for the degree of **Master of Business Administration in International Transport and Logistics Management** is my original work carried under the guidance of my project guide. It has not formed the basis for the award of any Degree/Diploma of any University/Institution. The information submitted is true and original to the best of my knowledge.

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CHAPTER 1

1.1 INTRODUCTION

Chartering is a branch of the international shipping industry that deals with the correct match of cargo transportation requirements and vessel commercial trade. In simple terms, chartering is a shipping industry practise in which a ship owner leases out the use of their fleet to a charterer. A charterparty is a contract between two parties. Ship owners own ships and want to make money off of them by transporting commodities from one location to another. The Charterer is the person who leases a vessel.

Charterer could be the owner of the cargo for transportation or be a party without cargo who takes a vessel on charter for a specified period from the owner and then trades the ship to carry cargoes at a profit above the hire rate, or even makes a profit in a rising market by re-letting the ship out to other charterers. The Ship Owner is the person who charters his ship and advocates the ship's interests. The Charterer agrees to pay a financial compensation termed "Freight" or "Hire" in accordance with the type of Charter involved at the rate specified in their contract, which is known as a Charter party, in exchange for letting out his ship for commercial exploitation by the Charterer. A charterparty is a nautical contract between a shipowner and a "charterer" for the rental of a ship for passenger or freight carriage or a yacht for pleasure. It is a document that contains the written provisions of a charter agreement between a shipowner and a charterer, who are commonly referred to as "Owners" and "Charterers" in the text. The shipowner and charterer's obligations, rights, and liabilities are defined in a charter party. It is normally set up by the charterers' broker after both parties have negotiated and agreed on terms, and it is usually based on a particular edition of a recognised standard form (e.g., GENCON, BALTIME, NYPE). It usually consists of a printed form with additional typed rider clauses if the basic provisions do not adequately cover all areas of the parties' agreement. In the event of a contradiction between standard and rider terms, the rider clauses take precedence. Many adjustments to the basic clauses may be agreed upon by the parties in a charter party. In general, the more revisions there are, the more legal conflicts there are, therefore having as few amendments as possible is ideal. It may be in a modern "boxed" layout with straightforward clause wording (as with BIMCO-designed forms), or in a more conventional style with (often) antiquated terminology. It may also contain annexes dealing with particular arrangements (as with CRUISEVOY, which has five annexes). An addendum and/or side letter may contain

sensitive terms, which is another feature of a charter party. Addenda are legally more important than side letters. Unless their principals sign instead, it should be signed by a broker representing each party to the deal. A charter party should ideally be balanced, such that one party does not benefit at the expense of the other. (Some charter parties are accused of being biased, such as SUGAR CHARTER 1999.)

1.1.1 TYPES OF CHARTERING

- **VOYAGE CHARTERING** – Employing a vessel for a single voyage, which entails loading a cargo package from one or more ports and unloading it at one or more ports. The shipowner gets compensated by freight in this style of employment. This could also include the cost of loading and unloading the goods, according on the terms of the Charter party. If the vessel is chartered on a FIO (Free in and out) basis, the cost of loading and unloading the cargo is not borne by the owner. Consecutive Voyages are an extension of the voyage Charter Party in which the parties agree to do business together again.
- **TIME CHARTERING**- When a Charterer wants to use a vessel for a specific amount of time, they hire it on a time charter basis. In this type of charter, the vessel is chartered for a specific period of time, such as a year, with the option to return the vessel (a few days more or less). Unlike a cruise, a time charter contract involves the Charterer taking over the ship's business operations. The Charterer is responsible for fuelling the ship, including the cost /of fuel, payment of port charges, and cargo handling costs, among other things. The ship owner is responsible for the ship's (Commercial Operations), which includes personnel expenses, upkeep, insurance, and supply stores, among other things. The owner is responsible for ensuring that the vessel has valid mandatory certificates and that the vessel's insurance is valid for the duration of the time charter.
- **BARE- BOAT CHARTERING**- Shipowners hire the vessel to a charterer, who effectively performs all of the functions of a shipowner as well as the obligations of a time charterer, in exchange for a lower hire payment, equivalent to the vessel's capital cost, for a period similar to that of a time charter. The charter rental to the original owner would be considerably less than what he would have gotten if the vessel was on time charter due to the higher duties and costs for the charterers in a bare boat charter. The majority of bareboat charters are for a couple of years. Companies that can finance

the acquisition of ships but whose core business does not include ship operations would typically build or buy a ship and charter it out bareboat, leaving the ship's operation to charterers with the necessary experience.

- **BARE BOAT CUM DEMISE CHARTERING** - In recent years, it has come to represent more than just a bareboat charter; in this situation, ownership of the vessel passes to the Charterer upon payment of a specified quantity of money towards the vessel's acquisition at the end of the Charter period. During the length of the bare boat charter, the owner is likely to have covered the majority of the capital cost and will be paid the rest at the end of the charter. A demise charter is a type of hire-purchase agreement between the shipowners and the shipbuilders. The tanker and bulk ship segments are dominated by demise chartering.
- **CONTRACT OF AFFRIEGHMENT**- It is the provision of transportation for the long-term transfer of huge amounts of cargo (expressed as an amount or a number of voyages). This form of contract allows the parties to work out the date of each cargo and which vessels will be used for each lifting. This contract of affreightment is not related to any specific vessel, unlike a Successive voyage charter party for consecutive trips. With a COA, the owner is guaranteed consistent work and hire payment at the agreed-upon rate for a set length of time, regardless of how the freight market swings. He can make do with similar vessels that he owns or charters in. Similarly, a Charterer may benefit if he fixed at a given rate and then enjoyed the advantage of a reduced rate if rates rose. The clauses of a COA are frequently comparable to the terms and conditions of a trip Charter, with the exception of the dates and vessel name.

1.2 IMPORTANCE OF THE STUDY

This project report titled 'Relative analysis of shipping companies in India with special reference to chartering' considering three major shipping companies namely The Shipping Corporation of India (SCI) and The Great Eastern Shipping Co. Ltd describes about:

- An overview of the role of ship charters within the shipping business.
- Structures and facilities available for this particular sector.
- Govt. interventions and policies affecting charters in the companies.
- Performance figures and challenges faced by the world.
- Comparison on the chartering rates of the companies.

- Impact of covid-19 in ship chartering.

1.3 OBJECTIVES OF THE STUDY

The main objectives of the study are:

- To study and analyse the performance of Shipping Corporation of India.
- To study and analyse the performance of the Great Eastern Shipping company.
- To compare and contrast on the performance of Shipping Corporation of India and the Great Eastern shipping company.

1.4 METHODOLOGY OF THE STUDY

The secondary data was compiled from the annual reports, balance sheets, and profit and loss accounts of the Shipping Corporation of India, the Great Eastern Company, the Ministry of Shipping, Government of India, and the Indian National Ship Owners' Association, as well as other research publications such as reports, journals, reference books, magazines, and newspapers. Some of the information gathered has been graphically displayed in the form of charts, graphs, and diagrams. Both organisations undergo a comparative analysis of selected factors. The project work is completed by incorporating the findings and recommendations derived from the study's analysis.

1.5 LIMITATIONS OF THE STUDY

- Time limitation for the completion of project.
- Absence of previous research studies on this subject.
- Inadequate access to data.
- Inadequate sample size for statistical measurements.
- Unreachable to gather the first data thanks to covid-19.

CHAPTER 2

REVIEW OF LITERATURE

The data represented during this project report has been integrated from secondary data available from numerous sources across the network. The most literatures used and brief descriptions of data gathered from each of those are depicted as follows:

1. Evi Plomaritou and Angelos Menelaou, “Charter Market Segmentation in Response to Trade’s Needs”, Department of Maritime Transport and Commerce, Frederick University.

The paper aims at describing the different needs of different charterer. It enhances on describing the charter market segmentation which is basically a process of subdividing the shipping market into various segments of charterers who are indulged in similar chartering policies and needs of transportations. The segmentation mainly focuses on homogenous charter’s buying behaviour and heterogenous buying behaviour between charter market segment. This paper aims to present how the charter market could also be structured in response to trade’s needs and charterers’ requirements. The most objective of this paper is to constitute a summary of the shipping market segmentation into the various market segments. The analysis is based on the behavioural segmentation approach. This paper discusses mainly the conditions of charter market segmentation through applicable theories, reviews and a few real cases analyses. Furthermore, the paper observes how the shipping companies should answer their clients’ demands. Shipping innovativeness have unique capabilities concerning the means, the resources and therefore the management abilities for his or her ships. This analysis enhances on a company’s understanding of the transportation requirement of their clients, failing to recognize which may result in dissatisfaction of charters and which in turn may lead to the incapability of retaining of customers thus resulting to an overall loss of the organisation.

2. Evi Plomaritou and Yiannis Voudouris, “The Relationships of Bill of Lading, Charter party and Other Transport Documents”, Department of Law, Frederick University, Cyprus, 2019.

The bill of lading is an important part of international trade. The charter party is a legal contract between the shipowner and the charterer which describes the liabilities and the responsibilities of both the parties. These two documents are the major importance in the shipping sector and

this paper exaggerates the importance of these documents to its core. Furthermore, this also provides an overview of the relationship between the bill of lading, charter party and other documents such as booking notes, cargo manifest, mate's receipt, delivery order etc. The research paper also enhances on the durability of the bill of lading and the charter party in the bulk and liner markets and what would be the effect of digitalization in the shipping industry. The digitalization has a positive impact on the shipping industry since it has improved the life span of the bill of lading and charter party and also it has enhanced the relationship of these two documents with the other shipping documents. Although in recent years there has been issues related to the safety, security and accessibility related to the transaction and receipt of electronic contract of carriage. It is expected that once the UNCITRAL model law is adopted the current barriers resulting from the use of electronic bill of lading can be minimized to some extent.

3. Ioannis Mavrokefalos, "LNG Chartering Policy and Charter - Party Analysis", Cardiff University, 2015.

The bulk of LNG carriers operate on time charters, according to this report, and the LNG business follows very strict transportation regulations. Long-term contracts are the majority on the market. The "ShellLNGTime1" form is well-suited to the current market environment. Nonetheless, as their frequency has been significantly rising over the previous decade, parties tend to adapt and employ it in journey charters. In May 2012, GIIGNL, the International Group of LNG Importers, introduced the "VCP," a substitute LNG voyage charter form that allows spot chartering and ensures faster transactions. The research primarily aims to describe the market and regulatory context in which the relevance of the shift from time to spot LNG chartering market has increased, as well as to recognise the circumstances in which the shift occurred. The fundamental goal of this thesis is to look at the significance and breadth of growing LNG spot markets, as well as to analyse and contrast the most important LNG charter party arrangements.

4. Evi Plomaritou, "A review of ship owner's and charter party obligations in various sorts of charters", Department of maritime studies, Frederick University, 2014.

This paper provides an overview of the most important characteristics of charter parties in the various types of charters. This research is based on shipping methods followed during the chartering process in line with English Common Law (pre-fixture, fixture, execution of the charter, post fixture). Within the most prominent types of charter, this is frequently a

description of the division of liabilities and expenses between the ship owner and thus the charterer. The examination is done from the perspective of a billboard. As a result, it is primarily aimed at shipping practitioners, marine economists, professors, students, and researchers who wish to gain a complete understanding of the subject. It is also attempting to establish a foundation for further research into chartering issues (legal, economic, managerial and practical).

5. Taylor A., Chartering strategies for shipping companies, Littlewoods Organisation, Liverpool, United Kingdom, 2013.

This study proposes a model that may be used to assess the relative efficiency of policies in the areas of ship chartering and combined carrier switching across the dry cargo and tanker markets. Chartering and market switching policies are expressed as 'desired proportions' of the fleet operating in a specific charter mode or market. Alternative policies can be produced rather readily with the help of a graphical example of this style of policy communication. The model, which is demonstrated by its application to the deployment of a fictional shipping company's fleet, can be used to estimate the success of a certain policy under various freight market conditions. The feedback relationship between the company's actions and the marketplace is expected to be minimal.

CHAPTER 3

PROFILE OF THE SHIPPING COMPANIES

The study of this project is basically the comparison of the top shipping companies in India with special reference to chartering. According to the list of top 10 companies provided by the government of India, The Shipping Corporation of India (SCI) is ranked 1 and The Great Eastern Shipping Company (GEC) is ranked third. Although Essar Shipping is in the 2nd rank of the list provided, but it has been excluded from this study because the company does not have any chartering department. The Shipping Corporation of India is a government firm and apart from chartering it provides various other services such as tanker, bulk carriers, containers, offshoring, break bulk, coastal and passenger services, dry docking and shipbuilding consultancies. The Great Eastern Shipping company is one of the largest private owned shipping firms in India and apart from chartering it provides services such as transportation of crude oil, petroleum products, gas and dry bulk commodities and also offshoring. Since both the companies perform certain similar activities and are among the top most lot of the shipping companies in India there is scope of comparing and analysing the performances of both the companies.

3.1 THE SHIPPING CORPORATION OF INDIA LIMITED (SCI)



3.1.1 PROFILE OF SHIPPING CORPORATION OF INDIA LTD.

In terms of Indian flagged tonnage, Shipping Corporation of India Ltd (SCI) is unique among India's main shipping companies. The company could be a government-owned company based in Mumbai that manages and maintains fleets that operate on both

national and international lines. The company is involved in almost every aspect of the transportation industry, reworking both national and international exchanges. The corporation has one auxiliary and six joint ventures as of March 31, 2019. Liner and passenger services, bulk ships and tankers, and technical and offshore services are the three divisions of the company. Break bulk and container shipping are included in the liners section. Tankers (both oil and product), dry bulk carriers, gas carriers, and orthophosphoric acid carriers and make up the bulk category.

Offshore fleets, passenger fleets and services, and ships handled on behalf of other corporations are among the others. Bulk carriers' fuel tankers are among the company's own fleet. Tankers transporting goods. Container ships Combined passenger/cargo fleets LPG/Ammonia carriers and Offshore Supply Fleets. orthophosphoric acid/Chemical carriers In addition, the company oversees a sizable fleet on behalf of several government departments and organisations. SCI's global processes are supported by offices in India's four metropolises: Mumbai, Delhi, Chennai, and Kolkata, as well as an office in London. Eastern Shipping Corporation Ltd joined the Shipping Corporation of India Ltd on March 24, 1950. Western Shipping Corporation Ltd was incorporated into the company on October 2, 1961, and the company's name was changed from Eastern Shipping Corporation Ltd to The Shipping Corporation of India Ltd on October 21, 1961.

The corporation expanded its business into fuel transportation in 1964. Jayanti Company Ltd was absorbed into the corporation in 1973. The corporation purchased the first Indian VLCC in 1975. They also discovered a scam company in Iran called Irano Hind. The company diversified into offshore supply fleets in 1984 and completed the acquisition of ten offshore supply fleets. Mogul Line Ltd was merged with the corporation in 1986.

Chemical tankers and cryogenic processes were added to the company's portfolio in 1991. They divested 18.51 percent of their equity shares in 1992 to support monetary institutions, mutual funds, banks, and FIIs. On February 18, 1993, the corporation was changed from a private to a public corporation, and it acquired a new certificate of incorporation. Furthermore, the shares were listed on the BSE, NSE, CSE, DSE, and thus the MSE. The company purchased three cellular fleets in 1993: Lal Bahadur Shastri Gandhi, Rajiv Gandhi, and others. In 1994, the business disinvested additional 3864600 equity shares, accounting for 1.37 percent of India's paid-up capital, in favour of FII Mutual Funds and banks. In the year 2000, India's government granted the firm

the designation of 'Mini Ratna,' giving the Board more capital investment authority. In 2004, the firm ventured into LNG shipping through a joint venture with Mitsui OSK Lines Ltd, Nippon Yusen Kabushiki Kaisha Qatar company QSC, and Kawasaki Kisen Kaisha Ltd.

In 2005, the company acquired the largest ship in India's registry, a 316,000 DWT VLCC. In the year 2006, the company formed a joint venture with Forbes and Sterling Investments to develop chemical tanker processes. The government of India awarded the company the designation of 'Navratna' in 2008. They began their transition with an information technology project to improve data management. In 2009, the company purchased a VLCC with a capacity of 321000 DWT that was registered in India. They took over the operations of two LNG ships. In 2010, the company formed a joint venture with SAIL to provide shipping-related services to SAIL for the import of coking coal. As of September 30, 2010, the company had well-organized the development of 29 fleets, which they intend to be delivered between 2010 and 2013, and they have plans to order another 20 fleets in the coming fiscal year.

They also handled 64 fleets totalling 0.2 million DWT on behalf of state agencies, public sector undertakings, and joint ventures as of September 30, 2010.

The company wants to extend and improve its container services. The Chartering Department serves a business objective. The Chartering Department is in charge of meeting all of SCI's requirements for in/out chartering of all sorts of ships. The involved departments link in/out chartering requirements to the Chartering Department. As a result, the department investigates the market's demand in accordance with the established chartering procedures. The business is then negotiated and settled by negotiating officers.

Businesses or fleets are usually fixed through brokerage channels or directly with owners or charterers. Once the company or fleet is fully operational, the essential paperwork will be completed in accordance with the chartering procedure. The Charter Party will be assembled and delivered to the appropriate agency for action.

In addition to this, the Chartering department is also active in:

- To provide management market data through daily / monthly reports.
- Preparation of planned reports on department-completed in / out chartering fixtures.
- A quarterly analysis of broker results.

Clients anticipate seamless operations and optimal fleet utilisation in compliance with Charter Party requirements. To provide the simplest services to customers, the concerned operation departments (Technical and Commercial) maintain continual communication with fleets/agencies/clients to ensure that processes are carried out according to the clients' expectations and C/P provisions.

The chartering division is a part of the minority carrier and tanker division, and it is responsible for servicing all of the Company's chartering needs for all fleets. "In chartering" refers to the corporate's exploitation of fleets owned by a third party, whereas "out chartering" relates to a third party's exploitation of our owned fleets. The main portion of our business is chartering our fleets for appropriate service. This business is managed by a panel of brokers, as well as direct contracts with the buyers. The charter agreements are made on the basis of a COA, time charter, period charter, or voyage charter. We aim to realize a portfolio mixture of all charter contract types so on reduce the danger of market fluctuations. A quick explanation of every sort of charter is about out below:

- **Trip Time Charter:** Typically, time charter contracts are entered into from and to a specific port. The charterer is responsible for fuel, loading and unloading fees, and port fees. On a daily basis, charter hire is received for the fleet.
- **Period Charter:** Period charter contracts are usually signed for a set amount of time, ranging from three months to three years. Almost like a visit time charter, the pricing and payment terms are same.
- **Voyage Charter:** In a normal voyage charter contract, the fleet owner offers transportation services, bears all operational costs, and is compensated in the form of per tonne or payment freight rates.
- **COA:** a normal COA lasts between two and three years. The COA is hedged for the amount of tonnage shipped. Some COAs are signed at a fixed price per tonnage, ensuring that we are protected from market changes.

3.1.2 WORLD WIDE OPERATION OF SCI

SCI's global processes are backed by offices in India's four metropolises: Mumbai, Delhi, Chennai, and Kolkata, as well as an office in the United States. London. They have decided to expand their service routes to the Southeast. South Africa, Asia, and North America They'll also consider how they can help. They plan to connect their services to East African ports because they feel India will benefit. is quickly becoming

the region's largest exporter of exports and project cargo. They will also continue its containership service between India and the United States in the future. The company plans to grow and diversify its break-bulk business by entering into new joint facility agreements with fleet owners to work in trade lanes that they believe offer opportunities for diversification and growth, such as Europe to the Middle East, the East Coast of the United States to Europe, and Southeast to Far East Asia. They will form joint ventures with respected logistics companies to deliver end-to-end logistical processes for electricity, oil and gas, and infrastructure projects. The company continues to look into the possibility of forming joint ventures and strategic partnerships within their present lines of business to further solidify their leadership position in the marine globe.

The company had no new fleets on order at the start of 2016-17. It had, however, signed MoAs (Memorandum of Agreements) for the acquisition of a used Suezmax tanker and a resold MPSV. These fleets were delivered on April 26, 2017 and July 7, 2017, respectively. On May 22, 2017 and July 7, 2017, the MV Gandhi and MV Rajiv Gandhi fleets were wholesaled, respectively. During FY17, the Shipping Corporation of India and GAIL (India) Ltd signed a Memorandum of Understanding to work together to transport 5.8 million tonnes of LNG (Liquid Natural Gas) sourced by GAIL from the Sabine Pass and Cove Point terminals in the United States once a year. The collaboration will see SCI aiding GAIL with LNG ship chartering and post-installation management services for GAIL's in-chartered fleets transporting LNG from the United States to India. The goal of this collaboration between GAIL and SCI is to boost gas supplies through LNG imports. On November 18, 2016, SCI purchased a second-hand Multi-Purpose Support Fleet (MPSV) named 'SCI Sabarmati' with a gross tonnage of 3306 GT and a dry weight of 3352.31 DWT. The company's offshore fleet has grown to ten fleets as a result of this strategic acquisition. This fleet was successfully deployed for four years on a prestigious charter.

India / Far East Cellular Service (INDFEX 1) began operating in June 2001. K-Line, PIL, Wanhai, Simatech, Cosco, and SCI are now serving it with 6 vessels, each having 1 vessel deployed by 6 partners. The service is a weekly direct service with a 42-day round trip from India's west coast to Central China, Hong Kong, Singapore, and Malaysia. Through feeder routes via Shanghai, the service also connects to North Chinese ports, Busan, and Japan. In this service, SCI Chennai. m.v. was being used by the SCI. By June 2018, this service will be decommissioned, and m.v. SCI Chennai

would be deployed in coastal (SMILE) duty. SCI's Middle East India Liner Express (SMILE) Service and Pan India Service (PIX2) effortlessly connect the Persian Gulf with India's East and West coasts, extending and expanding SCI's footprint in the coastal shipping sector. The joint operation on this route will act as a SCI force multiplier, providing high-quality Coastal Services on a fixed-day-window basis, with the possibility for much more growth in Coastal and near-Coastal commerce, with a focus on India's East Coast ports. In other words, two services. SMILE and PIX2 connect pan-Indian ports with reduced travel times thanks to their service rotations. During 2016-17, SCI connected the west coast of India to the southern and eastern ports of India, including Katupalli, Krishnapatnam, Vizag, Haldia, and Kolkata, and the Pan India service was stabilised during 2017-18, supporting the GOI programme "Sagarmala" and increasing coastal shipping. Bulk Breaking Services SCI arranges space charter carriage of breakbulk cargoes from various regions around the world, including the United States, Europe, and the Far East, for imports on behalf of government departments, public sector undertakings, and other GOI organisations, including Shipments of Over-Dimensional Cargoes (ODC)/Project Cargoes/Heavy Lift Cargoes/IMO Class I Cargoes, and containers.

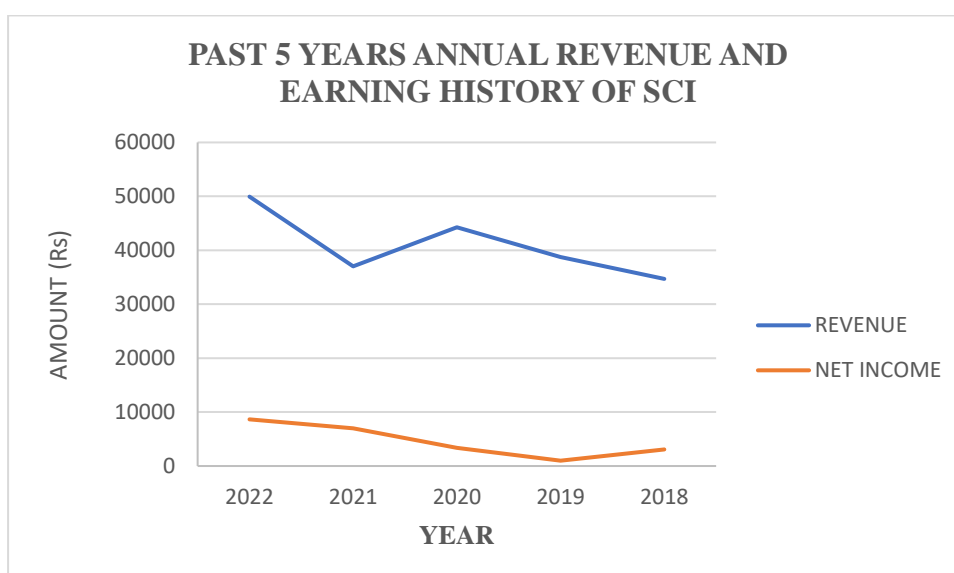
With ongoing efforts, the company has been able to get business from a number of reputable national/international/private clients. ONGC's two Multi Support Fleets (msvs) (Samudra Sevak & Samudra Prabha) and one Geotechnical Fleet (GTV) (Samudra Sarvekshak) were operated and maintained on a regular basis under a 'Cost plus' arrangement during the fiscal year 2018-19. The current GTV deal is in effect until March 31, 2021. As a result, on March 16, 2019, the company handed over Samudra Sevak.

3.1.3 OPERATIONAL PERFORMANCE OF SCI

A. PAST 5 YEARS ANNUAL EARNING GROWTH OF SHIPPING CORPORATION OF INDIA (SCI)

TABLE NO 3.1. SHOWING THE PAST 5 YEAR ANNUAL REVENUE AND EARNING GROWTH OF SCI

YEAR	REVENUE (Rs)	NET INCOME (Rs)
2022	49949.3	8652.2
2021	37032.9	6960.9
2020	44254.4	3364.8
2019	38728.5	988.3
2018	34694.7	3065



SOURCE OF DATA: <https://simplywall.st/stocks/in/transportation/bse-523598/shipping-corporation-of-india-shares#past>

FIG NO 3.1: PAST 5 YEAR ANNUAL REVENUE AND EARNING EARNINGS HISTORY OF SCI

INTERPRETATION:

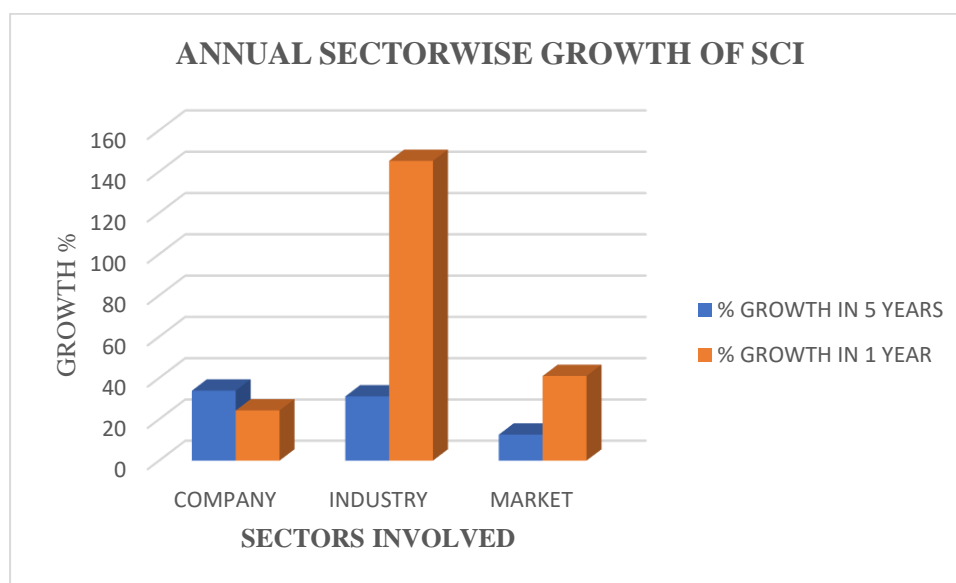
The average sales price times the number of units sold yields revenue, which is computed as the average sales price multiplied by the number of units sold. It is the top line (or gross income) statistic from which net income is calculated by subtracting costs. On the income statement, revenue is also known as sales whereas Sales minus cost of products sold, selling, general and administrative expenditures, operating expenses, depreciation, interest, taxes, and other expenses equals net income (NI), also known as

net earnings. It is a valuable figure for investors to determine how much revenue exceeds an organization's expenses. This figure appears on a company's income statement and serves as a measure of its profitability. From the given data we can interpret that the current net profit margins (17.3%) lower than last year (18.8%).

B. ANNUAL SECTORWISE GROWTH RATE OF SCI

TABLE NO 3.2. SHOWING THE ANNUAL SECTORWISE GROWTH IN PAST 5 YEARS AND LAST 1 YEAR.

SECTOR	% GROWTH IN 5 YR.	% GROWTH IN 1 YR.
COMPANY	33.9	24.3
INDUSTRY	31.1	145.2
MARKET	12.6	41.0



SOURCE OF DATA: <https://simplywall.st/stocks/in/transportation/bse-523598/shipping-corporation-of-india-shares#past>

FIG NO 3.2.: SHOWING ANNUAL SECTORWISE GROWTH RATE OF SCI

INTERPRETATION:

The graph shows the comparison between the percentage growth of different sectors such as company, industry and market in the last 5 years and the past one year. The earnings have grown by 33.9% per year over the past 5 years and the earnings growth over the past year (24.3%) is below its 5-year average (33.9%).

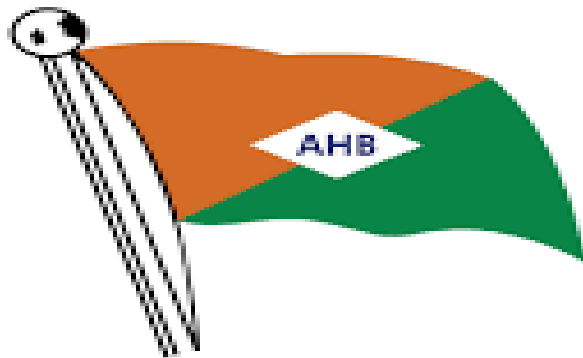
3.1.4 IMPACT OF THE PANDEMIC ON SCI

During the year, the shipping industry had already dealt with the global slowdown and trade wars, and the prospect of a global economic recovery now appears remote due to the pandemic, which has caused enormous disruption in all sectors and walks of life, the effects of which will continue to transcend across business operations and segments in various ways and at different points in time that cannot be predicted with any degree of certainty.

The maritime sector has been severely impacted, with the most significant impact being on crew change, which the International Maritime Organisation (IMO) at the global level and the Directorate General of Shipping (DG Shipping) at the national level continue to regulate and facilitate with the issuance of various SOPs and orders for controlled crew change to bring in as much expediency as possible given the dynamics of the pandemic. The extra cost of such crew changes has not discouraged the corporation from prioritising the welfare of the seafarers. Crew changes have been handled with the motto "Safety First," ensuring a high-quality crew change with care and compassion, ensuring that the seafarer returned home well and safe. To guarantee that fleet operations were not disrupted, special precautions were made to ensure that the on-signing personnel was clear of virus. Your company has taken stringent preventative steps, and your whole owned fleet has remained COVID-free as at the time I am writing this message.

As the lockdown progressed, other obstacles arose, all of which were dealt with adroitness, empathy, and skill, all of which were the result of your Company's employees' pure effort and perseverance. Employees' health concerns, both shore and afloat, were prioritised, and while hygiene was continually improved on one hand, advisories were issued from time to time for their safety in accordance with guidelines issued by the Ministry of Home Affairs and the DG Shipping for the shore and fleet, respectively, including the installation of the Aarogya Setu App on mobile phones and online status declaration forms for employees who attended office during the day. During these trying times, measures are being taken, and contacts between management and staff are continuing to communicate mutual concerns and build a positive environment and excitement.

3.2 GREAT EASTERN SHIPPING COMPANY



**THE GREAT EASTERN
SHIPPING CO. LTD.**

3.2.1 PROFILE OF THE GREAT EASTERN SHIPPING COMPANY

G E Shipping is India's largest private-sector shipping company, with a significant involvement in the international marine business. The shipping industry is divided into two categories: dry bulk carriers and tankers. With an exceptional clientele that includes industry leaders, multinational oil firms, and government agencies, The division has gained the title of being the most trusted by governments who vouch for its services. shipping service provider of choice with a worldwide market pulse and a solid understanding of the industry, the division is well-equipped to predict changing market needs because of its understanding of them. Client demands must be met, and promises must be met successfully and satisfactorily.

3.2.2 HISTORY OF THE GREAT EASTERN SHIPPING COMPANY

Great Eastern Company Limited (GE Shipping) has the potential to become a major player in the Indian shipping industry. As of March 31, 2019, the company's fleet consisted of 48 ships totalling 3.90 million dwt, with an average age of 11.34 years. GIL stands for Great Ship (India) Limited. GE Shipping's completely owned business and one of India's largest offshore service providers services for oilfields.

Along with its companies, GIL owns and manages nineteen fleets and four jack drilling rigs. Four PSVs, eight Anchor Handling Tug cum Supply Fleets (AHTSVs), two

Multipurpose Platform Supply & Support Fleets (MPSSVs), and five ROVSVs make up the 19-ship operational ship. The company GE Shipping was founded on August 3, 1948.

The necessary ISO 9001:2000 accreditation has been issued to the 22 shipping companies by DNV. When it was time, it was 1950.

It was just after WWII. Great Eastern was the first Indian company to order two coastal cargo ships from Mitsubishi Shipbuilding Company Kobe, Japan, only two years ago. In 1956, the company purchased its first oiler, which was also India's first, as a result of increased business opportunities. GE Shipping signed an agreement to transport 60000 tonnes of ore from India to Japan over the course of a year.

The business built the 13000-dwt Jag Laxmi, its largest dry bulk cargo ship at the time, in 1957. Great Eastern commenced regular liner services to carry general cargo from the West Coast of the United States and Canada to India in 1962, and the business also purchased offshore supply ships in the same year. Great Eastern became the first corporation to build an obo carrier in 1972. (ore-bulk-oil). Three of the fleets were ordered from Sweden. In 1975, Great Eastern established its own Training Academy. Attempting to do so became a major private business. In 1987, GE Shipping formed a corporation to own an oil drilling rig and an oil drilling barge. The business purchased four ships in 1988 and renamed them Jag Vijay Jag Rani Jag Rahat and Jag Kala. After a year, GE Shipping purchased three more bulk ships, renaming them M.V. Jag Ratna M.V. and Jag Vikas with M.V. Ravi Jag. M.V. Jag Rashmi has been given to another bulk carrier. A Memorandum of Understanding (MoU) was inked to obtain five Offshore Supply Fleets (OSV) to serve both ONGC and Oil India Ltd. The business bought five further ships in 1990, one of which was a bulk carrier and the others were offshore supply fleets. Because a large property company was at the early stage in 1991, GE Shipping entered the property business about the same time. The offshore sector of the company commissioned three distinct activities after merging with GAL Offshore Services Ltd in 1991: operation of tugs (including offshore supply fleets, harbour tugs, and anchor handling tugs), oil drilling, and offshore constructions.

During the year 1992, the company was the first Indian company to acquire a tanker and the first to engage in large-scale overseas tramp trading. In 1992, A H Bhiwandi Walla & Company, together with its two subsidiaries Dhirvijay investment trust and MDSV Trading & Investment trust, amalgamated with Great Eastern. Within 1997, the company signed a contract with Samsung Heavy Industries Company Ltd Korea to

purchase two Aframax tankers. To build convention service centres and multiplex plazas for executive apartment hotels, GE Shipping partnered with Singapore Technologies Construction Pte Ltd. In 1998, the business formed a 'pool' with the Shipping Corporation of India, Varun Shipping, and the Great Eastern Company (Gesco) to transport liquefied petroleum gas (LPG) imported on a free-on-board (FoB) basis. In 2002, Qatar General Petroleum Corporation (QGPC) and U B Air Pvt Ltd and Helicharters Pvt Ltd formed a collaboration with GE Shipping. Hanjin Heavy Industries and Construction Co. placed a large order for a new building product tanker worth 45500 metric tonnes in 2003. Ltd South Korea, and GE Shipping signed a new construction contract with Hyundai Heavy Industries Co Ltd for a 159000 DWT Suexma crude carrier the same year. It has signed a new contract to supply the Platform Service Fleet with new buildings (PSV). The business purchased five Aframax single-hull tankers between July and December 2003.

During fiscal year 2003-04, the company focused on the Very Large Crude Carrier (VLCC) market. Grate Eastern inked a contract in 2004 to purchase a Handymax Dry Bulk Carrier 37092 dwt fleet built in 1983, while also selling the 2137 dwt micro bulk carrier 'GE 4' built in 1998. In 2005, GE Shipping received MRPL's crude supply order, as well as a 26 percent share in USL. With effect from April 1, 2005, the company opted to spin off its offshore business, which included drilling services for marine logistics, marine construction, and port / terminal services, into a distinct Great Offshore Ltd company. Great ship (India) Limited (the company's subsidiary) had established two totally owned subsidiaries, Graceful Holdings B.V. on November 22, 2006, and Great ship Global Energy Services Pte Ltd. on October 23, 2006. The business purchased two 2000 Suezmax double hull tankers, 'Jag Lakshita' and 'Jag Lateef,' in September 2007. Great ship Global Offshore Services Pte Ltd., a wholly-owned subsidiary of Great ship (India) Limited (GIL), upgraded the two fleets ordered on Mazagon Dock Limited to Multi Support Fleets in November 2007. (MSVs).

The Company negotiated to sell two of its Medium Range (MR) double hull product tankers, 'Jag Panna' (37145 dwt) and 'Jag Payal' (37159 dwt), as well as its General Purpose (GP) single hull product tanker, 'Jag Prayog,' in February 2008. 1982 built 29990-dwt fleets in June of an equal year 2008. Great Eastern Company Ltd's wholly-owned subsidiary Great Ship (India) Limited (GIL) placed an order for two state-of-the-art 150 TBP Anchor Handling Towage & Supply Fleets on Drydocks World Singapore in July 2008. GE Shipping inked a contract with Hyundai Heavy Industries

Ltd of South Korea in July 2008 for the development of two Suezmax crude carriers with a capacity of approximately 158000 dwt each.

Grate Eastern is also committed to a set cost of USD 740 million (about. Rs.3182 crore) for 19 further buildings, according to innovative and many technological agreements. Two PSVs, eight Multipurpose Supply and Support Platform Fleets, two MSVs, six AHTSVs, and a 350-foot jack Rig are among them. Between FY09 and FY11, such properties are expected to be completed. GE Shipping announced a buyback of its equity shares from the open market via stock exchanges for an amount not exceeding Rs 279 crore during the fiscal year ending March 31, 2014. On September 2nd, 2013, the buyback began and finished on February 28th, 2014. On September 2nd, 2013, the buyback began and finished on February 28th, 2014. For a total of Rs. 41.27, the corporation purchased 1545019 nominal equity shares of Rs. 10 apiece. The best lowest and average prices at which the shares were repurchased were Rs. 279.00, Rs. 252.08, and Rs. 266.51. Because the stock price remained above the utmost price of Rs. 279 per share for a significant portion of the repurchase period, the company was unable to realise the maximum buyback of Rs. 279 crores. GP Tanker 'Jag Preeti' in June 2013 GP Tanker 'Parwar' in April 2013 In June 2013, the Handymax bulk carrier 'Jag Ravi' and the Aframax Tanker 'Jag Leela' were launched. GE Shipping delivered the MR Tanker 'Jag Prabha' in August 2013 and the MR Tanker 'Jag Pranav' in September 2013. GP Tanker 'Jag' was sold and delivered by the corporation. GP Tanker 'Jag Preeti' in June 2013 GP Tanker 'Parwar' in April 2013 'Jag Ravi,' a Handymax bulk hauler Aframax Tanker 'Jag Leela' in June 2013 and Aframax Tanker 'Jag Leela' in July 2013. Throughout the year, the company put Tsuneishi Shipbuilding Co. Ltd. has received orders for two Kamsarmax Bulk Carriers. Throughout the year, the company put Tsuneishi Shipbuilding Co. Ltd. has received orders for two Kamsarmax Bulk Carriers. Throughout the year Tsuneishi Shipbuilding Co. received orders for two Kamsarmax Bulk Carriers from the corporation. At Jiangsu New Yangzi, the company also placed orders for three Kamsarmax Bulk Carriers. With effect from June 30, 2013, Great ship (India) Limited's (GIL) fully owned company in Australia, Great ship Subsea Solutions Australia Pty. Limited, was voluntarily de-registered. GIL's two wholly owned Singapore subsidiaries, Great ship Subsea Solutions Singapore Pte. Ltd. and Great ship Global Offshore Management Services Pte. Ltd., were merged with its parent company, Great ship Global Offshore Services Pte. Ltd., on New Year's Eve 2013. GIL could be GE Shipping's wholly-owned subsidiary. In Q2 FY2015, GE Shipping delivered the

VLGC 25 'Jag Vishnu,' built in 1994, a Supermax bulk carrier 'Jag Roopa,' built in 2006, and an MR tanker 'Jag Pranam,' built in 2004. In Q1 FY 2015, the business sold and delivered an MR tanker built in 1996, a GP tanker built in 1991 in Q2 FY 2015, a VLGC built in 1990 in Q4 FY 2015, and a Capsize bulk carrier built in 1996 in Q4 FY 2015. During the fiscal year that concluded on March 31, 2015, Great ship (India) Limited (GIL), a wholly-owned subsidiary of GE Shipping, delivered a 2015 mid-size Platform in the fiscal year ended March 31, 2015. 'Amazing ship,' says the Supply Fleet. The jack-up drill rig 'Greatdrill' was delivered to Prachi and its Singapore affiliate. Great ship Global Offshore Services Pte. Ltd. is a completely owned subsidiary of GIL. GGOS Labuan Ltd. (GGOLL) Malaysia (GGOLL) was established by Singapore (GGOS). On June 25, 2014, the company established a fully owned subsidiary in Labuan, Malaysia. GGOLL was formed with the primary goal of establishing deeper ties and providing offshore supply services to Malaysian customers. During the year, however, it did not carry out any processes review. GE Shipping had 1.45 crore preferred shares in GIL during the year under review, which was redeemed at a dividend rate of 7.5% per annum. In Q1 FY 2016, GE Shipping received a 2015 Kamsarmax Bulk Carrier, 'Jag Arnav,' a 2015 Kamsarmax Bulk Carrier, 'Jag Aakash,' in Q2 FY 2016, and a 2005 MR tanker, 'Jag Padma,' in Q4 FY 2016.

With effect from August 30, 2016, the firm was dissolved. GE Shipping acquired and extinguished 100 secured and 550 unsecured debentures of Rs 1000000 each, totalling Rs 65 crore, during the year under review. GE Shipping bought two product tankers, one medium gas carrier, and one dry bulk ship totalling 0.24 million dwt in the fiscal year ending March 31, 2018.

The company also sold one Supramax dry bulk carrier throughout the year. Great ship (India) Limited (GIL), GE Shipping's wholly-owned subsidiary, commenced the group restructuring effort in FY 2017 by acquiring full control of its Singapore subsidiary Great ship Global Energy Services Pte. Ltd. was founded in March of 2017. (GGES). As part of the FY 2018 restructuring exercise, GIL acquired four jack-up rigs from GGES, along with its Plant Machinery & Equipment / Owner Furnished Equipment (the Rigs). GIL has appropriated the outstanding bank borrowings of GGES as part of the consideration for the Rigs, and the balance outstanding consideration is due by June 2018 in accordance with the Memorandum of Agreement (as amended). GIL's Board of Directors and its wholly owned Mauritius subsidiary, Great Ship Global Holdings Ltd. (GGHL), also approved a cross-border merger of GGHL with GIL during the year

under review. GIL and GGHL have started the merger process and submitted the necessary applications to 26 relevant authorities for approval. Great Eastern Chartering LLC (FZC) increased its share capital in its fully owned subsidiary Great Eastern Chartering (Singapore) Pte Ltd by USD 0.25 million during the year. Great Eastern Chartering LLC (FZC) is GE Shipping's wholly-owned subsidiary. In accordance with the provisions of the deposit agreement with the Bank of New York Mellon Depository (BNY) and hence the Luxembourg stock map laws, GE Shipping has agreed to terminate the GDR plan and, as a result, de-list the Euro MTF Luxembourg stock market.

As a result, the GDR programme was terminated, and GDRs were delisted from the Euro MTF Luxembourg stock market with effect from November 20, 2017. BNY provides delivery of the underlying shares upon surrender of GDRs or online revenues from the sale of the underlying shares to the GDR holders following such termination. During fiscal year 2019, the company supplied two very large gas carriers and one medium gas carrier totalling 0.15 million dwt. During the fiscal year, the company also sold 1 Kamsarmax and 1 Supramax dry bulk carriers, all of which were delivered to customers, as well as 1 Very Large Gas Carrier (VLGC) for delivery in the 2019-20 fiscal year. Great ship Global Energy Services Pte. Ltd. (GGES), the Company's Singapore subsidiary, reduced its share capital by USD 163.96 million in March 2019 and returned the capital profits to GIL. GIL used a portion of the revenues to pay GGES the previously mentioned balance payment plus applicable interest for the acquisition of Rigs. This brings the group restructuring exercise to a close. The Scheme of Amalgamation of Great Ship Global Holdings Limited (GGHL) with GIL was approved by the National Company Law Tribunal Mumbai Bench on July 24, 2018. Great ship during the year

On February 15, 2019, GGOS sold a 2009 built Anchor Handling Tug Cum Supply Fleet — 'Great ship Aditi' to GIL, and on Lincoln's Birthday 2019, GGOS signed a Memorandum of Agreement with GIL to purchase the R-Class Supply Fleet 'Great ship Ramya' built in 2010. Following the end of the year, on April 8, 2019, GGOS completed the acquisition of GIL's 'Great ship Ramya.'

3.2.3 WORLDWIDE OPERATIONS OF GREAT EASTERN SHIPPING COMPANY

1. GREATSHIP (INDIA)LTD. MUMBAI

The company's wholly owned subsidiary (WOS), Great Ship (India) Limited (GIL), has completed its tenth year of operations. GIL is one of India's major providers of offshore oilfield services. GIL reported a consolidated profit after tax of Rs. 508.44 crores for the year ended March 31, 2016, compared to Rs. 516.94 crores for the year ended March 31, 2015. GIL's consolidated net value in fiscal year 2016 was Rs. 4,550.57 crores, up from Rs. 3958.66 crores in fiscal year 2015.

'Great ship Akhila,' an 80-T Anchor Handling Tug cum Supply Fleet (AHTSV) built in 2009, was sold during the year under review. During the year under review, the fleet was not expanded. GIL owns and runs twenty-one fleets and four jack drilling rigs through its subsidiaries. Five Platform Supply Fleets (PSVs), eight AHTSVs, two Multipurpose Platform Supply & Support Fleets (MPSSVs), and six ROV (Remotely Operated Vehicle) Support Fleets make up the operating fleet of twenty-one fleets (ROVSVs). GIL has the subsequent wholly owned subsidiaries:

A. Greatship Global Holdings Ltd. (GGHL), Mauritius

Great ship Global Energy Services Pte. Ltd. (GGES) and Great ship Global Offshore Services Pte. Ltd. (GGOS) are the companies that make up GGHL.

a. Greatship Global Energy Services Pte. Ltd., Singapore

GGES now owns four jack-up rigs that GIL charters bareboat. The company's earnings after taxes for the current fiscal year was USD 42.51 million, up from USD 36.27 million the previous year.

b. Great ship Global Offshore Services Pte. Ltd., Singapore

One Anchor Handling Tug cum Supply Fleet (AHTSV), two Multipurpose Platform Supply and Support Fleets (MPSSVs), and one ROV Support Fleet are owned and operated by GGOS (ROVSV). The company lost USD 6 million in the current fiscal year, compared to a profit of USD 18.75 million the previous year. GGOS Labuan Ltd. is the Malaysian firm GGOS.

c. GGOS Labuan Ltd. (GLL), Malaysia

GLL was established as a fully owned subsidiary of GGOS in June 2014 to pursue business prospects in Malaysia. It has not, however, started any processes yet.

B. Greatship (UK) Limited (GUK), UK

GUK continued to work the two ROV Support Fleets (ROVSVs) chartered from GIL during the year under review. The Company's profit after taxes for the current fiscal year was USD 1.55 million, up from USD 1.22 million the previous year.

C. Greatship Oilfield Services Ltd. (GOSL), India

GIL established GOSL as a fully owned subsidiary in Mumbai on July 9, 2015, during the year under review. GOSL has been classified as a Micro, Small, and Medium Business. However, no processes were completed throughout the year.

D. . The Great ship (Singapore) Pte. Ltd., Singapore

The Greatship (Singapore) Pte. Ltd. could be the corporation's sole subsidiary. The Greatship (Singapore) Pte. Ltd. operates as a shipping agency for the company's ships. There were 92 ship calls at Singapore in the fiscal year ending March 31, 2016. The company's earnings after tax for the current fiscal year was S\$ 0.20 million, up from S\$ 0.15 million the previous fiscal year.

E. The Great Eastern Shipping Co. London Ltd., U.K.

The Great Eastern Shipping Co. London Ltd. could be the Company's sole subsidiary. During the fiscal year ended March 31, 2016, it did not perform any processes. The company's loss for the current fiscal year was USD 1.11 million, compared to a loss of USD 0.04 million the previous year. The company is in the process of voluntarily striking its name from the UK Companies Register.

F. The Great Eastern Chartering LLC (FZC), U.A.E.

The Great Eastern Chartering LLC (FZC) could be the corporation's sole subsidiary. The major operation of this company is ship chartering. The company currently has one in-chartered Suezmax tanker on a three-year charter with the option to extend it for another two years. The fleet has been chartered to the Great Eastern Shipping Co. Ltd. on a back-to-back basis since April 3, 2015. The company achieved a profit of USD 1.65 million in fiscal year 2015–16, compared to a deficit of USD 2.24 million the previous year.

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

Great Eastern Chartering (Singapore) Pte. Ltd. could be a completely owned subsidiary of Great Eastern Chartering LLC (FZC) in the United Arab Emirates. FFA trading has been significantly reduced due to low market circumstances, with only one new FFA trade completed in the last 30 days. The corporation lost USD

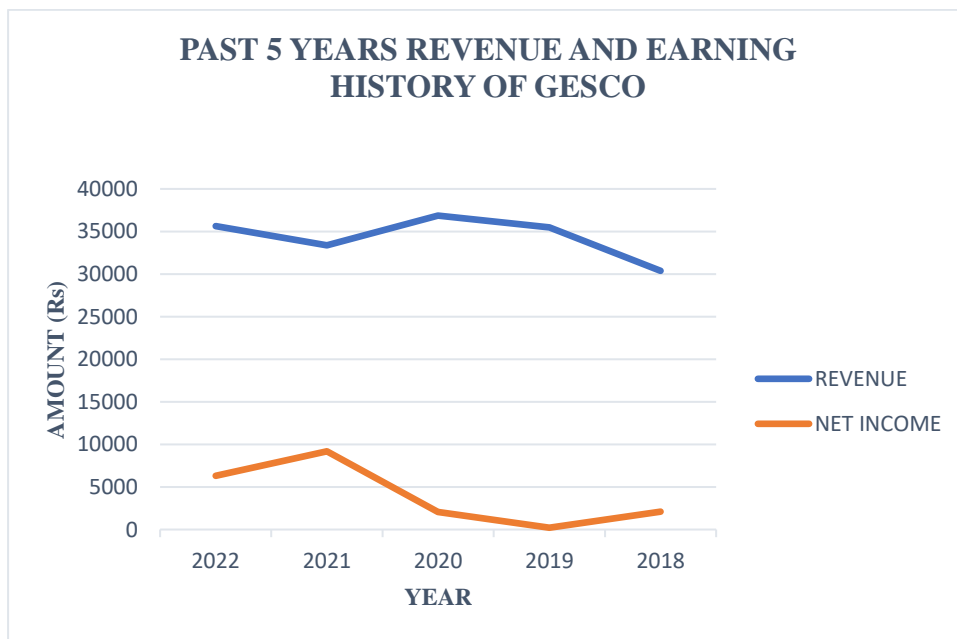
0.10 million in fiscal year 2015–16, compared to a loss of USD 1.21 million the previous year.

3.2.4 OPERATIONAL PERFORMANCE OF THE GREAT EASTERN SHIPPING COMPANY

A. PAST 5 YEARS ANNUAL EARNING GROWTH OF GESCO

TABLE NO 3.3. SHOWING THE PAST 5 YEAR ANNUAL REVENUE AND EARNING GROWTH OF GESCO

YEAR	REVENUE (Rs)	NET INCOME (Rs)
2022	35620.5	6296.8
2021	33365.5	9185.2
2020	36867.3	2071.4
2019	35471.1	214.5
2018	30383.8	2104.9



SOURCE OD DATA: <https://simplywall.st/stocks/in/energy/bse-500620/great-eastern-shipping-shares#past>

FIG NO 3.3: PAST 5 YEAR ANNUAL REVENUE AND EARNING EARNINGS HISTORY OF GESCO

INTERPRETATION:

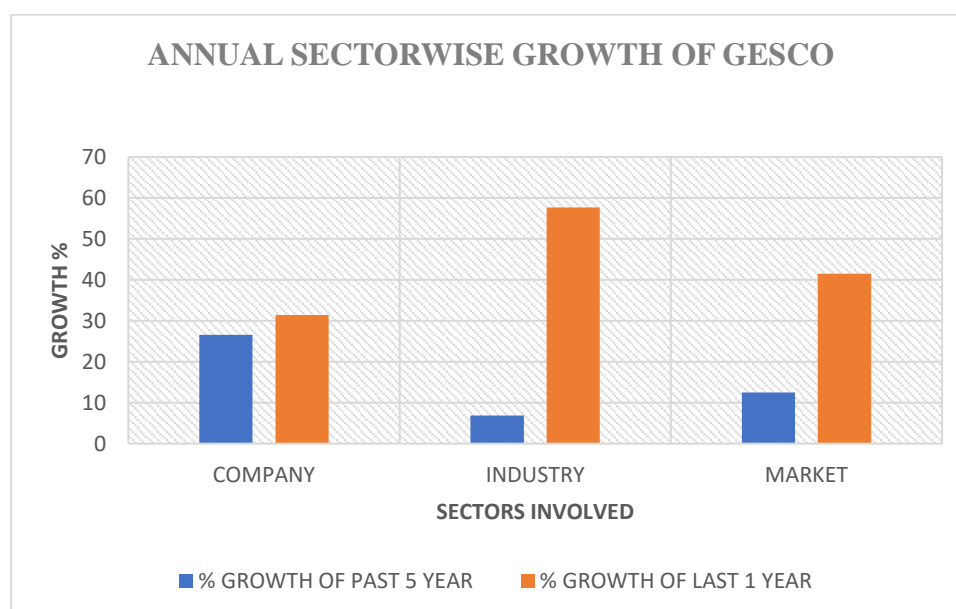
The average sales price times the number of units sold yields revenue, which is computed as the average sales price multiplied by the number of units sold. It is the top line (or gross income) statistic from which net income is calculated by subtracting costs.

On the income statement, revenue is also known as sales whereas Sales minus cost of products sold, selling, general and administrative expenditures, operating expenses, depreciation, interest, taxes, and other expenses equals net income (NI), also known as net earnings. It is a valuable figure for investors to determine how much revenue exceeds an organization's expenses. According to the collected data it can be interpreted that the current net profit margins (17.7%) are lower than last year (27.5%). 26.6% historical annual earnings growth.

B. ANNUAL SECTORWISE GROWTH RATE OF GESCO

TABLE NO 3.4. SHOWING THE ANNUAL SECTORWISE GROWTH IN PAST 5 YEARS AND LAST 1 YEAR OF GESCO

SECTOR	% GROWTH IN 5 YR.	% GROWTH IN 1 YR.
COMPANY	26.6	31.4
INDUSTRY	6.9	57.7
MARKET	12.5	41.5



SOURCE OF DATA: <https://simplywall.st/stocks/in/energy/bse-500620/great-eastern-shipping-shares#past>

FIG NO 3.4.: SHOWING ANNUAL SECTORWISE GROWTH RATE OF SCI

INTERPRETATION:

The graph shows the comparison between the percentage growth of different sectors such as company, industry and market in the last 5 years and the past one year. Earnings have grown significantly by 26.6% per year over the past 5 years.

C. TIME CHARTER

The Company has entered into time charter agreements for vessels. Future charter hire receivables under these time charter arrangements are as follows:

TABLE NO 3.5: SHOWING THE CHARTER HIRES RECEIVABLE UNDER TIME CHARTER ARRANGEMENT

PARTICULARS	AS AT 31/03/2021 (Crore)	AS AT 31/03/2020 (Crore)
Total future time charter receivable	-	-
• Less than 1 year	439.32	452.77
• More than 1 yr. less than 5 yr.	7.14	46.69
• More than 5 years	-	-

SOURCE OF DATA: https://www.greatship.com/upload/annual_report/73rdagmnoticeandAR.pdf

The company's operations include the deployment of short-term time charter vessels. The Company is responsible for the operation and repair of the vessels provided on time charter, which includes specialised activities. As a result, the Company employs qualified and experienced personnel. competent personnel to operate the vessels for logistical services or

CHAPTER 4

COMPARATIVE PERFORMANCE ANALYSIS OF THE SELECTED COMPANIES

4.1 COUNTRIES OF OPERATION WISE COMPARISON

SHIPPING CORPORATION OF INDIA

The Shipping Company of India Ltd (SCI) is one of India's top tonnage shipping companies. A 5.8 MMTPA LNG Memorandum of Understanding for Transportation Cooperation from US Terminals was signed by SCI and GAIL. Two goals were set forth in the MOU. SCI was granted two contracts, one for aiding GAIL with LNG ship in-chartering and the other for assisting GAIL with LNG ship in-chartering. Hence the other for GAIL's In-chartered fleets' Post-fixture Management services, may transport LNG from the United States to India. Container services such as SMILE and PIX2 The Persian Gulf is connected to India's East and West coasts in a seamless manner. SCI's footprint in the Coastal Shipping Sector will be strengthened and expanded. The combined operation on this route will be a force multiplier for SCI, allowing it to provide high-quality Coastal Services on a fixed-day, fixed-window basis, with the potential for even more growth in Coastal and near-Coastal trades, with a focus on India's East Coast ports. SCI arranges carriage of break bulk cargoes on a space charter basis from various regions around the world, including the United States, Europe, and the Far East, for imports on behalf of government departments, PSUs, and other GOI organisations, which includes Shipments of Over-Dimensional Cargoes (ODC) / Project cargoes / Heavy Lift cargoes / IMO Class I Cargoes, and also containers.

THE GREAT EASTERN SHIPPING COMPANY

Great Eastern Company Limited (GE Shipping) has the potential to become a major player in the Indian shipping industry. Greatship Global Holdings Ltd. (GGHL), Mauritius, is a subsidiary of Greatship Global Energy Services Pte. Ltd. (GGES), Singapore, and Greatship Global Offshore Services Pte. Ltd. (GGOS), Singapore., Greatship 36 Global Energy Services Pte. Ltd., Singapore, GGES currently owns four jack-up rigs that are bareboat chartered to GIL. The company's earnings after tax for the current fiscal year was USD 42.51 million, up from USD 36.27 million the previous fiscal year. GGOS, Singapore,

owns and maintains four offshore support fleets: one Anchor Handling Tug cum Supply Fleet (AHTSV), two Multipurpose Platform Supply and Support Fleets (MPSSVs), and one ROV Support Fleet (ROVSV). The company lost USD 6 million in the current fiscal year, compared to a profit of USD 18.75 million the previous year. GGOS Labuan Ltd. (GLL), Malaysia, was founded in June 2014 as a fully owned subsidiary of GGOS to pursue business prospects inside the Malaysian market. It has not, however, started any processes yet. , UK-based Greatship (UK) Limited (GUK). , GUK worked the two ROV Support Fleets (ROVSVs) chartered from GIL during the year under review. The Company's profit after taxes for the current fiscal year was USD 1.55 million, up from USD 1.22 million the previous year. , India's Greatship Oilfield Services Ltd. (GOSL) , GIL established GOSL as a fully owned subsidiary in Mumbai on July 9, 2015, during the year under review. GOSL has been classified as a Micro, Small, and Medium Business. During the year, however, it did not complete any processes. , Singapore-based The Greatship (Singapore) Pte. Ltd. The Greatship (Singapore) Pte. Ltd. could be the corporation's sole subsidiary. The Greatship (Singapore) Pte. Ltd. operates as a shipping agency for the company's ships.

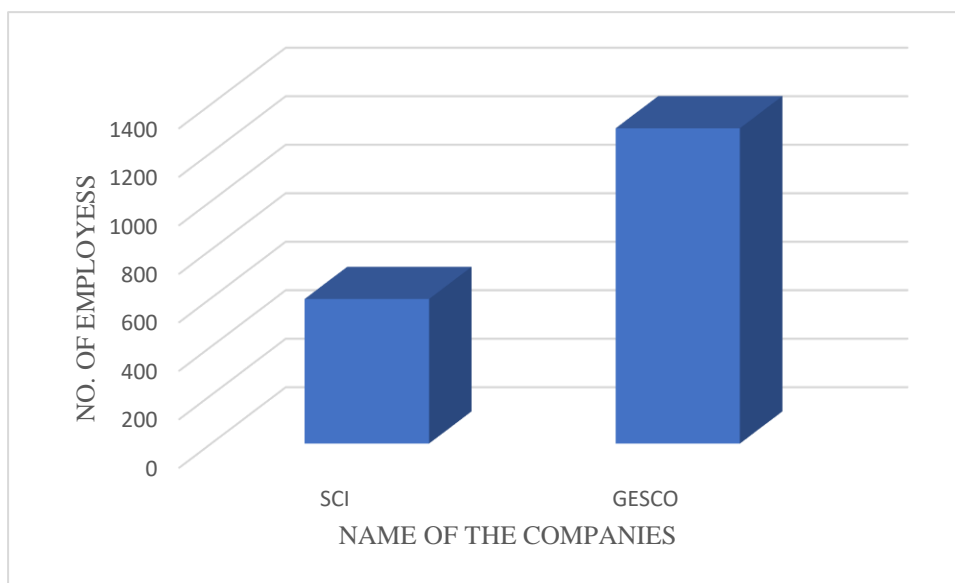
There were 92 ship calls at Singapore in the fiscal year ending March 31, 2016. The company's profit after tax for the current fiscal year was S\$ 0.20 million, up from S\$ 0.15 million the previous year., The Great Eastern Shipping Co. London Ltd., U.K., The Great Eastern Shipping Co. London Ltd., U.K., The Great Eastern Shipping Co. London Ltd., U.K., The Great Eastern Shipping Co. London Ltd., U.K., The Great Eastern Shipping Co. London Ltd., U.K., The Great Eastern Shipping Co. London Ltd., U During the fiscal year ended March 31, 2016, it did not perform any processes. The company's loss for the current fiscal year was USD 1.11 million, compared to a loss of USD 0.04 million the previous year. The Great Eastern Chartering LLC (FZC), U.A.E., the Great Eastern Chartering LLC (FZC) may be a completely owned subsidiary of the corporate. the corporate is in the process of voluntarily striking out its name from the Register of Companies, UK. The main business of this company is ship chartering. One Suezmax tanker is currently chartered for a three-year period, with the possibility to extend the charter for up to two more years. Since April 3, 2015, the fleet has been chartered to the Great Eastern Shipping Co. on return conditions. In the 37 fiscal year 2015–16, the firm achieved a profit of USD 1.65 million, compared to a loss of USD 2.24 million the previous year, and thus the Great Eastern Chartering (Singapore) Pte. Great Eastern Charter (Singapore) Pte. Ltd., Singapore, could be a wholly-owned subsidiary of Great East Chartering LLC (FZC), United Arab Emirates. Due to depressed market conditions, FFA

trading has decreased significantly, with only one new FFA trade completed this year. During fiscal year 2015–16, the company lost USD 0.10 million, compared to a loss of USD 1.21 million the previous year.

4.2 EMPLOYEES WISE COMPARISON OF SCI AND GESCO

**TABLE NO 4.1: SHOWING THE NUMBER OF EMPLOYEES
IN SCI & GESCO**

DATA	SCI	GESCO
NO. OF EMPLOYEES	596	1300



SOURCE OF DATA:

https://www.greatship.com/upload/investors/financial_result/GE_Shipping_Subsiaries_Report_2020-21.pdf

**FIG NO 4.1: SHOWING THE EMPLOYEE WISE COMPARISON OF SCI
AND GESCO**

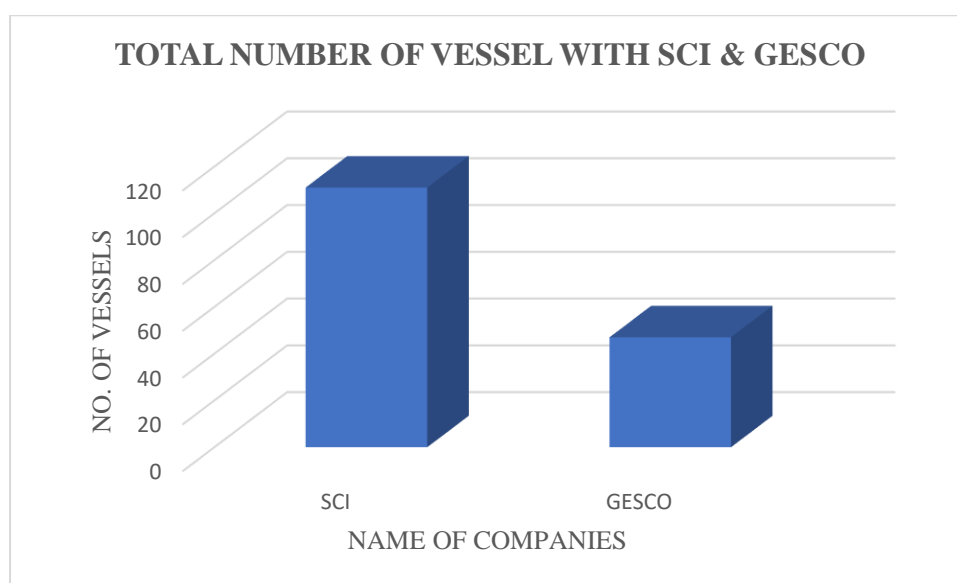
INTERPRETATION:

According to the data collected from the annual financial reports (2021) of Shipping Corporation of India and Great Eastern Shipping, the no. of employees at Shipping corporation of India is approximately 596 whereas the number of employees at The Great Eastern Shipping Company is around 1300. These is prominent from the given data that being a private organisation the Great Eastern shipping company has a greater source of manpower than the Government organisation; Shipping corporation of India (SCI).

4.3 FLEET WISE COMPARISION OF SCI AND GESCO

TABLE NO 4.2: SHOWING THE TOTAL NUMBER OF VESSEL WITH THE TWO COMPANIES RESPECTIVELY

DATA	SCI	GEC
NO. OF SHIPS	111	47



SOURCE OF DATA: https://www.greatship.com/upload/investors/financial_result/GE_Shipping_Subsiadiaries_Report_2020-21.pdf

FIG NO 4.2: SHOWING THE TOTAL NUMBER OF VESSEL WITH SCI & GESCO

INTERPRETATION:

According to the Annual financial report 2021 for both the companies. These were the total number of fleets of Shipping corporation of India and Great Eastern shipping company, respectively:

TABLE NO: 4.3 SHOWING SHIPPING CORPORATION OF INDIA (SCI) FLEET

TYPES OF FLEETS	NO. OF FLEETS
BULK CARRIES	15
OIL TANKER	32
LNG TANKER	04
GAS CARRIER	01

PASSENGER SHIP	26
OTHER CARGO SHIP	31
MODU	02
TOTAL	111

SOURCE: ANNUAL FINANCIAL REPORT OF SCI 2021

TABLE NO. 4.4 SHOWING THE GREAT EASTERN SHIPPING COMPANY FLEET

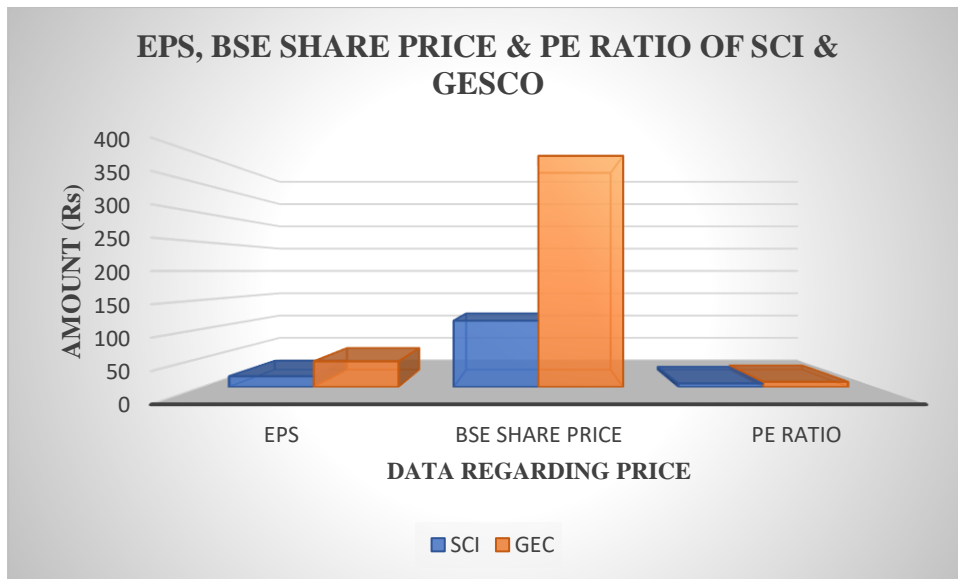
TYPES OF FLEETS	NO. OF FLEET
CRUDE OIL CARRIER	09
PRODUCT CARRIER	18
LNG CARRIER	18
LPG CARRIER	06
DRY BULK CARRIER	14
TOTAL	47

SOURCE: ANNUAL FINANCIAL REPORT OG GEC 2021

**4.4 A COMPARISON OF EARNING PER SHARE, BSE SHARE PRICE AND
PRICE TO EARNING RATIO OF SCI & GESCO**

**TABLE NO 4.5: SHOWING THE EARNINGS PER SHARE, BSE SHARE PRICE
AND PE RATIO OF SCI& GESCO**

DATA	SCI	GEC
EPS	18.57	44.27
BSE SHARE PRICE	114.25	398.3
PE RATIO	6.15	8.99



SOURCE OF DATA: https://www.greatship.com/upload/investors/financial_result/GE_Shipping_Subsiadiaries_Report_2020-21.pdf

FIG NO 4.3: SHOWING A COMPARISON BETWEEN PE RATIO, EPS AND BSE SHARE PRICE OF BOTH SCI & GESCO

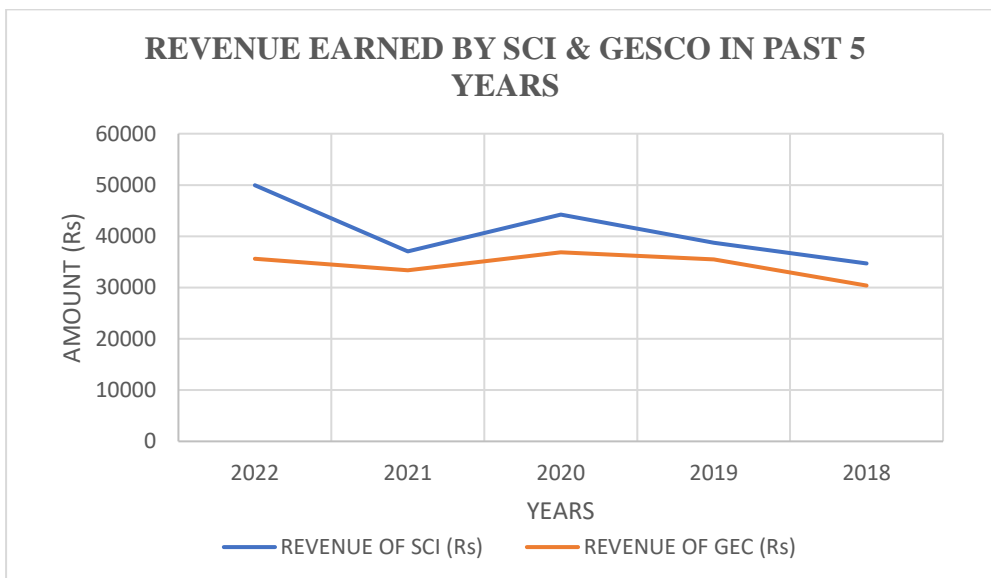
INTERPRETATION:

The price-to-earnings ratio (P/E ratio) is a valuation ratio that compares a company's current share price to its earnings per share (EPS). The price-to-earnings ratio, also known as the price multiple or earnings multiple, is a measure of how much a company is worth. In a comparison, investors and analysts use P/E ratios to estimate the relative value of a company's shares. It can also be used to analyse a company's performance against its own historical data or to compare aggregate markets across time. From the given data we can interpret that the valuation of shipping corporation of India (SCI); which has a price to earning ratio of 6.15 times is better than valuation of Great Eastern Shipping company (GEC) which has a Price to earnings ratio (PE ratio) of 8.99 i.e., Almost 9 times. SCI is good value based on its PE Ratio compared to the Great Eastern Shipping Company (GEC).

4.5 REVENUE EARNING ANALYSIS OF SCI AND GESCO FOR THE PAST 5 YEARS

TABLE NO 4.6: SHOWING THE REVENUE EARNED BY BOTH THE COMPANIES IN THE PAST 5 YEARS

YEAR	REVENUE OF SCI (Rs.)	REVENUE OF GEC(Rs)
2022	49949.3	35620.5
2021	37032.9	33365.5
2020	44254.4	36867.3
2019	38728.5	35471.1
2018	34694.7	30383.8



SOURCE OF DATA: https://www.greatship.com/upload/investors/financial_result/GE_Shipping_Subsiaries_Report_2020-21.pdf

FIG NO 4.4: SHOWING THE REVENUE EARNED BY SCI & GESCO IN THE PAST 5 YEARS

INTERPRETATION:

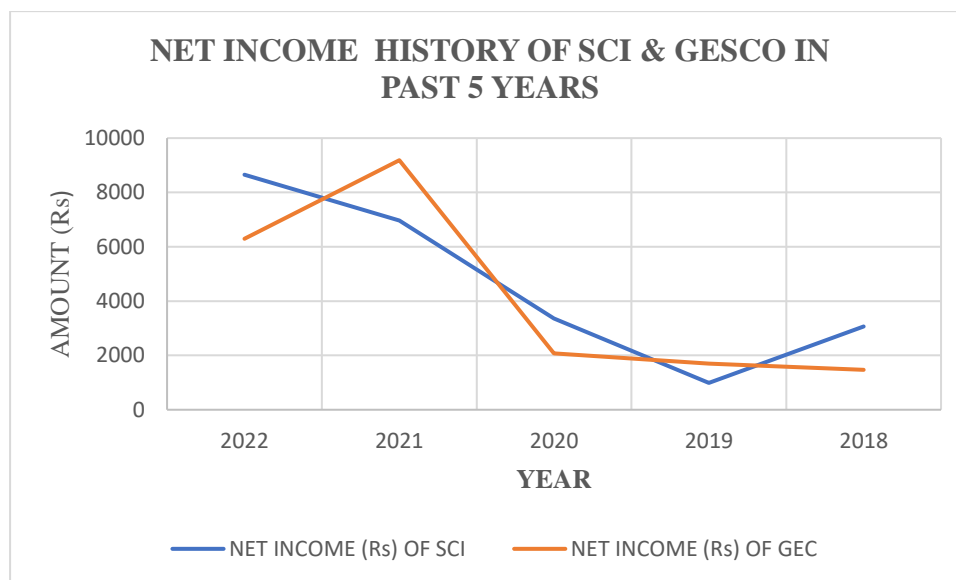
The money earned through routine business operations is known as revenue, sometimes known as sales or the top line. Basically, revenue is the money generated by a company's operations. Depending on the accounting technique used, there are several ways to compute revenue. According to the data collected from the annual financial report of the Shipping corporation of India and Great Eastern Shipping

company, it can be interpreted that the revenue of SCI was constant till the mid of 2019 and was at its peak in the year 2020, although there was a drastic fall in the year 2021 but at present the company is enjoying its all time highest revenue, whereas the scenario is bit somehow constant for the Great Eastern Shipping company, it does not show much variation and the company generated its highest revenue of all that in the year 2020.

4.6 EARNING HISTORY ANALYSIS OF SCI & GESCO FOR THE PAST 5 YEARS

TABLE NO 4.7: SHOWING THE NET INCOME OF SCI & GESCO

YEAR	NET INCOME OF SCI	NET INCOME OF GESCO
2022	8652.2	6296.8
2021	6960.9	9185.2
2020	3364.8	2071.4
2019	988.3	1696.7
2018	3065	1469.8



SOURCE OF DATA: https://www.greatship.com/upload/investors/financial_result/GE_Shipping_Subsiidiaries_Report_2020-21.pdf

FIG NO 4.5: SHOWING THE NET INCOME OF PAST 5 YEARS FOR SCI & GESCO

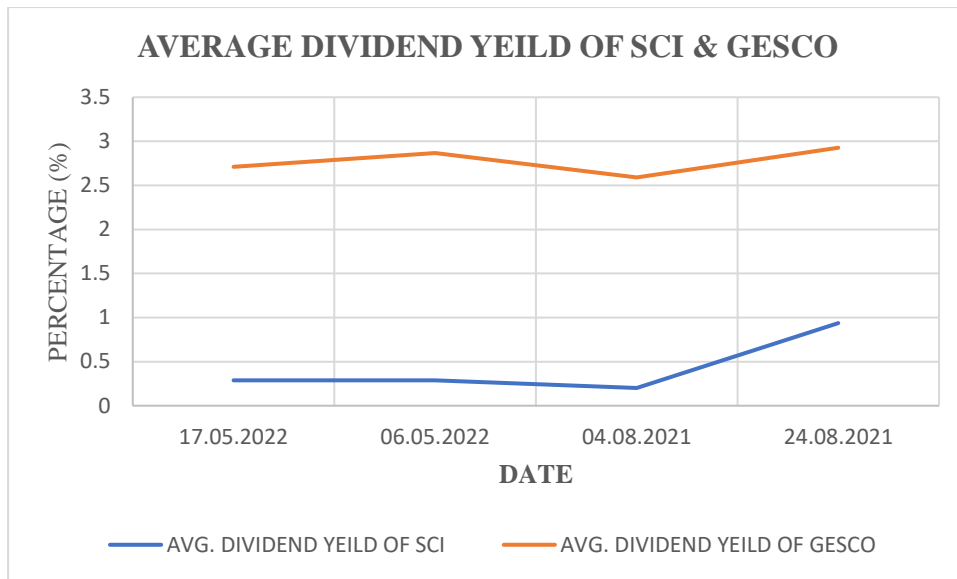
INTERPRETATION

Sales minus cost of products sold, selling, general and administrative expenditures, operating expenses, depreciation, interest, taxes, and other expenses equals net income (NI), also known as net earnings. It is a valuable figure for investors to determine how much revenue exceeds an organization's expenses. This figure appears on a company's income statement and serves as a measure of profitability. According to the data provided in the annual financial report, the Great Eastern Shipping Company had seen a more or less constant growth till the year and the net income of the company was at its peak in the year 2021 but recently the company is experiencing an immense fall, whereas the Shipping Corporation of India has shown a more or less constant rise since the year 2019 and currently the company is having the highest net income of all time.

4.7 COMPARING STABILITY AND GROWTH OF SCI & GESCO THROUGH AVERAGE DIVIDEND YEILD PERCENTAGE

TABLE NO 4.8: SHOWING THE AVERAGE DIVIDEND YEILD OF SCI & GESCO

DATE	AVG. DIVIDEND YEILD OF SCI (%)	AVG. DIVEDEND YEILD OF GEC (%)
17.05.2022	0.288	2.711
06.05.2022	0.287	2.865
04.08.2021	0.201	2.59
24.08.2021	0.937	2.927



SOURCE OF DATA: https://www.greatship.com/upload/investors/financial_result/GE_Shipping_Subsiidiaries_Report_2020-21.pdf

FIG NO 4.6: SHOWING A COMPARIDION BETWEEN THE DIVIDEND YEILD BETWEEN SCI & GESCO

INTERPRETATION

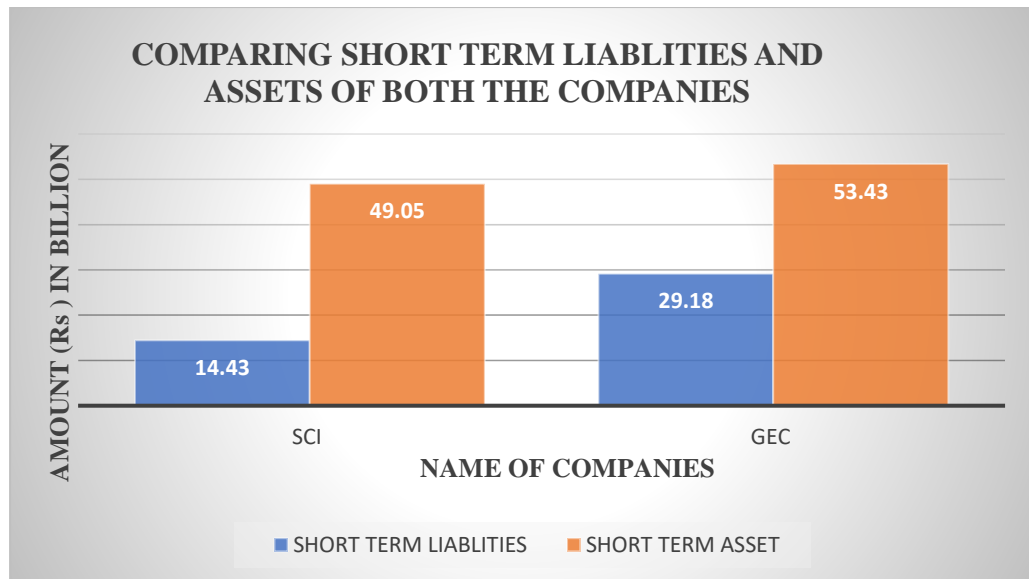
From the given data it can be interpreted that the stability and growth rate of Great Eastern Shipping Company is way better than that of the Shipping Corporation of India. Also, for the Shipping Company of India the average dividend yield percentage is constant till 4th of august 2021 and it saw a hike between the 5th of august 2021 to 24th of august 2021.

4.8 FINANCIAL STABILITY OF SCI & GESCO

A. COMPARING SHORT TERM ASSESTS AND LIABILITIES OF BOTH THE COMPANIES

TABLE NO 4.9: SHOWING THE SHORT TERM LIABLITIES AND ASSETS OF SCI & GESCO

DATA	SCI (BILLION)	GEC (BILLION)
SHORT TERM LIABILITIES	14.43	29.18
SHORT TERM ASSESTS	49.05	53.43



SOURCE OF DATA:

https://www.greatship.com/upload/investors/financial_result/GE_Shipping_Subsiaries_Report_2020-21.pdf

FIG NO 4.7: SHOWING THE SHORT-TERM LIABILITIES AND ASSET COMPARISON BETWEEN SCI & GESCO

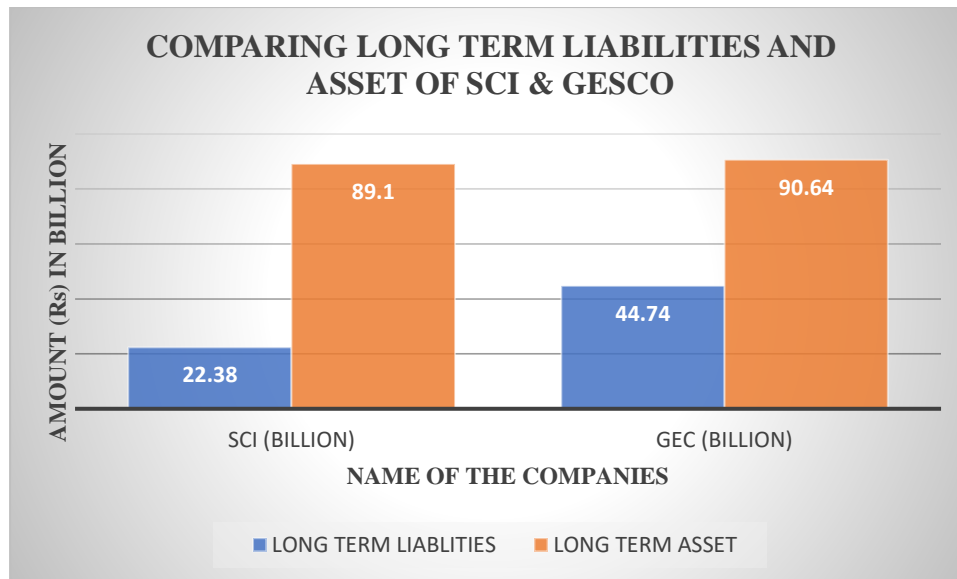
INTERPRETATION:

According to the collected data, the short-term liabilities of the Shipping Corporation of India (SCI) is less than the Great Eastern Shipping company, which shows that SCI is performing better than GEC in terms of short-term Liabilities, whereas, The Great Eastern Shipping Company has more assets than Shipping Corporation of India, which is a sign that it is performing better than SCI in terms of short-term assets.

B. COMPARING LONG-TERM ASSETS AND LIABILITIES OF SCI & GESCO

TABLE NO 4.10: SHOWING THE COMPARISON OF LONG TERM LIABILITIES AND ASSETS OF SCI & GESCO

DATA	SCI (BILLION)	GEC (BILLION)
LONG TERM LIABILITIES	22.38	44.74
LONG TERM ASSETS	89.10	90.64



SOURCE OF DATA:

https://www.greatship.com/upload/investors/financial_result/GE_Shipping_Subsiaries_Report_2020-21.pdf

FIG NO 4.8: SHOWING THE COMPARISON OF LONG-TERM LIABILITIES AND ASSETS OF SCI & GESCO

INTERPRETATION:

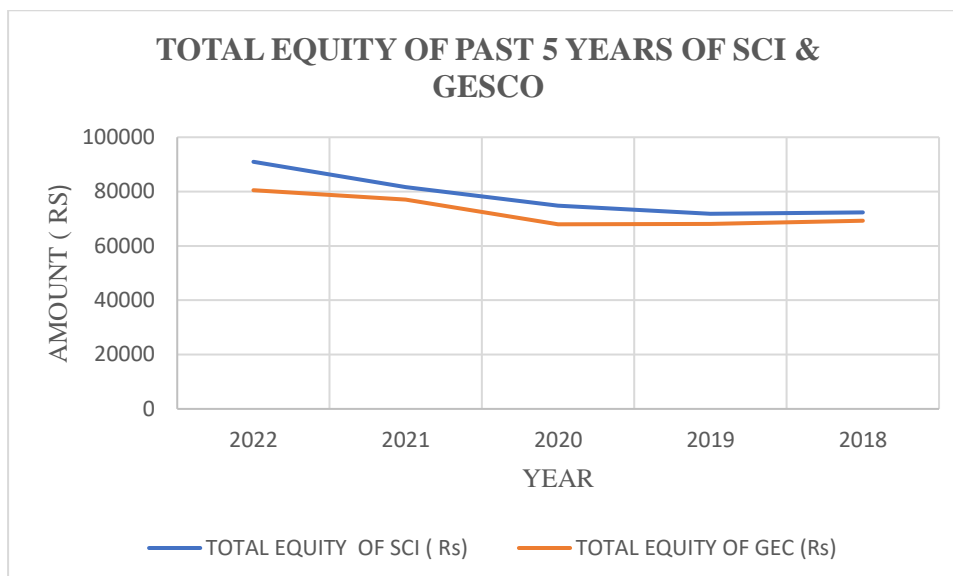
According to the data summoned the long-term liabilities of Great Eastern Shipping Company is almost twice the long-term liabilities of Shipping Corporation of India, whereas. The long-term assets of Great Eastern shipping company are a slightly more than that of the Shipping Corporation of India.

C. COMPARING THE TOTAL EQUITY OF THE PAST 5 YEARS OF SCI & GESCO

TABLE NO 4.11: SHOWING THE TOTAL EQUITY COMPARISON BETWEEN SCI & GESCO

YEAR	TOTAL EQUITY OF SCI	TOTAL EQUITY OF GEC
2022	90968.6	80513
2021	81675.3	77042.7

2020	74836.6	67956.4
2019	71832.3	68096.7
2018	72352.5	69277.3



SOURCE OF DATA: <https://simplywall.st/stocks/in/energy/bse-500620/great-eastern-shipping-shares#health>

FIG NO 4.9: SHOWING THE TOTAL EQUITY COMPARISON BETWEEN SCI & GESCO

INTERPRETATION

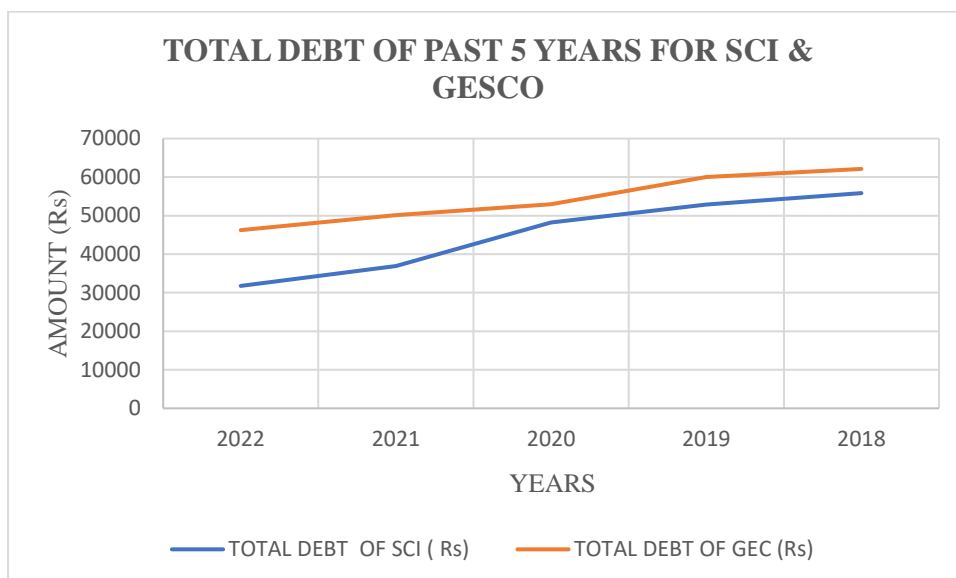
The amount of money that would be returned to a company's shareholders if all of the assets were sold and all of the debt was paid off in the event of liquidation is referred to as equity. It is the amount of a firm's revenues less any obligations due by the company that were not transferred with the sale in the case of an acquisition. According to the collected data Shipping Corporation of India has a higher Equity than the Great Eastern Shipping Company over the past 5 years.

D. COMPARING TOTAL DEBT OF PAST 5 YEARS OF SCI & GESCO

TABLE NO 4.12: SHOWING THE COMPARISON OF DEBT BETWEEN SCI & GESCO

YEAR	TOTAL DEBT OF SCI	TOTAL DEBT OF GEC
2022	31773.8	46254.6
2021	36971.6	50107

2020	48202.6	52952.4
2019	52847.4	59989.4
2018	55853.7	62133.4



SOURCE OF DATA: <https://simplywall.st/stocks/in/energy/bse-500620/great-eastern-shipping-shares#health>

FIG NO 4.10: SHOWING THE COMPARISON OF DEBT BETWEEN SCI & GESCO

INTERPRETATION:

Debt is when one party borrows something from another, usually money. Many businesses and individuals utilize debt to finance significant expenditures that they otherwise would not be able to make. A debt agreement allows the borrowing party to borrow money on the condition that it be repaid at a later date, usually with interest. According to data collected the total debt of Great Eastern Shipping company is higher than that of The Shipping Corporation of India which interprets that the financial condition of SCI is better than that of GEC.

CHAPTER 5

SUMMARY AND CONCLUSION

5.1 FINDINGS

- In terms of Indian flagged tonnage, Shipping Corporation of India Ltd (SCI) is one of India's leading shipping companies.
- The Chartering Department of SCI is in charge of addressing all of SCI's needs for in/out chartering of all sorts of ships.
- To capitalise on rising opportunities in the maritime and related industries, SCI is developing trustworthy and cost-effective business models.
- As a result, the department enters the demand into the market according to the established chartering procedures. The business is then negotiated and finalised by negotiating officers.
- In addition, the Chartering department is responsible for:
 - Providing market information to management via daily/monthly reports.
 - Creating monthly reports on the department's completed in/out chartering fixtures.
 - Periodically reviewing the performance of the brokers.
- SCI is India's largest tanker owner, operating a well-diversified fleet of MR, LR-I, LR-II, Aframax, Suezmax, and VLCC tankers.
- With a fleet of 15 bulk ships ranging in size from Handymax to Supramax to Panamax to Kamsarmax, SCI is currently India's top bulk carrier operator. Ore, coal, coke, grain, fertiliser, steel items, plywood, bauxite, and other commodities are among the cargoes we store.
- SCI facilitates space charter transportation of break bulk cargoes from many locations across the world, including the United States and Europe.
- Greatship (India) Limited (GIL), a wholly owned subsidiary of GE Shipping, is one of India's largest offshore oilfield services companies.
- If they enter into Time Charter contracts ranging from 6 months to 3 years, the company expects the Freight market will deteriorate.
- Last year, the company received a significant sum from vessel chartering.

- The Company's shipping segment provides a variety of services, including transportation of petroleum, petroleum products, gas, and dry bulk commodities, as well as completion of offshore exploring and manufacturing (E&P) activities through its 100 percent subsidiary Greatship (India) Limited.
- The company's fleet is quite young, with an average age of 11.69 in the maritime segment and 9.30 in the offshore sector. This aids the corporation in restoring charter prices and increasing operational productivity.
- Due to the efficient deployment of its fleet and offshore rigs, GESCO has enjoyed consistent revenue growth throughout the years. Its operating revenues (on a consolidated basis) increased by 17% to Rs.3547.11 Crs in FY19 from Rs.2181.60 Crs the previous year.

5.2 SUGGESTIONS

- The main goal of SCI, and specifically the CS&M Department, should always be to be aware of emerging challenges in the industry, to follow the industry's simplest practises, and to provide secure, efficient, and cost-effective shipping services to its business partners and customers, which are central to the company's vision and objectives.
- SCI should improve our operating efficiency and thus the capacity of the fleet by ordering the development of new fleets, thereby reducing the average age of the fleet, implementing a replacement information technology system that will integrate our processes across divisions and connect us to our global network of agents, thereby increasing efficiency in the areas of booking, scheduling, and tracking of our fleets, and implementing a replacement information technology system that will integrate the processes across divisions.
- To ensure compliance with IMO standards, Great Eastern Shipping Company is installing Scrubber in its fleets and is also looking into ways to meet IMO requirements for low-sulphur fuel usage. In FY25, the company aims to spend \$30-40 million on scrubber installation in a number of its ships (including Ballast Water Treatment).
- GESCO's operating performance improves as a result of improved charter yields, increased fleet utilisation in the offshore business, and the right combination of

factors, all of which contribute to improved global economic conditions, resulting in increased ship movement and increased revenues and cash accruals.

5.3 SUMMARY

The maritime and shipping business in India is one of the most vibrant in the country. SCI (Shipping Corporation of India) is one of India's leading shipping companies in terms of tonnage flagged in India. The corporation could be a government-owned corporation headquartered in Mumbai, operates and manages national and international fleets. The corporation has holdings in nearly every aspect of the maritime industry; Both national and international trades are served. The corporation has one as of March 31, 2019. At the end of the year, SCI's whole fleet numbered 111 ships. The Shipping Corporation of India employs 657 people as of March 2019. At the ICC's PSE Conference, SCI was named "Winner" in the category "Contribution of girls in PSEs." On August 29, 2018, the Excellence Awards 2018 were held in New Delhi. SCI won the 'Offshore' category. 'Sea trade Maritime Awards (Middle East, Indian Ocean)' presented a Marine Award for Owners and Operators on the Indian subcontinent and Africa) held at Dubai on October 28th, 2018. 'Shipping' was also given by SCI. There are six joint ventures and a subsidiary. The company is divided into three segments: liner, shipping, and logistics passenger transport Technical and offshore services, as well as bulk carriers and tankers Liner section Transport of broken bulk and containers is included.

The corporate's working results for the fiscal year 2018-19 reflect a net loss of Rs.121.99 crores. After adjusting a gap credit balance of Rs. 422.67 crores (being balance retained earnings brought forward from the previous year) and adding items of other comprehensive income of Rs. 5.64 crores that are recognised directly in retained earnings, there is a credit balance of Rs. 306.32 crores in retained earnings as of March 31, 2019. For the fiscal year 2018-19, SCI reported a net loss after tax of Rs. 121.99 crores. Because to greater rates and more operation days, the majority and Tanker segment performed better. Due to market conditions, the Technical & Offshore section, as well as the Liner segment, have performed poorly. Increased bunker costs and exchange losses contributed to the year's overall net loss after tax. The company's overall net loss for fiscal year 2018-19 was Rs. 62.66 crores. SCI has a strong brand and a diverse fleet, allowing it to employ its ships for short, medium, and long-term

charters. Experienced management team, proven track record with cash and cash equivalents The company's operational profit is higher due to a reduced rate, strategic joint ventures with six companies, including SAIL, which may result in future revenue production, and an impressive dividend payout history.

The Great Eastern Shipping Co. Ltd. is India's largest private enterprise and one of the world's major marine and shipping companies. For more than 60 years, the company has been a leader in the shipping and maritime business, achieving numerous firsts for the state and, as a result, the industry. Today, the company is well-known both globally and in India, and it services a number of the world's most important clients. The Great Eastern Shipping Co. Ltd. can be a publicly traded firm with a prestigious corporate reputation and significant value generated for all of its stakeholders. The corporation is divided into two key divisions: shipping and offshore. The shipping sector transports petroleum, petroleum products, gas, and dry bulk commodities around the world, whereas the offshore business helps oil firms conduct offshore exploration and production activities. The Great Eastern Shipping Co. Ltd has received numerous awards and accolades. This emphasises the fact that the company conforms to the highest industry standards. The company is ISO 9001:2008, ISO 1400:2001, and OHSAS 18001:2007 certified, and it places a strong emphasis on safety and efficiency. At GE Shipping, the term "health" refers not only to life and cargo, but also to environmental protection and fleet maintenance and upgrades at regular intervals. The company has a proactive safety culture in place and has implemented various measures that have made it one of the safest names in the industry to work with.

The company's net worth was. 5065.72 crores as of March 31, 2019, compared to. 5225.42 crores the previous year. The financial statements are prepared in conformity with the Indian Accounting Standards (IndAS) as notified under the Indian Accounting Standards (IndAS) Rules 2015. The shipping markets remained poor in the fiscal year ending March 31, 2019, and the Company's profit suffered as a result. However, the company reported a loss for the year due to the impact of the Indian rupee's depreciation against the US dollar. This must be shown in the Profit and Loss Account for the year under the new accounting standards. The Board of Directors agreed to recommend a dividend of. 5.40 per share, based on the quality of the results, undistributed earnings accrued over the years, and therefore the company cash reserves. This could result in a 93.36 crore outflow (inclusive of taxon dividend). The

dividend will be paid upon your approval at the next Annual General Meeting. With a global presence, the company has a diverse revenue profile. i.e., through its 100 percent subsidiary Greatship (India) Limited, the company provides a wide range of services, including transportation of petroleum, petroleum products, gas, and dry bulk commodities in its shipping division, as well as completion of offshore exploration and production (E&P) activities (by providing exploratory drilling rigs, offshore support fleets, and so on). Through its subsidiaries all around the world, the corporation has a global footprint. Product tankers account for roughly 47% of total income, followed by Crude Tankers (32%), and Dry Bulk (12%). (21 percent). With an average age of roughly 11.69 years in the maritime segment and around 9.30 years in the offshore segment, the Company has a reasonably youthful fleet. This aids the company in recovering charter rates and increasing operational efficiency. The company now has 47 fleets in its shipping division (with a total capacity of 3.85 million dwt) and 19 fleets and four jack-up rigs in its offshore business. It received two Very Large Gas Carrier (VLGC) and one medium Gas Carrier (MGC) (totalling 0.15 million dwt) in FY19 and sold one Kamsarmax and one VLGC in FY20.

5.4 CONCLUSION

SCI has grown from a small Liner firm with only 19 fleets to the most prominent Indian corporation today. The SCI also has large stakes in several aspects of the maritime industry. Bulk carriers, fuel tankers, oil tankers, container ships, passenger ships, orthophosphoric acid / chemical carriers, LPG / ammonia carriers, and offshore supply fleets are all part of SCI's fleet. The SCI has been sailing for five decades and now has a significant influence on the worldwide nautical map. The presence of a modern, young, and diverse fleet, operated by an outsized pool of well-trained and experienced people, both ashore and at sea, has further aided the SCI's expansion. The SCI has a stellar track record of profitability since its beginning as a profitable commercial endeavour of the Indian government. Under the Memorandum of Understanding (MoU) inked with the Indian government, the SCI's annual performance has been declared good for an unprecedented 18 years. The Government of India bestowed the title of "Navratna" on SCI on August 1, 2008, granting it increased autonomy and cost allocation, as well as the ability to form joint ventures and mergers. The SCI's

continued productivity can be ascribed to the management's use of a variety of innovative and relevant tactics and projects. These include, but are not limited to, the wise and efficient use of available tonnage by deploying it in the most profitable sectors; the launch of new services in niche markets; the detection and prompt disposal of valuable destroyers or non-performing assets; the formation of alliances with leading market players to reinforce cargo; availability and budget allocation; and administration.

The SCI takes pride in being a socially responsible and responsible owner, emphasising the safety of people, fleets, and cargo, as well as the environment in which it operates. The SCI has mapped out a long-term strategy in line with the global trend toward specialisation and, as a result, the value placed on core competencies. Energy transportation, which includes a sunrise category like LNG and container transport, is a push area for expansion and diversification. The SCI could take the form of direct capital investment or strategic and synergistic partnerships with major market participants. The Chartering Department performs a business function. The Chartering Department is responsible for all SCI needs related to in/out chartering of all sorts of ships. Concerned departments communicate in/out chartering requirements to the Chartering Department. As a result, the department enters the demand into the market according to the established chartering procedures. The business is then negotiated and finalised by negotiating officers. After a worldwide bidding process, the SCI has announced 58 India's entry into the specialised field of LNG transportation by acquiring a stake in the two Indian LNG transportation agreements inked to date. SCI is the sole Indian company that transports LNG, a crucial fuel for India's power plants and chemical and petrochemical sectors. For the same goal, SCI has organised three Joint Ventures, each with one fleet. On two of the LNG fleets, SCI oversees onboard operations and technical management, so the remaining boats are entirely manned by SCI. The SCI has all of the ingredients necessary for the establishment of a world-class international business. The purpose of management is to encourage the release of limitless resources and initiative sources that can be channelled into the company's and hence the country's expansion and development.

GEC is the largest non-government corporation in terms of tonnage capacity, with a diverse fleet of 47 fleets in the maritime division and 19 fleets and four jack-up rigs in the offshore division, as well as a leading position in both the domestic and foreign

market. With a fleet capacity of 3.85 million DWT, the grade also considers the company's strong liquidity position, comfortable debt protection metrics, sound financial management strategies, and a well-established shipping process record. However, the rating is constrained by the industry's prolonged slowdown, with freight and charter rates struggling in FY18 and FY19 due to overcapacity issues, volatility in crude production, and limited scrapping, resulting in a drop in shipping earnings and contract renewals at lower charter yields than earlier contracts in its offshore segments. The company's profitability is also vulnerable to freight rate volatility, primarily appreciations to large spot deployments, a slowdown in the global economy and a challenging industry scenario, and exposure to exchange risks, with earnings skewed due to MTM losses arising from foreign currency swap contracts associated with borrowings and cyclical cash flows inherent to the shipping business. The outlook for the company remains negative, owing to lower-than-expected operating performance due to the industry's challenging operating environment, higher capex requirements, particularly for the installation of scrubbers on massive ships, due to IMO requirements effective January 1, 2020, and thus reduced trade traffic due to global economic developments/slowdown. The Company's ability to ensure optimal engagement / deployment of its fleet with a proper mix of assets, improve its charter yields to boost shipping revenue, generate adequate cash flows under the current business environment, and strengthen its overall credit profile would be key rating sensitivities in the future. Furthermore, the Group's ability to comply with the IMO Sulphur Reduction Regulations on a timely basis levied by ships (from 3.5 percent to 0.5 percent) with higher rates from January 1, 2020 capital expenditures, particularly for the installation of scrubbers on a number of its large ships, in addition to being a crucial monitorable. The Outlook could be revised to "Stable" if operating performance improves as a result of improved charter yields, improved fleet utilisation in the offshore fleet, and the right combination of factors, resulting in higher ship movement with optimal increase in revenues and cash accruals generation, or the Rating could be revised "downward" if the company fails to deploy its fleets and offshore rigs with future demand.

The production contribution of both organisations to ship chartering in India was analysed in comparison. It primarily highlights both firms' financial positions in terms

of chartering, demonstrating how revenue has been increased through ship chartering in India.

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