

Jaihind

PROJECTS LIMITED

Date: 30th May, 2017

To
The Corporate Relationship Department
Bombay Stock Exchange Limited
P J Tower
Dalal Street
Mumbai 400001

To
The Compliance Department
National Stock Exchange of India Limited
Exchange Plaza
Bandra – Kurla Complex, Bandra,
Mumbai 400051

Dear Sir/Madam,

SUBJECT: OUTCOME OF THE BOARD OF DIRECTORS MEETING HELD ON 30TH MAY, 2017 AND SUBMISSION OF AUDITED FINANCIAL RESULTS OF THE COMPANY FOR THE QUARTER AND YEAR ENDED ON 31ST MARCH 2017 PURSUANT TO REGULATION 33 OF THE SEBI (LODR) REGULATION 2015.

REF: BSE SCRIP CODE - 531339 NSE SYMBOL – JAIHINDPRO.

This is to inform you that, the Board of Directors at their Meeting held on today i.e. 30th May, 2017 at registered office of the company & had considered following matters;

1. The Board had considered and approved;

- Standalone Audited Financial Result of the Company for the Fourth Quarter and Year ended 31st March, 2017 as per regulation 33 of the SEBI (LODR) Regulation 2015.
- Consolidated Audited Financial Result of the Company for the Fourth Quarter and Year ended 31st March, 2017 as per regulation 33 of the SEBI (LODR) Regulation 2015.
- The Statutory Auditor has submitted modified Audit Report on Financial Result and for the same the statement of impact on Audit qualifications for the period ended 31st March, 2017 is attached herewith.

2. Appointment of M/s. Abhishek Chhajed & Associates, Company Secretaries, Ahmedabad as Secretarial Auditor of the Company.
3. To take a note on Resignation of Mr. Rakesh Rathod, Non-executive independent director who was resigned w.e.f. 17.03.2017.

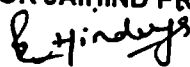
4. To take a note of Disclosure of interest of the Directors for the Financial Year 2017-18.

The meeting of the Board of Directors of the company commenced at 5:00 p.m. and concluded at 6:10 p.m.

You are requested to take the same on record and bring this to the notice of all concerned.

Thanking You,
Yours faithfully

FOR JAIHIND PROJECTS LIMITED


PRAKASH L. HINDUJA
CHAIRMAN & MANAGING DIRECTOR
DIN: 01688850



Encl.:

1. Audited Financial Result for the quarter and year ended 31st March 2017.
2. Auditor's Report on Financial Result for the quarter and year ended 31st March 2017.
3. Statement of Impact on Audit qualifications.

Jaihind

PROJECTS LIMITED

JAIHIND PROJECTS LIMITED

3rd Floor, Venus Atlantis, Nr. Reliance Petrol Pump

Nr. Prahladnagar Garden, Anandnagar Road,

Vejalpur, Ahmedabad - 380015

Tel.: 079 - 40501300 Fax.: 079-40501310/11

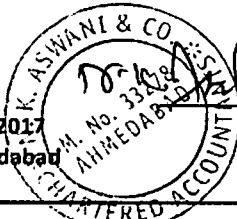
Email us on: cs@jpl.in

CIN: L45201GJ1985PLC008338

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2017

Rs. In Lacs except per share data)

Sr. No.	Particulars	Standalone			Standalone		Consolidated	
		For the quarter Ended on			For the year Ended on		For the year Ended on	
		31.03.2017	31.12.2016	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
		Audited	Unaudited	Audited	Audited	Audited	Audited	Audited
I	Revenue from operations	1,067.98	1,230.92	3,231.83	6,104.50	11,978.97	6,108.71	12,010.11
II	Other Income	235.03	15.24	112.73	299.65	219.13	302.47	227.31
III	Total Revenue (I + II)	1,303.01	1,246.16	3,344.56	6,404.15	12,198.10	6,411.19	12,237.42
IV	Expenses							
	(a) Cost of materials consumed	0.88	-	1.24	56.31	216.75	56.31	216.75
	(b) Sub Contracting Cost	751.00	907.31	3,263.91	4,783.72	12,019.88	4,787.92	12,052.79
	(c) Employee Benefits Expenses	56.83	36.10	71.29	170.11	313.38	170.11	313.38
	(e) Financial Cost	(7.72)	115.92	350.88	463.27	683.61	463.28	683.64
	(f) Depreciation and amortisation expense	333.75	296.48	338.04	1,223.89	1,370.23	1,223.89	1,381.30
	(g) Other Expenses	201.64	210.26	338.19	483.24	604.71	483.24	800.03
	Total Expenses	1,336.39	1,566.07	4,363.56	7,180.55	15,208.57	7,184.76	15,447.89
V	Profit before exceptional and extraordinary items and tax (III - IV)	(33.39)	(319.91)	(1,019.00)	(776.41)	(3,010.47)	(773.57)	(3,210.47)
VI	Exceptional items	-	-	-	-	-	-	-
VII	Profit before extraordinary items and tax (V - VI)	(33.39)	(319.91)	(1,019.00)	(776.41)	(3,010.47)	(773.57)	(3,210.47)
VIII	Extraordinary items	-	-	-	-	-	-	-
IX	Profit/(Loss) before tax (VII- VIII)	(33.39)	(319.91)	(1,019.00)	(776.41)	(3,010.47)	(773.57)	(3,210.47)
X	Tax Expenses							
	(1) Current tax	-	-	-	-	-	-	-
	(2) Deferred tax	-	-	-	-	-	-	-
XI	Profit (Loss) for the period from continuing operations (VII-VIII)	(33.39)	(319.91)	(1,019.00)	(776.41)	(3,010.47)	(773.57)	(3,210.47)
XII	Profit/(loss) from discontinuing operations before tax	(33.39)	(319.91)	(1,019.00)	(776.41)	(3,010.47)	(773.57)	(3,210.47)
XIII	Tax expense of discontinuing operations	-	-	-	-	-	-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)	(33.39)	(319.91)	(1,019.00)	(776.41)	(3,010.47)	(773.57)	(3,210.47)
XV	Profit (Loss) for the period before minority interest(XI + XIV)	(33.39)	(319.91)	(1,019.00)	(776.41)	(3,010.47)	(773.57)	(3,210.47)
XVI	Share of profit/(Loss) of associates*	-	-	-	-	-	-	-
XVII	Minority Interest	-	-	-	-	-	(33.52)	(33.53)
XVIII	Profit (Loss) for the period (XV - XVI - XVII)	(33.39)	(319.91)	(1,019.00)	(776.41)	(3,010.47)	(740.04)	(3,176.94)
XIX	Earnings per share (before extraordinary items) (of Rs. 10/- each) (not annualised):							
	(a) Basic	(0.34)	(3.28)	(10.44)	(7.96)	(30.85)	(7.58)	(32.56)
	(b) Diluted	(0.34)	(3.28)	(10.44)	(7.96)	(30.85)	(7.58)	(32.56)
	Earnings per share (after extraordinary items) (of Rs. 10/- each) (not annualised):							
	(a) Basic	(0.34)	(3.28)	(10.44)	(7.96)	(30.85)	(7.58)	(32.56)
	(b) Diluted	(0.34)	(3.28)	(10.44)	(7.96)	(30.85)	(7.58)	(32.56)



 Date : 30.05.2017
 Place : Ahmedabad



JAIHIND PROJECTS LIMITED

PRAKASH HINDUJA

CHAIRMAN & MANAGING DIRECTOR

DIN: 01688850

Jaihind

PROJECTS LIMITED

JAIHIND PROJECTS LIMITED

3rd Floor, Venus Atlantis, Nr. Reliance Petrol Pump

Nr. Prahladnagar Garden, Anandnagar Road,

Vejalpur, Ahmedabad - 380015

Tel.: 079 - 40501300 Fax.: 079-40501310/11

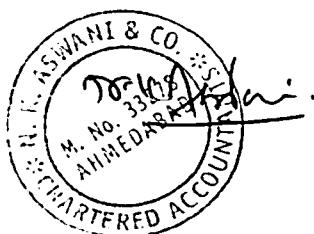
Email us on: cs@jpl.in

CIN: L45201GJ1985PLC008338

(Rs. In Lacs except per share data)

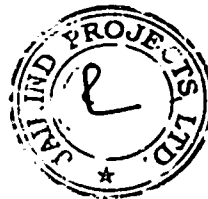
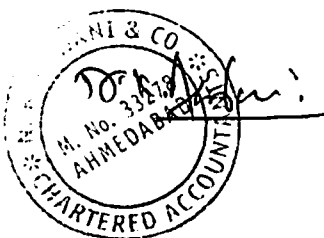
STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2017

Particulars	Standalone		Consolidated	
	As at March 31, 2017	As at March 31, 2016	March 31, 2017	As at March 31, 2016
I. EQUITY AND LIABILITIES				
(1) Shareholders' Funds				
(a) Share Capital	975.74	975.74	975.74	975.74
(b) Reserves and Surplus	1,074.77	148.96	(692.02)	(1,617.82)
(c) Money received against share warrants	-	-	-	-
(d) Minority Interest	-	-	(33.52)	(33.53)
(2) Non-Current Liabilities				
(a) Long-term borrowings	33,417.53	33,655.16	33,417.52	33,655.17
(b) Deferred tax liabilities (Net)	-	-	4.53	4.53
(c) Long-term provisions	14.47	15.94	14.47	15.94
(3) Current Liabilities				
(a) Short-term borrowings	22,993.64	24,389.11	23,975.93	25,363.98
(b) Trade payables	1,548.45	3,723.56	1,557.86	3,629.49
(c) Other current liabilities	1,117.33	2,402.14	1,179.71	2,553.97
(d) Short-term provisions	-	-	0.10	0.82
Total	61,141.93	65,310.63	60,400.31	64,548.29
II. ASSETS				
(1) Non-current assets				
(a) Fixed assets				
(i) Tangible assets	11,827.24	13,059.64	11,827.24	13,059.64
(ii) Intangible assets	-	0.69	-	0.69
(b) Non-current investments	812.52	809.87	-	-
(c) Long term loans and advances	2,003.70	2,611.17	2,003.70	2,611.17
(d) Other non-current assets	-	-	-	-
(2) Current assets				
(a) Current investments	5.00	5.00	5.00	5.00
(b) Inventories	156.77	156.76	218.16	218.16
(c) Trade receivables	39,522.61	40,887.09	39,629.58	40,924.44
(d) Cash and cash equivalents	1,382.68	1,431.14	1,415.00	1,435.70
(e) Short-term loans and advances	2,668.88	4,165.94	2,378.40	4,022.92
(f) Other current assets	2,762.53	2,183.33	2,923.23	2,270.58
Total	61,141.93	65,310.63	60,400.31	64,548.29



Note:-

- 1 The above financial results for the year have been reviewed by the Audit Committee and approved by the Board in their meeting held on 30.05.2017
 - 2 The above stated Net Sales/ Income from operation includes income from sale of solar power generated of ₹ 288.94 Lacs for the quarter and ₹1023.48 for the year ended on 31st March, 2017. Such income for the corresponding previous quarters ₹ 267.40 Lacs and previous year ended on 31st March, 2016 was ₹ 817.44 Lacs
 - 3 The Company had executed a Corporate Debt Restructuring agreement with its principal lenders for its FB and NFB exposures of Rs.705.43 Crores. The package has been implemented by all consortium lenders. The present status of the package, All lenders account is slip in Non Performing Assets. further all consortium lenders have decided to exit from CDR and same has been approved by CDR EG as communicated to the company on 04.06.2016
 - 4 The Loan amount of State Bank of India have been written back during the year, The principal amount of Rs.1702.21 lacs had transfer to Capital Reserve account.
 - 5 The Company was awarded project execution work of "Saline Water Conversion Corporation" (SWCC) at Kingdom of Saudi Arabia jointly with "Arabian Pipeline Projects Company" (APPCO). As per the terms of the contract the Company had provided bank guarantee to "Arabian Pipeline Projects Company" (APPCO) and "Arabian Pipeline Projects Company" (APPCO) provided collective bank guarantee to "Saline Water Conversion Corporation" (SWCC). The Company successfully executed the project for two and half year. However "Arabian Pipeline Projects Company" (APPCO) was failing to provide the site clearance as per agreed terms in time and as a result the Company was not able to execute its part of contract. The project was proceeding slowly for no fault of the Company, resulted into cash crunch at Kingdom of Saudi Arabia site due to less turnover against the resources deployed without improvising/ making good the deficiencies and draw back on the part of "Arabian Pipeline Projects Company" (APPCO), the Company was issued notices by "Arabian Pipeline Projects Company" (APPCO) for various alleged defaults. To resolved the differences an understanding was arrived at between the Company and "Arabian Pipeline Projects Company" (APPCO) for execution of balance work by "Arabian Pipeline Projects Company" (APPCO). However "Arabian Pipeline Projects Company" (APPCO) could not execute the project satisfactorily and the progress of the work became very slow. The "Arabian Pipeline Projects Company" (APPCO) instead of improving upon its function at Kingdom of Saudi Arabia site, invoked BG of ₹ 6,051.04 lacs given by the Company against the terms and condition of understanding. The Company believes that this invocation is in violation of the terms of the agreement entered into with the "Arabian Pipeline Projects Company" (APPCO), moreover "Saline Water Conversion Corporation" (SWCC) has not invoked BG. The Company has disputed the BG invocation by "Arabian Pipeline Projects Company" (APPCO) before Hon'ble Civil Court, Ahmedabad. The Civil Court has granted stay on payment of bank guarantee till the final disposal of the suit. The Company has also referred the matter for arbitration before "The London Court of International Arbitration" as provided in the terms of contract. Pending the legal proceedings in the above matter, the Company has not given effect to the bank guarantee invoked by the "Arabian Pipeline Projects Company" (APPCO).
- The loan taken for Solar Project from Axis Bank have been transfer to Non Performing Assets by lending Bank
- 6 during the year and unpaid interest has been reversed. The outstanding amount of loan as on 31.03.2017 ₹4254.22 Lakhs
 - 7 The Company has made investments in its subsidiaries aggregating to ₹ 660.00 lacs reported under "Non-Current Investments". Though there is erosion in the net worth, current year losses, legal cases by lenders and creditors against the said subsidiaries, based on the management's internal assessment regarding survival of the said subsidiaries, assessment regarding recovery of claims and dues from the customers, and legal opinion obtained by the management the diminution in value is temporary. Hence, the investments are valued at cost.



8

Trade receivable of ₹35354.28 lacs outstanding as at March 31, 2017 representing various claims raised in earlier years, based on the terms and conditions implicit in the contracts and receivables in respect of closed/suspended projects. These claims are mainly in respect of fixed extended stay charges, AHR items, refund of liquidity damage/PRS due to cost over-run, deviation in design and change in scope of work, equipment rental etc, for which the Company is at various stage of negotiation/discussion with clients or under arbitration. The Company has been legally advised that it has good case on merit in respect of these matters. Considering the contractual tenability, progress of negotiation/discussion with the clients, the management is confident of recovery of these receivables.

9 The Company operates in the single business segment as per Accounting Standard 17.

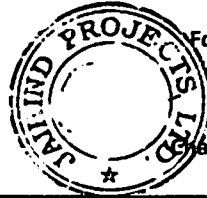
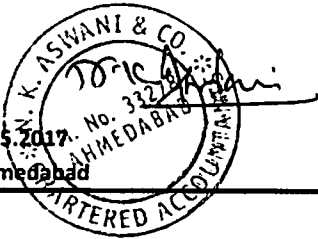
10 Previous year's figures have been regrouped and rearranged wherever necessary.

Pursuant to Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, the aforesaid

11 financial Result may be accessed on the Company's website at www.jpl.in and may also be accessed at the website of the Stock Exchanges where the shares of the Company are listed at www.bseindia.com & nseindia.com

Date : 30.05.2017

Place : Ahmedabad



For Jalhind Projects Limited

PRAKASH L. HINDUJA

Chairman & Managing Director

DIN: 01688850



N. K. Aswani & Co.

CHARTERED ACCOUNTANTS

701/A Block, Wall Street-2, Opp. Orient Club, Nr. Gujarat College Crossing, Ellisbridge, Ahmedabad-6. Ph.: 26402552 - 53

Auditor's Report on Consolidated year to date Results of the Company
Pursuant to the Regulation 33 of SEBI (Listing Obligation and Disclosure
Requirements) Regulations, 2015

To

The Board of Directors of

Jaihind Projects Limited

1. We have audited the accompanying Consolidated Financial Results of Jaihind Projects Limited (hereinafter referred to as "the Holding Company"), its subsidiary and its Joint venture (the Holding Company, its subsidiary and its Joint Venture together referred to as "the Group") for the year ended 31st March 2017, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of SEBI (listing Obligation and Disclosure Requirements) Regulation, 2015. This financial results, which is responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared on the basis of the related consolidated financial statements which are in accordance with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the financial results.
2. 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 financial results are free from material misstatement. An audit includes examining, on a test basis, evidence supporting amounts disclosed in the financial results. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the significant accounting estimates made by the Management, as well as evaluating the overall presentation of the financial results. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



3. We did not audit the financial statements / financial information of two subsidiaries and eleven step down subsidiaries, whose financial statements / financial information reflect total assets of Rs.265.79 lakhs as at 31st March, 2017 and total revenues of Rs.13.80 lakhs year ended on that date, as considered in the consolidated financial statements. These consolidated financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.
4. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors referred in paragraph 3 above, these financial results;
- I. includes the results of the following entities
- List of Subsidiaries & Joint Venture:
- Jaihind Infra Tech Projects Pvt. Ltd
JPL -KBR Joint venture
- II. Are presented in accordance with the requirement of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015; and
- III. Gives a true and fair View of the consolidated net loss and other financial information of the Group for the year ended 31st March 2017.

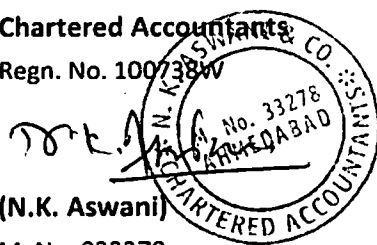
For, N.K. Aswani & Co.

Chartered Accountants

Regn. No. 1007384V

(N.K. Aswani)

M. No. 033278



Place: Ahmedabad

Dated: 30th May 2017



N. K. Aswani & Co.

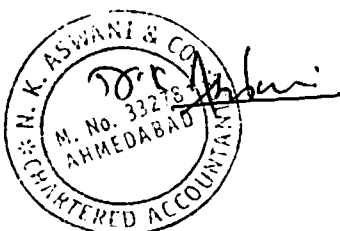
CHARTERED ACCOUNTANTS

701/A Block, Wall Street-2, Opp. Orient Club, Nr. Gujarat College Crossing, Ellisbridge, Ahmedabad-6. Ph.: 26402552 - 53

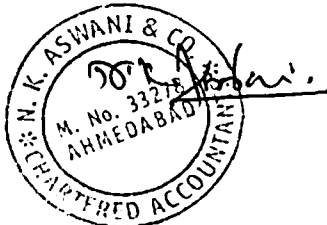
Auditor's Report on Quarterly Financial Results and year to date Results of the Company Pursuant to the Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

The Board of Directors of
Jaihind Projects Limited

1. We have audited the quarterly standalone Financial Results of Jaihind projects Limited ("the Company") for the quarter ended March 31, 2017 and standalone Financial Results for the year ended 31st March 2017, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The quarterly standalone financial results are the derived figures between audited figures in respect of the year ended March 31, 2017 and the published year to date figures up to the December 31, 2016 which were subject to limited review by us. The Standalone financial results for the quarter ended March 31, 2017 have been prepared on the basis of the standalone financial results for the nine-month period ended December 31, 2016, the audited annual standalone financial statements as at and for the year ended March 31, 2017 and the relevant requirements of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and 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 standalone financial results based on our review of the standalone financial result for the nine-months period ended December 31, 2016 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, specified under the Section 133 of the Companies Act 2013, read with relevant rules framed thereunder and other accounting principles generally accepted in India; our audit of the annual standalone financial statements as at and for the year ended March 31, 2017; and the relevant requirements of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.



2. 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 financial results are free from material misstatement(s). An audit includes examining, on a test basis, evidence supporting amounts disclosed in the financial results. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the significant accounting estimates made by the Management, as well as evaluating the overall presentation of the financial results. We believe that the audit evidences we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
3. In our opinion and to the best of our information and according to the explanations given to us these quarterly standalone financial results as well as the year to date results;
 - I. Are presented in accordance with the requirements of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015; and
 - II. Give a true and fair view of the net profit and other financial information of the Company for the quarter ended March 31, 2017 and the year ended March 31, 2017.
4. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2017 represents the derived figures between the audited figures in respect of the financial year ended March 31, 2017 and the published year-to-date figures up to December 31, 2016 being the date of the end of the third quarter of the current financial year, as required under Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
5. Attention is invited to the financial statements, regarding bank guarantee invoked by "Arabian Pipeline Projects Company" (APPCO) of ₹ 6,051.04 lacs. The Company has not made any provision in its financial statements in respect of bank guarantee invoked. The Company has filed the suit before Hon'ble City Civil Court, Ahmedabad against the invocation of bank guarantee and the Hon'ble Court has granted stay. The Company has also referred the dispute to "The London Court of International Arbitration" for arbitration. In view of the pending litigation and uncertainty of outcome of such pending litigation, we are unable to quantify and comment upon the liability that may devolve on the Company on account of such invoked bank guarantee. Our audit opinion on the financial statement for the year ended March 31, 2017 is qualified in respect of above matter.

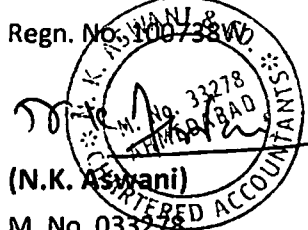


6. Attention is invited to the financial statements; The Company has made investments in its subsidiary aggregating to ₹ 660.0 lacs reported under "Non-Current Investments". There is erosion of net worth, current year losses, legal cases by lenders and creditors against the said subsidiaries, which may result into the permanent diminution in the value of investments. In spite of this, the Company has reported these investments at cost. This constitutes departure from Accounting Standard (AS)-13 "Accounting for Investment" issued by the ICAI, which requires ascertainment and provision for diminution, other than temporary, in the carrying amount of investment.
7. Attention is invited to the standalone financial statements regarding uncertainties relating to recoverability of trade receivable aggregating to ₹35354.28 lacs recognized in the earlier years in respect of project which are suspended or substantially closed and where the claims are currently under negotiations/arbitration/litigation. Pending the ultimate outcome of these matters, which is presently unascertainable, no adjustments have been made in the accompanying standalone financial statements. Our opinion is qualified in respect of this matter.

For, N.K. Aswani & Co.

Chartered Accountants

Regn. No. 100738W



(N.K. Aswani)

M. No. 033278

Place: Ahmedabad

Dated: 30th May 2017

Annexure I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone and Consolidated separately)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover / Total income	6404.15	6404.15
2	Total Expenditure	7180.55	7180.55
3	Net Profit/(Loss)	(776.41)	(776.41)
4	Earnings Per Share	(7.96)	(7.96)
5	Total Assets	61141.93	61141.93
6	Total Liabilities	59091.42	59091.42
7	Net Worth	2050.51	2050.51
8	Any other financial item(s) (as felt appropriate by the management)	-	-

Audit Qualification:

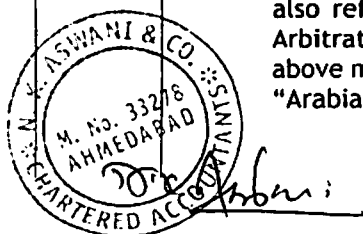
(a) Bank Guarantee invoked by the "Arabian Pipeline Projects Company"(APPCO)

(b) Type of Audit Qualification: Disclaimer of Opinion.

(c) Frequency of qualification: Repetitive.

(d) Audit Qualification where the impact is not quantified by the auditor:

The Company was awarded project execution work of "Saline Water Conversion Corporation" (SWCC) at Kingdom of Saudi Arabia jointly with "Arabian Pipeline Projects Company" (APPCO). As per the terms of the contract the Company had provided bank guarantee to "Arabian Pipeline Projects Company" (APPCO) and "Arabian Pipeline Projects Company" (APPCO) provided collective bank guarantee to "Saline Water Conversion Corporation" (SWCC). The Company successfully executed the project for two and half year. However "Arabian Pipeline Projects Company" (APPCO) was failing to provide the site clearance as per agreed terms in time and as a result the Company was not able to execute its part of contract. The project was proceeding slowly for no fault of the Company, resulted into cash crunch at Kingdom of Saudi Arabia site due to less turnover against the resources deployed without improvising/ making good the deficiencies and draw back on the part of "Arabian Pipeline Projects Company" (APPCO), the Company was issued notices by "Arabian Pipeline Projects Company" (APPCO) for various alleged defaults. To resolved the differences an understanding was arrived at between the Company and "Arabian Pipeline Projects Company" (APPCO) for execution of balance work by "Arabian Pipeline Projects Company" (APPCO). However "Arabian Pipeline Projects Company" (APPCO) could not execute the project satisfactorily and the progress of the work became very slow. The "Arabian Pipeline Projects Company" (APPCO) instead of improving upon its function at Kingdom of Saudi Arabia site, invoked BG of ` 6,051.04 lacs given by the Company against the terms and condition of understanding. The Company believes that this invocation is in violation of the terms of the agreement entered into with the "Arabian Pipeline Projects Company" (APPCO), moreover "Saline Water Conversion Corporation" (SWCC) has not invoked BG. The Company has disputed the BG invocation by "Arabian Pipeline Projects Company" (APPCO) before Hon'ble Civil Court, Ahmedabad. The Civil Court has granted stay on payment of bank guarantee till the final disposal of the suit. The Company has also referred the matter for arbitration before "The London Court of International Arbitration" as provided in the terms of contract. Pending the legal proceedings in the above matter, the Company has not given effect to the bank guarantee invoked by the "Arabian Pipeline Projects Company" (APPCO).



(a) Investments valued at cost.

(b) Type of Audit Qualification: Disclaimer of Opinion.

(c) Frequency of qualification: Repetitive.

(d) Audit Qualification where the impact is not quantified by the auditor:

The Company has made investments in its subsidiaries aggregating to ₹ 660.00 lacs reported under "Non-Current Investments". Though there is erosion in the net worth, current year losses, legal cases by lenders and creditors against the said subsidiaries, based on the management's internal assessment regarding survival of the said subsidiaries, assessment regarding recovery of claims and dues from the customers, and legal opinion obtained by the management the diminution in value is temporary. Hence, the investments are valued at cost.

(a) Claims in respect of Trade Receivables.

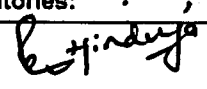
(b) Type of Audit Qualification: Disclaimer of Opinion.

(c) Frequency of qualification: Repetitive.

(d) Audit Qualification where the impact is not quantified by the auditor:

Trade receivable of ₹ 35354.2lacs outstanding as at March 31, 2016 representing various claims raised in earlier years, based on the terms and conditions implicit in the contracts and receivables in respect of closed/suspended projects. These claims are mainly in respect of fixed extended stay charges, AHR items, refund of liquidity damage/PRS due to cost over-run, deviation in design and change in scope of work, equipment rental etc, for which the Company is at various stage of negotiation/discussion with clients or under arbitration. The Company has been legally advised that it has good case on merit in respect of these matters. Considering the contractual tenability, progress of negotiation/discussion with the clients, the management is confident of recovery of these receivables.

Signatories:


CEO/Managing Director

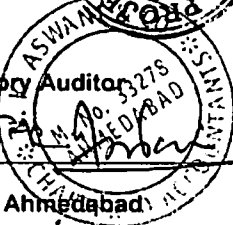
CFO


Audit Committee Chairman

Statutory Auditor

Place: Ahmedabad

Date: 30/05/2017



Annexure I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone and Consolidated separately)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
I	1	Turnover / Total income	6404.15	6404.15
	2	Total Expenditure	7180.55	7180.55
	3	Net Profit/(Loss)	(776.41)	(776.41)
	4	Earnings Per Share	(7.96)	(7.96)
	5	Total Assets	61141.93	61141.93
	6	Total Liabilities	59091.42	59091.42
	7	Net Worth	2050.51	2050.51
	8	Any other financial item(s) (as felt appropriate by the management)	-	-

