

GLOBAL OFFSHORE SERVICES LIMITED

Thirty Fifth Annual Report 2012-13

.....Truly Global

BOARD OF DIRECTORS	ASHOK GARWARE - M.A. (Cantab) (Executive Chairman) ADITYA GARWARE - M.B.A. (Vice Chairman & Managing Director) MANEESHA SHAH (nee GARWARE) - B.Com, L.L.B. S.S. AGGARWAL - B.Sc. (New York University) DR. B.S. COOPER Ph.d. (Engineering) London A.K. THANAVALA - B.Com (Hons). L.L.B., A.C.S. J.C. CHOPRA - M.A. S.Y. MULANI - B.L.S., L.L.B
COMPANY SECRETARY	A.C. CHANDARANA B.Com., L.L.B., F.C.S.
PRESIDENT - COMMERCIAL	K.S. DAVE - B.Com. L.L.B.
PRESIDENT - FINANCE	S.P. AKOLKAR - M.M.S. (Finance)
PRESIDENT - (HSSE & TRAINING)	Capt. V. BAIJAL - Extra master, M.Sc., WMU, Malmo Sweden
PRESIDENT - MARKETING	Capt. D. MATHUR - Master Foreign Going Shipping Mgt.
PRESIDENT - OPERATIONS	Capt. S. SARKANGO - Master Mariner
PRESIDENT - TECHNICAL	K.K. AGGARWAL - Marine Engineer
GENERAL MANAGER - FINANCE & ACCOUNTS	P. S. SHAH - B.Com.
GENERAL MANAGER - TECHNICAL	Z.R. MEHTA - First Class Engineer (Motor)
BANKERS	State Bank of India DVB Group Merchant Bank (Asia) Ltd. State Bank of Travancore United Bank of India
AUDITORS	MESSRS. RAMAN S. SHAH & ASSOCIATES (Chartered Accountants)
REGISTERED OFFICE	Chander Mukhi, Nariman Point, Mumbai - 400 021
BRANCHES	Goa, Puducherry
REGISTRAR AND SHARE TRANSFER AGENT	BIGSHARE SERVICES PVT. LTD. E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai - 400 072

MANAGEMENT DISCUSSION AND ANALYSIS ON SELECT FINANCIAL DATA

The Company presently owns and operates four Anchor Handling Tug cum Supply Vessel (AHTSV) and two Platform Supply Vessels (PSV's). Except for one 27 year old AHTSV, all the vessels are deployed on contract. During the year under review the Company sold one Platform Supply Vessel(PSV), M. V. Makalu, at a profit of ₹38.55 crores.

The Company's Netherland subsidiary continues to grow and with the induction of a new Shareholder – a subsidiary of DVB Bank – now owns 2 PSV's and one AHTSV. All these Vessels have secured long term employment varying from 1 to 4 years. The Netherland subsidiary has also commenced employing people in its Branch Office in Rotterdam. The Netherland subsidiary has generated a profit of USD 0.34 million (as against loss of USD 0.63 million in the previous year) for the year under review. This amount would have been higher but for the fact being that one of its Vessels was idle for approx 4 months. This Vessel has been subsequently sold and the Company hopes that this will have a positive impact on the results of March 2014.

The Company's wholly owned subsidiary in Singapore presently has three assets on Bare Boat Charter. These are an Accommodation Work Barge (AWB) which is on long term charter in West Africa, a Platform Supply Vessel which presently operates in the North Sea and one Anchor Handling Tug cum Supply Vessel (AHTSV) which is awaiting award of a contract.

The Company has given Guarantees on behalf of its Subsidiaries - Global Offshore Services B.V., (GOSBV), The Netherlands and Garware Offshore International Services Pte. Ltd., (GOISPL) Singapore to Banks and Owners from whom vessels have been chartered.

Guarantees issued on behalf of GOSBV to Banks are for installments falling due. However, since all the vessels owned by GOSBV are on long term charter with sovereign E & P Companies and the market value of these vessels are substantially higher than the outstanding debt on the vessels, the chance of these Guarantees devolving on the Company are extremely "slim".

In the case of Guarantees issued on behalf of GOISPL to Owners of vessels for bareboat charter, the value of potential liability cannot be ascertained in view of the nature of the operating lease. In any case, all the vessels on bareboat are deployed on long term charters at rates, which are substantially higher than the bareboat rate paid out by GOISPL and since the value of these assets are substantially higher than the charter liability, the likelihood of any of these Guarantees being invoked against the Company is almost zero.

During the year under review on a standalone basis, the Company's income stood at ₹169.01 crores. This includes the profit of sale of M.V. Makalu at ₹38.55 crores. The Cash Profit for the year was ₹72.97 crores. When compared to the previous year's result, the Company's Operating income has reduced mainly due to the fact that few of the Company's assets have come off long term contract and one PSV was sold. Even though they have now recommenced medium term / long term contracts, this has happened after a short period of no earnings and at a lower charter rate.

FUTURE OUTLOOK

a) Indian Scenario :

India's growth rate continued to decline during the year. However, this did not have a major effect on the demand for oil and gas. India is forecast to consume an average of 3.70 mb / day in 2013, up 2.8% from the previous year. Government induced plans to raise infrastructure spending will in all likelihood, supply stronger growth for commercial fuel usage.

Unfortunately, though demand for oil and gas and efforts of exploration activities stayed firm this year, this did not get reflected in charter rates for Vessels. Increased competition from older, cheaper tonnage, actually led to a decline in charter rates. As a result, the Company continues to look for deployment opportunities internationally as well as in India, as it has done in the past.

b) Global Scenario :

On the international front, the global economy is still a distance away from complete revival. Even though there is some momentum of growth from certain "pockets" in the developed world, demand for oil is mainly driven by the developing countries. Demand from OECD countries is not increasing. The world is now seeing an increasing thrust for exploration and production in view of the "firm" oil price. New requirements for offshore assets are originating from various parts of the world including West Africa, Brazil, the far East and even the North Sea. It is experts view that several E & P Companies are desirous of contracting / employing service providers on a long term basis so that costs are "pegged".

In the case of Brazil, the Government has recently offered 289 blocks for auction. Even though Petrobras has revised its production targets and slowed down the pace of chartering Vessels, the initial projection of the number of Vessels required over the span of 10 years still continues. However, controlling operating costs in this market continues to be a challenge

On a global scale OSV demand is likely to grow between 8% to 10% in the current year. Deliveries from yards, especially in the far East pose a threat, but the Company maintains that in the long run its quality and mix of assets will continue to serve it well. Experts believe that utilization of Vessels should increase over the next 24 months. However, pressure on charter rates will continue in view of the "stream" of new buildings that are being delivered over the next 12 to 18 months.

NOTICE

Notice is hereby given that the Thirty Fifth Annual General Meeting of the Members of Global Offshore Services Limited will be held at "Garware Sabhagriha", F.P.H. Building, 5th Floor, Lala Lajpatrai Marg, Haji Ali, Mumbai 400 034, on Monday, 2nd September, 2013 at 9.30 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and Profit and Loss Account for the year ended as on that date together with Directors' and Auditors' Report thereon.
2. To declare Dividend on Equity Shares.
3. To appoint a Director in place of Dr. B. S. Cooper who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. S. S. Aggarwal who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors and to fix their remuneration.

By Order of the Board

A.C.Chandarana
Company Secretary

Registered Office:

Chander Mukhi, 2nd Floor,
Nariman Point, Mumbai – 400 021.

Place: Mumbai

Date: 30th May, 2013

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. The Register of Members and Share Transfer books of the Company will remain closed from 28-08-13 to 02-09-13 (both days inclusive).
3. For the convenience of members, an attendance slip is annexed. Members are requested to fill in and append their signatures at the space provided thereof and hand over the attendance slip at the entrance of the place of the meeting. Proxy / representative of a member should mark on the attendance slip as 'Proxy' or 'Representative' as the case may be. Members are also requested not to bring with them any person, who is not a Member / Proxy.
4. Members are requested to notify the change in Bank details, address, if any, immediately, quoting their Client ID No./ Folio No., Number of Shares held, etc. to the Company's Share Transfer Agents, 'M/s Bigshare Services Pvt. Ltd.'

Attention of the members is invited to SEBI Circular No. CIR/MRP/DP/10/2013 dt. 21-3-2013, whereby it is mandatory that the Company / RTI & STA shall print the bank account details of the members on dividend instruments. Accordingly, the members are requested to furnish/update their bank details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code), Bank Name, Branch address etc, to facilitate making electronic/physical payment of dividend. Zerox copy of cheque leaf may also be furnished.

5. Members holding shares in identical order of names in more than one Folio, are requested to write to the Company's Registered Office and / or Share Transfer Agent, and send their Share Certificates to enable consolidation of their holding into one Folio.
6. All enquiries and correspondence regarding Transfer of Shares, Dematerialisation, etc. should be addressed to Registrars and Share Transfer Agents of the Company, M/s Bigshare Services Pvt. Ltd., E-2/3 Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai – 400 072.

7. Details of Directors seeking appointment and re-appointment at the ensuing Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement):

Name of Director	Dr. B.S. Cooper	Mr. S.S. Aggarwal
Date of Birth	12.10.1930	30.06.1937
Nationality	Indian	Indian
Date of Appointment on the Board	22.05.2004	19.02.1994
Qualifications	Ph.d (Engineering) London	B.Sc (New York)
Expertise in Functional Area	Professional	Businessman
No. of Shares held in the Company (as on 17.05.2013)	10,000	10,000
List of Directorships held in other Companies	NIL	<ul style="list-style-type: none"> • DBS Corporate Services Pvt. Ltd. • DBS Financial Services Pvt. Ltd. • DBS Internet Services Pvt. Ltd. • DBS Capital Market Pvt. Ltd. • DBS Securities Pvt. Ltd. • Vanvik Leasing Pvt. Ltd. • J.L. Morison(India)Ltd. • Vikrant Finance & Marketing Corporation. • DBS World Travel Pvt. Ltd. • Copper Rulers Pvt. Ltd.
Chairman/Member Committee of the Boards of other Companies in which he is a Director	NIL	NIL

REQUEST TO THE MEMBERS:

1. Members desiring any information on the Accounts at the Annual General Meeting are requested to write to the Company at least ten working days in advance of the Annual General Meeting so as to enable the Company to keep the information ready. Only the information which can be furnished will be furnished to the members.
2. Members are requested to bring their copy of the Annual Report to the Meeting.

By Order of the Board

A. C. Chandarana
Company Secretary

Registered Office:

Chander Mukhi,
Nariman Point, Mumbai – 400 021

Place : Mumbai.

Date : 30th May, 2013

DIRECTORS' REPORT
FOR THE YEAR ENDED 31ST MARCH, 2013

TO,

THE MEMBERS,

Your Directors are pleased to present their report as under:

FINANCIAL RESULTS:

₹ in Crores

	Year ended March 31, 2013	Year ended March 31, 2012
Income from operations	127.36	153.15
Other Operating Income	38.55	-
Other Income	3.10	1.50
Gross Income	169.01	154.65
Expenses for the period	66.08	68.22
Operating Profit for the period	102.93	86.43
Finance cost	21.24	23.21
Profit Before Depreciation	81.69	63.22
Depreciation	23.14	29.93
Profit Before Tax	58.55	33.29
<u>Provision for Taxation</u>		
Current Tax	8.35	0.42
Tax for earlier (Period) written back	0.06	(0.01)
Net Profit After Tax	50.14	32.88
Cash Profit	73.28	62.81

FINANCIAL HIGHLIGHTS:

Income from Operation (including other operating income) for the year ended on 31.03.2013 stood at ₹165.91 crores, as against ₹ 153.15 crores for the previous year, an increase of 8.3%. Other Income for the year stood at ₹3.10 crores taking the Gross Income to ₹169.01 crores.

The Net Profit for the year ended 31.03.2013 stood at ₹ 50.14 crores as against ₹ 32.88 crores for the previous year, an increase of 52.5%.

The other operating Income consists of the profit on the sale of the Company's Platform Supply Vessel, M. V. Makalu. The Vessel was sold in May 2012.

The Company continues to follow Accounting Standard 30 'AS-30' Financial Instrument: (Recognition & Measurement).

OPERATIONS:

During the year under review, three of the Company's Vessels completed long term contracts. One of them commenced short term jobs, albeit at a lower rate, almost immediately. The 2nd Vessel commenced a 6 month firm job at the end of the year under review.

The third of these Vessels, M.V. Garware III, which is 27 years old concluded her long term contract during the year. The Vessel has been idling since.

All other Vessels continued on long term contract.

DIVIDEND:

During the year under review, the Company has declared two Interim Dividends aggregating to 16%.

Your Directors, subject to the Shareholders approval, are pleased to recommend a final dividend of 8%, for the year under review. Thus, the total Dividend for the year under review is 24% (previous year 24%). The final dividend will be paid to the Shareholders, whose names appear on the Register of Members as on 02.09.2013.

The total cash outflow on account of Dividend and Tax thereon (including Interim Dividends) amounts to ₹ 6.94 crores (previous year ₹ 6.86 crores).

EXPANSION AND FUTURE OUTLOOK:

The Company continues to endeavour to place all its Vessels on long term contract. Presently, except for 2 Vessels, all Vessels are on long term contracts.

The Company's subsidiaries in Singapore and Netherland continue to grow. The Singapore subsidiary now operates 3 Vessels on Bareboat Charter. The Netherland subsidiary presently owns and operates 3 Vessels as well. Out of the 6 Vessels controlled by the Company's subsidiaries – 4 Vessels are on long term contracts, one Vessel is awaiting award of a contract and one is plying in the North Sea spot market and has been awarded a medium term contract w.e.f. mid June 2013.

POSTAL BALLOT :

Your approval was sought by way of Postal Ballot for investment in securities / granting loans and issue of Guarantee in excess of the limits prescribed under Section 372 A of the Companies Act upto Rs.2,500/- crores in the subsidiary of the Company. The said resolution was passed by vast majority of 99.98% of the total votes casted.

PREFERENTIAL ALLOTMENT :

Pursuant to the Shareholders' Approval at Extra Ordinary General Meeting and In-Principle Approvals received from Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd., the Company allotted 4,40,000 Equity Shares and 4,69,700 Share Warrants of ₹10/- each (to be converted into 4,69,700 shares) at a premium of ₹111/- per share.

All the outstanding Warrants were converted into Equity Shares during the year. Consequent to the allotments the Equity Share capital of the Company stands at 2,47,28,793 Equity Sharers of ₹10/- each aggregating to ₹24,72,87,930 /-.

SUBSIDIARY / WHOLLY OWNED SUBSIDIARY (WOS):

a) Global Offshore Services B.V. - The Netherlands (GOSBV)

During the year under review, GOSBV achieved an income from operations of USD 15.98 million (previous year USD 8.8 million) with a net profit of USD 0.34 million (previous net loss of USD 0.63 million). The cash profit stood at USD 3.95 million (previous year USD 1.95 million).

GOSBV acquired 3 Vessels viz M. V. Shergar, M.V. Everest and M.V. Ben Nevis during the year. M.V. Shergar was awarded a 4 year firm contract in Brazil w.e.f. September 2012. M.V. Ben Nevis has been awarded a Contract for a firm period of 1 year with 4 x 1 year extension options for operation in North Sea / West Africa. M. V. Everest was sold recently.

GOSBV will take delivery of a 4000 DWT, DP1, PSV in August 2013.

b) Garware Offshore International Services Pte. Ltd – Singapore (GOISPL)

The Company's Wholly Owned Subsidiary, GOISPL based in Singapore achieved an operating income of USD 9.7 million (previous year USD 11.8 million) and net profit of USD 0.113 million (previous year net loss of USD 1.16 million). GOISPL now has three vessels on bare boat viz 1 Accommodation Barge, 1 Platform Supply Vessel and 1 Anchor Handling Tug Cum Supply Vessel, all of which have been awarded long term contracts.

In view of general exemption granted by Ministry of Corporate Affairs vide Circular No.51/12/2007-CL-III dated 8.2.2011, the annual accounts of subsidiary companies and the related information required to be enclosed under the provisions of Section 212 of the Companies Act are not enclosed.

The Company undertakes that such information shall be made available to the shareholders of the holding and subsidiary companies and shall also be kept for inspection at the Registered Office of the Company. The Company shall furnish hard copy of the same to any shareholder on demand.

LISTING FEES TO STOCK EXCHANGES:

The Company has paid the Listing Fees for the year 2013-14 to Bombay Stock Exchange Ltd. and The National Stock Exchange of India Ltd.

RESPONSIBILITY STATEMENT:

The Directors confirm:

- a) That in the preparation of the Annual Accounts, the applicable accounting standards have been followed and that no material departures (save and except as stated in the Directors' Report) have been made from the same.
- b) That they have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company at the end of the year and the Profit of the Company for that year ended as on 31.03.2012.
- c) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provision of the Companies Act, 1956, for safe-guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That they have prepared the Annual Accounts on a going concern basis.

INSURANCE :

All the Vessels owned and operated by the Company and its subsidiaries have been insured for Hull & Machinery, War Risks and Protection & Indemnity (P & I) claims. If required, depending upon the Geographical location of the Vessels, necessary Kidnap and Ransom (K&R) Insurance cover is also taken for the Vessels and crew. The crew on all the vessels are also covered under (P & I) insurance.

FIXED DEPOSITS:

During the year under review the Company has not accepted any deposits from the Public and Shareholders.

DIRECTORATE:

Dr. B. S. Cooper and Mr. S. S. Aggarwal, Directors of the Company retire by rotation and being eligible, offers themselves for re-appointment. Members are also requested to re-elect them.

AUDITORS:

You are requested to re-appoint Statutory Auditors, Messrs. Raman S. Shah & Associates, Chartered Accountants for the current year and to fix their remuneration.

The Company has obtained a Certificate from Auditors certifying that their re-appointment, if made at the ensuing Annual General Meeting shall be within the limits prescribed under Section 224 (1-B) of the Companies Act, 1956.

PERSONNEL:

The relations with all Employees of the Company, both Shore and Floating Staff have been cordial. Your Directors wish to express their appreciation of the services, rendered by the devoted Employees.

PARTICULARS OF EMPLOYEES:

Statement of Particulars of Employees as required by the Provisions of Section 217(2A) of The Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended and forming part of the Directors' Report is annexed here to as Annexure 'I'.

DEMATERIALISATION OF SHARES:

The Company's shares continue to be traded in Electronic Form. As per Securities and Exchange Board of India (SEBI) requirement, 100% of the shares held by the Promoter / Persons Acting in Concert category are in the Electronic Form.

CORPORATE GOVERNANCE:

A separate report on Corporate Governance along with the Auditors' Certificate on its compliance is given in a separate Annexure.

ACKNOWLEDGEMENT:

The Board wishes to thank the Office of Directorate General of Shipping, Mercantile Marine Department, Shipping Master, MPA, MI Registry, IRS, DNV, ABS, Axis Bank, DVB Bank, DnB, State Bank of India, State Bank of Travancore, United Bank of India for their continued support and co-operation during the year.

On Behalf of the Board

ASHOK GARWARE
CHAIRMAN

Place : Mumbai

Dated : 30.05.2013

ANNEXURE – I TO DIRECTORS’ REPORT

Statement of particulars of employees pursuant to the provisions of Section 217(2A) of The Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors’ Report for the year ended 31.03.2013.

Sr. No.	Name	Qualification	Designation/ Nature of Duty	Experience	Date of Commencement of Employment	Remuneration	Age	Last employed
1.	Ashok B. Garware	M.A. (Cantab)	Executive Chairman	50 years	01.07.2012	1,00,20,850	74 years	Garware Shipping Corporation Ltd.
2.	Aditya A. Garware	M.B.A. (U.S.A.)	Vice Chairman & Managing Director	16 years	01.02.2009	1,44,75,280	42 years	Garware Goa Nets Ltd.
3.	Capt. D. L. Mathur	Master Foreign Going Shipping Mat.	President (Marketing)	36 years	19.04.2007	71,57,846	54 years	NICO Middle East.
4.	Capt. S. Sarkango	Master Mariner	President (Operations)	26 years	18.01.2006	70,57,948	51 years	Great Eastern Shipping Co. Limited
5.	K. K. Aggarwal	Marine Engineer	President (Technical)	24 years	26.04.2006	60,38,087	55 years	Safetech Marine Supply-LLC, Dubai

Notes:

- 1) The nature of employment of above employees is contractual.
- 2) Remuneration includes Salary, Perquisites, Commission and Contribution to P.F.
- 3) As on 30.04.2013, Mr. Ashok B. Garware holds 6,55,872 Equity Shares being (2.65%) and Mr. Aditya A. Garware holds 7,74,631 Equity Shares being (3.13%) of the Company.

ANNEXURE TO DIRECTORS' REPORT

STATEMENT REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER CLAUSE (e) OF SUB-SECTION (1) OF SECTION 217 OF THE COMPANIES ACT, 1956.

Item No.	Particulars		
A.	CONSERVATION OF ENERGY		
	(a)	Measures Taken	Being an operator of offshore Vessels, taking of energy Conservation measures does not arise.
	(b)	Additional investments and proposals, if any, being implemented for reduction of energy consumption.	Nil
	(c)	Impact of the Measures (a) and (b) above and Consequent Impact on Cost of Production.	Not Applicable
	(d)	Total energy consumption and consumption per Unit of production in Form 'A'.	Not Applicable
B.	TECHNOLOGY ABSORPTION		
	(e)	Efforts made in Technology absorption.	As per Form "B" enclosed
C.	FOREIGN EXCHANGE EARNINGS AND OUTGO		
	(f)	Activities relating to exports, initiative taken to increase exports, development of New Export market for product and services and export plans.	Nil
	(g)	(a)	Foreign exchange earned and saved (on account of freight, charter hire, earnings etc.) including deemed earnings.
			₹12580.77 lacs
		(b)	Foreign exchange used including Operating expenses, Standby expenses, Capital repayment, down payments for acquisition of Ships and interest payment.
			₹3427.54 lacs

FORM "B" (SEE RULE - 2)

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT (R & D)

1.	Specific areas in which R & D carried out by the Company.		None
2.	Benefits derived as a result of the above R & D.		N.A.
3.	Future Plan of Action.		None
4.	Expenditure on R & D		
	a)	Capital	Nil
	b)	Recurring	Nil
	c)	Total	Nil
	d)	Total R & D Expenditure as a Percentage of Total Turnover Technology absorption, adaptation and innovation.	Nil
1.	Efforts in brief, made towards technology absorption, adaption and innovation.		None
2.	Benefits derived as a result of the above efforts e.g. Product improvement, cost reduction, product development, import substitution etc.		N.A.
3.	In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished.		N.A.
	a)	Technology Imported	-
	b)	Year of Import	-
	c)	Has technology been fully absorbed ?	-
	d)	If not fully absorbed, Areas where this has not taken place, reasons therefore and future plans and actions.	-

On Behalf of the Board

Place : Mumbai
Dated : 30.05.2013

ASHOK GARWARE
CHAIRMAN

REPORT ON CORPORATE GOVERNANCE

1. BOARD OF DIRECTORS:

The Board of the Company comprises of Professionally Well-Qualified Individuals and consists of Eight Members. Mr. Ashok Garware is the Executive Chairman and Mr. Aditya Garware is the Vice Chairman and Managing Director of the Company. All other Directors are Non-Executive.

During the year under review Six Board Meetings were held as detailed below. The maximum time gap between two Board Meetings did not exceed four months.

Sr. No.	Dates of the Meeting
i)	14 th May, 2012
ii)	31 st July, 2012
iii)	8 th August, 2012
iv)	12 th November, 2012
v)	8 th February, 2013
vi)	8 th March, 2013

Name of Directors	No. of Board Meetings Attended	Attendance at last AGM	Remarks	No. of Other Committee Directorship		No. of other Directorship
				Chairman	Member	
Mr. Ashok Garware (Chairman)	6	Yes	Whole Time Director	-	-	8
Mr. Aditya Garware Vice Chairman & Managing Director	6	Yes	Whole Time Director	-	2	11
Mrs. Maneesha Shah (nee Garware)	4	Yes	Non-Whole Time Director	-	-	4
Mr. Shamsunder Aggarwal	6	Yes	Independent Director	-	-	10
Mr. A.K. Thanavala	6	Yes	Independent Director	-	-	-
Dr. Burjor Cooper	5	Yes	Independent Director	-	-	-
Mr. J.C. Chopra	4	Yes	Independent Director	-	2	3
Mr. S. Y. Mulani (appointed on 31.07.2012)	4	Yes	Independent Director	-	-	-

The Non Executive / Directors were paid sitting fees of Rs. 20,000/ for each meeting of the Board of Directors attended by them during the year under review.

As stipulated under Clause 49 (I) (C) of the Listing Agreement, no Director is a Member of more than 10 Committees or a Chairman of more than 5 Committees across all the companies in which he is a Director. (Committees being Audit Committee and the Shareholders' Grievance Committee)

Mr. Ashok Garware and Mr. Aditya Garware were paid remuneration as details given below:

(₹ in lacs)

Particulars	Mr. Ashok Garware (₹)	Mr. Aditya Garware (₹)	Total (₹)
Salary	94.81	121.64	216.45
Leave encashment	1.00	5.83	6.83
Monetary value of perquisites	0.40	0.40	0.80
Ex Gratia	4.00	5.00	9.00
Contribution to P.F.	0	11.88	11.88
Total	100.21	144.75	244.96

Professional fees of Rs. 47,045/- was paid to Mulani & Co., proprietary firm of Mr. S. Y. Mulani, Director for handling legal matters of the Company.

2. AUDIT COMMITTEE:

Composition:

The Company's Board of Directors has constituted an Audit Committee comprising of Non- Executive and Independent Directors. The members of this Committee are well versed with finance & accounts / legal matters and general business practices.

The Company Secretary acts as a Secretary to the Committee.

Terms of Reference:

The Committee is involved in reviewing various matters including Consolidated/Standalone Audited/Un-Audited Financial Results for the year/quarter ended of the Company, Investments made by the Company, Internal Auditors Report, Compliance with Listing Agreement, Accounting Standards and other requirements relating to financial statements, reviewing of Management Discussion and Analysis Report and Directors' Report.

Meetings:

Five Audit Committee Meetings were held during the financial year 2012-2013 as detailed herein below: -

Date of Audit Committee Meetings	Name of the Members of Audit Committee & Attendance			
	Mr. A.K. Thanavala (Chairman)	Mrs. Maneesha Shah	Mr. Shamsunder Aggarwal	Dr.B.S. Cooper
14.05.2012	✓	✓	✓	✓
31.07.2012	✓	✓	✓	✓
08.08.2012	✓	-	✓	✓
12.11.2012	✓	✓	✓	✓
08.02.2013	✓	✓	✓	-

3. SHARE TRANSFER COMMITTEE:

Composition:

The Share Transfer Cum Investor Grievance Committee consists of Mr. Ashok Garware, Chairman, Mr. Aditya Garware, Mr. J.C. Chopra and Mr.S.S.Aggarwal as Members.

Meetings:

The Company Secretary, Mr. A. C. Chandarana is appointed as Compliance Officer. The Committee meets once a fortnight to approve, inter alia, transfer/transmission of shares, issue of duplicate shares and consolidation of shares. The Committee also reviews the status of investor grievances and the Company's redressal mechanism and recommends measures to improve the quality of services to investor.

Terms of Reference:

The Committee inter alia, approves issue of Duplicate Share Certificates and also reviews matters connected with transfer of Securities including redressal of Investors' /Shareholders' complaints related to non-receipt of declared dividend, transfer of shares, non-receipt of Annual Reports, non receipt of duplicate share certificates etc.

4. GENERAL BODY MEETINGS:

The details of the date, time and location for the last three Annual General Meetings (AGM) are as follows:

Financial Year	Date	Time	Location
2011-2012	28 th September, 2012	9:30 A.M.	"Garware Sabhagriha", F.P.H. Building, Lala Lajpatrai Marg, Haji Ali, Mumbai 400 034.
2010-2011	27 th September, 2011	9:30 A.M.	"Garware Sabhagriha", F.P.H. Building, Lala Lajpatrai Marg, Haji Ali, Mumbai 400 034.
2009-2010	28 th June, 2010	9:30 A.M.	"Garware Sabhagriha", F.P.H. Building, Lala Lajpatrai Marg, Haji Ali, Mumbai 400 034.

Four Special Resolutions were `unanimously' passed in previous Annual General Meetings viz., Alteration of Object Clause of Memorandum of Association of Company, Revision of Salary payable to Mr. Ashok B. Garware, Revision of Salary payable to Mr. Aditya A. Garware and Re Appointment of Mr. Ashok B. Garware as Executive Chairman.

Postal Ballot:

No Postal Ballots were used for voting at these meetings. Further there is no item on the agenda of the ensuing Annual General Meeting that needs approval by postal ballot.

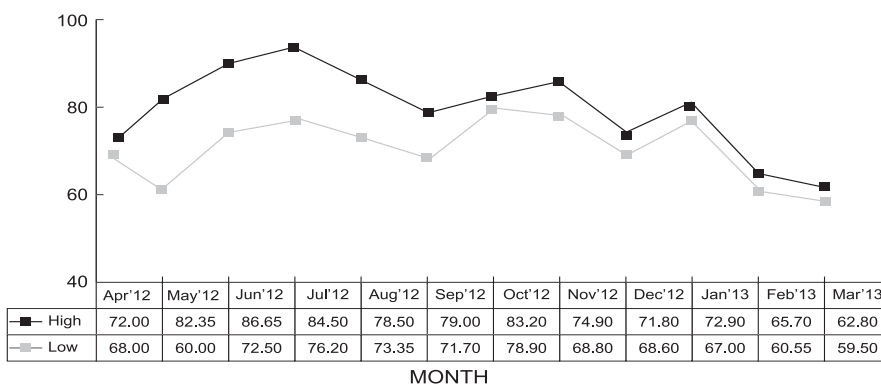
5. DISCLOSURE:

There were no related Party Transactions, which had potential conflict with the interest of the Company at large.

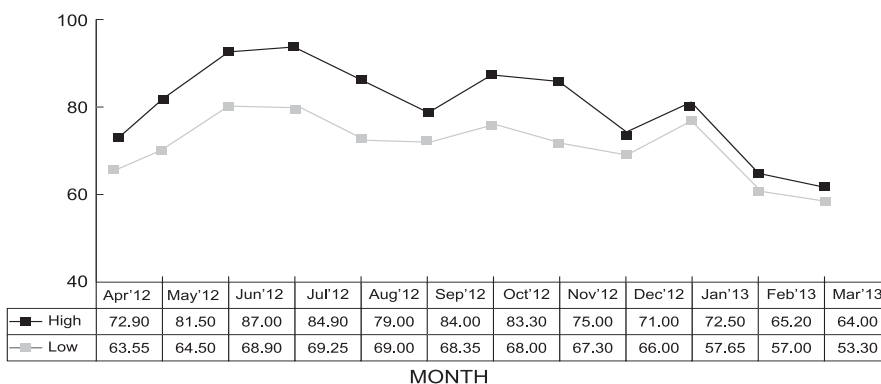
6. SHARE PRICE – HIGH AND LOW ON THE BOMBAY STOCK EXCHANGE LTD.& NATIONAL STOCK EXCHANGE OF INDIA LTD. FOR THE YEAR ENDED 31ST MARCH, 2013.

Month	BSE		NSE	
	HIGH	LOW	HIGH	LOW
April 2012	72.00	68.00	72.90	63.55
May 2012	82.35	60.00	81.50	64.50
June 2012	86.65	72.50	87.00	68.90
July 2012	84.50	76.20	84.90	69.25
August 2012	78.50	73.35	79.00	69.00
September 2012	79.00	71.70	84.00	68.35
October 2012	83.20	78.90	83.30	68.00
November 2012	74.90	68.80	75.00	67.30
December 2012	71.80	68.60	71.00	66.00
January 2013	72.90	67.00	72.50	57.65
February 2013	65.70	60.55	65.20	57.00
March 2013	62.80	59.50	64.00	53.30

Share Price - High & Low on BSE



Share Price - High & Low on NSE



7. GENERAL SHAREHOLDER INFORMATION:

35TH AGM : Date Time Venue	2 nd September, 2013 9:30 A.M. "Garware Sabhagriha", F.P.H. Building, 5 th Floor, Lala Lajpatrai Marg, Haji Ali, Mumbai - 400034
Financial Year	The Company follows April-March as its financial year. The Unaudited results for every quarter/s June, Sept. Dec. are declared within 45 days of the end of the quarter. The Audited Results for the last quarter is declared within 60 days of the end of the financial quarter.
Date of Book closure/ Record Date	<u>For 2012-2013:</u> 28.08.2013 to 02.09.2013 (both days inclusive)
Dividend Payment Date (proposed)	5 th September, 2013
Listing on Stock Exchanges	The Company's shares are presently listed on the Bombay Stock Exchange Ltd. (BSE), The National Stock Exchange of India Limited (NSE)
Stock Code	1. Bombay Stock Exchange Ltd. 501848 2. The National Stock Exchange of India Ltd. GLOBOFFS
Demat ISIN Number for NSDL & CDSL:	INE 446C01013
Registrar and Transfer Agents	Bigshare Services Pvt. Ltd. E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai – 400 072 Tel : 022 2847 0652 / 4043 0200 Fax 022 2847 5207 Email: info@bigshareonline.com Website: www.bigshareonline.com
Auditors' Certificate on Corporate Governance	As required under the provisions of Clause 49 of the Listing Agreement, the Auditors' Certificate is given as an annexure to the Directors' Report.
Distribution of Shareholding & Category- wise distribution	Please Refer Annexure A
Dematerialisation of shares and liquidity	As on 31 st March, 2013 95.37% of total paid up Equity Capital has been Dematerialised.
The Quarterly Unaudited Financial Results were published in	English – Business Standard Marathi – Lokmat Website : www.globaloffshore.in
GDRS / ADRS	Not Applicable
Address for Correspondence	Global Offshore Services Ltd. Chander Mukhi, Nariman Point, Mumbai – 400 021. Tel : 022-2202 0745 / 2202 8398 Fax: 022-2202 9964 Email : info@globaloffshore.in
Email address for Investor Complaints	investorredressal@globaloffshore.in / secretarial@globaloffshore.in

8. CODE OF CONDUCT:

Pursuant to Clause 49 of The Listing Agreement, the Company has prescribed and affirmed Code of Conduct for the Board of Directors and Senior Management of the Company.

A Declaration duly signed by Vice Chairman & Managing Director is obtained by the Company.

9. CEO/CFO CERTIFICATION:

The Company has obtained from the Managing Director and President (Finance), a Certificate Pursuant to Clause 49(V) of the Listing Agreement.

On Behalf of the Board
ASHOK GARWARE
Chairman

Place: Mumbai

Date: 30.05.2013

ANNEXURE "A"

THE DISTRIBUTION OF EQUITY SHAREHOLDING AS ON 30TH April, 2013 IS AS FOLLOWS:

NO. OF EQUITY SHARES HELD	NO. OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	NO. OF SHARES	% OF TOTAL PAID UP CAPITAL
1 - 5000	21272	94.99	21,93,444	8.87
5001 - 10000	582	2.60	4,51,336	1.83
10001 - 20000	252	1.13	3,73,438	1.51
20001 - 30000	75	0.33	1,95,052	0.79
30001 - 40000	45	0.20	1,60,756	0.65
40001 - 50000	26	0.12	1,22,133	0.49
50001 - 100000	61	0.27	4,65,692	1.88
100001 - 99999999	80	0.36	2,07,66,942	83.98
TOTAL	22393	100.00	2,47,28,793	100.00

SHAREHOLDING PATTERN AS ON 24TH May, 2013 IS AS FOLLOWS :

Sl. No.	Category	No. of Shares Held	% of Total Paid up Capital
A)	Promoters Holding		
	• Individuals/HUFs	24,07,678	9.74
	• Bodies Corporates (Holding Co./Subsidiaries & Affiliates)	32,80,723	13.27
	• Foreign Promoters/Bodies Corporates	25,64,500	10.37
	Total – Promoters Holding	82,52,901	33.38
B)	Non-Promoters Holding		
	1. Institutional Investors :		
	a. UTI	2,700	0.01
	b. GIC & Subsidiaries	15,65,325	6.33
	c. Banks	11,650	0.05
	d. State Government	160	0.00
	e. Mutual Funds	30,200	0.12
	Sub Total	16,10,035	6.51
	2. Foreign Holding :		
	a. FII's/Foreign Investors	73,21,855	29.61
	b. NRIs	2,28,437	0.92
	Sub Total	75,50,292	30.53
	3. Other Bodies Corporates	17,27,909	6.98
	4. Indian Public	51,05,746	20.65
	5. Others-Trusts	4,81,910	1.95
	Total – Non Promoters Holding	1,64,75,892	66.62
	Grand Total	2,47,28,793	100

NOTE :

Total Foreign Shareholding (NRIs) is 1,01,14,792 shares i.e. 40.90%.

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To,

The Members,

Global Offshore Services Limited

We have examined the compliance of the conditions of Corporate Governance by Global Offshore Services Ltd. (the Company) for the year ended 31st March, 2013 with the relevant Records and Documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company to ensure the compliance of the conditions of Corporate Governance. It is neither an Audit nor expression of opinion on the financial statement of the Company.

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

On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated Clause 49 of the Listing Agreement(s) with the Stock Exchange(s) have been complied with in all material respects by the Company.

Based on the certificate received from share transfer agent of the Company and the minutes of share transfer and shareholders grievance committee, we hereby state that no investor grievance is pending for the period exceeding one month.

For RAMAN S. SHAH & ASSOCIATES

Chartered Accountants

Santosh A. Sankhe

Partner

M.No.100976

Place : Mumbai

Date : 30.05.2013

AUDITORS' REPORT

To,
The Members,
Global Offshore Services Limited

We have audited the attached Balance Sheet of GLOBAL OFFSHORE SERVICES LIMITED as at 31st March, 2013 and also the Profit and Loss Account for the year ended on that date and Cash Flow statement annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that :

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account ;
- d) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the directors, as on 31st March, 2013, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013; and
 - (ii) in the case of the Profit and Loss Account, of the "profit" of the Company for the year ended on that date;
 - (iii) in the case of Cash Flow statement, of the cash flows of the Company for the year ended on that date.

For RAMAN S. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. 119891W

Place : Mumbai
Date : 4th June,2013

Santosh A. Sankhe
(Partner)
M. No. 100976

ANNEXURE TO AUDITORS' REPORT

{ Referred to in paragraph of our report of the even date }

- 1 (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of information available.
(b) According to the information and explanations given to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner which, in our opinion, is reasonable, having regard to the size of the Company and nature of the assets. No material discrepancies were noticed on such verification.
- 2 (a) As explained to us, the inventories have been physically verified by the management at reasonable intervals during the period. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its business.
(b) In our opinion and according to the information and explanations given to us, the Procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of the business.
(c) The Company has maintained proper records of inventory and there were no material discrepancies noticed on physical verification of stocks.
- 3 (a) We are informed that the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
(b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- 4 In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regards to purchase of inventory and fixed assets and for rendering of services. During the course of our audit, no major weaknesses in internal control system has been noticed.
- 5 (a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered in the register maintained under section 301 of the companies act, 1956, have been so entered.
(b) According to the information and explanations given to us, the transactions made during the year in pursuance of contracts or arrangement entered in the register maintained under section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time, in the opinion of the management.
- 6 The Company has not accepted any deposits from the public. Hence the requirement of clause (vi) of paragraph 4 of the order is not applicable to the Company.
- 7 In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- 8 As informed to us, the maintenance of cost records have not been prescribed by the central government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.
- 9 (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities, any undisputed statutory dues including Provident Fund, Investors Education and Protection Fund, Employees' State Insurance Scheme, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise duty, Cess and other statutory dues applicable to it.
(b) According to the records of the Company, there is no disputed dues pending in any forum in india for any disputed amount of Income Tax, Sales tax, Wealth-tax, Service tax, Custom duty, Excise duty, Cess etc.
- 10 There is no accumulated loss, nor has the Company incurred any cash loss during the financial year covered by our audit and in the immediately preceding financial year.
- 11 The Company has regularly repaid all dues to banks.
- 12 In our opinion and according to the information and explanation given to us, no loan and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- 13 The Company is not a Chit fund, Nidhi or Mutual Benefit Society. Hence the requirements of item (xiii) of paragraph 4 of the Order is not applicable to the Company.

- 14 Proper records have been maintained of the transactions and contracts of dealing or trading in shares, securities, debentures and other investments. Timely entries have also been made therein. The shares, securities, debentures and other investments have been held by the Company in its own name.
- 15 According to the information and explanations given to us the Company has not given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prima facie prejudicial to the interest of the Company.
- 16 The term loans raised by the Company during the year have been applied for the purpose for which they were obtained.
- 17 On the basis of an overall examination of the balance sheet and cash flows of the Company and the information and explanation given to us, we report that the company has not utilised any funds raised on short- term basis for long-term investments.
- 18 The Company has allotted shares under preferential allotment to parties and Companies covered in the Register maintained under section 301 of the Act.
- 19 The Company has not issued any secured debentures. Hence the requirements of clause (xix) of paragraph 4 of the Order is not applicable to the Company.
- 20 The Company has not raised any money by way of public issue during the year.
- 21 In our opinion and according to the information and explanation given to us, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For RAMAN S. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. 119891W

Place : Mumbai
Date : 4th June,2013

Santosh A. Sankhe
(Partner)
M. No. 100976

Balance Sheet as at 31st March, 2013

	Note	As at 31st March, 2013 Rs. In Lacs	As at 31st March, 2012 Rs. In Lacs
I. EQUITY & LIABILITIES			
Shareholders Funds			
Share Capital	2	2,472.88	2,448.71
Reserves & Surplus	4	32,221.55	25,443.54
		34,694.43	27,892.25
Share application money pending allotment	3	-	150.09
Non- Current Liabilities			
Long Term Borrowings	5	25,810.72	32,447.16
Long Term Provisions	6	33.24	60.35
		25,843.96	32,507.51
Current Liabilities			
Short Term Borrowings	7	3,000.59	3,733.43
Trade Payables	8	614.62	881.79
Other Current Liabilities (including loan repayments within 1 year)	9	6,308.16	7,369.85
Short Term Provisions	10	1,622.92	431.18
		11,546.29	12,416.25
TOTAL :		72,084.68	72,966.10
II. ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	11	50,179.70	53,849.80
Tangible Assets(Capital-work in progress)		235.80	-
Intangible Assets	11	8.86	9.96
		50,424.36	53,859.76
Non-Current Investments	12	10,253.72	9,311.53
Long-term Loans and Advances		575.98	-
Current Assets			
Inventories	13	2,280.28	2,871.50
Trade Receivables	14	3,524.87	3,397.45
Cash and Bank Balances	15	1,040.09	686.53
Short Term Loans & Advances	16	3,876.50	2,791.03
Other Current Assets	17	108.88	48.30
		10,830.62	9,794.81
TOTAL :		72,084.68	72,966.10

See accompanying notes forming part of the financial statements 1 to 24

As per our report of even date attached

For and on behalf of the Board

For RAMAN S. SHAH & ASSOCIATES

Chartered Accountants - Firm Reg. No. 119891W

 Santosh A. Sankhe
 Partner
 Membership No. 100976

 Ashok Garware
 Executive Chairman

 Aditya Garware
 Vice Chairman &
 Managing Director

 S. S. Aggarwal
 Director

 P. S. Shah
 GM - Finance & Accounts

 S. P. Akolkar
 President - Finance

 A. C. Chandarana
 Company Secretary

 Place : Mumbai
 Date : 4th June, 2013

 Place : Mumbai
 Date : 30th May, 2013

Profit & Loss Statement for the year ended 31st March, 2013

	Note	Year Ended 31st March, 2013 Rs. In Lacs	Year Ended 31st March, 2012 Rs. In Lacs
INCOME :			
I. Revenue from operations			
Charter Hire	18	12,735.92	15,315.22
Other Operating Revenue		3,855.73	-
		16,591.65	15,315.22
II. Other Income			
	19	309.60	150.34
TOTAL REVENUE : (I)		16,901.25	15,465.56
EXPENSES :			
Fleet Operating Expenses	20	1,933.37	2,816.34
Employee Benefit Expenses	21	2,940.29	3,175.38
Finance Costs	22	2,123.62	2,321.47
Depreciation and Amortisation Expenses		2,314.67	2,993.28
Other Expenses	23	1,733.81	829.79
TOTAL EXPENSES : (II)		11,045.76	12,136.26
Profit Before Tax (I - II)		5,855.49	3,329.30
Less : Tax Expense			
Current Tax		835.00	41.50
Tax of Earlier Years		6.29	(0.16)
Profit for the Year		5,014.20	3,287.96
Earning Per Equity Share :	24 (E)		
Basic Earning Per Share		20.65	13.65
Diluted Earning Per Share		20.65	13.61

See accompanying notes forming part of the financial statements 1 to 24

As per our report of even date attached

For and on behalf of the Board

For RAMAN S. SHAH & ASSOCIATES

Chartered Accountants - Firm Reg. No. 119891W

Santosh A. Sankhe
Partner
Membership No. 100976

Ashok Garware
Executive Chairman

Aditya Garware
Vice Chairman &
Managing Director

S. S. Aggarwal
Director

P. S. Shah
GM - Finance & Accounts

S. P. Akolkar
President - Finance

A. C. Chandarana
Company Secretary

Place : Mumbai
Date : 4th June,2013

Place : Mumbai
Date : 30th May,2013

Cash Flow Statement for the year ended 31st March, 2013

Particulars	Year Ended 31st March, 2013 Rs. In Lacs	Year Ended 31st March, 2012 Rs. In Lacs
A. Cash Flow arising from Operating Activities :		
Net profit before tax and extraordinary items	5,855.49	3,329.30
Add/(Less) :		
a) Depreciation charges (Net)	2,314.67	2,993.28
b) Interest charges	2,123.62	2,321.47
c) Dividend Income	-	(0.65)
d) Interest Income	(307.98)	(110.73)
e) (Profit) / Loss on sale of Asset (net)	(3,857.36)	(38.95)
f) Taxes Paid	(333.27)	(382.87)
Operating Profit before working capital changes	5,795.17	8,110.85
Less :		
a) Increase /(Decrease) in Operational Liabilities	(1,233.39)	704.61
b) (Increase)/Decrease in Operational Assets	(211.93)	4,750.32
Net cashflow from operating Activity (A)	4,349.85	13,565.78
B. Cash Flow arising from Investing Activities :		
(i) Outflow on account of investing activity		
a) Acquisition of fixed assets (Net)	-	(1,998.97)
b) Loan to wholly owned subsidiary	(139.94)	(1,039.62)
c) Money Invested in Securities	(942.20)	(7,739.75)
(ii) Inflow on account of investing activity		
a) Sale or Fixed assets (Net)	4,402.13	-
b) Income from Dividend	-	0.65
c) Interest Income	250.48	73.69
Net cashflow from investing Activity (B)	4,652.61	74.34
	3,570.47	(10,704.00)
C. Cash Flow arising from Finance Activities :		
(i) Inflow on account of Financing activity		
a) Shares & Warrants Issued at premium	142.37	958.37
b) Loans taken (net of repayment)	-	-
(ii) Outflow on account of Financing activity		
a) Dividend Paid	(326.94)	(508.33)
b) Interest on loan paid during the year	(2,175.66)	(2,281.26)
c) Loans Repaid (net of receipts)	(4,473.69)	(2,908.03)
d) Short term borrowings	(732.84)	-
Net cashflow from financing Activity (C)	(7,566.76)	(5,697.62)
	(7,566.76)	(4,739.25)
Net increase in cash / cash equivalent [A + B + C]	353.56	(1,877.47)
Add : Cash / Cash equivalents at the beginning of the year	686.53	2,564.00
Cash / Cash equivalents at the end of the year	1,040.09	686.53
Notes to cash flow statement :		
(1) Method of preparation of cash flow statement :		
Cash flow statement has been prepared under Indirect method as set out in the Accounting Standard 3 on Cash Flow Statement, issued by the Institute of Chartered Accountants of India.		
(2) Components of cash flow :		
Cash and Cash Equivalents	832.14	390.79
Other Bank Balances	207.95	295.74
	1,040.09	686.53

As per our report of even date attached

For and on behalf of the Board

For RAMAN S. SHAH & ASSOCIATES

Chartered Accountants - Firm Reg. No. 119891W

 Santosh A. Sankhe
 Partner
 Membership No. 100976

 Ashok Garware
 Executive Chairman

 Aditya Garware
 Vice Chairman &
 Managing Director

 S. S. Aggarwal
 Director

 P. S. Shah
 GM - Finance & Accounts

 S. P. Akolkar
 President - Finance

 A. C. Chandarana
 Company Secretary

Place : Mumbai

Date : 4th June, 2013

Place : Mumbai

Date : 30th May, 2013

 To,
 The Board Of Directors,
GLOBAL OFFSHORE SERVICES LIMITED,
 Mumbai.

We have examined the attached cash flow statement of GLOBAL OFFSHORE SERVICES LIMITED for the year ended 31st March, 2013. The statement has been prepared by the Company in accordance with the requirement of clause 32 of the listing agreement with the stock exchange and is based on and in agreement with corresponding profit and loss account and balance sheet of the Company covered by our report of the even date, to the members of the Company.

As per our report of even date attached

For RAMAN S. SHAH & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Registration No. 119891W

 Santosh A. Sankhe
 (Partner)
 M. No. 100976

 Place : Mumbai
 Date : 4th June, 2013

Notes on Financial Statements for the Year ended 31st March, 2013

Note : 1**Significant Accounting Policies****I. Accounting Convention :**

The financial statements are prepared under the historical cost convention and as a going concern, in accordance with, generally accepted accounting principles in India, the Accounting Standards issued by The Institute of Chartered Accountants of India and provisions of the Companies Act, 1956.

II. Use of Estimates :

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities as of the date of financial statements and reported amounts of income and expenses during the period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from the estimates.

III. Fixed Assets :

Fixed assets are stated at cost less accumulated depreciation. Cost includes expenses related to acquisition, financing costs on borrowings during construction period. Further, additions or extensions of a capital nature are added to the cost of vessel as and when incurred.

IV. Depreciation of Assets :**(a) On fleet :**

Depreciation has been arrived at on straight line method at the rate arrived at so as to provide 95% of the total cost of each vessel over its balance economic useful life. For this purpose the economic useful life of vessels is estimated as 29 / 30 years.

Any additions or extensions to existing vessels which forms an integral part of the vessels is depreciated by 95% over the remaining useful life of the vessels, in accordance with the requirement of para. 24 of Accounting Standard 6 (Revised) - Depreciation Accounting, issued by The Institute of Chartered Accountants of India.

(b) On Motor Vehicles :

Depreciation is arrived at on straight line method at 25% p.a. of the cost, based on the estimated useful life of 4 (four) years for the motor vehicles.

(c) On Other Assets :

Depreciation on assets acquired upto 31st December, 2003 is charged in the accounts on the Written Down Value method at the rates prescribed under Schedule XIV of the Companies Act, 1956.

Depreciation on assets acquired from 1st January, 2004 is charged in the accounts on the Straight Line method at the rates prescribed under Schedule XIV of the Companies Act, 1956.

V. Accounting for Investments :

Long term investments are valued at cost.

VI. Valuation of Inventories :

(a) The Stock of stores and spares including on board the ships is valued at cost. (FIFO Basis)

(b) The Stock of fuel, lubes and diesel oil owned by the Company is valued at cost. (FIFO Basis)

VII. Revenue Recognition :

Time Charter earnings are recognized on accrual basis.

VIII. Operating Expenses :

Expenses charged to Profit and Loss account are recognised on accrual basis.

IX. Employee Benefits :

Defined Contribution Plan

Employee benefits in the form of Provident Fund which is a defined contribution scheme, is charged to the Profit and Loss account during the year when the contribution accrues.

Notes on Financial Statements for the Year ended 31st March, 2013

Defined Benefit Plan

The liability for gratuity, a defined benefit obligation, is accrued and provided for on the basis of actuarial valuation, using the projected unit credit method as at the Balance Sheet date.

Other Long Term Benefits

Long term compensated absences are provided on the basis of estimates for due period upto the Balance Sheet date.

Actuarial gains and losses comprising of experience adjustments and the effects of changes in actuarial assumptions are recognised in the Profit and Loss account for the year as income or expense.

X. Foreign Exchange Transaction :

(a) Transactions in foreign currency are recorded at the standard exchange rates determined monthly. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the period end are re-stated at closing rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions (including those relating to acquisition of depreciable assets) is recognised in the Profit and Loss Account.

(b) Forward exchange contracts entered into to hedge foreign currency risks of firm commitments or highly probable forecast transactions, forward rate options, currency and interest rate swaps and commodity future contracts, that qualify as cash flow hedges are recorded in accordance with the principles of hedge accounting enunciated in Accounting Standard (AS) 30 - Financial Instruments: Recognition and Measurement. The gain or loss on designated hedging instruments that qualify as effective hedges is recorded in the Hedging Reserve Account and is recognised in the statement of Profit and Loss in the same period or periods during which the hedged transaction affects Profit and Loss.

Gains or losses on the ineffective transactions are immediately recognised in the Profit and Loss Account. When a forecasted transaction is no longer expected to occur the gains and losses that were previously recognised in the Hedging Reserve are transferred to the statement of Profit and Loss immediately.

Accordingly the Company has designated borrowings in foreign currency (relating to acquisition of depreciable assets) as hedge instruments to cover its foreign currency risks of its firm commitments and highly probable forecast transactions of revenue streams and the same are accounted as cash flow hedge.

XI. Borrowing Cost :

Borrowing costs directly attributable to borrowed funds raised to meet any financial obligation on account of acquisition or other value added cost of any qualifying assets (Fixed Assets) incurred uptill the date of cessation of substantial activities necessary to prepare the qualifying asset for its intended use, is capitalised.

XII. Provisions & Contingent Liabilities :

(a) Provisions are recognised in the accounts for present probable obligations arising out of past events that require outflow of resources, the amount of which can be reliably estimated.

(b) Contingent liabilities are disclosed in respect of possible obligation that arise from past events but their existence is confirmed by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, unless the likelihood of an outflow of resources is remote.

(c) Contingent assets are not recognised in the accounts, unless there is virtual certainty as to its realisation.

XIII. Provision for Taxation :

Provision of current income-tax is made on the basis of the assessable income under the income tax Act, 1961. Income from shipping activities is assessed on the basis of deemed tonnage income of the Company.

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

XIV. Prior Period Items/ Extra Ordinary Items :

Prior period items & extra ordinary items, if any, are disclosed separately in the notes to accounts.

XV. Impairment of Assets :

The Company reviews the carrying values of tangible assets for any possible impairment at each Balance Sheet date. Impairment loss, if any, is recognised in the year in which impairment takes place.

Notes on Financial Statements for the Year ended 31st March, 2013

Note : 2 Share Capital	As At 31st March, 2013		As At 31st March, 2012	
	Number	Rs. In Lacs	Number	Rs. In Lacs
A Authorised Capital :				
Equity Share Capital :				
Equity Shares of Rs. 10/- each	3,20,00,000	3,200.00	3,20,00,000	3,200.00
Preference Share Capital :				
Cummulative Redeemable Preference Shares of Rs. 100/- each	1,50,000	150.00	1,50,000	150.00
Cummulative Convertible Preference Shares of Rs. 100/- each	1,50,000	150.00	1,50,000	150.00
Total	3,23,00,000	3,500.00	3,23,00,000	3,500.00
B Issued, Subscribed & Paid Up Capital :				
Equity Share Capital :				
Equity Shares of Rs. 10/- each, fully paid up	2,47,28,793	2,472.88	2,44,87,093	2,448.71
Total	2,47,28,793	2,472.88	2,44,87,093	2,448.71

a) Reconciliation of Equity Shares Outstanding

Particulars	Current Year		Previous Year	
	Number	Rs. In Lacs	Number	Rs. In Lacs
Shares outstanding at 1st April	2,44,87,093	2,448.71	2,38,19,093	2,381.91
Shares Issued during the year	2,41,700	24.17	6,68,000	66.80
Shares outstanding at 31st March	2,47,28,793	2,472.88	2,44,87,093	2,448.71

b) Details of shareholders holding more than 5% shares

Name of Shareholder	As at 31st March, 2013		As at 31st March, 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
India Star (Mauritius) Ltd.	72,60,928	29.36%	72,60,928	29.36%
Garware Marine Industries Ltd.	14,85,760	6.01%	14,85,760	6.07%
Universal Investments Services Pvt Ltd.	13,88,720	5.62%	13,88,720	5.67%
Ronder Overseas Ltd.	12,86,250	5.20%	12,86,250	5.25%
Clearwell Enterprises Ltd.	12,78,250	5.17%	12,78,250	5.22%
Total	1,26,99,908	51.36%	1,26,99,908	51.57%

c) Details of shares issued during the year.

2,41,700 Equity shares issued on conversion of share warrants issued on Preferential basis at a price of Rs. 121/- per share (including premium of Rs.111/-)

Note No. 3 :
Share application money pending allotment

The Company, in the previous year, had issued and allotted on a preferential basis 2,41,700 share warrants of Rs. 10/- each at issue price of Rs. 121/- per warrant (Including premium of Rs, 111/-). The same were to be converted into equity shares within 18 months from the date of allotment and have lock-in period of 3 years. During the year the share warrants were fully paid up and converted into equity shares as per the terms of the issue.

Notes on Financial Statements for the Year ended 31st March, 2013

Note : 4 Reserves & Surplus	As At 31st March, 2013 Rs. In Lacs		As At 31st March, 2012 Rs. In Lacs	
A Securities Premium Account				
As per last balance sheet	8,391.49		7,650.01	
Add : On Account of fresh issue	268.29	8,659.78	741.48	8,391.49
B Tonnage Tax Reserves U/s. 115VT of Income Tax Act				
As per last balance sheet	3,510.00		2,810.00	
(Add) : Transfer from Profit & Loss A/c	1,050.00	4,560.00	700.00	3,510.00
C Tonnage Tax Reserve (Utilised)				
As per last balance sheet		1,772.00		1,772.00
D General Reserves				
As per last balance sheet	7,165.09		6,665.09	
(Add) : Transfer from Shipping Reserve Utilised	-		-	
(Add) : Transfer from Profit & Loss A/c	550.00	7,715.09	500.00	7,165.09
E Foreign Exchange Hedge Reserve				
As per last balance sheet	(5,295.11)		(381.70)	
(Add) : Created During the Year	2,189.87	(3,105.24)	(4,913.41)	(5,295.11)
F Profit & Loss Account				
As per last balance sheet	9,900.07		8,497.62	
Add : Profit for the year	5,014.20		3,287.96	
	14,914.27		11,785.58	
Less : Appropriations				
Transfer to Tonnage Tax Reserve	1,050.00		700.00	
Transfer to General Reserve	550.00		500.00	
Interim Dividend	395.66		416.31	
Tax on Interim Dividend	67.24		68.66	
Proposed Dividend	197.83		171.41	
Tax on Proposed Dividend	33.62		29.13	
	2,294.35	12,619.92	1,885.51	9,900.07
Total		32,221.55		25,443.54

Note : 5 Long Term Borrowings	As At 31st March, 2013 Rs. In Lacs		As At 31st March, 2012 Rs. In Lacs	
Secured Loans from Banks				
Foreign Currency Loans for Acquisition of Vessels	23,360.80		30,016.99	
Other Foreign Currency Term Loans	2,346.44		2,131.78	
Rupee Term Loans	28.83		266.32	
Car Finance Rupee Loans	74.65		32.07	
Total		25,810.72		32,447.16

5.1 Term loans for acquisition of vessels

Five term loans are secured by way of first charge on the respective vessels (3 AHTSVs and 2 PSVs).

5.2 Other Term Loans
1. Foreign Currency Loans :

- a. One Corporate loan is secured by way of extension of first charge on a Platform Supply Vessel owned by the Company.
- b. One Corporate loan is secured by way of receivables from the operations on one Anchor Handling Tug cum Supply Vessel and by extension of first charge on Company's office premises.
- c. One Corporate loan is secured by way of first charge on a Anchor Handling Tug cum Supply Vessel and by a second charge on Company's office premises.

Notes on Financial Statements for the Year ended 31st March, 2013

2. Rupee Loans :

A term loan for the acquisition of the Company's office premises is secured by way of first charge of the said premises.

5.3 Car Finance Loans

Car loans availed from banks are secured against respective motor cars against which the finances are availed.

5.4 Maturity profile of Secured Loans (including current maturities) are as set out below :

Particulars	Rs. In lacs			
	within 1 year	1-2 years	2-3 years	Beyond 3 years
Foreign Currency Loans for Acquisition of Vessels	3,645.80	4,140.57	4,140.57	15,079.67
Other Foreign Currency Term Loans	1,671.50	690.64	654.38	1,001.41
Rupee Term Loans	174.96	28.83	-	-
Car Finance Rupee Loans	32.63	36.15	34.04	4.45

Note : 6	As At 31st March, 2013	As At 31st March, 2012
Long Term Provisions	Rs. In Lacs	Rs. In Lacs
Provision for employee benefits		
Retirement and Other Benefits	33.24	60.35
Total	33.24	60.35

Note : 7	As At 31st March, 2013	As At 31st March, 2012
Short Term Borrowings	Rs. In Lacs	Rs. In Lacs
Secured Working Capital Facility From Banks		
Foreign Currency	2,620.63	2,602.14
Rupee	379.96	1,131.29
Total	3,000.59	3,733.43

7.1 Working Capital Facility from United Bank of India is secured by hypothecation of Book Debts and Tangible Assets such as stocks, stores and spares on board the vessel.

7.2 Working Capital Facility from State Bank of Travancore is secured by pari passu first charge on all current assets including stores, spares and book debts (excluding receivables from one of the Company's Anchor Handling Tug cum Supply Vessel).

Note : 8	As At 31st March, 2013	As At 31st March, 2012
Trade Payables	Rs. In Lacs	Rs. In Lacs
Micro, Small and Medium Enterprises	-	-
Others	614.62	881.79
Total	614.62	881.79

8.1 As per the information available with the Company, there are no Micro and Medium Enterprises, as defined in the Micro, Small, Medium Enterprise Development Act, 2006 to whom the Company owes on account of principal amount together with the interest and accordingly no additional disclosures have been made.

Note : 9	As At 31st March, 2013	As At 31st March, 2012
Other Current Liabilities	Rs. In Lacs	Rs. In Lacs
Current Maturities of Long Term Debts (refer note no.5.4)	5,524.89	6,540.65
Interest Accrued and due on Borrowings (Amount Funded)	94.13	135.97
Interest Accrued but not due on Borrowings	10.19	20.39
Unclaimed Dividends (To be credited to the Investor Education & Protection Fund as and when due)	74.77	83.38
Duties and Taxes Payable	80.61	1.29
Other Payables	523.57	588.17
Total	6,308.16	7,369.85

Notes on Financial Statements for the Year ended 31st March, 2013

Note : 10	As At 31st March, 2013	As At 31st March, 2012
Short Term Provisions	Rs. In Lacs	Rs. In Lacs
Retirement and Other Benefits	52.06	17.25
Proposed Dividend	197.83	171.41
Tax on Proposed Dividend	33.62	29.13
Interim Dividend	395.66	146.92
Tax on Interim Dividend	67.24	24.97
Provision for Taxation	876.51	41.50
Total	1,622.92	431.18

NOTE : 11
Fixed Assets

Particulars	Tangible Assets								Intangible Assets	
	Fleet	Office Premises	Furniture & Fixtures	Office Equipment	Motor Vehicles	Computers	Total	Previous Year	Software	Previous Year
GROSS BLOCK										
At 1 April, 2012	62,255.79	1,343.46	125.97	40.99	250.31	55.15	64,071.67	66,483.53	15.42	12.68
Additions during the year	10,467.44	-	-	0.90	114.98	1.19	10,584.51	2,624.07	1.43	2.73
Deductions	(13,299.49)	-	-	-	(71.25)	-	(13,370.74)	(5,035.94)	-	-
At 31 March, 2013	59,423.74	1,343.46	125.97	41.89	294.04	56.34	61,285.44	64,071.66	16.85	15.41
ACCUMULATED DEPRECIATION										
At 1 April, 2012	9,944.10	48.52	22.70	20.85	135.31	50.37	10,221.85	11,677.81	5.46	3.26
Charges for the year	2,214.37	21.90	7.97	1.97	62.77	3.15	2,312.13	2,991.09	2.53	2.19
Deductions	(1,359.94)	-	-	-	(68.30)	-	(1,428.24)	(4,447.04)	-	-
At 31 March, 2013	10,798.53	70.42	30.67	22.82	129.78	53.52	11,105.74	10,221.86	7.99	5.45
NET BLOCK										
At 31 March, 2013	48,625.21	1,273.04	95.30	19.07	164.26	2.82	50,179.70	53,849.80	8.86	9.96
At 31 March, 2012	52,311.70	1,294.93	103.27	20.13	115.00	4.77	53,849.80		9.96	

Note : 12	As At 31st March, 2013	As At 31st March, 2012
Investments	Rs. In Lacs	Rs. In Lacs
Long Term - Non Trade		
(Valued at cost and fully paid up)		
Equity Shares :		
A Quoted		
Garware Marine Industries Limited (1,29,640 Equity Shares of Rs. 10/- each) (Market Value Rs. 9.72 lacs, Previous Year Rs. 18.14 lacs)	37.68	37.68
B Unquoted		
(a) Wholly Owned Subsidiary Garware Offshore International Services Pte Limited (48,70,001 Equity Shares of US\$ 1 each; Previous Year 48,70,001 Equity Share of US\$ 1 each)	2,273.58	2,273.58
(b) Subsidiary Company Global Offshore Services B. V. (1,24,06,275 Equity Shares of EURO 1 each; Previous Year 1,10,57,943 Equity Share of EURO 1 each)	7,936.45	6,994.26
(c) Others Garware Nylons Limited (35,050 Equity Shares of Rs. 10/- each) (refer note no. 24 (I)	6.01	6.01
Total	10,253.72	9,311.53

Notes on Financial Statements for the Year ended 31st March, 2013

Note : 13	As At 31st March, 2013	As At 31st March, 2012
Inventories	Rs. In Lacs	Rs. In Lacs
Stock of Stores, Spares & Consumables (At Cost)	2,280.28	2,871.50
Total	2,280.28	2,871.50

Note : 14	As At 31st March, 2013	As At 31st March, 2012
Trade Receivables (Unsecured and Considered good)	Rs. In Lacs	Rs. In Lacs
Debts outstanding for more than six months	48.63	508.25
Other Debts	3,476.24	2,889.20
Total	3,524.87	3,397.45

Note : 15	As At 31st March, 2013	As At 31st March, 2012
Cash and Bank Balances	Rs. In Lacs	Rs. In Lacs
Cash and Cash Equivalents		
(a) Current Accounts	816.20	382.32
(b) Cash On Hand	15.94	8.47
	832.14	390.79
Other Bank Balances		
(a) Unpaid Dividend Accounts	74.77	83.38
(b) Margin Money	133.18	212.36
	207.95	295.74
Total	1,040.09	686.53

Note : 16	As At 31st March, 2013	As At 31st March, 2012
Short Term Loans & Advances	Rs. In Lacs	Rs. In Lacs
(Unsecured and Considered Good)		
Advances recoverable in cash or kind or for the value to be received	759.52	1,013.72
Advance Income Tax	932.32	659.44
Loan to Subsidiaries	1,179.56	1,039.62
Share Application Money in Global Offshore Services B. V., The Netherlands	935.47	-
Deposits	37.94	46.56
Balance with customs, port trust, other government authorities & courts of law	31.69	31.69
Total	3,876.50	2,791.03

Note : 17	As At 31st March, 2013	As At 31st March, 2012
Other Current Assets	Rs. In Lacs	Rs. In Lacs
Interest accrued on loans and deposits	105.79	48.30
Income receivable	3.09	-
Total	108.88	48.30

Note : 18	For the Year Ended	For the Year Ended
Charter Hire	31st March, 2013	31st March, 2012
	Rs. In Lacs	Rs. In Lacs
Gross Charter Hire	13,886.37	16,706.23
Less : Service Tax	1,150.45	1,391.01
Total	12,735.92	15,315.22

Notes on Financial Statements for the Year ended 31st March, 2013

Note : 19 Other Income	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Interest Income (Gross) (Tax Deducted at source Rs. 20.95 lacs, Previous Year Rs.7.36 lacs)	307.98	110.74
Dividend Income	-	0.65
Profit on sale of Assets	1.62	38.95
Total	309.60	150.34

Note : 20 Fleet Operating Expenses	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Travelling Expenses	65.49	94.89
Fuel, Oil & Water	133.40	243.36
Port & Canal dues	12.43	27.26
Repairs	207.00	309.52
Stores & Victualling	385.64	374.75
Insurance Charges & Protecting Club Fees	224.25	261.42
Telecommunication Charges	114.47	100.08
Charter Hire Charges	325.54	1,069.25
Professional Fees	70.95	140.25
Brokerage & Commission	132.77	57.36
Sundry Operating Expenses	261.43	138.20
Total	1,933.37	2,816.34

Note : 21 Employee Benefits Expense :	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Floating Staff :		
Salaries, Allowances & Compensation	270.22	339.00
Contractual Payments	1,696.17	1,743.13
Contribution to Provident & Other Funds	6.87	8.87
	1,973.26	2,091.00
Shore Staff :		
Salaries, Allowances, Bonus & Commission	862.18	979.49
Contribution to Provident & Other Funds	48.09	48.05
Gratuity Fund Contribution	31.08	41.07
Staff welfare expenses	25.68	15.77
	967.03	1,084.38
Total	2,940.29	3,175.38

Note : 22 Finance Cost	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Interest Expenses	2,120.91	2,296.40
Finance Charges	2.71	25.07
Total	2,123.62	2,321.47

Notes on Financial Statements for the Year ended 31st March, 2013

Note : 23 Other Expenses	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Rent	8.39	2.00
Travelling Expenses	230.07	149.34
Auditors' Remuneration	13.69	13.17
Telephone charges	33.79	32.98
Professional fees	101.72	198.05
Bank Charges	225.05	41.72
Directors' fees	7.60	9.00
Insurance Charges	9.36	4.98
Rates & Taxes	10.64	30.15
Repairs - Office	15.72	11.31
Miscellaneous Expenses	239.92	239.69
Loss on foreign currency transactions and translations	837.86	97.40
Total	1,733.81	829.79

Note 24

Additional Information to financial statements

A. Payments to Auditor

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
For Statutory Audit	12.92	12.36
For Taxation Matters	0.62	0.61
Reimbursement of Expenses	0.15	0.20
Total	13.69	13.17

B. Information Pursuant to Para 5 of Part - II of Revised Schedule VI of the Companies Act, 1956 :

(a) Value of imports calculated on C.I.F. basis :

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Raw Material	N.A.	N.A.
Components & Spare Parts	438.88	436.94
(b) Expenditure in foreign currency :		
Professional and Consultancy Fees	81.18	146.23
Interest Charges	2,010.02	2,155.13
Other Matters	897.46	2,572.57

(c) Value of the imported and indigenous Raw Materials, Stores and Spares consumed and percentage of each to the total consumption :

Particulars	(2012-13)	(2011-12)	2012-13	2011-12
Raw Material :				
Imported Goods	N.A.	N.A.	N.A.	N.A.
Indegenous Goods	N.A.	N.A.	N.A.	N.A.
Stores, Spares & Consumables :				
Imported Goods	60.08%	50.35%	159.04	114.18
Indegenous Goods	39.92%	49.65%	105.67	112.61
	100.00%	100.00%	264.71	226.79

Notes on Financial Statements for the Year ended 31st March, 2013

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
(d) Amount remitted during the year in foreign currencies on account of dividends :	Nil	Nil
(e) Earnings in foreign exchange classified under the following heads :		
Interest Income	86.93	54.79
Charter Hire Income (Gross)	12,493.84	16,706.23
Total	12,580.77	16,761.02

C. Capital Commitment

Estimated amount of contracts remaining to be executed on account of capital expenses is Rs. 28,300.00 Lacs, against which an advance of Rs. 575.98 Lacs has been paid.

D. Related Party Disclosure

a) Subsidiary Companies

Garware Offshore International Services Pte. Ltd., Singapore (Wholly Owned Subsidiary)

Global Offshore Services B.V., Netherlands (Subsidiary)

Other related parties with whom transactions have taken place during the year

Key Management Personnel

Ashok B. Garware - Executive Chairman

Aditya A. Garware - Vice Chairman and Managing Director

b) Transactions with related parties for the year ended 31st March, 2013 :

Nature of Transactions	Subsidiary Companies	Key Managerial Personnel	Other Related Parties	TOTAL
(1) Charter Hire Income :				
Global Offshore Services B.V.	3,351.66	-	-	3,351.66
(2) Charter Hire Charges Paid :				
Garware Offshore International Services Pte Ltd.	311.69	-	-	311.69
(3) Reimbursement of expenses (Net):				
Garware Offshore International Services Pte Ltd.	(41.16)	-	-	(41.16)
Global Offshore Services B.V.	(28.51)	-	-	(28.51)
(4) Interest Income				
Garware Offshore International Services Pte Ltd.	3.06	-	-	3.06
Global Offshore Services B.V.	83.75	-	-	83.75
(5) Loan given				
Garware Offshore International Services Pte Ltd.	157.59	-	-	157.59
Global Offshore Services B.V.	100.58	-	-	100.58
(6) Remuneration				
Ashok B. Garware	-	100.21	-	100.21
Aditya A. Garware	-	144.75	-	144.75
Total	3,938.66	244.96	-	4,183.62

Notes on Financial Statements for the Year ended 31st March, 2013

Outstandings as at 31st March, 2013.

Nature of Transactions	Subsidiary Companies	Key Managerial Personnel	Other Related Parties	TOTAL
(1) Charter Hire Income :				
Global Offshore Services B.V.	1,767.53	-	-	1,767.53
(2) Reimbursement of expenses (Net Charged):				
Garware Offshore International Services Pte Ltd.	160.90	-	-	160.90
Global Offshore Services B.V.	(12.97)	-	-	(12.97)
(3) Interest Income				
Global Offshore Services B.V.	102.20	-	-	102.20
(4) Loan given				
Global Offshore Services B.V.	1,179.56	-	-	1,179.56
(5) Remuneration				
Ashok B. Garware	-	9.93	-	9.93
Aditya A. Garware	-	17.00	-	17.00
Total	3,197.22	26.93	-	3,224.15

E. Disclosure pursuant to Accounting Standard (AS) 15 (Revised) - "Employee Benefits"

A) Defined Contribution Plans :

The Company has recognised the following amounts in the Profit and Loss account for the year :

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Contribution to Employees Provident Fund	43.68	43.55
Contribution to Seamen's Provident Fund	6.18	7.98
Total	49.86	51.53

B) Defined Benefit Plans :

Valuations in respect of Gratuity liability have been carried out by an independent actuary, as at the Balance Sheet date on Projected Unit Credit method, based on the following assumptions :

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Actuarial Assumption for the year		
a) Discount Rate (p.a.)	8.00%	8.75%
b) Rate of Return on Plan Assets	8.70%	8.60%
c) Salary Escalation rate	5.00%	5.00%
d) Attrition rate	2.00%	2.00%

Notes on Financial Statements for the Year ended 31st March, 2013

(i) Change in Benefit Obligation

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Liability at the beginning of the year	109.57	94.02
Interest Cost	9.59	7.76
Current Service Cost	13.85	13.86
Past Service Cost	-	-
Benefit Paid	(9.44)	(30.82)
Actuarial (gain)/loss on obligations	13.35	24.75
Liability at the end of the year	136.92	109.57

(ii) Fair value of Plan Assets :

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Fair Value of Plan Assets at the beginning of the year	62.68	52.77
Expected Return on Plan Assets	5.39	4.22
Employer's contribution	9.44	35.43
Benefits Paid	(9.44)	(30.82)
Actuarial gain/(loss) on Plan Assets	0.32	1.08
Fair value of Plan Assets at the end of the year	68.39	62.68

(iii) Actual Return on Plan Assets:

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Expected Return on Plan Assets	5.39	4.22
Actuarial gain/(loss) on Plan Assets	0.32	1.08
Actual Return on Plan Assets	5.71	5.30

(iv) Amount Recognised in the Balance Sheet :

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Liability at the end of the year	136.92	109.57
Fair Value of Plan Assets at the end of the year	68.39	62.68
Amount Recognised in Balance sheet	68.53	46.89

(v) Expenses recognised in the Profit & Loss Account :

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Current Service Cost	13.85	13.86
Interest Cost	9.59	7.76
Expected Return on Plan Assets	(5.39)	(4.22)
Net Actuarial (gain) / loss to be recognised	13.03	23.67
Past Service Cost	-	-
Expenses recognised in the Profit & Loss Account	31.08	41.07

Notes on Financial Statements for the Year ended 31st March, 2013

C) Other Long Term Benefits

The charge recognised in the Profit & Loss Account for Leave Encashment for the year is Rs. 6.83 Lacs (Previous Year 133.74 Lacs) and the closing liability is Rs. 16.77 Lacs (Previous Year Rs. 30.71 Lacs)

F. Earning Per Share :

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
(A) Basic Earning Per Share :		
Working for Computing Earning Per Share :		
Profit before Taxation	5,855.49	3,329.30
(Less) : Provision for Taxation	841.29	41.34
(A)	<u>5,014.21</u>	<u>3,287.96</u>
Weighted Average No. of Equity Share Capital :		
Equity Share At The Beginning Of The Year	240.85	238.19
(+) Fresh Issue During The Year	1.96	2.66
(-) Redeemed/ Forefeited During The Year	0.00	0.00
(B)	<u>242.81</u>	<u>240.85</u>
Basic Earning Per Share	(A / B) 20.65	13.65
(B) Diluted Earning Per Share :		
Diluted Earning for Computing Diluted Earning Per Share :		
Profit before Taxation	5,855.49	3,329.30
(Less) : Provision for Taxation	841.29	41.34
(Add) : Interest Expenses for the Year	0.00	0.00
(Less) : Tax relating to Interest Expenses	0.00	0.00
Adjusted Net Profit for the Current Year	(A) 5,014.21	3,287.96
Weighted Average No. of Equity Share Capital :		
Equity Share At The Beginning Of The Year	241.64	238.19
(+) Fresh Issue During The Year(In Weighted Average for time)	1.17	2.66
(+) Potential No. of Shares to be issued on conversion	0.00	0.79
(B)	<u>242.81</u>	<u>241.64</u>
Diluted Earning Per Share	(A / B) 20.65	13.61

Note :

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the Year.

G. Contingent Liabilities :

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Guarantees given by the Banks (Counter Guarantees given by the Company)	18,290.68	2,006.41
Total	<u>18,290.68</u>	<u>2,006.41</u>

The Company has given Guarantees to Banks on behalf of its Subsidiary for outstanding installments of loans.

The Company has given Guarantees to Vessel Owners against the Bare Boat Charter of vessels by its subsidiary - the financial effect of which cannot be determined/estimated.

H. Segment Reporting :

The Company is engaged in only one type of business i.e. charter of offshore support vessels and there are no separate reportable segment as per Accounting Standards AS-17 "Segment Reporting".

I. Garware Nylons Limited has been ordered to be wound up by the Bombay High Court and Bombay High Court has appointed Official Liquidator on 18th December, 1998. No provision for diminution in the value of investment of 35,050 equity shares valued at Rs.6.01 lacs has been made in the books.

K. Previous year's figures have been regrouped / reclassified, to correspond with the current year's classification / disclosure.

As per our report of even date attached

For and on behalf of the Board

For RAMAN S. SHAH & ASSOCIATES

Chartered Accountants - Firm Reg. No. 119891W

Santosh A. Sankhe
Partner
Membership No. 100976

Ashok Garware
Executive Chairman

Aditya Garware
Vice Chairman &
Managing Director

S. S. Aggarwal
Director

P. S. Shah
GM - Finance & Accounts

S. P. Akolkar
President - Finance

A. C. Chandarana
Company Secretary

Place : Mumbai
Date : 4th June,2013

Place : Mumbai
Date : 30th May,2013

AUDITORS' REPORT

Report of the Auditors on Consolidated Financial Statements

Auditors' Report on Consolidated Financial Statements to the Board of Directors of Global Offshore Services Limited

- 1 We have audited the attached Consolidated Balance Sheet of Global Offshore Services Limited and its subsidiaries (the Group) as at March 31, 2013, and also the Consolidated Profit and Loss Account and Consolidated Cash Flow Statement for the year ended on that date both annexed thereto. These consolidated financial statements are the responsibility of Global Offshore Services Limited's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2 We conducted our audit in accordance with generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3 We did not audit the financial statements of foreign subsidiaries whose financial statements reflect the Group's share of total assets of Rs. 76,270.83 lakhs as at March 31, 2013, the Group's share of total revenues of Rs. 14,367.73 lakhs for the year ended on that date. These financial statements have been audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of the subsidiary, is based solely on the report of the other auditors.
- 4 We report that the consolidated financial statements have been prepared by the management of Global Offshore Services Limited in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Global Offshore Services Limited, its associated and its subsidiaries included in the consolidated financial statements.
- 5 Based on our audit and on consideration of the report of the audited accounts in respect of the Company's subsidiary, in our opinion, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at March 31, 2013;
 - (b) in case of the Consolidated Profit and Loss Account, of the consolidated results of operations of the Group for the year ended on that date; and
 - (c) in case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Group for the year ended on that date.

For RAMAN S. SHAH & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Registration No. 119891W

Santosh A. Sankhe
(Partner)

M. No. 100976

Place : Mumbai

Date : 4th June,2013

Consolidated Balance Sheet as at 31st March, 2013

	Note	As at 31st March, 2013 Rs. In Lacs	As at 31st March, 2012 Rs. In Lacs
I. EQUITY & LIABILITIES			
Shareholders Funds			
Share Capital	2	2,472.88	2,448.71
Reserves & Surplus	4	33,736.63	23,979.98
		36,209.51	26,428.69
Minority Interest			
		5,125.13	-
Share application money pending allotment	3	423.78	150.09
Non- Current Liabilities			
Long Term Borrowings	5	72,324.04	54,721.09
Long Term Provisions	6	33.24	60.35
		72,357.28	54,781.44
Current Liabilities			
Short Term Borrowings	7	3,000.59	3,733.43
Trade Payables	8	1,617.99	2,173.11
Other Current Liabilities (including loan repayments within 1 year)	9	13,649.98	12,462.45
Short Term Provisions	10	1,628.53	439.16
		19,897.09	18,808.15
TOTAL :		134,012.79	100,168.37
II. ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	11	118,075.16	87,139.79
Tangible Assets(Capital-work in progress)		235.80	-
Intangible Assets	11	8.86	9.96
		118,319.82	87,149.75
Non-Current Investments	12	43.69	43.69
Long-term Loans and Advances		575.98	-
Current Assets			
Inventories	13	3,237.15	3,228.19
Trade Receivables	14	4,528.16	4,065.88
Cash and Bank Balances	15	3,783.39	3,265.51
Short Term Loans & Advances	16	3,198.02	2,367.05
Other Current Assets	17	326.58	48.30
		15,073.30	12,974.93
TOTAL :		134,012.79	100,168.37

See accompanying notes forming part of the consolidated financial statements 1 to 24

 As per our report of even date attached
For RAMAN S. SHAH & ASSOCIATES
 Chartered Accountants - Firm Reg. No. 119891W

For and on behalf of the Board

 Santosh A. Sankhe
 Partner
 Membership No. 100976

 Ashok Garware
 Executive Chairman

 Aditya Garware
 Vice Chairman &
 Managing Director

 S. S. Aggarwal
 Director

 P. S. Shah
 GM - Finance & Accounts

 S. P. Akolkar
 President - Finance

 A. C. Chandarana
 Company Secretary

 Place : Mumbai
 Date : 4th June,2013

 Place : Mumbai
 Date : 30th May,2013

Consolidated Profit & Loss Statement for the year ended 31st March, 2013

	Note	Year Ended 31st March, 2013 Rs. In Lacs	Year Ended 31st March, 2012 Rs. In Lacs
INCOME :			
I. Revenue from operations			
Charter Hire	18	23,093.84	22,443.42
Other Operating Revenue		3,855.73	-
		<u>26,949.57</u>	<u>22,443.42</u>
II. Other Income	19	507.74	684.65
TOTAL REVENUE : (I)		<u>27,457.31</u>	<u>23,128.07</u>
EXPENSES :			
Fleet Operating Expenses	20	7,174.66	7,995.37
Employee Benefit Expenses	21	4,261.25	4,259.74
Finance Costs	22	3,509.81	3,271.38
Depreciation and Amortisation Expenses		4,469.67	4,356.98
Other Expenses	23	1,934.41	794.97
TOTAL EXPENSES : (II)		<u>21,349.80</u>	<u>20,678.44</u>
Profit Before Tax (I - II)		6,107.51	2,449.62
Less : Tax Expense			
Current Tax		840.53	48.49
Tax of Earlier Years		7.46	(0.16)
		<u>847.99</u>	<u>48.33</u>
Profit for the Year		5,259.52	2,401.30
Less : Mionrity Interest		56.91	-
		<u>5,202.61</u>	<u>2,401.30</u>
Profit for the year attributable to Equity shareholders of Global Offshore Services Limited			
Earning Per Equity Share :	24(E)		
Basic Earning Per Share		21.43	9.97
Diluted Earning Per Share		21.43	9.94

See accompanying notes forming part of the consolidated financial statements 1 to 24

As per our report of even date attached
For RAMAN S. SHAH & ASSOCIATES
Chartered Accountants - Firm Reg. No. 119891W

For and on behalf of the Board

Santosh A. Sankhe
Partner
Membership No. 100976

Ashok Garware
Executive Chairman

Aditya Garware
Vice Chairman &
Managing Director

S. S. Aggarwal
Director

P. S. Shah
GM - Finance & Accounts

S. P. Akolkar
President - Finance

A. C. Chandarana
Company Secretary

Place : Mumbai
Date : 4th June,2013

Place : Mumbai
Date : 30th May,2013

Consolidated Cash Flow Statement for the year ended 31st March, 2013

Particulars	Year Ended 31st March, 2013 (Rs. in Lacs)	Year Ended 31st March, 2012 (Rs. in Lacs)
A. Cash Flow arising from Operating Activities :		
Net profit before tax and extraordinary items	6,107.51	2,449.63
Add/(Less) :		
a) Depreciation charges (Net)	4,469.67	4,356.98
b) Interest charges	3,509.81	3,271.38
c) Dividend Income	-	(0.65)
d) Interest Income	(348.55)	(124.63)
e) (Profit) / Loss on sale of Asset (net)	(3,865.11)	(38.95)
f) Taxes Paid	(333.27)	(382.86)
Operating Profit before working capital changes	9,540.06	9,530.90
Less :		
a) Increase /(Decrease) in Operational Liabilities	260.83	3,240.14
b) (Increase)/Decrease in Operational Assets	(1,352.33)	(152.86)
Net cashflow from operating Activity (A)	8,448.55	12,618.18
B. Cash Flow arising from Investing Activities :		
(i) Outflow on account of investing activity (Acquisition)/ Sale of fixed assets (Incl. Cap WIP)	(32,350.58)	(8,894.17)
(ii) Inflow on account of investing activity		
a) Income from Dividend	-	0.65
b) Interest Income	393.26	87.59
Net cashflow from investing Activity (B)	393.26	88.24
C. Cash Flow arising from Finance Activities :	(31,957.33)	(8,805.93)
(i) Inflow on account of Financing activity		
a) Shares & Warrants Issued at premium	8,291.74	958.37
b) Loans taken (net of repayment)	20,214.41	(498.08)
c) Short / long term borrowings	(732.84)	-
(ii) Outflow on account of Financing activity		
a) Dividend Paid	(326.94)	(508.33)
b) Interest on loan paid during the year	(3,543.51)	(3,089.86)
Net cashflow from financing Activity (C)	(3,870.45)	(3,598.19)
Effect of exchange rate changes on cash	23,902.86	(3,137.90)
Net increase in cash / cash equivalent [A + B + C]	123.80	-
Add : Cash / Cash equivalents at the beginning of the year	517.88	674.35
Cash / Cash equivalents at the end of the year	3,265.51	2,591.16
Notes to cash flow statement :	3,783.39	3,265.51
(1) Method of preparation of cash flow statement : Cash flow statement has been prepared under Indirect method as set out in the Accounting Standard 3 on Cash Flow Statement, issued by the Institute of Chartered Accountants of India.		
(2) Components of cash flow : Cash and Cash Equivalents	15.94	8.47
Other Bank Balances	3767.45	3257.04
	3783.39	3265.51

As per our report of even date attached
For RAMAN S. SHAH & ASSOCIATES
 Chartered Accountants - Firm Reg. No. 119891W

For and on behalf of the Board

Santosh A. Sankhe
 Partner
 Membership No. 100976

Ashok Garware
 Executive Chairman

Aditya Garware
 Vice Chairman &
 Managing Director

S. S. Aggarwal
 Director

P. S. Shah
 GM - Finance & Accounts

S. P. Akolkar
 President - Finance

A. C. Chandarana
 Company Secretary

Place : Mumbai
 Date : 4th June, 2013

Place : Mumbai
 Date : 30th May, 2013

To,
 The Board Of Directors,
 GLOBAL OFFSHORE SERVICES LIMITED,
 Mumbai.

We have examined the attached consolidated cash flow statement of GLOBAL OFFSHORE SERVICES LIMITED for the year ended 31st March, 2013. The statement has been prepared by the Company in accordance with the requirement of clause 32 of the listing agreement with the stock exchange and is based on and in agreement with corresponding profit and loss account and balance sheet of the Company covered by our report of the even date, to the members of the Company.

As per our report of even date attached
For RAMAN S. SHAH & ASSOCIATES
 CHARTERED ACCOUNTANTS
 Firm Registration No. 119891W

Santosh A. Sankhe
 (Partner)
 M. No. 100976

Place : Mumbai
 Date : 4th June, 2013

Notes on Financial Statements for the Year ended 31st March, 2013

Note : 1

Significant Accounting Policies

I. Accounting Convention :

The financial statements are prepared under the historical cost convention and as a going concern, in accordance with, generally accepted accounting principles in India, the Accounting Standards issued by The Institute of Chartered Accountants of India and provisions of the Companies Act, 1956.

II. Basis of Consolidation :

The Consolidated financial statements relate to Global Offshore Services Limited (the 'Company') and its subsidiaries. The consolidated financial statements have been prepared on the following basis :

- (a) The consolidated financial statements include the financial statements of Global Offshore Services Limited and its subsidiaries (hereinafter, collectively referred as 'Group') [refer note (II) (b)]. The individual financial statements of the group entities are prepared in accordance with the applicable requirements of the Companies Act, 1956 (the 'Act') and comply in all material aspects with the Accounting Standards prescribed by the Central Government, in accordance with the Companies (Accounting Standards) Rules, 2006, to the extent applicable.

The consolidated financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under Accounting Standard ('AS') 21, 'Consolidated Financial Statements' as notified by the Companies (Accounting Standards) Rules, 2006. The financial statements of the Company and its subsidiaries are consolidated on a line to line basis by adding together like items of assets, liabilities, income and expenses. Any excess of the cost to the parent company of its investment in a subsidiary and the parent company's portion of equity of the subsidiary at the date, at which investment in the subsidiary is made, is described as 'Goodwill on Consolidation' and recognized separately as an asset in the consolidated financial statements. All significant inter-company transactions and balances between the entities included in the consolidated financial statements have been eliminated.

- (b) The subsidiaries considered in the consolidated financial statement are :

Name of the Company	Country of Incorporation	% ownership interest as at 31st March, 2013	% ownership interest as at 31st March, 2012
Garware Offshore International Services Pte. Ltd.	Singapore	100%	100%
Global Offshore Services B.V.	The Netherlands	69%	100%

The Company held 100% Equity in Global Offshore Services B.V. till 9th July 2012, When 31% of the stake was diluted.

III. Use of Estimates :

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities as of the date of financial statements and reported amounts of income and expenses during the period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from the estimates.

IV. Fixed Assets :

Fixed assets are stated at cost less accumulated depreciation. Cost includes expenses related to acquisition, financing costs on borrowings during construction period. Further, additions or extensions of a capital nature are added to the cost of vessel as and when incurred.

V. Depreciation of Assets :

(A) Re : Parent Company.

(a) On fleet :

Depreciation has been arrived at on straight line method at the rate arrived at so as to provide 95% of the total cost of each vessel over its balance economic useful life. For this purpose the economic useful life of vessels is estimated as 29/30 years.

Any additions or extensions to existing vessels which forms an integral part of the vessels is depreciated by 95% over the remaining useful life of the vessels, in accordance with the requirement of para. 24 of Accounting Standard 6 (Revised) - Depreciation Accounting, issued by The Institute of Chartered Accountants of India.

Notes on Financial Statements for the Year ended 31st March, 2013

(b) **On Motor Vehicles :**

Depreciation is arrived at on straight line method as 25% p.a. of the cost, based on the estimated useful life of 4 (four) years for the motor vehicles.

(c) **On Other Assets :**

Depreciation on assets acquired upto 31st December, 2003 is charged in the accounts on the Written Down Value method at the rates prescribed under Schedule XIV of the Companies Act, 1956.

Depreciation on assets acquired from 1st January, 2004 is charged in the accounts on the Straight Line method at the rates prescribed under Schedule XIV of the Companies Act, 1956.

(B) Re : Subsidiaries.

(i) Garware Offshore International Services Pte. Ltd.

Depreciation of property, plant and equipment is calculated on straight line method to write off cost of the assets over their estimated lives as follows :

Computer and software	3 years
Equipment	3 to 10 years
Furniture and fittings	3 years
Books and manuals	3 to 5 years

(ii) Global Offshore Services B.V.

Depreciation is based on the estimated useful life and calculated as a fixed percentage of cost, taking into account any residual value.

VI. **Accounting for Investments :**

Long term investments are valued at cost.

VII. **Valuation of Inventories :**

(a) The Stock of stores and spares including on board the ships is valued at cost.(FIFO Basis)

(b) The Stock of fuel, lubes and diesel oil owned by the Company is valued at cost. (FIFO Basis)

VIII. **Revenue Recognition :**

Time Charter earnings are recognized on accrual basis.

IX. **Operating Expenses :**

Expenses charged to Profit and Loss account are recognised on accrual basis.

X. **Employee Benefits :**

Defined Contribution Plan

Employee benefits in the form of Provident Fund which is a defined contribution scheme, is charged to the Profit and Loss account during the year when the contribution accrues.

Defined Benefit Plan

The liability for gratuity, a defined benefit obligation, is accrued and provided for on the basis of actuarial valuation, using the projected unit credit method as at the Balance Sheet date.

Other Long Term Benefits

Long term compensated absences are provided on the basis of estimates for due period upto the Balance Sheet date.

Actuarial gains and losses comprising of experience adjustments and the effects of changes in actuarial assumptions are recognised in the Profit and Loss account for the year as income or expense.

Notes on Financial Statements for the Year ended 31st March, 2013

XI. Foreign Exchange Transaction :

- (a) Transactions in foreign currency are recorded at the standard exchange rates determined monthly. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the period end are re-stated at closing rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions (including those relating to acquisition of depreciable assets) is recognised in the Profit and Loss Account.
- (b) Forward exchange contracts entered into to hedge foreign currency risks of firm commitments or highly probable forecast transactions, forward rate options, currency and interest rate swaps and commodity future contracts, that qualify as cash flow hedges are recorded in accordance with the principles of hedge accounting enunciated in Accounting Standard (AS) 30 - Financial Instruments: Recognition and Measurement. The gain or loss on designated hedging instruments that qualify as effective hedges is recorded in the Hedging Reserve Account and is recognised in the statement of Profit and Loss in the same period or periods during which the hedged transaction affects Profit and Loss.

Gains or losses on the ineffective transactions are immediately recognised in the Profit and Loss Account. When a forecasted transaction is no longer expected to occur the gains and losses that were previously recognised in the Hedging Reserve are transferred to the statement of Profit and Loss immediately.

Accordingly the Company has designated borrowings in foreign currency (relating to acquisition of depreciable assets) as hedge instruments to cover its foreign currency risks of its firm commitments and highly probable forecast transactions of revenue streams and the same are accounted as cash flow hedge.

- (c) In respect of the overseas subsidiaries which are classified as non integral operation as per AS-11, all the assets and liabilities are translated using exchange rate prevailing at the Balance Sheet date and income / expenditure are translated using average exchange rate prevailing during the reporting period. The resultant translation exchange gain /loss have been disclosed as "Foreign Currency Translation Reserve".

XII. Borrowing Cost :

Borrowing costs directly attributable to borrowed funds raised to meet any financial obligation on account of acquisition or other value added cost of any qualifying assets (Fixed Assets) incurred up till the date of cessation of substantial activities necessary to prepare the qualifying asset for its intended use, is capitalised.

XIII. Provisions & Contingent Liabilities :

- (a) Provisions are recognised in the accounts for present probable obligations arising out of past events that require outflow of resources, the amount of which can be reliably estimated.
- (b) Contingent liabilities are disclosed in respect of possible obligation that arise from past events but their existence is confirmed by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, unless the likelihood of an outflow of resources is remote.
- (c) Contingent assets are not recognised in the accounts, unless there is virtual certainty as to its realisation.

XIV. Provision for Taxation :

Provision of current income-tax is made on the basis of the assessable income under the income tax Act, 1961. Income from shipping activities is assessed on the basis of deemed tonnage income of the Company.

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

XV. Prior Period Items/ Extra Ordinary Items :

Prior period items & extra ordinary items, if any, are disclosed separately in the notes to accounts.

XVI. Impairment of Assets :

The Company reviews the carrying values of tangible assets for any possible impairment at each Balance Sheet date. Impairment loss, if any, is recognised in the year in which impairment takes place.

Notes on Financial Statements for the Year ended 31st March, 2013

Note : 2 Share Capital	As At 31st March, 2013		As At 31st March, 2012	
	Number	Rs. In Lacs	Number	Rs. In Lacs
A Authorised Capital :				
Equity Share Capital :				
Equity Shares of Rs. 10/- each	3,20,00,000	3,200.00	3,20,00,000	3,200.00
Preference Share Capital :				
Cumulative Redeemable Preference Shares of Rs. 100/- each	1,50,000	150.00	1,50,000	150.00
Cumulative Convertible Preference Shares of Rs. 100/- each	1,50,000	150.00	1,50,000	150.00
Total	3,23,00,000	3,500.00	3,23,00,000	3,500.00
B Issued, Subscribed & Paid Up Capital :				
Equity Share Capital :				
Equity Shares of Rs. 10/- each, fully paid up	2,47,28,793	2,472.88	2,44,87,093	2,448.71
Total	2,47,28,793	2,472.88	2,44,87,093	2,448.71

a) Reconciliation of Equity Shares Outstanding

Particulars	Current Year		Previous Year	
	Number	Rs. In Lacs	Number	Rs. In Lacs
Shares outstanding at 1st April	2,44,87,093	2,448.71	2,38,19,093	2,381.91
Shares Issued during the year	2,41,700	24.17	6,68,000	66.80
Shares outstanding at 31st March	2,47,28,793	2,472.88	2,44,87,093	2,448.71

b) Details of shareholders holding more than 5% shares

Name of Shareholder	As at 31st March, 2013		As at 31st March, 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
India Star (Mauritius) Ltd.	72,60,928	29.36%	72,60,928	29.36%
Garware Marine Industries Ltd.	14,85,760	6.01%	14,85,760	6.07%
Universal Investments Services Pvt Ltd.	13,88,720	5.62%	13,88,720	5.67%
Ronder Overseas Ltd.	12,86,250	5.20%	12,86,250	5.25%
Clearwell Enterprises Ltd.	12,78,250	5.17%	12,78,250	5.22%
Total	1,26,99,908	51.36%	1,26,99,908	51.57%

c) Details of shares issued during the year.

2,41,700 Equity shares issued on conversion of share warrants issued on Preferential basis at a price of Rs. 121/- per share (including premium of Rs.111/-)

Note No. 3 :

Share application money pending allotment

Share Application Money pending allotment as at 31st March 2013, represents money received from minority equity holder for shares in subsidiary Company Global Offshore Services B.V.. The Subsidiary has issued these shares on 22nd April, 2013 against such share application money.

In the previous year, the parent Company had issued and allotted on a preferential basis 2,41,700 share warrants of Rs. 10/- each at issue price of Rs. 121/- per warrant (Including premium of Rs, 111/-). The same were to be converted into equity shares within 18 months from the date of allotment and have lock-in period of 3 years. During the year ended 31st March, 2013 the share warrants were fully paid up and converted into equity shares as per the terms of the issue.

Notes on Financial Statements for the Year ended 31st March, 2013

Note : 4 Reserves & Surplus	As At 31st March, 2013 Rs. In Lacs		As At 31st March, 2012 Rs. In Lacs	
A Securities Premium Account				
As per last balance sheet	8,391.49		7,650.01	
Add : On Account of fresh issue	<u>2,913.92</u>	11,305.41	<u>741.48</u>	8,391.49
B Tonnage Tax Reserves U/s. 115VT of Income Tax Act				
As per last balance sheet	3,510.00		2,810.00	
(Add) : Transfer from Profit & Loss A/c	<u>1,050.00</u>	4,560.00	<u>700.00</u>	3,510.00
C Tonnage Tax Reserve (Utilised)				
As per last balance sheet		1,772.00		1,772.00
D General Reserves				
As per last balance sheet	7,165.09		6,665.09	
(Add) : Transfer from Profit & Loss A/c	<u>550.00</u>	7,715.09	<u>500.00</u>	7,165.09
E Foreign Currency Translation Reserve				
As per last balance sheet	912.47		(274.01)	
(Add) : Created During the Year	<u>144.60</u>	1,057.07	<u>1,186.48</u>	912.47
F Foreign Exchange Hedge Reserve				
As per last balance sheet	(5,295.11)		(381.70)	
(Add) : Created During the Year	<u>2,189.87</u>	(3,105.24)	<u>(4,913.41)</u>	(5,295.11)
G Profit & Loss Account				
As per last balance sheet	7,524.04		7,008.25	
Add : Profit for the year	<u>5,202.61</u>		<u>2,401.30</u>	
	12,726.65		9,409.55	
Less : Appropriations				
Transfer to Tonnage Tax Reserve	1,050.00		700.00	
Transfer to General Reserve	550.00		500.00	
Interim Dividend	395.66		416.31	
Tax on Interim Dividend	67.24		68.66	
Proposed Dividend	197.83		171.41	
Tax on Proposed Dividend	<u>33.62</u>		<u>29.13</u>	
	2,294.35	10,432.30	1,885.51	7,524.04
Total		<u>33,736.63</u>		<u>23,979.98</u>

Note : 5 Long Term Borrowings	As At 31st March, 2013 Rs. In Lacs		As At 31st March, 2012 Rs. In Lacs	
Secured Loans from Banks				
Foreign Currency Loans for Acquisition of Vessels		69,874.12		52,290.92
Other Foreign Currency Term Loans		2,346.44		2,131.78
Rupee Term Loans		28.83		266.32
Car Finance Rupee Loans		<u>74.65</u>		<u>32.07</u>
Total		<u>72,324.04</u>		<u>54,721.09</u>

Notes on Financial Statements for the Year ended 31st March, 2013

5.1 Term loans for acquisition of vessels

Eight term loans are secured by way of first charge on the respective vessels (4 AHTSVs and 4 PSVs).

5.2 Other Term Loans

1. Foreign Currency Loans :

- One Corporate loan is secured by way of extension of first charge on a Platform Supply Vessel owned by the Company.
- One Corporate loan is secured by way of receivables from the operations on one Anchor Handling Tug cum Supply Vessel and by extension of first charge on Company's office premises.
- One Corporate loan is secured by way of first charge on a Anchor Handling Tug cum Supply Vessel and by a second charge on Company's office premises.

2. Rupee Loans :

A term loan for the acquisition of the Company's office premises is secured by way of first charge of the said premises.

5.3 Car Finance Loans

Car loans availed from banks are secured against respective motor cars against which the finances are availed.

5.4 Maturity profile of Secured Loans (including current maturities) are as set out below :

Particulars	Rs. In lacs			
	within 1 year	1-2 years	2-3 years	Beyond 3 years
Foreign Currency Loans for Acquisition of Vessels	7,441.29	8,698.94	8,343.78	52,831.40
Other Foreign Currency Term Loans	1,671.50	690.64	654.38	1,001.42
Rupee Term Loans	174.96	28.83	-	-
Car Finance Rupee Loans	32.63	36.15	34.04	4.46

Note : 6 Long Term Provisions	As At 31st March, 2013 Rs. In Lacs	As At 31st March, 2012 Rs. In Lacs
Provision for employee benefits		
Retirement and Other Benefits	33.24	60.35
Total	33.24	60.35

Note : 7 Short Term Borrowings	As At 31st March, 2013 Rs. In Lacs	As At 31st March, 2012 Rs. In Lacs
Secured Working Capital Facility From Banks		
Foreign Currency	2,620.63	2,602.14
Rupee	379.96	1,131.29
Total	3,000.59	3,733.43

7.1 Working Capital Facility from United Bank of India is secured by hypothecation of Book Debts and Tangible Assets such as stocks, stores and spares on board the vessel.

7.2 Working Capital Facility from State Bank of Travancore is secured by pari passu first charge on all current assets including stores, spares and book debts (excluding receivables from one of the Company's Anchor Handling Tug cum Supply Vessel).

Note : 8 Trade Payables	As At 31st March, 2013 Rs. In Lacs	As At 31st March, 2012 Rs. In Lacs
Micro, Small and Medium Enterprises	-	-
Others	1,617.99	2,173.11
Total	1,617.99	2,173.11

Notes on Financial Statements for the Year ended 31st March, 2013

8.1 As per the information available with the Company, there are no Micro and Medium Enterprises, as defined in the Micro, small, Medium Enterprise Development Act, 2006 to whom the Company owes on account of principal amount together with the interest and accordingly no additional disclosures have been made.

Note : 9 Other Current Liabilities	As At 31st March, 2013 Rs. In Lacs	As At 31st March, 2012 Rs. In Lacs
Current Maturities of Long Term Debts (refer note no.5.4)	9,320.38	8,898.79
Interest Accrued and due on Borrowings (Amount funded)	94.13	135.97
Interest Accrued but not due on Borrowings	169.83	161.70
Unclaimed Dividends (To be credited to the Investor Education & Protection Fund as and when due)	74.77	83.38
Duties and Taxes Payable	80.61	1.29
Other Payables (including a non-refundable deposit received towards the "demise" of one asset for USD 4 million (Rs.22.06 crores))	3,910.26	3,181.32
Total	13,649.98	12,462.45

Note : 10 Short Term Provisions	As At 31st March, 2013 Rs. In Lacs	As At 31st March, 2012 Rs. In Lacs
Retirement and Other Benefits	52.06	17.25
Proposed Dividend	197.83	171.41
Tax on Proposed Dividend	33.62	29.13
Interim Dividend	395.66	146.92
Tax on Interim Dividend	67.24	24.97
Provision for Taxation	882.12	49.48
Total	1,628.53	439.16

**Note : 11
Fixed Assets**

Rs. In lacs

Particulars	Tangible Assets							Intangible Assets		
	Fleet	Office Premises	Furniture & Fixtures	Office Equipment	Motor Vehicles	Computers	Total	Previous Year	Software	Previous Year
GROSS BLOCK										
At 1 April,2012	97,310.41	1,343.46	125.97	40.99	250.31	55.15	99,126.29	94,642.95	15.42	12.68
Additions during the year	52,511.30	-	7.28	705.28	114.98	1.19	53,340.03	9,519.27	1.43	2.73
Deductions	(20,552.20)	-	-	-	(71.25)	-	(20,623.45)	(5,035.94)	-	-
Translation Adjustment	1,424.86	-	-	-	-	-	1,424.86	-	-	-
At 31 March, 2013	130,694.37	1,343.46	133.25	746.27	294.04	56.34	133,267.73	99,126.28	16.85	15.41
ACCUMULATED DEPRECIATION										
At 1 April,2012	11,708.72	48.52	22.70	20.85	135.31	50.37	11,986.47	12,078.77	5.46	3.26
Charges for the year	4,182.54	21.90	10.20	186.58	62.77	3.15	4,467.15	4,354.77	2.53	2.19
Deductions	(1,468.71)	-	-	-	(68.30)	-	(1,537.01)	(4,447.05)	-	-
Translation Adjustment	(19.03)	-	5.05	289.94	-	-	275.96	-	-	-
At 31 March, 2013	14,403.52	70.42	37.95	497.38	129.77	53.52	15,192.57	11,986.49	7.99	5.45
NET BLOCK										
At 31 March, 2013	116,290.85	1,273.04	95.29	248.89	164.26	2.81	118,075.16	87,139.79	8.86	9.96
At 31 March, 2012	85,601.69	1,294.93	103.27	20.13	115.00	4.77	87,139.79		9.96	

Notes on Financial Statements for the Year ended 31st March, 2013

Note : 12 Investments	As At 31st March, 2013 Rs. In Lacs	As At 31st March, 2012 Rs. In Lacs
Long Term - Non Trade		
(Valued at cost and fully paid up)		
Equity Shares :		
A Quoted		
Garware Marine Industries Limited (1,29,640 Equity Shares of Rs. 10/- each) (Market Value Rs. 9.72 lacs, Previous Year Rs. 18.14 lacs)	37.68	37.68
B Unquoted		
Garware Nylons Limited (35,050 Equity Shares of Rs. 10/- each) (refer note no. 24 (H))	6.01	6.01
Total	<u>43.69</u>	<u>43.69</u>
Note : 13		
Inventories	As At 31st March, 2013 Rs. In Lacs	As At 31st March, 2012 Rs. In Lacs
Stock of Stores, Spares & Consumables (At Cost)	3,237.15	3,228.19
Total	<u>3,237.15</u>	<u>3,228.19</u>
Note : 14		
Trade Receivables (Unsecured and Considered good)	As At 31st March, 2013 Rs. In Lacs	As At 31st March, 2012 Rs. In Lacs
Debts outstanding for more than six months	48.63	1,012.18
Other Debts	4,479.53	3,053.70
Total	<u>4,528.16</u>	<u>4,065.88</u>
Note : 15		
Cash and Bank Balances	As At 31st March, 2013 Rs. In Lacs	As At 31st March, 2012 Rs. In Lacs
Cash and Cash Equivalents		
(a) Current Accounts	1,262.38	884.63
(b) Cash On Hand	15.94	8.47
	<u>1,278.32</u>	<u>893.10</u>
Other Bank Balances		
(a) Deposits having original maturity for more than 12 months	2,297.12	2,076.68
(b) Unpaid Dividend Accounts	74.77	83.38
(c) Margin Money	133.18	212.35
	<u>2,505.07</u>	<u>2,372.41</u>
Total	<u>3,783.39</u>	<u>3,265.51</u>

Notes on Financial Statements for the Year ended 31st March, 2013

Note : 16	As At 31st March, 2013	As At 31st March, 2012
Short Term Loans & Advances	Rs. In Lacs	Rs. In Lacs
(Unsecured and Considered Good)		
Advances recoverable in cash or kind or for the value to be received	2,196.07	1,629.86
Advance Income Tax	932.32	659.44
Deposits	37.94	46.06
Balance with customs, port trust, other government authorities & courts of law	31.69	31.69
Total	3,198.02	2,367.05
Note : 17	As At 31st March, 2013	As At 31st March, 2012
Other Current Assets	Rs. In Lacs	Rs. In Lacs
Interest accrued on loans and deposits	3.59	48.30
Income receivable	322.99	-
Total	326.58	48.30
Note : 18	For the Year Ended	For the Year Ended
Charter Hire	31st March, 2013	31st March, 2012
	Rs. In Lacs	Rs. In Lacs
Gross Charter Hire	24,244.29	23,834.43
Less : Service Tax	1,150.45	1,391.01
Total	23,093.84	22,443.42
Note : 19	For the Year Ended	For the Year Ended
Other Income	31st March, 2013	31st March, 2012
	Rs. In Lacs	Rs. In Lacs
Interest Income (Gross)	348.55	124.63
(Tax Deducted at source Rs. 20.95 lacs, Previous Year Rs.7.36 lacs)		
Dividend Income	-	0.65
Profit on sale of Assets	9.38	38.95
Miscellaneous Income	149.81	520.42
Total	507.74	684.65
Note : 20	For the Year Ended	For the Year Ended
Fleet Operating Expenses	31st March, 2013	31st March, 2012
	Rs. In Lacs	Rs. In Lacs
Travelling Expenses	225.58	231.45
Fuel, Oil & Water	330.34	426.28
Port & Canal dues	53.33	44.40
Repairs	307.17	522.38
Stores & Victualling	647.21	526.01
Insurance Charges & Protecting Club Fees	390.87	442.65
Telecommunication Charges	226.82	152.21
Charter Hire Charges	3,927.19	4,620.15
Professional Fees	138.71	234.95
Brokerage & Commission	389.62	202.07
Sundry Operating expenses	537.82	592.82
Total	7,174.66	7,995.37

Notes on Financial Statements for the Year ended 31st March, 2013

Note : 21	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Employee Benefits Expense		
Floating Staff :		
Salaries, Allowances & Compensation	270.22	1,423.36
Contractual Payments	3,017.14	1,743.13
Contribution to Provident & Other Funds	6.87	8.87
	<u>3,294.23</u>	<u>3,175.36</u>
Shore Staff :		
Salaries, Allowances, Bonus & Commission	862.18	979.49
Contribution to Provident & Other Funds	48.09	48.05
Gratuity Fund Contribution	31.08	41.07
Staff welfare expenses	25.67	15.77
	<u>967.02</u>	<u>1,084.38</u>
Total	<u>4,261.25</u>	<u>4,259.74</u>

Note : 22	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Finance Cost		
Interest Expenses	3,507.10	3,246.31
Finance Charges	2.71	25.07
Total	<u>3,509.81</u>	<u>3,271.38</u>

Note : 23	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Other Expenses		
Rent	10.71	2.00
Travelling Expenses	230.75	149.34
Auditors' Remuneration	42.13	18.78
Telephone charges	33.79	32.98
Professional fees	316.06	198.05
Bank Charges	225.05	41.72
Directors' fees	7.60	9.00
Insurance Charges	9.36	4.98
Rates & Taxes	10.64	30.15
Repairs - Office	15.72	11.31
Miscellaneous Expenses	194.73	249.50
Loss on foreign currency transactions and translations	837.87	47.16
Total	<u>1,934.41</u>	<u>794.97</u>

Notes on Financial Statements for the Year ended 31st March, 2013

Note : 24

Additional Information to financial statements

A. Payments to Auditor

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
For Statutory Audit	41.36	17.97
For Taxation Matters	0.62	0.61
Reimbursement of Expenses	0.15	0.20
Total	42.13	18.78

B. Related Party Disclosure

Key Management Personnel

Ashok B. Garware - Executive Chairman

Aditya A. Garware - Vice Chairman and Managing Director

Transactions with related parties for the year ended 31st March, 2013 :

Nature of Transactions	Subsidiary Companies	Key Managerial Personnel	Other Related Parties	TOTAL
Remuneration				
Ashok B. Garware	-	100.21	-	100.21
Aditya A. Garware	-	144.75	-	144.75
Total	-	244.96	-	244.96

Outstandings as at 31st March, 2013.

Nature of Transactions	Subsidiary Companies	Key Managerial Personnel	Other Related Parties	TOTAL
Remuneration				
Ashok B. Garware	-	9.93	-	9.93
Aditya A. Garware	-	17.00	-	17.00
Total	-	26.93	-	26.93

C. Capital Commitment :

Estimated amount of contracts remaining to be executed on account of capital expenses is Rs. 28300.00 Lacs, against which an advance of Rs. 575.98 Lacs has been paid.

D. Disclosure pursuant to Accounting Standard (AS) 15 (Revised) - "Employee Benefits"

A) Defined Contribution Plans :

The Company has recognised the following amounts in the Profit and Loss account for the year :

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Contribution to Employees Provident Fund	43.68	43.55
Contribution to Seamen's Provident Fund	6.18	7.98
Total	49.86	51.53

Notes on Financial Statements for the Year ended 31st March, 2013

B) Defined Benefit Plans :

Valuations in respect of Gratuity liability have been carried out by an independent actuary, as at the Balance Sheet date on Projected Unit Credit method, based on the following assumptions :

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Gratuity		
Actuarial Assumption for the year		
a) Discount Rate (p.a.)	8.00%	8.75%
b) Rate of Return on Plan Assets	8.70%	8.60%
c) Salary Escalation rate	5.00%	5.00%
d) Attrition rate	2.00%	2.00%

(i) Change in Benefit Obligation

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Gratuity		
Liability at the beginning of the year	109.57	94.02
Interest Cost	9.59	7.76
Current Service Cost	13.85	13.86
Past Service Cost	-	-
Benefit Paid	(9.44)	(30.82)
Actuarial (gain)/loss on obligations	13.35	24.75
Liability at the end of the year	136.92	109.57

(ii) Fair value of Plan Assets :

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Gratuity		
Fair Value of Plan Assets at the beginning of the year	62.68	52.77
Expected Return on Plan Assets	5.39	4.22
Employer's contribution	9.44	35.43
Benefits Paid	(9.44)	(30.82)
Actuarial gain/(loss) on Plan Assets	0.32	1.08
Fair value of Plan Assets at the end of the year	68.39	62.68

(iii) Actual Return on Plan Assets:

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Gratuity		
Expected Return on Plan Assets	5.39	4.22
Actuarial gain/(loss) on Plan Assets	0.32	1.08
Actual Return on Plan Assets	5.71	5.30

Notes on Financial Statements for the Year ended 31st March, 2013

(iv) Amount Recognised in the Balance Sheet :

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Gratuity		
Liability at the end of the year	136.92	109.57
Fair Value of Plan Assets at the end of the year	68.39	62.68
Amount Recognised in Balance sheet	68.53	46.89

(v) Expenses recognised in the Profit & Loss Account :

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Gratuity		
Current Service Cost	13.85	13.86
Interest Cost	9.59	7.76
Expected Return on Plan Assets	(5.39)	(4.22)
Net Actuarial (gain) / loss to be recognised	13.03	23.67
Past Service Cost	-	-
Expenses recognised in the Profit & Loss Account	31.08	41.07

(C) Other Long Term Benefits

The charge recognised in the Profit & Loss Account for Leave Encashment for the year is Rs. 6.83 Lacs (Previous Year 133.74 Lacs) and the closing liability is Rs. 16.76 Lacs (Previous Year Rs. 30.71 Lacs)

E. Earning Per Share :

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Gratuity		
(A) Basic Earning Per Share :		
Working for Computing Earning Per Share :		
Profit after Taxation	5,202.61	2,401.30
(A)	5,202.61	2,401.30
Weighted Average No. of Equity Share Capital :		
Equity Share At The Beginning Of The Year	240.85	238.19
(+) Fresh Issue During The Year	1.96	2.66
(-) Redeemed/ Forefeited During The Year	0.00	0.00
(B)	242.81	240.85
Basic Earning Per Share (A / B)	21.43	9.97
(B) Diluted Earning Per Share :		
Diluted Earning for Computing Diluted Earning Per Share :		
Profit after Taxation	5,202.61	2,401.30
(Add) : Interest Expensess for the Year	0.00	0.00
(Less) : Tax relating to Interest Expenses	0.00	0.00
Adjusted Net Profit for the Current Year (A)	5,202.61	2,401.30

Notes on Financial Statements for the Year ended 31st March, 2013

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Gratuity		
Weighted Average No. of Equity Share Capital :		
Equity Share At The Beginning Of The Year	241.64	238.19
(+) Fresh Issue During The Year(In Weighted Average for time)	1.17	2.66
(+) Potential No. of Shares to be issued on conversion	0.00	0.79
(B)	242.81	241.64
Diluted Earning Per Share (A / B)	21.43	9.94

Note :

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the Year.

F. Contingent Liabilities :

Particulars	For the Year Ended 31st March, 2013 Rs. In Lacs	For the Year Ended 31st March, 2012 Rs. In Lacs
Guarantees given by the Banks (Counter Guarantees given by the Company)	18,290.68	2,006.41
Total	18,290.68	2,006.41

The Company has given Guarantees to Banks on behalf of its Subsidiary for outstanding installments of loans.

The Company has given Guarantees to Vessel Owners against the Bare Boat Charter of vessels by its subsidiary - the financial effect of which cannot be determined/estimated.

G. Segment Reporting :

The Company is engaged in only one type of business i.e. charter of offshore support vessels and there are no separate reportable segment as per Accounting Standards AS-17 "Segment Reporting".

H. Garware Nylons Limited has been ordered to be wound up by the Bombay High Court and Bombay High Court has appointed Official Liquidator on 18th December, 1998. No provision for diminution in the value of investment of 35,050 equity shares valued at Rs.6.01 lacs has been made in the books.

I. Previous year's figures have been regrouped / reclassified, to correspond with the current year's classification / disclosure.

As per our report of even date attached

For and on behalf of the Board

For RAMAN S. SHAH & ASSOCIATES

Chartered Accountants - Firm Reg. No. 119891W

Santosh A. Sankhe
Partner
Membership No. 100976

Ashok Garware
Executive Chairman

Aditya Garware
Vice Chairman &
Managing Director

S. S. Aggarwal
Director

P. S. Shah
GM - Finance & Accounts

S. P. Akolkar
President - Finance

A. C. Chandarana
Company Secretary

Place : Mumbai
Date : 4th June,2013

Place : Mumbai
Date : 30th May,2013



ATTENDANCE SLIP

GLOBAL OFFSHORE SERVICES LIMITED

Registered Office : Chander Mukhi, Nariman Point, Mumbai - 400 021

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE AUDITORIUM

Joint Shareholders may obtain additional slips at the entrance.

Form with fields: Regd. Folio No. / Client ID No., Name of the Member/Proxy, (in Block Letters), No. of Share(s) held

I hereby record my/our presence at the 35th ANNUAL GENERAL MEETING at "Garware Sabhagriha", F.P.H. Building, 5th Floor, Lala Lajpatrai Marg, Mumbai 400 034 on Monday, 2nd September, 2013 at 9.30 a.m.

SIGNATURE OF THE MEMBER/PROXY

(TEAR HERE)



PROXY FORM

GLOBAL OFFSHORE SERVICES LIMITED

Registered Office : Chander Mukhi, Nariman Point, Mumbai - 400 021

I/We ... of ... in the District of ... being a Member/Members of GLOBAL OFFSHORE SERVICES LIMITED hereby appoint ... of ... in the District of ... or failing him/her ... of ... in the District of ... or failing him/her ... of ... in the District of ... as my/our Proxy to attend and vote for me/us on my/our behalf at the 35th ANNUAL GENERAL MEETING of the Company to be held on Monday, 2nd September, 2013 at 9.30 a.m. and at any adjournment/s thereof.

Signed this ... day of ... 2013

Regd. Folio No. / Client ID No. ... No. of Shares ...

Signed by the said ...



Note : The proxy form must be deposited at the Registered Office of the Company at Chander Mukhi, Nariman Point, Mumbai - 400 021 not less than 48 hours before the time of holding the Meeting.

PROXY NO.

BOOK - POST



If undelivered please return to :
GLOBAL OFFSHORE SERVICES LIMITED
Chander Mukhi, Nariman Point, Mumbai - 400 021