



GOL OFFSHORE LIMITED
(formerly known as **GREAT OFFSHORE LIMITED**)

FORM B

FORMAT OF COVERING LETTER OF THE ANNUAL REPORT TO BE FILED WITH THE STOCK EXCHANGES


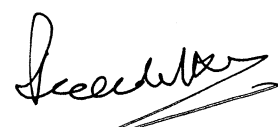
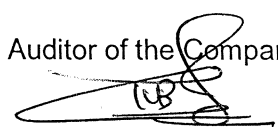
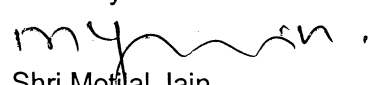
1.	Name of the Company	GOL Offshore Limited
2.	Annual financial statements for the year ended	31 st March, 2013
3.	Type of Audit qualification	Qualified
4.	Frequency of qualification	For the financial year ended March 31, 2012 & March 31, 2013.
5.	Draw attention to relevant notes in the annual financial statement and management response to the qualification in the Directors report	<p>BASIS FOR QUALIFIED OPINION IN THE AUDITOR'S REPORT:</p> <p><i>The Company has investment in equity / redeemable preference shares of wholly owned subsidiary KEI-RSOS Maritime Limited and the carrying amount as at 31st March 2013 is Rs.18,863 Lakhs and the balance of loan outstanding is Rs. 3,331 Lakhs. The Company has also issued a corporate guarantee to Indian Bank amounting to Rs.14,168 Lakh against which borrowing from bank outstanding on 31st March, 2013 is Rs.6,327 Lakhs. As per the latest available audited financial statements of KEI-RSOS Maritime Limited the net worth of the company has substantially eroded and the cash flows are under stress. 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. As stated in Note no 29 to the accounts, no provision has been made for the diminution in the value of investments and the amount of loans aggregating to Rs. 22,194 Lakhs. Had the provision for the same been made, net profit would become a loss of Rs.16,127 Lakhs and shareholders' funds would have been reduced by Rs.22,194 Lakhs with consequent effect on cash flow statements for a like amount. (As referred in page 35 of the annual report)</i></p> <p>MANAGEMENT'S RESPONSE :</p> <p>The said investment is strategic and long term in nature. The management is confident of turning</p>

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		around KEI-RSOS Maritime Limited and as such, in the opinion of the management, no provision is considered necessary for depletion, if any, in the value of investments and loans & advances made / granted by the Company in / to KEI-RSOS Maritime Limited. KEI-RSOS has, for the first time, posted an operating profit of Rs. Rs. 518.69 lakhs during the year under consideration which gives credence to the judgment of the management in this regard.
6.	Additional comments from the board / audit committee chair;	-
7.	To be signed by – Shri Prakash Chandra Kapoor Executive Director	
	Shri Shirang Khadilkar Vice President Finance & Corporate Affairs	
	Auditor of the Company  Shri Cherian K. Baby M/s. Varma & Varma, Joint Statutory Auditors  Shri Motilal Jain Motilal & Associates, Joint Statutory Auditors	
	Shri Ram Nath Sharma Audit committee chairman	