

Ref: -GVHL/AFR/0318/NSE/2017-18

Date: -29th May, 2018

To,
The Assistant General Manager,
Listing Department,
The National Stock Exchange of India Limited,
Exchange Plaza,
Bandra Kurla Complex, Bandra (East),
Mumbai - 400 051

Hangar No. C-He/Hf,
Airports Authority of India,
Civil Aerodrome, Juhu,
Mumbai - 400 056. INDIA
Tel. : +91-22-6140 9200 / 201
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Email: globalhelicorp@gvhl.net
www.globalhelicorp.com
Corporate Identification No. (CIN):
L62200DL1998PLC093225

Kind Attention: - The Assistant General Manager,

Designated Fax No.: - 26598237/38-26598347/48

Dear Sir,

**Sub: - Audited Financial Results for the quarter and year ended 31st March, 2018
approved by the Board of Directors on 29th May, 2018.**

Pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith:

- Audited Financial Results of the Company for the quarter and year ended 31st March, 2018;
- Extracts of above results and
- Independent Auditors Report.
- Statement on Impact of Audit Qualifications (for audit report with modified opinion) – Annexure -I

The meeting commenced at 11.00 a.m. and concluded at 4.45 p.m.

You are requested to take the same for your information and record.

Thanking You,

Yours Faithfully,

For Global Vectra Helicorp Limited



Raakesh Soni
Company Secretary

Encl: - as above



ISO 9001:2008

ISO 14001:2004



OHSAS 18001:2007

CERTIFIED FIRM

GLOBAL VECTRA HELICORP LIMITED

Corporate Office : Hangar No. C-He/Hf, Airports Authority of India, Civil Aerodrome, Juhu, Mumbai 400 056.

Registered Office : A - 54, Kailash Colony, New Delhi 110 048.

CIN L62200DL1998PLC093225

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH 2018

(Rs in Lakhs)

Sr. No.	Particulars	3 months ended 31 March 2018 (Audited)	3 months ended 31 December 2017 (Unaudited)	3 months ended 31 March 2017 (Audited)	Current Year ended 31 March 2018 (Audited)	Previous Year ended 31 March 2017 (Audited)
I	Revenue from operations	10,484.67	10,046.35	9,827.93	40,434.22	37,583.78
II	Other income	45.55	25.98	542.15	289.16	1,174.27
III	Total Revenue	10,530.22	10,072.33	10,370.08	40,723.38	38,758.05
IV	Expenditure					
	(a) Helicopter maintenance	1,871.85	1,653.90	1,156.99	6,723.64	5,687.34
	(b) Helicopter lease rentals	3,430.20	2,841.81	2,748.28	11,771.73	10,618.87
	(c) Employee benefits expense	2,189.61	2,121.49	1,875.49	8,328.68	7,513.69
	(d) Finance costs	431.49	587.13	578.81	2,095.33	2,278.24
	(e) Depreciation	950.15	953.11	969.33	3,776.27	3,832.19
	(f) Other expenses (refer note 6)	2,611.44	1,628.54	1,494.84	8,120.39	6,400.20
	Total expenditure	11,484.74	9,785.98	8,823.74	40,816.04	36,330.53
V	Profit /(Loss) before tax	(954.52)	286.35	1,546.34	(92.66)	2,427.52
VI	Tax expense					
	(1) Current tax	(278.93)	92.77	381.17	-	741.49
	(2) (Excess)/Short Tax provision for earlier years	(1,151.10)	-	-	(1,151.10)	
	(3) Deferred tax	1,029.76	260.62	49.23	1,230.13	95.21
VII	(Loss) / profit for the period	(554.25)	(67.04)	1,115.94	(171.69)	1,590.82
VIII	Other comprehensive income					
	Items that will not be reclassified to profit or loss	22.37	(5.09)	11.44	7.12	(20.33)
	Income tax relating to items that will not be reclassified to profit or loss	(7.75)	1.76	(3.95)	(2.47)	7.04
	Items that will be reclassified to profit or loss	56.17	(788.93)	(1,176.33)	(682.94)	(1,833.44)
	Income tax relating to items that will be reclassified to profit or loss	(19.44)	273.04	407.11	236.35	634.52
IX	Total comprehensive income	(502.90)	(586.26)	354.21	(613.63)	378.61
X	Paid up equity share capital	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00
XI	Earnings Per Share (face value of Rs 10/- each) (not annualised):					
	(1) Basic	(3.96)	(0.48)	7.97	(1.23)	11.36
	(2) Diluted	(2.60)	(0.48)	7.97	(0.81)	11.36



STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2018

Notes:

- 1 The above results which are published in accordance with Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements), 2015, have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 29, 2018. The financial results are in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013. The current quarter and year ended March 31, 2018, results have been subjected to an audit by the Statutory Auditors of the Company.
- 2 The format for unaudited quarterly/annual results as prescribed in Securities Exchange Board of India (SEBI) Circular CIR/CFD/CMD/15/2015 dated November 30, 2015, has been modified to comply with the requirements of SEBI's circular dated July 5, 2016, Ind AS and Schedule III (Division II) to the Companies Act, 2013, which are applicable to Companies that are required to comply with Ind AS.
- 3 The Company adopted Indian Accounting Standards (Ind AS) from April 1, 2017 and accordingly these financial results have been prepared in accordance with Indian Accounting Standards (Ind-As), the provisions of the Companies Act, 2013, as applicable and guidelines issued by SEBI. Consequently, the results for the quarter and year ended March 31, 2017 have been restated to comply with Ind-As to make them comparable. The impact of transition to Ind AS has been accounted for in the opening Reserves.
- 4 A customer of the Company has been retaining amounts aggregating Rs 252.37 lakhs (Service Tax liability Rs.238.52/- Lakhs upto June 30, 2017 and GST liability Rs. 13.85 Lakhs from July 2017 onwards) in respect of service tax/GST levied by the Company on reimbursement of expenses. The Company is currently in discussion with this customer for recovering the retained amounts and Management believes that they have a strong case to collect the outstanding amounts and accordingly no provision has been made thereon. The Audit report has been modified in this respect.
- 5 During the year ended 31 March 2009, the Office of the Commissioner of Customs (Preventive) had seized three helicopters for alleged non-compliance of the duty waivers given to non-scheduled operators (passenger). The Company had received a Show Cause Cum Demand Notice (SCN) citing an amount of Rs 2,379.24 lakhs (previous year: Rs 2,379.24 lakhs) towards custom duty under Section 28 of the Customs Act, 1962 and applicable interest and penalty thereon. Pursuant to the receipt of the said SCN, the Commissioner of Customs (Preventive) had confirmed a demand of Rs 2,621.95 lakhs (previous year: Rs 2,621.95 lakhs) towards differential duty of customs and penalty thereon for two helicopters. The Management believes that the Company is in compliance with the relevant customs and other regulatory guidelines in this respect, based on a decision in the previous year from Custom Excise and Service Tax Appellate Tribunal (CESTAT) West Zonal Bench, in favour of the Company on a similar matter and on an opinion from an external legal expert and the demand being contested by the Company will be set aside by the higher appellate tribunal. An amount aggregating Rs 538.26 lakhs (previous year: Rs 538.26 lakhs) has been paid as duty under protest during the year ended 31 March 2010.
- 6 The charges for licence fees on land levied by the Airports Authority of India (AAI) have been revised with effect from October 2014. The total amount claimed by AAI up to March 31, 2018, aggregates to Rs 2,349.83 lakhs (Rs. 311.79 lakhs and Rs 779.97 lakhs for the quarter and year ended March 31, 2018 respectively) against which the Company has paid under protest an amount aggregating to Rs 1,174.10 lakhs up to March 31, 2018. The Company believes that these demands are not reasonable and has consequently requested for arbitration and conciliation and has provided for differential revised charges to the extent of Rs 1,175.73 lakhs based on Management's estimate subject to outcome of arbitration proceedings. During the quarter ended December 31, 2017, the Company received an interim order whereby, amongst other matters, the Company has been directed to deposit with AAI 50% of the amount claimed pending final settlement of the dispute.



Notes:

- 7 Reconciliation of net profit as reported under previous Generally Accepted Accounting principles ('Previous GAAP') and as per Ind AS is given as follows



Particulars	(Rs in Lakhs)	
	Quarter ended 31 March 2017	Year ended 31 March 2017
	(Audited) refer note 3	(Audited) refer note 3
Profit as per Previous GAAP	1,238.06	2,218.70
a. Unwinding of interest on debt component of redeemable preference shares	(210.11)	(801.59)
b. Increase in depreciation on fair valuation of Property, plant and equipment	(102.07)	(408.30)
c. Gain/(Loss) on Embedded derivative contract	151.12	53.31
d. Actuarial loss on defined benefit plans reclassified to other comprehensive income	(11.44)	20.33
e. Prior period items adjustment	-	335.43
f. Other adjustments	(1.09)	(10.68)
g. Deferred tax on above adjustments	51.47	183.62
Profit after Tax as per Ind AS	1,115.94	1,590.82
h. Items that will not be reclassified to profit or loss	7.49	(13.29)
i. Items that will be reclassified to profit or loss	(769.22)	(1,198.92)
Net profit for the period as per Ind AS	354.21	378.61

- 8 Reconciliation of net profit as reported under previous Generally Accepted Accounting principles ('Previous GAAP') and as per Ind AS is given as follows

Particulars	As at 31.03.2017	As at 01.04.2016
Equity reported under IGAAP	10,997.11	8,778.40
Debt component of redeemable preference shares and impact of unwinding of interest thereon	(6,281.45)	(5,873.51)
Discounting of security deposits and impact of unwinding of discounting on security deposit and amortization of advance rentals	(19.47)	(10.38)
Fair valuation of property, plant and equipment as deemed cost and depreciation thereon	4,498.98	4,907.28
Gain/(Loss) on Embedded derivative contract	(2,416.77)	(636.64)
Impact due to straight lining of lease rentals	(12.09)	(13.84)
Adjustment of transaction cost using effective interest rate method	(3.32)	-
Prior period items adjustment	-	(335.43)
Deferred taxes	(1,334.75)	(2,159.91)
Equity reported under Ind AS	5,428.24	4,655.98

- 9 On the date of transition to Ind AS, the Company has elected to measure certain Helicopters at its fair value and use that fair value as its deemed cost at the date of transition to Ind AS. Accordingly, the Company has recognized fair value changes of INR 4,907 lakhs as on April 01, 2016 and also recognised deferred tax liability of INR 1,698 lakhs. On account of aforesaid adjustments, the Company has charged additional depreciation of INR 408 lakhs and has reversed deferred tax liability of INR 141 lakhs, during the year 2016-17.



Notes:	
10	<p>In March 2018, Management entered into a contract for sale of one of its Aircraft including all communications equipment, accessories, instruments and other items of equipment installed in such Aircraft. The Aircraft has been delivered to the purchaser at the delivery location subsequent to the balance sheet date.</p> <p>Helicopter classified as held for sale during the reporting period was measured at the lower of its carrying amount and fair value less costs to sell at the time of the reclassification, resulting in the recognition of a writedown of Rs. 266.21 Lakhs as other expenses in the statement of profit or loss.</p>
11	<p>Company has proposed to alter the term of their existing preference shares to 659,34,900 Optionally Convertible Cumulative Redeemable Preference Shares of Rs. 10/- with an option to convert the same into 73,26,100 Equity Shares of Rs. 10/- each issued at a premium of Rs. 80/- per shares.</p> <p>Accordingly, on 26 December 2017 Company has filed an application with National Company Law Tribunal (NCLT) to change the terms and conditions of their existing redeemable preference shares. On 07 May 2018, NCLT has issued a notice to relevant authorities whether they have any objection to the petition filed by the Company. As on 31 March 2018, pending final approval from NCLT the entire instrument has been classified as equity in nature.</p>
12	<p>The Figures for the quarters ended 31st March 2018 and 31st March 2017 are the balancing figures between the audited figures and in respect of the full financial years and the published year to date figures upto the third quarter of the respective financials years.</p>
13	<p>The Company is engaged in providing helicopter services in India, which is considered as one reportable segment. There are no separate reportable segments as per Ind AS 108 Operating Segments.</p>
14	<p>Figures for the previous period have been re-grouped / reclassified wherever necessary.</p>
<p style="text-align: right;"><i>for</i> Global Vectra Helicorp Limited</p> <div style="display: flex; justify-content: space-between; align-items: center;"> <div> <p>Place:- Mumbai Date:- May 29, 2018</p> </div> <div style="text-align: center;">  Lt. Gen. (Retd.) SJS Saighal Chairman </div> <div style="text-align: center;">  </div> </div>	



Global Vectra Helicorp Ltd

Balance Sheet as at 31st March 2018

(All amounts are in lakhs, except share data and as stated)

Particulars	Ind AS	
	As at 31 March 2018	As at 31 March 2017
I ASSETS		
1 Non current Assets		
(a) Property, plant and equipment	42,051.76	46,260.43
(b) Other Intangible assets	7.96	12.25
i. Loans	850.51	471.67
ii. Other financial assets	2,575.67	2,575.26
(c) Income tax asset	1,631.26	541.94
(d) Other non current assets	2,909.78	2,148.08
Total non current assets	50,026.94	52,009.63
2 Current Assets		
(a) Inventories	1,984.32	1,690.91
(b) Financial Assets		
i. Trade Receivables	2,868.85	2,970.23
ii. Cash and cash equivalents	684.11	304.39
iii. Bank Balances other than (ii) above	352.01	195.25
iv. Loans	400.52	1,163.96
v. Other financial assets	2,670.82	2,246.30
(c) Other current assets	3,093.34	1,116.04
Assets classified as held for sale	682.96	-
Total current assets	12,736.93	9,687.08
TOTAL ASSETS	62,763.87	61,696.71
II EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital	1,400.00	1,400.00
(b) Instruments entirely equity in nature	6,593.49	-
(c) Other equity	3,735.14	4,028.24
Total Equity	11,728.63	5,428.24
2 Liabilities		
Non-Current Liabilities		
(a) Financial liabilities		
i. Borrowings	13,025.17	16,330.87
ii. Derivatives	2,426.52	1,783.68
(b) Provisions	551.08	398.66
(c) Deferred tax liabilities (net)	4,866.02	3,869.78
Total non current liabilities	20,868.79	22,382.99
Current liabilities		
(a) Financial liabilities		
i. Borrowings	1,230.12	1,049.42
ii. Trade Payables	17,865.94	13,373.76
iii. Derivatives	1,072.16	633.08
iv. Other financial liabilities	3,863.45	10,218.73
(b) Other current liabilities	5,133.00	7,255.27
(c) Provisions	1,001.79	1,013.49
(d) Current tax liability (net)	-	341.73
Total current liabilities	30,166.46	33,885.48
Total Liabilities	51,035.25	56,268.47
TOTAL EQUITY & LIABILITIES	62,763.87	61,696.71
Significant accounting policies		
The accompanying notes are an integral part of these Financial Statements		



GLOBAL VECTRA HELICORP LIMITED

Corporate Office : Hangar No. C-He/Hf, Airports Authority of India, Civil Aerodrome, Juhu, Mumbai 400 056.

Registered Office : A - 54, Kailash Colony, New Delhi 110 048.

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2018						
(Rs in lakhs)						
	Particulars	3 months ended 31 March 2018	3 months ended 31 Dec 2017	3 months ended 31 March 2017	Current Year ended 31 March 2018	Previous Year ended 31 March 2017
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Total income from operations	10,484.67	10,046.35	9,827.93	40,434.22	37,583.78
2	Net Profit for the period (before tax, exceptional and prior period items)	(954.52)	286.35	1,546.34	(92.66)	2,427.52
3	Net Profit for the period before tax (after exceptional and prior period items)	(954.52)	286.35	1,546.34	(92.66)	2,427.52
4	Net Profit for the period after tax (after exceptional and prior period items)	(554.25)	(67.04)	1,115.94	(171.69)	1,590.82
5	Total Comprehensive Income for the period [Comprising Profit for the period (after tax) and Other Comprehensive Income (after tax)]	(502.90)	(586.26)	354.21	(613.63)	378.61
6	Equity Share Capital	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00
7	Earnings Per Share (of Rs 10/- each) (for continuing operations)					
	Basic :	(3.96)	(0.48)	7.97	(1.23)	11.36
	Diluted:	(2.60)	(0.48)	7.97	(0.81)	11.36

Notes:

- The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the Securities And Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Financial Results are available on the Bombay Stock Exchange website <http://www.bseindia.com> and National Stock Exchange website <http://www.nseindia.com> and the company website <http://www.globalhelicorp.com>
- During the year ended 31 March 2009, the Office of the Commissioner of Customs (Preventive) had seized three helicopters for alleged non-compliance of the duty waivers given to non-scheduled operators (passenger). The Company had received a Show Cause Cum Demand Notice (SCN) citing an amount of Rs 2,379.24 lakhs (previous year: Rs 2,379.24 lakhs) towards custom duty under Section 28 of the Customs Act, 1962 and applicable interest and penalty thereon. Pursuant to the receipt of the said SCN, the Commissioner of Customs (Preventive) had confirmed a demand of Rs 2,621.95 lakhs (previous year: Rs 2,621.95 lakhs) towards differential duty of customs and penalty thereon for two helicopters. The Management believes that the Company is in compliance with the relevant customs and other regulatory guidelines in this respect, based on a decision in the previous year from Custom Excise and Service Tax Appellate Tribunal (CESTAT) West Zonal Bench, in favour of the Company on a similar matter and on an opinion from an external legal expert and the demand being contested by the Company will be set aside by the higher appellate tribunal. An amount aggregating Rs 538.26 lakhs (previous year: Rs 538.26 lakhs) has been paid as duty under protest during the year ended 31 March 2010.
- The charges for licence fees on land levied by the Airports Authority of India (AAI) have been revised with effect from October 2014. The total amount claimed by AAI up to March 31, 2018, aggregates to Rs 2,349.83 lakhs (Rs. 311.79 lakhs and Rs 779.97 lakhs for the quarter and year ended March 31, 2018 respectively) against which the Company has paid under protest an amount aggregating to Rs 1,174.10 lakhs up to March 31, 2018. The Company believes that these demands are not reasonable and has consequently requested for arbitration and conciliation and has provided for differential revised charges to the extent of Rs 1,175.73 lakhs based on Management's estimate subject to outcome of arbitration proceedings. During the quarter ended December 31, 2017, the Company received an interim order whereby, amongst other matters, the Company has been directed to deposit with AAI 50% of the amount claimed pending final settlement of the dispute.
- A customer of the Company has been retaining amounts aggregating Rs 252.37 lakhs (Service Tax liability Rs.238.52/- Lakhs upto June 30, 2017 and GST liability Rs. 13.85 Lakhs from July 2017 onwards) in respect of service tax/GST levied by the Company on reimbursement of expenses. The Company is currently in discussion with this customer for recovering the retained amounts and Management believes that they have a strong case to collect the outstanding amounts and accordingly no provision has been made thereon. The Audit report has been modified in this respect.

for Global Vectra Helicorp Limited


 Lt. Gen. (Retd.) SJS Saighal
 Chairman



Place:- Mumbai
 Date:- May 29, 2018

KALYANIWALLA & MISTRY LLP

CHARTERED ACCOUNTANTS

Independent Auditor's Report on Quarterly and Annual Financial Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

TO THE BOARD OF DIRECTORS OF GLOBAL VECTRA HELICORP LIMITED

1. We have audited the accompanying statement of Ind-AS Financial Results of GLOBAL VECTRA HELICORP LIMITED ("the Company") for the quarter and the year ended March 31, 2018, together with the notes thereon ("the Statement") 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, (initialed by us for identification). These quarterly and annual Ind AS Financial Results have been prepared on the basis of Ind AS Financial Statements, which are the responsibility of the Company's Management and have been approved by the Board of Directors of the Company at its meeting held on May 29, 2018. Our responsibility is to express an opinion on these Ind-AS Financial Results based on our audit of such Ind AS Financial Statements, which have been prepared in accordance with the Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder and other accounting principles generally accepted in India. Attention is drawn to the fact that the figures for the quarter ended March 31, as reported in these results are the balancing figures between audited figures in respect of the financial years ended March 31, and the published year to date figures up to the end of the third quarter of the relevant financial years. The figures for the quarter and year ended March 31, 2017 of the previous year have been subjected to an audit by the predecessor auditor who has expressed a modified opinion on the previously published 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 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.
3. Basis for Qualified Opinion:
As detailed in Note no. 4 to the abovementioned Statement, a customer has disputed service tax levied by the Company on reimbursement of expenses aggregating to Rs. 252.37 Lakhs (service tax liability Rs. 238.52 Lakhs upto June 30, 2017 and GST liability Rs. 13.85 Lakhs from July 2017 onwards). No provision has been made by the Company in respect of such outstanding as required by the accounting policies of the Company. However, Management believes that the Company has a strong case to collect the outstanding amounts. In the absence of a balance confirmation or other evidence, we are unable to comment on the recoverability of these amounts. Had the Company made the provision, the loss for the year would have been higher by Rs. 252.37 Lakhs and Trade Receivables as at that date would have been lower by Rs. 252.37 Lakhs.



LLP IN : AAH - 3437

REGISTERED OFFICE : ESPLANADE HOUSE, 29, HAZARIMAL SOMANI MARG, FORT, MUMBAI 400 001
TEL.: (91) (22) 6158 6200, 6158 7200 FAX: (91) (22) 6158 6275

4. **Qualified Opinion:**
In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the basis for Qualified Opinion in paragraph 3 above, these quarterly and annual financial results:
- (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 (financial performance including other comprehensive income) and other financial information for the quarter as well as the year ended March 31, 2018.
5. **Emphasis of Matters:**
- a. We draw attention to Note no. 5 to the abovementioned Statement, in respect of the order received from the Office of the Commissioner of Customs (Preventive) confirming the demand for differential duty of customs along with penalty aggregating to Rs. 2,621.95 lakhs. No provision has been made by the Company for the same nor the interest due thereon as at March 31, 2018, as the Management believes, based on a decision in the previous year from Customs Excise and Service Tax Appellate Tribunal (CEST AT), West Zonal Bench, in favour of the Company on a similar matter and an opinion from an external legal expert, that the demand will be set aside by a higher appellate authority.
 - b. As detailed in Note no. 6 to the abovementioned Statement, the charges for license fees on land levied by the Airports Authority of India (AAI) have been revised with effect from October 2014. The total amount claimed by AAI up to March 31, 2018, aggregates to Rs. 2,349.83 lakhs against which the Company has paid under protest an amount aggregating to Rs. 1,174.10 lakhs up to March 31, 2018. The Company believes that these demands are not reasonable and has consequently requested for arbitration and conciliation and has provided for differential revised charges to the extent of Rs. 1,175.73 lakhs based on Management's estimate subject to outcome of arbitration proceedings.

Our opinion is not modified in respect of these matters.

**For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS**

Firm Reg. No.: 104607W / W100166


Dardius Z. Fraser
PARTNER

M. No.: 42454

Mumbai: May 29, 2018.

ANNEXURE I

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

(Rs. in lakhs)

Statement on Impact of Audit Qualifications for the Financial Year ended 31 March 2018				
I.	Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	40,723.38	40,723.38
	2.	Total Expenditure	40,816.04	41,068.41
	3.	Net Profit	(92.66)	(345.03)
	4.	Earnings Per Share	(1.23)	(3.03)
	5.	Total Assets	62,763.87	62,511.50
	6.	Total Liabilities	62,763.87	62,511.50
	7.	Net Worth	11,728.63	11,476.26
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	Audit Qualification (each audit qualification separately):			
	a.	Details of Audit Qualification:	A customer has disputed service tax levied by the Company on reimbursement of expenses aggregating to Rs. 252.37 Lakhs (service tax liability Rs. 238.52 Lakhs upto June 30, 2017 and GST liability Rs. 13.85 Lakhs from July 2017 onwards). No provision has been made by the Company in respect of such outstanding as required by the accounting policies of the Company. However, Management believes that the Company has a strong case to collect the outstanding amounts. In the absence of a balance confirmation or other evidence, we are unable to comment on the recoverability of these amounts. Had the Company made the provision, the loss for the year would have been higher by Rs. 252.37 Lakhs and Trade Receivables as at that date would have been lower by Rs. 252.37 Lakhs.	
	b.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified opinion	
	c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	Since 31 March 2017	
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	A customer has disputed service tax levied by the Company on reimbursement of expenses aggregating to Rs. 252.37 Lakhs (service tax liability Rs. 238.52 Lakhs upto June 30, 2017 and GST liability Rs. 13.85 Lakhs from July 2017 onwards). No provision has been made by the Company in respect of such outstanding as required by the accounting policies of the Company. However, Management believes that the Company has a strong case to collect the outstanding amounts. In the absence of a balance confirmation or other evidence, we are unable to comment on the recoverability of these amounts. Had the Company made the provision, the loss for the year would have been higher by Rs. 252.37 Lakhs and Trade Receivables as at that date would have been lower by Rs. 252.37 Lakhs.	
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:		Not applicable
		(i) Management's estimation on the impact of audit qualification:		
		(ii) If management is unable to estimate the impact, reasons for the same:		
		(iii) Auditors' Comments on (i) or (ii) above:		
III	Signatories:			
	Chief Executive Officer		Anthony James Baker	
	Chief Financial Officer		Ashvin Bhatt	
	Audit Committee Chairman		Gautam Sen	
	Statutory Auditor		Daralus Z. Fraser, Partner Kalyaniwalla & Mistry LLP Chartered Accountants	
	Place: Mumbai			
	Date: 29 May 2018			

