Euro Multivision Limited

CIN : L32300MH2004PLC145995

May 30, 2019

To,

The Manager - CRD
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort.
Mumbai – 400 001
Scrip Code: **533109**

The Manager - Listing Department
National Stock Exchange of India Limited,
"Exchange Plaza", Bandra Kurla Complex,
Bandra (East),
Mumbai – 400 051
Symbol: **EUROMULTI**

Dear Sir,

Sub: Outcome of the Board Meeting held today i.e. Thursday, May 30, 2019

Pursuant to the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we wish to inform you that the Board of Directors of the Company at their Meeting held today i.e. Thursday, May 30, 2019; *inter-alia*, considered and approved the Audited Financial Results of the Company for the quarter and year ended on March 31, 2019.

Pursuant to the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we wish to inform you that the Board of Directors of the Company at their Meeting held today i.e. Thursday, May 30, 2019; *inter-alia*, considered and approved the following matters:

In terms of the provisions of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the following:

a. Audited Financial Results for the quarter and year ended March 31, 2019;
b. Statement of Assets and Liabilities as on March 31, 2019;
c. Auditors Report on the Audited Financial Results for the quarter and year ended March 31, 2019; and
d. Statement on Impact of Audit Qualifications.

The meeting of the Board of Directors commenced at 03.00 PM and concluded at 05.00 PM

Kindly take the above on your record.

Thanking you,

Yours faithfully,

For Euro Multivision Limited

EURO MULTIVISION LIMITED MUMBAI

Hitesh Shah
Chairman & Whole Time Director
DIN: 00043059

Encl.: As above

EURO MULTIVISION LIMITED

CIN: L32300MH2004PLC145995
Regd Office: F 12, Ground Floor, Sangam Arcade, Vallabhbhai Road, Vile Parle (West), Mumbai - 400 056, India
Tel.: 022-40364036 Fax : 022-40364037 - Email : info@euromultivision.com, Website: www.euromultivision.com

Audited Financial Results for the Quarter & Year Ended March 31, 2019

(Rs. In Lakhs except EPS)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31-Mar-19 Audited	31-Dec-18 Unaudited	31-Mar-18 Audited	31-Mar-19 Audited	31-Mar-18 Audited
I	INCOME					
	Revenue from operations	8.84	0.17	487.04	816.82	1024.35
	Other Income	17.46	1.82	(18.26)	52.95	221.65
	Total Income	26.30	1.99	468.78	869.77	1246.00
II	Expenses					
	(a) Cost of materials consumed	53.61	61.64	372.38	519.03	621.40
	(b) Purchase of stock in trade	-	-	-	166.91	-
	(c) Changes in inventories of finished goods,work in progress & stock in trade	6.03	10.26	0.62	16.29	388.67
	(d) Employee benefits expense	2.38	9.10	47.55	92.22	251.38
	(e) Finance Cost	0.19	1.35	(0.35)	3.53	3.45
	(f) Depreciation and amortisation expense	346.52	349.08	349.49	1393.75	1396.30
	(g) Other Expenses	153.24	8.31	90.29	241.68	303.69
	Total Expenses	561.97	439.73	859.98	2433.40	2964.90
III	Profit/(Loss) before exceptional items and tax	(535.67)	(437.74)	(391.21)	(1563.63)	(1718.89)
	Exceptional items	-	-	-	-	-
IV	Profit/(Loss) before tax	(535.67)	(437.74)	(391.21)	(1563.63)	(1718.89)
V	Tax Expense					
	(a) Current Tax	-	-	-	-	-
	(b) Deferred Tax	-	-	-	-	-
	(c) MAT Credit Entitlement - Reversal	-	-	-	-	-
	(d) Excess / Short Provision of previous years	-	119.51	-	119.51	-
VI	Total Tax Expenses	-	19.33	-	19.33	-
VII	Profit/(Loss) for the period from continuing operations	-	138.84	-	138.84	-
VIII	Profit/(Loss) from discontinued operations	(535.67)	(576.58)	(391.21)	(1702.47)	(1718.89)
IX	Tax Expenses of discontinuing operations	-	-	-	-	-
X	Profit (Loss) from discontinuing operations (after tax)	-	-	-	-	-
XI	Profit (Loss) for period	-	-	-	-	-
XII	Other Comprehensive Income	(535.67)	(576.58)	(391.21)	(1702.47)	(1718.89)
A	(i) Items that will not be reclassified to profit or loss	-	-	(7.19)	-	(7.19)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
B	(i) Items that will be reclassified to profit or loss	4.33	-	-	4.33	-
	(ii)Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
XIII	Total Comprehensive Income for the period (Comprising Profit/(Loss) and Other comprehensive Income for the period)	(531.34)	(576.58)	(398.40)	(1698.14)	(1726.08)
XIV	Details of equity share capital					
	Paid up equity share capital	2380.00	2380.00	2380.00	2380.00	2380.00
	Face value of equity share capital (Face Value Rs.10/-)	10.00	10.00	10.00	10.00	10.00
XV	Earnings per equity share (for discontinued & continuing operation)					
	(i) Basic earnings (loss) per share (in Rs.)	(2.25)	(2.42)	(1.64)	(7.15)	(7.22)
	(ii) Diluted earnings (loss) per share (in Rs.)	(2.25)	(2.42)	(1.64)	(7.15)	(7.22)

RASESH SHAH & ASSOCIATES * Chartered Accountants * SURAT

EURO MULTIVISION LIMITED MUMBAI

Sr. No.	Segment Wise Revenue, Results, Assets and Liabilities Particulars	Quarter Ended			Year Ended	
		31-Mar-19 Audited	31-Dec-18 Unaudited	31-Mar-18 Audited	31-Mar-19 Audited	31-Mar-18 Audited
1	**Segment revenue**					
	(a) Optical Disc	0.67	-	4.45	3.44	6.50
	(b) Solar Photovoltaic	8.17	0.17	482.59	813.38	1017.85
	Total	**8.84**	**0.17**	**487.04**	**816.82**	**1024.35**
2	**Segment results**					
	Profit before tax and finance cost from each segment					
	(a) Optical Disc	(168.14)	(77.07)	12.52	(95.56)	(61.85)
	(b) Solar Photovoltaic	(367.34)	(359.32)	(404.08)	(1464.55)	(1653.59)
	Total Profit before Tax and Interest	(535.48)	(436.39)	(391.56)	(1560.10)	(1715.44)
	Less: (i) Finance cost	0.19	1.35	(0.35)	3.53	3.45
	(ii) Other un-allocable expenditure net-off unallocable income	-	-	-	-	-
	Total profit before tax	**(535.67)**	**(437.74)**	**(391.21)**	**(1563.63)**	**(1718.89)**
	Tax Expense	-	138.84	-	138.84	-
	Total profit after tax	**(535.67)**	**(576.58)**	**(391.21)**	**(1702.47)**	**(1718.89)**
3	**Capital Employed**					
	(Segment Assets - Segment Liabilities)					
	Segment Assets					
	(a) Optical Disc Unit	2652.87	3029.25	3552.17	2652.87	3552.17
	(b) Solar Photovoltaic Unit	7226.83	7589.96	8703.07	7226.83	8703.07
	Total	**9879.69**	**10619.21**	**12255.24**	**9879.69**	**12255.24**
	Segment Liabilities					
	(a) Optical Disc Unit	8208.11	8420.57	8876.41	8208.11	8876.41
	(b) Solar Photovoltaic Unit	33168.52	33164.25	33177.63	33168.52	33177.63
	Total	**41376.63**	**41584.81**	**42054.03**	**41376.63**	**42054.03**
	Capital Employed					
	(a) Optical Disc Unit	(5555.25)	(5391.31)	(5324.24)	(5555.25)	(5324.24)
	(b) Solar Photovoltaic Unit	(25941.69)	(25574.28)	(24474.56)	(25941.69)	(24474.56)
	Total Capital Employed	**(31496.94)**	**(30965.60)**	**(29798.80)**	**(31496.94)**	**(29798.80)**

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MUMBAI

Statement of Assets and Liabilities	Audited	Audited
Particulars	As at	As at
	31-Mar-19	31-Mar-18
ASSETS		
Non- Current Assets		
Property, Plant and Equipment	8945.26	10341.66
Other Intangible Assets	0.04	0.04
Financial Assets		
(i) Investments	5.33	1.00
(ii) Other Financial Assets	146.35	277.36
Other Non Current Assets	29.77	168.67
Sub Total - Non- Current Assets	**9126.75**	**10788.73**
Current Assets		
Inventories	11.14	142.71
Financial Assets		
(i) Trade Receivables	313.98	771.88
(ii) Cash and cash equivalents	1.75	2.50
(iii) Bank Balances other than Cash and cash equivalents	4.15	4.34
(iv) Other Financial Assets	417.86	527.99
Other Current Assets	4.06	30.18
Sub Total - Current Assets	**752.94**	**1479.60**
TOTAL ASSETS	**9879.69**	**12268.33**
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	2380.00	2380.00
(b) Other Equity	(33876.94)	(32178.80)
Sub Total - Equity	**(31496.94)**	**(29798.80)**
LIABILITIES		
Non Current Liabilities		
Financial Liabilities		
(i) Borrowings	-	-
Sub Total - Non- Current Liabilities	-	-
Current Liabilities		
Financial Liabilities		
(i) Borrowings	7600.75	7645.88
(ii) Other Financial liabilities	33349.78	33349.80
(iii) Trade Payables	71.41	629.33
Other Current Liabilities	329.61	408.67
Provisions	25.08	33.45
Sub Total - Current Liabilities	**41376.63**	**42067.13**
TOTAL EQUITY AND LIABILITIES	**9879.69**	**12268.33**

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Notes:

[1] The audited financial results for the Quarter and Year Ended March 31, 2019, have been prepared in accordance with recognition and measurement principles laid down in the Ind AS 34 - Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder. Figures for the quarter ended March 31, 2019 and March 31, 2018 are the balancing figures between audited figures for the full financial year and the reviewed year to date figures upto the third quarter of the respective financial years.

[2] The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on Thursday, May 30, 2019.

[3] The Company's financing arrangements have expired and the amount outstanding is overdue for repayment since January, 2011 in the case of Term Loans from Cosmos Bank and since April, 2011 in case of Term Loans from State Bank of India. The Company has been unable to renegotiate, restructure or obtain replacement financing and the banks have initiated legal proceeding for recovery from the Company with the Debt Recovery Tribunal. In addition to this, the Company has continuously been incurring substantial losses since past few years and as on March 31, 2019, the Company's current liabilities exceed its current assets by Rs. 40623.69 lakhs. Further, the net worth of the Company had been fully eroded.

All the above events indicate a material uncertainty that casts a significant doubt on the Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business. The financial results do not disclose the fact that the fundamental accounting assumption of going concern is not followed.

[4] The Company has not provided for interest on financing facilities amounting to Rs.1724.60 lakhs for the quarter ended and Rs.6684.83 lakhs for the year ended March 31, 2019. Had the same been accounted for; the net loss (after tax) for the quarter ended and year ended March 31, 2019, would have increased by Rs.1724.60 lakhs and Rs.6684.83 lakhs respectively.

[5] Post the applicability of Goods and Service Tax (GST) with effect from July 1, 2017, revenue from operations is disclosed net of GST. Accordingly the revenue from operations and total expenses for the year ended March 31, 2019 are not comparable with the previous year presented in the results.

[6] The Deferred Tax as per Ind-AS 12 "Income Taxes" has not been made on account of, absence of probable certainty of future taxable income flowing to the Company.

[7] The Company has not provided for impairment on its assets as per Indian Accounting Standard (Ind AS) 36 as notified under section 133 to the Companies Act, 2013. The effect of such impairment has not been quantified by the management and hence the same is not ascertainable.

[8] The Company has fair valued the investment in the shares as in the books as on March 31, 2019. The resultant gain has been classified under Other Comprehensive Income. Also, income tax treatment on items which are classified under other comprehensive income has not been considered on account of brought forward losses available with the

[9] The Company did not obtain actuarial report for determining the liability for Gratuity and Leave Encashment as required under Ind AS 19 "Employee Benefits" for the year.

[10] The Company is having two segments, Opticals Disc and Solar Photovoltaic Cells.

[11] Previous period figures have been regrouped / reclassified wherever necessary, to conform to current period's classification.

[12] During the current quarter, the Company has written off the stock of raw material, finished goods, packing material and stores and consumables which were expired and obsolete. The amount of such expired and obsolete material written off during the current quarter ended March 31, 2019 amounted to Rs.59.65 lakhs and for the year ended March 31, 2019 is Rs.131.56 lakhs.

Place : Mumbai
Date : May 30, 2019

RASESH SHAH & ASSOCIATES * Chartered Accountants * SURAT

For Euro Multivision Limited

Hitesh Shah
Chairman and Whole Time Director
DIN: 00043059

EURO MULTIVISION LIMITED MUMBAI

Rasesh Shah & Associates Chartered Accountants

O-1, 1st Floor, Silver Palm Bldg.,
Timaliyawad, Nanpura, Surat.
Phone : 2460689, 4027016
E-mail : info@raseshca.com

Independent Auditor's Report on Quarterly Financial Results and Year to Date Results of 'Euro Multivision Limited' pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

TO THE BOARD OF DIRECTORS OF EURO MULTIVISION LIMITED

1. We have audited the financial results of Euro Multivision Limited (the "Company") for the year ended March 31, 2019, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to Note 1 of the financial results regarding the figures for the quarter ended March 31, 2019 as reported in the financial results, which are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subject to audit. These financial results are based on the financial statements for the year ended March 31, 2019 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and published year to date figures up to the end of third quarter of the financial year prepared in accordance with the recognition and measurement principles as laid down in Ind AS 34, Interim Financial reporting, specified under Section 133 of the Companies Act, 2013, and SEBI Circular No. CIR/CFD/CMD/15/2015 dated November 30, 2015 and CIR/CFD/FAC/62/2016 dated July 5, 2016, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of such annual financial statements for the year ended March 31, 2019 and our review of financial results for the nine months' period ended December 31, 2018.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

3. In our opinion and to the best of our information and according to the explanations given to us these annual financial results:

(i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/CMD/15/2015 dated November 30, 2015 and CIR/CFD/FAC/62/2016 dated July 5, 2016 in this regard; and

(ii) subject to audit qualifications as stated below, give a true and fair view of the net loss and other financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act for the year ended March 31, 2019,

RASESH SHAH & ASSOCIATES SURAT

SUBJECT TO THE FOLLOWING:

(a) *We draw attention, towards the fact that the Company's financial facilities/arrangements including Term Loans, Working Capital Facilities and Non Fund Based Credit Facilities have expired and the accounts with the Banks have turned into Non Performing Assets.*

The Company is unable to renegotiate, restructure or obtain replacement of financing arrangements and the banks have initiated legal proceedings for the recovery from the Company u/s. 19 of the Debt Recovery Tribunal (DRT), u/s. 13(2) of the Securitization & Reconstruction of Financial Assets & Enforcement of Security (Second) Interest (SARFAESI) Act, 2002. In addition to this, the Company has been continuously incurring substantial losses since past few years and as on March 31, 2019, the Company's current liabilities exceed its current assets by Rs. 40,623.69 lakhs. Further, the networth of the Company has fully eroded and the Company had filed for registration u/s. 15(1) of the erstwhile Sick Industrial Companies (Special Provisions) Act, 1985, before the erstwhile Hon'ble Board for Industrial & Financial Reconstruction.

All the above events indicate a material uncertainty that casts a significant doubt on the Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business. The financial results do not disclose the fact that the fundamental accounting assumption of going concern has not been followed.

(b) *We draw attention, towards the fact that, the Company has not provided for interest on banking credit facilities amounting to Rs. 6684.83 lakhs, for the year ended March 31, 2019. Had the same been accounted for; the net loss (after tax) for the year ended March 31, 2019, would have been increased by Rs. 6684.83 lakhs.*

(c) *Attention is also drawn to the fact, that the Company has not provided for impairment or diminishing value of its assets as per 'Indian Accounting Standard (Ind AS) 36' as specified under section 133 of the Companies Act, 2013. The effect of such Impairment or diminishing value has not been quantified by the management and hence the impact of the same is not ascertainable.*

(d) *We also draw attention to the fact of non-receipt of confirmations of balances from the Sundry Debtors, Deposit Accounts, Unsecured Loans, Loans & Advances, Investments, Banks, Sundry Creditors and other liabilities. Pending receipt of confirmation of these balances and consequential reconciliations / adjustments, if any, the resultant impact on the financial statements is not ascertainable.*

(e) *We draw attention to the facts that the non-ascertainment of complete particulars of dues to Micro, Small and Medium enterprises, if any under MSMED Act, 2006, and provisions towards interest, if any, is not ascertained at this stage which is not in conformity with 'Ind AS 37- Provision, Contingent Liabilities and Contingent Assets'.*

(f) *Further attention is drawn, regarding the fact that the Company for its Optical Disc's manufacturing unit, had imported various Capital Goods under the Export Promotion Capital Goods Scheme (EPCG), of the Government of India, through various licenses, at concessional rates of Custom Duty on an undertaking to fulfill quantified exports within a period of eight years from the date of respective licenses. The Custom Duties so saved amounted to Rs. 2,538.56 lakhs and the corresponding Export obligation to be fulfilled amounted to Rs. 20,308.50 lakhs, however as on March 31, 2019, the Export obligation yet to be fulfilled amounted to Rs. 19,121.60 lakhs. The stipulated period of 8 years to fulfill Export obligation has already expired and the Company is required to pay the said saved Custom Duty*

SESH SHAH & ASSOCIATES

together with interest @ 15% p.a. but the same has not been provided in books of accounts by the Company and the final liability is presently unascertainable.

(g) *Attention is also drawn, to the fact that, the Company's Solar Photovoltaic Cells manufacturing unit which is located in self-owned sector specific Special Economic Zone (SEZ). According to the SEZ Rules 2006, the units should have positive Net Foreign Exchange Earning (NFE), which shall be calculated as per applicable rules in cumulative blocks of five years, starting from the commencement of production. The company could not achieve positive Net Foreign Exchange Earnings in the first block of five years, hence the Director General of Foreign Trade (DGFT) has imposed a penalty of Rs. 2,500.00 lakhs under Rule 54 of the SEZ Rules 2006, and the same has not been provided in books of accounts by the Company.*

(h) *Attention is drawn to the fact that, as required under section 203 of the Act the company is yet to appoint a Company Secretary and the company is not in compliance with Regulation 6 of LODR which requires Company Secretary to be appointed as Compliance Officer.*

(i) *We also draw attention towards the fact that, in respect of deposits accepted by the company before the commencement of this Act, within the meaning of section 74 & 75 of the Act and the Rules framed there under, the principal amount of such deposits and interest due thereon remained unpaid even after expiry of one year from such commencement and the Company has not filed a statement within a period of three months from such commencement or from the date on which such payments, are due, with the Registrar details as prescribed u/s.74(1)(a). Further no application has been made for extension of time with the National Company Law Tribunal u/s.74(2) of the Companies Act, 2013 in this regards.*

Further, the Company has also accepted deposit in contravention to Section 73 read with Section 76 of the Companies Act, 2013.

(j) *We also draw your attention towards overdue receivables aggregating to Rs. 37.58 lakhs as on March 31, 2019, towards purchase of goods included under "Trade Receivables" owed to the Company by its Foreign Customers due for more than 6 months as on March 31, 2019. These balances have not been settled till March 31, 2019. The Company is yet to make an application to the authorized dealer or Reserve Bank of India (RBI) for overdue receivable balances beyond the prescribed time limits in accordance with Foreign Exchange Management Act (FEMA). Any penalties that may be levied by RBI are presently not known and not given effect to in the IND AS financial statements.*

(k) *The Company has interest free borrowings, classified under Non-Current Financial Liabilities, which are borrowed from various related parties and other lenders, the repayment terms of which have not been agreed between the Company and the lenders. The Company has not fair valued such sums received in accordance with the provisions of 'Ind AS – 109 – Financial Instrument' and 'Ind AS – 113 – Fair Value Measurement'. The effect of such treatment has not been quantified by the management and hence the same is not ascertainable.*

(l) *The Company did not obtain actuarial report and had not made any provision for Gratuity and Leave Encashment for the year. The impact of such non-provisioning of liability is unascertainable on the results and also, relevant disclosures as required under Ind AS – 15, Employees Benefit have not been given.*

RASESH SHAH & ASSOCIATES * Chartered Accountants * SURAT

(m) *The Company has on the basis of their internal evaluation, valued inventories at Rs. 11.14 lakhs. In the absence of valuation report or other documentary evidence confirming net realizable value of inventories, we are unable to comment on realization value of the inventories.*

(n) *The system of Internal Financial Controls over financial reporting with regard to the Company were not made available to us to enable us to determine if the Company has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.*

(o) *The Company has TDS demand outstanding amounting to Rs. 3.15 lakhs, pertaining to the previous financial years. The Company is in the process of ascertaining the liabilities and rectifying such returns, wherever required. No adjustment has been made for the said sums in the financial statements.*

4. The financial results of the Company for the year ended March 31, 2018 were audited by Deepak Maru & Co., Chartered Accountants, who vide their report dated May 22, 2018, expressed qualified opinion on the same.

For Rasesh Shah & Associates
Firm Registration Number: 108671W
Chartered Accountants

RASESH SHAH & ASSOCIATES * Chartered Accountants * SURAT

Rasesh Shah
Partner
Membership Number: 034217

Mumbai
May 30, 2019

Euro Multivision Limited

CIN : L32300MH2004PLC145995

ANNEXURE I

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

(Rs. In Lakhs except EPS)

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	869.77	869.77
	2.	Total Expenditure including taxes	2572.24	9257.07
	3.	Net Profit/(Loss) after tax	(1702.47)	(8387.30)
	4.	Earnings Per Share (EPS)	(7.15)	(35.25)
	5.	Total Assets	9879.69	9879.69
	6.	Total Liabilities	41376.63	48061.46
	7.	Net Worth	(31496.94)	(38181.77)
	8.	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil
II.		Audit Qualification (each audit qualification separately):		
		a. Details of Audit Qualification:		As Per Annexure A
		b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion		
		c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing		
		d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:		
		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:		
III.		Signatories:		
		Hitesh Shah – Whole Time Director		
		Uday Thoria – CFO		
		Navin Nandu - Audit Committee Chairman		
		CA Rasesh Shah - Statutory Auditor		
		Place: Mumbai Date: May 30, 2019		

RASESH SHAH & ASSOCIATES * Chartered Accountants * SURAT

EURO MULTIVISION LIMITED MUMBAI

Regd. Office : F-12, Ground Floor, Sangam Arcade, Vallabhbhai Road, Vile Parle (West), Mumbai - 400 056. INDIA.
Tel.: +91-22-4036 4036 Fax : +91-22-4036 4037 Email : admin@euromultivision.com Website : www.euromultivision.com

Euro Multivision Limited

CIN : L32300MH2004PLC145995

ANNEXURE TO STATEMENT ON IMPACT OF AUDIT QUALIFICATION FOR THE YEAR ENDED MARCH 31, 2019

Sr. No.	Details of Audit Qualification	Type of Audit Qualification	Frequency of Qualification	For Audit Qualifications where the impact is quantified by the auditor, management's view
1	The Company's financial facilities/arrangements including Term Loans, Working Capital Facilities and Non Fund Based Credit Facilities have expired and the accounts with the Banks have turned into Non Performing Assets. The Company is unable to renegotiate, restructure or obtain replacement of financing arrangements and the banks have initiated legal proceedings for the recovery from the Company u/s. 19 of the Debt Recovery Tribunal (DRT), u/s. 13(2) of the Securitization & Reconstruction of Financial Assets & Enforcement of Security (Second) Interest (SARFAESI) Act, 2002. In addition to this, the Company has been continuously incurring substantial losses since past few years and as on March 31, 2019, the Company's current liabilities exceed its current assets by Rs. 40,623.69 lakhs. Further, the net-worth of the Company has fully eroded and the Company had filed for registration u/s. 15(1) of the erstwhile Sick Industrial Companies (Special Provisions) Act, 1985, before the erstwhile Hon'ble Board for Industrial & Financial Reconstruction. All the above events indicate a material uncertainty that casts a significant doubt on the Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business. The financial results do not disclose the fact that the fundamental accounting assumption of going concern has not been followed.	Qualified	Repeat	Considering the changes and new developments taking place in the solar industry, the management is optimistic about the better opportunity and turnaround of the Company.
2	The Company has not provided for interest on banking credit facilities amounting to Rs. 6684.83 lakhs, for the year ended March 31, 2019. Had the same been accounted for; the net loss (after tax) for the year ended March 31, 2019, would have been increased by Rs. 6684.83 lakhs.	Qualified	Repeat	The Company has been continuously striving to settle and negotiate its financial arrangements with various lenders. The Company has from time and again

				approached the lenders with proposal of one time settlement and is of the view that the same shall be concluded successfully in near future.
3	The Company has not provided for impairment or diminishing value of its assets as per 'Indian Accounting Standard (Ind AS) 36' as specified under section 133 of the Companies Act, 2013. The effect of such Impairment or diminishing value has not been quantified by the management and hence the impact of the same is not ascertainable.	Qualified	Repeat	The management has a policy to maintain the assets and keep them in working condition, so that its value does not get affected in long run. The management is optimistic about realizing the value of its Assets / Investments nearest to its carrying amount, and there is no further diminution in the value of its assets/investment other than depreciation / amortization.
4	The financial statements have been prepared with regards to non-receipt of confirmation of balances from few of the debtors, Unsecured Loans, loans & advances, investments, banks, sundry creditors and other liabilities. Pending receipt of confirmation of these balances and consequential reconciliations / adjustments, if any, the resultant impact on the financial statements is not ascertainable.	Qualified	Repeat	The Company has policy of confirming balances at least once in a year. However on account of non-receipt of adequate and timely response, the same is still in process.
5	The financial statements are prepared considering non-ascertainment of complete particulars of dues to Micro, Small and Medium enterprises, if any under MSMED Act, 2006, and provisions towards interest, if any, is not ascertained at this stage which is not in conformity with 'Ind AS 37-Provision, Contingent Liabilities and Contingent Assets'.	Qualified	Repeat	In view of the management, the impact will not be material.
6	The Company for its Optical Disc's manufacturing unit, had imported various Capital Goods under the Export Promotion Capital Goods Scheme (EPCG), of the Government of India, through various licenses, at concessional rates of Custom Duty on an undertaking to fulfill quantified exports within a period of eight years from the date of respective licenses. The Custom Duties so saved amounted to Rs. 2,538.56 lakhs and the	Qualified	Repeat	The Company till date has not received any order quantifying the liability. In fact, the management has suo motto approached the appropriate authorities surrendered the

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	corresponding Export obligation to be fulfilled amounted to Rs. 20,308.50 lakhs, however as on March 31, 2019, the Export obligation yet to be fulfilled amounted to Rs. 19,121.60 lakhs. The stipulated period of 8 years to fulfill Export obligation has already expired and the Company is required to pay the said saved Custom Duty together with interest @ 15% p.a. but the same has not been provided in books of accounts by the Company and the final liability is presently unascertainable.			licenses and have lodged the counter claim for extinguishing their liability under the license in view of relevant zero duty notification. Hence the management is optimistic of positive outcome.
7	The Company's Solar Photovoltaic Cells manufacturing unit which is located in self-owned sector specific Special Economic Zone (SEZ). According to the SEZ Rules 2006, the units should have positive Net Foreign Exchange Earning (NFE), which shall be calculated as per applicable rules in cumulative blocks of five years, starting from the commencement of production. The company could not achieve positive Net Foreign Exchange Earnings in the first block of five years, hence the Director General of Foreign Trade (DGFT) has imposed a penalty of Rs. 2,500.00 lakhs under Rule 54 of the SEZ Rules 2006, and the same has not been provided in books of accounts by the Company.	Qualified	Repeat	The Company has filed an appeal against the Order of honorable DGFT, New Delhi with the Commerce Secretary, Ministry of Corporate Affairs and is hopeful for positive outcome.
8	As required under section 203 of the Act the company is yet to appoint a Company Secretary and the company is not in compliance with Regulation 6 of LODR which requires Company Secretary to be appointed as Compliance Officer.	Qualified	Repeat	The Company is in the process of appointment of Whole Time Company Secretary.
9	In respect of deposits accepted by the company before the commencement of this Act, within the meaning of section 74 & 75 of the Act and the Rules framed there under, the principal amount of such deposits and interest due thereon remained unpaid even after expiry of one year from such commencement and the Company has not filed a statement within a period of three months from such commencement or from the date on which such payments, are due, with the Registrar details as prescribed u/s.74(1)(a). Further no application has been made for extension of time with the National Company Law Tribunal u/s.74(2) of the Companies Act, 2013 in this regards.	Qualified	Repeat	The non-compliances are unintentional and in absence of Whole time Company Secretary, the compliances were missed out inadvertently.
10	The Company has also accepted deposit in contravention to Section 73 read with Section 76 of the Companies Act, 2013.	Qualified	First Time	The Company has borrowed sums to meet the working capital requirement of the Company. The compliances relating

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				to the same were missed inadvertently on account of absence of Company Secretary.
11	Overdue receivables aggregating to Rs. 37.58 lakhs as on March 31, 2019, towards purchase of goods included under "Trade Receivables" owed to the Company by its Foreign Customers due for more than 6 months as on March 31, 2019. These balances have not been settled till March 31, 2019. The Company is yet to make an application to the authorized dealer or Reserve Bank of India (RBI) for overdue receivable balances beyond the prescribed time limits in accordance with Foreign Exchange Management Act (FEMA). Any penalties that may be levied by RBI are presently not known and not given effect to in the IND AS financial statements.	Qualified	Repeat	The Company shall initiate the process for compliance of the same and approach RBI for approval of self write off.
12	The Company has interest free borrowings, classified under Non-Current Financial Liabilities, which are borrowed from various related parties and other lenders, the repayment terms of which have not been agreed between the Company and the lenders. The Company has not fair valued such sums received in accordance with the provisions of 'Ind AS – 109 – Financial Instrument' and 'Ind AS – 113 – Fair Value Measurement'. The effect of such treatment has not been quantified by the management and hence the same is not ascertainable.	Qualified	First Time	The Company considers the same to be repayable on demand and hence no fair value is required to be done. Also, loans and borrowings are long outstanding and with no repayment terms.
13	The Company did not obtain actuarial report and had not made any provision for Gratuity and Leave Encashment for the year. The impact of such non-provisioning of liability is unascertainable on the results and also, relevant disclosures as required under Ind AS – 15, Employees Benefit have not been given.	Qualified	First Time	The Company did not obtain such valuation report as the company is a sick unit and majority of the employees have left the company. However the company has not written off the complete amount as it expects the same to be payable to the employees.
14	The Company has on the basis of their internal evaluation, valued inventories at Rs.11.14 lakhs. In the absence of valuation report or other documentary evidence confirming net realizable value of inventories, we are unable to comment on realization value of the inventories.	Qualified	First Time	The inventories have become obsolete, old, expired and unusable. The management has written off the excess amount of inventory and has kept the inventory at realizable value.
15	The system of Internal Financial Controls over	Qualified	First Time	The management has

	financial reporting with regard to the Company were not made available to us to enable us to determine if the Company has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.			internal control process in place. However, no risk control matrix has been documented. The management is planning to prepare the same at the earliest.
16	The Company has TDS demand outstanding amounting to Rs.3.15 lakhs, pertaining to the previous financial years. The Company is in the process of ascertaining the liabilities and rectifying such returns, wherever required. No adjustment has been made for the said sums in the financial statements.	Qualified	First Time	The company is in the process of filing rectification returns and or make payments wherever required, if any

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