

MIC Electronics Limited

A-4/II, Electronic Complex, Kusaiguda, Hyderabad - 500062, India

Ph: +91 40 27122222 Fax: +91 40 27133333

www.mic.in

www.micelectronics.com

ISO 9001:2008 ISO 14001:2004 Certified Company



Wednesday, June 04, 2014

To

The Secretary
National Stock Exchange of India Limited,
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
Mumbai-400051.

Dear Sir.

Sub: Form – B for the financial year ended on 9 months period ended 30.06.2013.

With reference to the above subject, please find enclosed Form -B for the Financial Year ended on 30th June 2013. .

This is for your information and records.

Kindly acknowledge the receipt of the same.

Thanking you,

Yours truly,

For MIC Electronics Limited

(Vijay Kumar Naidu Ch)
Company Secretary

Encl : As Above

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FORM B

1	Name of the Company	MIC Electronics Limited	
2	Annual Financial Statements for the year ended:	9 months period ended 30.06.2013	
3	Type of Audit Qualifications	Basis for Qualified Opinion	Explanation
	(a)	Reference is invited to Note 3.16 of the financial statements, the Company's Trade Receivables to the extent of Rs 63.26 crores are more than three years old and "we are unable to ascertain whether such balances as at balance sheet date are fully recoverable. Accordingly, we are unable to ascertain the impact, if any, that may arise in case any of these receivables are subsequently determined to be doubtful of recovery. Had the Company provided provision for the same, the loss for the period would have been higher by the said amount." (Refer Independent Auditors' Report - page no. of Annual Report)	Due to the prevailing recessionary trend in the industry in the last 3 to 4 years, significant portion of trade receivables remain uncollected. The management has setup a separate team for close monitoring and collection of such overdue receivables. The management is confident of collecting such overdue trade receivables over a period of time and hence no provision has been made. (Refer Directors' Report - page no. of Annual Report)
	(b)	Reference is invited to Note 3.18 of the financial statements, the Company's Other Advances to the extent of Rs 6.02 crores, "we are unable to ascertain whether such balances as at balance sheet date are fully recoverable. Accordingly, we are unable to ascertain the impact, if any, that may arise in case any of these advances are subsequently determined to be doubtful of recovery. Had the	The above advances include a sum of Rs.1.90 crores given as advance for acquisition of shares in those companies which are engaged in manufacture of LED lighting products and power electronics and the management is insisting such companies to allot/transfer shares at the earliest or else refund the invested amount. Balance of Rs.4.12 crores

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		<p>Company provided provision for the same, the loss for the period would have been higher by the said amount." (Refer Independent Auditors' Report - page no. of Annual Report)</p>	<p>related to advances given to various suppliers for supply of materials / services in the ordinary course of business. The management is closely pursuing with such suppliers for supply of materials / services. We are insisting such suppliers to either supply the materials/services or refund the advance amount without further delay. The management is confident of adjustment of such advances and hence no provision has been made.</p> <p>(Refer Directors' Report - page no. of Annual Report)</p>
	(c)	<p>Reference is invited to Note 3.13 of the financial statements, the Company's Capital Advances to the extent of Rs 11.97 crores, "we are unable to ascertain whether such balances as at balance sheet date are fully recoverable. Accordingly, we are unable to ascertain the impact, if any, that may arise in case any of these advances are subsequently determined to be doubtful of recovery. Had the Company provided provision for the same, the loss for the period would have been higher by the said amount." (Refer Independent Auditors' Report - page no. of Annual Report)</p>	<p>Company has given advances to various suppliers for supply of capital goods for its LED Display Division's expansion projects. The management is closely pursuing with such suppliers for supply of such capital goods. We are insisting such suppliers to either supply the goods or refund the advance amount without further delay. The management is confident of adjustment of such capital advances and hence no provision has been made.</p> <p>(Refer Directors' Report - page no. of Annual Report)</p>
	(d)	<p>Reference is invited to Note 3.07 of the financial statements, The Company has not provided the interest on unsecured loans for the</p>	<p>Due to tight liquidity position, company has approached the lenders of unsecured loans for one time settlement. Since the company is of the opinion that</p>

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		nine months period ended 30 th June 2013, for Rs 2.47 crores since the company is pursuing the matter for settlement. Had the Company provided provision for the same, the loss for the period would have been higher by the said amount.” (Refer Independent Auditors' Report - page no. of Annual Report)	the lenders will consider favourably, interest has not been provided on such unsecured loans. (Refer Directors' Report - page no. of Annual Report)
	Additional comments from the board / audit committee chair	NIL	
4	Frequency of Qualification	The above 4 qualifications appeared first time in the annual audit report	
5.	Signed by: <div> Dr. M V Ramana Rao Chairman & Managing Director.</div> <div> L. N. Malleswara Rao, Executive Director</div>		