



GLOBAL OFFSHORE SERVICES LIMITED

Thirty Fourth Annual Report 2011-12



.....Truly Global



BOARD OF DIRECTORS	ASHOK GARWARE - M.A. (Cantab) (Executive Chairman) ADITYA GARWARE - M.B.A. - USA (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. (additional director w.e.f. 31/7/2012)
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.VIPIN BAIJAL -Extra Master,M.Sc.,WMU,Malmo Sweden
PRESIDENT - MARKETING	Capt. D. L. 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. DNB Bank Asa 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 now has assets in India, the North Sea, West Africa and Brazil, a truly global presence. The Company has also recently ordered one Havyard – 832 – Platform Supply Vessel, scheduled for delivery in July 2013.

The Company presently owns and operates four Anchor Handling Tug cum Supply Vessel (AHTSV) and two Platform Supply Vessels (PSV's). All these vessels are deployed on long term contracts.

The Company's subsidiary in The Netherlands owns and operates one large Platform Supply Vessel and one Anchor Handling Tug cum Supply Vessel (AHTSV). Both these Vessels have secured long term employment in Brazil. The Netherland based subsidiary has also placed an order for one mid-size PSV scheduled for delivery in March 2013.

The Company's wholly owned subsidiary in Singapore presently has two assets on Bare Boat Charter. These are an Accommodation Work Barge (AWB) which is on long term charter in West Africa and a Platform Supply Vessel which is on long term contract in the North Sea.

During the year under review on a standalone basis, the Company's operating income stood at ₹153.15 crores as opposed to ₹170.17 crores. The reduction was attributed to the sale of one of the Company's PSV's in March 2011, the sale of two old AHTSV's during the year, and the absence of earnings of one PSV for a period of four months, during which the vessel was modified and mobilized for a long term contract in Brazil.

The net profit for the year stood at ₹32.88 crores as opposed to ₹40.06 crores. The Cash Profit for the year was ₹62.81 crores as opposed to ₹74.39 crores.

FUTURE OUTLOOK

a) Indian Scenario :

Even though there has been a slowdown in growth in the Indian economy, as a result of concerns of inflationary pressures, this has not had a major effect on the demand for oil and gas. India is forecast to consume an average of 3.6 mb per / day in 2012, up 3.3% from the previous year. This growth in demand should then accelerate to 3.7 mb per / day, as moves to reduce subsidies remain impeded by inflationary effects. Government induced plans to raise infrastructure spending will in all likelihood, supply stronger growth for commercial fuel usage.

India is the 5th largest consumer of prime energy and 3rd largest consumer of oil in the Asia Pacific region. As a result of economic growth, there continues to be a huge need for enhancing supply of energy resources. Dependence of imported products continues to grow.

Of the 26 sedimentary basins identified in India, so far only 20% of the total area has been well explored. With the introduction of the New Exploration Licensing Policy (NELP) the introduction of much needed advanced technology has become possible. The NELP has revived a "healthy spirit" of competition between National, Private and Multi-National Companies. By mid 2011, the ninth round of bidding concluded along with the fourth round for Coal Bed Methane (CBM) blocks. The Government of India offered the highest ever number of oil and gas exploration blocks – 70 – covering an area of about 1.63 lac km². 8 of these 70 blocks were deep water areas.

In view of what is stated above, demand for oil and gas services is expected to continue at a "buoyant" rate in the foreseeable future.

b) Global Scenario :

On the international front, unfortunately, the global economy is far from reviving, and demand for oil is driven mainly by the developing countries while demand from OECD countries is not increasing. OPEC's crude oil products capacity is expected to rise to approximately 35.03 mb/d with increases in Iraq, UAE, Libya and Angola, partially offset by lower Iranian capacity as a result of increasing sanctions against the said country.

In the case of Brazil, Petrobras has recently revised its product targets for 2016 to 2.5 mb/d. The Company has acknowledged product slippage has occurred mainly because Asian-built rigs have been delivered late. Government mandated local contents restriction rules will continue to challenge Petrobras's profitability and execution strategy. However, this is a market that cannot be "ignored" and as such the Global Offshore Services Limited's strategy to enter this market with three vessels in a span of one and half years has definitely helped the Company maintain most of its fleet on long term contracts.

In recent years the oil market has been characterized by rapidly fluctuating price levels. In the last three months alone the price of Brent crude has fluctuated from \$ 125/bbl to \$ 89/bbl. Higher volatility in the price of oil unfortunately has a high impact of fiscal revenues, investments and confidence in the economy.

In conclusion, given the fragile state of the global economy recovery volatility in oil price could have a severe impact (more than in 2008), especially on oil importing countries. However, as long as volatility in the price of oil is restricted and as long as the price of oil stays above \$65 - \$70/bbl, demand for oil support services should stay strong in the foreseeable future.

NOTICE

Notice is hereby given that the Thirty Fourth 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 Friday, 28th September, 2012 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, 2012 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 Mrs. Maneesha S. Shah who retires by rotation and being eligible, offers herself for reappointment.
4. To appoint a Director in place of Mr. Anil K. Thanavala who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

6. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:
"RESOLVED THAT Pursuant to Sections 198, 269, 310 and any other applicable provisions of the Companies Act, 1956, Mr. Ashok B. Garware be and is hereby re-appointed as Executive Chairman of the Company for a period of five years w.e.f. 1.7.2012 on the remuneration and upon terms and conditions set out in the Explanatory Statement relating to this Resolution with liberty and powers to the Board of Directors to alter and vary the terms and conditions and remuneration in such manner as the Board of Directors may deem fit and as is acceptable to Mr. Ashok B. Garware within the limits specified in Schedule XIII to the Companies Act, 1956 or any amendment thereto.
RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation by the Central Government to paragraph 1(B) of Section II, Part II of Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorized to vary or increase the remuneration, including salary, commission perquisites, allowances, etc., within such prescribed ceiling limits and the Agreement between the Company and Mr. Ashok B. Garware be suitably amended to give effect to such modification, relaxation or variation without any further reference to the Members of the Company in General Meeting.
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this Resolution."
7. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. Sayeed Y. Mulani who was appointed as an Additional Director of the Company and holds office till the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice from a shareholder u/s 257 of the Companies Act 1956 proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

By Order of the Board

Sd/-

A.C.Chandarana
Company Secretary

Registered Office

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

Place: Mumbai

Date: 8th August, 2012

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. An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 for items Nos. 6 and 7 of accompanying notice, is enclosed.
3. The Register of Members and Share Transfer books of the Company will remain closed from 25.09.12 to 28.09.12 (both days inclusive).
4. 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.

5. 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.'.
6. 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.
7. 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.
8. 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	Mr. Ashok B. Garware	Mrs. Maneesha S. Shah	Mr. Anil .K. Thanavala	Mr. Sayeed Y. Mulani
Date of Birth	15.10.1938	31.01.1967	30.07.1937	15.03.1984
Nationality	Indian	Indian	Indian	Indian
Date of Appointment on the Board	25.01.1977	30.11.1992	28.01.2004	31.07.2012
Qualifications	M.A(Cantab)	B.Com, LL.B	B.Com(Hons), LL.B, ACS	B.L.S.,LL.B
Expertise in Functional Area	Industrialist	Legal	Corporate Laws	Legal
No. of Shares held in the Company (as on 31.07.2012)	6,32,842 (2.56%)	1,20,988 (0.49%)	100 (0.00%)	Nil
List of Directorships held in other Companies	<ul style="list-style-type: none"> • Garware Marine Industries Ltd • Adsu Trading & Investment Company Pvt. Ltd. • Garware Offshore International Services Pte Ltd • Masu Trading & Investment Company Pvt. Ltd. • Mauve Trading Company Pvt. Ltd. • Universal Investment Services Pvt. Ltd. • A.B. Garware H.U.F. • Garware International Management Ltd • Global Offshore Services B.V. 	<ul style="list-style-type: none"> • Adsu Trading & Investment Co. Pvt. Ltd. • Masu Trading & Investment Co. Pvt. Ltd. • Mauve Trading & Investment Co. Pvt. Ltd. • Universal Investment Services Pvt. Ltd. 	Nil	Nil
Chairman/Member Committee of the Boards of other Companies in which he is a Director	Nil	Nil	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.

Registered Office

Chander Mukhi, 2nd Floor,
Nariman Point, Mumbai – 400 021.
Place: Mumbai
Date: 8th August, 2012

By Order of the Board

Sd/-
A. C. Chandarana
Company Secretary

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173 OF THE COMPANIES ACT, 1956

ITEM NO. 6

RE-APPOINTMENT OF MR. ASHOK B. GARWARE, EXECUTIVE CHAIRMAN AND PAYMENT OF REMUNERATION:

As per the recommendation of the Compensation Committee at their meeting held on 7th August 2012 and subject to the approval of the members at the ensuing General Meeting, the Board of Directors at its meeting held on 8th August 2012 has re-appointed Mr. Ashok B. Garware as Executive Chairman, for a period of 5 years w.e.f. 1st July, 2012 and has also approved payment of remuneration as per details given below:

Consolidated salary of Rs.8,00,000/ – (Rupees Eight Lacs only) per month from 1st July, 2012 and thereafter the annual increments payable to Mr.A.B.Garware shall be decided by the Board of Directors within the overall ceiling of remuneration, as prescribed under Sections 198 & 309 of the Companies Act, 1956.

In addition to salary, the Executive Chairman shall be entitled to perquisites and benefits like Company maintained Chauffeur driven car(s) for official and personal use, Bonus /Ex-gratia, reimbursement of medical expenses, leave travel for self and family, club fees for two clubs, Medical/Accident insurance, Leave Encashment at the end of the tenure and such other perquisites subject to overall ceiling of remuneration, as prescribed under Sections 198 & 309 of the Companies Act, 1956.

In addition to the above, Mr. A.B.Garware, Executive Chairman, shall also be paid commission, as may be decided by the Board of Directors, subject to the limit prescribed under Section 309 and other applicable provisions of the Companies Act, 1956.

Minimum Remuneration:

Notwithstanding anything herein contained, where in any financial year during the tenure of five years when the Company has no profits or the profits are inadequate, the Company will pay remuneration by way of salary and perquisites as stated above, but shall not exceed the limits prescribed under Schedule XIII of the Companies Act, 1956, and other provisions thereof or any amendments, variations, modifications or re-enactment.

Memorandum & Interest:

Mr. Ashok B. Garware himself, Mr. Aditya A. Garware and Mrs. Maneesha Shah, Directors being relatives of Mr. Ashok B. Garware, are interested or concerned in the re-appointment and payment of remuneration. None of the other Directors of the Company is interested or concerned in the re-appointment of Mr. Ashok B. Garware, Executive Chairman and payment of remuneration.

A copy of draft Agreement, proposed to be entered between the Company and Mr. Ashok B. Garware is available for inspection to the members between 2.00 PM to 4.00 P M at the Registered office on any working day till the date of Annual General Meeting.

The above details should also be treated as an abstract u/s 302 of the Companies Act, 1956.

The Directors commend the resolution for approval.

ITEM NO. 7

Mr. Sayeed Y. Mulani was appointed as an Additional Director on 31st July 2012 and as per the provisions of Articles of Association of the Company and Companies Act 1956, he holds office till the date of ensuing Annual General Meeting.

Mr. Sayeed Y. Mulani is an independent lawyer in the High Court, Mumbai.

His experience in the Legal field will be beneficial to the Company.

The Company has received a notice from a shareholder u/s 257 of the Companies Act 1956 proposing his candidature for the office of a Director of the Company.

Accordingly, approval for the same is sought from the members for Item No. 7 to the notice.

Except Mr. Sayeed Y. Mulani, no other Director is interested or concerned in the resolution at Item No. 7.

The Directors commend the resolution for approval.

By Order of the Board

Sd/-

A. C. Chandarana
Company Secretary

Registered Office

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

Place: Mumbai

Date: 8th August, 2012.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MARCH, 2012

TO,
THE MEMBERS,

Your Directors are pleased to present their report as under:

FINANCIAL RESULTS:

	Year ended March 31,2012	Year ended March 31,2011
Income from operations	153.15	166.49
Other Operating Income	-	3.68
Other Income	1.50	2.43
Gross Income	154.65	172.60
Expenses for the period	68.22	74.28
Operating Profit for the period	86.43	98.32
Finance cost	23.21	24.56
Profit Before Depreciation	63.22	73.76
Depreciation	29.93	34.33
Profit Before Tax	33.29	39.43
Provision for Taxation		
-Current Tax	0.42	0.46
-Tax for earlier written back	(0.01)	(1.09)
Net Profit After Tax	32.88	40.06
Cash Profit	62.81	74.39

FINANCIAL HIGHLIGHTS:

Income from Operation for the year ended on 31.03.2012 stood at ₹ 153.15 crores, as against ₹ 166.49 crores for the previous year. Other Income for the year stood at ₹ 1.50 crores aggregating Total Income to ₹ 154.65 crores as against ₹ 172.60 crores. The reduction in operational income was on account of sale of two old vessels, viz., M.V.Garware-I & M.V.Garware-V during the year and the sale of M.V.Mana at the end of March, 2011. In addition, the Company's vessel, M.V.Kailash did not earn for four months since the vessel had to be modified and mobilized for a long term contract with Petrobras in Brazil, which commenced in September, 2011.

The Net Profit for the year ended 31.03.2012 stood at ₹ 32.88 crores as against ₹ 40.06 crores for the previous year; the Cash Profit for the year was ₹62.81 crores as opposed to ₹74.39 crores in the previous year.

The Company continues its efforts to reduce its interest burden by replacing its existing debt with lower cost debt.

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

OPERATIONS:

During the year under review, the Company endeavoured to make sure that all its vessels continued to be deployed on long term contracts. Two of the Company's Anchor Handling Tug cum Supply Vessels (AHTSVs) viz., M.V.Poorna & M.V.Mahananda commenced 3 year contracts with BG Exploration and Production India Limited and one Platform Supply Vessel (PSV) viz., M.V.Kailash – which came off contract in India, was awarded a 4 year contract in Brazil.

DIVIDEND:

During the year under review, the Company has declared and paid three Interim Dividends aggregating to 17%.

Your Directors, subject to the Shareholders approval, are pleased to recommend a final dividend of 7%, 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 28th September, 2012.

The total cash outflow on account of Dividend and Tax thereon (including Interim Dividends) amounts to ₹ 6.86 crores (previous year ₹ 6.66 crores).

EXPANSION AND FUTURE OUTLOOK:

As a part of the Company's strategy to modernize its fleet, the Company has sold two of its old AHTSVs (27 years old).

The Company also recently sold one of its PSV's after the vessel completed a 3 year contract in India. However, out of the proceeds of the said sale, the Company has recently placed an order for a Larger PSV, scheduled for delivery in July, 2013.

Price of oil remained volatile during the year under review. In spite of this, demand for Offshore Vessels as opposed to Cargo Ships, remains to be strong. The view for the future, on the price of oil, continues to be "bullish". Consequently, demand for OSV's will continue to remain strong.

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.

4,51,000 Warrants have been converted into Equity Shares till date of the Report. Consequent to the allotments the Equity Share Capital of the Company stands at 2,47,10,093 Equity Shares of ₹ 10/ – each aggregating to ₹ 24,71,00,930/-.

WHOLLY OWNED SUBSIDIARIES (WOS):**Global Offshore Services B.V. – The Netherlands**

The Company's Wholly Owned Subsidiary, viz., Global Offshore Services B.V. in The Netherlands, (GOSBV) has recently diluted its equity by issuing and allotting 5,573,834 Equity Shares for a consideration of USD.13.87 million to S1 Offshore Pte. Ltd., owned by DVB Group Merchant Bank (Asia) Ltd. Consequent to the investment by S1 Offshore Pte. Ltd., in GOSBV, the Company now holds 69% of the equity stake in GOSBV.

GOSBV presently owns one Large Platform Supply Vessel (PSV), which is working on a 4 year + 4 year option contract with Petrobras. GOSBV has recently acquired M.V. Shergar, an AHTSV, which was on bare boat charter to Garware Offshore International Services Pte. Ltd., the Company's Wholly Owned Subsidiary based in Singapore. This vessel too has been awarded a contract by Petrobras and will commence operations by the end of September.

GOSBV has also placed an order for one PSV for delivery in the 1st quarter of 2013.

During the year under review, GOSBV achieved an income from operations of USD.8.8 million with a cash profit of USD.1.95 million. GOSBV's net loss during the year stood at USD.0.63 million. The net loss was attributed to the fact that the large PSV, owned by GOSBV commenced operations with Petrobras only in the 2nd quarter of C.Y. 2011.

Garware Offshore International Services Pte. Ltd – Singapore

The Company's Wholly Owned Subsidiary, Garware Offshore International Services Pte. Ltd., (GOISPL) based in Singapore achieved an operating income of USD.11.8 million and net loss of USD.1.16 million. Barring unforeseen events, the Company expects to make a profit from the current year onwards. This loss was as a result of the fact that one of the vessels on bare boat charter to GOISPL did not earn revenue for part of the year and therefore was unable to "cover" the high bare boat charter rate that was paid to the owners of the vessels. However this vessel has now been sold and is no longer a part of fleet of GOISPL. GOISPL now has two vessels on bare boat charter (one Accommodation Barge and one Platform Supply Vessel), which are on long term contracts with E & P Companies.

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 2012-13 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 have been insured for Hull & Machinery, War Risks and Protection & Indemnity (P & I) claims. The vessels that transit through the Gulf of Suez and Malacca Straits are also insured for piracy, kidnapping and ransom. 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:

Mr.A.B.Garware has been re-appointed as Executive Chairman for a period of 5 years w.e.f. 1st July, 2012. Members are requested to re-appoint Mr.A.B.Garware and also approve the terms of the remuneration payable to him.

Mr.S.Y.Mulani has been appointed as an Additional Director of the Company and holds Office till the date of the ensuing Annual General Meeting. A member of the Company has, in accordance of provisions of Companies Act, 1956, proposed his candidature for the Office of Director. Members are requested to appoint him as Director of the Company.

Mrs. Maneesha S. Shah and Mr.A.K.Thanavala, 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 extremely cordial. Your Directors wish to express their appreciation of the services rendered by the devoted Employees.

PARTICULARS OF EMPLOYEES AND STATEMENT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

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 Statement of Conservation of Energy, Technology Absorption And Foreign Exchange Earnings & Outgo, forming part of the Directors' Report are annexed here to as Annexure 'I' and Annexure 'II' respectively.

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, State Bank of India, DVB Bank, DnB Nor Bank, State Bank of Travancore, United Bank of India, Axis Bank Limited and ICICI Bank Limited for their continued support and co-operation during the year.

On Behalf of the Board

Sd/-

ASHOK GARWARE
CHAIRMAN

Place : Mumbai

Date : 8th August, 2012

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 31.03.2012.

Sr. No.	Name	Qualification	Designation/ Nature of Duty	Experience	Date of Commencement of Employment	Remuneration	Age	Last employed	No. of Shares held (as on 30.07.2012)
1.	Ashok B. Garware	M.A. (Cantab)	Executive Chairman	50 years	01.07.2007	1,75,06,829	73 years	Garware Shipping Corporation Ltd.	6,32,842 (2.56%)
2..	Aditya A. Garware	M.B.A. (U.S.A.)	Vice Chairman & Managing Director	16 years	01.02.2009	1,81,05,772	41 years	Garware Goa Nets Ltd.	7,51,002 (3.03%)
3.	Capt. D. L. Mathur	Master Foreign Going Shipping Mangement	President- Marketing	35 years	19.04.2007	72,36,415	53 years	NICO Middle East	NIL
4.	Capt. S. Sarkango	Master Mariner	President - Oprations	25 years	18.01.2006	63,11,261	50 years	Great Eastern Shipping Ltd.	3,800 (0.01)

Notes:

- 1) The nature of employment of above employees is contractual.
- 2) Remuneration includes Salary, Perquisites, Leave encashment, Ex- Gratia Payment and Contribution to P.F.

ANNEXURE II 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	Remark
A.	CONSERVATION OF ENERGY	
	(a) Measures Taken	N.A
	(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.	₹ 16,761.23 lacs
	(b) Foreign exchange used including Operating expenses, Standby expenses, Capital repayment, down payments for acquisition of Ships and interest payment.	₹ 5,747.81 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

Sd/-

ASHOK GARWARE
CHAIRMAN

Place : Mumbai
Date : 8th August, 2012

REPORT ON CORPORATE GOVERNANCE

1. BOARD OF DIRECTORS:

The Board of 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, Eight 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)	28 th April, 2011
ii)	8 th July, 2011
iii)	30 th July, 2011
iv)	10 th August, 2011
v)	7 th November, 2011
vi)	25 th November, 2011
vii)	1 st February, 2012
viii)	30 th March, 2012

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)	8	Yes	Whole Time Director	-	-	10
Mr. Aditya Garware Vice Chairman & Managing Director	8	Yes	Whole Time Director	-	2	13
Mrs. Maneesha Shah (nee Garware)	6	Yes	Non-Whole Time Director	-	-	4
Mr. Shamsunder Aggarwal	8	Yes	Independent Director	-	-	8
Mr. A.K. Thanavala	7	Yes	Independent Director	-	-	-
Dr. Burjor Cooper	8	Yes	Independent Director	-	-	-
Mr. J.C. Chopra	6	Yes	Independent Director	-	2	3

The Non-Whole Time / Independent Directors were paid sitting fees of ₹ 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	116.24	139.95	256.19
Leave encashment	54.93	22.50	77.43
Monetary value of perquisites	0.40	0.40	0.80
Ex Gratia	3.50	4.00	7.50
Contribution to P.F.	0.00	14.21	14.21
Total	175.07	181.06	356.13

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/Stand-alone Audited/Un-Audited Financial Results for the year/quarter ended of the Company, Investments made by the Company, Compliance with Listing Agreement, Accounting Standards and other requirements relating to financial statements, reviewing of Management Discussion and Analysis Report and Directors' Report. The Committee also reviews the report of Internal Auditors.

Meetings:

Six Audit Committee Meetings were held during the financial year 2011-2012 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
28.04.2011	✓	✓	✓	✓
08.07.2011	-	✓	✓	✓
30.07.2011	✓	✓	✓	✓
10.08.2011	✓	✓	✓	✓
07.11.2011	✓	-	✓	✓
01.02.2012	✓	✓	✓	✓

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 usually 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/ Consolidation of shares 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.

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
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.
2008-2009	29 th September, 2009	9:30 A.M.	"Amar Gian Auditorium", Lala Lajpatrai College, Lala Lajpatrai Marg, Haji Ali, Mumbai 400 034.

Three 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 and Revision of Salary payable to Mr.Aditya A. Garware.

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.

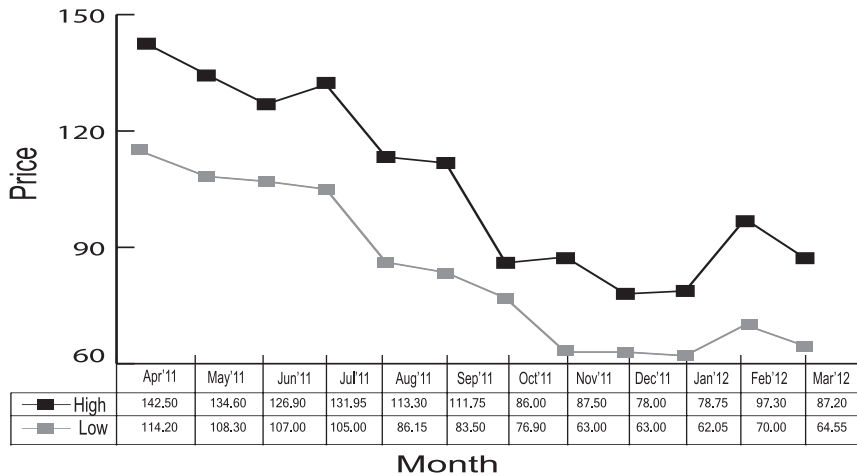
5. DISCLOSURE:

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

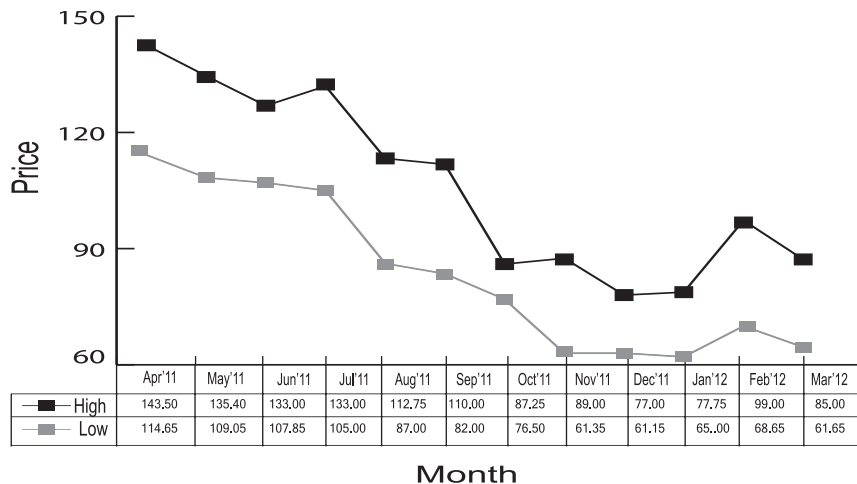
6. **SHARE PRICE – HIGH AND LOW ON THE BOMBAY STOCK EXCHANGE LTD.& NATIONAL STOCK EXCHANGE OF INDIA LTD. FOR THE YEAR ENDED 31ST MARCH, 2012:**

Month	BSE		NSE	
	HIGH	LOW	HIGH	LOW
April 2011	142.50	114.20	143.00	114.65
May 2011	134.60	108.30	135.40	109.05
June 2011	126.90	107.00	133.00	107.85
July 2011	131.95	105.00	133.00	105.00
August 2011	113.30	86.15	112.75	87.00
September 2011	111.75	83.50	110.00	82.00
October 2011	86.00	76.90	87.25	76.50
November 2011	87.50	63.00	89.00	61.35
December 2011	78.00	63.00	77.00	61.15
January 2012	78.75	62.05	77.75	65.00
February 2012	97.30	70.00	99.00	68.65
March 2012	87.20	64.55	85.00	61.65

Share Price - High & Low on BSE



Share Price - High & Low on NSE



7. GENERAL SHAREHOLDER INFORMATION:

34TH AGM : Date	28 th September, 2012
Time	9:30 A.M.
Venue	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 are declared within 45 days of the end of the quarter.
Date of Book closure/	25.09.2012 to 28.09.2012 (both days inclusive)
Dividend Payment Date (proposed)	05.10.2012
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, 2012, 95.27% 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 a 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

Place: Mumbai
Date: 31st July, 2012

Sd/-
ASHOK GARWARE
Chairman

ANNEXURE “A”

THE DISTRIBUTION OF EQUITY SHAREHOLDING AS ON 30TH JUNE, 2012 IS AS FOLLOWS:

NO. OF EQUITY SHARES HELD	NO. OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	NO. OF SHARES	% OF TOTAL PAID UP CAPITAL
1 – 5000	22,029	95.14	22,59,300	9.17
5001 – 10000	611	2.64	4,81,171	1.95
10001 – 20000	243	1.05	3,59,477	1.46
20001 – 30000	73	0.31	1,87,506	0.76
30001 – 40000	38	0.16	135,872	0.55
40001 – 50000	25	0.11	1,18,035	0.48
50001 – 100000	54	0.24	3,96,902	1.61
100001 – 99999999	80	0.35	2,07,09,530	84.02
TOTAL	23,153	100.00	2,46,47,793	100.00

SHAREHOLDING PATTERN AS ON 30TH JUNE, 2012 IS AS FOLLOWS :

Sl. No.	Category	No. of Shares Held	% of Total Paid up Capital
A)	Promoters Holding		
	• Individuals/HUFs	23,03,728	9.35
	• Bodies Corporates (Holding Co./Subsidiaries & Affiliates)	32,83,723	13.32
	• Foreign Promoters/Bodies Corporates	25,64,500	10.41
	Total – Promoters Holding	81,51,951	33.08
B)	Non-Promoters Holding		
	1. Institutional Investors :		
	a. UTI	2,700	0.01
	b. GIC & Subsidiaries	15,65,325	6.35
	c. Banks	11,650	0.05
	d. State Government	160	0.00
	e. Mutual Funds	30,200	0.12
	Sub Total	16,10,035	6.53
	2. Foreign Holding :		
	a. Foreign Investors/ FII's	73,21,855	29.71
	b. NRIs	2,12,389	0.86
	Sub Total	75,34,244	30.57
	3. Other Bodies Corporates	17,56,743	7.13
	4. Indian Public	51,15,823	20.75
	5. Others-Trusts	4,78,997	1.94
	Total – Non Promoters Holding	1,64,95,842	66.92
	Grand Total	2,46,47,793	100.00

NOTE :

Total Foreign Shareholding NRIs/ FI's is 1,00,98,744 shares i.e. 40.98%.



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 Limited (the Company) for the year ended 31st March, 2012 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 for ensuring 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 in 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

Sd/-
Santosh A. Sankhe
Partner
M.No.100976

Place : Mumbai
Date : 31stJuly, 2012

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, 2012 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 auditing standards generally accepted in 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, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012, 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, 2012; 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 : 31st July, 2012

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 repaid all the dues regularly to the financial institutions and 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 made preferential allotment of shares 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 : 31st July,2012

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

Balance Sheet as at 31st March, 2012

	Note	As at 31st March, 2012 Rs. In Lacs	As at 31st March, 2011 Rs. In Lacs
I. EQUITY & LIABILITIES			
Shareholders Funds			
Share Capital	2	2,448.71	2,381.91
Reserves & Surplus	4	25,443.54	27,013.02
		27,892.25	29,394.93
Share application money pending allotment	3	150.09	-
Non- Current Liabilities			
Long Term Borrowings	5	32,447.16	31,753.72
Long Term Provisions	6	60.35	105.90
		32,507.51	31,859.62
Current Liabilities			
Short Term Borrowings	7	3,733.43	2,375.95
Trade Payables	8	881.79	606.20
Other Current Liabilities (including loan repayments within 1year)	9	7,369.85	6,905.70
Short Term Provisions	10	431.18	335.80
		12,416.25	10,223.65
TOTAL :		72,966.10	71,478.20
II. ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	11	53,849.80	54,805.71
Intangible Assets	11	9.96	9.42
		53,859.76	54,815.13
Non-Current Investments	12	9,311.53	1,571.79
Current Assets			
Inventories	13	2,871.50	2,229.04
Trade Receivables	14	3,343.65	2,358.88
Cash and Cash Equivalents	15	686.53	2,564.01
Short Term Loans & Advances	16	2,791.03	7,922.95
Other Current Assets	17	102.10	16.40
		9,794.81	15,091.28
TOTAL :		72,966.10	71,478.20

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

 A. K. Thanavala
 Director

 P. S. Shah
 GM - Finance & Accounts

 S. P. Akolkar
 President - Finance

 A. C. Chandarana
 Company Secretary

 Place : Mumbai
 Date : 31st July, 2012

 Place : Mumbai
 Date : 31st July, 2012

Profit & Loss Statement for the year ended 31st March, 2012

	Note	Year Ended 31st March, 2012 Rs. In Lacs	Year Ended 31st March, 2011 Rs. In Lacs
INCOME :			
I. Revenue from operations			
Charter Hire	18	15,315.22	16,649.26
Other Operating Income		-	367.57
		<u>15,315.22</u>	<u>17,016.83</u>
II. Other Income			
	19	150.34	243.02
TOTAL REVENUE : (I)		<u><u>15,465.56</u></u>	<u><u>17,259.85</u></u>
EXPENSES :			
Fleet Operating Expenses	20	2,816.34	2,714.62
Employee Benefits Expense	21	3,175.38	3,924.62
Finance Cost	22	2,321.47	2,456.44
Depreciation and Amortisation Expenses		2,993.28	3,433.20
Other Expenses	23	829.79	789.04
TOTAL EXPENSES : (II)		<u><u>12,136.26</u></u>	<u><u>13,317.92</u></u>
Profit Before Tax (I - II)		<u><u>3,329.30</u></u>	<u><u>3,941.93</u></u>
Less : Tax Expense			
Current Tax		41.50	46.00
Tax of Earlier Years		(0.16)	(109.63)
		<u>41.34</u>	<u>(63.63)</u>
Profit for the Year		<u><u>3,287.96</u></u>	<u><u>4,005.56</u></u>
Earning Per Equity Share :			
	24(E)		
Basic Earning Per Share		13.65	16.82
Diluted Earning Per Share		13.61	16.82

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

A. K. Thanavala
Director

P. S. Shah
GM - Finance & Accounts

S. P. Akolkar
President - Finance

A. C. Chandarana
Company Secretary

Place : Mumbai
Date : 31st July, 2012

Place : Mumbai
Date : 31st July, 2012

Cash Flow Statement for the year ended 31st March, 2012

Particulars	Year Ended 31st March, 2012 Rs. In Lacs	Year Ended 31st March, 2011 Rs. In Lacs
A. Cash Flow arising from Operating Activities :		
Net profit before tax and extraordinary items	3,329.30	3,941.94
Add/(Less) :		
a) Depreciation charges (Net)	2,993.28	3,433.20
b) Interest charges	2,321.47	2,456.44
c) Dividend Income	(0.65)	(0.69)
d) Interest Income	(110.73)	(44.86)
e) (Profit) / Loss on sale of Asset (net)	(38.95)	(195.97)
f) Taxes Paid	(382.87)	(249.50)
Operating Profit before working capital changes	8,110.85	9,340.56
Less :		
a) Increase /(Decrease) in Operational Liabilities	704.61	50.87
b) (Increase) / Decrease in Operational Assets	4,750.32	(5,191.79)
Net cashflow from operating Activity (A)	13,565.78	4,199.64
B. Cash Flow arising from Investing Activities :		
(i) Outflow on account of investing activity		
a) (Acquisition)/ Sale of fixed assets (Incl. Cap WIP)	(1,998.97)	11,933.79
b) Loan to wholly owned subsidiary	(1,039.62)	-
c) Money Invested in Securities	(7,739.75)	(1,282.76)
(ii) Inflow on account of investing activity		
a) Trading in Securities (Net)	-	-
b) Income from Dividend	0.65	0.69
c) Interest Income	73.69	58.84
Net cashflow from investing Activity (B)	(10,704.00)	10,710.56
C. Cash Flow arising from Finance Activities :		
(i) Inflow on account of Financing activity		
a) Shares & Warrants Issued at premium	958.37	-
b) Loans taken (net of repayment)	(2,908.03)	(10,329.64)
(ii) Outflow on account of Financing activity		
a) Dividend Paid	(508.33)	(490.37)
b) Interest on loan paid during the year	(2,281.26)	(2,350.08)
Net cashflow from financing Activity (C)	(4,739.25)	(13,170.09)
Net increase in cash / cash equivalent [A + B + C]	(1,877.48)	1,740.11
Add : Cash / Cash equivalents at the beginning of the year	2,564.01	823.90
Cash / Cash equivalents at the end of the year	686.53	2,564.01
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 - On - Hand	8.47	20.25
Demand deposits with bank (Bank balances)	678.06	2543.76
	686.53	2564.01

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

 A. K. Thanavala
 Director

 P. S. Shah
 GM - Finance & Accounts

 S. P. Akolkar
 President - Finance

 A. C. Chandarana
 Company Secretary

Place : Mumbai

Date : 31st July, 2012

Place : Mumbai

Date : 31st July, 2012

 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, 2012. 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 : 31st July, 2012

Notes on Financial Statements for the Year ended 31st March, 2012

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 and operational costs till commencement of first commercial voyage. 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 as certified by the management, are valued at cost.

(b) The Stock of fuel and diesel oil owned by the Company as confirmed by masters of the vessels are valued at cost.

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, 2012

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 an actuarial valuation, using the projected credit method as at 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 up till 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.

Deferred income tax is recognised on timing differences, between taxable income and accounting income which originate in one period and are capable of reversal in one or more subsequent periods only in respect of the non-shipping activities of the Company. The tax effect is calculated on the accumulated timing differences at the year end based on tax rates and laws, enacted or substantially enacted as of the balance sheet date.

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, 2012

Note : 2 Share Capital	As At 31st March, 2012		As At 31st March, 2011	
	Number	Rs. In Lacs	Number	Rs. In Lacs
A Authorised Capital :				
<u>Equity Share Capital :</u>				
Equity Shares of Rs. 10/- each	3,20,00,000	3,200.00	3,20,00,000	3,200.00
<u>Preference Share Capital :</u>				
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 :				
<u>Equity Share Capital :</u>				
2,44,87,093 Equity Shares of Rs. 10/- each (Previous year 2,38,19,093 Equity Shares of Rs. 10/- each)	2,44,87,093	2,448.71	2,38,19,093	2,381.91
Total	2,44,87,093	2,448.71	2,38,19,093	2,381.91
a) Reconciliation of Shares Outstanding				
Particulars	Equity Shares			
	Number	Rs. In Lacs		
Shares outstanding at 1st April, 2011	2,38,19,093	2,381.91		
Shares Issued during the year	6,68,000	66.80		
Shares bought back during the year	-	-		
Shares outstanding at 31st March, 2012	2,44,87,093	2,448.71		
b) Details of shareholders holding more than 5% shares				
Name of Shareholder	As at 31 March, 2012		As at 31 March, 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
India Star (Mauritius) Ltd.	72,60,928	29.36%	72,60,928	30.48%
Garware Marine Industries Ltd.	14,85,760	6.07%	14,85,760	6.24%
Universal Investments Services Pvt. Ltd.	13,88,720	5.67%	13,72,970	5.76%
Ronder Overseas Ltd.	12,86,250	5.25%	-	-
Clearwell Enterprises Ltd.	12,78,250	5.22%	-	-
Total	1,26,99,908	51.57%	1,01,19,658	42.48%
c) Details of shares issued during the year.				
i) 4,40,000 Equity shares issued on a Preferential basis at a price of Rs. 121/- per share (including premium of Rs. 111/-).				
ii) 2,28,000 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 had issued and allotted on a preferential basis 4,69,700 share warrants of Rs. 10/- each at issue price of Rs. 121/- per warrant (Including premium of Rs, 111/-). The same are to be converted into equity shares within 18 months from the date of allotment and have lock-in period of 3 years. Out of these 2,28,000 fully paid share warrants were converted into equity shares as per the terms of the issue. The Company has received Rs. 150.09 lacs against the issue price of Rs. 121/- in respect of balance 2,41,700 share warrants.

Notes on Financial Statements for the Year ended 31st March, 2012

Note : 4 Reserves & Surplus	As At 31st March, 2012 Rs. In Lacs		As At 31st March, 2011 Rs. In Lacs	
A Securities Premium Account				
As per last balance sheet	7,650.01		7,650.01	
Add : On Account of fresh issue	741.48	8,391.49	-	7,650.01
B Tonnage Tax Reserves U/s. 115VT of Income Tax Act				
As per last balance sheet	2,810.00		2,000.00	
(Add) : Transfer from Profit & Loss A/c	700.00		810.00	
(Less) : Transfer to Tonnage Tax Reserve(Utilised)	-	3,510.00	-	2,810.00
C Tonnage Tax Reserve (Utilised)				
As per last balance sheet	1,772.00		1,772.00	
(Add) : Transfer from Tonnage Tax Reserve	-	1,772.00	-	1,772.00
D General Reserves				
As per last balance sheet	6,665.09		6,165.09	
(Add) : Transfer from Shipping Reserve Utilised	-		-	
(Add) : Transfer from Profit & Loss A/c	500.00	7,165.09	500.00	6,665.09
E Foreign Exchange Hedge Reserve				
As per last balance sheet	(381.70)		(372.64)	
(Add) : Created During the Year	(4,913.41)	(5,295.11)	(9.06)	(381.70)
F Profit & Loss Account				
As per last balance sheet	8,497.62		6,467.82	
Add : Profit for the year	3,287.96		4,005.57	
	11,785.58		10,473.39	
Less : Appropriations				
Transfer to Tonnage Tax Reserve	700.00		810.00	
Transfer to General Reserve	500.00		500.00	
Interim Dividend	416.31		452.61	
Tax on Interim Dividend	68.66		74.72	
Proposed Dividend	171.41		119.12	
Tax on Proposed Dividend	29.13		19.32	
	1,885.51	9,900.07	1,975.77	8,497.62
Total		25,443.54		27,013.02

Note : 5 Long Term Borrowings	As At 31st March, 2012 Rs. In Lacs		As At 31st March, 2011 Rs. In Lacs	
Loans from Banks				
Term Loans for Acquisition of Vessels in Foreign Currency		30,016.99		28,577.65
Other Term Loans in Foreign Currency		2,131.78		2,607.14
Rupee Term Loans		266.32		566.28
Car Finance Loans (Rupee Loans)		32.07		2.65
Total		32,447.16		31,753.72

Notes on Financial Statements for the Year ended 31st March, 2012

5.1 Term loans for acquisition of vessels

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

5.2 Other Term Loans

1. Foreign Currency Loans :

- a. One Corporate term loan from a bank is secured by way of second charge on one vessel (AHTSV) of the Company.
- b. Two Corporate term loans from a bank are secured by way of receivables from the operations of two vessels (PSV) of the Company respectively and extension of first charge on Company's office premises.
- c. One Corporate term loan from a bank is secured by way of extension of second charge of one vessel (AHTSV) of the Company and second charge on Company's office premises.

2. Rupee Loans :

- a. One Corporate Rupee term loan from a bank is secured by way of first charge on one vessel (AHTSV) of the Company.
- b. One term loan from a bank for acquisition of office premises is secured by way of first charge of the said premises.
- c. Overall limit from a bank is secured by way of extension of first charge on office premises.

5.3 Car Finance Loans

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

5.4 Maturity profile of Secured Loans are as set out below :

Particulars	Rs. In lacs			
	within 1 year	1-2 years	2-3 years	Beyond 3 years
Term Loans for Acquisition of Vessels in Foreign Currency	4,282.85	4,592.73	5,058.42	20,365.84
Other Term Loans in Foreign Currency	1,944.65	1,347.63	438.23	345.92
Other Rupee Term Loans	299.96	237.46	28.86	-
Car Finance Loans (Rupee Loans)	13.19	11.43	12.65	7.99

Note : 6 Long Term Provisions	As At 31st March, 2012	As At 31st March, 2011
	Rs. In Lacs	Rs. In Lacs
(a) Provision for employee benefits Retirement and Other Benefits	60.35	105.90
(b) Others	-	-
Total	60.35	105.90

Note : 7 Short Term Borrowings	As At 31st March, 2012	As At 31st March, 2011
	Rs. In Lacs	Rs. In Lacs
Secured Working Capital Loans From Banks		
Foreign Currency	2,602.14	2,273.66
Rupee	1,131.29	102.29
Total	3,733.43	2,375.95

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 as also against collateral security by way of first mortgage on one AHTSV of the Company and extension of first charge on office premises.

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 two of the Company's PSV).

Notes on Financial Statements for the Year ended 31st March, 2012

Note : 8 Trade Payables	As At 31st March, 2012 Rs. In Lacs	As At 31st March, 2011 Rs. In Lacs
Micro, Small and Medium Enterprises	-	-
Others	881.79	606.20
Total	881.79	606.20

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, 2012 Rs. In Lacs	As At 31st March, 2011 Rs. In Lacs
Current Maturities of Long Term Debts (refer note no.5.4)	6,540.65	5,830.13
Interest Accrued and due on Borrowings	135.97	95.98
Interest Accrued but not due on Borrowings	20.39	20.17
Unclaimed Dividends (To be credited to the Investor Education & Protection Fund as and when due)	83.38	84.08
Duties and Taxes Payable	1.29	143.06
Deposits	-	47.00
Other Payables	588.17	685.28
Total	7,369.85	6,905.70

Note : 10 Short Term Provisions	As At 31st March, 2012 Rs. In Lacs	As At 31st March, 2011 Rs. In Lacs
Retirement and Other Benefits	17.25	12.91
Proposed Dividend	171.41	238.24
Tax on Proposed Dividend	29.13	38.65
Interim Dividend	146.92	-
Tax on Interim Dividend	24.97	-
Provision for Taxation	41.50	46.00
Total	431.18	335.80

Note : 11 1. Fixed Assets - Tangible

Particulars	Gross Block				Depreciation				Net Block		
	As at 01/04/2011	Additions During the Year	Deductions During the Year	As at 31/03/2012	As at 01/04/2011	For the Year	Prior Period	Deduction	As at 31/03/2012	As at 31/03/2012	As at 31/03/2011
Fleet	64,721.07	2,554.81	5,020.09	62,255.78	11,460.86	2,907.62	-	4,424.39	9,944.09	52,311.71	53,260.21
Office Premises	1,341.24	2.21	-	1,343.46	26.65	21.86	-	-	48.52	1,294.93	1,314.58
Furniture & Fixtures	125.97	-	-	125.97	14.73	7.97	-	-	22.70	103.27	111.25
Office Equipments	40.62	0.37	-	40.99	18.92	1.93	-	-	20.85	20.13	21.70
Motor Vehicles	200.31	65.59	15.59	250.31	110.82	42.35	-	17.84	135.32	114.99	89.50
Computers	54.32	1.09	0.26	55.15	45.85	9.35	-	4.82	50.38	4.77	8.47
TOTAL	66,483.53	2,624.07	5,035.94	64,071.66	11,677.83	2,991.08	-	4,447.05	10,221.86	53,849.80	54,805.71

2. Fixed Assets - Intangible

Particulars	Gross Block				Depreciation				Net Block		
	As at 01/04/2011	Additions During the Year	Deductions During the Year	As at 31/03/2012	As at 01/04/2011	For the Year	Prior Period	Deduction	As at 31/03/2012	As at 31/03/2012	As at 31/03/2011
Computer Software	12.68	2.73	-	15.42	3.26	2.19	-	-	5.45	9.96	9.42
Total (1+2)	66,496.21	2,626.80	5,035.94	64,087.07	11,681.07	2,993.28	-	4,447.05	10,227.31	53,859.76	54,815.13
Previous Year	77,568.90	1,395.07	12,467.77	66,496.20	9,346.03	3,433.20	-	1,098.16	11,681.07	54,815.13	

Notes on Financial Statements for the Year ended 31st March, 2012

Note : 12 Investments	As At 31st March, 2012 Rs. In Lacs	As At 31st March, 2011 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. 18.14 lacs, Previous Year Rs. 22.62 lacs)	37.68	37.68
B Unquoted		
(a) Wholly Owned Subsidiaries		
(1) Garware Offshore International Services Pte Limited (48,70,001 Equity Shares of US\$ 1 each; Previous Year 31,70,001 Equity Share of US\$ 1 each)	2,273.58	1,516.96
(2) Global Offshore Services B. V. (1,10,57,943 Equity Shares of EURO 1 each; Previous Year 18,000 Equity Shares of Euro 1 each)	6,994.26	11.14
(b) Others		
Garware Nylons Limited (35,050 Equity Shares of Rs. 10/- each) (refer note no. 24 (H))	6.01	6.01
Total	<u>9,311.53</u>	<u>1,571.79</u>

Note : 13 Inventories	As At 31st March, 2012 Rs. In Lacs	As At 31st March, 2011 Rs. In Lacs
Stock of Stores, Spares & Consumables (At Cost)	2,871.50	2,229.04
Total	<u>2,871.50</u>	<u>2,229.04</u>

Note : 14 Trade Receivables (Unsecured and Considered good)	As At 31st March, 2012 Rs. In Lacs	As At 31st March, 2011 Rs. In Lacs
(a) Debts outstanding for more than six months	508.25	140.74
(b) Other Debts	2,835.40	2,218.14
Total	<u>3,343.65</u>	<u>2,358.88</u>

Note : 15 Cash & Cash Equivalents	As At 31st March, 2012 Rs. In Lacs	As At 31st March, 2011 Rs. In Lacs
Balance with Banks		
Current Accounts	382.32	2,212.81
Unpaid Dividend Accounts	83.38	84.08
Margin Money	212.36	246.87
	<u>678.06</u>	<u>2,543.76</u>
Cash On Hand	8.47	20.25
Total	<u>686.53</u>	<u>2,564.01</u>

Notes on Financial Statements for the Year ended 31st March, 2012

Note : 16	As At 31st March, 2012	As At 31st March, 2011
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	1,013.72	861.01
Advance Income Tax	659.44	404.77
Loan to wholly owned subsidiaries	1,039.62	-
Share Application Money in Global Offshore Services B. V., The Netherlands - A Wholly Owned Subsidiary	-	6,522.51
Deposits	46.56	111.47
Balance with customs, port trust, other government authorities & courts of law	31.69	23.19
Total	2,791.03	7,922.95
Note : 17	As At 31st March, 2012	As At 31st March, 2011
Other Current Assets	Rs. In Lacs	Rs. In Lacs
Interest accrued on loans and deposits	48.30	11.26
Income receivable	53.80	5.14
Total	102.10	16.40
Note : 18	31st March, 2012	31st March, 2011
Revenue from Operations	Rs. In Lacs	Rs. In Lacs
Gross Charter Income	16,706.23	18,025.11
Less : Service Tax	1,391.01	1,375.85
Total	15,315.22	16,649.26
Note : 19	31st March, 2012	31st March, 2011
Other Income	Rs. In Lacs	Rs. In Lacs
Interest Income (Gross)	110.74	44.86
(Tax Deducted at source Rs.7.36 lacs, Previous Year Rs.1.62 lacs)		
Dividend Income	0.65	0.69
Profit on sale of Assets	38.95	195.97
Miscellaneous Income	-	1.50
Total	150.34	243.02
Note : 20	31st March, 2012	31st March, 2011
Fleet Operating Expenses	Rs. In Lacs	Rs. In Lacs
Travelling Expenses	94.89	157.72
Fuel, Oil & Water	243.36	410.72
Port & Canal dues	27.26	26.28
Repairs	309.52	278.28
Stores & Victualling	374.75	744.54
Insurance Charges & Protecting Club Fees	261.42	264.87
Telecommunication Charges	100.08	102.44
Charter Hire Charges	1,069.25	364.31
Professional Fees	140.25	124.54
Brokerage & Commission	57.36	63.18
Sundry Operating expenses	138.20	177.74
Total	2,816.34	2,714.62

Notes on Financial Statements for the Year ended 31st March, 2012

Note : 21	31st March, 2012	31st March, 2011
Employee Benefits Expense :	Rs. In Lacs	Rs. In Lacs
Floating Staff :		
Salaries, Allowances & Compensation	339.00	458.33
Payments to Contractors	1,743.13	2,408.92
Contribution to :		
Provident Fund	7.98	9.36
EDLIS Contribution	0.01	0.02
PF/ EDLIS Administrative Expenses	0.88	0.79
	<u>8.87</u>	<u>10.17</u>
	<u>2,091.00</u>	<u>2,877.42</u>
Shore Staff :		
Salaries, Allowances, Bonus & Commission	979.49	935.80
Contribution to :		
Provident Fund	43.55	43.28
ESIC	0.27	0.31
Maharashtra Labour Fund	0.03	0.05
EDLIS Contribution	0.19	0.18
PF/ EDLIS Administrative Expenses	4.01	3.92
	<u>48.05</u>	<u>47.74</u>
Gratuity Fund Contribution	41.07	50.46
Staff welfare expenses	15.77	13.20
	<u>1,084.38</u>	<u>1,047.20</u>
Total	<u>3,175.38</u>	<u>3,924.62</u>

Note : 22	31st March, 2012	31st March, 2011
Finance Cost	Rs. In Lacs	Rs. In Lacs
Interest Expenses	2,296.40	2,398.93
Finance Charges	25.07	57.51
Total	<u>2,321.47</u>	<u>2,456.44</u>

Note : 23	31st March, 2012	31st March, 2011
Other Expenses	Rs. In Lacs	Rs. In Lacs
Rent	2.00	13.39
Travelling Expenses	149.34	135.26
Auditors' Remuneration	13.17	10.88
Telephone charges	32.98	36.93
Professional fees	198.05	90.52
Bank Charges	41.72	114.22
Directors' fees	9.00	8.00
Insurance Charges	4.98	17.83
Rates & Taxes	30.15	16.56
Repairs - Office	11.31	8.61
Miscellaneous Expenses	239.69	201.50
Loss on foreign currency transactions and translations	97.40	135.34
Total	<u>829.79</u>	<u>789.04</u>

Notes on Financial Statements for the Year ended 31st March, 2012

Note 24 : Additional Information to financial statements

A. Payments to Auditor

Particulars	31st March, 2012 Rs. In Lacs	31st March, 2011 Rs. In Lacs
For Statutory Audit	12.36	9.38
For Taxation Matters	0.61	0.55
Reimbursement of Expenses	0.20	0.95
Total	13.17	10.88

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

Particulars	31st March, 2012 Rs. In Lacs	31st March, 2011 Rs. In Lacs
(a) Value of imports calculated on C.I.F. basis :		
Raw Material	N.A.	N.A.
Components & Spare Parts	436.94	221.20
(b) Expenditure in foreign currency :		
Professional and Consultancy Fees	146.23	39.41
Interest Charges	2,155.13	2,223.76
Other Matters	2,572.57	1,653.07

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

Particulars	%(2011-12)	%(2010-11)	2011-12	2010-11
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	50.35%	27.73%	436.94	221.20
Indegenous Goods	49.65%	72.27%	430.92	576.56
	100.00%	100.00%	867.86	797.76

Particulars	31st March, 2012 Rs. In Lacs	31st March, 2011 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 :		
Sale of Vessel	-	11,767.61
Interest Income	54.79	12.36
Charter Hire Income (Gross)	16,706.23	15,769.47
Total	16,761.02	27,549.44

C. Related Party Disclosure

a) Subsidiary Companies

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

Global Offshore Services B.V., Netherlands (Wholly Owned 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

Notes on Financial Statements for the Year ended 31st March, 2012

b) Transactions with related parties for the year ended 31st March, 2012 :

	Nature of Transactions	Subsidiary Companies	Key Managerial Personnel	Other Related Parties	TOTAL
(1)	Charter Hire Income : Global Offshore Services B.V.	1,756.48	-	-	1,756.48
(2)	Charter Hire Charges Paid : Garware Offshore International Services Pte Ltd.	(1,035.68)	-	-	(1,035.68)
(3)	Reimbursement of expenses (Net Charged): Garware Offshore International Services Pte Ltd. Global Offshore Services B.V.	70.15 38.35	- -	- -	70.15 38.35
(4)	Interest Received Garware Offshore International Services Pte Ltd. Global Offshore Services B.V.	4.12 50.67	- -	- -	4.12 50.67
(5)	Loan given Garware Offshore International Services Pte Ltd. Global Offshore Services B.V.	713.30 1,560.09	- -	- -	713.30 1,560.09
(6)	Remuneration Ashok B. Garware Aditya A. Garware	- -	175.07 181.06	- -	175.07 181.06
	Total	3,157.48	356.13	-	3,513.61

Outstandings as at 31st March, 2012

	Nature of Transactions	Subsidiary Companies	Key Managerial Personnel	Other Related Parties	TOTAL
(1)	Charter Hire Income : Garware Offshore International Services Pte Ltd. Global Offshore Services B.V.	180.14 842.79	- -	- -	180.14 842.79
(2)	Charter Hire Charges : Garware Offshore International Services Pte Ltd.	(125.80)	-	-	(125.80)
(3)	Reimbursement of expenses (Net Charged): Garware Offshore International Services Pte Ltd. Global Offshore Services B.V.	127.17 14.90	- -	- -	127.17 14.90
(4)	Interest Received Garware Offshore International Services Pte Ltd. Global Offshore Services B.V.	14.20 39.82	- -	- -	14.20 39.82
(5)	Loan given Garware Offshore International Services Pte Ltd. Global Offshore Services B.V.	24.05 1,015.57	- -	- -	24.05 1,015.57
(6)	Remuneration Ashok B. Garware Aditya A. Garware	- -	61.93 32.50	- -	61.93 32.50
	Total	2,132.84	94.43	-	2,227.27

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	31st March, 2012 Rs. In Lacs	31st March, 2011 Rs. In Lacs
Contribution to Employees Provident Fund	43.55	43.28
Contribution to Seamen's Provident Fund	7.98	9.36
Total	51.53	52.64

Notes on Financial Statements for the Year ended 31st March, 2012

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	31st March, 2012 Rs. In Lacs	31st March, 2011 Rs. In Lacs
Gratuity		
Actuarial Assumption for the year		
a) Discount Rate (p.a.)	8.75%	8.25%
b) Rate of Return on Plan Assets	8.60%	8.00%
c) Salary Escalation rate	5.00%	5.00%
d) Attrition rate	2.00%	2.00%

(i) Change in Benefit Obligation

Particulars	31st March, 2012 Rs. In Lacs	31st March, 2011 Rs. In Lacs
Gratuity		
Liability at the beginning of the year	94.02	79.25
Interest Cost	7.76	6.34
Current Service Cost	13.86	30.31
Past Service Cost	-	5.06
Benefit Paid	(30.82)	(39.32)
Actuarial (gain)/loss on obligations	24.75	12.38
Liability at the end of the year	109.57	94.02

(ii) Fair value of Plan Assets :

Particulars	31st March, 2012 Rs. In Lacs	31st March, 2011 Rs. In Lacs
Gratuity		
Fair Value of Plan Assets at the beginning of the year	52.77	33.63
Expected Return on Plan Assets	4.22	2.69
Employer's contribution	35.43	54.81
Benefits Paid	(30.82)	(39.32)
Actuarial gain/(loss) on Plan Assets	1.08	0.96
Fair value of Plan Assets at the end of the year	62.68	52.77

(iii) Actual Return on Plan Assets:

Particulars	31st March, 2012 Rs. In Lacs	31st March, 2011 Rs. In Lacs
Gratuity		
Expected Return on Plan Assets	4.22	2.69
Actuarial gain/(loss) on Plan Assets	1.08	0.96
Actual Return on Plan Assets	5.30	3.65

(iv) Amount Recognised in the Balance Sheet :

Particulars	31st March, 2012 Rs. In Lacs	31st March, 2011 Rs. In Lacs
Gratuity		
Liability at the end of the year	109.57	94.02
Fair Value of Plan Assets at the end of the year	62.68	52.77
Amount Recognised in Balance sheet	46.89	41.25

Notes on Financial Statements for the Year ended 31st March, 2012

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

Particulars	31st March, 2012 Rs. In Lacs	31st March, 2011 Rs. In Lacs
	Gratuity	
Current Service Cost	13.86	30.31
Interest Cost	7.76	6.34
Expected Return on Plan Assets	(4.22)	(2.69)
Net Actuarial (gain) / loss to be recognised	23.67	11.42
Past Service Cost	-	5.06
Expenses recognised in the Profit & Loss Account	41.07	50.44

(C) Other Long Term Benefits

The charge recognised in the Profit & Loss Account for Leave Encashment for the year is Rs. 133.74 Lacs (Previous Year 7.86 Lacs) and the closing liability is Rs. 30.71 Lacs (Previous Year Rs. 24.78 Lacs)

E. Earning Per Share :

Particulars	31st March, 2012 Rs. In Lacs	31st March, 2011 Rs. In Lacs
(A) Basic Earning Per Share :		
<u>Working for Computing Earning Per Share :</u>		
Profit before Taxation	3,329.30	3,941.93
(Less) : Provision for Taxation	41.34	(63.63)
(A)	<u>3,287.96</u>	<u>4,005.56</u>
<u>Weighted Average No. of Equity Share Capital :</u>		
Equity Share At The Beginning Of The Year	238.19	238.19
(+) Fresh Issue During The Year	2.66	-
(-) Redeemed/ Forefeited During The Year	-	-
(B)	<u>240.85</u>	<u>238.19</u>
Basic Earning Per Share (A / B)	<u>13.65</u>	<u>16.82</u>
Diluted Earning Per Share :		
<u>Diluted Earning for Computing Diluted Earning Per Share :</u>		
Profit before Taxation	3,329.30	3,941.93
(Less) : Provision for Taxation	41.34	(63.63)
(Add) : Interest Expenses for the Year	-	-
(Less) : Tax relating to Interest Expenses	-	-
Adjusted Net Profit for the Current Year (A)	<u>3,287.96</u>	<u>4,005.56</u>
<u>Weighted Average No. of Equity Share Capital :</u>		
Equity Share At The Beginning Of The Year	238.19	238.19
(+) Fresh Issue During The Year(In Weighted Average for time)	2.66	-
(+) Potential No. of Shares to be issued on conversion	0.79	-
(B)	<u>241.64</u>	<u>238.19</u>
Diluted Earning Per Share (A / B)	<u>13.61</u>	<u>16.82</u>

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.

Notes on Financial Statements for the Year ended 31st March, 2012

F. Contingent Liabilities :

	31st March, 2012 Rs. In Lacs	31st March, 2011 Rs. In Lacs
Guarantees given by the Banks (Counter Guarantees given by the Company)	2,006.41	2,126.89
Total	2,006.41	2,126.89

The Company has given a guarantee on behalf of its wholly owned subsidiary for the difference, if any, between the Bareboat Charter payable to the owner of one Accommodation barge and one Anchor Handling Tug-cum Supply Vessel and the market value of the said assets. In view of the fact that the Accommodation barge is on long term contract, the Company expects no liability on this account. With regard to the Anchor Handling Tug-cum Supply Vessel, the same has now been acquired by Company's subsidiary in the Netherlands. Therefore the guarantee is no longer valid.

The Company has given a guarantee on behalf of its Wholly Owned Subsidiary based in Singapore for USD 35 million in favour of Northern Star Shipping Pte. Ltd., for the bareboat charter of one Platform Supply Vessel. This guarantee covers the difference between market value and the charter obligations of the Company's Wholly Owned Subsidiary. In view of the fact that the vessel is on long term contract and its market value is substantially higher than the Bareboat charter exposure, the Company does not expect any liability whatsoever on this account.

The Company has given a guarantee of USD 55 million to Axis Bank, Singapore on behalf of Wholly Owned Subsidiary based in Netherlands. This amount relates to the debt raised by the Company's Wholly Owned Subsidiary in order to acquire the vessel, M.V.Beaucephalus. Since the market value of the vessel is substantially higher than the total debt outstanding and since the vessel is on long term contract with Petrobras, the Company does not expect any liability whatsoever on this account.

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. The Revised Schedule VI has become effective from April 1, 2011 for the preparation of financial statement. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have accordingly 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

A. K. Thanavala
Director

P. S. Shah
GM - Finance & Accounts

S. P. Akolkar
President - Finance

A. C. Chandarana
Company Secretary

Place : Mumbai
Date : 31st July, 2012

Place : Mumbai
Date : 31st July, 2012

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, 2012, 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.37,166.04 lakhs as at March 31, 2012, the Group's share of total revenues of Rs.9,943.33 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, 2012;
 - 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

Place : Mumbai
Date : 31st July,2012

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

Consolidated Balance Sheet as at 31st March, 2012

	Note	As at 31st March, 2012 Rs. In Lacs	As at 31st March, 2011 Rs. In Lacs
I. EQUITY & LIABILITIES			
Shareholders Funds			
Share Capital	2	2,448.71	2,381.91
Reserves & Surplus	4	23,979.98	25,249.64
		26,428.69	27,631.55
Share application money pending allotment	3	150.09	-
Non- Current Liabilities			
Long Term Borrowings	5	54,721.09	52,805.17
Long Term Provisions	6	60.35	105.90
		54,781.44	52,911.07
Current Liabilities			
Short Term Borrowings	7	3,733.43	2,375.95
Trade Payables	8	2,173.11	910.51
Other Current Liabilities (including loan repayments within 1year)	9	12,462.45	10,308.42
Short Term Provisions	10	439.16	335.80
		18,808.15	13,930.68
TOTAL :		100,168.37	94,473.30
II. ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	11	87,139.79	82,564.19
Intangible Assets	11	9.96	9.42
		87,149.75	82,573.61
Non-Current Investments	12	43.69	43.69
Current Assets			
Inventories	13	3,228.19	2,454.80
Trade Receivables	14	4,065.88	2,910.51
Cash and Cash Equivalents	15	3,265.51	2,591.16
Short Term Loans & Advances	16	2,367.05	3,883.13
Other Current Assets	17	48.30	16.40
		12,974.93	11,856.00
TOTAL :		100,168.37	94,473.30

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

 A. K. Thanavala
 Director

 P. S. Shah
 GM - Finance & Accounts

 S. P. Akolkar
 President - Finance

 A. C. Chandarana
 Company Secretary

 Place : Mumbai
 Date : 31st July, 2012

 Place : Mumbai
 Date : 31st July, 2012

Consolidated Profit & Loss Statement for the year ended 31st March, 2012

	Note	Year Ended 31st March, 2012 Rs. In Lacs	Year Ended 31st March, 2011 Rs. In Lacs
INCOME :			
I. Revenue from operations			
Charter Hire	18	22,443.42	19,681.73
Other Operating Income		-	367.57
		<u>22,443.42</u>	<u>20,049.30</u>
II. Other Income	19	<u>684.65</u>	<u>231.36</u>
TOTAL REVENUE : (I)		<u><u>23,128.07</u></u>	<u><u>20,280.66</u></u>
EXPENSES :			
Fleet Operating Expenses	20	7,995.37	6,239.73
Employee Benefits Expense	21	4,259.74	4,484.04
Finance Cost	22	3,271.38	2,810.59
Depreciation and Amortisation Expenses		4,356.98	3,796.91
Other Expenses	23	<u>794.97</u>	<u>789.04</u>
TOTAL EXPENSES : (II)		<u><u>20,678.44</u></u>	<u><u>18,120.31</u></u>
Profit Before Tax (I - II)		<u>2,449.63</u>	<u>2,160.35</u>
Less : Tax Expense			
Current Tax		48.49	47.61
Tax of Earlier Years		<u>(0.16)</u>	<u>(109.63)</u>
		<u>48.33</u>	<u>(62.02)</u>
Profit for the Year		<u><u>2,401.30</u></u>	<u><u>2,222.37</u></u>
Earning Per Equity Share :	24 (D)		
Basic Earning Per Share		9.97	9.33
Diluted Earning Per Share		9.94	9.33

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

A. K. Thanavala
Director

P. S. Shah
GM - Finance & Accounts

S. P. Akolkar
President - Finance

A. C. Chandarana
Company Secretary

Place : Mumbai
Date : 31st July, 2012

Place : Mumbai
Date : 31st July, 2012



Consolidated Cash Flow Statement for the year ended 31st March, 2012

Particulars	Year Ended 31st March, 2012 Rs. In Lacs	Year Ended 31st March, 2011 Rs. In Lacs
A. Cash Flow arising from Operating Activities :		
Net profit before tax and extraordinary items	2,449.63	3,941.94
Add/(Less) :		
a) Depreciation charges (Net)	4,356.98	3,433.20
b) Interest charges	3,271.38	2,456.44
c) Dividend Income	(0.65)	(0.69)
d) Interest Income	(124.63)	(44.86)
e) (Profit) / Loss on sale of Asset (net)	(38.95)	(195.97)
f) Taxes Paid	(382.86)	(249.50)
Operating Profit before working capital changes	9,530.90	9,340.56
Less :		
a) Increase /(Decrease) in Operational Current Liabilities	3,240.14	50.87
b) (Increase) /Decrease in Operational Current Assets	(152.86)	(5,191.79)
Net cashflow from operating Activity (A)	12,618.18	4,199.64
B. Cash Flow arising from Investing Activities :		
(i) Outflow on account of investing activity		
a) (Acquisition)/ Sale of fixed assets (Incl. Cap WIP)	(8,894.17)	11,933.79
b) Money Invested in Securities	-	(1,282.76)
(ii) Inflow on account of investing activity		
a) Trading in Securities (Net)	-	-
b) Income from Dividend	0.65	0.69
c) Interest Income	87.59	58.84
Net cashflow from investing Activity (B)	88.24	59.53
	(8,805.93)	10,710.56
C. Cash Flow arising from Finance Activities :		
(i) Inflow on account of Financing activity		
a) Shares & Warrants Issued at premium	958.37	-
b) Loans taken (net of repayment)	(498.08)	460.29
(ii) Outflow on account of Financing activity		
a) Dividend Paid	(508.33)	(490.37)
b) Interest on loan paid during the year	(3,089.86)	(2,350.08)
Net cashflow from financing Activity (C)	(3,137.90)	(13,142.94)
Net increase in cash / cash equivalent [A + B + C]	674.35	1,767.26
Add : Cash / Cash equivalents at the beginning of the year	2,591.16	823.90
Cash / Cash equivalents at the end of the year	3,265.51	2,591.16
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 - On - Hand	8.47	20.25
Demand deposits with bank (Bank balances)	3,257.04	2,570.91
	3,265.51	2,591.16

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

A. K. Thanavala
Director

P. S. Shah
GM - Finance & Accounts

S. P. Akolkar
President - Finance

A. C. Chandarana
Company Secretary

Place : Mumbai

Date : 31st July, 2012

Place : Mumbai

Date : 31st July, 2012

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, 2012. 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 : 31st July, 2012

Notes on Financial Statements for the Year ended 31st March, 2012

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. Principles of Consolidation :

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

- (a) The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group transactions resulting in unrealised profit or losses.
- (b) The subsidiaries considered in the consolidated financial statement are :

Name of the Company	Country of Incorporation	% ownership interest as at 31st March, 2012	% ownership interest as at 31st March, 2011
Garware Offshore International Services Pte. Ltd.	Singapore	100%	100%
Global Offshore Services B.V.	The Netherlands	100%	100%

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 and operational costs till commencement of first commercial voyage, except in the case of Global Offshore Services B.V. where only direct acquisition expenses are considered. 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.

(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.

Notes on Financial Statements for the Year ended 31st March, 2012

(B) Re : Wholly Owned 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 calculated on annually equal percentages of the purchase price. The percentages are based on the estimated useful life and the possible residual value of the individual assets.

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, as certified by the management, are valued at cost.
(b) The Stock of fuel and diesel oil owned by the Company as confirmed by masters of the vessels are valued at cost.

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 an actuarial valuation, using the projected credit method as at 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.

XI. Foreign xchange 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.

Notes on Financial Statements for the Year ended 31st March, 2012

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 C :

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.

Deferred income tax is recognised on timing differences, between taxable income and accounting income which originate in one period and are capable of reversal in one or more subsequent periods only in respect of the non-shipping activities of the Company. The tax effect is calculated on the accumulated timing differences at the year end based on tax rates and laws, enacted or substantially enacted as of the balance sheet date.

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.

Note : 2 Share Capital	As At 31st March, 2012		As At 31st March, 2011	
	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 :				
2,44,87,093 Equity Shares of Rs. 10/- each (Previous year 2,38,19,093 Equity Shares of Rs. 10/- each)	2,44,87,093	2,448.71	2,38,19,093	2,381.91
Total	2,44,87,093	2,448.71	2,38,19,093	2,381.91

Notes on Financial Statements for the Year ended 31st March, 2012

a) Reconciliation of Shares Outstanding

Particulars	Equity Shares	
	Number	Rs. In Lacs
Shares outstanding at 1st April, 2011	2,38,19,093	2,381.91
Shares Issued during the year	6,68,000	66.80
Shares bought back during the year	-	-
Shares outstanding at 31st March, 2012	2,44,87,093	2,448.71

b) Details of shareholders holding more than 5% shares

Name of Shareholder	As at 31 March, 2012		As at 31 March, 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
India Star (Mauritius) Ltd.	72,60,928	29.36%	72,60,928	30.48%
Garware Marine Industries Ltd.	14,85,760	6.07%	14,85,760	6.24%
Universal Investments Services Pvt. Ltd.	13,88,720	5.67%	13,72,970	5.76%
Ronder Overseas Ltd.	12,86,250	5.25%	-	-
Clearwell Enterprises Ltd.	12,78,250	5.22%	-	-
Total	1,26,99,908	51.57%	1,01,19,658	42.48%

c) Details of shares issued during the year.

- i) 4,40,000 Equity shares issued on a Preferential basis at a price of Rs. 121/- per share (including premium of Rs. 111/-).
- ii) 2,28,000 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 had issued and allotted on a preferential basis 4,69,700 share warrants of Rs. 10/- each at issue price of Rs. 121/- per warrant (Including premium of Rs. 111/-). The same are to be converted into equity shares within 18 months from the date of allotment and have lock-in period of 3 years. Out of these 2,28,000 fully paid share warrants were converted into equity shares as per the terms of the issue. The Company has received Rs. 150.09 lacs against the issue price of Rs. 121/- in respect of balance 2,41,700 share warrants.

Notes on Financial Statements for the Year ended 31st March, 2012

Note : 4 Reserves & Surplus	As At 31st March, 2012 Rs. In Lacs		As At 31st March, 2011 Rs. In Lacs	
A Securities Premium Account				
As per last balance sheet	7,650.01		7,650.01	
Add : On Account of fresh issue	741.48	8,391.49	-	7,650.01
B Tonnage Tax Reserves U/s. 115VT of Income Tax Act				
As per last balance sheet	2,810.00		2,000.00	
(Add) : Transfer from Profit & Loss A/c	700.00		810.00	
(Less) : Transfer to Tonnage Tax Reserve(Utilised)	-	3,510.00	-	2,810.00
C Tonnage Tax Reserve (Utilised)				
As per last balance sheet	1,772.00		1,772.00	
(Add) : Transfer from Tonnage Tax Reserve	-	1,772.00	-	1,772.00
D General Reserves				
As per last balance sheet	6,665.09		6,165.09	
(Add) : Transfer from Shipping Reserve Utilised	-		-	
(Add) : Transfer from Profit & Loss A/c	500.00	7,165.09	500.00	6,665.09
E Foreign Currency Translation Reserve				
As per last balance sheet	(274.01)		(69.32)	
(Add) : Created During the Year	1,186.48	912.47	(204.69)	(274.01)
F Foreign Exchange Hedge Reserve				
As per last balance sheet	(381.70)		(372.64)	
(Add) : Created During the Year	(4,913.41)	(5,295.11)	(9.06)	(381.70)
G Profit & Loss Account				
As per last balance sheet	7,008.25		6,761.65	
Add : Profit for the year	2,401.30		2,222.37	
	9,409.55		8,984.02	
Less : Appropriations				
Transfer to Tonnage Tax Reserve	700.00		810.00	
Transfer to General Reserve	500.00		500.00	
Interim Dividend	416.31		452.61	
Tax on Interim Dividend	68.66		74.72	
Proposed Dividend	171.41		119.12	
Tax on Proposed Dividend	29.13		19.32	
	1,885.51	7,524.04	1,975.77	7,008.25
Total		23,979.98		25,249.64

Note : 5 Long Term Borrowings	As At 31st March, 2012 Rs. In Lacs		As At 31st March, 2011 Rs. In Lacs	
Loans from Banks				
Term Loans for Acquisition of Vessels in Foreign Currency		52,290.92		49,629.10
Other Term Loans in Foreign Currency		2,131.78		2,607.13
Rupee Term Loans		266.32		566.28
Car Finance Loans		32.07		2.66
Total		54,721.09		52,805.17

Notes on Financial Statements for the Year ended 31st March, 2012

5.1 Term loans for acquisition of vessels

Seven term loans are secured by way of first charge on the respective vessels (3 AHTSVs and 4 PSVs).

5.2 Other Term Loans

1. Foreign Currency Loans :

- One Corporate term loan from a bank is secured by way of second charge on one vessel (AHTSV) of the Company.
- Two Corporate term loans from a bank are secured by way of receivables from the operations of two vessels (PSV) of the Company respectively and extension of first charge on Company's office premises.
- One Corporate term loan from a bank is secured by way of extension of second charge of one vessel (AHTSV) of the Company and second charge on Company's office premises.

2. Rupee Loans :

- One Corporate Rupee term loan from a bank is secured by way of first charge on one vessel (AHTSV) of the Company.
- One term loan from a bank for acquisition of office premises is secured by way of first charge on the said premises.
- Overall limit from a bank is secured by way of extension of first charge on office premises.

5.3 Car Finance Loans

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

5.4 Maturity profile of Secured Loans are as set out below :

Particulars	Rs. In lacs			
	Within 1 year	1-2 years	2-3 years	Beyond 3 years
Term Loans for Acquisition of Vessels in Foreign Currency	6,640.99	6,950.87	7,416.56	37,923.48
Other Term Loans in Foreign Currency	1,944.65	1,347.63	438.23	345.92
Other Rupee Term Loans	299.96	237.46	28.86	-
Car Finance Loans (Rupee Loans)	13.19	11.43	12.65	7.99

Note : 6 Long Term Provisions	As At 31st March, 2012 Rs. In Lacs	As At 31st March, 2011 Rs. In Lacs
(a) Provision for employee benefits Retirement And Other Benefits	60.35	105.90
(b) Others	-	-
Total	60.35	105.90

Note : 7 Short Term Borrowings	As At 31st March, 2012 Rs. In Lacs	As At 31st March, 2011 Rs. In Lacs
Secured Working Capital Loans From Banks		
Foreign Currency	2,602.14	2,273.66
Rupee	1,131.29	102.29
Total	3,733.43	2,375.95

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 as also against collateral security by way of first mortgage on one AHTSV of the Company.

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 two of the Company's PSV).

Notes on Financial Statements for the Year ended 31st March, 2012

Note : 8 Trade Payable	As At 31st March, 2012 Rs. In Lacs	As At 31st March, 2011 Rs. In Lacs
Micro, Small and Medium Enterprises	-	-
Others	2,173.11	910.51
Total	2,173.11	910.51

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, 2012 Rs. In Lacs	As At 31st March, 2011 Rs. In Lacs
Current Maturities of Long Term Debts (refer note no.5.4)	8,898.79	6,321.10
Interest Accrued and due on Borrowings	135.97	95.98
Interest Accrued but not due on Borrowings	161.70	20.17
Unclaimed Dividends (To be credited to the Investor)	83.38	84.08
Education & Protection Funds as and when due)		
Duties and Taxes Payable	1.29	143.06
Deposits	-	47.00
Other Payables (including a non-refundable deposit received towards the "demise" of one asset for USD 4 million (Rs.25.33 crores))	3,181.32	3,597.03
Total	12,462.45	10,308.42

Note : 10 Short Term Provisions	As At 31st March, 2012 Rs. In Lacs	As At 31st March, 2011 Rs. In Lacs
Retirement And Other Benefits	17.25	12.91
Proposed Dividend	171.41	238.24
Tax on Proposed Dividend	29.13	38.65
Interim Dividend	146.92	-
Tax on Interim Dividend	24.97	-
Provision for Taxation	49.48	46.00
Total	439.16	335.80

NOTE : 11

1. Fixed Assets - Tangible

Particulars	Rs. In Lacs										
	Gross Block			Depreciation					Net Block		
	As at 01/04/2011	Additions During the Year	Deductions During the Year	As at 31/03/2012	As at 01/04/2011	For the Year	Prior Period	Deduction	As at 31/03/2012	As at 31/03/2012	As at 3/31/2011
Fleet	92,880.49	9,450.01	5,020.09	97,310.41	11,861.80	4,271.31	-	4,424.39	11,708.72	85,601.69	81,018.69
Office Premises	1,341.24	2.21	-	1,343.45	26.65	21.86	-	-	48.52	1,294.93	1,314.58
Furniture & Fixtures	125.97	-	-	125.97	14.73	7.97	-	-	22.70	103.27	111.25
Office Equipments	40.62	0.37	-	40.99	18.92	1.93	-	-	20.85	20.14	21.70
Motor Vehicles	200.31	65.59	15.59	250.31	110.82	42.35	-	17.84	135.32	114.99	89.50
Computers	54.32	1.09	0.26	55.15	45.85	9.35	-	4.82	50.38	4.77	8.47
TOTAL	94,642.95	9,519.27	5,035.94	99,126.28	12,078.77	4,354.77	-	4,447.05	11,986.49	87,139.79	82,564.19

Notes on Financial Statements for the Year ended 31st March, 2012

2. Fixed Assets - Intangible

Rs. In Lacs

Particulars	Gross Block			Depreciation			Net Block				
	As at 01/04/2011	Additions During the Year	Deductions During the Year	As at 31/03/2012	As at 01/04/2011	For the Year	Prior Period	Deduction	As at 31/03/2012	As at 31/03/2012	As at 3/31/2011
Computer Software	12.68	2.73	-	15.41	3.26	2.19	-	-	5.45	9.96	9.42
Total (1+2)	94,655.63	9,522.00	5,035.94	99,141.69	12,082.03	4,356.96	-	4,447.05	11,991.94	87,149.75	82,573.61
Previous Year	77,924.45	29,198.95	12,467.77	94,655.63	9,383.27	3,796.91	-	1,098.16	12,082.02	82,573.61	

Note : 12 Investments	As At 31st March, 2012 Rs. In Lacs	As At 31st March, 2011 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. 18.14 lacs, Previous Year Rs. 22.62 lacs)	37.68	37.68
B. Unquoted		
Garware Nylons Limited (35,050 Equity Shares of Rs. 10/- each) (refer note no. 24 (G))	6.01	6.01
Total	43.69	43.69

Note : 13 Inventories	As At 31st March, 2012 Rs. In Lacs	As At 31st March, 2011 Rs. In Lacs
Stock of Stores, Spares & Consumables (At Cost)	3,228.19	2,454.80
Total	3,228.19	2,454.80

Note : 14 Trade Receivables (Unsecured and Considered good)	As At 31st March, 2012 Rs. In Lacs	As At 31st March, 2011 Rs. In Lacs
(a) Debts outstanding for more than six months	1,012.18	140.74
(b) Other Debts	3,053.70	2,769.77
Total	4,065.88	2,910.51

Note : 15 Cash & Cash Equivalents	As At 31st March, 2012 Rs. In Lacs	As At 31st March, 2011 Rs. In Lacs
Balance with Banks		
Current Accounts	2,961.30	2,239.96
Unpaid Dividend Accounts	83.38	84.08
Margin Money	212.36	246.87
	3,257.04	2,570.91
Cash On Hand	8.47	20.25
Total	3,265.51	2,591.16

Notes on Financial Statements for the Year ended 31st March, 2012

Note : 16	As At 31st March, 2012	As At 31st March, 2011
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	1,629.86	3,344.14
Advance Income Tax	659.44	404.77
Deposits	46.06	111.03
Balance with customs, port trust, other government authorities & courts of law	31.69	23.19
Total	2,367.05	3,883.13

Note : 17	As At 31st March, 2012	As At 31st March, 2011
Other Current Assets	Rs. In Lacs	Rs. In Lacs
Interest accrued on loans and deposits	48.30	11.26
Income receivable	-	5.14
Total	48.30	16.40

Note : 18	31st March, 2012	31st March, 2011
Revenue from Operations	Rs. In Lacs	Rs. In Lacs
Gross Charter Income	23,834.43	21,057.58
Less : Service Tax	1,391.01	1,375.85
Total	22,443.42	19,681.73

Note : 19	31st March, 2012	31st March, 2011
Other Income	Rs. In Lacs	Rs. In Lacs
Interest Income (Gross)	124.63	33.20
(Tax Deducted at source Rs.7.36 lacs, Previous Year Rs.1.62 lacs)		
Dividend Income	0.65	0.69
Profit on sale of Asset	38.95	195.97
Miscellaneous Income	520.42	1.50
Total	684.65	231.36

Note : 20	31st March, 2012	31st March, 2011
Fleet Operating Expenses	Rs. In Lacs	Rs. In Lacs
Travelling Expenses	231.45	157.72
Fuel, Oil & Water	426.28	410.72
Port & Canal dues	44.40	26.28
Repairs	522.38	278.28
Stores & Victualling	526.01	880.04
Insurance Charges & Protecting Club Fees	442.65	268.52
Telecommunication Charges	152.21	103.61
Charter Hire Charges	4,620.15	3,391.72
Professional Fees	234.95	124.54
Brokerage & Commission	202.07	63.18
Sundry Operating expenses	592.82	535.12
Total	7,995.37	6,239.73

Notes on Financial Statements for the Year ended 31st March, 2012

Note : 21	31st March, 2012	31st March, 2011
Employee Benefits Expense :	Rs. In Lacs	Rs. In Lacs
Floating Staff :		
Salaries, Allowances & Compensation	1,423.36	1,017.75
Payment to Contractors	1,743.13	2,408.92
Contribution to :		
Providend Fund	7.98	9.36
EDLIS Contribution	0.01	0.02
PF/ EDLIS Administrative Expenses	0.88	0.79
	<u>8.87</u>	<u>10.17</u>
	<u>3,175.36</u>	<u>3,436.84</u>
Shore Staff :		
Salaries, Allowances, Bonus & Commission	979.49	935.80
Contribution to :		
Providend Fund	43.55	43.28
ESIC	0.27	0.31
Maharashtra Labour Fund	0.03	0.05
EDLIS Contribution	0.19	0.18
PF/ EDLIS Administrative Expenses	4.01	3.92
	<u>48.05</u>	<u>47.74</u>
Gratuity Fund Contribution	41.07	50.46
Staff welfare expenses	15.77	13.20
	<u>1,084.38</u>	<u>1,047.20</u>
Total	<u><u>4,259.74</u></u>	<u><u>4,484.04</u></u>

Note : 22	31st March, 2012	31st March, 2011
Finance Cost	Rs. In Lacs	Rs. In Lacs
Interest Expenses	3,246.31	2,753.08
Finance Charges	25.07	57.51
Total	<u><u>3,271.38</u></u>	<u><u>2,810.59</u></u>

Note : 23	31st March, 2012	31st March, 2011
Other Expenses	Rs. In Lacs	Rs. In Lacs
Rent	2.00	13.39
Travelling Expenses	149.34	135.26
Auditors' Remuneration	18.78	10.88
Telephone charges	32.98	36.93
Professional fees	198.05	90.52
Bank Charges	41.72	114.22
Directors' fees	9.00	8.00
Insurance Charges	4.98	17.83
Rates & Taxes	30.15	16.56
Repairs - Office	11.31	8.61
Miscellaneous Expenses	249.50	201.50
Loss on foreign currency transaction and translation	47.16	135.34
Total	<u><u>794.97</u></u>	<u><u>789.04</u></u>

Notes on Financial Statements for the Year ended 31st March, 2012

Note 24 : Additional Information to financial statements

A. Payments to Auditor

Particulars	31st March, 2012 Rs. In Lacs	31st March, 2011 Rs. In Lacs
For Statutory Audit	17.97	9.38
For Taxation Matters	0.61	0.55
Reimbursement of Expenses	0.20	0.95
Total	18.78	10.88

B. Related Party Disclosure

a) Subsidiary Companies

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

Global Offshore Services B.V., Netherlands (Wholly Owned 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, 2012 :

Nature of Transactions	Subsidiary Companies	Key Managerial Personnel	Other Related Parties	TOTAL
Remuneration				
Ashok B. Garware	-	175.07	-	175.07
Aditya A. Garware	-	181.06	-	181.06
Total	-	356.13	-	356.13

Outstandings as at 31st March, 2012

Nature of Transactions	Subsidiary Companies	Key Managerial Personnel	Other Related Parties	TOTAL
Remuneration				
Ashok B. Garware	-	61.93	-	61.93
Aditya A. Garware	-	32.50	-	32.50
Total	-	94.43	-	94.43

C. 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	31st March, 2012 Rs. In Lacs	31st March, 2011 Rs. In Lacs
Contribution to Employees Provident Fund	43.55	43.28
Contribution to Seamen's Provident Fund	7.98	9.36
Total	51.53	52.64

Notes on Financial Statements for the Year ended 31st March, 2012

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	31st March, 2012 Rs. In Lacs	31st March, 2011 Rs. In Lacs
Gratuity		
Actuarial Assumption for the year		
a) Discount Rate (p.a.)	8.75%	8.25%
b) Rate of Return on Plan Assets	8.60%	8.00%
c) Salary Escalation rate	5.00%	5.00%
d) Attrition rate	2.00%	2.00%

(i) Change in Benefit Obligation

Particulars	31st March, 2012 Rs. In Lacs	31st March, 2011 Rs. In Lacs
Gratuity		
Liability at the beginning of the year	94.02	79.25
Interest Cost	7.76	6.34
Current Service Cost	13.86	30.31
Past Service Cost	-	5.06
Benefit Paid	(30.82)	(39.32)
Actuarial (gain)/loss on obligations	24.75	12.38
Liability at the end of the year	109.57	94.02

(ii) Fair value of Plan Assets :

Particulars	31st March, 2012 Rs. In Lacs	31st March, 2011 Rs. In Lacs
Gratuity		
Fair Value of Plan Assets at the beginning of the year	52.77	33.63
Expected Return on Plan Assets	4.22	2.69
Employer's contribution	35.43	54.81
Benefits Paid	(30.82)	(39.32)
Actuarial gain/(loss) on Plan Assets	1.08	0.96
Fair value of Plan Assets at the end of the year	62.68	52.77

(iii) Actual Return on Plan Assets:

Particulars	31st March, 2012 Rs. In Lacs	31st March, 2011 Rs. In Lacs
Gratuity		
Expected Return on Plan Assets	4.22	2.69
Actuarial gain/(loss) on Plan Assets	1.08	0.96
Actual Return on Plan Assets	5.30	3.65

(iv) Amount Recognised in the Balance Sheet :

Particulars	31st March, 2012 Rs. In Lacs	31st March, 2011 Rs. In Lacs
Gratuity		
Liability at the end of the year	109.57	94.02
Fair Value of Plan Assets at the end of the year	62.68	52.77
Amount Recognised in Balance sheet	46.89	41.25

Notes on Financial Statements for the Year ended 31st March, 2012

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

Particulars	31st March, 2012 Rs. In Lacs	31st March, 2011 Rs. In Lacs
	Gratuity	
Current Service Cost	13.86	30.31
Interest Cost	7.76	6.34
Expected Return on Plan Assets	(4.22)	(2.69)
Net Actuarial (gain) / loss to be recognised	23.67	11.42
Past Service Cost	-	5.06
Expenses recognised in the Profit & Loss Account	41.07	50.44

(C) Other Long Term Benefits

The charge recognised in the Profit & Loss Account for Leave Encashment for the year is Rs. 133.74 Lacs (Previous Year 7.86 Lacs) and the closing liability is Rs. 30.71 Lacs (Previous Year Rs. 24.78 Lacs)

D. Earning Per Share :

Particulars	31st March, 2012 Rs. In Lacs	31st March, 2011 Rs. In Lacs
(A) Basic Earning Per Share :		
<u>Working for Computing Earning Per Share :</u>		
Profit before Taxation	2,449.63	2,160.35
(Less) : Provision for Taxation	48.33	-62.02
	(A) 2,401.30	2,222.37
<u>Weighted Average No. of Equity Share Capital :</u>		
Equity Share At The Beginning Of The Year	238.19	238.19
(+) Fresh Issue During The Year	2.66	-
(-) Redeemed/ Forefeited During The Year	-	-
	(B) 240.85	238.19
Basic Earning Per Share	(A / B) 9.97	9.33
(B) Diluted Earning Per Share :		
<u>Diluted Earning for Computing Diluted Earning Per Share :</u>		
Profit before Taxation	2,449.63	2,160.35
(Less) : Provision for Taxation	48.33	(62.02)
(Add) : Interest Expenses for the Year	-	-
(Less) : Tax relating to Interest Expenses	-	-
Adjusted Net Profit for the Current Year (A)	2,401.30	2,222.37
<u>Weighted Average No. of Equity Share Capital :</u>		
Equity Share At The Beginning Of The Year	238.19	238.19
(+) Fresh Issue During The Year(In Weighted Average for time)	2.66	-
(+) Potential No. of Shares to be issued on conversion	0.79	-
	(B) 241.64	238.19
Diluted Earning Per Share	(A / B) 9.94	9.33

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.

Notes on Financial Statements for the Year ended 31st March, 2012

E. Contingent Liabilities :

Particulars	31st March, 2012 Rs. In Lacs	31st March, 2011 Rs. In Lacs
Guarantees given by the Banks (Counter Guarantees given by the Company)	2,006.41	2,126.89
Total	2,006.41	2,126.89

The Company has given a guarantee on behalf of its wholly owned subsidiary for the difference, if any, between the Bareboat Charter payable to the owner of one Accommodation barge and one Anchor Handling Tug-cum Supply Vessel, and the market value of the said assets. In view of the fact that the Accommodation barge is on long term contract, the Company expects no liability on this account. With regard to the Anchor Handling Tug-cum Supply Vessel, the same has now been acquired by Company's subsidiary in the Netherlands. Therefore the guarantee is no longer valid.

The Company has given a guarantee on behalf of its Wholly Owned Subsidiary based in Singapore for USD 35 million in favour of Northern Star Shipping Pte. Ltd., for the bareboat charter of one Platform Supply Vessel. This guarantee covers the difference between market value and the charter obligations of the Company's Wholly Owned Subsidiary. In view of the fact that the vessel is on long term contract and its market value is substantially higher than the Bareboat charter exposure, the Company does not expect any liability whatsoever on this account.

The Company has given a guarantee of USD 55 million to Axis Bank, Singapore on behalf of Wholly Owned Subsidiary based in Netherlands. This amount relates to the debt raised by the Company's Wholly Owned Subsidiary in order to acquire the vessel, M.V.Beaucephalus. Since the market value of the vessel is substantially higher than the total debt outstanding and since the vessel is on long term contract with Petrobras, the Company does not expect any liability whatsoever on this account.

F. 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".

G. 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.

H. The Revised Schedule VI has become effective from April 1, 2011 for the preparation of financial statement. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have accordingly 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

A. K. Thanavala
Director

P. S. Shah
GM - Finance & Accounts

S. P. Akolkar
President - Finance

A. C. Chandarana
Company Secretary

Place : Mumbai
Date : 31st July, 2012

Place : Mumbai
Date : 31st July, 2012



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 34th ANNUAL GENERAL MEETING at "Garware Sabhagriha", F.P.H. Building, 5th Floor, Lala Lajpatrai Marg, Mumbai 400 034 on Friday, 28th September, 2012 at 9.30 a.m.

SIGNATURE OF THE MEMBER/PROXY

(TEAR HERE)



PROXY FORM

GLOBAL OFFSHORE SERVICES LIMITED

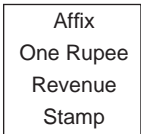
Registered Office : Chander Mukhi, Nariman Point, Mumbai - 400 021

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 34th ANNUAL GENERAL MEETING of the Company to be held on Friday, 28th September, 2012 at 9.30 a.m. and at any adjournment/s thereof.

Signed this day of 2012

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 :
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Chander Mukhi, Nariman Point, Mumbai - 400 021