

Annexure I

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

(Rupees in Lakhs)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2018 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)*
	1.	Turnover / Total income	1,68,53.24	1,68,53.24
	2.	Total Expenditure	1,76,24.25	1,78,37.43
	3.	Net Profit/(Loss)	(7,87.65)	(10,00.83)
	4.	Earnings Per Share (In Rupees)	(4.70)	(5.97)
	5.	Total Assets	7,95,09.79	7,92,96.61
	6.	Total Liabilities	2,12,61.74	2,12,61.74
	7.	Net Worth	5,82,48.05	5,80,34.87
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
* Impact of qualifications has been ascertained in respect of qualification no. II (a). However, the impacts of audit qualifications could not be ascertained in respect of qualifications no. II (b), II (c) and II (d) for the reasons stated therein.				
II.	Audit Qualification (each audit qualification separately):			
(a)	a. Details of Audit Qualification: The Auditors conveyed their inability to assess the recoverability of advance recoverable amounting to Rs.2,13.18 lakhs which is outstanding for a long period of time, payment for which are not forthcoming.			
	b. Type of Audit Qualification : Qualified Opinion			
	c. Frequency of qualification : Appearing from March 31, 2017			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: The Company had paid Rs.2,13.18 lakhs as an advance to a vendor for paying excise duty under protest. As per the arrangement, once the vendor receives the excise duty refund, it will pass on same to the Company. As the contract will qualify under the benefits of deemed Export.			
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: -N.A.			
	(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:			
II.	Audit Qualification (each audit qualification separately):			
(b)	a. Details of Audit Qualification: The Auditors conveyed their inability to assess the recoverability of trade receivable and accrued income aggregating to Rs.8,91.65 Lakhs (net) receivable from a entity which has been declared sick and in respect of which a Scheme of rehabilitation is under implementation.			
	b. Type of Audit Qualification : Qualified Opinion			
	c. Frequency of qualification : Appearing from March 31, 2017			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Impact is not quantified by the auditor.			



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	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor: -</p> <p>i) Management's estimation on the impact of audit qualification: The Management is in discussions with the Management of the entity for the settlement of its dues and is expected to conclude on the same shortly.</p> <p>(ii) If management is unable to estimate the impact, reasons for the same: N.A</p> <p>(iii) Auditors' Comments on (i) or (ii) above: In the absence of the sufficient appropriate audit evidence as to its recoverability, we are unable to comment on the possible impact, if any, in financial statements of the Company.</p>
II. (c)	Audit Qualification (each audit qualification separately):
	<p>a. Details of Audit Qualification: The Auditors conveyed their inability to the recoverability of trade receivable of Rs 25,20.40 Lakhs due from the charter hirer.</p>
	b. Type of Audit Qualification : Qualified Opinion
	c. Frequency of qualification : Appeared first time March 31, 2018
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Impact is not quantified by the auditor.
	<p>e. For Audit Qualification where impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification: The Management is in discussions with the Charter Hirer for the recovery of the dues.</p> <p>(ii) If management is unable to estimate the impact, reasons for the same: N.A</p> <p>(iii) Auditors' Comments on (i) or (ii) above: In the absence of the sufficient appropriate audit evidence as to its recoverability, we are unable to comment on the possible impact, if any, in financial statements of the Company.</p>
II. (d)	Audit Qualification (each audit qualification separately):
	<p>a. Details of Audit Qualification: The Auditors of subsidiary company reported their inability to assess the recoverability of trade and other receivables amounting to Rs 2,23,52.73 lakhs.</p>
	b. Type of Audit Qualification : Qualified Opinion
	c. Frequency of qualification : Appearing from March 31, 2017
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	<p>e. For Audit Qualification where impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification:</p> <ul style="list-style-type: none"> • Rs.7,33.39 lakhs from a customer : A winding up petition was filed against the customer before the Mumbai High Court. Subsequently a consent term was filed before the Mumbai High Court with an agreement to pay in instalments. • Rs.2,10,21.49 lakhs from a customer : The Company has commenced legal action including arbitration against the customer and co-charter before LMAA, London and Court in Mexico. • Rs.4,26.82 lakhs from a customer : A winding up petition was filed against the customer before the Mumbai High Court. Subsequently a consent term was filed before the Mumbai High Court with an agreement to pay in instalments.



	<ul style="list-style-type: none"> Rs. 1,71.03 lakhs from a customer : Arbitration has commenced against the customer to recover the outstanding dues. <p>(ii) If management is unable to estimate the impact, reasons for the same: N.A</p> <p>(iii) Auditors' Comments on (i) or (ii) above: In the absence of the sufficient appropriate audit evidence as to its recoverability, we are unable to comment on the possible impact, if any, in financial statements of the Company.</p>
III.	Signatories:
	<p>For Dolphin Offshore Enterprises (India) Limited</p> <p> Satpal Singh Managing Director & CEO</p>
	<p>For Dolphin Offshore Enterprises (India) Limited</p> <p> Navpreet Singh Joint Managing Director & CFO</p>
	<p>For Dolphin Offshore Enterprises (India) Limited</p> <p> Kiran Valdyia Chairman of Audit Committee</p>
	<p>For For SHARP & TANNAN Chartered Accountants ICAI Firm Registration No. 109982W</p> <p> Edwin P. Augustine Partner Membership No. 043385 Statutory Auditor</p> <p>Place: Mumbai</p> <p>Date: May 28, 2018</p>
	

