



# 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.: 61369600 Fax : 25793973 E-mail : chromatic@mnl.net.in website : www.chromatic.in GST IN : 27AAACCC6220B1ZC

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

Factory : B-12/2, Lota Parshuram Indl. Area, Tal. - Khed, Dist. Ratnagiri. Tel.: 02356 - 272240, 272364 Fax : 02356 - 272127 E-mail : chromatic\_chi@plun@hotmail.com  
Dombivalli Unit : W-34, M.I.D.C., Phase-II, Dombivalli (East), Dist-Thane.

Date: May 15, 2019

To,  
The Manager  
Listing Department,  
**The Bombay Stock Exchange Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai-400001  
Phones : 91-22-22721233/4, 91-22-66545695  
Fax : 91-22-22721919  
Script Code: 530191

To,  
The Manager  
Listing Department,  
**National Stock Exchange of India Limited**  
Exchange Plaza, C-1 Block G, Bandra  
Kurla Complex, Bandra (E), Mumbai-400051.  
Tel No: (022) 26598100 – 8114  
Fax No: (022) 26598120  
Script Code: CHROMATIC

**Subject: - Outcome of Board Meeting held on 15<sup>th</sup> May, 2019 and Submission of Audited Financial Result (Standalone & Consolidated) for the fourth quarter and financial year ended March 31, 2019 as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Dear Sir / Madam,

With reference to the above captioned subject, we hereby inform you that, inter alia, the following decisions were taken at the Meeting of the Board of Directors of the Company concluded today i.e on 15<sup>th</sup> May, 2019:

1. Approved Audited Financial Statements (Standalone & Consolidated) for the financial year ended March 31, 2019.
2. Approved Audited Financial Result (Standalone & Consolidated) for the fourth quarter and financial year ended March 31, 2019.

Pursuant to the provisions of Regulation 33(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit Audited Financial Results (Standalone & Consolidated) for the fourth quarter and financial year ended March 31, 2019.

Please find enclosed herewith the following:

- Audited Financial Result (Standalone & Consolidated) for the fourth quarter and financial year ended March 31, 2019.
- Audit Report for the financial year ended March 31, 2019.
- Statement of Assets and Liabilities as on March 31, 2019.
- Statement on Impact of Audit Qualifications (for audit report with modified opinion) for the financial year ended March 31, 2019.

The Board Meeting was commenced at 15:40 and the same was concluded at 16:45.

You are kindly requested to take the same on record and acknowledge the receipt.

Thanking you,  
Yours faithfully,  
**For Chromatic India Ltd.**

  
**Roshni Shah**  
Company Secretary  
Encl: As above



**CHROMATIC INDIA LIMITED**

Regd. Off: 207, Vardhaman Complex Premises Co-op Soc. Ltd., L.B.S. Marg, Vikhroli (W), Mumbai-400 083.  
Phone No.022 61369800, FAX - 022 25793973, Email:chromatic@mtl.co.in, CIN NO.L99999MH1987PLC044417, Website: www.chromatic.in  
**AUDITED FINANCIAL RESULTS (STANDALONE & CONSOLIDATED)**

**STATEMENT OF AUDITED RESULTS (STANDALONE & CONSOLIDATED) FOR THE PERIOD ENDED 31.03.2019**

(Rs. in Lakhs)

Particulars	STANDALONE				CONSOLIDATED	
	Quarter Ended		Year Ended		Year Ended	
	31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2019	31.03.2018
	Audited	Unaudited	Audited	Audited	Audited	Audited
<b>1. Revenue:</b>						
a. Net Sales/Income from Operations (Net of Excise Duty)	134.64	285.24	1,439.88	648.00	4,302.51	4,302.51
b. Other Operating Income	83.83	51.41	8.52	152.32	50.17	152.32
c. Other Income	6.22	16.99	2.87	12.14	11.73	11.73
<b>Total Income from Operations (Net)</b>	<b>244.69</b>	<b>353.64</b>	<b>1,451.27</b>	<b>812.46</b>	<b>4,364.41</b>	<b>4,364.41</b>
<b>2. Expenses</b>						
a. Consumption of Raw Material	124.08	196.89	1,195.13	572.36	3,683.43	3,683.44
b. Changes (Increase/Decrease) in Inventories of Finish Goods/Stock in Trade (WIP)	(18.56)	47.59	118.26	(55.23)	141.88	(55.23)
c. Employee benefits expense	43.57	40.37	41.49	166.20	176.83	166.20
d. Depreciation and amortization expense	6.30	6.51	5.65	24.72	22.93	24.72
e. Finance Cost	3.67	3.25	15.25	21.34	27.12	21.34
f. Other Expenses (Any item exceeding 10% of the total expense relating to continuing operations to be shown separately)	29.76	48.67	99.03	170.23	323.34	171.17
<b>Total Expenses</b>	<b>218.82</b>	<b>343.28</b>	<b>1,474.91</b>	<b>849.52</b>	<b>4,375.37</b>	<b>4,376.37</b>
<b>3. Profit/(Loss) from ordinary activities before Exceptional Items (1-2)</b>	<b>25.87</b>	<b>10.36</b>	<b>(23.64)</b>	<b>(37.05)</b>	<b>10.96</b>	<b>(38.00)</b>
4. Exceptional Items	-	-	-	-	-	-
<b>5. Profit/(Loss) before extraordinary items &amp; tax (3-4)</b>	<b>25.87</b>	<b>10.36</b>	<b>(23.64)</b>	<b>(37.05)</b>	<b>10.96</b>	<b>(38.00)</b>
6. Extra-ordinary items	-	-	-	-	-	-
<b>7. Profit/(Loss) before tax (5-6)</b>	<b>25.87</b>	<b>10.36</b>	<b>(23.64)</b>	<b>(37.05)</b>	<b>(10.96)</b>	<b>(38.00)</b>
<b>8. Tax Expenses</b>						
a. Current Tax	-	-	1.14	-	1.14	-
b. Deferred Tax	3.91	-	2.51	3.91	2.51	3.91
c. Tax Expense Earlier Year	-	-	11.94	-	11.94	-
<b>Total Tax Expenses</b>	<b>3.91</b>	<b>-</b>	<b>15.59</b>	<b>3.91</b>	<b>15.59</b>	<b>3.91</b>
<b>9. Net Profit/(Loss) after tax (7-8)</b>	<b>21.96</b>	<b>10.36</b>	<b>(39.43)</b>	<b>(40.96)</b>	<b>(26.54)</b>	<b>(41.91)</b>
10. Add: Other Comprehensive Income	(43.18)	(1,043.37)	436.58	1,581.72	65.65	1,581.72
<b>11. Total Comprehensive Income/Loss For Period(9+10)</b>	<b>(21.14)</b>	<b>(1,033.01)</b>	<b>397.15</b>	<b>1,540.76</b>	<b>39.11</b>	<b>1,539.81</b>
12. Paid up equity share capital (Face value of Rs 10/-each)	7,104.61	7,104.61	7,104.61	7,104.61	7,104.61	7,104.61
13. Earning Per Share (of Rs. 10/- each)						
(a) Basic	0.0031	0.0015	(0.0055)	(0.0058)	(0.0037)	(0.0059)
(b) Diluted	0.0031	0.0015	(0.0055)	(0.0058)	(0.0037)	(0.0059)

See accompanying note to the Financial Results

**Notes:**

- The above results were reviewed by the Audit committee & subsequently approved by the Board of Directors at their meeting held on 15.05.2019
- The Company has adopted Indim Accounting Standard (Ind AS), prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder, with effect from April 01, 2017.
- The classification / disclosure of items in the Financial Results are in accordance with the Schedule III of the Companies Act 2013 as applicable.
- Ind AS 109 relating to segment-wise reporting is not applicable as the company operates in only one primary segment namely chemicals & dyes.
- Provision for Gratuity payable to employees has been covered by the Group Gratuity Policy taken by the company with LIC of India and premium of the policy is accounted for as per advice of LIC of India at the year end. No provision has been made for leave encashment as required by AS-15 (Revised 2005) Employee Benefits notified by Companies (Accounting Standard) Rules 2006 and the same shall be accounted for as and when paid.
- EPS has been calculated in accordance with Ind AS 33.
- The figures for the quarter ended March 31, 2019 represents the derived figures between the audited figures in respect of the year ended March 31, 2019 and the unaudited published period in these figures upto December 31, 2018 which was subjected to a limited review.
- Previous period figures have been regrouped and/or re-arranged, whenever necessary to make comparable as per Ind AS.



By Order of the Board  
For Chromatic India Ltd

Vinod Kumar Kaushik  
Whole-time Director  
DIN - 02586479

Place : Mumbai  
Date : 15.05.2019

**CHROMATIC INDIA LIMITED**

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Phone No 022 61369800, FAX - 022 25793973, Email: chromatic@imtl.net.in, CIN NO.L99999MH11987PLC044447. Website: www.chromatic.in  
**Audited Statement of Assets & Liabilities**

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	As on 31.03.2019 (Audited)	As on 31.03.2018 (Audited)	As on 31.03.2019 (Audited)	As on 31.03.2018 (Audited)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	334.37	320.73	334.37	320.73
Capital WIP	10572.00	10578.00	10572.00	10578.00
Goodwill	-	-	-	-
Financial assets				
- Non-Current investments	13.12	13.11	0.83	0.83
Other non-current assets	24963.20	21381.36	25983.03	24342.53
<b>Current assets</b>				
Inventories	163.65	70.14	163.65	70.14
Financial assets				
- Current investments	-	-	-	-
- Trade and other receivables	5482.83	5384.53	5482.83	5384.53
- Cash and cash equivalents	202.51	129.87	203.73	130.32
- Bank Balances (other than above)	-	-	-	-
- Others	590.77	603.42	590.77	582.42
Other current assets	382.33	797.22	382.33	797.22
<b>TOTAL ASSETS</b>	<b>42705.78</b>	<b>41278.38</b>	<b>43713.54</b>	<b>42206.72</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share capital	7104.61	7104.61	7104.61	7104.61
Other equity				
- Reserves and Surplus	20073.63	20114.96	20800.64	20842.92
- Other Reserves	6102.85	4995.65	6372.35	5200.42
<b>Non-current liabilities</b>				
Financial liabilities				
- Long term borrowings	-	-	-	-
Employee benefit obligation	-	-	-	-
Deferred tax liabilities (Net)	2664.36	2185.94	2664.36	2185.94
<b>Current liabilities</b>				
Financial liabilities				
- Short term borrowings	284.26	316.96	284.26	316.96
- Trade and other payables	6340.95	6439.88	6340.95	6440.05
- Other financial liabilities	65.66	49.94	76.90	45.37
Employee benefit obligation	9.46	9.31	9.46	9.31
Other current liabilities	60.00	60.00	60.00	60.00
Liabilities for current tax (net)	-	1.14	-	1.14
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>42705.78</b>	<b>41278.38</b>	<b>43713.54</b>	<b>42206.72</b>

Place : Mumbai  
Date : 15.05.2019



By Order of the Board  
For Chromatic India Ltd

*Vinod Kumar Kaushik*  
Vinod Kumar Kaushik  
Wholetime Director  
Din : 02586479



**S.K. BADJATYA & CO.**  
**CHARTERED ACCOUNTANTS**

307, D.R. Chambers 12/56, D. B. Gupta Road, Karol Bagh, New Delhi-110005  
Tel.: 23612570, Telefax : 011 23637458 Mobile : 9810163640  
E-mail : jainsudhir\_ca@rediffmail.com, sjskbadjatya@gmail.com

**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 Chromatic India Limited

We have audited the quarterly financial results of Chromatic India Limited for the quarter ended March 31, 2019 and the year to date results for the period April 1, 2018 to March 31, 2019, 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 interim 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 financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) for Interim Financial Reporting, prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, 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.

In our opinion and to the best of our information and according to the explanations given to us 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 subject to the points mentioned in the Statement of impact of Audit Qualification, of the net and other financial information for the quarter ended March 31, 2019 as well as the year to date results for the period from April 1, 2018 to March 31, 2019.

For S. K. Badjatya & Co.  
Chartered Accountants  
(Firm Registration Number: 004017C)

  
Signature  
CA Sudhir K. Jain  
Partner  
(Membership Number: 072282)  
Place of signature: Mumbai  
Date: May 15, 2019





**S.K. BADJATYA & CO.**  
**CHARTERED ACCOUNTANTS**

307, D.R. Chambers 12/56, D. B. Gupta Road, Karol Bagh, New Delhi-110005  
Tel.: 23612570, Telefax : 011 23637458 Mobile : 9810163640  
E-mail : jainsudhir\_ca@rediffmail.com, sjskbadjatya@gmail.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  
Chromatic India Limited

1. We have audited the accompanying Statements of year to date Consolidated Financial Results of Chromatic India Limited ("the Company") for the period from April 1, 2018 to March 31, 2019, ("the Statement") being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Attention is drawn to the fact that the consolidated figures for the period from April 1, 2018 to March 31, 2019, as reported in these financial results have been approved by the Company's Board of Directors.
2. This Statement which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been compiled from the related interim consolidated financial statements, which has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such interim consolidated financial statements / interim consolidated financial information.
3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the Company's internal financial control with reference to the Statement. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We did not audit financial statements of subsidiary included in the consolidated year to date results, whose consolidated interim financial statements reflect total assets of Rs. 259.69 Crs. as at March 31, 2019, total revenues of NIL, total net loss after tax of Rs. 94,350/- and total comprehensive loss of Rs. 94,350/- for the period from April 1, 2018 to March 31, 2019 and cash flows (net) of Rs. 21,309/- for the period from April 1, 2018 to March 31, 2019, as considered in the consolidated financial results.



These financial statements / financial results have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

4. In our opinion and to the best of our information and according to the explanations given to us the Statement:

- (i) includes year to date financial results of Chromatic International FZE;
- (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (iii) give a true and fair view subject to the points mentioned in the Statement of impact of Audit Qualification, of the consolidated net loss and other financial information for consolidated year to date results for the period from April 1, 2018 to March 31, 2019.

For S. K. Badjatya & Co.  
Chartered Accountants  
(Firm Registration Number: 004017C)

  
CA Sudhir K. Jain  
Partner  
(Membership Number: 072282)  
Place of signature: Mumbai  
Date: May 15, 2019





# CHROMATIC INDIA LIMITED

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

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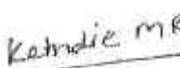
Factory : B-12/2, Lote Parshuram Indl. Area, Tal. - Khed, Dist. Ratnagiri. Tel.: 02356 - 272240, 272364 Fax : 02356 - 272127 E-mail : chromatic\_chiplun@hotmail.com  
Dombivli Unit : W-34, M.I.D.C., Phase-II, Dombivli (East), Dist-Thane.

## 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, 2019 [See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Standalone (Rs. In Lakhs)	
			Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)**
	1	Turnover / Total income	812.46	812.46
	2	Total Expenditure	849.52	849.52
	3	Net Profit/(Loss)	(37.05)	(37.05)
	4	Earnings Per Share	(0.006)	(0.006)
	5	Total Assets	42705.78	42705.78
	6	Total Liabilities	42705.78	42705.78
	7	Net Worth	33281.09	33281.09
	8	Any other financial item(s) (as felt appropriate by the management)	NA	NA
** Note: Amount of adjustment in figures are not quantifiable in the absence of complete information.				
II.	<b>Audit Qualification (each audit qualification separately): Qualification – Standalone</b>			
	<b>a. Details of Audit Qualification:</b>			
	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. However, Sundry debtors and Loans & Advances (other than advances to Subsidiaries) includes amount of Rs. 38.61 Crores and Rs. 1.06 Crores respectively for a period more than three years.			
	b. Loans & Advances includes Rs. 24949.20 Crores 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. Company has not made the accounting treatment as prescribed in Indian Accounting Standard 113 "Fair value Measurement". Due to non availability of repayment plan, we are not able to provide the			

<p>impact of the same in Balance sheet.</p> <p>c. 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. Said amount includes Rs. 105.72 Crores which is outstanding for a period, more than three years.</p> <p>d. Due to adverse market conditions, company has defaulted in the financial obligations to Bank and accordingly, in compliance with the extant RBI guidelines, Bank has degraded the status of the account from Standard to Non Performing Asset and issued a notice under The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002. Company's management is already under discussion with the Bank for the extended repayment plan and also started repaying the debt gradually. The total outstanding amount of financial obligation of the Bank is Rs. 116.66 lacs as on March 31, 2019.</p> <p>e. During the year under review, the Company has initiated the process of closure of its Indian unlisted subsidiary company, i.e., Chromatic Ferro Alloys Limited, due to operational difficulties in the implementation of its plan. As the network of the said subsidiary is negative, the Company has written off its investment in the Company</p>
<b>b. Type of Audit Qualification : Qualified Opinion, Not Quantifiable</b>
<b>c. Frequency of Qualification: Repetitive</b>
<b>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Quantified</b>
<b>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</b>
<b>(i) Management's estimation on the impact of audit qualification:</b>
<p>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.</p> <p>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.</p> <p>c) The Company is awaiting the required approvals for proceeding to set up the power plant.</p> <p>d) The subsidiary did not do any business during the year, but it is positively estimated that the aforesaid subsidiary may commence business in near future.</p>
<b>(ii) If management is unable to estimate the impact, reasons for the same: Not Applicable</b>
<b>(iii) Auditors' Comments on (i) or (ii) above:</b>
<p>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.</p>

III.	Signatories:	
	<ul style="list-style-type: none"> <li>Vinod Kumar Kaushik (DIN: 02586479) Wholetime Director</li> </ul>	 
	<ul style="list-style-type: none"> <li>N.C. Kothari Chief Financial Officer</li> </ul>	 
	<ul style="list-style-type: none"> <li>Mayank Rasiklal Kotadia (DIN: 07484438) Audit Committee Chairman</li> </ul>	 
	<ul style="list-style-type: none"> <li>CA Sudhir K. Jain (Membership Number: 072282) Partner For S. K. Badjatya &amp; Co. Chartered Accountants (Firm Registration Number : 004017C) Statutory Auditor of the Company</li> </ul>	 
	Place: Mumbai	
	Date: May 15, 2019	



# CHROMATIC INDIA LIMITED

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

## Consolidated

### 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, 2019 [See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Consolidated (Rs. In Lakhs)	
			Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)**
	1	Turnover / Total income	648.00	648.00
	2	Total Expenditure	850.46	850.46
	3	Net Profit/(Loss)	(38.00)	(38.00)
	4	Earnings Per Share	(0.004)	(0.004)
	5	Total Assets	43713.54	43713.54
	6	Total Liabilities	43713.54	43713.54
	7	Net Worth	34277.60	34277.60
	8	Any other financial item(s) (as felt appropriate by the management)	NA	NA
** Note: Amount of adjustment in figures are not quantifiable in the absence of complete information.				
II.	<b>Audit Qualification (each audit qualification separately): Qualification – Consolidated</b>			
	<b>a. Details of Audit Qualification:</b>			
	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. However, Sundry debtors and Loans & Advances (other than advances to Subsidiaries) includes amount of Rs. 38.61 Crores and Rs. 1.06 Crores respectively for a period more than three years.			
	b. Loans & Advances includes Rs. 24949.20 Crores 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. Company has not made			

the accounting treatment as prescribed in Indian Accounting Standard 113 "Fair value Measurement". Due to non availability of repayment plan, we are not able to provide the impact of the same in Balance sheet.

- c. 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. Said amount includes Rs. 105.72 Crores which is outstanding for a period, more than three years.
- d. Due to adverse market conditions, company has defaulted in the financial obligations to Bank and accordingly, in compliance with the extant RBI guidelines, Bank has degraded the status of the account from Standard to Non Performing Asset and issued a notice under The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002. Company's management is already under discussion with the Bank for the extended repayment plan and also started repaying the debt gradually. The total outstanding amount of financial obligation of the Bank is Rs. 116.66 lacs as on March 31, 2019.
- f. During the year under review, the Company has initiated the process of closure of its Indian unlisted subsidiary company, i.e., Chromatic Ferro Alloys Limited, due to operational difficulties in the implementation of its plan. As the networth of the said subsidiary is negative, the Company has written off its investment in the Company

**b. Type of Audit Qualification : Qualified Opinion, Not Quantifiable**

**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:**

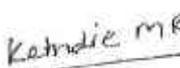
**(i) Management's estimation on the impact of audit qualification:**

- 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 near future.

**(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:	
	<ul style="list-style-type: none"> <li>Vinod Kumar Kaushik (DIN: 02586479) Wholetime Director</li> </ul>	 
	<ul style="list-style-type: none"> <li>N.C. Kothari Chief Financial Officer</li> </ul>	 
	<ul style="list-style-type: none"> <li>Mayank Rasiklal Kotadia (DIN: 07484438) Audit Committee Chairman</li> </ul>	 
	<ul style="list-style-type: none"> <li>CA Sudhir K. Jain (Membership Number: 072282) Partner For S. K. Badjatya &amp; Co. Chartered Accountants (Firm Registration Number : 004017C) Statutory Auditor of the Company</li> </ul>	 
	Place: Mumbai	
	Date: May 15, 2019	