



**NATIONAL STOCK EXCHANGE  
OF INDIA LIMITED**

Ref No: NSE/LIST/1583

**NIFTY 50**

October 30, 2014 *Stock of the nation*

The Company Secretary  
Allsec Technologies Limited  
46 B, Velachery Main Road, Velachery,  
Chennai - 600042

**Kind Attn: - Mr. A Mohan Kumar**

Dear Sir,

**Sub: - Manner of Dealing with the Qualified Audit Reports filed by the Listed Companies.**

This has reference to SEBI Circular No. CIR/CFD/DIL/7/2012 dated August 13, 2012 read with the SEBI's Clarificatory Circular CIR/CFD/DIL/9/2013 dated June 05, 2013 on the captioned subject matter.

SEBI has informed the Exchange that based on the deliberations at QARC, the cases (Annexure I) were referred to FRRB for its opinion on the qualifications. Subsequently, SEBI is in receipt of opinion of FRRB in these cases.

SEBI has directed the Exchange to advise the company, with regards to rectification in terms of Clause 5 (d) (iii), the qualifications raised by the Statutory Auditor of the Company shall be suitably rectified, and the same qualification shall not appear in the Audit Report for the next reporting period.

You are advised to ensure compliance of the said SEBI directives and report status of compliance to the Exchange.

Yours faithfully,  
For National Stock Exchange of India Limited

**Avinash Kharkar**  
**Asst. Vice President**

CC to: The Statutory Auditor  
S.R. Batliboi & Associates LLP, Chartered Accountants  
6th & 7th Floor, "A" Block, Tidel Park, (Module 601, 701, and 702),  
No.4, Rajiv Gandhi Salai, Taramani,  
Chennai - 600113



Name of the Company	Qualification	Opinion of FRRB	Action to be taken
Allsec Technologies Limited	The financial statements as at March 31, 2013 include investments of Rs. 1,020 lakhs (March 31, 2012: Rs. 1,020 lakhs) in its wholly owned subsidiary Allsectech Manila Inc., Philippines and advances towards investment in preference share capital of Rs.1,443 lakhs (March 31, 2012: Rs.1,225 lakhs) from such subsidiary. The subsidiary's accumulated losses have fully eroded its net worth as at March 31, 2013. The recovery of the value of such investment in the subsidiary is dependent upon the ability of the subsidiary to establish successful operations in the future and achieve sustained profitability. In view of the operational and financial position of the subsidiary as noted above, we are unable to comment on the adjustments, if any, that may be required to be made to the carrying value of such investments and advances. Our audit opinion on the financial statements for the year ended March 31, 2012 was also qualified in respect of the above matter.	Qualification is justified. Further, FRRB suggested that the qualification may be dealt in accordance with para 5(d)(iii) of the circular instead of 5(d)(ii)	Rectification in terms of Clause 5(d)(iii) of the SEBI Circular
	The financial statements as at March 31, 2013 include investments of Rs. 595 lakhs in its wholly owned subsidiary Allsectech Inc., USA and receivable balance (net) of Rs.595 lakhs from such subsidiary. The subsidiary's accumulated losses have fully eroded its net worth as at March 31, 2013. The recovery of the value of such investment in the subsidiary is dependent upon the ability of the subsidiary to establish successful operations in the future and achieve sustained profitability. In view of the operational and financial position of the subsidiary as noted above, we are unable to comment on the adjustments, if any, that may be required to be made to the carrying value of such investments and receivables.		