atcom technologies ltd

May 28, 2019

Listing Department
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001

Listing Department,
National Stock of Exchange of India Limited,
Exchange Plaza, Bandra-Kurla Complex,
Bandra (E), Mumbai - 400051

Sub: Statement of Qualification accompanying the financial results

Statement of Impact of audit Qulifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results (Standalone)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No.	Particulars	Audited Figures (in Rs. Lacs) (as reported before adjusting for qualifications)	Adjusted Figures (in Rs. Lacs) (audited figures after adjusting for qualifications)
	1	Turnover / Total income	2,354.19	2,354.19
	2	Total Expenditure	121.59	20,473.21
	3	Net Profit/(Loss)	2,232.60	(18,119.02)
	4	Earnings Per Share	14.55	(11.81)
	5	Total Assets	865.94	865.94
	6	Total Liabilities	10,541.68	30,893.30
	7	Net Worth	(9,675.74)	(30,027.36)
	8	Any other financial item(s) (as felt appropriate by the management)		

1)

Details of Audit Qualification	Interest not charged since the loans turned to NPA
Type of Audit Qualification	Qualified
Frequency of qualification:	Showing since Quarter 3 of 2018-19
For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views	NA
For Audit Qualification(s) where the impact is not quantified by the auditor	The company became an NPA in 2003-04. The only communication received by the lenders in this tenure has been accounted for in our books.The lenders are not accounting for this interest income in their books since 2004, and therefore the company has not reflected the notional interest expense in its books. The Company has also filed a lender's liability claim in DRT. The company has already resolved the claims of 5 bankers from the consortium and the resolution did not involve an interest amount. The company is currently in the process of resolving with the remaining bankers.This qualification will hold true only until the settlement is arrived at.
Management's estimation on the impact of audit qualification:	Management's estimation of the notional interest amount till date is Rs. 203.51 Crores.This calculation has been undertaken on a simple interest
If management is unable to estimate the impact, reasons for the same:	NA
Auditors'Comments on (i) or (ii) above	In the absence of any settlement shceme arrived at by the company with the lenders, company should have continued to provide interest in the books of accounts. Interest should have been computed & provided on a compounding basis as is the general practice of the banks

2)

Details of Audit Qualification	Erosion of Networth
Type of Audit Qualification	Qualified
Frequency of qualification:	Showing since Quarter 3 of 2018-19
For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views	NA
For Audit Qualification(s) where the impact is not quantified by the auditor	The Company ran into financial troubles in 2003-04. Since loans agreed upon were not disbursed by the consortium lenders within the requisite time, the project failed.The promoters have undertaken resolution discussions with the remaining lenders.The company has also undertaken the process of revoking its supension with the exchanges in the last year and has filed its restructuring scheme with NCLT. The management is confident of reviving and renewing the company after its restructuring exercise. It the management's view that the company is and will continue to remain a going concern.
Management's estimation on the impact of audit qualification:	Erosion of Networth to the extent of Rs. 96.5 Crore.
If management is unable to estimate the impact, reasons for the same:	NA
Auditors'Comments on (i) or (ii) above	Erosoin of networth casts significant doubts on the entities ability to continue as a going concern.

II. Signatories:

Vikram Doshi
Managing Director

Sanjay Nimbalkar
Chief Financial Officer

Mahendra Sanghvi
Audit Committee Chairman

For Jayesh Dadia & Associates LLP
Statutory Auditor

JAYESH DADIA & ASSOCIATES LLP CHARTERED ACCOUNTANTS MUMBAI

Place : Mumbai
Date : 28th May 2019

Statement of Impact of audit Qulifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results (Consolidated)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

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Statutory Auditor

JAYESH DADIA & ASSOCIATES LLP CHARTERED ACCOUNTANTS MUMBAI

Place: Mumbai
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