



GOL OFFSHORE LIMITED
(formerly known as **GREAT OFFSHORE LIMITED**)
(CIN No. L11200MH2005PLC154793)

GOL OFFSHORE LIMITED			
Regd. Office.: Energy House, 81, Dr. D. N. Road, Mumbai - 400 001.			
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2016			
			(Rs. In Lakhs)
		Standalone	
		Quarter Ended on 30-June-16 (Unaudited)	Quarter Ended on 30-June-15 (Unaudited)
1	Income from operations	13,014	35,744
2	Profit/(Loss) on sale of vessels	-	138
3	Other operating income	-	-
4	Total Income (1+2+3)	13,014	35,882
5	Expenditure		
	(a) Changes in inventories of spares & stores	74	370
	(b) Employee benefit expenses	3,846	4,945
	(c) Repairs & Maintenance fleet & rigs	459	1,046
	(d) Engineering project expenses	3,898	14,768
	(e) Depreciation, amortisation and impairment	3,009	3,639
	(f) Other expenses	8,019	8,687
	(g) Total	19,103	33,443
6	Profit / (Loss) before Other Income, Finance costs and Exceptional Items (4-5)	(6,089)	2,439
7	Other Income	2,627	2,445
8	Profit / (Loss) before Finance costs and Exceptional Items (6+7)	(3,462)	4,884
9	Finance costs	4,983	5,257
10	Profit/(Loss) after Finance costs but before Exceptional Items (8-9)	(8,445)	(373)
11	Exceptional Items	-	-
12	Profit/(Loss) from Ordinary Activities before Tax (10-11)	(8,445)	(373)
13	Tax Expenses		
	Current (net of reversal)	(12)	164
	Deferred	(143)	(245)
	Prior year taxes	-	-
14	Profit/(Loss) from Ordinary Activities after Tax (12-13)	(8,290)	(292)
15	Extraordinary Items	-	-
16	Net Profit / (Loss) for the period (14-15)	(8,290)	(292)
17	Other Comprehensive income (net of Tax)	-	-
18	Total Comprehensive Income (after tax) for the period (16+17)	(8,290)	(292)
19	Paid up equity share capital (face value Rs. 10 per share)	3,724	3,724
20 (A)	Earning Per Share (EPS) before Extraordinary items (not annualised)		
	Basic & Diluted (Rs.)	(22.26)	(0.78)
20 (B)	Earning Per Share (EPS) after Extraordinary items (not annualised)		
	Basic and Diluted (Rs.)	(22.26)	(0.78)
NOTES:			
1 The above financial results for the quarter ended June 30, 2016 and corresponding previous quarter has been prepared in accordance with the companies (Indian Accounting Standards) Rules, 2015 (Ind AS) , recognition and measurement principles laid down in Ind AS - 34 on Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other relevant accounting principles accepted in India. Results have been reviewed by the Audit Committee and were thereafter approved by the Board of Directors at their respective meetings held on September 2, 2016. The financial results for quarter ended June 30, 2016 have been subjected to limited review by auditors.			
The management has exercised necessary due diligence to ensure that the financial results for the quarter ended June 30, 2015 provide a true and fair view of the financial results in accordance with Ind-AS which has not been subjected to limited review by auditors.			
		(Rs.in Lakhs)	
Net Profit / (Loss) reconciliation		Quarter ended June 30, 2015	
Net Profit / (Loss) after tax reported under previous Indian GAAP		(523)	
<u>Adjustment on account of</u>			
	Effect of Provision on Interest Income & Commission Income	(1,755)	
	Effect of Discontinue of Hedge as per Ind AS 109	1,774	
	Effect of Interest recognition as per Ind AS 109	148	
	Effect of Recognition of commission on guarantee as per Ind AS 109	64	
Net Profit / (Loss) after tax as per Ind AS		(292)	
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- 2 The Auditors' report on financial statements for the year ended March 31, 2016 contains an observation in respect of one subsidiary, on which management wants to explain as below :-

As on June 30, 2016, the company has investment in the equity / redeemable preference shares of its wholly owned subsidiary company M/s KEI - RSOS Maritime Limited amounting to Rs. 21,374 lakhs, receivables of Rs.4,809 lakhs and also a loan outstanding amounting to Rs. 1,879 lakhs. The company has also issued a corporate guarantee to Indian Bank amounting to Rs. 14,168 lakhs against which outstanding facilities as on June 30, 2016 amounts to Rs. 2,908 lakhs. The management is confident of turning around the company and has obtained new contracts and is expected to improve utilization of its own vessels with optimisation of expenses to earn cash profits in the future. The management believes that the said investment being strategic and long term in nature with a long term outlook, no provision is considered necessary for depletion, if any, in value of investment, receivables, loans and advances given by the company.

- 3 In respect of investment in other subsidiaries and dues from them, certain provisions were made as at March 31, 2016. The additional impairment if any of these investments in other subsidiaries have not been assessed for the quarter, but the management is confident that no material amount of provision will be required to be made in this regard.

- 4 In respect of Loans, invoked Corporate guarantees and dues including instances where recovery through sale of assets/ winding up proceedings have been initiated, the Company is making all efforts for early settlement by taking various steps including: i) more aggressive employment of its vessels & resources, ii) disposal of some assets, iii) settlement of significant current dues and restoration of initial repayment terms and iv) alternate funding arrangements. Some of its arrear dues could not be settled during the quarter in spite of these efforts. The proposal to invoke strategic debt restructuring (SDR) scheme of the RBI for conversion of part of the debt into equity initiated with reference date as January 27, 2016 have been accepted by majority of the lenders and have been given effect on August 23, 2016. As per the scheme, the lenders can convert upto Rs. 46,424 lakhs of debt into equity. A sum of Rs. 17,957 lakhs have been converted as on August 23, 2016 at a premium of Rs. 33.81 per share resulting in the aggregate shareholding of the lenders becoming 52.39% of the post issue share capital of the company. This will reduce the debt burden on the company and consequent interest liability for the future.

The company was not able to earn operating profit during this quarter. However it is carrying on its business in the normal course even under difficult market conditions and hopes to improve its performance towards end of this financial year. Hence these accounts have been prepared on going concern assumption which is considered appropriate.

- 5 The Company had adopted principles set out in AS-30 Financial Instruments: Recognition and Measurement issued by ICAI in respect of Hedge Reserve Policy. Accordingly, the unrealised exchange gain/ loss on revaluation of its foreign currency borrowings and derivative instruments not yet due considered as the hedge instruments were recognized in the hedge reserve account.

Consequent to adoption of Ind AS such hedge reserve have been adjusted to Retained earnings as contemplated in Ind AS 109 read with Ind AS 101.

- 6 The Company is mainly engaged in offshore business and there is no separate reportable segment as per Ind AS 108.
7 Previous period figures have been regrouped/ recast, wherever necessary to conform to current period classification.

For GOL Offshore Limited

Vijay Kumar
Vice Chairman

Mumbai
2nd September, 2016

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LIMITED REVIEW REPORT

To
The Board of Directors,
GOL Offshore Limited,
Energy House, 81, D.N Road,
Mumbai – 400 001, Maharashtra

- 1) We have reviewed the standalone unaudited financial results of **M/s. GOL Offshore Limited** for the quarter and three months ended June 30, 2016, attached herewith, being submitted by the company pursuant to the requirements 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. Attention is drawn to the fact that the figures for the corresponding quarter ended June 30, 2015 as reported in these financial results have been approved by company's Board of Directors but have not been subjected to our review. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors of GOL Offshore Limited. Our responsibility is to issue a report on these financial results based on our review.
- 2) We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatements.
- 3) *The Audit report on the Financial Statements of the Company for the year ended March 31, 2016 contains a qualification in respect of investments made by the Company in equity/redeemable preference shares, loans, advances and receivables aggregating to INR 28,062 Lakhs in its wholly owned subsidiary KEI-RSOS Maritime Limited (INR 29,297 Lacs as at March 31, 2016). The Company has also issued corporate guarantee to a Bank amounting to INR 14,168 Lacs (INR 14,168 Lacs as at March 31, 2016) against which borrowing from bank outstanding on June 30, 2016 is INR 2,908 Lacs (INR 3,329 Lacs as at March 31, 2016). As per the latest available audited financial statements of wholly owned subsidiary as at March 31, 2016, its net worth has fully eroded and the cash flows are under stress as some of their assets are not earning and no impairment test has been carried out for making provision, if any required. There are disputed debtors and claims against that company which are subject matter of arbitration proceedings for which no provision is made in the accounts of that company. The company has not made any provision for the diminution in the value of investments, loans and receivables and is continuing to recognize income from services rendered to them. Had the provision been made, the net loss for the period would become higher at INR 36,352 Lacs and shareholder's funds would have reduced by INR 28,062 Lacs.*
- 4) Subject to the matter referred to in paragraph 3 above and based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results, prepared in accordance with the applicable Indian Accounting Standards prescribed under Section 133 of the companies Act, 2013 read with relevant rules issued thereunder and other recognized



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Chartered Accountants

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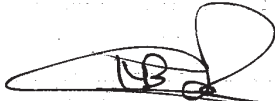
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accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

- 5) Without qualifying our review report we reiterate our emphasis of matter contained in our report dated May 30, 2016 on the financial statements of the company for the year ended March 31, 2016 as under:

We draw attention to Note: 4 of the financial results regarding going concern assumption In spite of the continuing default in repayment of recalled loans and corporate guarantees invoked/ recovery and winding up proceedings initiated (including by sale of assets by court supervised auction) for reasons stated therein including issue of shares pursuant to SDR scheme subsequent to the end of the quarter. The current liabilities were in excess of current assets by INR 99,014 Lacs as at March 31, 2016. The appropriateness of going concern assumption, classification of borrowings/assets given as security is dependent on the actions proposed to be taken by management as detailed in the said note.

For VARMA & VARMA
Chartered Accountants
FRN 004532S



CHERIAN K BABY
Partner
M No.16043



For MOTILAL & ASSOCIATES
Chartered Accountants
FRN 106584W

MOTILAL JAIN
Partner
M No. 036811

Place: Mumbai
Date: 2nd September, 2016