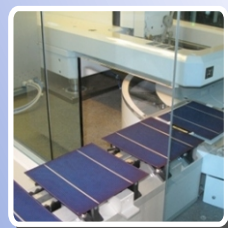




EURO MULTIVISION LIMITED



9th Annual Report 2012-2013



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Raja Babu Kalla	Executive Director (W.e.f. June 8, 2012)
Mr. Anish Shah	Independent Director (W.e.f. July 27, 2013)
Mr. Chandresh Shah	Independent Director (W.e.f. July 27, 2013)
Mr. Pravin Vira	Independent Director (W.e.f. July 27, 2013)
Mr. Anil Mandevia	Independent Director (Upto July 28, 2013)
Mr. Mahendra Modi	Independent Director (Upto July 28, 2013)
Mr. Ajit Nalwaya	Independent Director (Upto July 28, 2013)
Mr. Hitesh Shah	Managing Director (Upto August 13, 2012)
Mr. Chirag Shah	Executive Director (Upto June 7, 2012)
Mr. Jatin Chhadva	Independent Director (Upto June 7, 2012)

CHIEF FINANCE MANAGER / COMPLIANCE OFFICER

Mr. Sunil Nemani

AUDITORS

M/s. S H Bathiya & Associates
Chartered Accountants
2, Tardeo AC Market
4th Floor, Tardeo Road
Mumbai 400 034

REGISTERED OFFICE

209, Sangam Arcade,
Vallabhhai Road,
Opp. Railway Station,
Vile Parle (West),
Mumbai-400056
Tel.: 022-4036 4036
Fax: 022-4036 4037
Email : info@euromultivision.com
Website : www.euromultivision.com

BANKERS / INSTITUTIONS

The Cosmos Co-op. Bank Ltd
State Bank of India
HDFC Bank Ltd

REGISTRARS & SHARE TRANSFER AGENTS

M/s. 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

CONTENTS

Corporate Information	1
Notice	2
Directors' Report	6
Corporate Governance Report	12
Auditors Certificate on Corporate Governance	22
Declaration on Compliance with Code of Conduct	22
Management Discussion and Analysis	23
Auditors' Report	26
Balance Sheet	31
Statement of Profit and Loss Account	32
Cash Flow Statement	33
Notes to the Financial Statement	34

NOTICE

Notice is hereby given that the Ninth Annual General Meeting of the members of Euro Multivision Limited will be held at Gomantak Seva Sangh, 72/A Mahant Road Extension, Vile Parle (East), Mumbai 400 057 on Friday 27th day of September, 2013 at 12.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on March 31, 2013 and Statement of Profit & Loss for the financial year ended on that date together with the Reports of Board of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajababu Kalla, who retires by rotation and being eligible offers himself for re-appointment.
3. To re-appoint M/s S. H. Bathiya and Associates., Chartered Accountants (FRN- 101046W), Mumbai as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mr. Anish K. Shah (DIN No.03588464) who was appointed as an Additional Director by the Board of Directors with effect from July 27, 2013 pursuant to Article 152 of the Articles of Association of the Company and as per the provision of Section 260 of the Companies Act, 1956, hold office upto the date of this Annual General Meeting and in respect of whom the Company has received notice under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation.”

5. To consider and if thought fit to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mr. Chandresh M. Shah (DIN No. 06648185) who was appointed as an Additional Director by the Board of Directors with effect from July 27, 2013 pursuant to Article 152 of the Articles of Association of the Company and as per the provision of Section 260 of the Companies Act, 1956, hold office upto the date of this Annual General Meeting, and in respect of whom the Company has received notice under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation.”

6. To consider and if thought fit to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mr. Pravin G. Vira (DIN No. 06648405) who was appointed as an Additional Director by the Board of Directors with effect from July 27, 2013 pursuant to Article 152 of the Articles of Association of the Company and as per the provision of Section 260 of the Companies Act, 1956, hold office upto the date of this Annual General Meeting, and in respect of whom the Company has received notice under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation.”

By Order of the Board of Directors

Place : Mumbai
Date : August 13, 2013

Rajababu Kalla
Whole Time Director

Registered Office
209, Sangam Arcade,
Vallabhnbhai Road,
Opp. Railway Station,
Vile Parle (West),
Mumbai-400056

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF ON POLL ONLY 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 Tuesday, September 24, 2013 to Friday, September 27, 2013 (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. Member 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 No. allotted for the Company's shares is INE063J01011

By Order of the Board of Directors

Rajababu Kalla
Whole Time Director

Place : Mumbai
Date : August 13, 2013

Registered Office

209, Sangam Arcade,
Vallabhnbhai Road,
Opp. Railway Station,
Vile Parle (West),
Mumbai-400 056

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. Raja Babu Kalla	Mr. Anish Shah	Mr. Chandresh Shah	Mr. Pravin Vira
Date of Birth	September 26, 1961	July 1, 1986	October 23, 1972	February 11, 1963
Nationality	Indian	Indian	Indian	Indian
Date of appointment on the Board	June 8, 2012	July 27, 2013	July 27, 2013	July 27, 2013
Designation	Whole Time Director	Independent Director	Independent Director	Independent Director
Qualifications	Mechanical Engineer	B.E. in Electronics & MBA in finance	SSC	SSC
Expertise in functional area	He is a Mechanical Engineer and has handled many operations and projects	He is a Mechanical Engineer and has done Master of Business Administration (MBA) in Finance. He has more than 5 years experience in the field of finance and other financial activities.	He has more than 15 years of experience in handling accounts and finance of the Company	He has more than 20 years of experience in retail business
Number of shares held in the Company as on March 31, 2013	Nil	Nil	Nil	Nil
List of Directorships held in other Companies as on March 31, 2013	Nil	Nil	Nil	Nil
Chairman/Member of the Committees of other Companies in which he is a Director as on March 31, 2013	Nil	Nil	Nil	Nil
Relationship with existing Directors of the company	None	None	None	None

By Order of the Board of Directors

Place : Mumbai
Date : August 13, 2013

Rajababu Kalla
Whole Time Director

Registered Office
209, Sangam Arcade,
Vallabhbhai Road,
Opp. Railway Station,
Vile Parle (West),
Mumbai-400 056

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**ITEM NO. 4**

Mr. Anish K. Shah was appointed as an Additional Director of the Company with effect from July 27, 2013 by the Board of Directors under Article 152 of the Articles of Association of the Company. In terms of Section 260 of the Companies Act, 1956, Mr. Anish K. Shah hold office up to the date of the forthcoming Annual General Meeting of the Company. The Company has received a notice in writing from a member pursuant to Section 257 of the Act, together with the requisite deposit proposing his candidature for the office of the Director of the Company.

Mr. Anish K. Shah is a Mechanical Engineer and has done Master of Business Administration (MBA) in Finance. He has more than 5 years experience in the field of finance and other financial activities.

Your Directors recommend passing of the resolution as set out at Item No. 4 of the notice for your approval.

None of the Directors, except Mr. Anish K. Shah is interested or concerned in the said resolution.

ITEM NO. 5

Mr. Chandresh M. Shah was appointed as an Additional Director of the Company with effect from July 27, 2013 by the Board of Directors under Article 152 of the Articles of Association of the Company. In terms of Section 260 of the Companies Act, 1956, Mr. Chandresh M. Shah hold office up to the date of the forthcoming Annual General Meeting of the Company. The Company has received a notice in writing from a member pursuant to Section 257 of the Act, together with the requisite deposit proposing his candidature for the office of the Director of the Company.

Mr. Chandresh Shah has more than 15 years of experience in handling accounts and accounting activities/finance of the company.

Your Directors recommend passing of the resolution as set out at Item No. 5 of the notice for your approval.

None of the Directors, except Mr. Chandresh M. Shah is interested or concerned in the said resolution.

ITEM NO. 6

Mr. Pravin G. Vira was appointed as an Additional Director of the Company with effect from July 27, 2013 by the Board of Directors under Article 152 of the Articles of Association of the Company. In terms of Section 260 of the Companies Act, 1956, Mr. Pravin G. Vira hold office up to the date of the forthcoming Annual General Meeting of the Company. The Company has received a notice in writing from a member pursuant to Section 257 of the Act, together with the requisite deposit proposing his candidature for the office of the Director of the Company.

Mr. Pravin G. Vira has more than 20 years experience in the field of sales and marketing activities. Has a great exposure to sales of the Company.

Your Directors recommend passing of the resolution as set out at Item No. 6 of the notice for your approval.

None of the Directors, except Mr. Pravin G. Vira is interested or concerned in the said resolution.

By Order of the Board of Directors

Place : Mumbai
Date : August 13, 2013

Rajababu Kalla
Whole Time Director

Registered Office
209, Sangam Arcade,
Vallabhnbhai Road,
Opp. Railway Station,
Vile Parle (West),
Mumbai-400056

DIRECTORS' REPORT

Dear Members,

Your Directors hereby present the Ninth Annual Report together with the Audited Accounts for the year ended March 31, 2013.

FINANCIAL RESULTS

The performance of the Company for the financial year ended March 31, 2013 is summarized as under:

(Rs. In Lakhs)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Income from Operations	1808.90	6210.11
Miscellaneous Income	54.99	37.84
Increase / (Decrease) in stock	(37.92)	(665.37)
Total Income	1825.97	5582.58
Total Expenditure	2894.63	8678.92
Earnings Before Interest, Depreciation & Tax	(1068.66)	(3096.34)
Interest and Finance Charges	24.48	3443.28
Depreciation	1982.98	2683.33
Profit / (Loss) Before Tax	(3076.12)	(9222.95)
Less: Provision for Deferred Taxation	-	-
Less: Excess Prior Year Tax Provision	-	13.65
Profit after Tax available for appropriation	(3076.12)	(9236.60)
Add: Profit / (Loss) brought forward from previous year	(10442.79)	(1206.19)
Balance Carried to Balance Sheet	(13518.91)	(10442.79)

FINANCIAL REVIEW

The turnover for the year ended 31st March, 2013, declined by 71% and stood at Rs. 1808.90 Lakhs as against Rs. 6210.11 Lakhs in the previous year. During the year under review, your Company recorded total income of Rs. 1825.97 Lakhs as against Rs. 5582.58 Lakhs in the previous year. The year under review was adversely affected due to stressed working capital and liquidity crunch thereby affecting the earning capacity of the company. This resulted in low turnover and income in the year under review, thereby having a loss of Rs.3076.12 Lakhs as against loss of Rs.9236.60 Lakhs in the previous year.

PERFORMANCE REVIEW

Your Company is facing various challenges such as increased competition from unorganized players and lower realization due to commoditization of the business (in the Optical Disc Business) and subdued demand and lower off take due to global slowdown (for the Solar Photovoltaic Cells business). Due to this, the company is currently facing liquidity mismatch wherein it is not generating enough cash flows to meet its debt obligations on time.

Reductions in feed-in tariffs and other subsidies in major European markets have generated a negative sentiment for photovoltaic (PV) installations. This resulted in lower offtake for solar products globally leading to reduced demand. This policy reversal was entirely unanticipated by anyone and has taken the industry by surprise. The severe fall in the prices of Solar Photovoltaic cells globally on account of reduced demand resulting the company leaving with large inventory at reduced prices, leading to necessity for booking losses and thereby depleting working capital. As a result, the Company has been unable to utilize its capacity and the cost of production of solar cells continues to be higher than the prevailing market prices.

With the continued pledge and commitment across developed and developing countries by the governments, towards renewable sources of energy, demand for solar energy is expected to improve.

Power Plant

The Company had entered into a power supply agreement with Euro Ceramics Ltd in the year 2006-2007 for generating the electricity. The Company contributed one-fifth of the capital investment cost for sharing of power generated by the Power Plant in the ratio of 80:20. In addition to this, the Company also contributed on monthly basis for operating expenses of running the Power Plant based on actual units of power consumed by the Company.

As per the Deed of Modification dated 31st January, 2012 read in conjunction with the Power Supply Agreement dated 2nd June, 2006, any outstanding dues along with interest if not paid on or before 31st December, 2012 to Euro Ceramics Ltd, the Power Supply Agreement would stand terminated. And on the event of termination, firstly the security deposit would be adjusted towards the outstanding dues and after adjusting security deposit, for the balance amount the Company has to transfer its share of 20% of investment at the book value of the power plants assets to Euro Ceramics Ltd. On such termination, Euro Ceramics Ltd would be legally and beneficially complete owner of the power plant.

As per the above terms, during the year 2012-2013 outstanding dues could not be paid by the Company to Euro Ceramics Ltd, hence as per the letter of termination dated 1st January, 2013 from Euro Ceramics Ltd to the Company, the security deposit was adjusted by Euro Ceramics Ltd against the outstanding dues and also 20% share of assets of Power Plant Building as owned by the Company was transferred to Euro Ceramics Ltd. The Board of Directors in their meeting dated 10th November, 2012 noted such a failure to pay outstanding dues and subsequent adjustment by Euro Ceramics Ltd. Accordingly, the said share of assets of Power Plant cease to be owned by the Company and considered as a reduction from the fixed assets block.

FUTURE PROSPECTS

The JNNISM guidelines stipulate that the entire grid connected Solar PV plants in India coming under the scheme will have to use Solar PV modules that are made in India. A sharp fall in solar panel prices has brought down the cost of generating solar electricity considerably, and industry participants hope that solar power will become competitive with traditional sources of electricity over the next few years.

Indian manufacturers on the one hand witnessed steep fall in solar cell prices and on the other hand market flooded with products from Chinese and Taiwanese manufacturers.

The importance of sun in powering India's economy and meeting energy security requirements, we believe that India is being positioned gradually and steadily for rapid growth in all the segments of the solar/PV industry value chain, and will increasingly become an important and high growth market for both on-grid and off-grid applications in the days to come.

DIVIDEND

In view of losses during the year under review, your Directors do not recommend any dividend for the financial year 2012-13.

REFERENCE TO BIFR

In the financial year 2012-2013, the Company on the basis of the audited accounts for the financial year ended as on March 31, 2012, and being mandatory, filed the reference U/s 15(1) of Sick Industrial Companies (Special Provisions) Act, 1985 before the Hon'ble Board for Industrial & Financial Reconstruction (BIFR). The above reference has duly been registered by the learned Registrar of Hon'ble BIFR and hearings of which are in the process for determination of sickness.

LITIGATION

During the year 2011-2012 and 2012-2013, the Company had incurred significant losses which had resulted in erosion of its net worth. The severe fall in the prices of Solar Photovoltaic cells globally on account of reduced demand resulted the company leaving with large inventory at reduced prices, leading to necessity for booking losses and thereby depleting working capital. In the course of time in 2011-2012, there became default in the repayment obligations of banks and the relevant loan accounts-Term Loans, Cash Credit Accounts and devolvement of letters of credit.

Consequently the Company had received summons / notice from the office of Debt Recovery Tribunal-II, Ahmedabad Gujarat in response of the application filed by State Bank of India Baroda Gujarat vide O.A. No. 56/2012 for the recovery of their loan under Section 19 of the Recovery of Debts due to Banks and Financial Institutions Act, 1993. The hearing of the said case is in process.

The Company has received notices u/s 13(2) of Securitization & Reconstruction of Financial Assets & Enforcement of Security Interest Act, 2002 from 'The Cosmos Co-op Bank Ltd' and State Bank of India for recovery of its outstanding dues towards various credit facilities extended to the Company from time to time. Further, State Bank of India has taken symbolic possession of the immovable property of Optical Disc and Solar Photovoltaic Cells Unit under the Securitization & Reconstruction of Financial Assets & Enforcement of Security (Second) Interest Act, 2002 and in exercise of the powers under Section 13(4) of the said Act read with rule 8 of the security Interest (Enforcement) rules 2002.

In the light of above scenario, all term loans from banks are no longer treated as long term borrowings, but have been accounted as Current Maturities of Long Term Borrowings in Other Current Liabilities in Note No.7.

DIRECTORS

In terms of Section 256 of the Companies Act, 1956 read with Article 174 of Articles of Association of the Company, Mr. Raja Babu Kalla, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

During the year under review Mr. Hitesh Shah – Managing Director has resigned from the office of the Director of the Company w.e.f. August 14, 2012. The Board place on record its sincere appreciation for his valuable contribution extended to the Company during his tenure as Director of the Company.

Mr. Anish K. Shah, Mr. Pravin Vira and Mr. Chandresh Shah were appointed as Additional Directors of the Company w.e.f. July 27, 2013. In terms of Section 260 of the Companies Act, 1956, they hold office as such upto the ensuing Annual General Meeting of the Company. The Company has received notice in writing from member of the Company pursuant to Section 257 of the Act, together with requisite deposit proposing their candidature for the office of the Director of the Company. Further Mr. Mahendra Modi, Mr. Anil Mandevia and Mr. Ajit Nalwaya have resigned as Directors of the Company w.e.f. July 29, 2013.

Your Directors recommend the appointment of Mr. Anish K. Shah, Mr. Pravin Vira and Mr. Chandresh Shah as Directors of the Company at the ensuing Annual General Meeting of the Company.

On the basis of the written representations received from the Directors as on March 31, 2013, taken on record by the Board of Directors, Mr. Mahendra Modi, Mr. Ajit Nalwaya and Mr. Anil Mandevia are the Directors disqualified, from being appointed as a Director in terms of Section 274(1)(g) of the Act.

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:

- In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures, except AS-28 Accounting for Impairment of Assets as notified under the Companies (Accounting Standards) Rules, 2006.

- Appropriate accounting policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013 and losses of the Company for the year ended on that date;
- 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; and
- At the end of the financial year 2012-2013, the Company had received a cheque of Rs. 260.00 lacs as an unsecured loan and further the Company had issued a cheque of Rs. 260.00 Lacs to a supplier for procurement of materials. Both the respective cheques were dishonored in the beginning of the subsequent year and hence effect of the said dishonors is not been reflected in the financial statement prepared as on 31st March, 2013.
- The annual accounts have been prepared on a Going Concern basis.

CORPORATE GOVERNANCE

The Report on Corporate Governance along with the Auditors' Certificate regarding Compliance of the conditions of Corporate Governance and also a Management Discussion and Analysis Report pursuant to clause 49 of the Listing Agreement is annexed hereto.

PUBLIC DEPOSITS

The Company has accepted deposits within the meaning of public deposits under the provisions of section 58A read with Companies (Acceptance of Deposits) Rules, 1975 in the nature of unsecured loans. The Company has not accepted deposits within the meaning of public deposits under the provisions of section 58AA.

AUDITORS

M/s. S. H. Bathiya & Associates, 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

With regards to observations made by the statutory auditors in their report, your directors would like to state that;

- The financial statement have been prepared on a "going concern" basis, inspite the fact of erosion of net worth

Considering the changes and new developments taking place in the solar industry, we are hopeful of revival of the business of the company and hence the accounts are prepared on going concern basis;

- The Company has not provided for interest on financing facilities amounting to Rs. 3,664.50 lakhs for the financial year under review; had the same been provided, the loss will increase by Rs. 3,664.50 lakhs and the corresponding liability will also increase by Rs. 3,664.50 lakhs.

The Company on the basis of registration filed u/s 15 (1) of Sick Industrial Companies (Special Provisions) Act, 1985, before the Hon'ble Board for Industrial & Financial Reconstruction, and the hearings of which are in process for determination of sickness and therefore has not provided for interest on financing facilities amounting to Rs. 3,664.50 Lakhs.

- The Company has not provided for the salary payable to employees amounting to Rs. 8.35 lakhs; had the same been provided the loss will increase by Rs. 8.35 lakhs and the corresponding liability will also by Rs. 8.35 Lakhs.