



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.

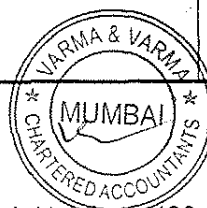
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016

(INR in Lakhs)

Standalone				Particulars	Standalone	
Quarter Ended on Dec-31,2016	Quarter Ended on Sep-30, 2016	Quarter Ended on Dec-31, 2015			Nine months ended Dec-31, 2016	Nine months ended Dec-31, 2015
(Unaudited)	(Unaudited)	(Unaudited)			(Unaudited)	(Unaudited)
6,829	6,019	18,355	1	Income from operations	25,862	77,302
438	32	-	2	Profit/(Loss) on sale of vessels	470	138
-	-	-	3	Other operating income	-	-
7,267	6,051	18,355	4	Total Income (1+2+3)	26,332	77,440
			5	Expenditure		
566	8	173		(a) Changes in inventories of spares & stores	648	108
2,344	2,735	4,396		(b) Employee benefit expenses	8,925	14,303
625	392	2,131		(c) Repairs & Maintenance fleet & rigs	1,476	4,062
3,282	969	1,763		(d) Engineering project expenses	7,947	22,583
2,826	3,011	3,354		(e) Depreciation, amortisation and impairment	8,846	10,672
6,488	5,663	4,448		(f) Other expenses	20,167	17,454
16,131	12,778	16,265	5	(g) Total	48,009	69,182
(8,864)	(6,727)	2,090	6	Profit / (Loss) before Other Income, Finance costs and Exceptional Items (4-5)	(21,677)	8,258
3,462	4,342	3,269	7	Other Income	10,431	5,532
(5,402)	(2,385)	5,359	8	Profit / (Loss) before Finance costs and Exceptional Items (6+7)	(11,246)	13,790
3,802	3,063	5,967	9	Finance costs	11,848	17,761
(9,204)	(5,448)	(608)	10	Profit/(Loss) after Finance costs but before Exceptional Items (8-9)	(23,094)	(3,971)
-	18,600	(802)	11	Exceptional Items (Refer Note No. 1 (b))	18,600	(802)
(9,204)	(24,048)	194	12	Profit/(Loss) from Ordinary Activities before Tax (10-11)	(41,694)	(3,169)
			13	Tax Expenses		
2	31	32		Current (net of reversal)	21	249
(219)	(132)	(232)		Deferred	(494)	(666)
-	-	-		Prior year taxes	-	-
(8,987)	(23,947)	394	14	Profit/(Loss) from Ordinary Activities after Tax (12-13)	(41,221)	(2,752)
-	-	-	15	Extraordinary Items	-	-
(8,987)	(23,947)	394	16	Net Profit / (Loss) for the period (14-15)	(41,221)	(2,752)
-	133	-	17	Other Comprehensive income (net of Tax)	133	-
(8,987)	(23,814)	394	18	Total Comprehensive Income (after tax) for the period (16+17)	(41,088)	(2,752)
7,887	7,887	3,724	19	Paid up equity share capital (face value INR 10 per share)	7,887	3,724
			20 (A)	Earning Per Share (EPS) before Extraordinary items (not annualised)		
(11.49)	(43.60)	(5.27)		Basic and Diluted (INR)	(72.38)	(0.74)
			20 (B)	Earning Per Share (EPS) after Extraordinary items (not annualised)		
(11.49)	(43.60)	(5.27)		Basic and Diluted (INR)	(72.38)	(0.74)

WWW.GOLOFFSHORE.COM

[Handwritten Signature]



contd. to Page 2

[Handwritten Initials]



NOTES:

1 Indian Accounting Standard (Ind AS) Implementation:

The Company has adopted Indian Accounting Standards (Ind-AS) prescribed under Section 133 of Companies Act, 2013, read with relevant rules issued thereunder. The date of transition of the Ind-AS is April 1, 2015 and accordingly, these unaudited financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting", SEBI's circular dated July 5, 2016 and other accounting principles generally accepted in India, except to the extent detailed below.

(a) There is a possibility that these quarterly and nine months period financial results may require adjustment before constituting the final Ind AS financial statements as of and for the year ending March 31, 2017 due to changes in financial reporting requirements arising from the new or revised standards or interpretations issued by MCA or changes in the use of one or more optional exemptions from full retrospective application as permitted under Ind AS 101.

(b) Adjustments required to be carried out in respect of subsidiaries arising from the implementation of Ind AS in the respective companies will be done at the financial year end, since, none of the subsidiaries are required to prepare quarterly results.

In respect of investment in subsidiaries and dues from them, certain provisions were made as at March 31, 2016. During the previous quarter, the company has re-estimated this provision and has recognized an additional provision of INR 18,600 lakhs in respect of one of the subsidiaries. In respect of dues from another subsidiary, other advances and trade receivables, assessment will be carried out and the impact if any, will be given in the financial statements for the year ended March 31, 2017.

(c) The management of the company had estimated the provision for impairment loss in respect of vessels/assets under construction as at March 31, 2016 and accordingly provision were made as of that date. No provision / reclassification has been made / carried out in respect of other vessels, which include some of them not earning income.

No additional assessment in respect of such vessels have been carried out for the period ended December 31, 2016. Assessment will be carried out and the impact if any, will be given in the financial statements for the year ended March 31, 2017.

2 The auditors of the company have carried out a Limited Review of the financial results for the quarter and nine months ended December 31, 2016. The Ind AS compliant corresponding figures of the corresponding quarter and nine months ended December 31, 2015 and the opening balances as of April 1, 2016, considered for statement of Assets & Liabilities, have not been subjected to a limited review or an audit. However, the management has exercised due diligence to ensure that such financial results provide a true and fair view of the Company's affairs.

3 Reconciliation of Net Profit/(Loss) as previously reported, on account of transition from previous Indian GAAP (i.e. based on accounting standards notified under the Companies (Accounting Standards) Rules, 2006) to Ind AS for the quarter and nine months ended December 31, 2015:

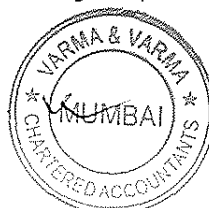
Net Profit / (Loss) reconciliation	(INR in Lakhs)	
	Quarter ended December 31, 2015	Nine Months ended December 31, 2015
Net Profit / (Loss) after tax reported under previous Indian GAAP	(1,963)	(4,546)
Effect of Provision on Interest Income & Commission Income	(1,757)	(5,588)
Effect of Discontinuance of Hedge as per Ind AS 109	3,899	6,741
Effect of Interest recognition as per Ind AS 109	151	449
Effect of Recognition of commission on guarantee as per Ind AS 109	64	192
Net Profit / (Loss) after tax as per Ind AS	394	(2,752)

4 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 December 31, 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 INR 21,608 lakhs, receivables of INR 5,136 lakhs and also a loan outstanding amounting to INR 3,644 lakhs. The company has also issued a corporate guarantee to Indian Bank amounting to INR 14,168 lakhs against which outstanding facilities as on December 31, 2016 amounts to Nil. The management is confident of turning around the company as it 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.

[Handwritten signature]



[Handwritten signature]



5 In respect of Loans, invoked Corporate guarantees and dues including instances where recovery through sale of assets/enforcement of security/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) release of vessels detained iii) disposal of some assets, iv) settlement of significant current dues and restoration of initial repayment terms and v) alternate funding arrangements. Some of its arrear dues could not be settled during the quarter in spite of these efforts. The company continues to negotiate with creditors for settlement, improved commercial terms and better credit facility and is in process of arranging additional funding to improve the liquidity position. The company is evaluating and exploring various courses of action for raising funds for Company's operations.

During the previous quarter, the Company had made preferential allotment of 41,632,313 Equity shares (as per Strategic Debt Restructuring scheme of RBI regulations, on conversion of loan into equity) of equity shares of INR 10 each at a premium of INR 33.81 per share, thereby converting debt of INR 18,239 Lakhs into equity resulting in, aggregate shareholding of the lenders becoming 52.78 % of the post issue share capital of the company.

Based on various developments including SDR by lenders resulting in lenders having majority stake, the management is of the view that the company will carry on its business in the normal course even under difficult market conditions without significant impact on the safety and operations, and hopes to improve its performance towards end of this financial year on the basis of existing order book/LOI, monetization of the various assets and previous track record. Hence these accounts have been prepared on going concern assumption which is considered appropriate.

6 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.

7 The Company is mainly engaged in offshore business and there is no separate reportable segment as per Ind AS 108.

8 Previous year/ period figures have been regrouped or recast wherever necessary, to conform to current year/ period's classification.

Mumbai
14th February, 2017

For GOL Offshore Limited

P.C. Kapoor
Chairman

www.goloffshore.com



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 ("the statement") of **M/s. GOL Offshore Limited** for the quarter and nine months ended December 31, 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 and nine months ended December 31, 2015 including the reconciliation of net loss for the corresponding quarter and nine months under IND AS vis-à-vis under previous GAAP, as well as the opening balances as of April 1, 2016, considered for the statement of Assets & Liabilities, 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) **Basis for Qualified Conclusion:**
 - a. 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 30,388 Lakhs in its wholly owned subsidiary KEI-RSOS Maritime Limited (INR 29,297 Lakhs as at March 31, 2016). The Company has also issued corporate guarantee to a Bank amounting to INR 14,168 Lakhs (as at March 31, 2016 was INR 14,168 Lakhs) against which borrowing from bank outstanding on December 31, 2016 is INR 3,644 Lakhs (INR 3,329 Lakhs as at March 31, 2016). As per the latest available audited financial statements of KEI-RSOS Maritime Limited, it's 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 trade receivables, possible liability that may arise due to devolvement of corporate guarantee mentioned above 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 71,609 Lakhs and the shareholder's funds would have ~~have~~ reduced by INR 30,388 Lakhs.



[Handwritten signature]

- b. As stated in Note No 1 of the financial results, the Company is in the process of completing the exercise of ascertaining and accounting the impacts, if any, consequent to transition to Indian Accounting standards issued under Companies (Indian Accounting Standards) Rules 2015 for accounting of expected credit loss in respect of financial assets and provision for impairment of the vessels/assets under construction and vessels under operation including classification of these items. Hence the provision, if any, that may be required in addition to those already made cannot be ascertained.
- 4) Based on our review conducted as above, *except for the effects of the matter described in the basis for qualified conclusion in paragraph 3(b), the impact of which cannot be ascertained and in para 3(a), 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 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: 5 of the financial results regarding going concern assumption inspite 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.

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



R KESAVADAS
Partner
M No.23862

For MOTILAL & ASSOCIATES
Chartered Accountants
FRN 106584W



MOTILAL JAIN
Partner
M No. 036811

Place: Mumbai
Date: February 14, 2017

