

GLOBAL OFFSHORE SERVICES B.V.

MANAGEMENT ACCOUNTS 2018-19

Global Offshore Services B. V.

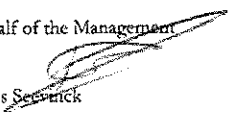
Beursplein 37, 3011 AA, P. O. Box 30204, 3001 DE, Rotterdam, The Netherlands

Statement of Profit and Loss for the year ended 31st March 2019

| | | In USD | | In INR |
|------|--|--------|-------------------------------|-------------------------------|
| | | Note | Year ended 31st March 2019 | Year ended 31st March 2019 |
| I | Revenue from operations | 12 | 6,584,423 | 461,238,831 |
| II | Other income | 13 | 2,056,750 | 129,009,334 |
| III | Total income (I + II) | | 8,641,173 | 590,248,165 |
| IV | Expenses | | | |
| | Fleet operating expenses | 14 | 15,240,365 | 1,067,587,569 |
| | Employee benefits expense | 15 | 3,305,218 | 231,530,521 |
| | Finance costs | 16 | 7,554,966 | 529,225,368 |
| | Depreciation and amortisation expense | 17 | 5,132,108 | 359,504,165 |
| | Other expenses | 18 | 1,125,179 | 78,818,789 |
| | Total expenses (IV) | | 32,357,836 | 2,266,666,412 |
| V | Profit/(Loss) before exceptional items and tax | | (23,716,663) | (1,676,418,247) |
| VI | Add/ (Less) Exceptional items | 19 | (66,318,996) | (4,645,645,670) |
| VII | Profit / (Loss) before tax | | (90,035,659) | (6,322,063,917) |
| VIII | Tax expense | | | |
| | Current tax | 20 | 5,000 | 350,250 |
| | Tax for earlier years | | - | - |
| IX | Profit/(Loss) from continuing operations after tax (VII - VIII) | | (90,040,659) | (6,322,414,167) |
| X | Other comprehensive income | | | |
| | Items that will not be reclassified to profit or loss | | | |
| | Remeasurements of the defined benefit plans : Gain / (Loss) | | - | - |
| | Exchange Differences of Translation of Financial Statement of Foreign Operations | | - | 84,526,301 |
| | Other comprehensive income for the year (X) | | - | 84,526,301 |
| XI | Total comprehensive income for the year (IX + X) | | (90,040,659) | (6,237,887,866) |
| XII | Earnings / (Loss) per equity share of Rs. 10 each (for continuing operations) | | | |
| | Basic / Diluted | | - | - |

The notes are an integral part of these financial statements

For and on behalf of the Management

Steven Lambertus  Seewick

Global Offshore Services B. V.

Notes to the financial statements for the year ended 31st March 2019

1 - Property, Plant and Equipment

in USD

| Particulars | Office Premises | Fleet | Office equipment | Furniture & fixtures | Vehicles | Computers | Total |
|--|-----------------|-------------|------------------|----------------------|----------|-----------|-------------|
| Cost or deemed cost (net block) | | | | | | | |
| Balance as at 31st March 2018 | - | 139,890,907 | 19,181 | - | - | - | 139,910,088 |
| Additions | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - |
| Balance as at 31st March 2019 | - | 139,890,907 | 19,181 | - | - | - | 139,910,088 |
| Depreciation, Amortisation & Impairment | | | | | | | |
| Balance as at 31st March 2018 | - | 14,869,607 | 2,665 | - | - | - | 14,872,272 |
| Transferred to Investment Property | - | - | - | - | - | - | - |
| Depreciation expense | - | 5,125,744 | 6,396 | - | - | - | 5,132,140 |
| Impairment (refer note no.27) | - | 65,455,845 | - | - | - | - | 65,455,845 |
| Disposals | - | - | - | - | - | - | - |
| Balance as at 31st March 2019 | - | 85,451,196 | 9,061 | - | - | - | 85,460,257 |
| Carrying / net block amount | | | | | | | |
| Balance as at 31st March 2018 | - | 125,021,300 | 16,516 | - | - | - | 125,037,816 |
| Balance as at 31st March 2019 | - | 54,439,711 | 10,120 | - | - | - | 54,449,831 |

Global Offshore Services B. V.

Notes to the financial statements for the year ended 31st March 2019

1 - Property, Plant and Equipment

in INR

| Particulars | Office Premises | Fleet | Office equipment | Furniture & fixtures | Vehicles | Computers | Total |
|--|-----------------|---------------|------------------|----------------------|----------|-----------|---------------|
| Cost or deemed cost (net block) | | | | | | | |
| Balance as at 31st March 2018 | - | 9,088,712,227 | 1,246,190 | - | - | - | 9,089,958,417 |
| Additions | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - |
| FCTR movement adjustments | - | 525,089,460 | 69,367 | - | - | - | 525,158,827 |
| Balance as at 31st March 2019 | - | 9,613,801,687 | 1,315,557 | - | - | - | 9,615,117,244 |
| Depreciation, Amortisation & Impairment | | | | | | | |
| Adjustments | - | - | - | - | - | - | - |
| Balance as at 31st March 2018 | - | 966,079,585 | 171,946 | - | - | - | 966,251,531 |
| Transferred to Investment Property | - | - | - | - | - | - | - |
| Depreciation expense | - | 359,058,399 | 448,040 | - | - | - | 359,506,439 |
| Impairment (refer note no.27) | - | 4,585,181,942 | - | - | - | - | 4,585,181,942 |
| FCTR movement adjustments | - | (62,117,476) | - | - | - | - | (62,117,476) |
| Disposals | - | - | - | - | - | - | - |
| Balance as at 31st March 2019 | - | 5,848,202,450 | 619,986 | - | - | - | 5,848,822,436 |
| Carrying / net block amount | | | | | | | |
| Balance as at 31st March 2018 | - | 8,122,632,642 | 1,074,244 | - | - | - | 8,123,706,886 |
| Balance as at 31st March 2019 | - | 3,765,599,237 | 695,571 | - | - | - | 3,766,294,808 |

Global Offshore Services B. V.

Notes to the financial statements for the year ended 31st March 2019

3 - Other Assets

| | Particulars | In USD | | In INR | |
|----|---|--------------------------|--|--------------------------|--|
| | | As at 31st March 2019 | | As at 31st March 2019 | |
| 3A | <u>Non-current</u> Deposits with Customs, Port Trust and Court of law. | | | | |
| | Non-current total | - | | - | |
| 3B | <u>Current</u> Advances to Suppliers Advance recoverable in Cash or kind GST & Other taxes recoverable | 105,330 1,646,842 | | 7,285,676 113,912,061 | |
| | Current total | 1,752,172 | | 121,197,737 | |
| | Total | 1,752,172 | | 121,197,737 | |

4 - Inventories

| | Particulars | As at 31st March 2019 | | As at 31st March 2019 | |
|--|---|--------------------------|--|--------------------------|--|
| | | | | | |
| | Inventories (lower of cost and net realisable value) Stock of Stores, Spares & Consumables | 956,001 | | 66,126,589 | |
| | Total | 956,001 | | 66,126,589 | |

The Company has availed working capital facilities and other non fund based facilities viz. Bank Guarantees which are secured by hypothecation of inventories. Mode of valuation is mentioned in note 3.7.

Global Offshore Services B. V.

Notes to the financial statements for the year ended 31st March 2019

5 - Trade receivables

| | In USD | | In INR | |
|---|--------------------------|--|--------------------------|--|
| | As at 31st March 2019 | | As at 31st March 2019 | |
| Unsecured, considered good for more than six months | 94,725 | | 6,552,128 | |
| Unsecured, considered good - others | 1,061,882 | | 73,450,378 | |
| Less : Excepted Credit Loss | | | | |
| Total | 1,156,607 | | 80,002,506 | |

6 - Cash and cash equivalents

| | As at 31st March 2019 | | As at 31st March 2019 | |
|---------------------|--------------------------|--|--------------------------|--|
| | | | | |
| Cash on hand | 135 | | 9,338 | |
| Balances with Banks | | | | |
| In current accounts | 2,222,362 | | 153,720,780 | |
| Total | 2,222,497 | | 153,730,118 | |

Global Offshore Services B. V.

Notes to the financial statements for the year ended 31st March 2019.

7 - Equity Share capital

| | In USD | | In INR | |
|---|--------------------------|--|--------------------------|--|
| | As at 31st March 2019 | | As at 31st March 2018 | |
| Authorised | | | | |
| 3,20,00,000 Equity Shares of Rs. 10/- each | | | | |
| 1,50,000 Cumulative Redeemable Preference Shares of Rs. 100/- each | | | | |
| 1,50,000 Cumulative Convertible Preference Shares of Rs. 100/- each | | | | |
| Total | - | | - | |
| Issued, subscribed and fully paid up | | | | |
| 2,83,16,443 Equity Shares of Euro 1/- each, fully paid up | | | | |
| Total | 37,712,467 | | 2,023,064,590 | |
| | 37,712,467 | | 2,023,064,590 | |

| Particulars | No. of shares | Rs. in lakhs |
|---------------------------------|---------------|--------------|
| Fully paid equity shares | | |
| As at 1 April 2017 | - | - |
| Issued during year | - | - |
| As at 31 March 2018 | - | - |
| Issued during year | - | - |
| As at 31 March 2019 | - | - |

Global Offshore Services B. V.

Notes to the financial statements for the year ended 31st March 2019

8 - Financial liabilities

| | | In USD | In INR |
|----|--|--------------------------|--------------------------|
| | | As at 31st March 2019 | As at 31st March 2019 |
| 8A | Non- Current Borrowings | | |
| | Secured Loans from Banks | | |
| | Foreign Currency | 94,149,946 | 6,512,351,765 |
| | Loan from others | 11,867,659 | 820,885,973 |
| | Total Non-Current Borrowings | 106,017,605 | 7,333,237,738 |
| | Less : Current maturities of Long term borrowings | 40,017,614 | 2,768,018,360 |
| | Non- Current Borrowings (as per balance sheet) | 65,999,991 | 4,565,219,378.00 |

Global Offshore Services B. V.

Notes to the financial statements for the year ended 31st March 2019

8 - Financial liabilities

| | | In USD | In INR |
|----|---|--------------------------|--------------------------|
| | | As at 31st March 2019 | As at 31st March 2019 |
| 8B | Current Borrowings | | |
| | Secured Working Capital Facility From Banks | | |
| | Working Capital Facility From Banks | | |
| | Unsecured loan from banks / Others | | |
| | From shareholders | 4,464,772 | 308,828,279 |
| | From others | 1,160,657 | 80,282,645 |
| | Total Current Borrowings | 5,625,429 | 389,110,924 |
| | | | |

Global Offshore Services B. V.

Notes to the financial statements for the year ended 31st March 2019

9 - Other financial liabilities

| | | In USD | In INR |
|-----------|--|--------------------------|--------------------------|
| | | As at 31st March 2019 | As at 31st March 2019 |
| 9A | <u>Non-current</u> | | |
| | Accruals | 26,868,431 | 1,858,489,372 |
| | Security Deposit | | |
| | Non-current total | 26,868,431 | 1,858,489,372 |
| 9B | <u>Current</u> | | |
| | Current maturities of long term debts | 40,017,614 | 2,768,018,360 |
| | Interest Accrued and due on Borrowings | 11,165,520 | 772,319,018 |
| | Accrual of expenses | 2,137,109 | 147,823,830 |
| | Unclaimed Dividends (To be credited to the Investor Education & Protection Fund as and when due) | | |
| | Other payables | | |
| | Current total | 53,320,243 | 3,688,161,208 |
| | Total | 80,188,674 | 5,546,650,580 |

Global Offshore Services B. V.

Notes to the financial statements for the year ended 31st March 2019

10 - Trade payables

| | In USD | | In INR | |
|--|--------------------------|--|--------------------------|--|
| | As at 31st March 2019 | | As at 31st March 2019 | |
| Trade payables | | | | |
| Due to Micro, Small and Medium Enterprises* | 6,222,967 | | 430,442,627 | |
| Other than Micro, Small and Medium Enterprises | | | | |
| Total | 6,222,967 | | 430,442,627 | |

* 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 are required.

Global Offshore Services B. V.

Notes to the financial statements for the year ended 31st March 2019

11 - Other liabilities

| | | In USD | | In INR | |
|--------------------|--------------------------|--------------------------|--|--------------------------|--|
| | | As at 31st March 2019 | | As at 31st March 2019 | |
| Non-current | | | | | |
| | Other Payables | | | | |
| | Non-current total | - | | - | |
| Current | | | | | |
| | Advances from customers | | | | |
| | Deferred Income | | | | |
| | Statutory Dues | 7,099 | | 491,037 | |
| | Other payables | | | - | |
| | Current total | 7,099 | | 491,037 | |
| | Total | 7,099 | | 491,037 | |

Global Offshore Services B. V.

Notes to the financial statements for the year ended 31st March 2019

12- Revenue from Operations

| Particulars | In USD | | In INR | |
|--|-------------------------------|--|-------------------------------|--|
| | Year ended 31st March 2019 | | Year ended 31st March 2019 | |
| Sale of Services | | | | |
| (i) Fleet Chartering Earnings (Net of Service Tax/ GST) | 6,584,423 | | 461,238,831 | |
| (ii) Service income due to fair value unwinding of financial liability | - | | | |
| Total | 6,584,423.00 | | 461,238,831 | |

13 - Other income

| Particulars | In INR | |
|---|-------------------------------|-------------------------------|
| | Year ended 31st March 2019 | Year ended 31st March 2019 |
| Interest income earned on financial assets not designated as at FVTPL | | |
| Bank deposits | 87,636 | 6,138,902 |
| Other financial assets | 215,075 | |
| Interest received on IT Refund | | |
| Profit on sale of assets (Net) | | |
| Miscellaneous Income | 1,754,039 | 122,870,432 |
| Total | 2,056,750.00 | 129,009,334 |

14 - Fleet operating Expenses

| Particulars | In INR | |
|--|-------------------------------|-------------------------------|
| | Year ended 31st March 2019 | Year ended 31st March 2019 |
| Travelling Expenses | 325,793 | 22,821,800 |
| Fuel, Oil & Water | 2,018,785 | 141,415,889 |
| Port & Canal dues | 1,008,948 | 70,676,807 |
| Repairs | 200,957 | 14,077,038 |
| Stores & Victualling | 130,978 | 9,175,009 |
| Insurance Charges & Protecting Club Fees | 23,319 | 1,633,496 |
| Telecommunication Charges | 172,551 | 12,087,198 |
| Charter Hire Charges | 9,478,694 | 663,982,515 |
| Professional Fees | 1,268,168 | 88,835,168 |
| Agency fees | 347,079 | 24,312,884 |
| Sundry Operating expenses | 265,093 | 18,569,765 |
| Total | 15,240,365.00 | 1,067,587,569 |

Global Offshore Services B. V.

Notes to the financial statements for the year ended 31st March 2019

15 - Employee benefits expense

In INR

| | Year ended | | Year ended |
|---|-----------------|------------------|--------------------|
| | 31st March 2019 | | 31st March 2019 |
| Salaries, wages and Fees | | 2,934,115 | 205,534,756 |
| Gratuity, contribution to provident funds and other funds | | 368,576 | 25,818,749 |
| Staff welfare expenses | | 2,527 | 177,016 |
| | | 3,305,218 | 231,530,521 |

Global Offshore Services B. V.

Notes to the financial statements for the year ended 31st March 2019

16 - Finance costs In USD In INR

| Particulars | In USD | | In INR | |
|--|-------------------------------|--|-------------------------------|--|
| | Year ended 31st March 2019 | | Year ended 31st March 2019 | |
| Interest on Borrowings | 7,554,966 | | 529,225,368 | |
| Other borrowing costs | | | | |
| Unwinding of fair value deposits through profit and loss | | | | |
| Total | 7,554,966 | | 529,225,368 | |

17 - Depreciation and amortisation expense In INR

| Particulars | In INR | |
|---|-------------------------------|-------------------------------|
| | Year ended 31st March 2019 | Year ended 31st March 2019 |
| Depreciation of Property, Plant and Equipment pertaining to continuing operations | 5,132,108 | 359,504,165 |
| Total | 5,132,108 | 359,504,165 |

18 - Other expenses In INR

| Particulars | In INR | |
|--|-------------------------------|-------------------------------|
| | Year ended 31st March 2019 | Year ended 31st March 2019 |
| Stores and Spares Consumed | | |
| Power, fuel and Electricity | | |
| Repairs and Maintenance: | | |
| Buildings | | |
| Plant & Equipment | | |
| Others | | |
| Excise duty paid | | |
| Brokerage and Commission | | |
| Rent | 35275 | 2,471,014 |
| Lease Rentals | | |
| Insurance | 354206 | 24,812,130 |
| Bad debts | | |
| Allowance for Doubtful Debts/Advances | | |
| Rates and Taxes | 0 | |
| Bank Charges | 71140 | 4,983,357 |
| Travelling | 77778 | 5,448,349 |
| Loss on sale of assets | | |
| Carriage and Freight | | |
| Director Sitting Fees | | |
| Printing & Stationery | 248 | 17,372 |
| Postage, Telephone and Fax | | |
| Legal, Professional and Consultancy Charges | 535239 | 37,493,492 |
| Exchange Fluctuation - Loss (Net) | | |
| Contracting Expenses | | |
| Contribution towards Corporate Social Responsibility | | |
| Miscellaneous Expenses | 26,194.00 | 1,834,890 |
| Total | 1,100,080 | 77,060,604 |

Global Offshore Services B. V.

Notes to the financial statements for the year ended 31st March 2019

| | Particulars | Year ended 31st March 2019 | Year ended 31st March 2019 |
|-----|---|-------------------------------|-------------------------------|
| 18A | Legal and professional expenses include: Auditors' remuneration and expenses Statutory Audit fees Quarterly Limited Review Others Reimbursement of out-of-pocket expenses Payments to tax auditors Tax audit fees Payments to Cost auditors Cost audit fees Reimbursement of out-of-pocket expenses | 25,099.00 | 1,758,185 |
| 18B | Expenditure incurred on corporate social responsibility activities (1) Gross amount required to be spent by the company during the year (2) Amount spent during the year on (i) Construction/acquisition of any asset (ii) On purposes other than (i) above | | |
| 18C | (b) Direct operating expenses arising from investment property Direct expenses arising from investment property that generated rental income during the year Direct expenses arising from investment property that did not generate rental income during the year | 25,099.00 | 1,758,185 |
| | | 1,125,179 | 78,818,789 |

19 - Exceptional Items

| | Particulars | Year ended 31st March 2019 | Year ended 31st March 2019 |
|--|--|-------------------------------|-------------------------------|
| | Foreign Exchange gain on long term loans (Refer Note 27.1 below) | | |
| | Total exceptional income (A) | - | - |
| | Provision for doubtful debts (Refer Note 27.2 below) | 363,121 | 25,436,626 |
| | Provision for doubtful loans and advances (Refer Note 27.2 below) | 500,000 | 35,025,000 |
| | Provision for diminution in value of investment (Refer Note 27.3 below) | | |
| | Provision for impairment of assets (Refer Note 27.4 below) | 65,455,875 | 4,585,184,044 |
| | Total exceptional expenditure (B) | 66,318,996 | 4,645,645,670 |
| | Exceptional items (net) (A-B) | (66,318,996) | (4,645,645,670) |

Note :

Note : Consolidated :

Global Offshore Services B.V settled/prepaid the loan of vessel M.V. Shergar at INR 2129 lakhs against an outstanding of INR 4156 Global Offshore Services B.V, decided to sell the vessel M.V. Shergar, in 2016-17, and therefore classified the vessel as investment Global Offshore Services B.V. carried out impairment testing of the vessels based on the Desktop valuation provided by Valuers. During the year, as a matter of prudence, the Management of the Company decided to take a provision of INR 690 lakhs as doubtful. During the year Global Offshore Services B.V. has provided for an amount of INR 1445 lakhs against the money receivable from

Global Offshore Services B. V.

Notes to the financial statements for the year ended 31st March 2019

20 - Income taxes relating to continuing operations

In USD

in INR

| | Year ended 31st March 2019 | Year ended 31st March 2019 |
|---|-------------------------------|-------------------------------|
| Tax expense recognized in the Statement of Profit and Loss | | |
| Current tax | | |
| In respect of current year | 5,000 | 350,250 |
| Tax for earlier year | | |
| Total current tax | 5,000 | 350,250 |
| Deferred tax | | |
| In respect of current year | - | - |
| Total deferred income tax (credit) / expense | - | - |
| Total income tax expense | 5,000.00 | 350,250.00 |