



Euro Multivision Limited



Step into Green Energy

6th
Annual Report | 2009 - 2010



Euro Multivision Limited





Euro Multivision Limited
SIXTH ANNUAL REPORT 2009-2010

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CORPORATE INFORMATION

Board Of Directors

Sr. No.	Name of Directors	Designation
1	Mr. Nenshi Shah	Non-Executive Chairman
2	Mr. Hitesh Shah	Managing Director
3	Mr. Rayshi Shah	Non-Executive Director
4	Mr. Suresh Shah	Executive Director
5	Mr. Chirag Shah	Executive Director
6	Mr. Jatin Chhadva	Independent Director
7	Mr. Pravin Gala	Independent Director
8	Mr. Deepak Savla	Independent Director
9	Mr. Vinod Shah	Independent Director
10	Mr. Anil Mandevia	Independent Director

Chief Operations Officer	Mr. Chakradhar Rout
Vice President- Photovoltaic Operations	Mr. Rajababu Kalla
Company Secretary	Ms. Shivangi Koshe
Chief Finance Manager / Compliance Officer	Mr. Sunil Nemani

Board Committees

Audit Committee		Remuneration Committee	
Mr. Pravin Gala	Chairman	Mr. Jatin Chhadva	Chairman
Mr. Hitesh Shah	Member	Mr. Pravin Gala	Member
Mr. Jatin Chhadva	Member	Mr. Deepak Savla	Member
Mr. Vinod Shah	Member	Mr. Chirag Shah	Member

Shareholder/Investor Grievance Committee		Finance Committee	
Mr. Nenshi Shah	Chairman	Mr. Nenshi Shah	Chairman
Mr. Chirag Shah	Member	Mr. Vinod Shah	Member
Mr. Hitesh Shah	Member	Mr. Hitesh Shah	Member
Mr. Suresh Shah	Member	Mr. Suresh Shah	Member

Auditors	Bankers / Institutions	Registered Office	Registrars & Share Transfer Agents
Swamy & Chhabra Chartered Accountants 618, Arenja Corner, Sector 17, Vashi, Navi Mumbai-400705	The Cosmos Co-op. Bank Ltd. State Bank of India HDFC Bank Ltd.	Euro House, CTS No. 1406, A25/6, Chincholi Bunder Road, Behind Inorbit Mall, Malad (West), Mumbai-400064	Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai-400078

Plant Locations	
Optical Disc Unit Survey No. 508 and 509, Village Shikara, Bhachau Dudhai Road, Bhachau (Kutch), Gujarat -370140	Solar Photovoltaic Cell Unit Survey No. 492, 504, 505(1), 505(2), 506 Village Shikara, Bhachau Dudhai Road, Bhachau (Kutch), Gujarat -370140

NOTICE

Notice is hereby given that the Sixth Annual General Meeting of the members of Euro Multivision Limited will be held at Sir Pochkanwala Bankers Training (SPBT) College, JVPD Scheme, Vile Parle (West), Mumbai-400056 on Thursday, September 30, 2010 at 10.00 a.m. to transact the following business:

Ordinary Business

- (1) To receive, consider and adopt the Audited Profit & Loss Account for the financial year ended March 31, 2010 and the Balance Sheet together with the Reports of Board of Directors and Auditors thereon.
- (2) To appoint a Director in place of Mr. Pravin N. Gala, who retires by rotation and being eligible, offers himself for re-appointment.
- (3) To appoint a Director in place of Mr. Anil M. Mandevia, who retires by rotation and being eligible, offers himself for re-appointment.
- (4) To re-appoint Auditors M/s. Swamy & Chhabra, Chartered Accountants as statutory auditors of the Company and to fix their remuneration.

Special Business

- (5) To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provision of Section 163 and other applicable provision, if any, of the Companies Act, 1956 (including any statutory modification or any amendment or any substitution or re-enactment thereof for the time being in force), approval of the members of the Company be and is hereby accorded to the maintenance of records of the Company, viz. (i) Register and Index of Members of the Company and (ii) Copies of Annual Returns prepared under Section 159 of the said Act together with copies of certificates and documents required to be annexed thereto under Section 161 of the said Act at the premises of Company's Registrar and Share Transfer Agents M/s. Link Intime India Private Limited at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as many be necessary, proper and expedient to give effect to this resolution."

By Order of the Board of Directors

Shivangi Koshe
Company Secretary

Place : Mumbai

Date : May 31, 2010

Registered Office

Euro House, CTS No. 1406,
A25/6, Chincholi Bunder Road,
Behind Inorbit Mall, Malad (West),
Mumbai-400064

NOTES

- (1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED AND SIGNED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- (2) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- (3) Members are requested to notify immediately any change in their addresses and/ or Bank mandate details to the Registrar and Share Transfer Agents of the Company at the following address:
M/s Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai-400078.
- (4) The Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 24, 2010 to Thursday, September 30, 2010 (both days inclusive).
- (5) For the convenience of the shareholders, attendance slip cum entry pass is annexed to the Annual Report. Shareholders/Proxy holders/Authorised Representatives are requested to fill in and affix their signatures at the space provided therein and surrender the same at the venue. Proxy/Authorised Representatives of shareholders should state on their attendance slip-cum-entry pass as Proxy or Authorised representatives as the case may be.
- (6) An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the Meeting is annexed hereto.
- (7) As per the requirement of Clause 49 of the Listing Agreement on Corporate Governance for appointment of the Directors / re-appointment of the retiring Directors, a statement containing details of the concerned Directors are provided as Annexure to the notice.
- (8) Members desirous of getting any information relating to the accounts and operations of the Company are requested to address their queries at least 7 days in advance of the meeting so that the information required may be made available at the meeting.
- (9) The Equity shares of the Company are mandated for trading in the compulsory dematerialised mode. The ISIN allotted for the Company's shares is IN063J01011

By Order of the Board of Directors

**Shivangi Koshe
Company Secretary**

Place : Mumbai

Date : May 31, 2010

Registered Office

Euro House, CTS No. 1406,
A25/6, Chincholi Bunder Road,
Behind Inorbit Mall, Malad (West),
Mumbai-400064

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:**ITEM No. 5**

M/s. Link Intime India Private Limited has been appointed as the Company's Registrar and Share Transfer Agent to undertake the work of transfer of shares including demat / remat activities and matters related thereto. It is desirable that for operational reasons, the Register and Index of members and such other related returns / documents, etc. required to be maintained under the provisions of the Companies Act, 1956, be kept at the premises of M/s. Link Intime India Private Limited at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078.

Pursuant to Section 163(1) of the Act, approval of the members by special resolution is required for keeping the above-referred records at a place other than the registered office of the Company.

As required by the proviso to Section 163(1) of the Act, a copy of the proposed special resolution is simultaneously being given to the Registrar of Companies, Maharashtra, Mumbai.

None of the Directors of the Company is in any way concerned or interested in the said resolution.

ANNEXURE TO THE NOTICE

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

Particulars	Name of the Directors	
	Mr. Pravin N. Gala	Mr. Anil M. Mandevia
Date of Birth	November 2, 1964	August 5, 1950
Nationality	Indian	Indian
Date of appointment on the Board	July 23, 2007	July 23, 2007
Qualification	B.Com, CA	B.Com, L.L.B.
Expertise in functional area	Finance, Accounting & Taxation	Solicitor and Legal Affairs
Number of shares held in the Company as on March 31, 2010	Nil	Nil
List of Directorships held in other Companies as on March 31, 2010	Nipra Financial Services Pvt. Ltd. Suyojana Impex Pvt. Ltd. Anupam Realities Pvt. Ltd. Inventure Growth & Securities Ltd.	Euro Ceramics Ltd.
Chairman/Member of the Committees of other Companies in which he is a Director as on March 31, 2010	---	---

By Order of the Board of Directors

Shivangi Koshe
Company Secretary

Place : Mumbai

Date : May 31, 2010

Registered Office

Euro House, CTS No. 1406,
A25/6, Chincholi Bunder Road,
Behind Inorbit Mall, Malad (West),
Mumbai-400064

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Sixth Annual Report together with the Audited Accounts for the year ended March 31, 2010

Financial Results

The performance of the Company for the financial year ended March 31, 2010 is summarized as under:

(Rs. In Lakhs)

Particulars	Year ended March 31, 2010	Year ended March 31, 2009
Income from Operations	5659.63	7321.67
Miscellaneous Income	15.56	19.07
Increase / Decrease in stock	(258.00)	16.70
Total Income	5417.19	7357.44
Total Expenditure	3580.50	5300.30
Earning Before Interest, Depreciation & Tax	1836.69	2057.14
Interest and Finance Charges	544.79	595.23
Depreciation	1171.96	1156.19
Profit / (Loss) Before Tax	119.94	305.72
Less: Provision for Tax / Fringe Benefit Tax	20.38	36.88
Less: Provision for Deferred Taxation	(58.81)	47.07
Less : MAT Credit available for set off	75.34	38.02
Add : Excess Prior Year Tax Provision	1.29	-
Profit after Tax available for appropriation	81.74	183.74
Add:- Profit / (Loss) brought forward from previous year	1646.66	1368.19
Add:- Adjustment as per transitional provision of AS 11 (Net of tax Nil)	-	94.73
Balance Carried to Balance Sheet	1728.40	1646.66

Financial Performance

During the year under review, your Company recorded total income of Rs. 5417.19 Lacs as against Rs. 7357.44 Lacs in the previous year. The financial performance at the EBIDTA level was subdued with EBIDTA declining by 10.72% as compared to the previous year. The pricing pressure in the optical media storage industry has put strain on the operations of your Company. Keeping pace with the changing dynamics of the optical storage industry and striving in a very competitive market your Company has still been able to perform well during the year.

To minimize the risk of the business model, your Company is diversifying into the high growth Solar Photovoltaic industry. Your Directors are hopeful of improving the results of the Company in the upcoming years.

Brand Recognition

The Brand 'Eurovision' is well recognized in the market. It is premium brand amongst the recognized domestic brands in the optical storage media industry. The Certification ISO 9001:2008 for Quality Management System (QMS), Certification ISO 14001:2004 for Environment and OHSAS 18001:2007 for safety, has strengthened its image and has indirectly contributed to the Company's productivity over the years.

Diversification

Your Company has moved forward and set up a Solar Photovoltaic Cell manufacturing plant for generation of electrical energy, with a capacity of 40MW per year at Taluka Bhachau, District Kutch, Gujarat. This new field of business is synergistic with Company's existing business and will leverage on its core competencies in the areas of precision, high technology, mass manufacturing and project management.

This Solar Photovoltaic Cell plant is being set up in a sector specific Special Economic Zone (SEZ) developed by the

Company. Your Company had made an application to the Gujarat State Government for setting up a Special Economic Zone for Non Conventional Energy including Solar Energy Equipments / Cell in an area of 11-63-47 hectares at Village: Shikara, Taluka:Bhachau, District: Kutch, Gujarat on November 20, 2007. Your Company had also made an application to the Central Government on November 30, 2007 for the same.

On the basis of recommendation of the Special Economic Zone Development Authority, the State Government had recommended the proposal to the Government of India on July 1, 2008. On August 2, 2008 the Board of Approvals, New Delhi formally approved your Company's application for setting up the SEZ. Your Company got the formal approval from Ministry of Commerce & Industry, Department of Commerce dated October 30, 2008. Your SEZ was notified on April 23, 2009 and published in the Gazette of India.

The Company has procured the Solar Photovoltaic Cell manufacturing production line from OTB Solar B.V (Netherlands). The construction of the building and erection of plant and machinery is in full swing and the Board of Directors is confident that the company would have achieved commercial production before we meet for the Annual General Meeting.

The setting up of complex nature and complicated process of Solar Photovoltaic Cell plant required high skill, perfection and dedication. In this endeavour we thank all our suppliers of civil items, contractors, architects, equipments and machinery suppliers, banks, government institutions and departments and employees for creating a team work and putting all their efforts for setting up the plant.

Initial Public Offering

The Company with a view to fund its Solar Photovoltaic Cell Plant came out with the maiden Initial Public Offering (IPO) of 8800049 Equity Shares of Rs. 10/- each for cash at a price of Rs. 75/- per equity share aggregating to Rs. 6600 Lacs through 100% book building process. The issue opened for subscription on September 22, 2009 and closed on September 24, 2009 and was oversubscribed by 1.81 times. The shares issued under IPO were allotted on October 7, 2009 and listed on October 15, 2009 on Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The total paid-up share capital after the said issue is Rs. 2380 Lacs.

The Board takes this opportunity to thank the investors for their overwhelming response to the Issue and the confidence reposed by them in the Company.

Dividend

Your Directors have decided to conserve the internal resources for the business requirements. Accordingly, your Directors do not recommend any dividend for the financial year under review.

Directors

In terms of Section 256 of the Companies Act, 1956 read with Article 174 of Articles of Association of the Company, Mr. Pravin Gala and Mr. Anil Mandevia, the Independent Directors of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Further it is notified that the designation of, one of our Directors, Mr. Suresh Shah is being changed from Executive Director to Non-Executive Director with effect from April 1, 2010.

All the appointments of the Directors of the Company are in compliance with the provisions of Section 274 (1) (g) of the Companies Act, 1956.

A brief profile of directors, containing details of directors proposed to be appointed / re-appointed is appended as an annexure to the notice of ensuing annual general meeting.

Directors Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors confirm to the best of their knowledge and belief that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- (b) Appropriate accounting policies have been selected and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2009-10 and profits of the Company for the year ended March 31, 2010;
- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The annual accounts have been prepared on a going concern basis.

Limited Liability Partnership

The Company has entered into a Limited Liability Partnership Agreement in the name of "Solsys Concepts LLP" a Limited Liability Partnership firm registered under LLP Act, 2008 for the purpose of carrying on business of offering concepts or to conceptualize and/or manufacture or set up EPC projects for Solar farms, roof top installations, stand alone solar installations, solar invertors, etc.

Corporate Governance

The Company has, pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, complied with the requirements of Corporate Governance. A report on Corporate Governance and a certificate from the auditors regarding the compliance of Corporate Governance conditions are made part of this Annual report.

Management Discussion And Analysis

Management Discussion and Analysis on matters related to the business performance, as stipulated under Clause 49 of the Listing Agreement, with Stock Exchanges, is given as a separate section in the Annual Report.

Public Deposits

Your Company has taken Public deposits within the meaning of Sections 58A and 58AA of the Companies Act, 1956, during the year under review. The Company has filed a copy of statement in lieu of advertisement and necessary particulars as required with the Registrar of Companies, Mumbai.

Auditors

M/s. Swamy & Chhabra, Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received letter from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such re-appointment within the meaning of Section 226 of the said Act.

Auditors Report

The observations made in the Auditors' Report, read together with the relevant notes thereon are self-explanatory and hence, do not call for any comments under Section 217 of the Companies Act, 1956.

Energy Conservation, Technology Absorption And Foreign Exchange

(A) Conservation Of Energy

The power requirements of our optical disc manufacturing unit (CDRs, DVD-Rs) is met out of our co-owned captive power plant, which enables stable and uninterrupted power supply which is crucial in manufacturing of our products. Our manufacturing facility operates in Class 10000 (class 10000 clean rooms, which enable us to produce clean, sterile, aseptic and dust-free products and components) environment with antistatic work stations. The plant is fully automated with least human intervention, which ensures international quality standards with optimum utilization of installed capacities.

The Company continues its efforts to reduce and optimise the use of energy consumption by opting power effective replacements of equipments and electrical installations.

Particulars	2009-10		
	Unit	Rate	Amount (Rs. In Lakhs)
Captive Power Plant	8516200	3.84	327.34
Electricity Duty	-	0.40	34.06
Through DG set	1203246	10.49	126.29
	9719446		487.69

(B) Research & Development

The ongoing research and development is carried out during the course of production in the direction of production efficiency and quality standards.

(C) Technology Absorption, Adaptation And Innovation

Your Company has imported and absorbed the technology from VDL ODMS, Netherlands for optical disc unit. The technology utilised provides consistency in production, productivity, quality and reliability. The import of the said machinery was done in the financial year 2004-05 and 2006-07.