
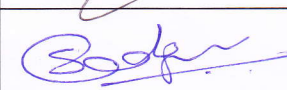
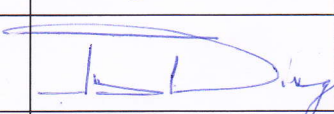



**ANNEXURE I**  
**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted**  
**along-with Annual Audited Financial Results - Standalone**

**Statement on Impact of Audit Qualifications for the financial year March 31, 2017**

|   | SL NO   | Particulars  | Audited Figures(as reported before adjusting for qualifications)   | Adjusted Figures(audited figures after adjusting for qualifications)                  |
|---|---|--|--|---|
|   |   |  | (Rs. In Lakhs)   | (Rs. In Lakhs)  |
| I.  | 1   | Turnover / Total income  | 341.31   | 341.31  |
|   | 2   | Total Expenditure  | 602.67   | 602.67  |
|   | 3   | Net Profit/(Loss)  | (261.36)   | (261.36)  |
|   | 4   | Earnings Per Share   | (8.70)   | (8.70)  |
|   | 5   | Total Assets   | 638.04   | 638.04  |
|   | 6   | Total Liabilities  | 2,107.02   | 2,107.02  |
|   | 7   | Net Worth  | (1,468.98)   | (1,468.98)  |
|   | 8   | Any other financial item(s) (as felt appropriate by the management)                                    | Nil  | Nil   |
| <b>Audit Qualification (each audit qualification separately):</b> |   |  |  |   |
| II  | <b>a. Details of Audit Qualification:</b>   |  | Attention of members are invited to foot note no 3 of the financial results wherein we have relied on the representations of the management that the amount due from a customer of Rs. 14.58 lakhs is good of recovery. Pending completion of legal proceedings and in view of uncertainties involved we are unable to form any opinion on the matter and consequential effects on the financial results are not ascertainable |   |
|   | <b>b. Type of Audit Qualification :</b>   |  | Qualified Opinion  |   |
|   | <b>c. Frequency of qualification:</b>   |  | Repetitive   |   |
|   | <b>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> |  | Not Applicable   |   |
|   | <b>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</b>                 |  |  |   |
|   |   | <b>(i) Management's estimation on the impact of audit qualification:</b>                               | The Management believes no provision is required. However the matter being subjudice any provision required will be known only on receipt of court orders.   |   |
|   |   | <b>(ii) If management is unable to estimate the impact, reasons for the same:</b>                      | Same as above  |   |
|   |   | <b>(iii) Auditors' Comments on (i) or (ii) above:</b>  | Same as point (a)  |   |
| III   | <b>Signatories:</b>   |  |  |   |
|   |   | <b>Managing Director:</b>  | Vikram R Sirur   |   |
|   |   | <b>CFO:</b>  | S G Gadagkar   |  |
|   |   | <b>Audit Committee Chairman:</b>   | Jitendra B. Divgi  |  |
|   | <b>Statutory Auditor:</b>   | Vasuki H S<br>M No: 212013<br>B K Ramadhyani & Co LLP<br>Chartered Accountants<br>FRN: 002878S/S200021 |   |   |
| Place : Hubli   |   |  |  |   |
| Date : May 29, 2017   |   |  |  |   |



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