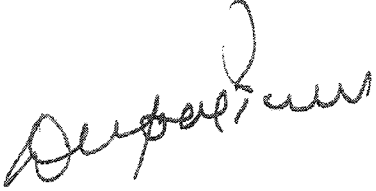
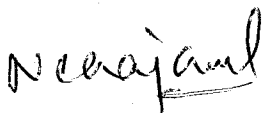


Moser Baer India Limited
43-B, Okhla Industrial Estate Phase III, New Delhi 110020

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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2016 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) Rs. In lakhs	Adjusted Figures (audited figures after adjusting for qualifications) Rs. In lakhs
	1	Turnover / Total Income	93,524	93,524
	2	Total Expenditure	191,025	191,025
	3	Net Profit / (Loss)	(97,501)	(97,501)
	4	Earnings Per Share	(44.49)	(44.49)
	5	Total Assets	235,094	235,094
	6	Total Liabilities	608,664	608,664
	7	Net Worth	(373,570)	(373,570)
	8	Any other financial item(s) (As felt appropriate by the management)	-	-
II	Audit qualification (each audit qualification separately)			
	a. Details of Audit Qualification The report of Statutory Auditors contains the following qualifications on the consolidated financial statement: (a) As explained in note 49(a) to the consolidated financial statements, the Group's short term borrowings and other current liabilities include balances payable to various lender banks amounting to Rs. 106,982 lakhs in respect of one of the subsidiary company whose account has been exited from Corporate Debt Restructuring (CDR) in the current period. As a result the accounting for these balances should be as per the original agreements entered with such lenders banks. However, in absence of relevant details and information with respect to calculation of interest and loan liability, we are unable to comment upon the impact of such exit on the carrying value of aforesaid short term borrowings, other current liabilities and interest expense for the financial period ended March 31, 2016 and the consequential impact on the accompanying consolidated financial statements.			

	(b) As explained in note 49(b) to the consolidated financial statements, the Group has fixed assets aggregating to Rs. 24,075 lakhs in respect of one of subsidiary company. However, in the absence of sufficient appropriate audit evidence, we are unable to comment on the carrying value of these assets and the consequential impact on the accompanying consolidated financial statements.
	b. Type of Audit Qualification : Qualified Opinion
	c. Frequency of Qualification : (a) has appeared in the current period ended 31 March 2016 (b) has appeared in the current period ended 31 March 2016.
	d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views: 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 estimate.
	(ii) If management is unable to estimate the impact, reasons for the same: a) In absence of relevant details and information with respect to calculation of interest and loan liability, management is unable to comment upon the impact of such exit on the carrying value of aforesaid short term borrowings, other current liabilities and interest expense for the financial period ended 31 March 2016 and the consequential impact on the accompanying consolidated financial results. b) Subsidiary company has submitted the revival plan to the banks and their response are awaited. Pending finalization of the revival plan, no further impairment in the carrying value of the fixed assets is made. Carrying value of fixed assets of Subsidiary company as at 31 March 2016 is Rs. 24,075 lacs.
	(iii) Auditors' Comments on (i) or (ii) above: Since management could not ascertain the consequential impact, the auditors have given qualification in their consolidated auditors' report.

III	Signatories
	CEO / Managing Director 
	CFO 
	Audit Committee Chairman 
	Statutory Auditor For Walker ChandioK & CO. LLP Chartered Accountants FRN. 001076N/NS00013 Neeraj Goel - Partner Membership No. 099514. 
	Place: New Delhi
	Date: 22 th July, 2016