Euro Multivision Ltd.

PHOTOVOLTAIC CELL DIVISION

CIN: L32300MH2004PLC145995

Annexure I

Statement on Impact of Audit Qualifications on Financial Statements for the F
Year ended March 31, 2015

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

(Rs. In Lacs)

I	Sr. No.	Particulars	Audited Figures (As reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover/ Income	1478.79	1478.79
	2	Total Expenditure	14789.32	14789.32
	3	Net Profit/(Loss)	(13310.53)	(13310.53)
	4	Earnings Per Share	(55.93)	(55.93)
	5	Total Assets	16691.18	16691.18
	6	Total Liabilities	37457.26	37457.26
	7	Net Worth	(20766.08)	(20766.08)
	8	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil

II	**Audit Qualification**	
	Details of Audit Qualification	**Refer Annexure**
	Type of Audit Qualification	
	Frequency of Qualification	
	For Audit Qualification(s) where the impact is quantified by the Auditor, Management's view	
	For Audit Qualifications(s) where the impact is not quantified by the Auditor	
	Management's estimation on the impact of audit qualification	
	If Management is unable to estimate the impact, reasons for the same	
	Auditor's comments on (i) or (ii) above.	
III	**Signatories**	
	Whole Time Director	
	Audit Committee Chairman	
	CFO	
	Auditor	

For Deepak Maru & Co.
Chartered Accountants
F. R. No. 115678 W

Jaymin P. Shah

CA Jaymin P. Shah
(Partner)
Mem. No. 166143

EURO MULTIVISION LTD. MUMBAI
Rajabali Kalla
Director

EURO MULTIVISION LTD. MUMBAI
Anish Shah
Audit Committee Chairman

EURO MULTIVISION LTD. MUMBAI
Hitesh Shah
CFO

DEEPAK MARU & CO. MUMBAI CHARTERED ACCOUNTANTS

EURO MULTIVISION LIMITED

ANNEXURE TO STATEMENT ON IMPACT OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

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	For Audit Qualifications where the impact is not quantified by the Auditor		
					(i)Management estimation on the impact of audit qualification	(ii)If management is unable to estimate the impact, reasons for the same.	(iii) Auditor's comment on (i) and (ii)
1	The financial statement have been prepared on a "going concern" basis, inspite the fact that the Company's financial facilities/arrangements ave expired and the same are overdue for repayment and the networth of the Company fully eroded and the lenders have initiated legal proceedings against the Company for recovery.	Qualified	Repeated	Your Directors would like to state that considering the changes and new developments taking place in the solar industry, your Directors are optimistic about the better opportunity and turnaround of the Company. The Company is hopeful and awaiting comprehensive package under BIFR for resolution of debts from Banks and Financial Institutions.	N.A.	N.A.	N.A.
2	The Company has not provided interest on unsecured loan amounting to ₹233.07 lakhs (Previous year ₹154.33 lakhs) for the year ended 31st March, 2015. Had the same been provided the loss for the year ending 31st March, 2015 will increase by ₹233.07 lakhs (Previous year ₹154.33 lakhs) and the corresponding liability will also increase by ₹233.07 lakhs as at 31st March, 2015 (Previous Year ₹154.33 lakhs).	Qualified	Repeated	In view of the heavy losses incurred by the Company since last many years, the Company had requested its unsecured lenders that the Company is not in a position to pay the interest on the loan amount. The unsecured lenders has co operated with the Company and has considered the request of the Company. In view of the present liquidity condition of the Company, it is not possible to pay any interest on the unsecured loans, hence provision for interest is not provided.	N.A.	N.A.	N.A.
3	The Company has not provided for impairment or diminishing value of its assets/investment as per 'Accounting Standard 28 – Accounting for Impairment of Assets' as notified under the Companies (Accounting Standards) Rules, 2006 read with the General Circular 15/2013 dated 13th September,	Qualified	Repeated	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 value, and there is no further diminution in the value of its assets/investment other than depreciation / amortization.	N.A.	N.A.	N.A.

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	2013 of the Ministry of Corporate Affairs in respect of 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 same is not ascertainable.						
4	The Company has accumulated losses at the end of the financial year and at the immediately preceding financial year and the Company has defaulted in repayment of loans and interest to the banks	Qualified	First Time	Your directors would like to state that the Company had working capital shortages during the year and was unable to run the plants. Further the plants which were operational during the year were also run at lower capacity due to liquidity crunch, despite the demand of the products in the market. The increasing cost and unabsorbed fixed costs resulted in the cash losses during the year and in the course of time there were defaults in the repayment of the loans and interest to the Banks. However with the changing economic scenario, the growing solar industry and increasing foreign investments in India, the management is hopeful of arriving at a comprehensive business restructuring along with the debt realignment proposal with the lenders under BIFR.	N.A.	N.A.	N.A.
5	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 to the extent notified, 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).	Qualified	First Time	In absence of whole time company secretary the compliances were missed out inadvertently	N.A.	N.A.	N.A.
6	The Company has defaulted in repayment of loans and interests dues to the banks and financial institution.	Qualified	Repeated	During the years 2011-2012 and 2012-2013, the Company had incurred significant losses which had resulted in erosion of its net worth. The severe	N.A.	N.A.	N.A.

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	The principal outstanding of Term Loans and Cash Credit facilities amounts to ₹20,307.50 lakhs and overdue interest amounts to ₹14,850.47 lakhs as at March 31, 2015, subject to reconciliation with the banks. The period of default ranges around 51 months.			fall in the prices of Solar Photovoltaic cells globally is on account of reduced demand which resulted in large inventory at reduced prices, leading to necessity for booking losses and thereby depleting working capital. During the year 2011-2012, there was default in the repayment obligations to banks and the relevant loan accounts viz. Term Loans, Cash Credit Accounts and devolvement of letters of credit. In the financial year 2012-2013, the Company on the basis of the audited accounts for the financial year ended March 31, 2012, and being mandatory, filed the reference u/s 15(1) of Sick Industrial Companies (Special Provisions) Act, 1985 before the Hon'ble Board for Industrial & Financial Reconstruction (BIFR). The above reference has duly been registered by the learned Registrar of Hon'ble BIFR and hearings of which are in the process for determination of sickness.			

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