



# GLOBAL OFFSHORE<sup>TM</sup> SERVICES LTD.

Regd. Office: 101, Swapnabhoomi, "A" Wing, S. K. Bole Road, Dadar (W), Mumbai - 400 028. Tel.: +91-22-2423 4000 Fax : +91-22-2436 2764  
CIN No.: L61100MH1976PLC019229

Ref:GOSL/2017/238

September 28, 2017

1. BSE Ltd. **Scrip Code** : 501848  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001.
2. National Stock Exchange of India Ltd. **Equity Series** : GLOBOFFS  
5<sup>th</sup> Floor, Exchange Plaza,  
Bandra - Kurla Complex  
Bandra (East),  
MUMBAI – 400 051.

Dear Sirs,

Sub: Submission of Annual Report for F.Y. 2016-17 – Regulation 34 (1) of LODR, 2015

Pursuant to the provisions of Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the Company for F.Y. 2016-17 duly approved and adopted by the members as per the provisions of the Companies Act, 2013.

Kindly take the same on your records and acknowledge the receipt.

Thanking you,

Yours faithfully,  
For GLOBAL OFFSHORE SERVICES LIMITED

A.C.CHANDARANA  
COMPANY SECRETARY &  
PRESIDENT – LEGAL & ADMN.

Encl:a/a.





# **GLOBAL OFFSHORE SERVICES LIMITED**

**39<sup>TH</sup> ANNUAL REPORT 2016-17**

**BOARD OF DIRECTORS**

**ASHOK GARWARE - NON EXECUTIVE CHAIRMAN**  
(w.e.f. 01.07.2017)

**ADITYA GARWARE - VICE CHAIRMAN**

**MANEESHA SHAH**

**S. S. AGGARWAL**

**A. K. THANAVALA**

**J. C. CHOPRA**

**S. Y. MULANI**

**N. T. SENGUPTA - WHOLE TIME DIRECTOR**  
(w.e.f. 01.07.2017)

**COMPANY SECRETARY &  
PRESIDENT - LEGAL & ADMIN**

**A.C. CHANDARANA**

**CHIEF FINANCIAL OFFICER**

**P. S. SHAH**  
(w.e.f. 01.07.2017)

**PRESIDENT - COMMERCIAL**

**K. S. DAVE**

**PRESIDENT - HSSE & TRAINING**

**CAPT. V. BAIJAL**

**PRESIDENT - TECHNICAL**

**Z. R. MEHTA**

**BANKERS**

State Bank of India  
State Bank of Travancore  
United Bank of India

**AUDITORS**

**MESSRS. RAMAN S. SHAH & ASSOCIATES**  
(Chartered Accountants)

**REGISTERED OFFICE**

101, Swapnabhoomi, `A' Wing,  
S.K.Bole Road, Dadar (W), Mumbai – 400 028.

**BRANCH**

Goa, Delhi

**REGISTRAR AND SHARE TRANSFER AGENT**

**BIGSHARE SERVICES PVT. LTD.**  
01st Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri (East), Mumbai – 400 059.

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## MANAGEMENT DISCUSSION & ANALYSIS REPORT

During the year under review, the Company experienced the worst market in the past 30 years and despite rising oil price over last 12 months, this had no positive impact on rates of Offshore Support Vessel's (OSV's).

The OSV market remains in a prolonged downturn over the last twenty four months. OSV charter rates either continued to decline or remained steady at depressed levels across all major offshore regions. As of February 2017, the market was 40% below the long term average. The activity has remained lack lustre while the market continues to experience a situation of oversupply. OSV contracting had "all but dried up", though there now seems signs of some long term requirements resurfacing in the market. Although scrapping activity has remained low, over 1000 large OSV were laid up globally, the only potential upside being that older laid vessels may never rejoin the market.

### The Industry:

- The OSV market is projected to remain under pressure in the short and medium term.
- Market oversupply remains the key challenge and is expected to keep overall Vessel utilisation at weak levels even in the event of a pick-up in demand as a result of an increase in oil prices.
- Global oil demand is projected to outpace production over the range of 2017 by 1.8 m bpd, which may will help to offer further support to global oil price. However, this may not translate into increased charter rates for vessels.
- The need to work through the high levels of global inventories will depend on how responsive onshore shale production is, particularly in the US, to the recovery in global price.
- Early indications are that E&P spending amongst shale producers could increase by 25-35% in 2017.
- Number of deployed Rigs (Onshore & Offshore) reduced from 3578 in 2014 to 1962 in 2017 (a reduction of over 45% in last three years).

### Opportunities & Threats:

The oil prices have firmed, standing at their highest level since summer of 2015. OPEC members agreed to a production cut at the start of December 2016, alongwith some non-OPEC nations, which has supported global prices. For the first time since 2013, it is estimated that global oil demand growth of 1.3 m bpd (1.4%) outpaced global production expansion, on an annual basis. Non-OECD demand in particular helped support global consumption levels, increasing at an estimated 3.1% y-o-y in 2016. Transport sector demand growth in India and firmer refinery activity in China underwrote this expansion. While it is important to note the still substantial level of global crude and product inventories, the recent narrowing in the balance between global supply and demand should support a more positive E&P story in the overall oil and gas market here onwards. However, with the rise in global oil prices expected to stimulate onshore production, a further small cut in E&P spending amongst offshore players seems like in 2017.

Your Company is not isolated from the rate negotiations, early termination and shorter term contracts. Negotiated rates have now reached just above break even levels (in some cases) causing the Company to incur losses. Drastic measures for cutting cost had to be initiated, against the wishes of Senior Management, in an attempt to "remain afloat".

### Outlook:

Challenges to global oil markets remain in the short term, with the continuation of a price recovery uncertain. However, oil and gas demand is projected to be supported by continued non-OECD economic growth. In the medium-term, the market is expected to be more balanced, and a likely absence of short term offshore investment may present opportunities in the medium term.

### Operational performance:

The average age of the Company's fleet on a consolidated basis, stands at just over 6 years and could be considered to be one of the "younger" fleets in the industry. Unfortunately utilisation rates have not been very attractive for the entire fleet, and nor have daily charter rates.

Your Company is also keenly aware of the need to ensure that costs are monitored closely and monies are spent prudently in order to be able to obtain the highest value out of all maintenance and repairs.

Maximum utilisation of the Fleet, albeit at low charter rates, continues to be the goal of the Company. As a result, all 6 Vessels owned by the Company were on term contracts till recently.

### Risks and concerns:

The Offshore Supply Vessel fleet remains severely over supplied. The OSV market is projected to remain under pressure in the short and medium term. Market oversupply remains the key challenge and is expected to keep overall vessel utilisation at weak levels, even in the event of a pick-up in demand as a result of firmer oil prices. Additional laid up vessels are capable of being reactivated should the right contract appear. This means that they continue to exert supply side pressure, as does the OSV order-book yet to be delivered. Although steps have been taken in the right direction, there is some way to go in reducing OSV supply to levels which will help the market rebalance.

### Internal control systems and adequacy:

Your company continues to emphasise the importance of the setup of suitable systems which would drive the performance of its various "verticals". A regular audit of systems and processes onshore as well as offshore is carried out and findings help your company improve continuously.

Cost management is an important issue for the company and the Technical, Procurement and Health & Safety teams are continuously exploring ways and means to be able to manage assets at optimal costs.

Training of onshore and offshore personnel continues to get the attention it deserves and special attention is being paid to this in order that your company is able to retain good talent.

The Company received accreditation under ISO 9001:2.15, ISO 14001:2015 and OHS AS 18001:2007, during the year.

### HR and people:

The Employees of the Company continue to be the most important and valuable asset. The Company continue to hold small and effective training modules for its employees.

During the year under review, Mr. K.S. Dave retired from service and was appointed as Consultant w.e.f. December 2016.

In view of drastic fall in the revenues of the Company and the losses incurred, reduction in salaries / fees ranging from 5% to 35%, depending upon the income slab of all Employees / Consultants continues.

(Source: Clarksons Research)

## NOTICE

NOTICE is hereby given that the Thirty Ninth Annual General Meeting of the Members of Global Offshore Services Limited will be held on **Thursday, 28<sup>th</sup> September, 2017 at 09:30 A.M.**, at "Garware Sabhagriha" F.P.H. Building, 5<sup>th</sup> Floor, Lala Lajpatrai Marg, Haji Ali, Mumbai – 400034 to transact the following businesses :

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet (Standalone and Consolidated) as at 31st March, 2017 and Statement of Profit and Loss (Standalone and Consolidated) for the year ended on that date together with the Directors' and Auditors' Report (Standalone and Consolidated) thereon;
2. To appoint a Director in place of Mr. Ashok B. Garware (DIN : **00019871**), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification/s, the following as an **Ordinary Resolution**.

**"RESOLVED THAT** pursuant to Section 139 and other application provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable, Messrs. D. Kothary & Co., Chartered Accountants (Firm Registration No. 105335W), be and are hereby appointed as Statutory Auditors of the Company in place of retiring Statutory Auditors, Messrs. Raman S. Shah & Associates, Chartered Accountants (Firm Registration No. 119891W), to hold office from the conclusion of this Annual General Meeting until the conclusion of 44<sup>th</sup> Annual General Meeting (5 years) of the Company, subject to ratification by members every year, at a remuneration and reimbursement of out of pocket expenses incurred in connection with the audit to be fixed by the Board."

### SPECIAL BUSINESS:

4. To consider and, if thought fit to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** Mr. Niladri Sengupta (DIN: 06785753), who was appointed as an Additional Director by the Board of Directors and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member pursuant to the provisions of Section 160 of the Companies Act, 2013, along with deposit of Rs. 1,00,000/- proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company."

5. To consider and, if thought fit to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as 'the Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Members of the Company in the general meeting hereby accord their approval to the appointment of Mr. Niladri Sengupta (DIN: 06785753) as Whole-time Director of the Company for a period of 3 years from 1st July, 2017 on the remuneration and upon the terms and conditions as set out in the Explanatory Statement relating to this Resolution, with liberty and power 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 the Whole-time Director within the limits specified in Schedule V to the Companies Act, 2013 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(A) and/or 1(B) of Section II, Part II of Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorized to vary or increase the remuneration, including salary, perquisites, allowances, etc., within such prescribed limits and the agreement between the Company and the Whole-time Director be suitably amended to give effect to such modification, relaxation or variation without further reference to the Members of the Company.

**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."

### MINIMUM REMUNERATION :

Notwithstanding anything hereinabove contained, where, in any financial year during the currency of tenure of the Executive Director, the Company has no profits or its profits are inadequate, the Company shall pay to the Whole-time Director the remuneration as set out hereinabove, as minimum remuneration, subject, however, to the limits set out in Sections 196 and 197, read with Schedule V of the Act."

### Registered Office:

101, Swapnabhoomi,  
"A" Wing, S. K. Bole Road,  
Dadar (W), Mumbai - 400028  
CIN: L61100MH1976PLC019229

**Date :** 30<sup>th</sup> August, 2017

**Place :** Mumbai

**By Order of the Board**

**Sd/-**  
**A.C. Chandarana**  
**Company Secretary &**  
**President - Legal & Admin.**

**REQUEST TO THE MEMBERS**

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

**By Order of the Board**

**Sd/-**

**A.C. Chandarana  
Company Secretary &  
President - Legal & Admin.**

Details of Directors seeking re-appointment as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard (SS2) are as follows:

Name	<b>Mr. Ashok B. Garware.</b>
Date of Birth	15.10.1938.
DIN	00019871.
Date of appointment on Board	25.01.1977.
Relationship with other Directors inter-se.	Father of Mrs. Maneesha S. Shah and Mr. Aditya A. Garware.
Qualification.	M. A. (Cantab).
Experience in specific function area.	Industrialist/Overall Management.
Directorship held in other companies.	<ul style="list-style-type: none"> <li>• Adsu Trading &amp; Investment Company Pvt. Ltd.</li> <li>• Masu Trading &amp; Investment Company Pvt. Ltd.</li> <li>• Mauve Trading Company Pvt. Ltd.</li> <li>• Universal Investment Services Pvt. Ltd. – Whole-Time Director.</li> <li>• Garware Offshore International Services Pte. Ltd.</li> <li>• Arena Ship Management Services Pte. Ltd.</li> </ul>
Memberships/ Chairmanships of Committee in other public limited companies (includes only Audit & Shareholders'/ Stakeholders' Committee).	Nil
Shareholding, if any, in the Company	NIL (as on 31.03.2017).

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY(IES) TO ATTEND AND VOTE ONLY ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.  
A Proxy in order to be effective, must be received at the registered office of the company not less than 48 hours before the commencement of the Annual General Meeting.
2. An Explanatory Statement for Item Nos.4 & 5 pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
3. The Register of Members and Share Transfer books of the Company will remain closed from Tuesday, 26<sup>th</sup> September, 2017 to Thursday, 28<sup>th</sup> September, 2017 (both days inclusive).
4. For the convenience of Members, an attendance slip is annexed to the Proxy form. Members are requested to fill in and append their signatures in 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 email address, 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 Private Limited.
6. Members holding shares in identical names in more than one folio(s) 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/Transmission of Shares, Dematerialisation, etc. should be addressed to Registrars and Share Transfer Agents of the Company, M/s. Bigshare Services Private Limited, 01<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400 059.
8. Voting through electronic means: Pursuant to the provisions of Section 108 of the Companies Act, 2013 and amended Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered with the Stock Exchange, the Company is pleased to:
  - i] Provide facility to the members for voting by electronic means to cast their votes electronically from a remote place so that business may be transacted through such voting.
  - ii] The Company will provide the facility for voting through polling paper at the venue of the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
  - iii] The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting, but shall not be entitled to cast their vote again.



The Company has engaged the services of Central Depository Services India Ltd (CDSL) to provide e-voting facilities. The e voting facility is available at the link <https://www.evotingindia.com>

The Company had fixed Thursday, 21<sup>st</sup> September, 2017 as the cut-off date for determining voting right of shareholders entitled to participate in the e-voting process. In this regard, your demat account /folio number has been enrolled by the Company for your participation in e-voting on the resolution proposed by the Company on the e-voting system.

The remote e-voting facility will be available during the following period:

<b>Commencement of e-voting</b>	<b>Monday, 25<sup>th</sup> September, 2017 at 10.00 a.m.</b>
<b>End of e voting</b>	<b>Wednesday, 27<sup>th</sup> September, 2017 at 5.00 p.m.</b>

During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on Thursday, 21<sup>st</sup> September, 2017 (the cut-off date), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after Wednesday, 27<sup>th</sup> September, 2017.

**The instructions for shareholders voting electronically are as under:**

- (i) The shareholders should log on to the e-voting website: [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on Shareholders,
- (iii) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on 'Login'.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted earlier in respect of any other resolution proposed by the Company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Please see Sequence number printed in the address sticker in the envelope.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format. <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolution contained in this Notice.
- (x) Click on the EVSN for Global Offshore Services Limited.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian's are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

9. Members who have registered their e-mail id for the receipt of documents in electronic mode are being sent AGM Notice by e-mail and others are sent by courier. Members who have received AGM Notice by e-mail and wish to vote physically can do the same by remaining present in the meeting.

Kindly note that the Shareholders can opt only for one mode of voting, i.e., either by Physical Ballot or e-voting. If members are opting for e-voting, then they should not vote by Physical Ballot also and vice versa. However, in case Shareholders cast their vote by Physical Ballot and e-voting, then voting done through valid Physical Ballot shall prevail and voting done by e-voting shall be treated as invalid.

10. Member(s) desiring to exercise his / her vote by using E-voting facility can log in any number of times till he / she has voted the resolution or till the end of the Voting Period, whichever is earlier. In case member have any queries or issues regarding E-voting, you may refer the Frequently Asked Questions ("FAQs") and E-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
11. Mr. S.M. Korde, Practicing Company Secretary (Membership No. ACS 563 & C.P No.1079) has been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
12. The Scrutinizer will submit his report of the votes polled through E-voting and physical voting, to the Chairman. The Chairman will, or in his absence, any other person so authorized by him will, announce the results of Voting on Thursday, 28<sup>th</sup> September, 2017 immediately upon receipt from the Scrutinizer. The Scrutinizer's decision on the validity of the votes cast through E-voting and physical Ballot shall be final.
13. The Scrutinizer's Report, shall be placed on the Company's website: [www.globaloffshore.in](http://www.globaloffshore.in) within two (2) working days of passing of the resolution and communicated to the Stock Exchanges where the Company is listed, viz. BSE Ltd and National Stock Exchange of India Ltd. (NSE).
14. Shareholders who have not yet en-cashed their dividend warrants may approach the Company for revalidation, issue of duplicate warrant etc. quoting the Folio No. / Client ID. Please note that as per Section 125 of the Companies Act, 2013 dividend which remains unclaimed over a period of 7 years has to be transferred by the Company to the "Investor Education & Protection Fund" (IEPF).

Financial Year	Type of Dividend	Dividend Declaration Date (AGM/ BM date for interim)	Due date for transfer to IEPF after 7 years
2010-11	1 <sup>st</sup> Interim Dividend	04.10.2010	08.11.2017
2010-11	2 <sup>nd</sup> Interim Dividend	03.01.2011	07.02.2018
2010-11	3 <sup>rd</sup> Interim Dividend	28.04.2011	02.06.2018
2010-11	Final Dividend	27.09.2011	01.11.2018
2011-12	1 <sup>st</sup> Interim Dividend	25.11.2011	31.12.2018
2011-12	2 <sup>nd</sup> Interim Dividend	01.02.2012	07.03.2019
2011-12	3 <sup>rd</sup> Interim Dividend	31.07.2012	04.09.2019
2011-12	Final Dividend	28.09.2012	02.11.2019
2012-13	1 <sup>st</sup> Interim Dividend	08.04.2013	13.05.2020
2012-13	2 <sup>nd</sup> Interim Dividend	30.05.2013	04.06.2020
2012-13	Final Dividend	02.09.2013	07.10.2020
2013-14	Final Dividend	25.09.2014	30.10.2021

**Registered Office:**  
 101, Swapnabhoomi,  
 "A" Wing, S. K. Bole Road,  
 Dadar (W), Mumbai - 400028  
 CIN: L61100MH1976PLC019229

**Date :** 30<sup>th</sup> August, 2017  
**Place :** Mumbai

**By Order of the Board**

Sd/-  
**A.C. Chandarana**  
 Company Secretary &  
 President - Legal & Admin.



**ANNEXURE TO THE NOTICE**  
**EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102**  
**OF THE COMPANIES ACT, 2013.**

**ITEM NO.4 OF THE NOTICE :**

The Board of Directors of the Company, at its Meeting held on 16th June, 2017, has, subject to the approval of the Members, appointed Mr. Niladri Sengupta (DIN: 06785753) as an Additional Director of the Company, pursuant to the provisions of Section 161 of the Companies Act, 2013. He holds office till the date of this Annual General Meeting. The Company has received a notice in writing from a Member, pursuant to the provisions of Section 160 of the Companies Act, 2013, along with requisite deposit of Rs. 1,00,000/-, signifying intention to propose Mr. Niladri Sengupta as a candidate for the office of Director of the Company.

Considering his background, experience and expertise in the business, it is felt that it would be beneficial to appoint him as a Director of the Company.

Mr. Niladri Sengupta and his relatives are deemed to be interested in Item No.4 of the Notice to the extent of his/their Shareholding in the Company and the remuneration received by him. Apart from Mr. Niladri Sengupta none of the Directors, Key Managerial Personnel's or their relatives are directly or indirectly concerned financially or otherwise in Item No.4.

The Board recommends passing of Resolution specified under Item No.4 as Ordinary Resolution.

The Members are requested to appoint him as a Director of the Company.

**ITEM NO.5 OF THE NOTICE :**

In view of the resignation of Mr. Ashok B. Garware as Executive Chairman w.e.f. 30th June, 2017, it had become incumbent on the Company to appoint a whole-time Director of the Company, pursuant to the provisions of Section 203 of the Companies Act, 2013, as a Key Management Personnel. The Board of Directors, therefore, on the recommendation of the Nomination & Remuneration Committee, has, subject to the approval of the Members and secured creditors, approved the appointment of, and payment of remuneration to, Mr. Niladri Sengupta for a period of 3 years w.e.f. 1st July, 2017, as Whole-time Director of the Company, as under, within the overall ceiling of remuneration as prescribed under Sections 197 and 198 of the Companies Act, 2013:

**BASIC SALARY:** Rs. 1,37,000 per month

(Annual increments, if any, to be decided by the Board of Directors)

**PERQUISITES & BENEFITS:**

House Rent Allowance :	Rs. 67,500 per month
Performance Allowance :	Rs. 54,870 per month
Reimbursement of Car Expenses upto :	Rs. 20,000 per month
Magazine Allowance :	Rs. 32,682 per month
Canteen Allowance :	Rs. 2,500 per month
Leave Travel Allowance :	Rs. 11,412 per month
Re-imbursement of Medical Expenses :	Rs. 11,010 per month

**Total of Salary & Perquisites** **Rs. 3,36,974 per month**

In addition to the above, the Whole-time Director will be entitled to Leave Encashment at the end of the tenure as per Company's policy, Provident Fund and Gratuity (as per Payment of Gratuity Act), and such other perquisites, subject to overall ceiling of remuneration, as prescribed under Sections 197 and 198 of the Companies Act, 2013. The Whole-time Director shall also be entitled to reimbursement of entertainment expenses, travelling, hotel and other expenses incurred in the performance of duties on behalf of the Company.

The Whole-time Director shall not be entitled to be paid any sitting fees for attending meetings of the Board of Directors or Committees thereof. In the event, the Company incurs loss or has inadequate profits, the above remuneration shall be treated as minimum remuneration payable to Mr. Niladri Sengupta.

The other terms and conditions of his appointment are enumerated in the Draft Agreement proposed to be entered into between the Company and Mr. Niladri Sengupta.

**Disclosures under Secretarial Standard (SS2) of The Institute of Company Secretaries of India and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

Name of the Director	: Mr. Niladri Sengupta
Age	: 46 years
Qualification	: B. Com., Chartered Accountant and Cost Management Accountant.
Brief Resume & Experience	: Mr. Niladri Sengupta has varied experience of 20 years in the field of Finance & Accounts out of which 8 years (including 3 years with the Company) are in the field of Shipping & Offshore. As a result of the 3 years spent with the Company, he is very familiar with Company operations.
Nature and Expertise in specific functional area.	: Finance & Accounts, Dealing with Banks, Clients and other Stakeholders.
Terms & Conditions of appointment and details of remuneration.	: As above.
Remuneration last drawn (in GOSL as C.F.O.)	: Rs.2,65,660/- per month.

Date of first appointment on Board.	:	16 <sup>th</sup> June, 2017
Shareholding in the Company.	:	10 Equity Shares.
Relationship with other Directors, Managers and other Key Managerial Personnel.	:	Nil
Number of Board Meetings attended during the last financial year – 2016-17.	:	Not Applicable.
Directorship held in other Companies.	:	Nil
Membership / Chairmanships of Committee in listed entities (includes only Audit & Shareholders/ Stakeholders Committee).	:	Not Applicable.

Pursuant to Notification No.SO2922(E) dated 12.09.2016 of Ministry of Company Affairs, the Company has obtained prior approval from its secured creditors for the payment of proposed remuneration to Mr. Niladri Sengupta. The additional information pursuant to the said notification is furnished below:

<b>I. General Information</b>		
Nature of Industry	:	Offshore Support Industry
Date or expected date of commencement of commercial productions	:	Not Applicable
Financial Performance based on given indicators: Total Revenues Loss for the year	:	Rs.99.33 crores Rs.9.43 crores
Foreign investment or Collaboration	:	The Company has invested in Equity of one Overseas Wholly Owned Subsidiary and one subsidiary, based in Singapore and The Netherlands respectively.
<b>II. Information about the Appointee</b>		
Background details	:	As above
Past Remuneration	:	As above
Recognition or awards	:	NIL
Job Profile & his suitability	:	As above
Remuneration proposed	:	As above
Comparative remuneration Profile with respect to Industry, size of the Company, Profile of the position and person.	:	The proposed remuneration is commensurate to the size & nature of business and the financial position of the Company.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel.	:	Except for the remuneration, drawn, there is no pecuniary relationship directly or indirectly with the Company.
<b>III. Other Information</b>		
Reasons for loss or inadequate profit.	:	Substantial reduction in charter hire rate and consequently reduction in the revenue of the Company.
Steps taken or proposed to be taken for improvement	:	The Company is striving to control costs and is also trying to procure higher rate for new contracts.
Expected increase in Productivity and profits in measurable terms	:	The profitability of the Company is correlated with the rise in crude oil price. Since the fall in crude oil prices from the peak, the exploration activity has plummeted resulting in lack of demand of Vessels and consequently reduction in charter rates of Vessels. Therefore, only when once the exploration activity resurges, demand for vessels will increase, as will Company's profitability. The Company has initiated steps to reduce operating and administrative cost and is trying to ensure maximum utilisation of its Vessels albeit at lower rates (which are market driven).

All documents referred to in the Notice will be made available for inspection at the Company's Registered Office during the normal business hours on working day upto the date of the Annual General Meeting.

Mr. Niladri Sengupta and his relatives are deemed to be interested in Item No. 5 of the Notice to the extent of his/their Shareholding in the Company and the remuneration received by him. Apart from Mr. Niladri Sengupta none of the Directors, Key Managerial Personnel's or their relatives are directly or indirectly concerned financially or otherwise in Item No. 5.

The Board recommends passing of Resolution specified under Item No. 5 as Ordinary Resolution.

The Members are requested to appoint Mr. Niladri Sengupta as Whole-Time Director w.e.f. 01<sup>st</sup> July, 2017.

**By Order of the Board**

**101, Swapnabhoomi, 'A' Wing,  
S. K. Bole Road, Dadar (W),  
Mumbai – 400 028**

**Date : 30<sup>th</sup> August, 2017**

**A.C. Chandarana  
Company Secretary &  
President – Legal & Admin.**

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

TO,  
THE MEMBERS,  
Your Directors present their report as under:

#### 1] FINANCIAL RESULTS:

Rs. in Crores

PARTICULARS	Year ended March 31, 2017	Year ended March 31, 2016
Income from operations	98.47	158.61
Other Operating Income	-	1.18
Other Income	0.86	0.42
Gross Income	99.33	160.21
Expenses for the period	66.29	89.34
<b>Operating Profit for the period</b>	<b>33.04</b>	70.87
Finance cost	19.65	18.26
<b>Profit Before Depreciation</b>	<b>13.39</b>	52.62
Depreciation	22.59	22.39
<b>(Loss) / Profit Before Tax</b>	<b>(9.20)</b>	30.22
<u>Provision for Taxation</u>		
Current Tax	0.20	0.20
Tax for earlier (written back)/provision	0.03	0.01
<b>Net (Loss) / Profit After Tax</b>	<b>(9.43)</b>	30.01
Add : Balance of Profit brought forward from previous year.	176.18	152.27
Profit available for appropriation.	166.75	182.28
Less : Tonnage Tax Reserves	-	6.10
- General Reserves	-	-
- Proposed Dividend	-	-
- Tax on Proposed Dividend	-	-
Balance Carried forward	166.75	176.18

#### 2] FINANCIAL HIGHLIGHTS:

Income from Operation (including Other Operating Income) for the year ended 31.03.2017 stood at Rs.98.47 crores, as against Rs.159.79 crores for the previous year (a reduction of 38%). Other Income for the year stood at Rs.0.86 crores as against Rs.0.42 crores for the previous year.

The Net Loss for the year ended 31.03.2017 stood at Rs.9.43 crores as against Net Profit Rs.30.01 crores for the previous year.

The decrease in the Income from operations and the subsequent net loss was attributed to the substantial reduction in charter rates of the vessel owned – something that the Company had to accept or else risk termination of the contracts, in view of the global recession in the Industry.

The Company's Fixed Asset lender, viz State Bank of India, has declared the Company's account with them as Non Performing Assets (NPA) w.e.f. January 2017 as a result of Company's inability to continue repaying debt, in view of reduction of charter rates.

#### 3] OPERATIONS:

During the year under review :

- M.V. Mana, M.V. Kamet and M.V. Lachung worked on long term contract in west coast of India.
- M.V. Meghna continued to work on a long term contract.
- M.V. Mahananda worked on short term contract from August to October 2016. Subsequently the Vessel was then awarded 3 year long term contract w.e.f. November 2016 in the east coast of India.
- M.V. Poorna worked on spot charters in Middle East. Since August 2016, the Vessel worked on short term contracts in the west coast of India.
- One Vessel which was "in chartered" in 2014, and she continues to work on a long term contract in India.

The Shareholders are aware that the Company had to accept reduced rates, lest the vessels would have been off-hired and lay idle. Unfortunately, the reduced charter rates were not enough to service the company's debt, after payment of opex and overheads. As a result in July 2016, the Company approached its Asset based Lender State Bank of India (SBI) to reschedule the loans by incorporating a 3 year moratorium on principal. The Company committed to continue paying interest to all its Lenders. However, though SBI confirmed to the Company that its proposal had been approved, they laid down certain onerous preconditions which were not acceptable to the Company. Consequently in January 2017 as stated above, SBI, the major term loan lender, classified the Company's accounts with them as Non Performing Asset (NPA) and converted the loans into INR, which the Company has not accepted. The Company continued to repay / installments / service interest of Term Loans and Working Capital facilities lenders viz. United Bank of India and State Bank of Travancore. With the merger of SBT with SBI, the Company, though willing to make payments as was being done in the past, has suspended payments of their facilities as well since SBI converted all their facilities (including those as a result of the merger, into INR) and froze the Working Capital facilities.

The Company has informed SBI of its willingness to continue to pay interest at the originally sanctioned rates, if loans are converted back into USD, and therefore continues to provide interest at original rates.

**4] DIVIDEND:**

In view of the losses incurred during the year, your Directors regret their inability to recommend any Dividend.

**5] FUTURE EXPANSION AND OUTLOOK:**

In view of the current situation in the Industry, the Company is concentrating on restricting costs, maximizing utilization and finding solutions to overcome the difficulties being faced. There are no future expansion plans for now.

While majority of the Company's Vessels continue to be on contract, the future employment of these Vessels is uncertain, in view of the recession in the E&P Industry which has led to a situation of oversupply of Assets.

As of February, 2017, the number of Platform Supply Vessels (PSV) (over 2000 DWT) and number of Anchor Handling Tugs cum Supply Vessels (AHTSV's) (over 4000 BHP) were estimated at 1202 and 2134 respectively and Vessels yet to be delivered are 71 PSV's and 148 AHTSV's respectively. There has been a limited change in the fundamentals of the midsize PSV market over the past year, as reduced E&Ps spending continues to have a negative impact on demand. Therefore, it will take some time before we see any improvement in the sector. Even in the AHTSV market, rates continue to hover around opex levels and this is expected to continue for the next couple of years.

**6] SUBSIDIARY / WHOLLY OWNED SUBSIDIARY (WOS):**

During the year under review there was no Company which became or ceased to be subsidiary / joint venture or associate Company. The Company has two Subsidiaries as detailed below:

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

Global Offshore Services B.V has gone through a turbulent phase amidst the falling demand for Assets in the offshore market.

The revenue from operations for the year was \$ 8.69 Mn (PY \$ 32.32 Mn.) and the loss recorded for the year ended 31st March, 2017 was -\$ 23.28 Mn. (Previous Year loss -\$ 6.7Mn)

The Company had secured term contract, with a renowned Oil Exploration Company in Europe for three of its vessels which expired in November-16. Thereafter the Vessels worked intermittently in the spot market and the same Charterer has now exercised its option to employ the three Vessels once again for a further period of between 5 to 8 months. Unfortunately charter rates at which the Vessels will continue to work are not sufficient to cover opex, interest and service debt repayment.

The Company tried to find out a suitable job for M.V. Shergar which got abruptly terminated by Petrobras in Brazil. However, even though a long term bareboat charter was secured for the vessel, the same was terminated prematurely.

After the year under review, this Vessel was sold at a loss.

The financial restructuring of M.V. Makalu, is now completed and the asset has been transferred to new SPV-Makalu Shipping B.V.

The Company is also in varying stages of discussion with other lenders for the restructuring of all the remaining Vessels.

However, presently 2 of the Company's Vessels are laid up at a Yard in Norway.

With regards to qualification in the Auditors Report of GOSBV on the balance confirmation from the creditors we would like to clarify 39% of the outstanding is related party transaction and the confirmation has been obtained. With regards to the balance portion, the Company had sought confirmation from major creditors before the completion of the audit.

With regard to comment on verification of physical inventory, since the vessels are working with the charterers in remote locations it is not possible for the auditors to carry on the physical verification and has to rely on the certificate provided by the Management.

With respect to Auditors' comment on overdue receivable of INR 1453.52 lacs from Petrobras, Brazil GOSBV has commenced legal proceeding for the recovery of the same. As indicated in the Auditors' Statement, on the basis of expert legal advise received there is a high chance of the recovery of this amount.

As represented in the Note to the Accounts, the Company has successfully carried out the restructuring of the debt of one of its vessel in GOSBV. The Company is in discussion with the other lenders for the restructuring of the debt for the remaining vessels. However, there is an overdue principal and interest as at 31st March, 2017 as depicted in the said Notes to the Accounts.

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

The Company's wholly owned subsidiary GOISPL based in Singapore achieved an operating income of \$ 1.9 Mn against the previous year revenue of \$ 4.9 Mn. The Company suffered a loss of \$ 1.60 Mn (previous year \$ 1.71 Mn.).

During the year the long term contract secured by the vessel originally was terminated and as a result the vessel remained unutilized during a substantial period. The vessel was chartered during the third quarter of the year in the Middle East albeit at a much lower charter rate. As a result there is a substantial drop in the revenue. But the Company has taken initiative to reduce the losses by entering into a restructuring agreement with the Owner of the vessel M.V. Everest which entails the reduction of daily charter hire charges.

With the Vessel being on long term contract and with reduced BBC rates, the Company expects the cash flow from the operations to improve as compared to the previous year, which make the comment by the Auditors' on its dependency on the parent Company redundant.

With regard to the Auditors' comment on verification of physical inventory, since the vessels are working with charterers in remote locations it is not possible for the auditors to carry on the physical verification and they have had to rely on the certificate provided by the Management.

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 the Companies Act, 2013 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.

**7] LISTING FEES TO STOCK EXCHANGES:**

The Company has paid Listing Fees for the year 2017-18 to BSE Ltd. and The National Stock Exchange of India Ltd.

**8] FIXED DEPOSITS:**

During the year under review, no Deposits were accepted under Chapter V of the Companies Act, 2013 and hence the details relating to deposits and details which are not in compliance under Chapter V of the Act are "NOT APPLICABLE".

**9] 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 Loss of the Company for that year ended as on 31.03.2017.
- c) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provision of the Companies Act, 2013, 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.
- e) That they have laid down internal financial controls to be followed and that such financial controls are adequate and were operating effectively.
- f) That they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**10] INSURANCE:**

All the Vessels owned and operated by the Company and its subsidiaries have been insured for Hull & Machinery, War Risks and Protection & Indemnity (P & I) claims.

**11] DIRECTORATE:**

Mr. Ashok B. Garware's contract as Executive Director of the Company expired on 30<sup>th</sup> June, 2017. He has expressed his unwillingness to renew the contract on personal grounds. However, he continues to be Chairman of the Board of Directors and of the Company. The Board places on record his valuable contribution to the progress of the Company.

Mr. Ashok B. Garware retires by rotation and being eligible offers himself for re-appointment. Members are requested to re-elect him.

Pursuant to the recommendation of Nomination & Remuneration Committee and the Board of Directors, and subject to the approval of Secured Creditors, Shareholders and all other requisite approvals if any, the Company has appointed Mr. Niladri Sengupta as Additional Director & Whole-Time Director for a period of 3 years w.e.f. 01<sup>st</sup> July, 2017. Mr. Niladri Sengupta has several years experience in the Shipping and Offshore sector. His brief profile is enclosed with the AGM Notice. Members are requested to approve his appointment as Director & Whole -Time Director.

All the Independent Directors are appointed on 25.09.2014 for a period of 5 years. During the year under review no Directors or KMP have been appointed or resigned.

**12] APPOINTMENT OF STATUTORY AUDITORS AND THEIR REPORT:**

Messrs. Raman S. Shah & Associates, Chartered Accountants were appointed as Statutory Auditors of the Company by the Shareholders at the last Annual General Meeting held on 30<sup>th</sup> September, 2016 till the conclusion of the ensuing Annual General Meeting.

In compliance with the provisions of Companies Act 2013, the Company shall appoint an Auditor in the Annual General Meeting and such Auditor shall hold office till the subsequent five Annual General Meetings. A transition period of 3 years w.e.f. 01<sup>st</sup> April, 2014 was given to the listed Companies to change the Auditors.

Messrs. Raman S. Shah & Associates, Chartered Accountants will retire at the ensuing Annual General Meeting and new Auditors need to be appointed at the ensuing Annual General Meeting for a period of 5 years which can be extended for a further term of 5 years. Though, the appointment is for 5 years, the same needs to be ratified at each Annual General Meeting.

After studying profile of some Audit Firms, the Board, upon the recommendation of the Audit Committee and subject to approval of members, has chosen to appoint Messrs. D. Kothary & Co., Chartered Accountants (Firm Registration No. 105335W) from the conclusion of ensuing Annual General Meeting until the conclusion of the 44<sup>th</sup> Annual General Meeting of the Company, and has received eligibility certificate under Sections 139 and 141 of the Companies Act, 2013 and the Rules made thereunder. The appointment will be ratified at each Annual General Meeting.

There are no Qualifications in the Auditors' Report. As regards to "Emphasis of Matters" stated by the Auditors' in their report, the same is clarified in Note No. 12 of the Notes to the Accounts.

**13] PERSONNEL:**

The downturn in the Oil Industry has adversely affected the Company's financial position. In order to save costs and sustain operations, the reduction in the salaries/consultancy fees of the shore staff at all levels, at rates varying from 5% to 35% continues w.e.f June 2016. The Board appreciates support and co-operation of all the employees/consultants.

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

**14] 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.

**15] EXTRACTS OF THE ANNUAL RETURN :**

The Extracts of the Annual Return as prescribed in Form No.MGT 9 is enclosed as Annexure I.

**16] STATEMENT OF DECLARATION GIVEN BY INDEPENDENT DIRECTORS:**

The Independent Directors of the Company viz. Mr. S.S. Aggarwal, Mr. J.C. Chopra, Mr. A.K. Thanavala and Mr. S. Y. Mulani have given a declaration that they meet the criteria of the independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.



**17] NUMBER OF BOARD MEETINGS:**

During the year under review, four Board Meetings were held as detailed below:

(i) 30<sup>th</sup> May, 2016, (ii) 08<sup>th</sup> August, 2016 (iii) 08<sup>th</sup> November, 2016 and (iv) 07<sup>th</sup> February, 2017.

**18] BOARD EVALUATION:**

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and provision of SEBI (Listing Obligation & Disclosure Requirement) Regulation 2015 a structured questionnaire for evaluation was prepared, after taking into consideration various aspects of the Board's functioning, its composition, culture, performance, and ability to execute specific duties, obligations and its governance, and that of its Committees.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Executive Chairman and Non-Independent Directors was carried out by all the Directors. The Board of Directors expressed their satisfaction with the evaluation process.

**19] FAMILIARISATION PROGRAMME FOR DIRECTORS:**

At the time of appointment on the Board, each Independent Director is issued a formal letter of appointment, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. All the Directors have been provided with a deep insight into the business of the Company including the working of the subsidiaries. Vessel-wise details have also been furnished to them. The Directors have also received a detailed explanation on the Compliances required from him/her under the Companies Act, 2013, SEBI (Listing Obligations of Disclosure Requirements) Regulations, 2015 and other relevant regulations and affirmation taken with respect to the same.

**20] DETAILS OF LOANS GRANTED / INVESTMENTS MADE / GUARANTEES PROVIDED UNDER SECTION 186 OF COMPANIES ACT, 2013 :**

The details of the aforesaid Loans/Investment/Guarantees, during the year under review is enclosed as Annexure II.

**21] PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:**

The required information pursuant to the provisions of Section 188 of the Companies Act, 2013 is enclosed in Annexure III.

**22] AUDIT COMMITTEE :**

Pursuant to the Provision of Section 177(8) of the Companies Act, 2013, the Audit Committee consists of following members :

- 1] Mr. A.K. Thanavala – Chairman,
- 2] Mrs. Maneesha Shah
- 3] Mr. S.S. Aggarwal
- 4] Mr. J.C. Chopra

There were no instances where the Board had not accepted any recommendation of the Audit Committee.

**23] VIGIL MECHANISM :**

The Company has formulated a Policy for Vigil Mechanism pursuant to Sections 177(10) of the Companies Act, 2013 and the same was uploaded on the website of the Company – [www.globaloffshore.in](http://www.globaloffshore.in)

**24] STATEMENT ON DEVELOPMENT AND IMPLEMENTATION OF RISKS MANAGEMENT POLICY:**

Risk Management is a key aspect of the "Corporate Governance Principles and Code of Conduct" which aims to improve the governance practices across all Company activities. Risk management policy and processes will enable the Company to proactively manage uncertainty and changes in both internal and external environments in an attempt to capitalize on opportunities and limit negative impacts.

The risk management policy of the Company identifies, evaluates, monitors and minimizes identifiable risks.

**25] CORPORATE SOCIAL RESPONSIBILITY (CSR):**

During the year under review, the Company undertook activities as detailed in Annexure IV.

**26] SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:**

There was no significant and material order passed by Regulators or Courts or Tribunals impacting the future operations or the "going concern" status of the Company.

**27] INTERNAL FINANCIAL CONTROL:**

In the opinion of Board of Directors, there is adequate Internal Financial Control with respect to the preparation and presentation of the Financial statements which form a part of this Annual Report.

**28] SECRETARIAL AUDITOR:**

The Board has appointed Mr. Rajkumar Tiwari as Secretarial Auditor. His Report is enclosed as Annexure V to the Directors' Report. There is no qualification in the Secretarial Auditors' Report.

**29] DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary) are covered under the policy.

The number of sexual harassment complaints received and disposed off during the year was Nil.

**30] CORPORATE GOVERNANCE:**

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

**31] Conservation of energy, technology absorption, foreign exchange earnings and outgo. The required details are enclosed as Annexure VI.**

**32] SUBSIDIARIES, JOINT VENTURE OF ASSOCIATE COMPANIES :**

During the year under review, there were no Companies which became or ceased to be its subsidiaries, joint ventures or associate Company.

**33] DETAILS RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES:**

The information required under Section 197 read with Rule 5 of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 in respect of employees of the Company and Directors is furnished in Annexure – VII.

**34] DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL APPOINTED OR RESIGNED DURING THE YEAR:**

During the year under review there was no change in Directors or Key Management Personnel.

During the year under review Mr. K.S. Dave – President Commercial reached age of superannuation and continues to work on Consultancy.

**ACKNOWLEDGEMENT:**

The Board wishes to thank the Office of Directorate General of Shipping, Mercantile Marine Department, Shipping Master, IRS, State Bank of India, State Bank of Travancore (now merged with SBI), and United Bank of India, for their continued support and co-operation during the year.

On Behalf of the Board

Place : Mumbai  
Dated : 07.08.2017

ASHOK GARWARE  
CHAIRMAN

**ANNEXURE - I**  
**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31<sup>st</sup> March, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i)	CIN	L61100MH1976PLC019229
ii)	Registration Date	20/09/1976
iii)	Name of the Company	GLOBAL OFFSHORE SERVICES LIMITED
iv)	Category / Sub-Category of the Company	-
v)	Address of the Registered Office and Contact details	101, Swapnabhoomi, 'A' Wing, S.K. Bole Road, Dadar (West), Mumbai – 400 028. Tel. : 022-24234000 Fax No. 24362764 Email : investorredressal@globaloffshore.in
vi)	Whether listed Company	Yes / No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any.	Big Share Services Pvt. Ltd., 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400 059. Tel: 62638200 Fax No. 62638299 Email : info@bigshareonline.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sr No	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	To provide Offshore Support services to Exploration & Production Companies.	61100	100 %

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

SR. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Garware Offshore International Services Pte. Ltd., Singapore	-	Wholly Owned Subsidiary	100%	2 (87) of the Companies Act, 2013
2	Global Offshore Services B.V., The Netherlands	-	Subsidiary Company	68%	- Do -

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):**

**i) Category-wise Share Holding:**

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
<b>A. Promoters / Person Acting in Concert.</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	2351660	-	2351660	9.51	2351720	-	2351720	9.51	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	3240223	-	3240223	13.10	3218849	-	3218849	13.02	(0.08)
e) Banks/FI		-	-	-		-			-
f) Any Other....									
<b>Sub-total (A) (1)</b>	<b>5591883</b>	<b>-</b>	<b>5591883</b>	<b>22.61</b>	<b>5570569</b>	<b>-</b>	<b>5570569</b>	<b>22.53</b>	<b>(0.08)</b>
(2) <b>Foreign</b>									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	2564500	-	2564500	10.37	2564500	-	2564500	10.37	-

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other...	-	-	-	-	-	-	-	-	-
<b>Sub-total(A)(2):-</b>	2564500	-	2564500	10.37	2564500	-	2564500	10.37	-
<b>Total shareholding of Promoter/PAC's (A)=(A)(1)+(A)(2)</b>	8156383	-	8156383	32.98	8135069	-	8135069	32.90	(0.08)
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	32900	32900	0.13	-	32900	32900	0.13	-
b) Banks/FI	1273059	11550	1284609	5.19	1268940	10550	1279490	5.17	(0.02)
c) Central Govt.	-	160 160	160	0.00	-	160 160	160	0.00	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	490836	-	490836	1.99	153427	-	153427	0.62	(1.37)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others(specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1) :</b>	1763895	44610	1808505	7.31	1422367	43610	1465977	5.92	(1.39)
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	2470930	21056	2491986	10.08	3743540	21056	3764596	15.22	5.14
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	2267260	991479	3258739	13.18	6362752	970558	7333310	29.66	16.48
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	1605579	-	1605579	6.49	3201612	-	3201612	12.95	6.46
c) Others (specify)									
- NRI	221153	620	221773	0.90	383948	500	384448	1.56	0.66
- Foreign Investor	6739547	-	6739547	27.25	0.00	0.00	0.00	0.00	(27.25)
- Trust	446281	-	446281	1.81	443781	-	443781	1.79	(0.02)
<b>Sub-total (B)(2)</b>	13750750	1013155	14763905	59.71	14135633	992114	15127747	61.18	1.47
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	15514645	1057765	16572410	67.02	15558000	1035724	16593724	67.10	0.08
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A + B + C)</b>	23671028	1057765	24728793	100	23693069	1035724	24728793	100	-

(ii) Shareholding of Promoters / Person Acting in Concert (PAC):

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	SUSHMA GARWARE	781041	3.16	-	1441913	5.83	-	2.67
2	ADITYA GARWARE	769138	3.11	-	769138	3.11	-	-
3	ASHOK B. GARWARE	660872	2.67	-	-	-	-	(2.67)
4	MANEESHA SHATUL SHAH	104988	0.42	-	104988	0.43	-	-

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
5	A. B. GARWARE HUF	30506	0.12	-	30506	0.12	-	-
6	SHEELA SHASHIKANT GARWARE	551	0.00	-	551	0.00	-	-
7	SHASHIKANT B GARWARE	551	0.00	-	551	0.00	-	-
8	ANITA CHANDRKANT GARWARE	51	0.00	-	51	0.00	-	-
9	GARWARE MARINE IND.LTD.	1473260	5.96	-	1451886	5.88	-	(0.08)
10	UNIVERSAL INVEST.CO P LTD.	1386720	5.61	-	1386720	5.61	-	-
11	MAUVE TRADING & INVEST CO.P. LTD.	232218	0.94	-	232218	0.94	-	-
12	ADSU TRADING INVEST CO P . LTD.	90750	0.37	-	90750	0.37	-	-
13	MASU TRADING & INVEST.CO.P. LTD.	38050	0.15	-	38050	0.15	-	-
14	SHESU TRADING & INVEST CO P . LTD.	16800	0.07	-	16800	0.07	-	-
15	GARWARE GOA NETS LTD.	2425	0.01	-	2425	0.01	-	-
16	ASHESH CHANDARANA	3607	0.01	-	3607	0.01	-	-
17	NARENDRA S. SURVE	55	0.00	-	155	0.00	-	-
18	KEYUR S. DAVE	100	0.00	-	100	0.00	-	-
19	PRADIP S SHAH	100	0.00	-	100	0.00	-	-
20	SHYAMSUNDER V ATRE	50	0.00	-	50	0.00	-	-
21	AJAY C. GANDHI	50	0.00	-	10	0.00	-	-
22	RONDOR OVERSEAS LTD.	1286250	5.20	-	1286250	5.20	-	-
23	CLEARWELL ENTERPRISES LTD.	1278250	5.17	-	1278250	5.17	-	-
	<b>TOTAL</b>	<b>8156383</b>	<b>32.98</b>		<b>8135069</b>	<b>32.90</b>		<b>(0.08)</b>

\* Date wise Increase/ Decrease in Promoters Shareholding during the period 01.04.2016 to 31.03.2017.

Sr. No.	Name	Shareholding		Date	Increase / (Decrease) in shareholding	Reasons	Cumulative Shareholding during the period (01.04.2014-31.03.2016)	
		No. of shares at the beginning 01.04.2016	% of total shares of the company				No. of shares	% of total shares of the company
1.	Ashok Bhalchandra Garware	660872	2.67	26.07.16 03.08.16	(330270) (330602)	Off Market Gift	330602	1.340
2.	Sushma Ashok Garware	781041	3.16	26.07.16 03.08.16	330270 330602	Off Market Gift	1111311 1441913	4.49 5.83
3.	Garware Marine Industries Ltd.	1473260	5.96	15.07.16 18.08.16 12.01.17 13.01.16 31.03.17	(3874) (2500) (6000) (3000) (6000)	Market Purchase / (Sale)	1469386 1466886 1460886 1457886 1451886	5.94 5.93 5.91 5.90 5.88
4.	Narendra Shantaram Surve	55	0.00	23.09.16 21.10.16	200 (100)	Market Purchase / (Sale)	255 155	0.00 0.00
5.	Ajay C. Gandhi	50	0.00	15.07.16	(40)	Market Purchase / (Sale)	10	00

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters/PAC's and Holders of GDRs and ADRs):

Sr. No.	Name	Shareholding at the beginning of the year (01.04.2016)		Shareholding at the end of the year (31.03.2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	IndiaStar (Mauritius) Ltd.	6,739,547	27.25	0	0
2.	General Insurance Corporation of India.	755,325	3.05	755,325	3.05
3.	Kemper Properties Holding Pvt. Ltd.	657,294	2.66	656,494	2.65

Sr. No.	Name	Shareholding at the beginning of the year (01.04.2016)		Shareholding at the end of the year (31.03.2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4.	Manoj Mittal	627,857	2.54	627,857	2.54
5.	United India Insurance Company Limited.	501,615	2.03	501,615	2.03
6.	Shri. Krishna Welfare Trust.	446,280	1.80	443,780	1.79
7.	Anita Jaideep Sampat.	0	0	310,000	1.25
8.	B. N. Mittal.	237,367	0.96	245,833	0.99
9.	Malti Narendra Sampat.	0	0	245,628	0.99
10.	CNI Research Ltd.	133,525	0.54	224,269	0.91
11.	Edelwess Broking Ltd.	0	0	223,531	0.90
12.	Ramesh Singhal	163,710	0.66	209,319	0.84
13.	Harshil Kanilal Kothari.	146,131	0.59	146,131	0.59

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Name	Shareholding at the beginning of the year i.e. 01.04.2016		Cumulative Shareholding during the year i.e. 31.03.2017	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Ashok Garware (KMP)	6,60,872	2.67	0	0
2.	Mr. Aditya A. Garware	7,69,138	3.11	7,69,138	3.11
3.	Mrs. Maneesha Shah	1,04,928	0.42	1,04,988	0.42
4.	Mr. Shamsunder S. Aggarwal	500	0.00	500	0.04
5.	Mr. J. C. Chopra	1,000	0.00	1,000	0.00
6.	Mr. A. K. Thanavala	100	0.00	100	0.00
7.	Mr. A. C. Chandarana (KMP)	3,607	0.01	3,607	0.01
8.	Mr. N. Sengupta (KMP)	10	0.00	10	0.00

**V. INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding / accrued but not due for payment. (Rs.in Lacs)**

Particulars	Secured Loans	Unsecured Loans	Deposits	Total
<b>At the beginning of the financial year</b>				
i) Principal	36,380.41	-	-	36,380.41
ii) Interest due but not paid (amt. funded)	128.69	-	-	128.69
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	36,509.10	-	-	36,509.10
<b>Change during the financial year</b>				
* Addition				
Principal	-	1,358.81	-	1,358.81
Interest Charged	1,965.20	-	-	1,965.20
* Reduction				
Principal	( 3,473.49)	(234.88)	-	(3,708.37)
Interest paid	(1,455.31)	-	-	(1,455.31)
Net change.	2,963.60	1,123.93	-	(1839.67)
<b>At the end of the financial year</b>				
i) Principal	32,906.92	1,123.93	-	34,030.85
ii) Interest due but not paid	638.58	-	-	638.58
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	33,545.50	1,123.93	-	34,669.43



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and / or Manager:**

PARTICULARS	A. B. GARWARE - Executive Chairman (KMP) (Rs.)
Salary	68,00,000.00
Leave Encashment	-
Ex-Gratia	-
Meal Coupons	30,000.00
Medical	24,50,330.00
PF	-
Monetary Value Of Perquisites	39,600.00
Stock Option	NIL
Sweat Equity	NIL
Commission	NIL
- as % of profit	NIL
- others, specify	NIL
<b>Total</b>	<b>93,19,930</b>

**B. Sitting Fees & Consultancy Fees to other Non-Executive Directors :**

Sr. No.	Name of the Independent Director	Sitting Fees Rs.	Commission Rs.	Consultancy fees Rs.	Total (Rs.)
1	Mr. Aditya Garware	62,250.00	-	46,75,000.00	47,37,250.00
2	Mrs. Maneesha S. Shah	41,250.00	-	-	41,250.00

**C. Sitting Fees to Independent Directors :**

Sr. No.	Name of the Independent Director	Sitting Fees Rs.	Commission Rs.	Consultancy fees Rs.	Total (Rs.)
1.	Mr. Shamsunder Aggarwal	1,04,750.00	-	-	1,04,750.00
2.	Mr. A. K. Thanavala	1,00,000.00	-	-	1,00,000.00
3.	Mr. J. C. Chopra	81,250.00	-	-	81,250.00
4.	Mr. S. Y. Mulani	39,000.00	-	-	39,000.00

**D. Remuneration to Company Secretary & Chief Financial Officer - KMP:**

PARTICULARS	A. C. CHANDARANA - Company Secretary	N. SENGUPTA - Chief Financial Officer
Salary	23,89,234.00	28,61,717.00
Leave Encashment	-	-
Ex-Gratia	-	-
Meal Coupons	-	30,000.00
Medical	-	-
PF	1,50,912.00	1,97,280.00
Monetary Value Of Perquisites	5,50,000.00	2,40,000.00
Stock Option	-	-
Sweat Equity	-	-
Commission	-	-
- as % of profit	-	-
- others, specify	-	-
<b>Total</b>	<b>30,90,146.00</b>	<b>33,28,997.00</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of The Companies Act	Brief Description	Details of Penalty/ Punishment/Compounding fees imposed	Authority [RD / NCL1 / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment			----- NIL -----		
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment			----- NIL -----		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			----- NIL -----		
Compounding					

On Behalf of the Board

**ANNEXURE - II**

**Particulars of Loans, Guarantees and Investments made in Equity  
Shares under Section 186 of Companies Act, 2013 during the  
Financial Year 01st April, 2016 - to 31st March, 2017.**

SR. NO.	DATE	NAME OF PARTY	LOAN AMOUNT IN USD	GUARANTEE AMOUNT IN USD	INVESTMENT IN EQUITY AMOUNT IN USD
1	22.04.2016	Garware Offshore International Services Pte. Ltd.	50000	----	----
2	12.05.2016	Garware Offshore International Services Pte. Ltd.	50000	----	----
3	26.05.2016	Garware Offshore International Services Pte. Ltd.	50000	----	----
4	31.05.2016	Global Offshore Services B.V.	527557	----	----
5	31.05.2016	Global Offshore Services B.V.	-----	(*) 3500000	----
6	29.06.2016	Garware Offshore International Services Pte. Ltd.	50000	----	----
7	05.07.2016	Garware Offshore International Services Pte. Ltd.	50000	----	----
8	18.08.2016	Global Offshore Services B.V.	'(**)663823	----	----
9	26.08.2016	Global Offshore Services B.V.	532157	----	----
10	09.09.2016	Garware Offshore International Services Pte. Ltd.	100000	----	----
11	09.09.2016	Garware Offshore International Services Pte. Ltd.	43000	----	----
12	28.09.2016	Garware Offshore International Services Pte. Ltd.	20000	----	----
13	04.10.2016	Garware Offshore International Services Pte. Ltd.	55000	----	----
14	12.10.2016	Global Offshore Services B.V.	-----	(*)(3500000)	----
15	17.10.2016	Garware Offshore International Services Pte. Ltd.	20000	----	----
16	27.10.2016	Garware Offshore International Services Pte. Ltd.	1500	----	----
17	21.10.2016	Global Offshore Services B.V.	35000	----	----
18	03.11.2016	Garware Offshore International Services Pte. Ltd.	20000	----	----
19	17.11.2016	Global Offshore Services B.V.	7500	----	----
20	01.12.2016	Garware Offshore International Services Pte. Ltd.	12500	----	----
21	02.12.2016	Global Offshore Services B.V.	280148	----	----
22	02.12.2016	Global Offshore Services B.V.	248091	----	----
23	06.12.2016	Global Offshore Services B.V.	7677	----	----
24	08.12.2016	Global Offshore Services B.V.	5041	----	----
25	27.02.2017	Global Offshore Services B.V.	-----	(***)42188000	----
26	01.03.2017	Global Offshore Services B.V.	17350	----	----
27	07.03.2017	Global Offshore Services B.V.	20000	----	----
28	30.03.2017	Global Offshore Services B.V.	(**)(663823)	----	----
29	30.03.2017	Garware Offshore International Services Pte. Ltd.	(165000)	----	----

(\*) The validity period for which the guarantee issued (at Sr.No.5) was expired during the year.

(\*\*) The loan granted (at Sr.No.8) was repaid during the year.

(\*\*\*) The Guarantee (at Sr. No. 25) was issued in lieu of an earlier guarantee given for USD 6 million, which stands cancelled.

On Behalf of the Board

Place: Mumbai  
Date: 07<sup>th</sup> August, 2017

ASHOK GARWARE  
CHAIRMAN

**ANNEXURE - III**  
**FORM NO. AOC.2**

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section(1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1.	Details of contracts or arrangements or transactions not at arm's length basis.	
(a)	Name(s) of the related party and nature of relationship.	NIL
(b)	Nature of contracts / arrangements / transactions.	NIL
(c)	Duration of the contracts / arrangements / transactions.	NIL
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any.	NIL
(e)	Justification for entering into such contracts or arrangements or transactions.	NIL
(f)	Date(s) of approval by the Board.	NIL
(g)	Amount paid as advances, if any.	NIL
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	NIL
2.	Details of material contracts or arrangement or transactions at arm's length basis.	
(a)	Name(s) of the related party and nature of relationship.	NIL
(b)	Nature of contracts / arrangements / transactions.	NIL
(c)	Duration of the contracts / arrangements / transactions.	NIL
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any.	NIL
(e)	Date(s) of approval by the Board, if any.	NIL
(f)	Amount paid as advances, if any.	NIL

On Behalf of the Board

Place: Mumbai  
Date: 07<sup>th</sup> August, 2017

ASHOK GARWARE  
CHAIRMAN

**ANNEXURE - IV**

**CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES DURING THE YEAR 2016-2017  
FORMAT OF THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT.**

1	A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and project or programs.	The Company strives to actively contribute to the Social and Economic development of the community in which it operates. The Company will undertake all or any of the activities specified in Schedule VII to the Companies Act, 2013 as amended from time to time & other activities enumerated in its CSR policy.																													
2	The Composition of the CSR Committee.	Mr. A.B. Garware Mr. S.S.Aggarwal Mr. J.C.Chopra																													
3	Average net profit of the Company for last three financial years.	Rs.2,547.43 Lacs																													
4	Prescribed CSR Expenditure (two per cent, of the amount as in item 3 above)	Rs.50.95 Lacs																													
5	Details of CSR spent during the financial year :																														
	(a) Total amount to be spent for the financial year	Rs.50.95 Lacs																													
	(b) Amount unspent, if any	Rs.47.95 Lacs																													
	(c) Manner in which the amount spent during the financial year is detailed below :																														
	<table border="1"> <thead> <tr> <th>(1)</th> <th>(2)</th> <th>(3)</th> <th>(4)</th> <th>(5)</th> <th>(6)</th> <th>(7)</th> <th>(8)</th> </tr> <tr> <th>Sr. No.</th> <th>CSR project or activity Identified.</th> <th>Sector in which the Project is covered.</th> <th>Projects or programs (1) Local area or other (2)Specify the State and district where projects or programs was undertaken.</th> <th>Amount outlay (budget) project or programs wise.</th> <th>Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads:</th> <th>Cumulative expenditure upto to the reporting period.</th> <th>Amount spent: Direct or through implementing agency.</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Neurology Foundation</td> <td>To provide treatment to needy children and adults suffering from debilitating neurological illness.</td> <td>In the State of Maharashtra</td> <td>NIL</td> <td>Rs.3.00 Lacs</td> <td>3.00 Lacs</td> <td>Direct.</td> </tr> </tbody> </table>							(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Sr. No.	CSR project or activity Identified.	Sector in which the Project is covered.	Projects or programs (1) Local area or other (2)Specify the State and district where projects or programs was undertaken.	Amount outlay (budget) project or programs wise.	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads:	Cumulative expenditure upto to the reporting period.	Amount spent: Direct or through implementing agency.	1	Neurology Foundation	To provide treatment to needy children and adults suffering from debilitating neurological illness.	In the State of Maharashtra	NIL	Rs.3.00 Lacs	3.00 Lacs	Direct.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)																								
Sr. No.	CSR project or activity Identified.	Sector in which the Project is covered.	Projects or programs (1) Local area or other (2)Specify the State and district where projects or programs was undertaken.	Amount outlay (budget) project or programs wise.	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads:	Cumulative expenditure upto to the reporting period.	Amount spent: Direct or through implementing agency.																								
1	Neurology Foundation	To provide treatment to needy children and adults suffering from debilitating neurological illness.	In the State of Maharashtra	NIL	Rs.3.00 Lacs	3.00 Lacs	Direct.																								
6	In case the Company has failed to spend the two percent, of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.	In view of substantial reduction in the revenues of the Company, loss incurred for the year and the Company's inability to continue repaying its debts, the Company did not contribute to CSR.																													
7	The CSR Committee confirms that subject to above the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.																														

Sd/-  
(Chief Executive Officer  
or  
Managing Director or Director)

Sd/-  
(Chairman  
CSR  
Committee)

Sd/-  
(Person specified under  
clause (d) of sub-section(1)  
of section 380 of the Act)

**ANNEXURE - V**  
**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED **31<sup>st</sup> March, 2017**

*(Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies Appointment and Remuneration of Managerial Personnel Rules, 2014)*

To,  
The Members,  
**Global Offshore Services Limited**  
101, Swapna Bhoomi, "A" Wing, S.K. Bole Road,  
Dadar - (West), Mumbai-400028

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Global Offshore Services Limited(CIN:L61100MH1976PLC019229)**(hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2017** complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and compliances- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31<sup>st</sup> March, 2017** according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not Applicable to the Company during the Audit period**);
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**Not Applicable to the Company during the Audit period**);
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable to the Company during the Audit period**);
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agent) Regulations, 1993 regarding the Act and dealing with clients (**Not Applicable since the Company is not a Registrar and Share Transfer Agent**);
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not Applicable to the Company during the Audit period**);
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not Applicable to the Company during the Audit period**);
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Specific laws applicable as mentioned hereunder:
  - a) The Merchant Shipping Act, 1958;
  - b) The Seamen's Provident Fund Act

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with the BSE Limited and National Stock Exchange of India Limited;

During the year under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Resolutions have been approved by majority while the dissenting members', if any, views are captured and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no instances of (i) Public/ Rights/ Preferential issue of Shares / Debentures / Sweat Equity, (ii) Buy-back of securities, (iii) Redemption of Preference shares/ Debentures, (iv) Merger / Amalgamation / reconstruction etc. (v) Foreign technical collaborations.

Signature:

**CS Rajkumar R. Tiwari**  
Company Secretary in Practice  
FCS No. 4227 C.P. No. 2400

Place: Mumbai  
Date: July 29, 2017

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

**Annexure-A**

To,  
The Members,  
**Global Offshore Services Limited**  
101, Swapna Bhoomi, "A" Wing, S.K. Bole Road,  
Dadar - (West), Mumbai-400028

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test bases to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the Provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Signature:

**CS Rajkumar R. Tiwari**  
Company Secretary in Practice  
FCS No. 4227 C.P. No. 2400

Place: Mumbai  
Date: July 29, 2017

**ANNEXURE – VI**

STATEMENT REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER CLAUSE (M) OF SUB-SECTION (1) OF SECTION 134 OF THE COMPANIES ACT, 2013 N THE COMPANIES (ACCOUNTS) RULES, 2014.

Item No.	Particulars	
<b>A.</b>	<b>CONSERVATION OF ENERGY</b>	
	(a) Steps taken and impact on conservation of Energy.	Being a Shipping Company, taking of energy Conservation steps does not arise and the impact is Not Applicable.
	(b) Steps taken by the Company for utilizing alternate sources of energy.	NIL
	(c) The capital investment on energy conservation on equipments	NIL
<b>B.</b>	<b>TECHNOLOGY ABSORPTION</b>	
	(i) Efforts made towards technology absorption.	NIL
	(ii) Benefits derived like Product improvement, cost reduction, product development or import substitution etc.	NIL
	(iii) In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished.	NIL
	a) Technology Imported.	
	b) Year of Import.	
	c) Has technology been fully absorbed?	
	d) If not fully absorbed, Areas where absorption has not taken place and reasons thereof.	
	(iv) Expenditure on R & D	NIL
<b>C.</b>	<b>FOREIGN EXCHANGE EARNINGS AND OUTGO</b>	
	(a) Foreign exchange earned in terms of actual inflow (on account of charter hire, earnings interest etc.).	Rs.10,142.73 lacs
	(b) Foreign exchange outgo in terms of actual outflow. Operating expenses, Standby expenses, and interest payment etc.	Rs.4,043.20 lacs

On Behalf of the Board

Place : Mumbai  
Dated : 07.08.2016

ASHOK GARWARE  
CHAIRMAN



## ANNEXURE – VII TO THE DIRECTORS’ REPORT.

Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- i] The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-2017:

Name of Directors	Ratio of remuneration to median remuneration of Employees
Mr. A.B. Garware – Executive Chairman	20.44:1

- ii] The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year 2016-2017:

Name of Key Managerial Personnel:	% increase in remuneration in the financial year.
Mr. A.B. Garware – Executive Chairman	- 7%
Mr. A.C. Chandarana – Company Secretary, President – Legal & Admin.	- 25%
Mr. N.T. Sengupta – Chief Financial Officer	- 23%

- iii] The percentage increase in the median remuneration of employees in the financial year :  
**-14%** on an annualized basis.

- iv] The number of permanent employees on the rolls of Company :  
**28 as on 31<sup>st</sup> March, 2017.**

- v] Average percentile increase already made in the salaries of employees other than the Managerial personnel in the last financial year and its comparison with the percentile increase in the Managerial remuneration and justification thereof and any exceptional circumstances if any, for increase in the Managerial remuneration:

- Average increase in remuneration of employees excluding KMPs:  
**0%** on an annualized basis.
- Average decrease in remuneration of KMPs:  
**24%**.
- KMP salary increases are decided based on the Company’s performance, individual performance, inflation, prevailing industry trends and benchmarks:

- vi] Affirmation that the remuneration is as per the Remuneration Policy of the Company.

**The Company affirms remuneration is as per the Remuneration Policy of the Company.**

- vii] Details of top ten employees in terms of remuneration drawn during the financial year 2016-17:

Sr. No.	Name of Employee & Designation.	Salary drawn during the year.	Remarks
1.	A. B. Garware – Executive Chairman	93,19,930	--
2.	Z. R. Mehta – President (Technical)	50,75,938	--
3.	K. S. Dave – President (Commercial)	40,65,645	--
4.	N. Sengupta – Chief Financial Officer	33,28,997	--
5.	A.C. Chandarana – Company Secretary – President – Legal & Admin.	30,90,146	--
6.	Mr. P.S. Shah – General Manager – Finance & Accounts	28,13,877	-----
7.	Mr. B. R. Tripathi – General Manager Technical	11,27,528	Part of the year.
8.	Mr. V. S. Shirke – Asst. General Manager – HSSE & Training.	10,90,541	-----
9.	Mr. P. T. Malap – Dy. General Manager – Accounts.	9,20,503	-----
10.	Mr. M.S. Kudalkar - Sr. Manager – H.R. & Admin.	8,04,853	-----

- viii] Statement of particulars of employees pursuant to the provisions of Section 197(12) of The Companies Act, 1956 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

There is no employee whose salary exceeded Rs.8.50 Lakhs per month or Rs.1.02 Crore p.a.

On Behalf of the Board

Place: Mumbai  
Date: 07<sup>th</sup> August, 2017

ASHOK GARWARE  
CHAIRMAN

## REPORT ON CORPORATE GOVERNANCE

### 1. BOARD OF DIRECTORS:

The Board of the Company comprises of Professionally Well-Qualified Individuals and consists of Eight Members. Mr. Ashok Garware is the Chairman, Mr. Aditya Garware acts as Vice Chairman and Mr. Niladri Sengupta is Whole-Time Director of the Company and all other Directors are Non-Executive Director of the Company.

During the year under review Four 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)	30 <sup>th</sup> May, 2016
ii)	08 <sup>th</sup> August, 2016
iii)	08 <sup>th</sup> November, 2016
iv)	07 <sup>th</sup> February, 2017

Name of Directors	No. of Board Meetings Attended	Attendance at last AGM	Category of Director	No. of Other Committee Directorship		No. of other Directorship	No. of shares held
				Chairman	Member		
Mr. Ashok Garware* (Chairman)	4	Yes	Promoter –Non Whole Time Director	-	-	6	-
Mr. Aditya Garware (Vice-Chairman)	4	Yes	Promoter – Non Whole Time Director	-	1	9	769138
Mrs. Maneesha Shah (nee Garware)	2	Yes	Promoter – Non-Whole Time Director	-	-	4	104988
Mr. Shamsunder Aggarwal	4	Yes	Independent Director	-	-	7	500
Mr. A.K. Thanavala	4	Yes	Independent Director	-	-	-	100
Mr. J.C. Chopra	3	Yes	Independent Director	-	-	3	1000
Mr. S. Y. Mulani	2	Yes	Independent Director	-	-	-	-
Mr. Niladri Sengupta Additional & Whole-Time Director **.	-	-	Whole-Time Director	-	-	-	10

\* Resigned as Executive Chairman w.e.f. 30.06.2017 and continues as Non-Executive Chairman of the Company w.e.f. 01.07.2017.

\*\* Resigned as Chief Financial Officer w.e.f. 30.06.2017 and appointed as Additional and Whole-Time Director (subject to members approval) w.e.f. 01.07.2017.

Mr. Ashok B. Garware, Mr. Aditya A. Garware and Mrs. Maneesha Shah (nee Garware) are related to each other. None of the other Directors are related with each other.

As stipulated under SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, 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 only).

### 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.

Mr. A. K. Thanavala acts as Chairman of the Committee.

Mr. A.C. Chandarana - Company Secretary, President – Legal & Admin. acts as a Secretary to the Committee.

#### Terms of Reference:

The Committee's composition meets with requirements of Section 177 of Companies Act, 2013 and Regulation 18 of Listing Regulation. Members of Audit Committee possess financial / accounting expertise / exposure.

#### i) Power of Audit Committee:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if considered necessary.

**ii) Role of Audit Committee:**

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment of auditors of the company including payment of remuneration and other terms;
3. Approval of payment to statutory auditors for any other services rendered by them;
4. Reviewing (with the management if required), the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertaking or assets of the Company, wherever necessary;
11. Evaluation of internal financial controls and risk management systems; &
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

**Meetings:**

Four Audit Committee Meetings were held during the financial year 2014-2015 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	Mr. J. C. Chopra
30.05.2016	√	√	√	√
08.08.2016	√	----	√	----
08.11.2016	√	√	√	√
07.02.2017	√	----	√	√

**3. NOMINATION & REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee of the Board of Directors comprises of three Independent Directors namely; Mr. A.K. Thanavala as Chairman, Mr. S.S. Aggarwal and Mr. J.C. Chopra as Committee Members.

The broad terms of reference of the Committee include :

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the similar industry as that of the Company.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

**Attendance During The Year:**

Date of Meeting	Name of the Members of Committee & Attendance		
	Mr. A.K. Thanavala (Chairman)	Mr. J.C. Chopra	Mr. Shamsunder Aggarwal
30.05.2016	√	√	√
30.06.2016	√	√	√

**REMUNERATION PAID TO NON-EXECUTIVE DIRECTORS:**

- a] The Non Executive Directors were paid sitting fees of Rs.13,000/- for each meeting of the Board of Directors attended by them during the year under review.
- b] Mr. Aditya A. Garware was paid Consultancy fee of Rs.3,57,500/- per month.
- c] Audit Committee and Credit / Borrowing Committee members are paid sitting fees of Rs.3,250/- for each meeting of the respective Committees.
- d] Members of all other Committees viz. Corporate Social Responsibility, Nomination & Remuneration Committee are paid Rs.2,500/- for each of the respective Committees.
- e] The total Consultancy / Sitting fees paid to Non-Executive Directors during the year are as follows :

Sr. No.	Name of the Non-Executive Director	Sitting Fees Rs.	Consultancy Fees Rs.	Total Rs.
1.	Mr. Aditya Garware	62,250.00	46,75,000.00	47,37,250.00
2.	Mrs. Maneesha S. Shah	41,250.00	-	41,250.00

- f] The total sitting fees paid to Independent Directors are as follows :

Sr. No.	Name of the Independent Director	Sitting Fees Rs.
1.	Mr. Shamsunder Aggarwal	1,04,750.00
2.	Mr. A. K. Thanavala	1,00,000.00
3.	Mr. J. C. Chopra	81,250.00
4.	Mr. S. Y. Mulani	39,000.00

The Performance evaluation criteria for the Independent Directors are laid down in the Board Performance Evaluation Policy. Kindly refer to the Company's web site [www.globaloffshore.in](http://www.globaloffshore.in) for the Nomination & Remuneration Policy

**REMUNERATION PAID TO EXECUTIVE DIRECTORS:**

Mr. Ashok Garware was paid remuneration as details given below:

(Rs. in lacs)

Particulars	Mr. Ashok Garware
Salary	68.00
Monetary value of Perquisites	0.40
Meal Coupons	0.30
Medical	24.50
Contribution to P.F.	-----
<b>Total</b>	<b>93.20</b>

**4. STAKEHOLDERS GRIEVANCE COMMITTEE:**

Mr. S.S. Aggarwal acts as a Chairman of the Committee.

Mr. A.C. Chandarana – Company Secretary, President – Legal & Admin. is a Compliance Officer and acts as Secretary to the Committee.

No. of Shareholders complaints received during the year : 28

No. of complaints solved to the satisfaction of the Shareholders : 27

No. of pending complaints: 1

**5. 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
2015 -2016	30 <sup>th</sup> September, 2016	9:30 A.M.	"Garware Sabhagriha", F.P.H. Building, Lala Lajpatrai Marg, Haji Ali, Mumbai 400 034.
2014 -2015	29 <sup>th</sup> September, 2015	9:30 A.M.	"Garware Sabhagriha", F.P.H. Building, Lala Lajpatrai Marg, Haji Ali, Mumbai 400 034.
2013 -2014	25 <sup>th</sup> September, 2014	9.30 A.M.	"Garware Sabhagriha", F.P.H. Building, Lala Lajpatrai Marg, Haji Ali, Mumbai 400 034.

The details of Special Resolutions passed in previous three Annual General Meeting are as follows :

a] **At the AGM held on 30.09.2016: Nil**

b] **At the AGM held on 29.09.2015: Nil**

c] **At the AGM held on 25.09.2014:**

- i] Re-appointment of Mr. Aditya A. Garware as Vice Chairman & Managing Director for a period of 5 years w.e.f. 01.02.2014.
- ii] Authority to Board of Directors to mortgage and/or charge any Vessels, other movable and immovable properties both present and future of the whole and substantially the whole of the undertaking of the Company etc. under Section 180(1)(a) of the Companies Act, 2013.

- iii] Authority to Board of Directors to borrow monies in excess of the aggregate of paid up share capital and free reserves etc. under Section 180(1)(c) of the Companies Act, 2013.
- iv] Alteration of Articles of Association of the Company.

**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.

**6. DISCLOSURE:**

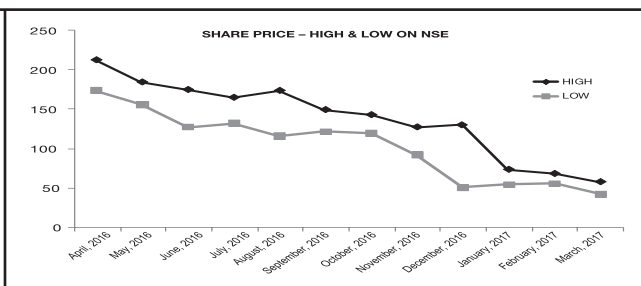
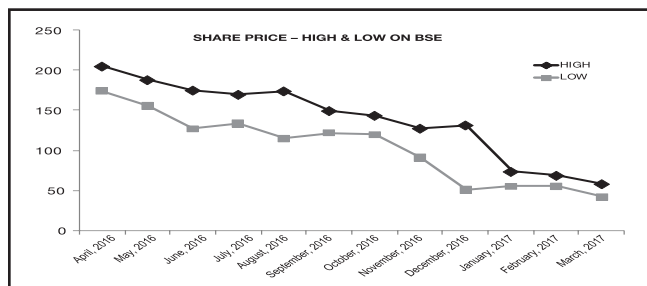
- a] There were no related Party Transactions, which had potential conflict with the interest of the Company at large.
- b] There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and no penalty or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority.
- c] No person has been denied access to the Audit Committee to report concerns about unethical behaviour under the Whistle Blower Policy.
- d] The statutory Auditors certificate on compliance of the Corporate Governance requirement is enclosed.
- e] Weblinks :
  - i] Policy for determining "material" subsidiaries is disclosed; [www.globaloffshore.in](http://www.globaloffshore.in).
  - ii] Policy on dealing with related party transactions [www.globaloffshore.in](http://www.globaloffshore.in).
- f] Disclosure of Commodity Price risk and Commodity hedging activities : Not Applicable.
- g] There are no Shares of the Company lying in Demat Suspense Account . Unclaimed Suspense Account.
- h] The Company has complied with Corporate Governance Requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015.
- i] The shares of the Company were not suspended for trading on BSE / NSE.
- j] Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company has formulated its Vigil Mechanism, under Whistle Blower Policy, for its Directors and employees to report genuine concerns.

Vigil Mechanism of the Company provides adequate safeguards against victimization of Director(s) or employees or any other person who avail the mechanism and also provides direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Whistle Blower Policy of the Company is disclosed on the website of the Company, [www.globaloffshore.in](http://www.globaloffshore.in)

During the Financial Year ended 31<sup>st</sup> March, 2017, no complaint has been received by the Audit Committee from Director(s) or employee(s) of the Company;

**7. SHARE PRICE – HIGH AND LOW ON THE BOMBAY STOCK EXCHANGE LTD.& NATIONAL STOCK EXCHANGE OF INDIA LTD. FOR THE YEAR ENDED 31ST MARCH, 2016.**

Month	BSE		NSE	
	HIGH	LOW	HIGH	LOW
April 2016	205.00	174.00	212.50	173.30
May 2016	188.00	155.40	184.40	155.70
June 2016	175.00	127.00	174.85	127.20
July 2016	169.70	133.35	164.95	132.00
August 2016	174.00	115.00	173.70	116.00
September 2016	149.40	122.00	149.40	121.70
October 2016	143.50	119.70	142.95	119.75
November 2016	127.40	91.10	127.40	92.10
December 2016	131.40	51.10	131.50	51.10
January 2017	73.40	55.20	73.70	54.95
February 2017	68.50	55.10	68.40	55.80
March 2017	58.00	42.00	58.00	42.80



**8. GENERAL SHAREHOLDER INFORMATION:**

<b>39<sup>TH</sup> AGM :</b> Date Time Venue	28 <sup>th</sup> September, 2017 9:30 A.M. Garware Sabhagriha", F.P.H. Building, 5 <sup>th</sup> Floor, Lala Lajpatrai Marg, Haji Ali, Mumbai - 400034
<b>Financial Year</b>	The Company follows April-March as its financial year. The Unaudited results for every quarter/s June, Sept. Dec. are declared within 45 days of the end of the quarter. The Audited Results for the last quarter is declared within 60 days of the end of the financial quarter.
<b>Date of Book closure/ Record Date</b>	26.09.2017 to 28.09.2016 (both days inclusive)
<b>Dividend Payment Date</b>	N.A.
<b>Listing on Stock Exchanges</b>	The Company's shares are presently listed on the Bombay Stock Exchange Ltd. (BSE) and The National Stock Exchange of India Limited (NSE). The Company has paid Listing fees for the year 2016-17 for both the Exchanges.
<b>Stock Code</b>	1. Bombay Stock Exchange Ltd. - <b>501848</b> 2. The National Stock Exchange of India Ltd. - <b>GLOBOFFS</b>
<b>Demat ISIN Number for NSDL &amp; CDSL:</b>	INE 446C01013
<b>Registrar and Transfer Agents</b>	Bigshare Services Pvt. Ltd. 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400 059. Tel: 62638200 Fax No. 62638299 Email: <a href="mailto:info@bigshareonline.com">info@bigshareonline.com</a> Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>
<b>Auditors' Certificate on Corporate Governance</b>	As required under the provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, the Auditors' Certificate is given as an annexure to the Directors' Report.
<b>Distribution of Shareholding &amp; Category-wise distribution</b>	Please Refer Annexure A
<b>Dematerialisation of shares and liquidity</b>	As on 31 <sup>st</sup> March, 2017, 95.81% of total paid up Equity Capital has been Dematerialised. 100% of the shares held by Promoters/PAC's are in demat mode.
<b>Share Transfer System.</b>	Fortnightly.
<b>The Quarterly Unaudited Financial Results were published in</b>	English – Free Press Journal Marathi – Nav Shakti Website : <a href="http://www.globaloffshore.in">www.globaloffshore.in</a>
<b>GDRS / ADRS</b>	Not Applicable
<b>Plant Location</b>	Not Applicable
<b>Address for Correspondence</b>	Global Offshore Services Ltd. 101, Swapnabhoomi, "A" Wing, S.K. Bole Road, Dadar (West), Mumbai – 400 028 Tel : 022-2423 4000 Fax: 022-2436 2764 Email : <a href="mailto:info@globaloffshore.in">info@globaloffshore.in</a>
<b>Email address for Investor Complaints</b>	<a href="mailto:investorredressal@globaloffshore.in">investorredressal@globaloffshore.in</a> / <a href="mailto:secretarial@globaloffshore.in">secretarial@globaloffshore.in</a>

**9. CODE OF CONDUCT:**

The Company has prescribed and affirmed Code of Conduct for the Board of Directors and Senior Management of the Company. A Declaration duly signed by the Chairman is obtained by the Company.

**10. CEO/ CFO CERTIFICATION:**

The Company has obtained, from the Executive Chairman and Chief Financial Officer, a Certificate Pursuant to Provision of Part D of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015.

On Behalf of the Board

Place: Mumbai  
Date: 07<sup>th</sup> August, 2017

ASHOK GARWARE  
CHAIRMAN



**ANNEXURE "A"**
**THE DISTRIBUTION OF EQUITY SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2017 IS AS FOLLOWS:**

NO. OF EQUITY SHARES HELD	NO. OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	NO. OF SHARES	% OF TOTAL PAID UP CAPITAL
1 - 500	23543	89.51	2715747	10.98
501 - 1000	1275	4.85	1019466	4.12
1001 - 2000	671	2.55	1021139	4.13
2001 - 3000	265	1.01	685792	2.77
3001 - 4000	129	0.49	458819	1.86
4001 - 5000	88	0.33	415060	1.68
5001 - 10000	166	0.63	1215838	4.92
10001 - 9999999	166	0.63	17196932	69.54
<b>TOTAL</b>	<b>26303</b>	<b>100.00</b>	<b>24728793</b>	<b>100.00</b>

**SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH, 2017 IS AS FOLLOWS :**

Sr. No.	Category	No. of Shares Held	% of Total Paid up Capital
A)	<b>Promoters /Person Acting in Concert (PAC) Holding</b>		
	• Individuals/HUFs	23,51,720	9.51
	• Bodies Corporates (Holding Co./Subsidiaries & Affiliates)	32,18,849	13.02
	• Foreign Promoters/Bodies Corporates/PAC	25,64,500	10.37
	<b>Total – Promoters Holding</b>	<b>81,35,069</b>	<b>32.90</b>
B)	<b>Non-Promoters Holding</b>		
	1. Institutional Investors :		
	a. UTI	2,700	0.01
	b. GIC & Subsidiaries	12,56,940	5.08
	c. Banks	22,550	0.09
	d. State Government	160	0.00
	e. Mutual Funds	30,200	0.12
	<b>Sub Total</b>	<b>13,12,550</b>	<b>5.30</b>
	2. Foreign Holding :		
	a. FII's/Foreign Investors	1,53,427	0.62
	b. NRIs	3,84,448	1.56
	<b>Sub Total</b>	<b>5,37,875</b>	<b>2.18</b>
	3. Other Bodies Corporates	37,64,596	15.23
	4. Indian Public	1,05,34,922	42.60
	5. Others-Trusts	4,43,781	1.79
	<b>Sub Total</b>	<b>1,47,43,299</b>	<b>59.62</b>
	<b>Total – Non Promoters Holding</b>	<b>1,65,93,724</b>	<b>67.10</b>
	<b>Grand Total</b>	<b>2,47,28,793</b>	<b>100.00</b>

**NOTE :** Total Foreign Shareholding is 31,02,375 shares i.e. 12.55%.

**Auditor's Certificate on Compliance with the conditions of Corporate Governance under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.**

To,  
The Members,  
Global Offshore Services Limited

We have examined the compliance of condition of Corporate Governance by Global Offshore Services Limited for the year ended 31<sup>st</sup> March, 2017 as stipulated in Regulation 17, 18, 19, 20, 22, 23, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015).

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and 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 an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

We 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.

**For Raman S. Shah & Associates**  
**Chartered Accountants**  
Firm Reg. No.119891W

**Santosh A. Sankhe**  
Partner  
Membership No. :100976

Place : Mumbai  
Date : 07<sup>th</sup> August, 2017

## AUDITORS' REPORT

### TO THE MEMBERS OF M/S. GLOBAL OFFSHORE SERVICES LIMITED.

#### Report on the Financial Statements

We have audited the accompanying financial statements of **M/S GLOBAL OFFSHORE SERVICES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act 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 March 31, 2017;
- (ii) In the case of Statement of Profit & Loss, of the "Loss" for the year ended on that date ;
- (iii) In the case of the cash flow statement, of the cash flows for the year ended on that date.

#### Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

Note 12 to the financial statements which shows the company has made investments in Garware Offshore International Services Pte. Ltd. (GOISPL) (wholly owned subsidiary) of Rs. 2273.58 lakhs, and Global Offshore Services B.V. (GOSBV) of Rs.18,183.57 lakhs. The Company accounts for these investments At Cost. As at the end of the year, in the case of GOISPL there is a negative net worth off INR 1086 lakhs. In case of GOSBV, for the year ended there is an operating loss of Rs. 15,462 lakhs. However, the Net Worth of GOSBV remains positive at INR 22,413 lakhs. No provision for diminution in the value of these investments is made, as the management believes that diminution is not permanent in nature.

#### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, statement on the matters specified in paragraphs 3 and 4 of the Order.

As required under provisions of section 143(3) of the Companies Act, 2013, we report that:

- (a) We have sought and obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss, Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules 2014.
- (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of sub-section (2) of section 164 of the Act.
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
- (g) with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
  - a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - b) The Company does not have any long-term contracts including derivative contracts for which there could be any material foreseeable losses and hence, the question of making provision for such losses does not arise.
  - c) There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **RAMAN S. SHAH & ASSOCIATES**  
Chartered Accountants  
Firm Reg. No. 119891W

**SANTOSH A. SANKHE**  
Partner  
M.No.100976

PLACE : Mumbai  
DATE : 30th May, 2017

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

### REFERRED TO IN PARAGRAPH OF OUR REPORT OF EVEN DATE

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March, 2017, we report that:

#### 1. In respect of its Fixed Assets

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company

#### 2. In respect of its Inventories

- a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.
  - b) In our opinion and according to the information & 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 its business.
  - c) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore the provisions of clause 3(iii)(a) to 3(iii)(c) of the said Order are not applicable to the Company.
  4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
  5. The Company has not accepted any deposits from the public.
  6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
  7. a) According to the records of the Company, the Company is generally regular in depositing the undisputed statutory dues including income-tax, service tax and other applicable statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, service tax and other applicable statutory dues were in arrears as at 31st March, 2017 for a period of more than six months from the date they became payable. As explained to us, the Company did not have any dues on account of provident fund employees' state insurance, sales tax, duty of customs, duty of excise and value added tax, cess.
  - b) The company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 and these are in accordance with the books of accounts maintained by the company
  - c) According to the information and explanation given to us, there are no dues of sales tax, service tax, custom duty, excise duty which have not been deposited on account of any dispute. However, according to information and explanations given to us, the following dues of income tax have not been deposited by the Company on account of disputes.

Sr. No.	Name of the Statute	Nature of Dues	Amount (in Rs.)	Period to which the amount relates	Forum where dispute is pending
1)	Income Tax Act, 1961	Income Tax	2691230	FY 2010-2011	ITAT, Mumbai
2)	Income Tax Act, 1961	Income Tax	20634358	FY 2011-2012	ITAT, Mumbai
3)	Income Tax Act, 1961	Income Tax	273390	FY 2012-2013	CIT Appeals

8. According to the information and explanation given to us, the Company has defaulted in repayment of dues to a bank during the year. Following are the details of the default days for the financial year 2016-17 in repayment of dues:

Name of the Bank	Delay upto 90 Days	Delay 91-180 Days	Delay 181-365 Days	Delay More than 365 Days
State Bank of India	1,448.68 Lakhs	1,339.14 Lakhs	--	--

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934

**For RAMAN S. SHAH & ASSOCIATES**  
Chartered Accountants  
Firm Reg. No. 119891W

**PLACE : Mumbai**  
**DATE : 30th May, 2017**

**SANTOSH A. SANKHE**  
Partner  
M.No.100976

## **ANNEXURE - B TO THE AUDITORS' REPORT**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **GLOBAL OFFSHORE SERVICES LIMITED** ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For RAMAN S. SHAH & ASSOCIATES**  
Chartered Accountants  
Firm Reg. No. 119891W

**PLACE : Mumbai**  
**DATE : 30th May, 2017**

**SANTOSH A. SANKHE**  
Partner  
M.No.100976

**Balance Sheet as at 31st March, 2017**

	Note	As at 31st March, 2017 Rs. In Lakhs	As at 31st March, 2016 Rs. In Lakhs
<b>I. EQUITY &amp; LIABILITIES</b>			
<b>Shareholders Funds</b>			
Share Capital	2	2,472.88	2,472.88
Reserves & Surplus	3	39,034.72	38,609.65
		<b>41,507.60</b>	41,082.53
<b>Non- Current Liabilities</b>			
Long Term Borrowings	4	25,713.67	31,425.39
Long Term Provisions	5	29.45	41.93
Long Term Liabilities	6	34.06	33.48
		<b>25,777.18</b>	31,500.80
<b>Current Liabilities</b>			
Short Term Borrowings	7	4,689.23	3,722.57
Trade Payables	8	739.00	616.51
Other Current Liabilities (including loan repayments due within 1 year)	9	8,904.69	6,212.25
Short Term Provisions	10	30.61	47.73
		<b>14,363.53</b>	10,599.06
<b>TOTAL :</b>		<b>81,648.31</b>	<b>83,182.39</b>
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	11	51,886.38	54,480.00
Non-Current Investments	12	20,494.83	20,494.83
<b>Current Assets</b>			
Inventories	13	4,207.30	3,152.14
Trade Receivables	14	2,187.74	2,801.62
Cash and Bank Balances	15	464.58	946.28
Short Term Loans & Advances	16	2,407.48	1,299.52
Other Current Assets	17	-	8.00
		<b>9,267.10</b>	8,207.56
<b>TOTAL :</b>		<b>81,648.31</b>	<b>83,182.39</b>

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

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

For and on behalf of the Board

Santosh A. Sankhe  
 Partner  
 Membership No. 100976

Ashok Garware  
 Executive Chairman

Aditya Garware  
 Vice Chairman

A. K. Thanavala  
 Director

P. S. Shah  
 GM - Finance & Accounts

N. Sengupta  
 Chief Financial Officer

A. C. Chandarana  
 Company Secretary &  
 President - Legal & Admn.

Place : Mumbai  
 Date : 30th May, 2017

Place : Mumbai  
 Date : 30th May, 2017

Profit & Loss Statement for the year ended 31st March, 2017

	Note	Year Ended 31st March, 2017 Rs. In Lakhs	Year Ended 31st March, 2016 Rs. In Lakhs
<b>INCOME :</b>			
<b>I. Revenue from operations</b>			
Charter Hire	18	9,847.48	15,860.70
Other Operating Revenue		-	118.13
		<u>9,847.48</u>	<u>15,978.83</u>
<b>II. Other Income</b>	<b>19</b>	<b>85.61</b>	<b>42.43</b>
<b>TOTAL REVENUE ( I )</b>		<u><b>9,933.09</b></u>	<u><b>16,021.26</b></u>
<b>EXPENSES :</b>			
Fleet Operating Expenses	20	3,223.46	4,508.14
Employee Benefit Expenses	21	2,131.84	2,612.66
Finance Costs	22	1,965.20	1,825.52
Depreciation and Amortisation Expenses		2,259.18	2,238.68
Other Expenses	23	1,273.91	1,813.50
<b>TOTAL EXPENSES ( II )</b>		<u><b>10,853.59</b></u>	<u><b>12,998.50</b></u>
<b>Profit / (Loss) Before Tax ( I - II )</b>		<u><b>(920.50)</b></u>	<u><b>3,022.76</b></u>
Less : Tax Expense			
Current Tax		20.00	20.00
Tax of Earlier Years		3.48	1.45
		<u>23.48</u>	<u>21.45</u>
<b>Profit / (Loss) for the Year</b>		<u><b>(943.98)</b></u>	<u><b>3,001.31</b></u>
<b>Earning Per Equity Share</b>	<b>24(F)</b>		
Basic Earning Per Share		<b>(3.82)</b>	12.14
Diluted Earning Per Share		<b>(3.82)</b>	12.14

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

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

For and on behalf of the Board

Santosh A. Sankhe  
Partner  
Membership No. 100976

Ashok Garware  
Executive Chairman

Aditya Garware  
Vice Chairman

A. K. Thanavala  
Director

P. S. Shah  
GM - Finance & Accounts

N. Sengupta  
Chief Financial Officer

A. C. Chandarana  
Company Secretary &  
President - Legal & Admn.

Place : Mumbai  
Date : 30th May, 2017

Place : Mumbai  
Date : 30th May, 2017



**Cash Flow Statement for the year ended 31st March, 2017**

PARTICULARS	Year Ended 31st March, 2017 (Rs. in Lacs)	Year Ended 31st March, 2016 (Rs. in Lacs)
<b>A. Cash Flow arising from Operating Activities :</b>		
Net profit / (loss) before tax and extraordinary items	(920.50)	3,022.76
<u>Add/(Less) :</u>		
a) Depreciation charges (Net)	2,268.33	2,238.68
b) Interest charges	1,965.20	1,825.52
c) Interest Income	(74.64)	(42.32)
d) (Profit) / Loss on sale of Asset (net)	-	(0.11)
e) Taxes (Paid) / Refund received	(200.58)	(336.08)
	3,958.31	3,685.69
<b>Operating Profit before working capital changes</b>	<b>3,037.81</b>	<b>6,708.45</b>
<u>Add/(Less) :</u>		
a) Increase /(Decrease) in Operational Liabilities	2,303.63	(17.87)
b) ( Increase)/Decrease in Operational Assets	301.01	(106.34)
<b>Net cash flow from operating Activity ( A )</b>	<b>2,604.64</b>	<b>(124.21)</b>
	<b>5,642.45</b>	<b>6,584.24</b>
<b>B. Cash Flow arising from Investing Activities :</b>		
<b>(i) Outflow on account of investing activity</b>		
a) Acquisition of fixed assets (Net)	(35.07)	(15,924.14)
b) (Increase)/ Decrease in Loan to subsidiaries	(1,312.78)	(15.28)
c) Money Invested in Securities	-	-
	(1,347.86)	(15,939.42)
<b>(ii) Inflow on account of investing activity</b>		
a) Sale of Fixed assets (Net)	-	15.34
b) Interest Income	82.64	34.32
	82.64	49.66
<b>Net cash flow from investing Activity ( B )</b>	<b>(1,265.22)</b>	<b>(15,889.76)</b>
<b>C. Cash Flow arising from Finance Activities :</b>		
<b>Outflow on account of Financing activity</b>		
a) Unclaimed Dividend Paid	(15.73)	(12.11)
b) Interest on loan paid during the year	(1,455.31)	(1,774.67)
c) Loans Repaid (net of receipts)	(4,354.55)	10,151.43
d) Short term borrowings	966.66	295.09
	(4,858.93)	8,659.74
<b>Net cash flow from financing Activity ( C )</b>	<b>(4,858.93)</b>	<b>8,659.74</b>
<b>Net increase in cash / cash equivalent [ A + B + C ]</b>	<b>(481.70)</b>	<b>(645.78)</b>
<b>Add: Cash / Cash equivalents at the beginning of the year</b>	<b>946.28</b>	<b>1,592.06</b>
<b>Cash / Cash equivalents at the end of the year</b>	<b>464.58</b>	<b>946.28</b>
<b>Notes to cash flow statement :</b>		
<b>(1) Method of preparation of cash flow statement :</b>		
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.		
<b>(2) Components of cash flow :</b>		
Cash and Cash Equivalents	254.13	176.09
Other Bank Balances	210.45	770.19
	464.58	946.28

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

For and on behalf of the Board

Santosh A. Sankhe  
 Partner  
 Membership No. 100976

Ashok Garware  
 Executive Chairman

Aditya Garware  
 Vice Chairman

A. K. Thanavala  
 Director

P. S. Shah  
 GM - Finance & Accounts

N. Sengupta  
 Chief Financial Officer

A. C. Chandarana  
 Company Secretary &  
 President - Legal & Admn.

Place : Mumbai  
 Date : 30th May, 2017

Place : Mumbai  
 Date : 30th May, 2017

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, 2017. 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 : 30<sup>th</sup> May, 2017



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**Notes on Financial Statements for the Year ended 31st March, 2017**

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**Note : 1****Significant Accounting Policies**

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**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, 2013.

**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 at 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 and financing costs on borrowings during construction period. Further, additions or extensions of a capital nature are added to the cost of vessel as and when incurred.

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

Depreciation has been arrived at on straight line method at the rate arrived at so as to provide 95% of the total cost of each vessel over its balance economic useful life. For this purpose the economic useful life of vessels is estimated as 28 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 other assets is charged in the accounts on the Straight Line method at the rates prescribed under Schedule II of the Companies Act, 2013.

**V. Accounting for Investments :**

Long term investments are valued at cost.

**VI. Valuation of Inventories :**

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

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

**VII. Revenue Recognition :**

Time Charter earnings are recognized on accrual basis.

**VIII. Operating Expenses :**

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

**IX. Employee Benefits :**

Defined Contribution Plan

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

## Notes on Financial Statements for the Year ended 31st March, 2017

### Defined Benefit Plan

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

### Other Long Term Benefits

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

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

### X. Foreign Exchange Transaction :

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

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

### XI. Borrowing Cost :

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

### XII. Provisions & Contingent Liabilities :

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

### XIII. Provision for Taxation :

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

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

### XIV. Prior Period Items/ Extra Ordinary Items :

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

### XV. Impairment of Assets :

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

Notes on Financial Statements for the Year ended 31st March, 2017

Note : 2 Share Capital	As At 31st March, 2017		As At 31st March, 2016	
	Number	Rs. In Lakhs	Number	Rs. In Lakhs
<b>A Authorised Capital :</b>				
<b>Equity Share Capital :</b>				
Equity Shares of Rs. 10/- each	3,20,00,000	3,200.00	3,20,00,000	3,200.00
<b>Preference Share Capital :</b>				
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
<b>Total</b>	<b>3,23,00,000</b>	<b>3,500.00</b>	<b>3,23,00,000</b>	<b>3,500.00</b>
<b>B Issued, Subscribed &amp; Paid Up Capital :</b>				
<b>Equity Share Capital :</b>				
Equity Shares of Rs. 10/- each, fully paid up	2,47,28,793	2,472.88	2,47,28,793	2,472.88
<b>Total</b>	<b>2,47,28,793</b>	<b>2,472.88</b>	<b>2,47,28,793</b>	<b>2,472.88</b>

a) Reconciliation of Equity Shares Outstanding

Particulars	Current Year		Previous Year	
	Number	Rs. In Lakhs	Number	Rs. In Lakhs
Shares outstanding at 1st April	2,47,28,793	2,472.88	2,47,28,793	2,472.88
Shares Issued during the year	-	-	-	-
Shares outstanding at 31st March	<b>2,47,28,793</b>	<b>2,472.88</b>	<b>2,47,28,793</b>	<b>2,472.88</b>

b) Details of shareholders holding more than 5% shares

Name of Shareholder	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Garware Marine Industries Ltd.	14,51,886	5.87%	14,73,260	5.96%
Sushma Ashok Garware	14,41,913	5.83%	-	-
Universal Investments Services Pvt Ltd.	13,86,720	5.61%	13,86,720	5.61%
Rondor Overseas Ltd.	12,86,250	5.20%	12,86,250	5.20%
Clearwell Enterprises Ltd.	12,78,250	5.17%	12,78,250	5.17%
India Star (Mauritius) Ltd.	-	-	67,39,547	27.25%
<b>Total</b>	<b>68,45,019</b>	<b>27.68%</b>	<b>1,21,64,027</b>	<b>49.19%</b>

Note : 3 Reserves & Surplus	As At 31st March, 2017		As At 31st March, 2016	
	Rs. In Lakhs		Rs. In Lakhs	
<b>A Securities Premium Account</b>				
As per last balance sheet	8,659.78		8,659.78	
Add : On Account of fresh issue	-	8,659.78	-	8,659.78
<b>B Tonnage Tax Reserves U/s. 115VT of Income Tax Act</b>				
As per last balance sheet	610.00		460.00	
Add : Transfer from Profit & Loss A/c	-		610.00	
Less : Transfer to tonnage tax reserve (utilised)	-	610.00	460.00	610.00
<b>C Tonnage Tax Reserve ( Utilised )</b>				
As per last balance sheet	7,267.00		6,807.00	
Add : Transfer from Tonnage Tax Reserve	-	7,267.00	460.00	7,267.00
<b>D General Reserves</b>				
As per last balance sheet	8,190.09		8,190.09	
Add : Transfer from Profit & Loss A/c	-	8,190.09	-	8,190.09
<b>E Foreign Exchange Hedge Reserve</b>				
As per last balance sheet	(3,735.90)		(3,897.09)	
Add/(Less) : (Created) / Reversed During the Year	1,369.05	(2,366.85)	161.19	(3,735.90)

## Notes on Financial Statements for the Year ended 31st March, 2017

Note : 3 Reserves & Surplus	As At 31st March, 2017 Rs. In Lakhs	As At 31st March, 2016 Rs. In Lakhs
<b>F Profit &amp; Loss Account</b>		
As per last balance sheet	17,618.68	15,227.37
Add : Profit / (Loss) for the year	(943.98)	3,001.31
	<u>16,674.70</u>	<u>18,228.68</u>
Less : Appropriations		
Transfer to Tonnage Tax Reserve	-	610.00
	<u>16,674.70</u>	<u>17,618.68</u>
<b>Total</b>	<u><u>39,034.72</u></u>	<u><u>38,609.65</u></u>

Note : 4 Long Term Borrowings	As At 31st March, 2017 Rs. In Lakhs	As At 31st March, 2016 Rs. In Lakhs
<b>Secured Loans from Banks</b>		
Foreign Currency Loans for Acquisition/Modification of Vessels	25,657.49	30,709.07
Other Foreign Currency Term Loans	56.18	702.89
Car Finance Rupee Loans	-	13.43
<b>Total</b>	<u><u>25,713.67</u></u>	<u><u>31,425.39</u></u>

### Security:

#### 4.1 Term loans for acquisition/modification of vessels

Four term loans are secured by way of first charge on the respective vessels ( 3 AHTSVs and 1 PSVs ). Additionally, one of these loans is also secured by way of receivables of the said vessel upto the limit of monthly principal and interest, of the vessel financed and by second charge on Company's office premises.

One term loan is secured by way of first charge on the vessel (AHTSV) financed and 2nd charge on a Platform Supply Vessel (PSV).

One term loan is secured by way of first charge on the vessel (PSV) financed and 2nd charge on a Anchor Handling Tug cum Supply Vessel (AHTSV).

#### 4.2 Other Term Loans

##### Foreign Currency Loans :

One Corporate loan is secured by way of receivables from the operations of one Anchor Handling Tug cum Supply Vessel to the extent of the months principal and interest and by way of first charge on Company's office premises.

#### 4.3 Car Finance Loans

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

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

Particulars	Rs. In Lakhs			
	within 1 year	1-2 years	2-3 years	Beyond 3 years
Foreign Currency Loans for Acquisition of Vessels	6,548.80	4,898.71	4,479.91	16,278.93
Other Foreign Currency Term Loans	631.02	56.18	-	-
Car Finance Rupee Loans	13.44	-	-	-

4.5 The Foreign currency loans are at interest rates varying from 6 month LIBOR+350 bps points to 6 month LIBOR+500 bps points per annum. The Rupee car loans are at interest rates between 9.5% to 11.25% per annum.

**Notes on Financial Statements for the Year ended 31st March, 2017**

4.6 The Company has made certain defaults in repayment of loans and interest thereon.

The details of defaults as on 31st March, 2017 are as follows:

Rs. In Lakhs

Particulars	upto 60 days	61-90 days	91-180 days	More than 180 days
Banks	959.73	488.92	1,339.14	-

4.7 Out of the Foreign Currency Term Loans (FCTL) for Acquisition / Modification of vessels, an amount of Rs. 27,969.09 lakhs is due to State Bank Of India (SBI). On account of the default in repayment of installment due and interest, SBI has treated the same as an Non Performing Assets w.e.f. 27th January, 2017. Subsequently, the bank has converted FCTL into rupee loans and charge higher interest rate. The Company has not accepted the switchover of the loans into rupees and is continuing to provide interest as per the original terms.

<b>Note : 5 Long Term Provisions</b>	<b>As At 31st March, 2017 Rs. In Lakhs</b>	<b>As At 31st March, 2016 Rs. In Lakhs</b>
Provision for employee benefits		
Retirement and Other Benefits	29.45	41.93
<b>Total</b>	<b>29.45</b>	<b>41.93</b>

<b>Note : 6 Long Term Liabilities</b>	<b>As At 31st March, 2017 Rs. In Lakhs</b>	<b>As At 31st March, 2016 Rs. In Lakhs</b>
Security Deposit	34.06	33.48
<b>Total</b>	<b>34.06</b>	<b>33.48</b>

<b>Note : 7 Short Term Borrowings</b>	<b>As At 31st March, 2017 Rs. In Lakhs</b>	<b>As At 31st March, 2016 Rs. In Lakhs</b>
a) Secured Working Capital Facility From Banks		
Foreign Currency	2,891.04	2,891.04
Rupee	674.26	831.53
b) Unsecured loan from Axis Bank	1,123.93	-
<b>Total</b>	<b>4,689.23</b>	<b>3,722.57</b>

7.1 Working Capital Facility granted by United Bank of India is secured by pari passu 1st charge with State Bank of Travancore on stock of stores, spares, fuel on board the vessel and the book debts excluding receivable on one AHTS. Interest on rupee based facility is charged @ 12.40% p.a. and on USD based facility @ 6 month LIBOR + 500 bps.

7.2 Working Capital Facility granted by State Bank of Travancore is secured by pari passu 1st charge with United Bank of India on stock of stores, spares, fuel on board the vessel and the book debts excluding receivable on one AHTS. Interest on rupee based facility is charged @ 12.95% p.a. and on USD based facility @ 6 month LIBOR + 400 bps.

7.3 Unsecured Demand Loan facility from Axis Bank at an interest rate of 3 months LIBOR + 450 bps.

<b>Note : 8 Trade Payables</b>	<b>As At 31st March, 2017 Rs. In Lakhs</b>	<b>As At 31st March, 2016 Rs. In Lakhs</b>
Micro, Small and Medium Enterprises	-	-
Others	739.00	616.51
<b>Total</b>	<b>739.00</b>	<b>616.51</b>

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 are required.

**Notes on Financial Statements for the Year ended 31st March, 2017**

<b>Note : 9</b>	<b>As At 31st March, 2017</b>	<b>As At 31st March, 2016</b>
<b>Other Current Liabilities</b>	<b>Rs. In Lakhs</b>	<b>Rs. In Lakhs</b>
Current Maturities of Long Term Debts (Refer note no .4.4)	7,193.26	4,955.02
Interest Accrued and due on Borrowings	638.58	128.69
Unclaimed Dividends (To be credited to the Investor Education & Protection Fund as and when due)	50.86	66.58
Duties and Taxes Payable	151.26	321.05
Other Payables	870.73	740.91
<b>Total</b>	<b>8,904.69</b>	<b>6,212.25</b>

<b>Note : 10</b>	<b>As At 31st March, 2017</b>	<b>As At 31st March, 2016</b>
<b>Short Term Provisions</b>	<b>Rs. In Lakhs</b>	<b>Rs. In Lakhs</b>
Retirement and Other Benefits	10.61	27.73
Provision for Taxation	20.00	20.00
<b>Total</b>	<b>30.61</b>	<b>47.73</b>

<b>Note : 11</b>										
<b>Fixed Assets</b>										
Particulars	Tangible Assets							Intangible Assets		
	Fleet	Office Premises	Furniture & Fixtures	Office Equipment	Motor Vehicles	Computers	Total	Previous Year	Software	Previous Year
<b>GROSS BLOCK</b>										
As at 1 April, 2016	62,666.14	1,366.95	119.83	41.62	231.74	61.01	64,487.30	51,726.46	16.85	16.85
Additions during the year	20.88	10.00	0.34	0.43	-	3.42	35.07	16,389.90	-	-
Deductions	(369.52)	-	-	-	-	-	(369.52)	(3,629.06)	-	-
<b>As at 31 March, 2017</b>	<b>62,317.50</b>	<b>1,376.95</b>	<b>120.17</b>	<b>42.05</b>	<b>231.74</b>	<b>64.43</b>	<b>64,152.85</b>	64,487.30	<b>16.85</b>	16.85
<b>ACCUMULATED DEPRECIATION</b>										
As at 1 April, 2016	9,524.19	135.50	60.42	40.50	188.53	58.16	10,007.29	11,383.24	16.85	16.06
Charges for the year	2,200.67	21.71	11.38	1.56	26.74	6.27	2,268.33	2,237.89	-	0.79
Deductions	(9.15)	-	-	-	-	-	(9.15)	(3,613.83)	-	-
<b>As at 31 March, 2017</b>	<b>11,715.71</b>	<b>157.21</b>	<b>71.81</b>	<b>42.06</b>	<b>215.27</b>	<b>64.43</b>	<b>12,266.47</b>	10,007.30	<b>16.85</b>	16.85
<b>NET BLOCK</b>										
<b>As at 31 March, 2017</b>	<b>50,601.79</b>	<b>1,219.75</b>	<b>48.36</b>	<b>-</b>	<b>16.47</b>	<b>0.00</b>	<b>51,886.38</b>	54,480.00	<b>-</b>	<b>-</b>
As at 31 March, 2016	53,141.95	1,231.45	59.41	1.12	43.21	2.85	54,480.00			

<b>Note : 12</b>	<b>As At 31st March, 2017</b>	<b>As At 31st March, 2016</b>
<b>Investments</b>	<b>Rs. In Lakhs</b>	<b>Rs. In Lakhs</b>
<b>Long Term - Non Trade</b>		
<b>(Valued at cost and fully paid up)</b>		
<b>Equity Shares :</b>		
A Quoted		
Garware Marine Industries Limited (1,29,330 Equity Shares of Rs. 10/- each ) (Market Value Rs. 11.47 lakhs, Previous Year Rs.19.18 lakhs )	37.68	37.68
B Unquoted		
(a) <b>Wholly Owned Subsidiary</b>		
Garware Offshore International Services Pte Limited (48,70,001 Equity Shares of US\$ 1 each; Previous Year 48,70,001 Equity Share of US\$ 1 each)	2,273.58	2,273.58
(b) <b>Subsidiary Company</b>		
Global Offshore Services B. V. (1,92,55,381 Equity Shares of EURO 1 each; Previous Year 1,92,55,381 Equity Share of EURO 1 each)	18,183.57	18,183.57
<b>Total</b>	<b>20,494.83</b>	<b>20,494.83</b>

**Notes on Financial Statements for the Year ended 31st March, 2017**

As at the end of the year, in the case of Garware Offshore International Services Pte Limited (GOISPL) there is a negative net worth off Rs. 1,086 lakhs. In case of Global Offshore Services B.V. (GOSBV), for the year ended there is an operating loss of Rs. 15,462 lakhs. However, the Net Worth of GOSBV remains positive at Rs. 22,413 Lakhs.

The Company accounted for these investments At Cost. No provision for diminution in the value of these investments is made, as the management believes that diminution is not permanent in nature. The Company operates in the Offshore Service Sector which caters to the need of oil exploration and production companies – an Industry which is highly cyclical in nature. Crude prices fell almost 90% from \$ 118 in Feb-13 to \$ 29 in Jan-2016. As a result oil exploration companies curtailed/stopped their exploration activities. This had a tremendous impact on the top line and bottom-line of the subsidiaries where either the Company had to accept the substantial cuts in charter rates, or alternatively, termination of Contracts. Since there were no alternate sources of employment for the Vessels, some of them were subsequently laid up.

The Management on the basis of expert's advice, believes that this particular depression in the industry caused by the fall in Oil prices (as in the case of all "depressions" in the past) is cyclical and therefore temporary in nature. The industry had experienced similar situations in the early 80's, and mid 90's but bounced back as soon as oil prices recovered. As per expert's views oil prices are bound to recover leading to higher exploration activities and ultimate higher revenues for the subsidiaries. The fact that oil reserves are also depleting currently, will also help the industry in general.

Investment in subsidiaries is strategic in nature and has predominantly been used for the acquisition of Vessels. The average age of the fleet of Vessels owned/operated by the Company's subsidiaries is only 4.5 years and the Company believes that the said Vessels are capable of working for another 20 years in the industry, as has been seen in the past. Since the Company believes that the value in use less cost of disposal is more than the carrying amount, there is no need to impair the asset, and hence the impairment of investment does not arise.

<b>Note : 13 Inventories</b>	<b>As At 31st March, 2017 Rs. In Lakhs</b>	<b>As At 31st March, 2016 Rs. In Lakhs</b>
Stock of Stores, Spares & Consumables (At Cost)	4,207.30	3,152.14
<b>Total</b>	<b>4,207.30</b>	<b>3,152.14</b>

<b>Note : 14 Trade Receivables ( Unsecured and Considered good)</b>	<b>As At 31st March, 2017 Rs. In Lakhs</b>	<b>As At 31st March, 2016 Rs. In Lakhs</b>
Debts outstanding for more than six months	963.43	314.15
Other Debts	1,224.31	2,487.47
<b>Total</b>	<b>2,187.74</b>	<b>2,801.62</b>

<b>Note : 15 Cash and Bank Balances</b>	<b>As At 31st March, 2017 Rs. In Lakhs</b>	<b>As At 31st March, 2016 Rs. In Lakhs</b>
<b>Cash and Cash Equivalents</b>		
(a) Current Accounts	247.96	167.63
(b) Cash On Hand	6.17	8.46
	<b>254.13</b>	<b>176.08</b>
<b>Other Bank Balances</b>		
(a) Unpaid Dividend Accounts	50.86	66.58
(b) Margin Money	159.59	703.61
	<b>210.45</b>	<b>770.19</b>
<b>Total</b>	<b>464.58</b>	<b>946.28</b>

<b>Note : 16 Short Term Loans &amp; Advances</b>	<b>As At 31st March, 2017 Rs. In Lakhs</b>	<b>As At 31st March, 2016 Rs. In Lakhs</b>
(Unsecured and Considered Good)		
Advances recoverable in cash or in kind or for the value to be received	48.69	432.03
Advance Income Tax	666.32	489.24
Loan to Subsidiaries	1,677.65	364.87
Deposits	4.32	2.88
Balance with customs, port trust, other government authorities & courts of law	10.50	10.50
<b>Total</b>	<b>2,407.48</b>	<b>1,299.52</b>

<b>Note : 17 Other Current Assets</b>	<b>As At 31st March, 2017 Rs. In Lakhs</b>	<b>As At 31st March, 2016 Rs. In Lakhs</b>
Income receivable	-	8.00
<b>Total</b>	<b>-</b>	<b>8.00</b>



## Notes on Financial Statements for the Year ended 31st March, 2017

<b>Note : 18 Charter Hire</b>	<b>For the Year Ended 31st March, 2017 Rs. In Lakhs</b>	<b>For the Year Ended 31st March, 2016 Rs. In Lakhs</b>
Gross Charter Hire	11,314.95	17,755.63
Less : Service Tax	1,467.47	1,894.93
<b>Total</b>	<b>9,847.48</b>	<b>15,860.70</b>
<b>Note : 19 Other Income</b>	<b>For the Year Ended 31st March, 2017 Rs. In Lakhs</b>	<b>For the Year Ended 31st March, 2016 Rs. In Lakhs</b>
Interest Income (Gross) (Tax Deducted at source Rs. 2.81 lakhs, Previous Year Rs. 3.68 lakhs)	74.64	42.32
Excess Provision Write back	10.97	-
Profit on sale of Assets	-	0.11
<b>Total</b>	<b>85.61</b>	<b>42.43</b>
<b>Note : 20 Fleet Operating Expenses</b>	<b>For the Year Ended 31st March, 2017 Rs. In Lakhs</b>	<b>For the Year Ended 31st March, 2016 Rs. In Lakhs</b>
Travelling Expenses	43.62	54.61
Fuel, Oil & Water	313.90	421.15
Port & Canal dues	33.03	50.91
Repairs	144.78	126.87
Stores & Victualling	344.41	212.77
Insurance Charges & Protecting Club Fees	136.00	211.58
Telecommunication Charges	103.81	124.29
Charter Hire Charges	1,795.04	2,943.26
Professional Fees	81.23	110.03
Brokerage & Commission	-	17.40
Sundry Operating expenses	227.64	235.27
<b>Total</b>	<b>3,223.46</b>	<b>4,508.14</b>
<b>Note : 21 Employee Benefit Expense</b>	<b>For the Year Ended 31st March, 2017 Rs. In Lakhs</b>	<b>For the Year Ended 31st March, 2016 Rs. In Lakhs</b>
<b>Floating Staff :</b>		
Salaries, Allowances & Compensation	260.74	236.53
Contractual Payments	1,379.61	1,644.06
Contribution to Provident & Other Funds	49.74	38.64
	<b>1,690.09</b>	<b>1,919.23</b>
<b>Shore Staff :</b>		
Salaries, Allowances, Bonus & Ex-gratia	380.93	641.88
Contribution to Provident & Other Funds	17.22	27.08
Gratuity Fund Contribution	16.49	18.13
Staff welfare expenses	27.11	6.34
	<b>441.75</b>	<b>693.43</b>
<b>Total</b>	<b>2,131.84</b>	<b>2,612.66</b>
<b>Note : 22 Finance Cost</b>	<b>For the Year Ended 31st March, 2017 Rs. In Lakhs</b>	<b>For the Year Ended 31st March, 2016 Rs. In Lakhs</b>
Interest Expenses	1,942.20	1,814.58
Finance Charges	23.00	10.94
<b>Total</b>	<b>1,965.20</b>	<b>1,825.52</b>

Notes on Financial Statements for the Year ended 31st March, 2017

Note : 23 Other Expenses	For the Year Ended 31st March, 2017 Rs. In Lakhs	For the Year Ended 31st March, 2016 Rs. In Lakhs
Rent	0.69	13.33
Travelling Expenses	57.78	114.49
Auditors' Remuneration	13.12	14.72
Telephone charges	15.90	22.77
Legal and Professional fees	227.61	209.52
Bank Charges	37.57	53.63
Directors' fees	4.29	8.90
Insurance Charges	2.98	7.06
Rates & Taxes	9.49	6.80
Repairs - Office	7.05	6.66
Contribution towards Corporate Social Responsibility	3.00	69.83
Miscellaneous Expenses	170.47	204.83
Loss on foreign currency transactions and translations	723.96	1,080.94
<b>Total</b>	<b>1,273.91</b>	<b>1,813.50</b>

Note 24 Additional Information to financial statements	For the Year Ended 31st March, 2017 Rs. In Lakhs	For the Year Ended 31st March, 2016 Rs. In Lakhs
<b>A. Payments to Auditor</b>		
For Statutory Audit	12.50	14.00
For Taxation Matters	0.60	0.60
Reimbursement of Expenses	0.02	0.12
<b>Total</b>	<b>13.12</b>	<b>14.72</b>

B. Consequent to Schedule II of The Companies Act, 2013, becoming applicable with effect from April 01, 2014, depreciation for the year ended March 31, 2017, has been provided on the basis of the useful life and residual values as prescribed in Schedule II; except in case of certain types of assets where, based on past experience, the Company has adopted useful life and residual values other than those prescribed in Schedule II. In the case of the fleet, the Company has adopted useful life that is higher than prescribed in Schedule II, resulting in a lower charge of depreciation and in the case of motor cars it has adopted useful life that is lower than prescribed in Schedule II, resulting in higher charge of depreciation. The net impact of these changes is that the depreciation charge for the year ended is lower by Rs. 1,485.21 lacs.

C. Information Pursuant to Para 5 of Part - II of Revised Schedule III of the Companies Act, 2013 :

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

Particulars	For the Year Ended 31st March, 2017 Rs. In Lakhs	For the Year Ended 31st March, 2016 Rs. In Lakhs
Raw Materials	N.A.	N.A.
Components & Spare Parts	144.92	442.41

(b) Expenditure in foreign currency :

Particulars	For the Year Ended 31st March, 2017 Rs. In Lakhs	For the Year Ended 31st March, 2016 Rs. In Lakhs
Professional and Consultancy Fees	7.02	53.29
Interest Charges	1,831.37	1,601.69
Other Matters	2,059.89	2,925.75

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

Particulars	%(2016-17)	%(2015-16)	2016-17	2015-16
<b>Raw Materials :</b>				
Imported Goods	N.A.	N.A.	N.A.	N.A.
Indegenous Goods	N.A.	N.A.	N.A.	N.A.
<b>Stores, Spares &amp; Consumables :</b>				
Imported Goods	29.56%	36.27%	41.95	32.45
Indegenous Goods	70.44%	63.73%	99.95	57.02
	100.00%	100.00%	141.90	89.47

**Notes on Financial Statements for the Year ended 31st March, 2017**

Particulars	For the Year Ended 31st March, 2017 Rs. In Lakhs	For the Year Ended 31st March, 2016 Rs. In Lakhs
(d) <b>Amount remitted during the year in foreign currencies on account of dividends :</b>	Nil	Nil
(e) <b>Earnings in foreign exchange classified under the following heads :</b>		
Particulars	For the Year Ended 31st March, 2017 Rs. In Lakhs	For the Year Ended 31st March, 2016 Rs. In Lakhs
Interest Income	32.29	6.91
Reimbursement of fuel	-	42.30
Charter Hire Income (Gross)	10,110.44	17,755.63
<b>Total</b>	<b>10,142.73</b>	<b>17,804.84</b>

**D. Related Party Disclosure**

 a) Subsidiary Companies

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

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

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

Key Management Personnel

Ashok B. Garware - Executive Chairman

Aditya A. Garware - Vice Chairman

## b) Transactions with related parties for the year ended 31st March, 2017 :

Rs. In Lakhs

Nature of Transactions	Subsidiary Companies	Key Managerial Personnel	Other Related Parties	TOTAL
(1) <b>Reimbursement of expenses (Net):</b>				
Garware Offshore International Services Pte Ltd.	0.20	-	-	0.20
Global Offshore Services B.V.	77.08	-	-	77.08
(2) <b>Interest Income</b>				
Garware Offshore International Services Pte Ltd.	12.25	-	-	12.25
Global Offshore Services B.V.	20.04	-	-	20.04
(3) <b>Loan given /(Repayment)</b>				
Garware Offshore International Services Pte Ltd.	241.96	-	-	241.96
Global Offshore Services B.V.	1,146.76	-	-	1,146.76
(4) <b>Remuneration</b>				
Ashok B. Garware	-	93.20	-	93.20
(5) <b>Sitting Fees</b>				
Aditya A. Garware	-	0.62	-	0.62
(6) <b>Consultancy Fees</b>				
Aditya A. Garware	-	46.75	-	46.75
<b>Total</b>	<b>1,498.29</b>	<b>140.57</b>	<b>-</b>	<b>1,638.86</b>

Outstandings as at 31st March, 2017

Rs. In Lakhs

Nature of Transactions	Subsidiary Companies	Key Managerial Personnel	Other Related Parties	TOTAL
(1) <b>Reimbursement of expenses (Net)</b>				
Garware Offshore International Services Pte Ltd.	2.02	-	-	2.02
Global Offshore Services B.V.	167.11	-	-	167.11
(2) <b>Interest Income</b>				
Garware Offshore International Services Pte Ltd.	10.38	-	-	10.38
Global Offshore Services B.V.	52.04	-	-	52.04
(3) <b>Loan Given</b>				
Garware Offshore International Services Pte Ltd.	231.44	-	-	231.44
Global Offshore Services B.V.	1,446.21	-	-	1,446.21
(4) <b>Remuneration</b>				
Ashok B. Garware	-	5.20	-	5.20
(5) <b>Consultancy Fees</b>				
Aditya A. Garware	-	3.57	-	3.57
<b>Total</b>	<b>1,909.20</b>	<b>8.77</b>	<b>-</b>	<b>1,917.97</b>

Notes on Financial Statements for the Year ended 31st March, 2017

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

A) Defined Contribution Plans :

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

Particulars	31st March, 2017 Rs. In Lakhs	31st March, 2016 Rs. In Lakhs
Contribution to Employees Provident Fund	15.20	24.92
Contribution to Seamen's Provident Fund	31.46	19.28
<b>Total</b>	<b>46.66</b>	<b>44.20</b>

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, 2017 Rs. In Lakhs	31st March, 2016 Rs. In Lakhs
<b>Actuarial Assumption for the year</b>		
a) Discount Rate ( p.a.)	7.56%	7.95%
b) Rate of Return on Plan Assets	7.56%	7.95%
c) Salary Escalation rate	5.00%	5.00%
d) Attrition rate	2.00%	2.00%

(i) Change in Benefit Obligation

Particulars	31st March, 2017 Rs. In Lakhs	31st March, 2016 Rs. In Lakhs
Liability at the beginning of the year	81.98	90.74
Interest Cost	6.20	7.21
Current Service Cost	5.94	8.96
Benefit Paid directly	(11.15)	(5.72)
Benefit Paid from fund	(12.12)	(22.76)
Actuarial (gain)/loss on obligations	6.96	3.55
Liability at the end of the year	77.81	81.98

(ii) Fair value of Plan Assets :

Particulars	31st March, 2017 Rs. In Lakhs	31st March, 2016 Rs. In Lakhs
Fair Value of Plan Assets at the beginning of the year	24.32	25.67
Expected Return on Plan Assets	1.84	2.04
Employer's contribution	29.49	19.82
Benefits Paid	(12.12)	(22.76)
Actuarial gain/(loss) on Plan Assets	0.77	0.45
Fair value of Plan Assets at the end of the year	44.30	24.32

(iii) Actual Return on Plan Assets:

Particulars	31st March, 2017 Rs. In Lakhs	31st March, 2016 Rs. In Lakhs
Expected Return on Plan Assets	1.84	2.04
Actuarial gain/(loss) on Plan Assets	0.77	(0.45)
Actual Return on Plan Assets	2.61	1.59

(iv) Amount Recognised in the Balance Sheet :

Particulars	31st March, 2017 Rs. In Lakhs	31st March, 2016 Rs. In Lakhs
Liability at the end of the year	77.81	81.98
Fair Value of Plan Assets at the end of the year	44.30	24.32
Amount Recognised in Balance sheet	33.51	57.66

## Notes on Financial Statements for the Year ended 31st March, 2017

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

Particulars	31st March, 2017 Rs. In Lakhs	31st March, 2016 Rs. In Lakhs
Current Service Cost	5.94	8.96
Interest Cost	6.20	7.21
Expected Return on Plan Assets	-	(2.04)
Net Actuarial (gain) / loss to be recognised	4.35	4.00
Expenses recognised in the Profit & Loss Account	16.49	18.13

**C ) Other Long Term Benefits**

The charge recognised in the Profit & Loss Account for Leave Encashment for the year is Rs. Nil Lakhs (Previous Year 12.54 Lakhs) and the closing liability is Rs. 6.55 Lakhs (Previous Year Rs. 12.00 Lakhs)

**F. Earning Per Share :**

Particulars	31st March, 2017 Rs. In Lakhs	31st March, 2016 Rs. In Lakhs
<b>(A) Basic Earning Per Share :</b>		
<u>Working for Computing Earning Per Share :</u>		
Profit / (Loss) before Taxation	(920.50)	3,022.76
(Less) : Provision for Taxation	23.48	21.45
	<b>(A)</b>	
	<u>(943.98)</u>	<u>3,001.31</u>
<u>Weighted Average No. of Equity Share Capital :</u>		
Equity Share At The Beginning Of The Year	247.29	247.29
(+) Fresh Issue During The Year	-	-
	<b>(B)</b>	
	<u>247.29</u>	<u>247.29</u>
<b>Basic Earning Per Share</b>	<b>(A / B)</b>	
	<u>(3.82)</u>	12.14
<b>(B) Diluted Earning Per Share :</b>		
<u>Diluted Earning for Computing Diluted Earning Per Share :</u>		
Profit / (Loss) before Taxation	(920.50)	3,022.76
(Less) : Provision for Taxation	23.48	21.45
<b>Adjusted Net Profit for the Current Year</b>	<b>(A)</b>	
	<u>(943.98)</u>	<u>3,001.31</u>
<u>Weighted Average No. of Equity Share Capital :</u>		
Equity Share At The Beginning Of The Year	247.29	247.29
(+) Fresh Issue During The Year(In Weighted Average for time)	-	-
	<b>(B)</b>	
	<u>247.29</u>	<u>247.29</u>
<b>Diluted Earning Per Share</b>	<b>(A / B)</b>	
	<u>(3.82)</u>	12.14

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

**G. Contingent Liabilities :**

Particulars	31st March, 2017 Rs. In Lakhs	31st March, 2016 Rs. In Lakhs
Guarantees given by the Banks (Counter Guarantees given by the Company)	1,423.37	1,846.29
<b>Total</b>	<b>1,423.37</b>	<b>1,846.29</b>

The Company has given Guarantees of Rs. 59,883.47 lakhs to Banks on behalf of its Subsidiaries for outstanding loans installments.

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

## Notes on Financial Statements for the Year ended 31st March, 2017

**H. Disclosure on Specified Bank Notes :**

During the year, the Company has Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 31, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per the notification are as follows :

Particulars	Amount in Rupees		
	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	577,000	161,408	738,408
Add : Permitted receipts	-	828,000	828,000
Less : Permitted payments	-	(834,654)	(834,654)
Less : Amount deposited in banks	(577,000)	-	(577,000)
Closing cash in hand as on December 30, 2016	-	154,754	154,754

**I. 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".

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

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

For and on behalf of the Board

Santosh A. Sankhe  
 Partner  
 Membership No. 100976

Ashok Garware  
 Executive Chairman

Aditya Garware  
 Vice Chairman

A. K. Thanavala  
 Director

P. S. Shah  
 GM - Finance & Accounts

N. Sengupta  
 Chief Financial Officer

A. C. Chandarana  
 Company Secretary &  
 President - Legal & Admn.

Place : Mumbai  
 Date : 30th May, 2017

Place : Mumbai  
 Date : 30th May, 2017

## Independent Auditors' Report on consolidated financial statements.

To the Members of **GLOBAL OFFSHORE SERVICES LIMITED**

We have audited the accompanying consolidated financial statements of **GLOBAL OFFSHORE SERVICES LIMITED** ('the Company') and its subsidiaries, which comprise the consolidated balance sheet as at 31 March 2017, the consolidated statement of profit and loss and consolidated cash flows statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

The Company's board of directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 6 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; for selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements

### Basis for Qualified Opinion

- a. In one of the subsidiaries of the Holding Company, we have audited the financial statements of the subsidiary namely **GLOBAL OFFSHORE SERVICES B.V. AMSTERDAM** which has reported that short term trade creditors were Rs. 5097 lacs ( as at 31<sup>st</sup> March 2016 RS.1,554.98 lacs) for which no confirmation has been received. We are unable to attend the physical inventory count at the year-end to determine the actual quantity of the consumable inventory amounting to Rs. 1267 lacs included in the financial statement due to impracticality to attend the physical inventory counting after year end. There was also no alternative procedure that we could have adopted for our audit purpose. Consequently we were unable to determine the completeness of these liabilities and inventory count to that extent. The receivables includes overdue receivable of Rs.1453.52 lacs from Petrobras, Brazil. The Company has commenced legal proceedings for the recovery of the same. As per the opinion of the external lawyer, the possibility of recovering the money is considered high, as per the original terms of the charter agreement. The Company has defaulted in repayment of dues to financial institutions and banks which, as per the information and explanation given and representation made to us.
- b. The other auditor of **GARWARE OFFSHORE INTERNATIONAL SERVICES PTE.LTD.** has reported that
  - (i) we are unable to attend the physical inventory count at the year-end to determine the actual quantity of the consumable inventory amounting to Rs. 171.42 lacs included in the financial statement due to impracticality to attend the physical inventory counting after year end. There was also no alternative procedure that we could have adopted for our audit purpose.
  - (ii) Recognition of the deferred expenditures in other receivables amounting to Rs. 174.51 lacs and the related amortization in charter expenses and other operating expenses amounting to Rs. 237.94 lacs were included in the financial statement is not in accordance with FRS1, Presentation of Financial Statement.



**Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, at 31st March, 2017, and their consolidated loss and their consolidated cash flows for the year ended on that date.

**Other Matters**

- (i) We did not audit the financial statements of one foreign subsidiaries whose financial statements reflect the share of total assets of Rs. 1786. lakhs as at March 31, 2017, the share of total revenues of Rs. 1237.55 lakhs and net cash outflows amounting to Rs. 48.02 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the share of net loss of Rs. 1039 lakhs. for the year ended 31st March, 2017. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and in which he has reported that the financial statements of the Company have been prepared on a going concern basis notwithstanding the net capital deficiency of approximately Rs.1086.19 lakhs and Rs.49.39 lakhs as at 31<sup>st</sup> March 2017 and 31<sup>st</sup> March 2016 respectively. These factors indicate the existence of a material uncertainty which may cast significant doubt over the Company's ability to continue as a going concern, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the company and on the auditors's report issued in accordance with the Order on subsidiary companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and, except for the possible effect of the matter described in sub-paragraph (a) &(b) of the Basis for Qualified Opinion above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, none of the directors of the Group's companies, is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. Except for the possible effect of the matter described in sub-paragraph (a) & (b) of the Basis of Qualified Opinion above, there were no pending litigations which would impact the consolidated financial position of the Group,
    - ii. Except for the possible effect of the matter described in sub-paragraph (a) & (b) of the Basis of Qualified Opinion above, the Group, not have any material foreseeable losses on long-term contracts including derivative contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies,

**For RAMAN S. SHAH & ASSOCIATES**  
Chartered Accountants  
Firm Reg. No. 119891W

PLACE : Mumbai  
DATE : 30th May, 2017

**SANTOSH A. SANKHE**  
Partner  
M.No.100976

**Consolidated Balance Sheet as at 31st March, 2017**

	Note	As at 31st March, 2017 Rs. In Lakhs	As at 31st March, 2016 Rs. In Lakhs
<b>I. EQUITY &amp; LIABILITIES</b>			
<b>Shareholders Funds</b>			
Share Capital	2	2,472.88	2,472.88
Reserves & Surplus	3	32,728.88	44,191.12
		35,201.76	46,664.00
<b>Minority Interest payable</b>			
		7,172.07	12,277.27
<b>Non- Current Liabilities</b>			
Long Term Borrowings	4	93,104.68	93,194.12
Long Term Provisions	5	29.45	34.34
Long Term Liabilities	6	5,770.65	33.48
		98,904.78	93,261.94
<b>Current Liabilities</b>			
Short Term Borrowings	7	8,225.96	5,731.76
Trade Payables	8	4,439.89	2,563.55
Other Current Liabilities (including loan repayments due within 1 year)	9	17,286.25	18,945.92
Short Term Provisions	10	69.33	91.72
		30,021.43	27,332.95
<b>TOTAL :</b>		<b>171,300.04</b>	<b>179,536.16</b>
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	11	140,407.44	158,382.44
Non-Current Investments	12	37.68	37.68
<b>Current Assets</b>			
Inventories	13	5,639.92	4,839.46
Trade Receivables	14	6,525.05	7,313.22
Cash and Bank Balances	15	4,890.50	4,971.41
Short Term Loans & Advances	16	5,002.84	3,950.16
Other Current Assets ( Including Assets Held for disposal)	17	8,796.61	41.79
		30,854.92	21,116.04
<b>TOTAL :</b>		<b>171,300.04</b>	<b>179,536.16</b>

See accompanying consolidated 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

A. K. Thanavala  
Director

P. S. Shah  
GM - Finance & Accounts

N. Sengupta  
Chief Financial Officer

A. C. Chandarana  
Company Secretary &  
President - Legal & Admn.

Place : Mumbai  
Date : 30th May, 2017

Place : Mumbai  
Date : 30th May, 2017

**Consolidated Profit & Loss Statement for the year ended 31st March, 2017**

	Note	Year Ended 31st March, 2017 Rs. In Lakhs	Year Ended 31st March, 2016 Rs. In Lakhs
<b>INCOME :</b>			
<b>I. Revenue from operations</b>			
Charter Hire	18	15,621.47	36,644.76
Other Operating Revenue		554.38	561.99
		<u>16,175.85</u>	<u>37,206.75</u>
<b>II. Other Income</b>	19	59.09	66.94
<b>TOTAL REVENUE ( I )</b>		<u>16,234.94</u>	<u>37,273.69</u>
<b>EXPENSES :</b>			
Fleet Operating Expenses	20	13,324.63	17,898.33
Employee Benefit Expenses	21	5,107.88	6,007.90
Finance Costs	22	6,290.85	6,155.43
Depreciation and Amortisation Expenses		6,812.13	7,063.08
Other Expenses	23	2,156.58	2,663.05
<b>TOTAL EXPENSES ( II )</b>		<u>33,692.07</u>	<u>39,787.79</u>
<b>Profit / (Loss) Before Tax ( I - II )</b>		<u>(17,457.13)</u>	<u>(2,514.10)</u>
Less : Tax Expense			
Current Tax		23.36	23.29
Tax of Earlier Years		1.19	1.45
		<u>24.55</u>	<u>24.74</u>
<b>Profit / (Loss) for the Year</b>		<u>(17,481.68)</u>	<u>(2,538.84)</u>
<b>Less Minority Interest</b>		<u>(4,947.71)</u>	<u>(1,413.31)</u>
<b>Profit / (Loss) for the year attributable to Equity</b>		<u>(12,533.97)</u>	<u>(1,125.53)</u>
<b>Earning Per Equity Share</b>	24(F)		
Basic Earning Per Share		(50.69)	(4.55)
Diluted Earning Per Share		(50.69)	(4.55)

See accompanying consolidated 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

A. K. Thanavala  
Director

P. S. Shah  
GM - Finance & Accounts

N. Sengupta  
Chief Financial Officer

A. C. Chandarana  
Company Secretary &  
President - Legal & Admn.

Place : Mumbai  
Date : 30th May, 2017

Place : Mumbai  
Date : 30th May, 2017

**Consolidated Cash Flow Statement for the year ended 31st March, 2017**

PARTICULARS	Year Ended 31st March, 2017 (Rs. in Lacs)	Year Ended 31st March, 2016 (Rs. in Lacs)
<b>A. Cash Flow arising from Operating Activities :</b>		
Net profit / (loss) before tax and extraordinary items	(17,457.13)	(2,514.10)
Add/(Less) :		
a) Depreciation charges (Net)	6,812.17	7,063.08
b) Interest charges	6,290.85	6,155.43
c) Interest Income	(42.35)	(66.82)
d) (Profit) / Loss on sale of Asset (net)	-	(0.11)
e) Taxes (Paid) / Refund received	(198.27)	(318.26)
	<u>12,862.38</u>	<u>12,833.32</u>
<b>Operating Profit before working capital changes</b>	<b>(4,594.75)</b>	<b>10,319.22</b>
Add/(Less) :		
a) Increase /(Decrease) in Operational Liabilities	8,314.69	765.17
b) ( Increase)/Decrease in Operational Assets	547.54	(633.44)
<b>Net cash Flow from operating Activity ( A )</b>	<b>4,267.48</b>	<b>10,450.95</b>
<b>B. Cash Flow arising from Investing Activities :</b>		
<b>(i) Outflow on account of investing activity</b>		
a) Acquisition of fixed assets (Net)	(164.89)	(16,347.81)
b) Money Invested in Securities	-	-
<b>(ii) Inflow on account of investing activity</b>		
a) Sale of Fixed assets (Net)	-	15.34
b) Interest Income	107.98	25.04
	<u>107.98</u>	<u>40.38</u>
<b>Net Cash Flow from investing Activity ( B )</b>	<b>(56.91)</b>	<b>(16,307.43)</b>
<b>C. Cash Flow arising from Finance Activities :</b>		
<b>(i) Inflow on account of Financing activity</b>		
Short / Long term borrowings - Receipt / (Payment)	3,945.24	11,779.21
	<u>3,945.24</u>	<u>11,779.21</u>
<b>(ii) Outflow on account of Financing activity</b>		
a) Dividend Paid	(15.73)	(12.11)
b) Interest on loan paid during the year	(4,573.17)	(4,763.39)
c) Loans Repaid (net of receipts)	(4,354.55)	-
c) Short term borrowings	966.66	-
	<u>(7,976.79)</u>	<u>(4,775.50)</u>
<b>Net cash flow from financing Activity ( C )</b>	<b>(4,031.55)</b>	<b>7,003.71</b>
<b>Net increase in cash / cash equivalent [ A + B + C ]</b>	<b>179.02</b>	<b>1,147.23</b>
Effect of Exchange rate changes on cash	(259.76)	(3,566.86)
<b>Add : Cash / Cash equivalents at the beginning of the year</b>	<b>4,971.41</b>	<b>7,391.04</b>
<b>Cash / Cash equivalents at the end of the year</b>	<b>4,890.50</b>	<b>4,971.41</b>
<b>Notes to cash flow statement :</b>		
<b>(1) Method of preparation of cash flow statement :</b>		
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.		
<b>(2) Components of cash flow :</b>		
Cash and Cash Equivalents	2,839.68	2,293.97
Other Bank Balances	2,050.82	2,677.44
	<u>4,890.50</u>	<u>4,971.41</u>

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

For and on behalf of the Board

Santosh A. Sankhe  
Partner  
Membership No. 100976

Ashok Garware  
Executive Chairman

Aditya Garware  
Vice Chairman

A. K. Thanavala  
Director

P. S. Shah  
GM - Finance & Accounts

N. Sengupta  
Chief Financial Officer

A. C. Chandarana  
Company Secretary &  
President - Legal & Admn.

Place : Mumbai  
Date : 30th May, 2017

Place : Mumbai  
Date : 30th May, 2017

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, 2017. 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 : 30<sup>th</sup> May, 2017

Notes on Consolidated Financial Statements for the Year ended 31st March, 2017

Note : 1

Consolidated 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, 2013.

II. Basis of Consolidation :

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

(a) The consolidated financial statements include the financial statements of Global Offshore Services Limited and its subsidiaries (hereinafter, collectively referred as 'Group') [refer note (II) b]. The individual financial statements of the group entities are prepared in accordance with the applicable requirements of the Companies Act, 2013 (the 'Act') and comply in all material aspects with the Accounting Standards prescribed by the Central Government, in accordance with the Companies (Accounting Standards) Rules, 2006, to the extent applicable.

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

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

Name of the Company	Country of Incorporation	% ownership interest as at 31st March, 2017	% ownership interest as at 31st March, 2016
Garware Offshore International Services Pte. Ltd.	Singapore	100.00%	100.00%
Global Offshore Services B.V.	The Netherlands	68.00%	68.00%

III. Use of Estimates :

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

IV. Fixed Assets :

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

V. Depreciation of Assets :

(A) Re : Parent Company.

(a) On fleet :

Depreciation has been arrived at on straight line method at the rate arrived at so as to provide 95% of the total cost of each vessel over its balance economic useful life. For this purpose the economic useful life of vessels is estimated as 28 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, 2013.

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, 2013.

(B) Re : Subsidiaries.

(i) Garware Offshore International Services Pte. Ltd.

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

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

(ii) Global Offshore Services B.V.

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

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2017

### VI. Accounting for Investments :

Long term investments are valued at cost.

### VII. Valuation of Inventories :

- The Stock of stores and spares including on board the ships is valued at cost. (FIFO Basis)
- The Stock of fuel, lubes and diesel oil owned by the Company is valued at cost. (FIFO Basis)

### VIII. Revenue Recognition :

Time Charter earnings are recognized on accrual basis.

### IX. Operating Expenses :

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

### X. Employee Benefits :

Defined Contribution Plan

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

Defined Benefit Plan

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

Other Long Term Benefits

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

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

### XI. Foreign Exchange Transaction :

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

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

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

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

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

### XII. Borrowing Cost :

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

### XIII. Provisions & Contingent Liabilities :

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

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

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

### XIV. Provision for Taxation :

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

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

### XV. Prior Period Items/ Extra Ordinary Items :

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

### XVI. Impairment of Assets :

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



Notes on Consolidated Financial Statements for the Year ended 31st March, 2017

Note : 2 Share Capital	As At 31st March, 2017		As At 31st March, 2016	
	Number	Rs. In Lakhs	Number	Rs. In Lakhs
<b>A Authorised Capital :</b>				
<b>Equity Share Capital :</b>				
Equity Shares of Rs. 10/- each	320,00,000	3,200.00	3,20,00,000	3,200.00
<b>Preference Share Capital :</b>				
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
<b>Total</b>	<b>3,23,00,000</b>	<b>3,500.00</b>	<b>3,23,00,000</b>	<b>3,500.00</b>
<b>B Issued, Subscribed &amp; Paid Up Capital :</b>				
<b>Equity Share Capital :</b>				
Equity Shares of Rs. 10/- each, fully paid up	2,47,28,793	2,472.88	2,47,28,793	2,472.88
<b>Total</b>	<b>2,47,28,793</b>	<b>2,472.88</b>	<b>2,47,28,793</b>	<b>2,472.88</b>

a) Reconciliation of Equity Shares Outstanding

Particulars	Current Year		Previous Year	
	Number	Rs. In Lakhs	Number	Rs. In Lakhs
Shares outstanding at 1st April	2,47,28,793	2,472.88	2,47,28,793	2,472.88
Shares Issued during the year	-	-	-	-
Shares outstanding at 31st March	2,47,28,793	2,472.88	2,47,28,793	2,472.88

b) Details of shareholders holding more than 5% shares

Name of Shareholder	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Garware Marine Industries Ltd.	14,51,886	5.87%	14,73,260	5.96%
Shushma Ashok Garware	14,41,913	5.83%	-	-
Universal Investments Services Pvt Ltd.	13,86,720	5.61%	13,86,720	5.61%
Rondor Overseas Ltd.	12,86,250	5.20%	12,86,250	5.20%
Clearwell Enterprises Ltd.	12,78,250	5.17%	12,78,250	5.17%
India Star (Mauritius) Ltd.	-	-	67,39,547	27.25%
<b>Total</b>	<b>68,45,019</b>	<b>27.68%</b>	<b>1,21,64,027</b>	<b>49.19%</b>

Note : 3 Reserves & Surplus	As at 31st March, 2017		As at 31st March, 2016	
	Rs. In Lakhs		Rs. In Lakhs	
<b>A Securities Premium Account</b>				
As per last balance sheet	11,697.08		11,697.08	
Add : On Account of fresh issue	-	11,697.08	-	11,697.08
<b>B Tonnage Tax Reserves U/s. 115VT of Income Tax Act</b>				
As per last balance sheet	610.00		460.00	
Add : Transfer from Profit & Loss A/c	-		610.00	
Less : Transfer to tonnage tax reserve (utilised)	-	610.00	460.00	610.00
<b>C Tonnage Tax Reserve ( Utilised )</b>				
As per last balance sheet	7,267.00		6,807.00	
Add : Transfer from Tonnage Tax Reserve	-	7,267.00	460.00	7,267.00
<b>D General Reserves</b>				
As per last balance sheet	8,190.09		8,190.09	
Add : Transfer from Profit & Loss A/c	-	8,190.09	-	8,190.09
<b>E Foreign Exchange Hedge Reserve</b>				
As per last balance sheet	(3,735.90)		(3,897.09)	
Add/(Less) : (Created) / Reversed During the Year	1,369.05	(2,366.85)	161.19	(3,735.90)
<b>F Foreign Currency Translation Reserve</b>				
As per last balance sheet	4,967.35		3,336.43	
Add : current year	(297.32)	4,670.03	1,630.92	4,967.35



## Notes on Consolidated Financial Statements for the Year ended 31st March, 2017

Note : 3	As at 31st March, 2017	As at 31st March, 2016
Reserves & Surplus	Rs. In Lakhs	Rs. In Lakhs
<b>G Profit &amp; Loss Account</b>		
As per last balance sheet	15,195.50	16,931.03
Add : Profit/(loss) for the year	(12,533.97)	(1,125.53)
	<u>2,661.53</u>	<u>15,805.50</u>
Less : Appropriations		
Transfer to Tonnage Tax Reserve	-	610.00
	<u>-</u>	<u>610.00</u>
<b>Total</b>	<b><u>2,661.53</u></b>	<b><u>15,195.50</u></b>
	<b><u>32,728.88</u></b>	<b><u>44,191.12</u></b>

Note : 4	As at 31st March, 2017	As at 31st March, 2016
Long Term Borrowings	Rs. In Lakhs	Rs. In Lakhs
<b>Secured Loans from Banks</b>		
Foreign Currency Loans for Acquisition/Modification of Vessels	86,842.71	87,654.30
Other Foreign Currency Term Loans	56.18	702.89
Car Finance Rupee Loans	-	13.43
Secured Loan from Others	6,205.79	4,823.50
<b>Total</b>	<b><u>93,104.68</u></b>	<b><u>93,194.12</u></b>

### 4.1 Security:

(A) Re : Parent Company.

#### Term loans for acquisition/modification of vessels

Four term loans are secured by way of first charge on the respective vessels ( 3 AHTSVs and 1 PSVs ). Additionally, one of these loans is also secured by way of receivables of the said vessel upto the limit of monthly principal and interest, of the vessel financed and by second charge on Company's office premises.

One term loan is secured by way of first charge on the vessel (AHTSV) financed and 2nd charge on a Platform Supply Vessel (PSV).

One term loan is secured by way of first charge on the vessel (PSV) financed and 2nd charge on a Anchor Handling Tug cum Supply Vessel (AHTSV).

#### Other Term Loans

##### Foreign Currency Loans :

One Corporate loan is secured by way of receivables from the operations of one Anchor Handling Tug cum Supply Vessel to the extent of the months principal and interest and by way of first charge on Company's office premises.

##### Car Finance Loans

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

The Company has made certain defaults in repayment of loans and interest thereon.

The details of defaults as on 31st March, 2017 are as follows:

Particulars	Rs. In Lakhs			
	upto 60 days	61-90 days	91-180 days	More than 180 days
Banks	959.73	488.92	1,339.14	-

Out of the Foreign Currency Term Loans (FCTL) for Acquisition / Modification of vessels, an amount of Rs. 27,969.09 lakhs is due to State Bank Of India (SBI). On account of the default in repayment of installment due and interest, SBI has treated the same as a Non Performing Assets w.e.f. 27th January, 2017. Subsequently, the bank has converted FCTL into rupee loans and charge higher interest rate. The Company has not accepted the switchover of the loans into rupees and is continuing to provide interest as per the original terms.

(B) Re : Subsidiaries.

The term loan for acquisition of 3 PSV's and 1 AHTSV in Global Offshore Services B.V has been secured by :-

First Charge on the respective Vessel.

First priority assignment of the Obligatory Insurances

Exclusive charge over the Designated Earnings Account of the Vessel

Corporate Guarantee from Global Offshore Services Ltd. / Guarantee from SIIM Fund (in the case of one vessel)

During the year Global Offshore Services B.V. set up a subsidiary Makalu Shipping B.V. and transferred one of its vessels M.V. Makalu. The Company successfully carried out the restructuring of the debt of this vessel in the subsidiary

The Company is in discussion with the other lenders for the restructuring of the remaining vessels. However there is an overdue principal and interest as on 31st March 2017 to be paid to the Banks which is as mentioned below :

Overdue principal and interest calculation :

Lender	Vessel	Outstanding from	Rs. In lakhs	
			Principal	Interest
DVB Bank	Cristal	Dec-15	2,431.13	1,253.92
Axis Bank	Cristal	Dec-16	432.12	238.29
Nord LB Bank	Olympus	Feb-16	1,508.65	743.35
OMP*	Olympus	Feb-16	548.35	-
<b>Total</b>			<b>4,920.25</b>	<b>2,235.56</b>

In case of loan pertaining to M.V Shergar it is not reflected as the same has been repaid in full, at a discount.

\* Outstanding interest has been PIKed.

Notes on Consolidated Financial Statements for the Year ended 31st March, 2017

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

Rs. In lakhs

Particulars	Within 1 year	1-2 years	2-3 years	Beyond 3 years
Foreign Currency Loans for Acquisition of Vessels	10,725.70	5,144.03	5,461.18	76,181.32
Other Foreign Currency Term Loans	631.02	56.18	-	-
Car Finance Rupee Loans	13.44	-	-	-

4.3 In case of Parent Co. the Foreign currency loans are at interest rates varying from 6 months LIBOR+350 bps points to 6 months LIBOR+500 bps points per annum. The Rupee car loans are at interest rates between 9.5% to 11.25% per annum.

In case of subsidiary GOSBV, the interest on vessel loans vary from Libor+ 350 BPS to 11%

Note : 5 Long Term Provisions	As at 31st March, 2017 Rs. In Lakhs	As at 31st March, 2016 Rs. In Lakhs
Provision for employee benefits Retirement and Other Benefits	29.45	34.34
<b>Total</b>	<b>29.45</b>	<b>34.34</b>

Note : 6 Long Term Liabilities	As at 31st March, 2017 Rs. In Lakhs	As at 31st March, 2016 Rs. In Lakhs
Security Deposit	34.06	33.48
Other Long term liabilities	5,736.59	-
<b>Total</b>	<b>5,770.65</b>	<b>33.48</b>

Note : 7 Short Term Borrowings	As at 31st March, 2017 Rs. In Lakhs	As at 31st March, 2016 Rs. In Lakhs
a) Secured Working Capital Facility From Banks		
Foreign Currency	2,891.04	3,554.14
Rupee	674.26	831.53
b) Unsecured loan from Axis Bank	1,123.93	1,346.09
c) Unsecured Loan		
From Minority Share Holder	1,448.30	-
From Others	2,088.43	-
<b>Total</b>	<b>8,225.96</b>	<b>5,731.76</b>

7.1 Working Capital Facility granted by United Bank of India is secured by pari passu 1st charge with State Bank of Travancore on stock of stores, spares, fuel on board the vessel and the book debts excluding receivable on one AHTS. Interest on rupee based facility is charged @ 12.40% p.a. and on USD based facility @ 6 month LIBOR + 500 bps.

7.2 Working Capital Facility granted by State Bank of Travancore is secured by pari passu 1st charge with United Bank of India on stock of stores, spares, fuel on board the vessel and the book debts excluding receivable on one AHTS. Interest on rupee based facility is charged @ 12.95% p.a. and on USD based facility @ 6 month LIBOR + 400 bps.

7.3 Unsecured Demand Loan facility from Axis Bank at an interest rate of 3 months LIBOR + 450 bps.

Note : 8 Trade Payables	As at 31st March, 2017 Rs. In Lakhs	As at 31st March, 2016 Rs. In Lakhs
Micro, Small and Medium Enterprises	-	-
Others	4,439.89	2,563.55
<b>Total</b>	<b>4,439.89</b>	<b>2,563.55</b>

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 are required.

Note : 9 Other Current Liabilities	As at 31st March, 2017 Rs. In Lakhs	As at 31st March, 2016 Rs. In Lakhs
Current Maturities of Long Term Debts (Refer note no.4.2)	11,370.16	14,403.14
Interest Accrued and due on Borrowings	2,958.33	1,003.97
Interest Accrued but not due on Borrowings	287.88	566.22
Unclaimed Dividends (To be credited to the Investor Education & Protection Fund as and when due)	50.86	66.58
Duties and Taxes Payable	162.85	329.87
Other Payables	2,456.17	2,576.14
<b>Total</b>	<b>17,286.25</b>	<b>18,945.92</b>

Note : 10 Short Term Provisions	As at 31st March, 2017 Rs. In Lakhs	As at 31st March, 2016 Rs. In Lakhs
Retirement and Other Benefits	10.61	35.43
Provision for Taxation	58.72	56.29
<b>Total</b>	<b>69.33</b>	<b>91.72</b>

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2017

**NOTE : 11**
**Fixed Assets**

Rs. In Lakhs

Particulars	Tangible Assets							Intangible Assets		
	Fleet	Office Premises	Furniture & Fixtures	Office Equipment	Motor Vehicles	Computers	Total	Previous Year	Software	Previous Year
<b>GROSS BLOCK</b>										
As at 1 April, 2016	184,033.35	1,366.95	119.83	41.62	231.74	61.03	<b>185,854.53</b>	166,434.97	16.85	16.85
Additions during the year	150.69	10.00	0.34	0.44	-	3.42	<b>164.89</b>	16,813.57	-	-
Deductions /adjustments/ Assets Held for disposal	(13,052.63)	-	-	-	-	-	<b>(13,052.63)</b>	(4,044.41)	-	-
Transalation adjustments	(2,709.54)	-	-	-	-	(0.01)	<b>(2,709.55)</b>	6,650.40	-	-
<b>As at 31 March, 2017</b>	<b>168,421.88</b>	<b>1,376.95</b>	<b>120.17</b>	<b>42.06</b>	<b>231.74</b>	<b>64.44</b>	<b>170,257.24</b>	185,854.53	<b>16.85</b>	16.85
<b>ACCUMULATED DEPRECIATION</b>										
As at 1 April, 2016	26,988.97	135.50	60.42	40.50	188.54	58.16	<b>27,472.09</b>	23,730.32	16.85	16.06
Charges for the year	6,741.35	21.71	11.38	1.56	29.86	6.27	<b>6,812.13</b>	7,062.29	-	0.79
Deductions	(3,904.20)	-	-	-	-	-	<b>(3,904.21)</b>	(4,029.18)	-	-
Transalation adjustments	(530.22)	-	-	-	-	0.01	<b>(530.21)</b>	708.66	-	-
<b>As at 31 March, 2017</b>	<b>29,295.90</b>	<b>157.21</b>	<b>71.80</b>	<b>42.06</b>	<b>218.40</b>	<b>64.44</b>	<b>29,849.80</b>	27,472.09	<b>16.85</b>	16.85
<b>NET BLOCK</b>										
<b>As at 31 March, 2017</b>	<b>139,125.99</b>	<b>1,219.74</b>	<b>48.37</b>	<b>-</b>	<b>13.34</b>	<b>-</b>	<b>140,407.44</b>	158,382.44	<b>-</b>	<b>-</b>
As at 31 March, 2016	157,044.38	1,231.45	59.42	1.12	43.20	2.87	158,382.44		-	

**Note : 12**
**As at 31st March, 2017**  
 Rs. In Lakhs

 As at 31st March, 2016  
 Rs. In Lakhs

**Investments**
**Long Term - Non Trade**

(Valued at cost and fully paid up)

**Equity Shares :**

Quoted

Garware Marine Industries Limited

(1,29,330 Equity Shares of Rs. 10/- each)

(Market Value Rs. 11.47 lakhs, Previous Year Rs.19.18 lakhs)

**Total**
**37.68**
**37.68**
**37.68**
**37.68**
**Note : 13**
**Inventories**
**As at 31st March, 2017**  
 Rs. In Lakhs

 As at 31st March, 2016  
 Rs. In Lakhs

Stock of Stores, Spares &amp; Consumables (At Cost)

**5,639.92**
**4,839.46**
**Total**
**5,639.92**
**4,839.46**
**Note : 14**
**As at 31st March, 2017**  
 Rs. In Lakhs

 As at 31st March, 2016  
 Rs. In Lakhs

**Trade Receivables ( Unsecured and Considered good)**

Debts outstanding for more than six months

**1,365.87**

291.82

Other Debts

**5,272.04**

7,021.40

Less: Provisions for debtors outstanding more than six months

**(112.86)**

-

**Total**
**6,525.05**
**7,313.22**

14.1 There is an overdue receivable of INR 1453.52 lakhs from Petrobras Brazil to GOSBV. The Company has commenced legal proceedings for the recovery of the same. On the basis of external legal opinion received by the Company there is a high probability of recovery of the same as per the original terms of the charter agreement..

**Note : 15**
**Cash and Bank Balances**
**As at 31st March, 2017**  
 Rs. In Lakhs

 As at 31st March, 2016  
 Rs. In Lakhs

**Cash and Cash Equivalents**

(a) Current Accounts

**2,833.35**

2,285.33

(b) Cash On Hand

**6.33**

8.64

**2,839.68**
**2,293.97**

Notes on Consolidated Financial Statements for the Year ended 31st March, 2017

<b>Note : 15</b>	<b>As at 31st March, 2017</b>	<b>As at 31st March, 2016</b>
<b>Cash and Bank Balances</b>	<b>Rs. In Lakhs</b>	<b>Rs. In Lakhs</b>
<b>Other Bank Balances</b>		
(a) Unpaid Dividend Accounts	50.86	66.58
(b) Margin Money	1,999.96	721.02
(c) Deposits having original maturity for more than 12 months	-	1,889.84
	<u>2,050.82</u>	<u>2,677.44</u>
<b>Total</b>	<u>4,890.50</u>	<u>4,971.41</u>

<b>Note : 16</b>	<b>As at 31st March, 2017</b>	<b>As at 31st March, 2016</b>
<b>Short Term Loans &amp; Advances</b>	<b>Rs. In Lakhs</b>	<b>Rs. In Lakhs</b>
(Unsecured and Considered Good)		
Advances recoverable in cash or in kind or for the value to be received	4,289.40	3,413.93
Advance Income Tax	674.71	492.62
Deposits	11.53	13.60
Balance with customs, port trust, other government authorities & courts of law	27.20	30.01
<b>Total</b>	<u>5,002.84</u>	<u>3,950.16</u>

<b>Note : 17</b>	<b>As at 31st March, 2017</b>	<b>As at 31st March, 2016</b>
<b>Other Current Assets</b>	<b>Rs. In Lakhs</b>	<b>Rs. In Lakhs</b>
Interest accrued on loans and deposits	8.54	-
Assets held for disposal	8,788.07	-
Income receivable	-	41.79
<b>Total</b>	<u>8,796.61</u>	<u>41.79</u>

<b>Note : 18</b>	<b>For the Year Ended</b>	<b>For the Year Ended</b>
<b>Charter Hire</b>	<b>31st March, 2017</b>	<b>31st March, 2016</b>
	<b>Rs. In Lakhs</b>	<b>Rs. In Lakhs</b>
Gross Charter Hire	17,088.94	38,539.69
Less : Service Tax	1,467.47	1,894.93
<b>Total</b>	<u>15,621.47</u>	<u>36,644.76</u>

<b>Note : 19</b>	<b>For the Year Ended</b>	<b>For the Year Ended</b>
<b>Other Income</b>	<b>31st March, 2017</b>	<b>31st March, 2016</b>
	<b>Rs. In Lakhs</b>	<b>Rs. In Lakhs</b>
Interest Income (Gross)	48.12	66.83
(Tax Deducted at source Rs.2.81 lacs, Previous Year Rs. 3.68 lacs )		
Excess provision written back	10.97	-
Profit on sale of Assets	-	0.11
<b>Total</b>	<u>59.09</u>	<u>66.94</u>

<b>Note : 20</b>	<b>For the Year Ended</b>	<b>For the Year Ended</b>
<b>Fleet Operating Expenses</b>	<b>31st March, 2017</b>	<b>31st March, 2016</b>
	<b>Rs. In Lakhs</b>	<b>Rs. In Lakhs</b>
Travelling Expenses	349.31	467.55
Fuel, Oil & Water	1,288.57	1,155.32
Port & Canal dues	195.25	390.71
Repairs	316.01	372.55
Stores & Victualling	605.84	534.03
Insurance Charges & Protecting Club Fees	586.07	689.55
Telecommunication Charges	169.87	462.60
Charter Hire Charges	7,823.18	10,111.73
Professional Fees	1,082.75	1,404.57
Brokerage & Commission	457.41	979.90
Sundry Operating expenses	450.37	1,329.82
<b>Total</b>	<u>13,324.63</u>	<u>17,898.33</u>

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2017

Note : 21 Employee Benefit Expense	For the Year Ended 31st March, 2017 Rs. In Lakhs	For the Year Ended 31st March, 2016 Rs. In Lakhs
<b>Floating Staff :</b>		
Salaries, Allowances & Compensation	2,570.34	3,009.33
Contractual Payments	1,794.61	2,014.52
Contribution to Provident & Other Funds	49.74	38.64
	<u>4,414.69</u>	<u>5,062.49</u>
<b>Shore Staff :</b>		
Salaries, Allowances, Bonus & Ex-gratia	628.32	892.82
Contribution to Provident & Other Funds	17.22	27.08
Gratuity Fund Contribution	16.49	18.13
Staff welfare expenses	31.16	7.38
	<u>693.19</u>	<u>945.41</u>
<b>Total</b>	<u><u>5,107.88</u></u>	<u><u>6,007.90</u></u>

Note : 22 Finance Cost	For the Year Ended 31st March, 2017 Rs. In Lakhs	For the Year Ended 31st March, 2016 Rs. In Lakhs
Interest Expenses	6,207.87	6,072.93
Finance Charges	82.98	82.50
<b>Total</b>	<u><u>6,290.85</u></u>	<u><u>6,155.43</u></u>

Note : 23 Other Expenses	For the Year Ended 31st March, 2017 Rs. In Lakhs	For the Year Ended 31st March, 2016 Rs. In Lakhs
Rent	51.75	68.77
Travelling Expenses	110.55	172.43
Auditors' Remuneration	65.86	76.68
Telephone charges	15.90	22.77
Legal and Professional fees	833.59	637.52
Bank Charges	41.51	71.80
Directors' fees	81.39	102.25
Insurance Charges	24.82	118.29
Rates & Taxes	20.52	7.20
Repairs - Office	7.05	6.66
Contribution towards Corporate Social Responsibility	3.00	69.83
Miscellaneous Expenses	179.39	239.92
Loss on foreign currency transactions and translations	721.25	1,068.92
<b>Total</b>	<u><u>2,156.58</u></u>	<u><u>2,663.04</u></u>

### Note 24 :

#### Additional Information to financial statements

##### A. Payments to Auditor

Particulars	For the Year Ended 31st March, 2017 Rs. In Lakhs	For the Year Ended 31st March, 2016 Rs. In Lakhs
For Statutory Audit	65.24	75.96
For Taxation Matters	0.60	0.60
Reimbursement of Expenses	0.02	0.12
<b>Total</b>	<u><u>65.86</u></u>	<u><u>76.68</u></u>

- B. Consequent to Schedule II of The Companies Act, 2013, becoming applicable with effect from April 01, 2014, depreciation for the year ended March 31, 2017, has been provided on the basis of the useful life and residual values as prescribed in Schedule II; except in case of certain types of assets where, based on past experience, the Company has adopted useful life and residual values other than those prescribed in Schedule II. In the case of the fleet, the Company has adopted useful life that is higher than prescribed in Schedule II, resulting in a lower charge of depreciation and in the case of motor cars it has adopted useful life that is lower than prescribed in Schedule II, resulting in higher charge of depreciation. The net impact of these changes is that the depreciation charge for the year ended is lower by Rs. 1,485.21 lacs.

Notes on Consolidated Financial Statements for the Year ended 31st March, 2017

C. Related Party Disclosure

Key Management Personnel

Ashok B. Garware - Executive Chairman

Aditya A. Garware - Vice Chairman

Transactions with related parties for the year ended 31st March, 2017 :

Rs. In lakhs

Nature of Transactions	Key Managerial Personnel	Total
(1) <b>Remuneration</b>		
Ashok B. Garware	93.20	93.20
(2) <b>Sitting Fees</b>		
Aditya A. Garware	0.62	0.62
(3) <b>Consultancy Fees</b>		
Aditya A. Garware	46.75	46.75
<b>Total</b>	<b>140.57</b>	<b>140.57</b>

Outstandings as at 31st March, 2017

Rs. In lakhs

Nature of Transactions	Key Managerial Personnel	Total
(1) <b>Remuneration</b>		
Ashok B. Garware	5.20	5.20
(2) <b>Consultancy Fees</b>		
Aditya A. Garware	3.57	3.57
<b>Total</b>	<b>8.77</b>	<b>8.77</b>

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, 2017 Rs. In Lakhs	31st March, 2016 Rs. In Lakhs
Contribution to Employees Provident Fund	15.20	24.92
Contribution to Seamen's Provident Fund	31.46	19.28
<b>Total</b>	<b>46.66</b>	<b>44.20</b>

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, 2017 Rs. In Lakhs	31st March, 2016 Rs. In Lakhs
<b>Actuarial Assumption for the year</b>		
a) Discount Rate ( p.a.)	7.56%	7.95%
b) Rate of Return on Plan Assets	7.56%	7.95%
c) Salary Escalation rate	5.00%	5.00%
d) Attrition rate	2.00%	2.00%

(i) Change in Benefit Obligation

Particulars	31st March, 2017 Rs. In Lakhs	31st March, 2016 Rs. In Lakhs
Liability at the beginning of the year	81.98	90.74
Interest Cost	6.20	7.21
Current Service Cost	5.94	8.96
Benefit Paid directly	(11.15)	(5.72)
Benefit Paid from fund	(12.12)	(22.76)
Actuarial (gain)/loss on obligations	6.96	3.55
Liability at the end of the year	77.81	81.98

**Notes on Consolidated Financial Statements for the Year ended 31st March, 2017**
**(ii) Fair value of Plan Assets :**

Particulars	31st March, 2017 Rs. In Lakhs	31st March, 2016 Rs. In Lakhs
Fair Value of Plan Assets at the beginning of the year	24.32	25.67
Expected Return on Plan Assets	1.84	2.04
Employer's contribution	29.49	19.82
Benefits Paid	(12.12)	(22.76)
Actuarial gain/(loss) on Plan Assets	0.77	(0.45)
Fair value of Plan Assets at the end of the year	44.30	24.32

**(iii) Actual Return on Plan Assets:**

Particulars	31st March, 2017 Rs. In Lakhs	31st March, 2016 Rs. In Lakhs
Expected Return on Plan Assets	1.84	2.04
Actuarial gain/(loss) on Plan Assets	0.77	(0.45)
Actual Return on Plan Assets	2.61	1.59

**(iv) Amount Recognised in the Balance Sheet :**

Particulars	31st March, 2017 Rs. In Lakhs	31st March, 2016 Rs. In Lakhs
Liability at the end of the year	77.81	81.98
Fair Value of Plan Assets at the end of the year	44.30	24.32
Amount Recognised in Balance sheet	33.51	57.66

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

Particulars	31st March, 2017 Rs. In Lakhs	31st March, 2016 Rs. In Lakhs
Current Service Cost	5.94	8.96
Interest Cost	6.20	7.21
Expected Return on Plan Assets	-	(2.04)
Net Actuarial (gain) / loss to be recognised	4.35	4.00
Expenses recognised in the Profit & Loss Account	16.49	18.13

**C) Other Long Term Benefits**

The charge recognised in the Profit & Loss Account for Leave Encashment for the year is Rs. Nil (Previous Year Rs. 12.54 Lakhs) and the closing liability is Rs. 6.55 Lakhs (Previous Year Rs. 12.00 Lakhs)

**E. Earning Per Share :**

Particulars	31st March, 2017 Rs. In Lakhs	31st March, 2016 Rs. In Lakhs
<b>(A) Basic Earning Per Share :</b>		
<u>Working for Computing Earning Per Share :</u>		
Profit / (Loss) before Taxation	(17,457.13)	(2,514.10)
(Less) : Provision for Taxation	24.55	24.74
(Less) : Mionrity Interest	(4,947.71)	(1,413.31)
<b>(A)</b>	<u>(12,533.97)</u>	<u>(1,125.53)</u>
<u>Weighted Average No. of Equity Share Capital :</u>		
Equity Share At The Beginning Of The Year	247.29	247.29
(+) Fresh Issue During The Year	-	-
<b>(B)</b>	<u>247.29</u>	<u>247.29</u>
<b>Basic Earning Per Share (A / B)</b>	<u>(50.69)</u>	<u>(4.55)</u>
<b>(B) Diluted Earning Per Share :</b>		
<u>Diluted Earning for Computing Diluted Earning Per Share :</u>		
Profit / (Loss) before Taxation	(17,457.13)	(2,514.10)
(Less) : Provision for Taxation	24.55	24.74
(Less) : Mionrity Interest	(4,947.71)	(1,413.31)
<b>Adjusted Net Profit for the Current Year (A)</b>	<u>(12,533.97)</u>	<u>(1,125.53)</u>
<u>Weighted Average No. of Equity Share Capital :</u>		
Equity Share At The Beginning Of The Year	247.29	247.29
(+) Fresh Issue During The Year(In Weighted Average for time)	-	-
<b>(B)</b>	<u>247.29</u>	<u>247.29</u>
<b>Diluted Earning Per Share (A / B)</b>	<u>(50.69)</u>	<u>(4.55)</u>



**Notes on Consolidated Financial Statements for the Year ended 31st March, 2017**

**Note :**

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

**F. Contingent Liabilities :**

Particulars	31st March, 2017 Rs. In Lakhs	31st March, 2016 Rs. In Lakhs
Guarantees given by the Banks (Counter Guarantees given by the Company)	1,423.37	1,846.29
<b>Total</b>	<b>1,423.37</b>	<b>1,846.29</b>

The Company has given Guarantees of Rs. 59,883.47 Lakhs to Banks on behalf of its Subsidiaries for outstanding loans installments.

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

**In case Global Offshore Services B. V.**

During the FY 2016-17, lender to one of the asset have demanded penal interest on delayed repayment of principal and interest. However Company is in discussion with the lender for restructuring of said outstanding debt. Therefore, such penal interest on delayed payment not been provided in the books. Details are as below:

	Rs. In Lakhs
DVB Bank	92.02
Axis Bank	19.75
<b>Total</b>	<b>111.77</b>

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

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

For and on behalf of the Board

Santosh A. Sankhe  
 Partner  
 Membership No. 100976

Ashok Garware  
 Executive Chairman

Aditya Garware  
 Vice Chairman

A. K. Thanavala  
 Director

P. S. Shah  
 GM - Finance & Accounts

N. Sengupta  
 Chief Financial Officer

A. C. Chandarana  
 Company Secretary &  
 President - Legal & Admn.

Place : Mumbai  
 Date : 30th May, 2017

Place : Mumbai  
 Date : 30th May, 2017





### ATTENDANCE SLIP

## GLOBAL OFFSHORE SERVICES LIMITED

Registered Office : 101, Swapnabhoomi, 'A' Wing, S.K.Bole Road, Dadar (W), Mumbai – 400 028.

**CIN:** L61100MH1976PLC019229; **Website:** www.globaloffshore.in; **Phone:** 2423 4000; **Email:** investorredressal@globaloffshore.in

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

Joint Shareholders may obtain additional slips at the entrance.

Regd. Folio No. / Client ID No. ....
Name of the Member / Authorised Representative / Proxy ..... (in Block Letters) .....
No. of Share(s) held .....

I hereby record my/our presence at the **39<sup>th</sup> ANNUAL GENERAL MEETING** at "Garware Sabhagriha", F.P.H. Building, 5<sup>th</sup> Floor, Lala Lajpatrai Marg, Mumbai 400 034 on Thursday, 28<sup>th</sup> September, 2017 at 9.30 a.m.

Signature of the Member / Authorised Representative / Proxy .....



(TEAR HERE)



### PROXY FORM

## GLOBAL OFFSHORE SERVICES LIMITED

Registered Office : 101, Swapnabhoomi, 'A' Wing, S.K.Bole Road, Dadar (W), Mumbai – 400 028.

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

**CIN:** L61100MH1976PLC019229; **Website:** www.globaloffshore.in; **Phone:** 2423 4000; **Email:** investorredressal@globaloffshore.in

Name of the Member (s) :

Registered address :

E-mail id :

Folio No. / Client Id :

DP ID :

I / We, being the member(s) of \_\_\_\_\_ Equity Shares of Global Offshore Services Limited, hereby appoint

- Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_  
Signature : \_\_\_\_\_, or failing him / her
- Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_  
Signature : \_\_\_\_\_, or failing him / her
- Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_  
Signature : \_\_\_\_\_, or failing him / her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Thirty-Ninth Annual General Meeting of the Company, to be held on Thursday the **28<sup>th</sup> day of September 2017 at 9.30 A.M.** at the Garware Sabhagriha, F.P.H. Building, 5<sup>th</sup> Floor, Lala Lajpatrai Marg, Haji Ali, Mumbai 400 034 and at any adjournment thereof, in respect of such resolutions set out in the AGM Notice convening the meeting, as are indicated overleaf.



(TEAR HERE)



Resolution No.	Resolutions	Optional*	
		For	Against
1.	Adoption of Accounts		
2.	Re-appointment of Mr. Ashok B. Garware, who retires by rotation and, being eligible, offers himself for re-appointment.		
3.	Appointment of Statutory Auditors M/s. D. kothary & Co., Chartered Accountants		
4.	Appointment of Mr. Niladri Sengupta as Director		
5.	Appointment of Mr. Niladri Sengupta as Whole-Time Director		

Signed this ..... day of ..... 2017

Affix  
Revenue  
Stamp

Signature of Proxy Holder(s)

**Note:** 1. The proxy must be returned so as to reach the registered office of the Company not later than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.

\*2. It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

3. Please complete all details including details of member(s) in above box before submission.



By Courier

To,

From

**GLOBAL OFFSHORE SERVICES LIMITED**

101, Swapnabhoomi, "A" Wing, S.K. Bole Road, Dadar (w), Mumbai-400 028.