



P. MURALI & CO.,
CHARTERED ACCOUNTANTS
Office 'C' 7th Floor, Tower I
Shakti Towers, No. 766,
Anna Salai, CHENNAI - 600 002

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Auditor's report on quarterly consolidated financial results and year to date results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors of
Aban Offshore Limited

1. We have audited the accompanying statement of quarterly consolidated financial results of Aban Offshore Limited ('the Company') and its subsidiaries (the Company and its subsidiaries together referred to as, 'the Group') for the quarter and year ended 31st March, 2018, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The quarterly consolidated financial results are the derived figures between the audited figures in respect of the year ended 31st March, 2018 and the published year-to-date figures up to December 31, 2017, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The consolidated financial results for the quarter and year ended 31st March, 2018 have been prepared on the basis of the consolidated financial results for the nine-month period ended December 31, 2017, the audited annual consolidated Ind AS financial statements as at and for the year ended 31st March, 2018, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/ 62/ 2016 dated July 5, 2016, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these consolidated financial results based on our review of the consolidated financial results for the nine month period ended December 31, 2017 which was prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34, Interim Financial Reporting, specified under Section 133 of the Companies Act 2013 read with relevant rules issued there under and other accounting principles generally accepted in India; our audit of the annual consolidated Ind AS financial statements as at and for the year ended 31st March, 2018; and the relevant requirements of Regulation 33 Of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/ FAC/ 62/ 2016 dated July 5, 2016.

2. These Consolidated financial Results have been prepared on the basis of Ind AS financial statements and reviewed quarterly financials up to the end of the third quarter, which are the responsibility of the Company's Management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such annual Ind AS Financials Statements, Which has been prepared in accordance with the recognised and measurements principles laid down in Indian Accounting Standards, prescribed u/s 133 of





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the Companies Act, 2013 and relevant requirement of Regulation 33 of SEBI(Listing Obligation and Disclosure Requirements)Regulations, 2015.

The comparative financial information of the Company for corresponding quarter and Year end 31st March 2017, included in these consolidated financial results for the year ended 31st March 2018 were audited predecessor auditor

3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, these consolidated quarterly financial results as well as the year to date Consolidated financial results:

i. includes the results of the following entities:

- a) Aban Holdings Pte Limited, (includes its subsidiaries and associates)
- b) Aban Energies Limited

ii. have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure requirements) Regulation 2015 in this regard; and

iii. give a true and fair view of the consolidated total comprehensive income (comprising of net loss and other comprehensive income) and other financial information for the quarter and year ended 31st March, 2018

Basis for Qualified Report

- (a) In case of wholly owned subsidiary of the company "Aban Holdings Pte Ltd" Singapore along with its subsidiaries and associates whose consolidated Financial Statements have been audited by other auditors "Nexia TS Public Accounting Corporation, Public accounts and Chartered Accountants, Singapore" have expressed qualified opinion on the consolidated financial statements for the year ended 31st March, 2018 which is reproduced as under:

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"Basis for Qualified Opinion:

As disclosed in Note 2.1 to the financial statements, in preparing the financial statements, the Board of Directors have considered the operations of the Group and of the company as going concerns notwithstanding that the Group and the Company incurred a net loss of US\$405,532,000 and US\$ 7,137,000 (2017: US\$ 187,664,000 and US\$70,39,000) respectively for financial year ended 31 March 2018 and as at that date, the Group and the Company are in Net Current Liabilities position of US\$2056,505,000 and US\$ 2113,235,000 (2017: US\$154,047,000 and US\$ 294,325,000) respectively. The Group is also in net liabilities position of US\$227,230,000 (2017: net assets position US\$178,302,000) as at 31 March 2018.

In addition as disclosed in Note 20 to the financial statements, the Group and the Company have defaulted on payment of their borrowings which have fallen due and have breached the covenants of their borrowings which gave the lenders the right to demand the related borrowings be due and payable immediately. A certain number of lenders have issued recall notices to the Group and the Company. Although the management has reclassified these borrowings of the Group and the Company, with original repayment terms beyond 12 months from the balance sheet date as current liabilities, the Group and the company have not concluded on any re-negotiation, obtain replacement financing or raise funds through any fund raising exercises as discussion are still on-going with the lenders as of the date of this report.

The above conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's and Company's abilities to continue as going concern and the evaluation and the assessment on the appropriateness of the Group's and Company's going concern assumption were not adequately made in accompanying financial statements. In the event that the going concern assumption of the group and of the company is inappropriate, adjustments will have to be made to reclassify all non-current assets and non-current liabilities as current assets and current liabilities respectively, to restate the carrying amounts to the assets at their recoverable amounts and to provide for further liabilities which may arise. No such adjustments have been made in accompanying financial statements for the financial year ended 31 March 2018."

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 (financial position) of the Group, its associates and jointly controlled entities as at 31st March 2018, their Consolidated Loss (financial performance including other comprehensive income) their Consolidated cash flows and the Consolidated changes in equity for the year ended on that date.

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Emphasis of matter

We refer to our opinion as "Emphasis of matter" in our Independent Auditor's Report on the financial statements of "Aban Offshore Limited" for the year ended 31st March 2018.

"We draw attention to Note No 8(a) to Standalone Ind AS financial statements:

The Company has defaulted in repayment of instalments and payment of interest on term loans from banks for an amount of INR 4900.25 million. The Banks have recalled the entire loan outstanding including interest. As such, the Company has re-classified these dues to banks from Non-current Liability to Current Liability during the year.

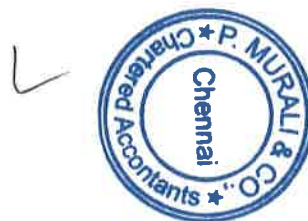
Our opinion is not modified in respect of above matter."

Other Matters

The financial statements of Aban Energies Limited, Chennai, India, an Indian subsidiary of the Holding company are audited by other Auditors which reflects the total assets of INR 14.18 millions as at 31st March, 2018 and total revenue of INR 12.80 millions for the year then ended.

The financial statements of Aban Holdings Pte Limited, Singapore and its Subsidiaries, whose consolidated financial statements have been audited by other auditor. We are informed that Deep Drilling Mexico S DE R L DE CV, Mexico ('DD Mexico') a subsidiary of Aban Singapore Pte Ltd is not required to be audited. The unaudited financial statement of Deep Drilling Mexico S DE R L DE CV, Mexico reflects the total assets of INR 744.41 Million as at 31st March, 2018 and total revenue of "Nil" for the year then ended. The Consolidated Financial Statement of Aban Holdings Pte Limited audited by other auditor reflect total assets of INR 144,850.06 Million as at 31st March 2018, total revenue of INR 8753.36 Million for the year ended on that date, as considered in the consolidated financial statements. The consolidated net loss of INR 26,136.84 Million for the year ended 31st March 2018 includes share of net loss of INR 0.45 Million in respect of two (2) associates. The audit report of the consolidated accounts of "Aban Holdings Pte Ltd", the wholly owned foreign subsidiary and its subsidiaries includes unaudited financials of 'DD Mexico'.

The financial informations /financial statements have been furnished by the management and our opinion on the consolidated financial statements in respect of these subsidiaries as associates and our report in terms of sub Section (3) and (11) of section 143 of "the Act" in so far as it relates to the afore said Subsidiaries and associates is solely based on reports of the other auditors.





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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 matter with respect to our reliance on the work done and the report of the other auditor.

For P. Murali & Co,
Chartered Accountants,
FRN No: 007257S

P. Murali Mohana Rao
Partner
M.No:023412



Place: Chennai
Date: 30-05-2018

Aban Offshore Limited



STATEMENT OF AUDITED CONSOLIDATED RESULTS
FOR THE QUARTER / YEAR ENDED 31ST MARCH 2018

Rs. Millions

PARTICULARS	QUARTER ENDED 31.03.2018 (AUDITED)	QUARTER ENDED 31.12.2017 (UNAUDITED)	QUARTER ENDED 31.03.2017 (AUDITED)	YEAR ENDED 31.03.2018 (AUDITED)	YEAR ENDED 31.03.2017 (AUDITED)
1. INCOME					
INCOME FROM OPERATIONS	3,283.61	3,760.60	3,908.62	14,668.60	17,579.20
OTHER INCOME	86.04	16.87	72.15	144.95	148.76
TOTAL INCOME	3,369.65	3,777.47	3,980.77	14,813.55	17,727.96
2. EXPENSES					
COST OF MATERIALS CONSUMED	396.08	226.20	422.33	1,245.59	1,205.80
EMPLOYEE BENEFITS EXPENSE	548.16	516.25	636.03	2,244.02	2,392.78
FINANCE COSTS	4,667.30	2,728.23	2,866.89	12,821.03	10,904.86
DEPRECIATION AND AMORTISATION EXPENSES	1,647.12	1,668.86	1,710.45	6,647.14	7,011.59
IMPAIRMENT LOSS OF GOODWILL	10,033.48	-	-	10,033.48	-
IMPAIRMENT LOSS OF PROPERTY, PLANT AND EQUIPMENT	2,335.19	-	-	2,335.19	-
OTHER EXPENDITURE	1,073.30	1,888.03	1,314.22	4,670.55	4,915.01
TOTAL EXPENSES	20,700.63	7,027.57	6,949.92	39,997.00	26,430.04
3. LOSS FROM ORDINARY ACTIVITIES BEFORE EXCEPTIONAL ITEMS (1-2)	(17,330.98)	(3,250.10)	(2,969.15)	(25,183.45)	(8,702.08)
4. EXCEPTIONAL ITEMS	-	-	-	-	-
5. LOSS FROM ORDINARY ACTIVITIES BEFORE TAX (3-4)	(17,330.98)	(3,250.10)	(2,969.15)	(25,183.45)	(8,702.08)
6. TAX EXPENSES					
-CURRENT TAX	520.44	130.42	476.18	1,078.99	1,904.47
-DEFERRED TAX (NET)	(48.46)	(54.36)	(71.06)	(198.14)	(196.02)
7. NET LOSS FROM ORDINARY ACTIVITIES AFTER TAX (5-6)	(17,802.96)	(3,326.16)	(3,374.27)	(26,064.30)	(10,410.53)
8. EXTRAORDINARY ITEMS (NET OF TAX EXPENSE)	-	-	-	-	-
9. NET LOSS FOR THE PERIOD (7-8)	(17,802.96)	(3,326.16)	(3,374.27)	(26,064.30)	(10,410.53)
10. SHARE OF PROFIT/ (LOSS) OF ASSOCIATE	(0.62)	0.43	3.14	(0.45)	2.20
11. NON CONTROLLING INTERESTS	-	-	-	-	-
12. NET LOSS AFTER NON CONTROLLING INTEREST AND SHARE OF PROFIT OF ASSOCIATE (9+10-11)	(17,803.58)	(3,325.73)	(3,371.13)	(26,064.75)	(10,408.33)
13. OTHER COMPREHENSIVE INCOME (NET OF TAX)	(208.44)	83.07	178.65	(103.10)	(170.21)
14. TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (12+13)	(18,012.02)	(3,242.66)	(3,192.48)	(26,167.85)	(10,578.54)
15. PAID UP EQUITY SHARE CAPITAL (Equity Share of Rs.2/-each)	116.73	116.73	116.73	116.73	116.73
16. Net worth (Refer Note III)	-	-	-	16435.09	41308.86
17. Reserves excluding Revaluation Reserves	-	-	-	70.08	26237.94
18 (i) Earning per share (before extraordinary Items) (of Rs. 2/- each) (not annualised)					
(a) Basic	(305.06)	(56.99)	(57.76)	(446.62)	(178.35)
(b) Diluted	(305.06)	(56.99)	(57.76)	(446.62)	(178.35)
(ii) Earning per share (after extraordinary Items) (of Rs. 2/- each) (not annualised)					
(a) Basic	(305.06)	(56.99)	(57.76)	(446.62)	(178.35)
(b) Diluted	(305.06)	(56.99)	(57.76)	(446.62)	(178.35)

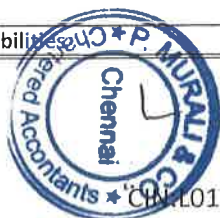


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Consolidated Balance Sheet as at 31st March 2018

Particulars	As at 31st March 2018 Rs. millions	As at 31st March 2017 Rs. millions
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	143,688.51	151,933.20
Intangible assets	-	10,094.97
Capital work-in-progress	-	92.88
Financial Assets		
(i) Investments	271.67	271.36
(ii) Loans	331.07	338.65
(iii) Other financial assets	137.72	118.40
Other non-current assets	4.41	169.10
Total-Non-current assets	144,433.38	163,018.56
Current assets		
Inventories	3,780.75	3,768.12
Financial Assets		
(ii) Trade receivables	18,727.93	18,553.59
(ii) Cash and cash equivalents	724.38	806.20
(iii) Other Bank balances	107.83	136.88
(iv) Loans	687.81	444.62
(v) Other financial assets	332.71	190.22
Other current assets	582.04	358.86
Total-current assets	24,943.45	24,258.49
Total- Assets	169,376.83	187,277.05
EQUITY AND LIABILITIES		
Equity		
(i) Equity Share Capital	116.73	116.73
(ii) Other Equity	70.08	26,237.94
Equity attributable to shareholders of the Company	186.81	26,354.67
Non-controlling interests	-	-
Total-Equity	186.81	26,354.67
Non-current liabilities		
Financial Liabilities		
(i) Borrowings	602.34	118,272.10
Employee benefit obligations	6.28	12.98
Deferred tax liabilities	4,021.30	4,219.44
Total-Non-Current Liabilities	4,629.92	122,504.52
Current liabilities		
Financial Liabilities		
(i) Borrowings	1,805.98	2,027.06
(ii) Trade payables	6,762.24	7,504.24
(iii) Other financial liabilities	155,886.39	28,750.74
Employee benefit obligations	4.02	6.06
Other current liabilities	101.47	129.76
Total-Current Liabilities	164,560.10	38,417.86
Total-Liabilities	169,190.02	160,922.38
Total-Equity and Liabilities	169,376.83	187,277.05





Notes:

- (i) The above financial results were reviewed and recommended by the Audit Committee and taken on record by the Board of Directors at their meeting held on 30th May 2018.
- (ii) The statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules ,2015 (IND- AS) prescribed under Section 133 of the Companies Act,2013 and other recognised accounting principles and policies to the extent applicable.
- (iii) Net worth has been interpreted to mean the aggregate of the paid up equity share capital (excluding money received against share warrants),share premium account ,and reserves and surplus (excluding revaluation reserve , Ind AS adjustments to equity on transition and translation ~~reserve~~) ~~is reduced~~ by the aggregate of miscellaneous expenditure (to the extent not written off) and debit balance of the profit and loss account as defined in the explanation to Regulation 2 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations , 2015 (Listing Regulations).
- (iv) Information pursuant to Regulation 52(6)(b) of the Listing Regulations are below:
 - (a) Loss before other comprehensive income (net of tax) for the quarter and full year ended 31st March 2018 is Rs 17803.58 Million and Rs 26064.75 Million respectively.
 - (b) Free reserves as on 31st March 2018 is Rs 191.30 Million.
 - (c) Securities Premium account balance as on 31st March 2018 is Rs 17800.78 Million.
- (v) Information pursuant to Regulation 52(4) and 52(6) of the Listing Regulations are given in Annexure A.
- (vi) The figures of the quarter ended 31st March 2018 and 31st March 2017 are the balancing figures between the audited figures in respect of the full financial year and the year to date figures upto the third quarter of the relevant financial year which were subjected to limited review by Auditors.
- (vii) The standalone financial results are as under:

Particulars	Rs. in Millions				
	Quarter ended 31.03.2018 (Audited)	Quarter ended 31.12.2017 (Unaudited)	Quarter ended 31.03.2017 (Audited)	Year ended 31.03.2018 (Audited)	Year ended 31.03.2017 (Audited)
Total Income(includes other income)	1618.97	1719.33	1791.53	6516.53	9397.80
Profit before tax	121.70	(58.45)	254.46	678.69	3472.33
Profit /(loss) after tax	(251.52)	(79.98)	(42.78)	104.97	2125.39

The Standalone financial results of the Company for the aforesaid period can be viewed on its website at www.abanoffshore.com

- (viii) The figures for the previous period have been regrouped wherever necessary.

Place:Chennai
Date: 30th May 2018

By Order of the Board



C.P.Gopalkrishnan
Dy Managing Director & Chief Financial Officer



Annexure-A

Pursuant to regulation 52(4) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations), we submit herewith the following information pertaining to the Non-convertible Cumulative Preference Shares:

1. Details of Outstanding Redeemable Preference Shares:

Sr. No.	Name of the Series	No. of Preference Shares in Millions	Amount of Issue (Rs. In Millions)
1	INE421A04097	45	450
2	INE421A04097	60	600
3	INE421A04071	55	550
4	INE421A04063	40	400
5	INE421A04055	20	200
6	INE421A04089	61	610

2. Credit Rating and change in Credit Rating (if any):

The Credit Rating in respect of the above mentioned series of Preference Shares is "CARE D (RPS) [Single D (Redeemable Preference Shares)]"

3. Asser cover available, in case of non-convertible Debt Securities: Not Applicable.**4. Debt –Equity Ratio (As at 31st March 2018) :**

Standalone	0.18
Consolidated	725.84

Debt Equity ratio= (Long term debts+current maturities of long term debt)/Shareholders funds.

5. Previous due dates for payment of dividend and repayment of principal amount for Preference Shares :

The due date of payment of dividend and principal amount and the actual date of payment for the year ended 31st March 2018: No dividend has been paid and no redemption during the year ended 31st March 2018.





6. Next due dates for payment of dividend and repayment of principal amount:

The entire preference shares have become due for redemption and they have not been redeemed.

Dividend when recommended and declared will be paid within the prescribed timeline.

7. **Debt Service Coverage Ratio**

Standalone	0.63
Consolidated	(0.45)

Debt service coverage ratio=EBIDTA/ (Interest expense + Current year principal repayments)

8. **Interest Service Coverage Ratio:** Not Applicable

Standalone	0.42
Consolidated	(1.45)

Interest service coverage ratio=EBIT/ Interest expense

9. **Capital Redemption Reserve:** As at 31st March 2018-Rs 2,810 Million

10. **Net worth:** Forms part of Audited Standalone/Consolidated Financial Results

11. **Net profit after tax:** Forms part of Audited Standalone/Consolidated Financial Results

12. **Earnings per share:** Forms part of Audited Standalone /Consolidated Financial Results

A. Information pursuant to Regulation 52(6) of the Listing Regulations are given below:

Sr. No.	Particulars	Remarks
a.	Profit/(loss) for the year ended 31 st March 2018	Please refer Notes to financial results forming part of this publication
b.	Free Reserves as on the end of 31 st March 2018	
c.	Securities Premium account balance (if redemption of redeemable preference shares is to be done at premium ,such premium may be appropriated from securities premium account) Provided that disclosure on securities premium account balance may be provided only in a year in which non-convertible redeemable preference shares are due for redemption	





<p>d.</p>	<p>Track record of dividend payment on non-convertible redeemable preference shares.</p> <p>Provided that in case the dividend has been deferred at any time, then actual date of payment shall be disclosed.</p>	<p>Dividend on non-convertible redeemable preference shares for the period up to 31st March 2015 has been paid within the prescribed timeline. The subsequent payment has been deferred.</p>
<p>e.</p>	<p>Breach of any covenants under the terms of the non-convertible redeemable preference shares</p> <p>Provided that in case of listed entity is planning a fresh issuance of shares whose end use is servicing of the non-convertible redeemable preference shares (whether dividend or principal redemption), then the same shall be disclosed whenever the listed entity decided on such issuances.</p>	<p>Non-convertible cumulative redeemable preference shares due on 29th December 2014, 28th February 2015, 30th March 2015, 16th June 2015, 16th June 2016 and 3rd August 2016 have not been redeemed.</p>

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ANNEXURE 1

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted alongwith Annual Audited Financial Results-Statement on Impact of Audit Qualifications for the Financial Year ended 31st March 2018

[See Regulation 33/52 of the SEBI (LODR) (Amendment) Rules,2016]

I. Consolidated Financial Results

Sl.No	Particulars	Audited Figures (as reported adjusting qualifications) (Rs. Millions)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs.Millions)
1.	Turnover/Total Income	14,813.55	14,813.55
2.	Total Expenditure	39,997.00	39,997.00
3.	Net Profit/(Loss)	(26,167.85)	(26,167.85)
4.	Earnings Per Share (Rs.)	(446.62)	(446.62)
5.	Total Assets	169,376.83	169,376.83
6.	Total Liabilities	169,190.02	169,190.02
7.	Net Worth	186.81	186.81
8.	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil

II. Audit Qualifications (each qualification separately)

a. Details of Audit Qualification:

In case of wholly owned subsidiary of the company "Aban Holdings Pte Ltd" Singapore along with its subsidiaries and associates whose consolidated Financial Statements have been audited by other auditors "Nexia TS Public Accounting Corporation, Public accounts and Chartered Accountants, Singapore" have expressed qualified opinion on the consolidated financial statements for the year ended 31st March, 2018 which is reproduced as under:

"Basis for Qualified Opinion:

As disclosed in Note 2.1 to the financial statements, in preparing the financial statements, the Board of Directors have considered the operations of the Group and of the company as going concerns notwithstanding that the Group and the Company incurred a net loss of US\$405,532,000 and US\$ 7,137,000 (2017: US\$ 187,664,000 and US\$70,39,000) respectively for financial year ended 31 March 2018 and as at that date, the Group and the Company are in Net Current Liabilities position of US\$2056,505,000 and US\$ 2113,235,000 (2017: US\$154,047,000 and US\$ 294,325,000) respectively. The Group is also in net liabilities position of US\$227,230,000 (2017: net assets position US\$178,302,000) as at 31 March 2018. In addition as disclosed in Note 20 to the financial statements, the Group and the Company have defaulted on payment of their borrowings which have fallen due and have breached



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the covenants of their borrowings which gave the lenders the right to demand the related borrowings be due and payable immediately. A certain number of lenders have issued recall notices to the Group and the Company. Although the management has reclassified these borrowings of the Group and the Company, with original repayment terms beyond 12 months from the balance sheet date as current liabilities, the Group and the company have not concluded on any re-negotiation, obtain replacement financing or raise funds through any fund raising exercises as discussion are still on-going with the lenders as of the date of this report.

The above conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's and Company's abilities to continue as going concern and the evaluation and the assessment on the appropriateness of the Group's and Company's going concern assumption were not adequately made in accompanying financial statements. In the event that the going concern assumption of the group and of the company is inappropriate, adjustments will have to be made to reclassify all non-current assets and non-current liabilities as current assets and current liabilities respectively, to restate the carrying amounts to the assets at their recoverable amounts and to provide for further liabilities which may arise. No such adjustments have been made in accompanying financial statements for the financial year ended 31 March 2018."

b. Type of Audit Qualification	Qualified Opinion
c. Frequency of Qualification	Appeared first time
d. For Audit Qualification(s) where impact is quantified by the auditors, Management's views:	Not quantified by auditors
e. For Audit Qualification(s) where the impact is not quantified by the auditors:	
<ul style="list-style-type: none"> i. Management's estimation on the impact of audit qualification ii. If Management is unable to estimate the impact, reasons for the same 	<p>Cannot be quantified</p> <p>The qualification is only in respect of Company defaulting on payment of borrowings that have become due for payment and breach of certain covenants of the borrowings that have given right to the lenders to demand the borrowings to be paid immediately. They have also expressed existence of material uncertainties on the going concern assumption. The Management believes that the use of the going concern assumption in the preparation of the financial statements for the financial year ended 31st March 2018 is still appropriate. These qualifications do not have any impact on the financial results of the</p>




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<p>(iii). Auditors' comments on (i) and (ii) above</p>	<p>Company for the year under reference and hence cannot be quantified</p> <p>In the event that the going concern assumption of the group and of the company is inappropriate, adjustments will have to be made to reclassify all non-current assets and non-current liabilities as current assets and current liabilities respectively, to restate the carrying amounts to the assets at their recoverable amounts and to provide for further liabilities which may arise. No such adjustments have been made in accompanying financial statements for the financial year ended 31 March 2018. Therefore the impact on the financial statements cannot be ascertained.</p>
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III.

	Signatories:
Managing Director	
Dy. Managing Director & Chief Financial Officer	
Audit Committee Chairman	
Statutory Auditors	<p>P. Murali & Co.</p> 

Place: Chennai

Date: 30th May 2018

