

SAMTEL COLOR LIMITED

Regd. Office: 501, Copia Corporate Suites,
District Centre – Jasola, New Delhi – 110025
PHONES: 011-42424000
FAX: 011-42424099
www.samtel-color.com
CIN No.: L51909DL1986PLC024222

By Courier / Fax

June 1st 2016.

Head- Listing,
National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051.

The General Manager,
Department of Corporate Services
The B S E Limited.,
Phiroze Jeejeebhoy Tower,
Dalal Street, Fort,
Mumbai – 400 001.

Dear Sir,

Sub: Submission of Audited Financial results for the Quarter/Year ended 31st March, 2016.

In continuation to our letter dated May 27, 2016 with regard to the notice given for adjourned of the Board meeting of the company, we are forwarding a copy of ***Audited Financial Results for the quarter/year ended 31st March, 2016*** (alongwith audit report issued by the statutory auditors) duly approved by the Board of Directors of the Company in their adjourned meeting held on Wednesday, the 1st June, 2016 at registered Office of the Company at 501, 5th Floor, Copia Corporate Suits, District Centre, Jasola, New Delhi – 110 025. We are arranging to publish the same in the Newspaper(s).

Further, we are also enclosing herewith **Annexure-I** duly completed & signed at our end for the year ended 31st March, 2016.

Kindly arrange to take on record the compliance and acknowledge the same.

Thanking you,
Yours faithfully,
For SAMTEL COLOR LIMITED

For SAMTEL COLOR LIMITED


Prabhat Nanda
COMPANY SECRETARY

Encl.: as above



SAMTEL COLOR LIMITED
 Regd. Office : 501, Copia Corporate Suites, District Centre - Jasola, New Delhi - 110025
 CIN : L51909DL1986PLC024222

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2016

(Rs. in Lacs)

PART - I

Particulars	Quarter Ended		Year Ended		Consolidated	
	31-03-2016	31-12-2015	31-03-2015	31-03-2016	31-03-2015	31-03-2016
	Audited	Unaudited	Audited	Audited	Audited	Audited
1 Income from Operations	-	-	-	-	-	-
(a) Net Sales / Income from Operations	-	-	-	-	-	-
(b) Other Operating Income	-	-	-	-	-	-
2 Expenses	-	-	-	-	-	-
a. Cost of Materials Consumed	-	-	-	-	-	-
b. Purchases of Stock in Trade	-	-	-	-	-	-
c. Changes in Inventories (Increase)/Decrease of Finished Goods, Work in Progress and Stock in Trade	1,189	277	33	2,032	1,127	357
d. Employee Benefits Expense	257	261	269	1,039	1,044	1,039
e. Depreciation Expense	56	15	30	99	73	99
f. Other Expenses	1,502	553	624	3,170	2,601	3,170
g. Total Expenses	(1,502)	(553)	(624)	(3,170)	(2,601)	(3,170)
3 Profit (+)/Loss (-) from Operations before Other Income, Finance Cost and Exceptional Items (1 - 2)	2	-	-	18	317	317
4 Other Income	(1,500)	(553)	(624)	(3,152)	(2,284)	(2,285)
5 Profit (+)/Loss (-) from Ordinary Activities before Finance Cost and Exceptional Items (3 + 4)	253	267	241	1,077	1,053	1,053
6 Finance Costs (Net)	(1,753)	(820)	(865)	(4,229)	(3,337)	(4,229)
7 Profit (+)/Loss (-) from Ordinary Activities after Finance Cost but before Exceptional Items (5 - 6)	-	-	-	-	-	-
8 Exceptional Items	(1,753)	(820)	(865)	(4,229)	(3,337)	(4,229)
9 Profit (+)/Loss (-) from Ordinary Activities before tax (7+8)	(1,753)	(820)	(865)	(4,229)	(3,337)	(4,229)
10 Tax Expense	(1,753)	(820)	(865)	(4,229)	(3,337)	(4,229)
11 Net Profit (+) / Loss (-) from Ordinary Activities after tax (9 - 10)	(1,753)	(820)	(865)	(4,229)	(3,337)	(4,229)
12 Extraordinary items (net of tax)	-	-	-	-	-	-
13 Net Profit (+)/Loss (-) for the period (11 - 12)	(1,753)	(820)	(865)	(4,229)	(3,337)	(4,229)
14 Share of Profit / (Loss) of Associates	-	-	-	-	-	(52)
15 Minority Interest	-	-	-	-	-	-
16 Net Profit (+)/Loss (-) after taxes, minority interest and share of profit / (loss) of associates (13+14+15)	(1,753)	(820)	(865)	(4,229)	(3,337)	(4,281)
17 Paid-up Equity Share Capital (Face value Rs.10 each share)	8,550	8,550	8,550	8,550	8,550	8,460
18 Reserves (excluding revaluation reserves) as per Balance Sheet of previous accounting year	-	-	-	7,080	7,080	7,080
19 Earnings Per Share before and after Extraordinary items	(3.92)	(2.83)	(2.65)	(6.82)	(5.54)	(6.89)
Basic Earnings / (loss) Per Share (not annualised)	(3.92)	(2.83)	(2.65)	(6.82)	(5.54)	(6.89)
Diluted Earnings / (loss) Per Share (not annualised)	(3.92)	(2.83)	(2.65)	(6.82)	(5.54)	(6.89)

NOTES:

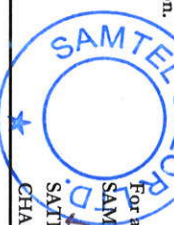
- The above financial results were reviewed and recommended by the Audit Committee of Directors and approved by the Board of Directors in their meetings held on May 27, 2016 and June 1, 2016 (adjourned) respectively.
- The Company got registered with Board for Industrial and Financial Reconstruction (BIFR) on 17th October, 2012 under the provisions of section 15 (1) of Sick Industrial Company (Special Provisions) Act, 1985 (SICA). The Company has filed the Draft Rehabilitation Scheme(DRS) in line with the prescribed procedures and rules under SICA. As per the directions of BIFR dated 6th October, 2015, Company has replied / clarified observation of OA on 16th December, 2015. Meanwhile, OA has applied on behalf all the lenders under third proviso to the section 15 of SICA for abatement of reference filed by the Company on account of action taken by the OA under Section 13 (4) of SARFAESI Act, 2002.

During the year the BIFR has appointed a special Director vide its letter dated 20th October, 2015 as per the order. The appointment of special director has been regularised by the Board of Directors in the meeting held on 12th February, 2016.

Pursuant to receipt of notice u/s 13(4) of The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act 2002) in the previous year, interest on loans from CDR lenders has not been provided from quarter ended December, 2013.

- 4 ICICI Bank as lead lender acting on behalf of other lender Banks/ financial Institutions has taken physical possession of immovable properties situated at R-9/10, Raj Nagar, Ghaziabad (U.P.) and Plot no-6, Sector II, Parwanoo Industrial Area, Parwanoo (H.P.) under section 13(4) of SARAESI Act, 2002 as per the directions dated 14th July, 2014 of District Magistrate Ghaziabad for Rajnagar Property and directions dated 23rd August 2014 by Tahsildar of District Solan (H.P) for Parwanoo property on the basis of symbolic possession of all the immovable properties of the Company pursuant to letter dated 16th April 2014.
- 5 Manufacturing facilities, at present, at all location of the Company have been suspended due to severe financial constraints. In view of the current market scenario, the management is of the opinion that demand for color picture tube (CPT) based televisions is still there amongst rural populations and the same can be catered by entering into the business of refurbishing of CPT of old televisions. The Company intends to enter into the said business after approval of rehabilitation / revival scheme by BIFR. The Company is hopeful that BIFR will approve the rehabilitation scheme which would entail part sale of its assets to discharge some of its financial obligations, improve cash flow and to do other requisite financial restructuring in consultation with various stake holders to improve the financial position including net worth.
- In view of the above, the Company is hopeful that it would be in position to realise its assets and discharge its liabilities by successfully implementing the proposed rehabilitation scheme and in the normal course of its business. Accordingly, the financial statements have been prepared on a going concern basis.
- 6 Based on the prudent accounting, the Company has provided estimated liability from the financial year 2012-13 onwards in respect to the dues of workmen of all the units. However, in view of the ongoing lock out / lay off in various units of the Company, the Company is further seeking legal opinion for the dues payable as per the Provident Fund and various labour laws. The necessary further adjustments, if required, will be made in the financial books as and when the same is decided.
- 7 The useful life of those assets / salvage value which are at variance with the useful life / salvage value given in schedule II of the Companies Act, 2013 are as per the technical assessment in October, 2010 by an independent professional valuer.
- 8 The Consolidation of Samtel Color Limited and its subsidiaries / associates (unaudited) have been done in accordance with the applicable Accounting Standards.
- 9 Response to Auditor's comments in the report on the audited financial statements as at March 31, 2016 :
 - a The Company is taking necessary steps to streamline the restructured operations of some of the manufacturing facilities and has also filed Draft Rehabilitation Scheme accordingly. Thus, the Company feels that it can operate as "Going Concern" in foreseeable future.
 - b The Company has impaired the plant & machinery and its related stores & spares of some of its manufacturing facilities and provided for diminution in value of long term investments on the basis of applicable accounting standards. In respect of investment in Samtel Glass Ltd. (SGL) the management has the opinion that the realisation value of immovable properties of SGL will be much higher than the admitted liabilities. Thus the long term value of the equity shares of SGL are expected to be higher and diminution of value at this stage is not called for.
 - c The Company will obtain the balance confirmation and reconciliation thereof from banks / creditors / debtors in due course.
 - d During the year, the fixed assets of the Company were not verified by the management. However, the management does not expect any major discrepancy.
 - e Due to suspension of operations in all the locations the physical verification of inventory could not be done on March 31, 2016. However, the management is of the view that there are not any major discrepancies in inventory.
 - f The Company has not booked the statutory liabilities on the provision for expenses made during the year as the quantum of exact statutory liability can not be ascertained in the present scenario.
 - g The other qualifications given by the auditors with regard to outstanding dues / payments to respective statutory authorities can be serviced by operating some of the manufacturing facilities of the Company after approval of rehabilitation / revival scheme of BIFR.
 - h In the view of the management the share application money of Rs. 30 crs. is not refundable and doesn't fall in the category of deposit in pursuant to section 73 to 76 of the Companies Act 2013 read with Companies (Acceptance of Deposits) Rules 2014 and relevant amendment Rules 2014. The warrants/shares have not been allotted to the applicant due to absence of requisite approval of the stock exchanges for which application had submitted.
 - i The Company does not have any manufacturing activities and has been declared sick industrial unit. However, search for whole time CFO is continuing and the company is hopeful of appointing the CFO during this year.
 - 10 The Deferred Tax Assets, in accordance with AS - 22 "Accounting for Taxes on Income" on account of carried forward unabsorbed losses / depreciation as per the Income Tax Act, 1961 have not been recognised since there is no certainty of future taxable income.
 - 11 The Company is engaged in the business of TV Picture Tubes & Parts and there are no separate reportable segments as per AS - 17 on Segment reporting.
 - 12 Figures of current quarter are the balancing figures between audited figures in respect of full financial year and the published year to date results up to the third quarter of the current financial year.
 - 13 Previous year/period figures have been regrouped / recast, wherever necessary, to conform to the current period's classification.

Place : New Delhi
Dated : June 1, 2016



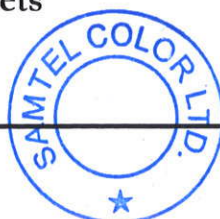
For and on behalf of the Board of Directors of
SAMTEL COLOR LIMITED
SATISH K. KAURA
CHAIRMAN AND MANAGING DIRECTOR

SAMTEL COLOR LIMITED

STATEMENT OF ASSETS AND LIABILITIES

Rs. in Lacs

Particulars	As At 31-03-2016 Audited	As At 31-03-2015 Audited
I. EQUITY AND LIABILITIES		
(1) Shareholder's Funds		
(a) Share Capital	11,629	11,629
(b) Reserves and Surplus	(80,287)	(76,058)
(c) Money Received against Share Warrants	3,000	3,000
Sub - Total - Shareholder's Funds	(65,658)	(61,429)
(2) Non-Current Liabilities		
(a) Long-Term Borrowings	3,581	9,697
(b) Long Term Provisions	2,185	2,051
Sub - Total - Non Current Liabilities	5,766	11,748
(3) Current Liabilities		
(a) Short Term Borrowings	16,057	16,057
(b) Trade Payables	15,745	15,243
(c) Other Current Liabilities	48,175	39,652
(d) Short Term Provisions	363	348
Sub - Total - Current Liabilities	80,339	71,300
TOTAL EQUITY AND LIABILITIES	20,447	21,619
II. ASSETS		
(1) Non-Current Assets		
(a) Fixed Assets	11,128	12,167
(b) Non-Current Investments	538	538
(c) Long Term Loans and Advances	320	320
Sub - Total - Non Current Assets	11,986	13,025
(2) Current Assets		
(a) Inventories	1,182	1,182
(b) Trade Receivables	5,951	5,951
(c) Cash And Cash Equivalents	51	34
(d) Short Term Loans and Advances	1,276	1,426
(e) Other Current Assets	1	1
Sub - Total - Current Assets	8,461	8,594
TOTAL ASSETS	20,447	21,619



AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2016

(Rs. in Lacs)

Sl. No.	Particulars	Standalone				Consolidated	
		Quarter Ended 31-03-2016 Audited	Quarter Ended 31-03-2015 Audited	Year Ended 31-03-2016 Audited	Year Ended 31-03-2015 Audited	Year Ended 31-03-2016 Audited	Year Ended 31-03-2015 Audited
1	Total Income from Operations (Net)	-	-	-	-	-	-
2	Net Profit / (Loss) from Ordinary Activities after tax	(1,753)	(865)	(4,229)	(3,337)	(4,281)	(3,665)
3	Net Profit / (Loss) for the period after tax (after extra Ordinary Items)	(1,753)	(865)	(4,229)	(3,337)	(4,281)	(3,665)
4	Paid-up Equity Share Capital (Face value Rs.10 each share)	8,550	8,550	8,550	8,550	8,460	8,460
5	Reserves (excluding revaluation reserves as shown in the Balance sheet of previous	-	-	-	-	-	-
6	Earnings Per Share (before Extraordinary items) (of Rs. 10/- each):						
(a)	Basic:	(3.92)	(2.65)	(6.82)	(5.54)	(6.89)	(5.99)
(b)	Diluted:	(3.92)	(2.65)	(6.82)	(5.54)	(6.89)	(5.99)
7	Earnings Per Share (after Extraordinary items) (of Rs. 10/- each):						
(a)	Basic:	(3.92)	(2.65)	(6.82)	(5.54)	(6.89)	(5.99)
(b)	Diluted:	(3.92)	(2.65)	(6.82)	(5.54)	(6.89)	(5.99)

Note: The above is an extract of the detailed format of Quarterly / Annual Financial Results filed with the stock exchanges under Regulation 33 of the SEBI (Listing & Other Disclosures Requirements) Regulations, 2015. The full format of the Quarterly Financial results are available on the stock exchange WEB SITES. (URL of the Filings)

For and on behalf of the Board of Directors of
SAMTEL COLOR LIMITED
Satish K. Kaura
SATISH K. KAURA
 CHAIRMAN AND MANAGING DIRECTOR

Place : New Delhi
 Dated : June 1, 2016



S S KOTHARI MEHTA & CO
CHARTERED ACCOUNTANTS

146-148 Tribhuvan Complex
Ishwar Nagar
Mathura Road
New Delhi-110065
Phones : +91-11-4670 8888
Fax : +91-11-6662 8889
E-mail : delhi@sskmin.com

**Auditor's Report on Consolidated Year to Date Results of the Company Pursuant to the Regulation 33
of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To Board of Directors of

SAMTEL COLOR LIMITED

We have audited the accompanying Statement of Consolidated Financial Results of Samtel Color Limited (the "Holding Company"), its subsidiaries and associates (the Holding Company its subsidiaries and associates together referred to as the "Group"), for the year ended 31 March, 2016 (the "Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated financial results have been prepared from consolidated financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated financial statements, which have been prepared in accordance with the recognition and measurement principles laid down as per accounting standards mandated under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

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.

We also draw attention on note no. (2), (4) and (7) of accompanying Results regarding

- (i) The declaration of the company as a sick industrial company under section 3(1) of Sick Industrial Companies Act, 1985 via order of BIFR bench dated 3rd December, 2014 against case no. 58/2012. During the quarter ending 30th September, 2015 the draft rehabilitation scheme in line with prescribed procedure & rules under SICA was filed and during the quarter ending 31st December, 2015 :
 - a. As per direction of BIFR dated 6th October, 2015, the Company has to submit the updated DRS after incorporation of all the observations made by ICICI (OA) and the Company has replied/ clarified observation of OA on 16th December, 2015. Meanwhile OA has applied on behalf all the applicant under third proviso to the section 15 of SICA for abatement of reference filed by the Company on account of action taken by the OA under Section 13 (4) of SARFAESI Act, 2002.
 - b. ICICI Bank being authorised by other lender Banks/ financial Institutions has taken physical possession of immovable properties situated at R-9/10 Raj Nagar Ghaziabad (U.P.) and Plot no-6, Sector II Parwanoo Industrial Area , Parwanoo (H.P.) under section 13(4) of SARFAESI Act, 2002 as per the direction dated 14th July , 2014 of District Magistrate Ghaziabad for Rajnagar Property and direction dated 23rd August 2014 by Tahsildar of district Solan (H.P)



for Parwanoo property on the basis of symbolic possession of all the immovable properties of the Company pursuant to letter dated 16th April 2014

- (ii) The depreciation where useful life and salvage value of assets is in variance with the useful life and salvage value given in Schedule II of Companies Act, 2013 as per the technical assessment by an independent professional valuer.

(A) We had reported in our audit report for the year ended 31st March 2012 as under:-

- (i) The entire net worth of the Company has eroded completely;
- (ii) the Company has initiated the bidding process for the disposal of production lines 1 and 4 (non-core assets) out of 4 production lines at plant situated at Gautam Budh Nagar (Uttar Pradesh) after obtaining approval of CDR lenders and consequently impaired those production lines by Rs. 3,866.91 Lacs and related stores & spares by Rs. 512.28 Lacs;
- (iii) the manufacturing operations at other production lines at plants situated at Ghaziabad (Uttar Pradesh) & Parwanoo (Himachal Pradesh) could not be resumed in the financial year due to non-participation of labour in production process reasoning to their over-dues;
- (iv) the Company has defaulted in repayment of loans as per CDR scheme and borrowings of other lenders, as elaborated in note no. 38 of the financial statements;
- (v) there is diminution in the value of long term investments;
- (vi) reconciliation and confirmations of balances of certain major creditors and acceptances are pending;
- (vii) non-redemption of 9,69,163 0% redeemable preference shares of Rs100 each amounting to Rs. 969.16 lacs already due for redemption; and non-payment of preference dividend for the period from 31st March 2008 to 31st March 2012 aggregating to Rs. 773.61 Lacs on 21,10,116 8% Non-Convertible Cumulative Redeemable Preference Shares.

(B) In continuation to aforesaid observations, we reported the following in our audit report for the year ended on 31st March, 2013:

- (i) During the year, in view of the continued failure of the Company to disburse the legitimate dues of the workmen, Hon'ble High Court of Himachal Pradesh (Shimla) has settled the dispute by passing an order for the closure of Deflection Yoke unit at Parwanoo (H.P) and thereby, pay off the corresponding outstanding dues by selling the industrial undertaking/Company assets etc.,
- (ii) the operations have been suspended in all locations by the mid of November 12, & have not been resumed till date and consequently, management has impaired the production lines 3 & 5, located at Gautam Budh Nagar (UP) & Deflection Yoke unit located at Parwanoo (HP) by Rs.27,977.06 lacs and related stores & spares by Rs. 410.35 lacs etc.;



- (iii) the impairment of assets of production line 2, located at Gautam Budh Nagar (U.P.), and gun division at Meerut has not been considered by the management on the rationale of its revival plan of running the operations by restructuring them even though in our opinion considering the liquidity crunch, the probability of running these lines seems remote;
 - (iv) the balances outstanding as on 31st March, 2013 of receivables & inventory are subject to confirmation & physical verification respectively due to temporary suspension of operations & non access to inventories,
 - (v) raw material & finished goods inventory amounting to Rs. 311.90 lacs and Rs. 55 lacs respectively have been seized by the excise authorities due to non-payment of excise dues;
 - (vi) there is non-submission of various statutory returns acknowledged by the respective authorities, non-provision/deposition of various overdue statutory liabilities like PF/Service Tax/TDS/Excise/Vat & CST/WCT/TCS/ESI/Gratuity/Bonus/ Preference dividend & related over dues (interest and penalty), non-deduction of TDS on provisional expenses; and as explained by management exact amount of which could not be ascertained in present scenario;
 - (vii) there is increase in diminution of investments in current year of Rs.841.48 lacs,
 - (viii) Assets lying with the Provident Fund trust have been transferred to Regional Provident Fund Commissioner and those related to Gratuity Trust have been settled by adjustment of employee's dues. However, as per the management, related liability has been accounted for completely and there will be no demand over and above the same;
 - (ix) Company has accounted for its gratuity and leave encashment liability on actual basis rather than on actuarial valuation method which has been prescribed in Accounting Standard AS-15, "Employee Benefits".
- (C) In continuation to aforesaid observations for the financial year 2012 and 2013, we reported the following in our audit report for the year ended on 31st March, 2014:

There is no change in above matters except that in respect of compliance with the clause 35 of the listing agreement and requirement of SEBI circular no. D&CC/FITTC/CIR-16/2002 dated 31.12.2002 regarding Reconciliation of Share Capital Audit Report for the quarter ended December, 2013,

Above default was made good on 23 June, 2014. However due to delay NSE has imposed a penalty of Rs. 9.32 lacs vide notice no. FINES/ 2013-14/230721-T dated 17 February, 2014. However the same has been compounded by SEBI via order no. CA NO. 16/175/2014- CLB dated 10/11/2014. The company has requested for waiver of penalty/fine citing that company has been registered with BIFR & as per provisions of that and due to liquidity problem, is not in a position to repay.



(D) In continuation to aforesaid observations, we reported the following in our audit report for the year ended on 31st March, 2015:

the Company has not appointed any Chief financial officer as per the requirement of Section 203 of the Companies Act 2013, in respect of the key managerial personnel; (ii) the balances outstanding in banks (except one operative bank) are subject to confirmation; (iii) during the financial year 2013-14, the Company had provided further diminution in long term investment in Samtel Glass Limited of Rs. 937.87 lacs, diminution of investment in current year has not been considered by the management since, as explained to us, the realisation value of land during disposal of Samtel Glass Limited will be higher after setting off all liabilities [refer note no. 37(g)]; (iv) the shares against subscription money received from Promoters Group Company of Rs. 3000 lacs, in terms of CDR Scheme, could not be issued due to non-approval from Stock Exchange. After the lapse of extended period as provided in MCA Notification the Company may be in default of provision of section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and relevant Amendment Rules 2015

(E) In continuation to aforesaid observations, we report that:

the shares against subscription money received from Promoters Group Company of Rs. 3000 lacs, in terms of CDR Scheme, could not be issued due to non-approval from Stock Exchange. After the lapse of extended period as provided in MCA Notification the Company is in default of provision of section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and relevant Amendment Rules 2015

These factors raise substantial doubts as to the Company's ability to continue as going concern and therefore, the Company may not be able to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustment relating to the recoverability and classification of recorded assets amounts.

Based on the above facts we are of the opinion that going concern assumption has been affected and the financials should have been stated at net realisable value.

We did not audit the financial statements of two subsidiaries included in these consolidated financial results, whose financial statements reflect total assets of Rs. 374.33 lacs as at 31st March, 2016 as well as the total revenue of Rs. Nil and net cash outflow is Rs 0.29 lacs for the year ended 31st March, 2016. These financial statements and other financial information have been audited by other auditor whose reports have been furnished to us, and our opinion on the financial results, to the extent they have been derived from such financial statements is based solely on the report of such other auditor.

These consolidated financial results also include the Company's share of net loss of Rs. 51.63 lacs for the year ended 31st March, 2016, in respect of one Associate, whose financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements / results, in so far as it relates to the amounts and disclosures included in respect of this Associate is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.



In our opinion and to the best of our information and according to the explanations given to us except above these consolidated financial results:

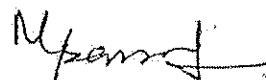
- (i) include the financial results of the following entities:
 - (a) Paramount Capfin Lease Pvt Ltd – Subsidiary.
 - (b) Blue Bell Trade Links Pvt Ltd- Subsidiary.
 - (c) Samtel Glass Limited – Associate.
- (ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard;
- (iii) give a true and fair view of the consolidated net loss and other financial information for the year ended 31st March, 2016.

Further, the quarterly financial results for the quarter ended 31st March 2016 are the derived figures between the audited figures in respect of the year ended 31st March 2016 and the published year-to-date figures for the period 1st April 2015 to December 31, 2015, being the date of the end of the third quarter of the current financial year, which were subject to limited review in accordance with Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' as issued by the Institute of Chartered Accountants of India.

Place: New Delhi

Dated: 01.06.2016

For S S Kothari Mehta & Co.
(Chartered Accountants)
Firm Registration No. 000756N



(Neeraj Bansal)

Partner

Membership No.: 095960



**Auditor's Report on Quarterly Financial Results and Year to Date Results of the
Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and
Disclosure Requirements) Regulations, 2015**

To Board of Directors of
Samtel Color Limited

We have audited the quarterly financial results of Samtel Color Limited for the quarter ended 31st March 2016 and the year to date/ yearly results for the period 1st April 2015 to 31st March 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the financial statements, 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 interim / annual financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in the prescribed accounting standards under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

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.

We also draw attention on note no. (2), (4) and (7) of accompanying Results regarding

- (i) The declaration of the company as a sick industrial company under section 3(1) of Sick Industrial Companies Act, 1985 via order of BIFR bench dated 3rd December, 2014 against case no. 58/2012. During the quarter ending 30th September, 2015 the draft rehabilitation scheme in line with prescribed procedure & rules under SICA was filed and during the quarter ending 31st December, 2015 :
 - (a) as per direction of BIFR dated 6th October, 2015, the Company has to submit the updated DRS after incorporation of all the observations made by ICICI (OA) and the Company has replied/ clarified observation of OA on 16th December, 2015. Meanwhile OA has applied on behalf all the applicant under third proviso to the section 15 of SICA for abatement of reference filed by the Company on account of action taken by the OA under Section 13 (4) of SARFAESI Act, 2002.



- (b) ICICI Bank being authorised by other lender Banks/ financial Institutions has taken physical possession of immovable properties situated at R-9/10 Raj Nagar Ghaziabad (U.P.) and Plot no-6, Sector II Parwanoo Industrial Area , Parwanoo (H.P.) under section 13(4) of SARFAESI Act, 2002 as per the direction dated 14th July , 2014 of District Magistrate Ghaziabad for Rajnagar Property and direction dated 23rd August 2014 by Tahsildar of district Solan (H.P) for Parwanoo property on the basis of symbolic possession of all the immovable properties of the Company pursuant to letter dated 16th April 2014
- (ii) The depreciation where useful life and salvage value of assets is in variance with the useful life and salvage value given in Schedule II of Companies Act, 2013 as per the technical assessment by an independent professional valuer.
- (A) We had reported in our audit report for the year ended 31st March 2012 as under:-
- (i) The entire net worth of the Company has eroded completely;
- (ii) the Company has initiated the bidding process for the disposal of production lines 1 and 4 (non-core assets) out of 4 production lines at plant situated at Gautam Budh Nagar (Uttar Pradesh) after obtaining approval of CDR lenders and consequently impaired those production lines by Rs. 3,866.91 Lacs and related stores & spares by Rs. 512.28 Lacs;
- (iii) the manufacturing operations at other production lines at plants situated at Ghaziabad (Uttar Pradesh) & Parwanoo (Himachal Pradesh) could not be resumed in the financial year due to non-participation of labour in production process reasoning to their over-dues;
- (iv) the Company has defaulted in repayment of loans as per CDR scheme and borrowings of other lenders, as elaborated in note no. 38 of the financial statements;
- (v) there is diminution in the value of long term investments;
- (vi) reconciliation and confirmations of balances of certain major creditors and acceptances are pending;
- (vii) non-redemption of 969,163, 0% redeemable preference shares of Rs100 each amounting to Rs. 969.16 lacs already due for redemption; and non-payment of preference dividend for the period from 31st March 2008 to 31st March 2012 aggregating to Rs. 773.61 Lacs on 21,10,116 8% Non-Convertible Cumulative Redeemable Preference Shares.



(B) In continuation to aforesaid observations, we reported the following in our audit report for the year ended on 31st March, 2013:

- (i) During the year, in view of the continued failure of the Company to disburse the legitimate dues of the workmen, Hon'ble High Court of Himachal Pradesh (Shimla) has settled the dispute by passing an order for the closure of Deflection Yoke unit at Parwanoo (H.P) and thereby, pay off the corresponding outstanding dues by selling the industrial undertaking/Company assets etc.
- (ii) the operations have been suspended in all locations by the mid of November 12, & have not been resumed till date and consequently, management has impaired the production lines 3 & 5, located at Gautam Budh Nagar (UP) & Deflection Yoke unit located at Parwanoo (HP) by Rs.27,977.06 lacs and related stores & spares by Rs. 410.35 lacs etc.;
- (iii) the impairment of assets of production line 2, located at Gautam Budh Nagar (U.P.), and gun division at Meerut has not been considered by the management on the rationale of its revival plan of running the operations by restructuring them even though in our opinion considering the liquidity crunch, the probability of running these lines seems remote;
- (iv) the balances outstanding as on 31st March, 2013 of receivables & inventory are subject to confirmation & physical verification respectively due to temporary suspension of operations & non access to inventories,
- (v) raw material & finished goods inventory amounting to Rs. 311.90 lacs and Rs. 55 lacs respectively have been seized by the excise authorities due to non-payment of excise dues;
- (vi) there is non-submission of various statutory returns acknowledged by the respective authorities, non-provision/deposition of various overdue statutory liabilities like PF/Service Tax/TDS/Excise/Vat & CST/WCT/TCS/ESI/Gratuity/Bonus/ Preference dividend & related over dues (interest and penalty), non-deduction of TDS on provisional expenses; and as explained by management exact amount of which could not be ascertained in present scenario;
- (vii) there is increase in diminution of investments in current year of Rs.841.48 lacs,
- (viii) Assets lying with the Provident Fund trust have been transferred to Regional Provident Fund Commissioner and those related to Gratuity Trust have been settled by adjustment of employee's dues. However, as per the management, related liability has been accounted for completely and there will be no demand over and above the same;



(ix) Company has accounted for its gratuity and leave encashment liability on actual basis rather than on actuarial valuation method which has been prescribed in Accounting Standard AS-15, "Employee Benefits".

(C) In continuation to aforesaid observations for the financial year 2012 and 2013, we reported the following in our audit report for the year ended on 31st March, 2014:

There is no change in above matters except that in respect of compliance with the clause 35 of the listing agreement and requirement of SEBI circular no. D&CC/FITC/CIR-16/2002 dated 31.12.2002 regarding Reconciliation of Share Capital Audit Report for the quarter ended December, 2013,

Above default was made good on 23 June, 2014. However due to delay NSE has imposed a penalty of Rs. 9.32 lacs vide notice no. FINES/ 2013-14/230721-T dated 17 February, 2014. However the same has been compounded by SEBI via order no. CA NO. 16/175/2014- CLB dated 10/11/2014. The company has requested for waiver of penalty/fine citing that company has been registered with BIFR & as per provisions of that and due to liquidity problem, is not in a position to repay.

(D) In continuation to aforesaid observations, we reported the following in our audit report for the year ended on 31st March, 2015:

(i) the Company has not appointed any Chief financial officer as per the requirement of section 203 of the Companies Act 2013, in respect of the key managerial personnel;

(ii) the balances outstanding in banks (except one operative bank) are subject to confirmation;

(iii) during the financial year 2013-14, the Company had provided further diminution in long term investment in Samtel Glass Limited of Rs. 937.87 lacs, diminution of investment in current year has not been considered by the management since, as explained to us, the realisation value of land during disposal of Samtel Glass Limited will be higher after setting off all liabilities [refer note no. 37(g)];

(iv) the shares against subscription money received from Promoters Group Company of Rs. 3000 lacs, in terms of CDR Scheme, could not be issued due to non-approval from Stock Exchange. After the lapse of extended period as provided in MCA Notification the Company may be in default of provision of section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and relevant Amendment Rules 2015



(E) In continuation to aforesaid observations, we report that:
the shares against subscription money received from Promoters Group Company of Rs. 3000 lacs, in terms of CDR Scheme, could not be issued due to non-approval from Stock Exchange. After the lapse of extended period as provided in MCA Notification the Company is in default of provision of section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and relevant Amendment Rules 2015

These factors raise substantial doubts as to the Company's ability to continue as going concern and therefore, the Company may not be able to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustment relating to the recoverability and classification of recorded assets amounts.

Based on the above facts we are of the opinion that going concern assumption has been affected and the financials should have been stated at net realisable value.

In our opinion and to the best of our information and according to the explanations given to us except above these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) give a true and fair view of the net loss and other financial information for the quarter ended 31st March 2016 as well as the year to date results for the period from 1st April 2015 to 31st March 2016.

Further, the quarterly financial results for the quarter ended 31st March 2016 are the derived figures between the audited figures in respect of the year ended 31st March 2016 and the published year-to-date figures for the period 1st April 2015 to December 31, 2015, being the date of the end of the third quarter of the current financial year, which were subject to limited review in accordance with Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' as issued by the Institute of Chartered Accountants of India.



Place: New Delhi

Dated: 01.06.2016

For S S Kothari Mehta & Co.
(Chartered Accountants)
Firm Registration No. 000756N

(Neeraj Bansal)
Partner
Membership No.: 095960

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results – (Consolidated)				
Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2016 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] (Rupees in Lacs)				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	18.00	18.00
	2.	Total Expenditure	(4299.00)	(4299.00)
	3.	Net Profit/(Loss)	(4281.00)	(4281.00)
	4.	Earnings Per Share	(6.89)	(6.89)
	5.	Total Assets	19868.34	19868.34
	6.	Total Liabilities	86105.53	86105.53
	7.	Net Worth	(66237.19)	(66237.19)
	8.	Any other financial item(s) (as felt appropriate by the management)	0.00	0.00
II.	Audit Qualification (each audit qualification separately):			
	Details of Audit Qualification: (A) We had reported in our audit report for the year ended 31st March 2012 as under:- (i) The entire net worth of the Company has eroded completely; (ii) the Company has initiated the bidding process for the disposal of production lines 1 and 4 (non –core assets) out of 4 production lines at plant situated at Gautam Budh Nagar (Uttar Pradesh) after obtaining approval of CDR lenders and consequently impaired those production lines by Rs. 3,866.91 Lacs and related stores & spares by Rs. 512.28 Lacs; (iii) the manufacturing operations at other production lines at plants situated at Ghaziabad (Uttar Pradesh) & Parwanoo (Himachal Pradesh) could not be resumed in the financial year due to non-participation of labour in production process reasoning to their over-dues;			

- (iv) the Company has defaulted in repayment of loans as per CDR scheme and borrowings of other lenders, as elaborated in note no. 38 of the financial statements;
- (v) there is diminution in the value of long term investments;
- (vi) reconciliation and confirmations of balances of certain major creditors and acceptances are pending;
- (vii) non- redemption of 969,163, 0% redeemable preference shares of Rs100 each amounting to Rs. 969.16 lacs already due for redemption; and
- (viii) non-payment of preference dividend for the period from 31st March 2008 to 31st March 2012 aggregating to Rs. 773.61 Lacs on 21,10,116 8% Non-Convertible Cumulative Redeemable Preference Shares.

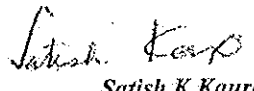
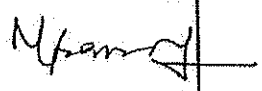
(B) In continuation to aforesaid observations, we reported the following in our audit report for the year ended on 31st March, 2013:

- (i) During the year, in view of the continued failure of the Company to disburse the legitimate dues of the workmen, Hon'ble High Court of Himachal Pradesh (Shimla) has settled the dispute by passing an order for the closure of Deflection Yoke unit at Parwanoo (H.P) and thereby, pay off the corresponding outstanding dues by selling the industrial undertaking/Company assets etc.,
- (ii) the operations have been suspended in all locations by the mid of November 12, & have not been resumed till date and consequently, management has impaired the production lines 3 & 5, located at Gautam Budh Nagar (UP) & Deflection Yoke unit located at Parwanoo (HP) by Rs.27,977.06 lacs and related stores & spares by Rs. 410.35 lacs etc.;
- (iii) the impairment of assets of production line 2, located at Gautam Budh Nagar (U.P.), and gun division at Meerut has not been considered by the management on the rationale of its revival plan of running the operations by restructuring them even though in our opinion considering the liquidity crunch, the probability of running these lines seems remote;
- (iv) the balances outstanding as on 31st March, 2013 of receivables & inventory are subject to confirmation & physical verification respectively due to temporary suspension of operations & non access to inventories,
- (v) raw material & finished goods inventory amounting to Rs. 311.90 lacs and Rs. 55 lacs respectively have been seized by the excise authorities due to non-payment of excise dues;
- (vi) there is non-submission of various statutory returns acknowledged by the respective authorities, non provision/deposition of various overdue statutory

	liabilities like PF/Service Tax/TDS/Excise/Vat & CST/WCT/TCS/ESI/Gratuity/Bonus/ Preference dividend & related over dues (interest and penalty), non deduction of TDS on provisional expenses; and as explained by management exact amount of which could not be ascertained in present scenario; (vii) there is increase in diminution of investments in current year of Rs.841.48 lacs, (viii) Assets lying with the Provident Fund trust have been transferred to Regional Provident Fund Commissioner and those related to Gratuity Trust have been settled by adjustment of employee's dues. However, as per the management, related liability has been accounted for completely and there will be no demand over and above the same; (ix) Company has accounted for its gratuity and leave encashment liability on actual basis rather than on actuarial valuation method which has been prescribed in Accounting Standard AS-15, "Employee Benefits". (C) In continuation to aforesaid observations for the financial year 2012 and 2013, we reported the following in our audit report for the year ended on 31st March, 2014: (i) There is no change in above matters except that in respect of compliance with the clause 35 of the listing agreement and requirement of SEBI circular no. D&CC/FITC/CIR-16/2002 dated 31.12.2002 regarding Reconciliation of Share Capital Audit Report for the quarter ended December, 2013, (ii) Above default was made good on 23 June, 2014. However due to delay NSE has imposed a penalty of Rs. 9.32 lacs vide notice no. FINES/2013-14/230721-T dated 17 February, 2014. However the same has been compounded by SEBI via order no. CA NO. 16/175/2014- CLB dated 10/11/2014. The company has requested for waiver of penalty/fine citing that company has been registered with BIFR & as per provisions of that and due to liquidity problem, is not in a position to repay. (D) In continuation to aforesaid observations , we reported the following in our audit report for the year ended on 31st March, 2015: (i) the Company has not appointed any Chief financial officer as per the requirement of section 203 of the Companies Act 2013, in respect of the key managerial personnel; (ii) the balances outstanding in banks (except one operative bank) are subject to confirmation; (iii) during the financial year 2013-14, the Company had provided further diminution in long term investment in Samtel Glass Limited of Rs. 937.87 lacs, diminution of investment in current year has not been considered by the management since, as explained to us, the realisation value of land during disposal of Samtel Glass Limited will be higher after setting off all liabilities [refer note no. 37(g)]; (iv) the shares against subscription money received from Promoters Group Company of Rs. 3000 lacs, in terms of CDR Scheme, could not be issued due to non-approval from Stock Exchange. After the lapse of extended period as provided in MCA
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	Notification the Company may be in default of provision of section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and relevant Amendment Rules 2015 (E) In continuation to aforesaid observations , we reported the following in our audit report for the year ended on 31st March, 2016: (a) the shares against subscription money received from Promoters Group Company of Rs. 3000 lacs, in terms of CDR Scheme, could not be issued due to non-approval from Stock Exchange. After the lapse of extended period as provided in MCA Notification the Company is in default of provision of section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and relevant Amendment Rules 2015 These factors raise substantial doubts as to the Company's ability to continue as going concern and therefore, the Company may not be able to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustment relating to the recoverability and classification of recorded assets amounts. Based on the above facts we are of the opinion that going concern assumption has been affected and the financials should have been stated at net realisable value.
	b. Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion: All above are the Qualified Opinion given by the Auditors
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: The contents of the qualifications mentioned in point no. (A), (B), (C) and (D) above are the repetitive nature since for the year ended 31st March, 2012, 31st March, 2013, 31st March, 2014 and 31st March, 2015 respectively.
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: The observations of the Auditors and the relevant notes on the accounts are self-explanatory. Further, explanations with regard to the observations/qualifications of the Auditors' are as under: - The Company is taking necessary steps to streamline the restructured operations of some of the manufacturing facilities. Thus, the Company feels that it can operate as "Going Concern" in foreseeable future. - The Company has impaired the plant & machinery and its related stores & spares of some of its manufacturing facilities and provided for diminution in value of long term investments on the basis of applicable accounting standards. - The Company will obtain the balance confirmation and reconciliation thereof from creditors / debtors in due course.

	- During the year, the fixed assets of the Company were not verified by the management. However, the management does not expect any major discrepancy. - Due to suspension of operations in all the locations the physical verification of inventory could not be done on March 31, 2014. However, the management is of the view that there are not any major discrepancies in inventory. - The Company has not booked the statutory liabilities on the provision for expenses made during the year as the quantum of exact statutory liability cannot be ascertained in the present scenario. - The statutory payments will be cleared on availability of the funds with the company. - With regard to provisions of clause 35 of listing agreement (submission of shareholding pattern) and requirements of SEBI circular no. D & CC/ FITTC/CIR-16/2002 dated 31.12.2002 regarding Reconciliation of Share Capital Audit Report, for the quarter ended 31st December 2013. The same has been complied with, the company has already filed the same reports with the stock exchanges. The company has also given representation to the stock exchange with regard to cause of delay and waiver of penalty - The company has been declared as a Sick Industrial undertaking by BIFR. Further there is no significant business activities justifying appointment of CFO, however the company has been scouting the market for an qualified chartered accountant to be appointed as CFO of the company. Company expects to comply with the provisions of Companies Act, 2013 expeditiously. - In the view of the management the share application money of Rs. 30 crs. not refundable and doesn't fall in the category of deposit in pursuant to section 73 to 76 of the Companies Act 2013 read with Companies (Acceptance of Deposits) Rules 2014 and relevant amendment Rules 2014. The warrants/shares have not been allotted to the applicant due to absence of requisite approval of the stock exchanges for which application had submitted. - The performance of the Company in the last few quarters has been impacted due to liquidity constraints resulting from lower sales volume in the domestic and international market. During the earlier years, operations at all the locations have been suspended due to severe financial constraints. In view of the present scenario of Color Picture Tube business, the management is of the view that the existing demand of CPT can be serviced by operating some of the manufacturing facilities of the Company after approval of rehabilitation / revival scheme of BIFR. Accordingly the Company's financial statements have been prepared on a going concern basis whereby realization of assets & discharge of liabilities are expected to occur in the normal course of business. - The Company has impaired the plant & machinery and its related stores & spares of some of its manufacturing facilities and provided for diminution in value of long term investments on the basis of applicable accounting standards. In respect of investment in Samtel Glass Ltd. (SGL) the management has the opinion that the realisation value of immovable properties of SGL will be much higher than the admitted liabilities. Thus the long term value of the equity shares of SGL are expected to be higher and diminution of value at this stage is not called for. - Consequent to the declaration of NPA by the Lenders banks all the bank accounts have been declared non operative. Hence thereafter there have been no transaction in the said bank accounts. - With regard to Rs. 3000.00 lacs as subscribed by the promoters of the company in pursuance to one of the condition under CDR, the company has filed its application with the stock exchanges with regard to promoters contribution to the equity share capital by way of subscription to convertible warrants into equity shares. The said
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	application has been processed and kept in abeyance due to non payment of listing fee to the stock exchanges. The determination of allotment of warrants into equity shares have been freezed as per SEBI guidelines.
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Nil
	(ii) If management is unable to estimate the impact, reasons for the same: Nil
	(iii) Auditors' Comments on (i) or (ii) above: ~~Nil~~ , being going concern impacted on assets & liabilities should be re-stated at net realizable value.
III.	Signatories:
	☐ CEO/Managing Director
	 Satish K Kaura Chairman & Mg. Director
	☐ CFO
	☐ Audit Committee Chairman
	 Uday Sethi Director
	☐ Statutory Auditor ☐
	 Neeraj Bansal Membership no. : 095960 Partner M/s S S Kothai Mehta & Co. Firm Reg. No. : 000756N
	Place: New Delhi
	Date: June, 1 st 2016

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results – (Standalone)				
Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2016 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] (Rupees in lacs)				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	18.00	18.00
	2.	Total Expenditure	(4247.00)	(4247.00)
	3.	Net Profit/(Loss)	(4229.00)	(4229.00)
	4.	Earnings Per Share	(6.82)	(6.82)
	5.	Total Assets	20447.00	20447.00
	6.	Total Liabilities	86105.00	86105.00
	7.	Net Worth	(65658.00)	(65658.00)
	8.	Any other financial item(s) (as felt appropriate by the management)	0.00	0.00
II.	Audit Qualification (each audit qualification separately):			
	Details of Audit Qualification: (A) We had reported in our audit report for the year ended 31st March 2012 as under: - (i) The entire net worth of the Company has eroded completely; (ii) the Company has initiated the bidding process for the disposal of production lines 1 and 4 (non –core assets) out of 4 production lines at plant situated at Gautam Budha Nagar (Uttar Pradesh) after obtaining approval of CDR lenders and consequently impaired those production lines by Rs. 3,866.91 Lacs and related stores & spares by Rs. 512.28 Lacs; (iii) the manufacturing operations at other production lines at plants situated at Ghaziabad (Uttar Pradesh) & Parwanoo (Himachal Pradesh) could not be resumed in the financial year due to non-participation of labour in production process reasoning to their over-dues;			

(iv) the Company has defaulted in repayment of loans as per CDR scheme and borrowings of other lenders, as elaborated in note no. 38 of the financial statements;

(v) there is diminution in the value of long term investments;

(vi) reconciliation and confirmations of balances of certain major creditors and acceptances are pending;

(vii) non-redemption of 969,163, 0% redeemable preference shares of Rs100 each amounting to Rs. 969.16 lacs already due for redemption; and

(viii) non-payment of preference dividend for the period from 31st March 2008 to 31st March 2012 aggregating to Rs. 773.61 Lacs on 21,10,116 8% Non-Convertible Cumulative Redeemable Preference Shares.

(B) In continuation to aforesaid observations, we reported the following in our audit report for the year ended on 31st March, 2013:

(i) During the year, in view of the continued failure of the Company to disburse the legitimate dues of the workmen, Hon'ble High Court of Himachal Pradesh (Shimla) has settled the dispute by passing an order for the closure of Deflection Yoke unit at Parwanoo (H.P) and thereby, pay off the corresponding outstanding dues by selling the industrial undertaking/Company assets etc.,

(ii) the operations have been suspended in all locations by the mid of November 12, & have not been resumed till date and consequently, management has impaired the production lines 3 & 5, located at Gautam Budh Nagar (UP) & Deflection Yoke unit located at Parwanoo (HP) by Rs.27,977.06 lacs and related stores & spares by Rs. 410.35 lacs etc.;

(iii) the impairment of assets of production line 2, located at Gautam Budh Nagar (U.P.), and gun division at Meerut has not been considered by the management on the rationale of its revival plan of running the operations by restructuring them even though in our opinion considering the liquidity crunch, the probability of running these lines seems remote;

(iv) the balances outstanding as on 31st March, 2013 of receivables & inventory are subject to confirmation & physical verification respectively due to temporary suspension of operations & non access to inventories,

(v) raw material & finished goods inventory amounting to Rs. 311.90 lacs and Rs. 55 lacs respectively have been seized by the excise authorities due to non-payment of excise dues;

(vi) there is non-submission of various statutory returns acknowledged by the respective authorities, non provision/deposition of various overdue statutory liabilities like PF/Service Tax/TDS/Excise/Vat & CST/WCT/TCS/ESI/Gratuity/Bonus/ Preference dividend & related over dues (interest and penalty), non deduction of TDS on provisional expenses; and as explained by management exact amount of which could not be ascertained in present scenario;

(vii) there is increase in diminution of investments in current year of Rs.841.48 lacs,

(viii) Assets lying with the Provident Fund trust have been transferred to Regional Provident Fund Commissioner and those related to Gratuity Trust have been settled by adjustment of employee's dues. However, as per the management, related liability has been accounted for completely and there will be no demand over and above the same;

(ix) Company has accounted for its gratuity and leave encashment liability on actual basis rather than on actuarial valuation method which has been prescribed in Accounting Standard AS-15, "Employee Benefits".

(C) In continuation to aforesaid observations for the financial year 2012 and 2013, we reported the following in our audit report for the year ended on 31st March, 2014:

(i) There is no change in above matters except that in respect of compliance with the clause 35 of the listing agreement and requirement of SEBI circular no. D&CC/FITTC/CIR-16/2002 dated 31.12.2002 regarding Reconciliation of Share Capital Audit Report for the quarter ended December, 2013,

Above default was made good on 23 June, 2014. However due to delay NSE has imposed a penalty of Rs. 9.32 lacs vide notice no. FINES/2013-14/230721-T dated 17 February, 2014. However the same has been compounded by SEBI via order no. CA NO. 16/175/2014- CLB dated 10/11/2014. The company has requested for waiver of penalty/fine citing that company has been registered with BIFR & as per provisions of that and due to liquidity problem, is not in a position to repay.

(D) In continuation to aforesaid observations, we reported the following in our audit report for the year ended on 31st March, 2015:

(i) the Company has not appointed any Chief financial officer as per the requirement of section 203 of the Companies Act 2013, in respect of the key managerial personnel;

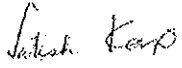
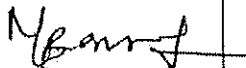
(ii) the balances outstanding in banks (except one operative bank) are subject to confirmation;

(iii) during the financial year 2013-14, the Company had provided further diminution in long term investment in Samtel Glass Limited of Rs. 937.87 lacs, diminution of investment in current year has not been considered by the management since, as explained to us, the realisation value of land during disposal of Samtel Glass Limited will be higher after setting off all liabilities [refer note no. 37(g)];

(iv) the shares against subscription money received from Promoters Group Company of Rs. 3000 lacs, in terms of CDR Scheme, could not be issued due to non-approval from Stock Exchange. After the lapse of extended period as provided in MCA Notification the Company may be in default of provision of section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and relevant Amendment Rules 2015

	(E) In continuation to aforesaid observations, we reported the following in our audit report for the year ended on 31st March, 2016: (a) the shares against subscription money received from Promoters Group Company of Rs. 3000 lacs, in terms of CDR Scheme, could not be issued due to non-approval from Stock Exchange. After the lapse of extended period as provided in MCA Notification the Company is in default of provision of section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and relevant Amendment Rules 2015. These factors raise substantial doubts as to the Company's ability to continue as going concern and therefore, the Company may not be able to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustment relating to the recoverability and classification of recorded assets amounts. Based on the above facts we are of the opinion that going concern assumption has been affected and the financials should have been stated at net realisable value.
	b. Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion: All above are the Qualified Opinion given by the Auditors
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: The contents of the qualifications mentioned in point no. (A), (B), (C) and (D) above are the repetitive nature since for the year ended 31st March, 2012, 31st March, 2013, 31st March, 2014 and 31st March, 2015 respectively.
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: The observations of the Auditors and the relevant notes on the accounts are self-explanatory. Further, explanations with regard to the observations/qualifications of the Auditors' are as under: - The Company is taking necessary steps to streamline the restructured operations of some of the manufacturing facilities. Thus, the Company feels that it can operate as "Going Concern" in foreseeable future. - The Company has impaired the plant & machinery and its related stores & spares of some of its manufacturing facilities and provided for diminution in value of long term investments on the basis of applicable accounting standards. - The Company will obtain the balance confirmation and reconciliation thereof from creditors / debtors in due course. - During the year, the fixed assets of the Company were not verified by the management. However, the management does not expect any major discrepancy. - Due to suspension of operations in all the locations the physical verification of inventory could not be done on March 31, 2014. However, the management is of the view that there are not any major discrepancies in inventory. - The Company has not booked the statutory liabilities on the provision for expenses made during the year as the quantum of exact statutory liability cannot be ascertained in the present scenario. - The statutory payments will be cleared on availability of the funds with the company.

- With regard to provisions of clause 35 of listing agreement (submission of shareholding pattern) and requirements of SEBI circular no. D & CC/ FITTC/CIR-16/2002 dated 31.12.2002 regarding Reconciliation of Share Capital Audit Report, for the quarter ended 31st December 2013. The same has been complied with, the company has already filed the same reports with the stock exchanges. The company has also given representation to the stock exchange with regard to cause of delay and waiver of penalty
- The company has been declared as a Sick Industrial undertaking by BIFR. Further there is no significant business activities justifying appointment of CFO, however the company has been scouting the market for an qualified chartered accountant to be appointed as CFO of the company. Company expects to comply with the provisions of Companies Act, 2013 expeditiously.
- In the view of the management the share application money of Rs. 30 crs. not refundable and doesn't fall in the category of deposit in pursuant to section 73 to 76 of the Companies Act 2013 read with Companies (Acceptance of Deposits) Rules 2014 and relevant amendment Rules 2014. The warrants/shares have not been allotted to the applicant due to absence of requisite approval of the stock exchanges for which application had submitted.
- The performance of the Company in the last few quarters has been impacted due to liquidity constraints resulting from lower sales volume in the domestic and international market. During the earlier years, operations at all the locations have been suspended due to severe financial constraints. In view of the present scenario of Color Picture Tube business, the management is of the view that the existing demand of CPT can be serviced by operating some of the manufacturing facilities of the Company after approval of rehabilitation / revival scheme of BIFR. Accordingly the Company's financial statements have been prepared on a going concern basis whereby realization of assets & discharge of liabilities are expected to occur in the normal course of business.
- The Company has impaired the plant & machinery and its related stores & spares of some of its manufacturing facilities and provided for diminution in value of long term investments on the basis of applicable accounting standards. In respect of investment in Samtel Glass Ltd. (SGL) the management has the opinion that the realisation value of immovable properties of SGL will be much higher than the admitted liabilities. Thus the long term value of the equity shares of SGL are expected to be higher and diminution of value at this stage is not called for.
- Consequent to the declaration of NPA by the Lenders banks all the bank accounts have been declared non operative. Hence thereafter there have been no transaction in the said bank accounts.
- With regard to Rs. 3000.00 lacs as subscribed by the promoters of the company in pursuance to one of the condition under CDR, the company has filed its application with the stock exchanges with regard to promoters contribution to the equity share capital by way of subscription to convertible warrants into equity shares. The said application has been processed and kept in abeyance due to non-payment of listing fee to the stock exchanges. The determination of allotment of warrants into equity shares have been freed as per SEBI guidelines.

	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Nil
	(ii) If management is unable to estimate the impact, reasons for the same: Nil
	(iii) Auditors' Comments on (i) or (ii) above: ~~Nil~~ , being going concern impacted all
III.	Signatories: ~~assets & liabilities~~ should be replaced by Net realizable value.
	☐ CEO/Managing Director
	 Satish K Kaura Chairman & Mg. Director
	☐ CFO
	☐ Audit Committee Chairman
	 Uday Sethi Director
	☐ Statutory Auditor
	 Neeraj Bansal Membership no. : 095960 Partner M/s S S Kothai Mehta & Co. Firm Reg. No. : 000756N
	Place: New Delhi
	Date: 1 st June, 2016