



CHROMATIC INDIA LIMITED

Regd. Office : 207, Vardhaman Complex Premises Co-op. Soc. Ltd., L.B.S. Marg, Vikhroli (W), Mumbai - 400 083. CIN NO.: L99999MH1987PLC044447,

Tel.: 022-61369800 Fax : 022-25793973. E-Mail : chromatic@mtnl.net.in website : www.chromatic.in

Corporate Office : 501, Maker Chamber V, 221 Nariman Point, Mumbai (INDIA) - 400 021. Tel.: 022-22875661 E-mail : chromatic@mtnl.net.in

Factory : B-12/2, Lote Parshuram Indl. Area, Tel.- Khed, Dist. Ratnagiri. Tel.: 02356-272240, 272346 Fax : 02356 - 272127 E-mail : chromatic_chi@plun@hotmail.com

Dombivli Unit: W-34, M.I.D.C., Phase-II, Dombivli (East), Dist-Thane.

Standalone

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2016 [See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Standalone	
			Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	295,862,110	295,862,110
	2	Total Expenditure	295,606,129	295,606,129
	3	Net Profit/(Loss)	270,442	270,442
	4	Earnings Per Share	0.004	0.004
	5	Total Assets	4,248,450,363	4,248,450,363
	6	Total Liabilities	767,096,267	767,096,267
	7	Net Worth	2,724,601,763	2,724,601,763
	8	Any other financial item(s) (as felt appropriate by the management)	NA	NA
II.	Audit Qualification (each audit qualification separately): Qualification – Standalone			
	a. Details of Audit Qualification:			
	Details of Audit Qualifications are as follows:			
	a) In the opinion of the Board, current assets, loans and advances shall have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provision for all known liabilities have been made and contingent liabilities disclosed properly. Balances of sundry debtors, sundry creditors, loans and advances and other personal accounts are subject to confirmation and reconciliation. Consequential impact, if any, will be considered as and when determined.			
	b) Loans & Advances includes non-interest bearing unsecured loan given to Chromatic International FZE, the subsidiary of the company for overseas Business Development. The subsidiary did not do any business during the year.			
	c) The Company had made investments in erstwhile subsidiary namely Arcoiris SA with a view to			

have establishment abroad to penetrate into foreign market. Net worth of Arcoiris SA is fully eroded and the company has been liquidated during the year 2011-12. However, no provision is made for investment (including advances and interest receivable) made by the company in Arcoiris S.A., which are doubtful of recovery. The amount has been shown as Long Term Loans & Advances.

- d) The company has made Advances for capital work in progress during previous accounting years for setting up of power plant. The procurement has not been done for pending clearances from the Government. These advances are subject to confirmation and reconciliation.
- e) During the year under review, the Company has initiated process of closure of its Indian unlisted subsidiary company, i.e., Chromatic Ferro Alloys Limited, as the company is non operational. The projects / plans of the Company could not be implemented due to operational difficulties. The respective investments in and loan given to these subsidiary companies have not been written off in the books of the Company. The same shall be adjusted / accounted for / written off in the year in which certificate of closure is received from the Registrar of Companies, Mumbai. In view of this the Company's consolidated results consists of Chromatic Ferro Alloys Limited and Chromatic International FZE – 100% non-integral foreign subsidiary together comprise "Group".

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of Qualification: Repetitive

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Quantified

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification:

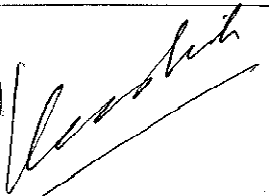
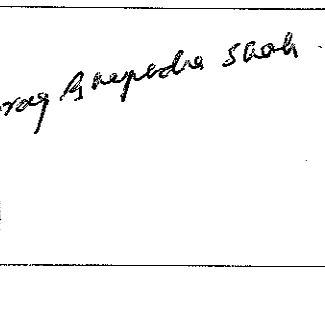
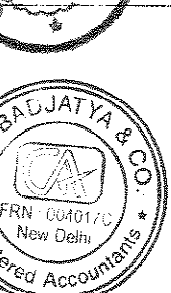
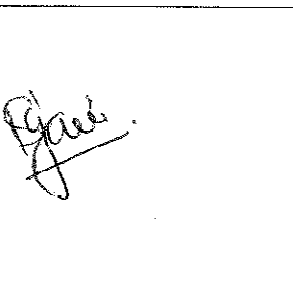
- a) The management has estimated that the current assets, loans and advances shall have value on realization in the ordinary course of business. Though balances of sundry debtors, sundry creditors, loans and advances and other personal accounts are subject to confirmation and reconciliation, the management feels the same are recoverable.
- b) The management is of the opinion that the subsidiary would commence business and the advances lent to the subsidiary would be utilized for the purpose of its business.
- c) The amount has been shown as Long Term Loans & Advances in the Financial Statements. Unfortunately, the company has been liquidated during the year 2011-12 and hence recovery of the same is estimated as doubtful.
- d) The Company is awaiting the required approvals for proceeding to set up the power plant.
- e) The subsidiary did not do any business during the year, but it is positively estimated that the aforesaid subsidiary may commence business in the next financial year.

(ii) If management is unable to estimate the impact, reasons for the same: Not Applicable

(iii) Auditors' Comments on (i) or (ii) above:

The estimate made by the Management assumes certainty of business development and are based on internal business projections and strategies. Further the notes to accounts given by us as a part of the Company's financial statements are self explanatory. In absence of conformity of future events, we are unable to comment on the estimations made by the management.



III.	Signatories:	
	Vinod Kumar Kaushik (DIN: 02586479) Wholetime Director	 
	Chirag Bhupendra Shah (DIN: 06583820) Audit Committee Chairman	 
	CA Sudhir K. Jain (Membership Number: 072282) Partner For S. K. Badjatya & Co. Chartered Accountants (Firm Registration Number : 004017C) Statutory Auditor of the Company	 
	Place: Mumbai	
	Date: June 27, 2016	





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Consolidated

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			Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	295,862,110	295,862,110
	2	Total Expenditure	296,982,664	296,982,664
	3	Net Profit/(Loss)	(1,106,093)	(1,106,093)
	4	Earnings Per Share	(0.016)	(0.016)
	5	Total Assets	4,343,548,754	4,343,548,754
	6	Total Liabilities	768,421,742	768,421,742
	7	Net Worth	2,795,295,483	2,795,295,483
	8	Any other financial item(s) (as felt appropriate by the management)	NA	NA
II.	Audit Qualification (each audit qualification separately): Qualification – Consolidated			
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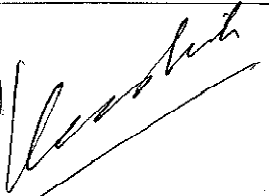
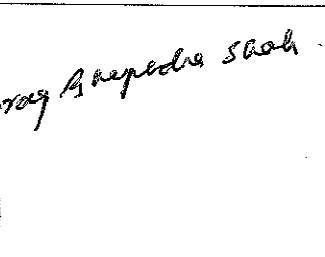
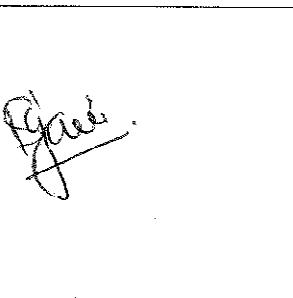
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