The Silent Performer

XL ENERGY LTD.

05th June, 2017

To The Vice President, Listing Department, National Stock Exchange of India Ltd. Plot No. C-1, G- Block, Bandra-Kurla Complex, Bandra(E), Mumbai -400051. NSE Symbol: XLENERGY	The General Manager, Listing Department, BSE Limited, Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001. Scrip Code: 532788.

Dear Sir,

SUB: Disclosure under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Board approved Audited financial results of the Company along with the Audit Report certified by the Statutory Auditors for the quarter and financial year ended 31st March, 2017 at the Board Meeting held on 05th June, 2017.

This is for your information and record. Kindly acknowledge receipt.

Thanking you,

Yours sincerely,

For XL Energy Limited

Bhargavi. M
Company Secretary.

XL ENERGY LIMITED

V N R ASSOCIATES
Chartered Accountants

Gr. floor, H.no. MIGH-358, APHB,
Balaji Nagar, Kukatpally,
Hyderabad – 500 072.
Cell: 9849577090; 7093292007
Email: vnrao _ca @ yahoo.com (and)
vnrao.ca@gmail.com

Dt.05.06.2017

Auditor's Report on Quarterly Financial Results and Year to Date Stand-alone Financial Results of M/s XL Energy Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements Regulations), 2015.

To
The Board of Directors of M/s XL Energy Limited

We have audited the quarterly financial results of XL Energy Limited ('the Company') for the quarter ended **31st March, 2017** and the year to date financial results for the period from **1st April, 2016 to 31st March, 2017** attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements Regulations), 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India.

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 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.

Adverse observation:
The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2.27 to the financial statements, the Company has suffered recurring losses from operations and has a net capital deficiency that raise substantial doubt about its ability to continue as a going concern and, therefore, it may be
unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements (and notes thereto) do not disclose this fact.
Management's plans in regard to continuing operations are mentioned.

We draw attention to the following matters in the Notes to the financial statements:
Various paras in part 2 of Notes to Accounts to the financial statements which describes the balances appearing under other long-term liabilities, short term borrowings, trade payables, other current liabilities, long term loans and advances, CWIP advances, trade receivables short term loans and advances and other current assets are subject to confirmation and / or reconciliation if any. At this point of time, the quantification of its effect on the balance sheet is not ascertained and quantified.
As reported in note 2.30, Management has informed us that settlement with Banks is in an advanced stage of completion. On completion of the same, the assets and liabilities including fixed assets as appearing in the books of account shall be reviewed and consequential effect on write off/ write back shall be done.

V N R ASSOCIATES ★ Hyderabad Firm Regn No. 0044785 ★ CHARTERED ACCOUNTANTS

V N R ASSOCIATES
Chartered Accountants

Gr. floor, H.no.MIGH-358, APHB,
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Various paras in part 2 of Notes to Accounts to the financial statements which describes the balances appearing under other long-term liabilities, short term borrowings, trade payables, other current liabilities, long term loans and advances, CWIP advances, trade receivables short term loans and advances and other current assets are subject to confirmation and / or reconciliation if any. At this point of time, the quantification of its effect on the balance sheet is not ascertained and quantified.
As reported in note 2.30, Management has informed us that settlement with Banks is in an advanced stage of completion. On completion of the same, the assets and liabilities including fixed assets as appearing in the books of account shall be reviewed and consequential effect on write off/ write back shall be done.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date financial results subject to adverse observation as above:

(i) Are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

(ii) give a true and fair view of the net loss and other financial information for the quarter ended **31st March, 2017** as well as the year to date financial results for the period from **1st April, 2016 to 31st March, 2017.**

For V N R ASSOCIATES
CHARTERED ACCOUNTANTS

V.N.RAO, F.C.A.
(M. No.18492) PROPRIETOR

V N R ASSOCIATES ★ CHARTERED ACCOUNTANTS ★
Hyderabad
Firm Regn.No.
004478S

CIN: L31300TG1985PLC005844

The Silent Performer

XL ENERGY LTD.

XL Energy Limited

Regd. Office:C-2, Pooja Plaza, Vikrampuri, Secunderabad - 500009

Statement of Audited Financial Results for the Quarter and Year Ended 31st March, 2017

Part I

₹ In Lakhs

S. No.	Particulars	Quarter Ended			Standalone		Consolidated	
		31/03/2017 Audited	31/12/2016 Unaudited	31/03/2016 Audited	31/03/2017 Audited	31/03/2016 Audited	31/03/2017 Audited	31/03/2016 Audited
1	**Income from Operations**							
	(a) Net Sales/Income from Operations (Net of Excise Duty)	78.96	4.37	31.97	106.31	31.97	146.47	286.13
	(b) Other operating income	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total Income from operations	78.96	4.37	31.97	106.31	31.97	146.47	286.13
2	**Expenses**							
	(a) Cost of materials consumed	111.72	0.00	17.20	111.72	17.20	111.72	17.20
	(b) Purchases of Stock - in - Trade	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	(c) Changes in inventories of finished goods, work in progress and stock in trade	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	(d) Employee Benefit Expense	5.94	4.99	12.40	19.38	17.04	19.38	17.04
	(e) Depreciation and amortisation expense	7.70	7.70	17.30	30.80	69.59	30.80	471.28
	(f) Other expenses (Any item exceeding 10% of the total expenses relating to continuing opeartions to be shown separately)	94.40	21.12	87.93	153.29	169.88	187.36	255.36
	Total Expenses	219.76	33.81	134.83	315.19	273.71	349.26	760.88
3	**Profit/(Loss) from Operations before Other Income, finance costs and Exceptional Items (1-2)**	-140.80	-29.44	-102.86	-208.88	-241.74	-202.79	-474.75
4	Other Income	5.20	0.00	7.32	7.97	7.60	7.97	8.10
5	**Profit/(Loss) from ordinary Activities before finance costs and Exceptional Items (3+4)**	-135.60	-29.44	-95.54	-200.91	-234.14	-194.82	-466.65
6	Finance Costs (Net)	0.06	0.00	0.66	1.80	4.70	2.69	6.83
7	**Profit/(Loss) from ordinary Activities after finance costs but before Exceptional Items (5-6)**	-135.66	-29.44	-96.20	-202.71	-238.84	-197.51	-473.48
8	Exceptional items	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	**Profit (+)/ Loss (-) from Ordinary Activities before tax (7+8)**	-135.66	-29.44	-96.20	-202.71	-238.84	-197.51	-473.48
10	Tax expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	**Net Profit (+)/ Loss (-) from Ordinary Activities after tax (9-10)**	-135.66	-29.44	-96.20	-202.71	-238.84	-197.51	-473.48
12	Extraordinary Items	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	**Net Profit(+)/ Loss(-) for the period (11-12)**	-135.66	-29.44	-96.20	-202.71	-238.84	-197.51	-473.48
14	Share of Profit/ Loss of Associates*	0.00	0.00	0.00	0.00	0.00	0.00	0.00
15	Minority Interest*	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16	**Net Profit/(Loss) after taxes, minority interest and share profit/ (Loss) of Associates (13+14+15)**	-135.66	-29.44	-96.20	-202.71	-238.84	-197.51	-473.48
17	(a) Paid up Equity Share Capital (Face Value: ₹.10/- each)	2277.44	2277.44	2277.44	2277.44	2277.44	2277.44	2277.44
	(b) Preference Shares (Face Value: ₹ 10/- each)	10378.04	10378.04	10378.04	10378.04	10378.04	10378.04	10378.04
18	Reserve excluding Revalution Reserves as per balance sheet of previous accounting year	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Earnings per Share (before Extraordinary items) (of ₹ 10/- each) (Not annualized)							
	(a) Basic	-0.60	-0.13	-0.42	-0.89	-1.05	-0.87	-2.08
	(b) Diluted	-0.60	-0.13	-0.42	-0.89	-1.05	-0.87	-2.08
	Earnings per Share (after Extraordinary items) of ₹. 10/- (not annualized)							
	Basic	-0.60	-0.13	-0.42	-0.89	-1.05	-0.87	-2.08
	Diluted	-0.60	-0.13	-0.42	-0.89	-1.05	-0.87	-2.08

XL ENERGY LIMITED

For XL Energy Limited

Dinesh Kumar
Managing Director

Place: Secunderabad
Date: 05.06.2017

V N R ASSOCIATES
Hyderabad
Firm Regn.No.: 004478S
CHARTERED ACCOUNTANTS

XL ENERGY LIMITED

C2, Pooja Plaza, Vikrampuri, Secunderabad - 500 009. INDIA.

Tel :+91-40-27883333 Fax :+91-40-27883344

E-mail: info@xlenergy.co Visit us at www.xlenergy.co

CIN: L31300TG1985PLC005844

XL Energy Limited

Regd. Office:C-2, Pooja Plaza, Vikrampuri, Secunderabad - 500009

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XL ENERGY LTD.

Statement of Assets and Liabilities as at 31st March, 2017

₹ In Lakhs

	Audited Statement of Assets and Liabilities	Standalone		Consolidated	
S. No.	Particulars	As at Year Ended 31/03/2017 Audited	As at Year Ended 31/03/2016 Audited	As at Year Ended 31/03/2017 Audited	As at Year Ended 31/03/2016 Audited
A	**EQUITY AND LIABILITIES**				
1	**Shareholders' funds**				
	(a) Share Capital	12,655.48	12,655.48	12,655.48	12,655.48
	(b) Reserves and Surplus	-11,580.47	-11,377.76	-8,731.28	-7,996.53
	(c) Money received against share warrants		-		
	Sub-total-Shareholders' funds	**1,075.01**	**1,277.72**	**3,924.20**	**4,658.95**
2	**Share application money pending allotment**				
3	**Minority Interest**				
4	**Non-Current Liabilities**				
	(a) Long-term borrowings	1,901.99	1,901.99	1,901.99	1,901.99
	(b) Deferred tax liabilities (net)		-		-
	(c) Other Long-term borrowings	3,209.50	3,212.00	3,209.50	3,212.00
	Sub-total-Non-Current Liabilities	**5,111.49**	**5,113.99**	**5,111.49**	**5,113.99**
5	**Current Liabilities**				
	(a) Short-term borrowings	88,332.62	88,691.62	88,332.62	88,691.62
	(b) Trade payables	646.81	679.54	646.81	679.54
	(c) Other Current Liabilities	206.18	298.26	206.18	298.26
	(d) Short-term provisions	25.42	39.01	268.21	360.99
	Sub-total-Current Liabilities	**89,211.03**	**89,708.43**	**89,453.82**	**90,030.41**
	TOTAL EQUITY AND LIABILITIES	**95,397.53**	**96,100.14**	**98,489.51**	**99,803.35**
B	**ASSETS**				
1	**Non-Current Assets**				
	(a) Fixed Assets	32,669.56	32,704.69	38,699.19	39,267.16
	(b) Goodwill on Consolidation		-		-
	(c) Non-current Investments	2,648.20	2,648.20	5.00	5.00
	(d) Deferred tax Assets (net)	16,976.68	16,976.68	16,972.79	17,024.47
	(e) Other Long-term Loans and advances	18,761.47	18,806.52	18,415.92	18,460.97
	(f) Other Non-current Assets	-	57.74	-	57.74
	Sub-total-Non-Current Assets	**71,055.91**	**71,193.83**	**74,092.90**	**74,815.34**
2	**Current Assets**				
	(a) Current Investments	-	-		-
	(b) Inventories	7,606.72	7,718.44	7,606.72	7,718.44
	(c) Trade Receivables	15,558.44	15,650.14	15,560.51	15,652.39
	(d) Cash and Cash equivalents	155.12	513.88	155.33	514.18
	(e) Short-term Loans and advances	806.09	805.86	806.09	827.64
	(f) Other current Assets	215.25	217.99	267.96	275.36
	Sub-total-Current Assets	**24,341.62**	**24,906.31**	**24,396.61**	**24,988.01**
	TOTAL ASSETS	**95,397.53**	**96,100.14**	**98,489.51**	**99,803.35**

For XL Energy Limited

Dinesh Kumar

Managing Director

Place: Secunderabad

Date: 05.06.2017

V N R ASSOCIATES ★ Hyderabad Firm Regn No. 004478S ★ CHARTERED ACCOUNTANTS

XL ENERGY LIMITED ★ SEC'BAD ★

XL ENERGY LIMITED

CIN: L31300TG1985PLC005844

The Silent Performer

XL ENERGY LTD.

Notes:

1	The above Audited financial results for the quarter and year ended 31st March, 2017, reviewed by the Audit Committee of the Board have been approved by the Board of Directors at their meeting held on 05th June, 2017.
2	The Statutory Auditors have expressed adverse observation in their report for the quarter and year ended 31st March, 2017 in respect of the following matters:
(a)	***Observation:*** ***The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2.27 to the financial statements, the Company has suffered recurring losses from operations and has a net capital deficiency that raise substantial doubt about its ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements (and notes thereto) do not disclose this fact. Management's plans in regard to continuing operations are mentioned.*** ***Management's Response:*** *During the financial year 2016-17, some of the Lender Bankers namely the SBI, SBH, SBM & IDBI, who are part of the secured creditors of the Company have assigned their secured debt in the Company in favour of Invent Assets Securitisation and Reconstruction Private Limited, an Asset Reconstruction Company (ARC). The ARC has since, initiated steps for the realization of the debt assigned to it by way of auction/sale of identified Secured Assets. Further, the company is working with an MNC for takeover of the Fabcity Project, which is a Photovoltaic Cell and Module Manufacturing Plant based at Fabcity, Hyderabad. This asset is a critical one required for the continuance of Solar power business and revival of the company. There is a lot of genuine interest shown by the investors to possess and develop solar power manufacturing facility within the country in view of the drive for Green energy and the fallout of the Global need for controlling global warming. Keeping in view the management's plans as discussed above the financial statements have been prepared on a Going Concern basis.*
(b)	***Observation:*** ***The Auditor emphasises that various paras in part 2 of Notes to Accounts to the financial statements which describes the balances appearing under other long-term liabilities, short term borrowings, trade payables, other current liabilities, long term loans and advances, CWIP advances, trade receivables short term loans and advances and other current assets are subject to confirmation and / or reconciliation if any. At this point of time, the quantification of its effect on the balance sheet is not ascertained and quantified.*** ***Management's Response:*** *Since some of the payables shown pertaining to outstandings to banks which are not reconciled, the accounts have become Non-performing Assets (NPA) and the banks have not provided account statements. Interest and charges on this accounts were not accounted since the banks have already filed Original Application (OA) with the Debt Recovery Tribunal (DRT). Since the Company is nearing settlement with banks, the management is of the view that there is no need of upward or downward adjustment of these figures without having the actual figures in hand. With regard to receivables and other long term payables, since the accounts were stagnant and long overdue, the Company was unable to procure confirmations from parties.*
3	Figures for the previous period/year have been regrouped and rearranged wherever necessary.

Place: Secunderabad
Date: 05.06.2017

V N R ASSOCIATES ★ Hyderabad Firm Reg. No. 004478S ★ CHARTERED ACCOUNTANTS

For XL Energy Limited

Dinesh Kumar
Managing Director

XL ENERGY LIMITED ★ SECBAD ★

XL ENERGY LIMITED

The Silent Performer

XL ENERGY LTD.

ANNEXURE I

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

(₹ in Lakhs)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017				
I	Sl. No.	**Particulars**	**Audited Figures (as reported before adjusting for qualifications)**	**Adjusted Figures (audited figures after adjusting for qualifications)**
	1.	Turnover / Total income	106.31	106.31
	2.	Total Expenditure	315.19	315.19
	3.	Net Profit/(Loss)	(202.71)	(202.71)
	4.	Earnings Per Share	(0.89)	(0.89)
	5.	Total Assets	95,397.53	Unable to quantify
	6.	Total Liabilities	94,322.52	Unable to quantify
	7.	Net Worth	1,075.01	Unable to quantify
	8.	Any other financial item(s) (as felt appropriate by the Management)	NIL	NIL
II	**Audit Qualification (each audit qualification separately):**			
	a. Details of Audit Qualification: (i) The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2.27 to the financial statements, the Company has suffered recurring losses from operations and has a net capital deficiency that raise substantial doubt about its ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements (and notes thereto) do not disclose this fact. Management's plans in regard to continuing operations are mentioned. (ii) An emphasis on Various paras in part 2 of Notes to Accounts to the financial statements which describes the balances appearing under other long-term liabilities, short term borrowings, trade payables, other current liabilities, long term loans and advances, CWIP advances, trade receivables short term loans and advances and other current assets are subject to confirmation and / or reconciliation if any. At this point of time, the quantification of its effect on the balance sheet is not ascertained and quantified.		
	b. **Type of Audit Qualification :** Adverse Observation			
	c. **Frequency of qualification:** Repetitive			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Applicable			
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:			
	(i) **Management's estimation on the impact of audit qualification: Unable to quantify.**			
	(ii) **If management is unable to estimate the impact, reasons for the same:** **Reason:** **(i)** During the financial year 2016-17, Some of the Lender Bankers namely the SBI, SBH, SBM & IDBI, who are part of the secured creditors of the Company have assigned their secured debt in the Company in favour of Invent Assets Securitisation and Reconstruction Private Limited, an Asset Reconstruction Company(ARC). The ARC has since, initiated steps for the realization of the debt assigned to it by way of auction/sale of identified Secured Assets. Since the assets are in the			

XL ENERGY LIMITED

V N R ASSOCIATES ★ Hyderabad Firm Regn.No. 004765S ★ CHARTERED ACCOUNTANTS

The Silent Performer
XL ENERGY LTD.

	Further, the company is working with an MNC for takeover of the Fabcity Project, which is a Photovoltaic Cell and Module Manufacturing Plant based at Fabcity, Hyderabad. This asset is a critical one required for the continuance of Solar power business and revival of the company. There is a lot of genuine interest shown by the investors to possess and develop solar power manufacturing facility within the country in view of the drive for Green energy and the fallout of the Global need for controlling global warming. Keeping in view of the management's plans as discussed above, the financial statements have been prepared on a going concern basis.	
	(ii) Some of the payables shown pertaining to outstandings to banks which are not reconciled since the accounts have become Non-performing Assets (NPA) and the banks have not provided account statements. Interest and charges on this accounts were not accounted since the banks have already filed Original Application (OA) with the Debt Recovery Tribunal (DRT). Since the Company is nearing settlement with banks, the management is of the view that there is no need of upward or downward adjustment of these figures without having the actual figures in hand. With regard to receivables and other long term payables, since the accounts were stagnant and long overdue, the Company was unable to procure confirmations from parties.	
	(iii) Auditors' Comments on (i) or (ii) above: NIL	
		For XL Energy Limited
III	**Signatories**	
	• **CEO/Managing Director**	Managing Director
	• **CFO**	
	• **Audit Committee Chairman**	
	• **Statutory Auditor**	V.N.P. ASSOCIATES Hyderabad Firm Regn.No. 004478S CHARTERED ACCOUNTANTS
	Place: Secunderabad	
	Date: 05.06.2017	

XL ENERGY LIMITED

V N R ASSOCIATES
Chartered Accountants

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Dt.05.06.2017

Auditor's Report on Quarterly Consolidated Financial Results and Year to Date Financial Results of M/s XL Energy Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To
The Board of Directors of M/s XL Energy Limited

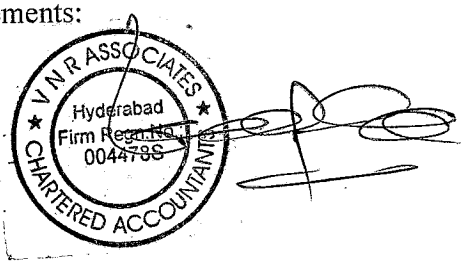
We have audited the quarterly consolidated financial results of XL Energy Limited ('the Company') for the quarter ended **31st March, 2017** and the consolidated year to date financial results for the period **1st April, 2016 to 31st March, 2017**, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated quarterly financial results as well as the consolidated year to date financial results have been prepared from consolidated interim financial statements, 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 consolidated interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS) 25, mandated, under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

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 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.

We did not audit the financial statement of subsidiaries included in the consolidated quarterly financial results and consolidated year to date results, whose consolidated interim financial results reflect total assets of Rs 6,080.73 Lakhs as at 31st March, 2017 and as the quarter ended 31st March, 2017; as well as the total revenue of Rs 40.16 Lakhs as at 31st March, 2017 and as the quarter ended 31st March, 2017. These interim financial statements are as prepared by the management and are not audited.

Adverse observation:
The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2.27 to the financial statements, the Company has suffered recurring losses from operations and has a net capital deficiency that raise substantial doubt about its ability to continue as a going concern and, therefore, it may be
unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements (and notes thereto) do not disclose this fact.
Management's plans in regard to continuing operations are mentioned.

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



V N R ASSOCIATES
Chartered Accountants

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In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date financial results subject to adverse observation as above:

(i) Are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

(ii) give a true and fair view of the net loss and other financial information for the quarter ended 31st March, 2017 as well as the year to date financial results for the period from 1st April, 2016 to 31st March, 2017.

For V N R ASSOCIATES
CHARTERED ACCOUNTANTS

V.N.RAO., F.C.A.,
(M. No.18492) PROPRIETOR

V N R ASSOCIATES
Hyderabad
Firm Regn.No.:
004478S
CHARTERED ACCOUNTANTS

The Silent Performer
XL ENERGY LTD.

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - *Consolidated* ***(₹ in Lakhs)***

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017				
I	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	146.47	146.47
	2.	Total Expenditure	349.26	349.26
	3.	Net Profit/(Loss)	(197.51)	(197.51)
	4.	Earnings Per Share	(0.87)	(0.87)
	5.	Total Assets	98,489.51	Unable to quantify
	6.	Total Liabilities	94,565.31	Unable to quantify
	7.	Net Worth	3,924.20	Unable to quantify
II	**Audit Qualification (each audit qualification separately):**			
	a. Details of Audit Qualification:			
	(i)	The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2.27 to the financial statements, the Company has suffered recurring losses from operations and has a net capital deficiency that raise substantial doubt about its ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements (and notes thereto) do not disclose this fact. Management's plans in regard to continuing operations are mentioned.		
	(ii)	An emphasis on Various paras in part 2 of Notes to Accounts to the financial statements which describes the balances appearing under other long-term liabilities, short term borrowings, trade payables, other current liabilities, long term loans and advances, CWIP advances, trade receivables short term loans and advances and other current assets are subject to confirmation and / or reconciliation if any. At this point of time, the quantification of its effect on the balance sheet is not ascertained and quantified.		
	b. Type of Audit Qualification : Adverse Observation			
	c. Frequency of qualification: Repetitive			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Applicable			
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:			
	(i) Management's estimation on the impact of audit qualification: Unable to quantify			
	(ii) If management is unable to estimate the impact, reasons for the same: **Reason:**			
	(i)	During the financial year 2016-17, Some of the Lender Bankers namely the SBI, SBH, SBM & IDBI, who are part of the secured creditors of the Company have assigned their secured debt in the Company in favour of Invent Assets Securitisation and Reconstruction Private Limited, an Asset Reconstruction Company. The ARC has since, initiated steps for the realization of the debt assigned to it by way of auction/sale of identified Secured Assets.		

XL ENERGY LIMITED

XL ENERGY LIMITED SECUNDERABAD

V N RAO & ASSOCIATES Hyderabad Firm Regn No. 004478S CHARTERED ACCOUNTANTS

The Silent Performer

XL ENERGY LTD.

	Reason: **(i)** During the financial year 2016-17, Some of the Lender Bankers namely the SBI, SBH, SBM & IDBI, who are part of the secured creditors of the Company have assigned their secured debt in the Company in favour of Invent Assets Securitisation and Reconstruction Private Limited, an Asset Reconstruction Company(ARC). The ARC has since, initiated steps for the realization of the debt assigned to it by way of auction/sale of identified Secured Assets. Since the assets are in the possession of ARC and the entire process of obtaining quotations from potential buyers and finalising the sale value is being performed by the ARC, the realisation of such values cannot be ascertained by the management. Hence, the management is unable to estimate the net value of the assets and liabilities. **(ii)** Some of the payables shown pertaining to outstandings to banks which are not reconciled since the accounts have become Non-performing Assets (NPA) and the banks have not provided account statements. Interest and charges on this accounts were not accounted since the banks have already filed Original Application (OA) with the Debt Recovery Tribunal (DRT). Since the Company is nearing settlement with banks, the management is of the view that there is no need of upward or downward adjustment of these figures without having the actual figures in hand. With regard to receivables and other long term payables, since the accounts were stagnant and long overdue, the Company was unable to procure confirmations from parties.
	(iii) **Auditors' Comments on (i) or (ii) above: NIL**
	For XL Energy Limited
III	**Signatories**
	• **CEO/Managing Director** — Managing Director
	• **CFO**
	• **Audit Committee Chairman** — K.D.R
	• **Statutory Auditor** — V N R ASSOCIATES, Hyderabad, Firm Regn. No. 004478S, CHARTERED ACCOUNTANTS
	Place: Secunderabad
	Date: 05.06.2017

XL ENERGY LIMITED