



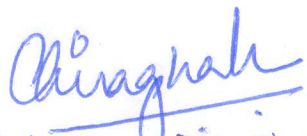
FORM B

(Clause 31(a) of Listing Agreement)

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company:	SHREE RAMA MULTI-TECH LIMITED
2.	Annual financial statement for the year ended	31/03/2013
3.	Type of Audit observation	Qualified
4.	Frequency of observation	<p>A) Repetitive in respect of observation as stated in item 5 below from the financial year ended on 30th September, 2002.</p> <p>B) Repetitive in respect of observation as stated in item 5 below from the financial year ended on 31st March, 2012.</p>
5.	Draw attention to relevant notes in the annual financial statement and management response to the qualification in the director report	<p>(i) Sub note no. 3(b) in Note no. 28[B] regarding non transfer of unpaid dividend of Rs.100 Lacs on preference shares for the year 2000-01 to Unpaid Dividend Account in a Scheduled Bank as required under Section 205A of the Act & to Investor Education & Protection fund as per Section 205C of the Act.</p> <p>The Company has declared and provided in books dividend of Rs. 100 lacs for the year 2000-01 on 666666 15% Redeemable Preference Share which was subsequently annulled by Board of Directors and members of the Company in Extra Ordinary Meeting held on 26th Oct, 2002. In view of the pending approval from appropriate authority, the Company has not reversed provision as dividend was annulled. Therefore, it was not required to transfer the said amount to IEPF.</p> <p>(ii) Sub Note no. 4.4 of Note 28[B] regarding Accounting treatment of Waiver of Loans etc. of Rs.12521.78 lacs.</p> <p>During the year, Company has entered into settlement with some of the lenders resulted into waiver of portion of outstanding loans. The Company has settled said loans for Rs. 5144.70 lacs as against carrying amount of Rs.17666.48</p>

		<p>lacs. The resultant surplus of Rs. 12521.78 lacs arising on such settlement has been credited to the Capital Reserve.</p> <p>Management Response:-</p> <p>Auditors remark regarding Unpaid Dividend on Preference Share & Non Provision of interest on loans of lenders:-The Company has filed a Composite Scheme of Compromise and Arrangement with its lenders and Shareholders u/s 391 of the Companies Act, 1956 in Gujarat High Court and upon the Scheme becoming effective, all existing litigations and legal cases shall be terminated and the lenders shall forthwith withdraw all existing litigations and legal cases against the Company, the guarantors, the Directors of the Company as the case may be and the lenders shall simultaneously execute necessary applications/affidavits/documents etc. to be promptly submitted to concerned courts, statutory authorities etc. in order to give immediate effect for such withdrawal of legal actions, cases or litigations. Thereafter the right of the lenders will be submerged and re-casted in the manner as proposed in the Scheme.</p> <p>In the said scheme, the issue of waiver of unpaid dividend on preference shares is also covered. The management is of the view as well as legally advised that the said default will be also sorted out on final outcome of the scheme.</p>
6.	Additional comments from the Board / Audit committee Chairman	N.A.

7.	To be signed by-	
	CEO/ Manager	 Ankit-P. Shah
	Financial controller	K. G. Shah Krunal. G. Shah
	Audit Committee Chairman	 Vikram. V. Bhatt.
	Auditor of the Company	 Chirag. M. Shah (Mahendra. N. Shah & Co)

