moserbaer

May 25, 2016

National Stock Exchange of India Limited
"Exchange Plaza"
Bandra-Kurla Complex, Bandra (East)
Mumbai 400 051
Fax No: 022-26598237/38
022-26598348

Bombay Stock Exchange Limited
P. J. Towers
Dalal Street
Mumbai 400 001
Fax No: 022-22723121/22722037/22722041
22723719/22722039/22722061

Sub: Outcome of Board Meeting held on May 25, 2016

Dear Sir/Madam,

Please find enclosed herewith following:

1. A Copy of the audited financial results of the Company for the quarter and financial year (15 months) ended on 31st March, 2016 which were considered, approved and taken on record by the Board of Directors in its meeting held on May 25, 2016 and alongwith audit report and Form B pursuant to regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

2. Statement of assets and liabilities pursuant to regulation 33(3)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

3. A Copy of the Press Release.

Yours faithfully,

For **Moser Baer India Limited**

MOSER BAER INDIA LTD. MBI NEW DELHI

Company Secretary

MOSER BAER INDIA LTD. 43B Okhla Industrial Estate New Delhi 110020 India Phone : +91-11-40594444, 26911570-74 Fax : +91-11-41635211 / 26911860
CIN : L51909DL1983PLC015418 www.moserbaer.com

MOSER BAER INDIA LIMITED

Registered Office: 43-B, Okhla Industrial Estate Phase-III, New Delhi - 110 020

Statement of Standalone and Consolidated Financial Results for the quarter and fifteen months' period ended 31 March 2016

(Rs. In Lacs)

S.No	Particulars	STANDALONE					CONSOLIDATED	
		3 months ended 31.03.2016	Previous 3 months ended 31.12.2015	Corresponding 3 months ended in the previous year 31.03.2015	For the Period from 01.01.2015 to 31.03.2016	For the Period from 01.01.2014 to 31.12.2014	For the year from 01.01.2015 to 31.03.2016	For the year from 01.01.2014 to 31.12.2014
		(Audited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)
1	Income from operations							
	a. Net sales / Income from operations (Net of excise duty)	15,072	13,900	15,678	74,829	96,194	87,825	114,209
	b. Other operating income	249	184	385	1,130	2,269	1,956	2,634
	Total income from operations (net)	15,321	14,084	16,063	75,959	98,463	89,781	116,843
2	Expenses							
	a. Cost of materials consumed	7,580	7,618	6,776	40,335	52,820	44,000	59,184
	b. Purchase of stock in trade	465	287	142	1,244	144	7,435	6,423
	c. Change in inventories of finished goods, work in progress and stock in trade.	1,869	1,419	3,243	5,676	11,249	7,227	14,308
	d. Employees benefits expense	3,226	3,209	3,071	16,832	14,861	20,256	18,428
	e. Depreciation and amortisation expense	2,079	2,119	2,077	10,606	18,088	23,059	31,619
	f. Power and fuel expense	753	1,123	1,276	7,004	13,559	7,446	13,838
	g. Other expenses	2,105	2,581	3,116	13,955	15,443	17,954	22,275
	Total expenses	18,077	18,356	19,701	95,652	126,164	127,377	166,375
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(2,756)	(4,272)	(3,638)	(19,693)	(27,701)	(37,596)	(49,532)
4	Other Income	297	183	412	2,083	2,597	3,743	2,586
5	Profit / (Loss) from ordinary activities before finance costs and exceptional Items (3+4)	(2,459)	(4,089)	(3,226)	(17,610)	(25,104)	(33,853)	(46,946)
6	Finance costs	5,340	5,397	5,518	27,438	21,232	57,430	41,915
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(7,799)	(9,486)	(8,744)	(45,048)	(46,336)	(91,283)	(88,861)
8	Exceptional items	(2,344)	(629)	473	(25,317)	(24,493)	(6,217)	(5,082)
9	Profit / (Loss) from ordinary activities before tax (7+8)	(10,143)	(10,115)	(8,271)	(70,365)	(70,829)	(97,500)	(93,943)
10	Tax expense	-	-	-	-	-	1	10
11	Net Profit / (Loss) from ordinary activities after tax (9-10)	(10,143)	(10,115)	(8,271)	(70,365)	(70,829)	(97,501)	(93,953)
12	Extraordinary items			-	-	-		-
13	Net Profit / (Loss) for the period (11-12)	(10,143)	(10,115)	(8,271)	(70,365)	(70,829)	(97,501)	(93,953)
14	Paid-up equity share capital (Face value:Rs.10/- per share)	22,177	22,177	22,176	22,177	20,831	22,177	20,831
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year					(112,222)		(369,932)
16	Earnings per share: (not annualised)							
	i) Before Extraordinary items							
	- Basic (Rs.)	(4.57)	(4.56)	(3.97)	(32.11)	(34.26)	(44.49)	(45.45)
	- Diluted (Rs.)	(4.57)	(4.56)	(3.97)	(32.11)	(34.26)	(44.49)	(45.45)
	ii) After Extraordinary items							
	- Basic (Rs.)	(4.57)	(4.56)	(3.97)	(32.11)	(34.26)	(44.49)	(45.45)
	- Diluted (Rs.)	(4.57)	(4.56)	(3.97)	(32.11)	(34.26)	(44.49)	(45.45)

MOSER BAER INDIA LIMITED

Registered Office: 43-B, Okhla Industrial Estate Phase-III, New Delhi - 110 020

Statement of Assets and Liabilities as at 31 March 2016 are as under :-

S.No.	Particulars	STANDALONE (AUDITED)		CONSOLIDATED (AUDITED)	
		As at 31.03.2016	As at 31.12.2014	As at 31.03.2016	As at 31.12.2014
		(Audited)	(Audited)	(Audited)	(Audited)
A	**EQUITY AND LIABILITIES**				
1	**Shareholder's funds**				
	(a) Share Capital	22,177	20,831	105,720	103,809
	(b) Reserves and Surplus	(194,706)	(112,222)	(479,290)	(369,932)
	Sub-total - Shareholder's funds	(172,529)	(91,391)	(373,570)	(266,123)
2	**Non-current liabilities**				
	(a) Long Term borrowings	61,277	83,824	126,769	225,045
	(b) Other long term liabilities	17,243	17,620	101	501
	(c) Long-term provisions	2,730	2,544	5,523	5,306
	Sub-total - Non-current liabilities	81,250	103,988	132,393	230,852
3	**Current liabilities**				
	(a) Short-term borrowings	77,493	82,065	106,230	107,665
	(b) Trade payables	35,872	28,942	29,593	28,726
	(c) Other current liabilities	164,661	113,131	307,137	158,032
	(d) Short-term provisions	33,291	23,401	33,311	23,456
	Sub-total - Current liabilities	311,317	247,539	476,271	317,879
	TOTAL - EQUITY AND LIABILITIES	**220,038**	**260,136**	**235,094**	**282,608**
B	ASSETS				
1	Non-current assets				
	(a) Fixed assets	53,793	65,561	149,516	171,199
	(b) Non-current investments	43,580	58,513	74	81
	(c) Long-term loans and advances	2,750	2,887	5,190	5,793
	(d) Other non-current assets	28,457	34,626	1,268	614
	Sub-total - Non-current assets	128,580	161,587	156,048	177,687
2	Current assets				
	(a) Inventories	19,945	30,090	24,446	36,446
	(b) Trade receivables	52,331	49,803	24,060	32,921
	(c) Cash and cash equivalents	2,292	3,131	3,064	5,819
	(d) Short-term loans and advances	5,927	5,879	21,911	22,368
	(e) Other Current assets	10,963	9,646	5,565	7,367
	Sub-total - Current assets	91,458	98,549	79,046	104,921
	TOTAL - ASSETS	**220,038**	**260,136**	**235,094**	**282,608**

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in Lacs)

Particulars	For the year from 01.01.2015 to 31.03.2016	For the year from 01.01.2014 to 31.12.2014
	(15 Months)	(12 Months)
	(Audited)	(Audited)
Segment Revenue		
(Net Sale/Income)		
a. Storage Media Products	79,576	105,447
b. Solar Products	21,031	23,916
c. Others	15,855	7,251
Total	**116,462**	**136,614**
Less : Inter Segment Revenue	**26,681**	**19,771**
Net Sales /Income From Operations	**89,781**	**116,843**
Segment Results		
(Profit / (Loss) before tax and interest)		
a. Storage Media Products	(17,583)	(29,627)
b. Solar Products	(14,589)	(13,063)
c. Others	(2,365)	(5,349)
Total	**(34,537)**	**(48,039)**
Less :(i) Interest expenses (net of interest/ dividend income)	56,987	41,100
(ii) Other Un-allocable corporate expenditure/ (income) (net)	(241)	4,814
Total (Loss) Before Tax	**(91,283)**	**(93,953)**
Capital Employed		
(Segment assets - Segment Liabilities)		
a. Storage Media Products	59,238	85,278
b. Solar Products	106,898	123,817
c. Others	3,973	2,902
Total	**170,109**	**211,997**
Unallocated Assets/ (Liabilities)	(543,678)	(478,120)
Total Capital Employed	(373,569)	(266,123)

Notes to the results:

1. The exceptional items for fifteen months period ended 31 March 2016 ("period") pertains to exchange loss of Rs. 2,847 lacs on account of foreign currency convertible bond's liability and Rs. 4,427 lacs provision against net receivable, provision for other than temporary diminution amounting to Rs. 14,933 lacs in investment, Rs. 3,110 lacs provision against net realizable value adjustment for inventory. (Previous year ended 31 December 2014, exchange loss of Rs. 1,071 lacs on account of foreign currency convertible bond's liability, Rs 11,749 lacs for the provision against doubtful debt of subsidiary and associate company, Rs 8,776 lacs for other than temporary diminution in long term investment of subsidiaries companies and Rs 2,897 lacs one-time provision against net realizable value adjustment for inventory).

2. The Company has incurred a loss of Rs 70,365 lacs during the period ended 31 March 2016 (previous year ended 31 December 2014 Rs 70,829 lacs), and, as of that date, the Company's accumulated losses amounts to Rs. 236,050 lacs (previous year ended 31 December 2014 Rs. 164,571 lacs) and it has negative net worth of Rs. 172,530 lacs (previous year ended 31 December 2014 Rs. 91,392 lacs). Further, as on 31 March 2016, the Company's current liabilities exceeded its current assets by Rs. 219,859 lacs (previous year ended 31 December 2014 Rs. 148,777 lacs).

   The Company has outstanding foreign currency convertible bonds (FCCBs) with principal value of USD 88,400,000 equivalent to Rs 58,574 lacs (previous year ended 31 December 2014 USD 88,500,000 equivalent to Rs 55,790 lacs) which were due for redemption along with premium on 21 June 2012. As at 31 March 2016, accrual for premium on FCCB aggregates Rs 49,839 lacs. The company is in the process of negotiation with the bondholders to re-structure the terms of these bonds; these negotiations have progressed and the Company has applied to the RBI for requisite approvals.

   Due to continued liquidity issues primarily resulting from non-release of sanctioned working capital limits and refunds due to the company, the Company has been unable to comply with repayment terms of its borrowing arrangement with secured lenders as agreed in the Corporate Debt Restructuring package approved in year ended 31 March 2013. The Company has received debt recall and other notices from certain consortium lender banks for their respective share of debt. Meanwhile, the Company has approached the lender consortium for a revised debt restructuring plan. The revised debt restructuring plan submitted by the Company includes deferment of debt and interest repayment, disposal of surplus assets and infusion of fresh capital by the promoters. The banks instituted a TEV study to be conducted by an expert appointed by bank who has since submitted its report to the lenders. In a recent meeting, the lenders have indicated their inability to accept the TEV and have indicated their intention to exit from the CDR and initiate legal proceedings against the company subject to approval of their competent authorities. The company continues to engage with management of banks both on TEV study and restructuring proposal. The final response of the banks is awaited. Meanwhile the banks have allowed continue to operate through TRA with 6% tagging. On 30 March 2016, one of the lender banks, which is part of the CDR consortium of the Company, has assigned its outstanding dues in favour of an asset reconstruction company on the same terms and conditions as applicable to the said lender.

   The company has been operating at suboptimal levels due to working capital constraints, resulting in adverse impact on cash flow from operations in the current quarter as well as earlier quarters. With restoration of OEM optical media business, generation of funds through sale of surplus assets and promoter contribution, accompanied by restructuring of debt from banks, the company expects to achieve better utilization of its manufacturing facilities and consequently, generate positive cash flow from operations.

Conditions explained above, indicate existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern due to which the company may not be able to realize its assets and discharge its liabilities in the normal course of business. However, considering management's plans relating to restructuring of debt, FCCBs, infusion of capital, generation of funds through sale of surplus assets and expected improvement in the operating activities, management expects to generating positive cash flow from operations and accordingly, these results have been prepared on a going concern basis.

3. Management performed a detailed impairment assessment (using an independent valuer) as at 31 March 2016 for its investments in and advances/other receivables from certain subsidiaries, viz. Moser Baer Solar Limited, Photovoltaic Holdings Limited, Moser Baer Investments Limited and Moser Baer Entertainment Limited to determine if there is any other than temporary diminution in the values of these investments and if outstanding advances or other receivables are recoverable. Material estimates and judgments used in such assessment are related to future business projections which, amongst other factors, are dependent on the acceptance of revised restructuring with lender banks, ramping up operations with adequate advance from customers, external market conditions of the solar market and regulatory benefits. Basis the assessment, management has concluded no impairment is required in carrying value of the investments, advances/ other receivables from these aforementioned subsidiaries as at 31 March 2016 aggregating to Rs. 73,125 lacs.

4. Pursuant to ongoing discussions with lender banks in case of Helios Photovoltaic Limited ("HPVL") and its recent exit from CDR scheme, management of Moser Baer India Limited ("MBIL") has recorded an other than temporary provision in carrying value of investment and receivables of HPVL during the period as follows:

Amount (Rs. In Lacs)

Particulars	**Quarter ended 30 June 2015**	**Quarter ended 30 September 2015**	**Quarter ended 31 December 2015**	**Quarter ended 31 March 2016**
Provision for doubtful debtors	-	3,240	127	805
Provision for diminution in value of Investment	574	12,951	-	-
Total	**574**	**16,191**	**127**	**805**

Additional Notes for Consolidated Results:

5. The Group is operating in Storage Media Products and Solar Products segments. Accordingly, segment information has been given which is in line with the requirement of AS-17 "Segment Reporting". The Consolidated financial statement has been furnished to provide information about the overall business of the Company, its subsidiaries and associates.

6. During the financial year ended 31 March 2013, Secured Lenders (Banks) had approved the restructuring package under "Corporate Debt Restructuring Package" (CDR) of one of the subsidiary company, Helios

Photovoltaic Limited ("HPVL"). The CDR was not fully implemented and the subsidiary company was unable to service the repayments/ payments of loan/ interest in accordance with CDR which resulted in the subsidiary Company's debt becoming non-performing assets with all the banks.

Consequently, the Monitoring Institution of the CDR made a recommendation to the CDR Empowered Group along with approval of majority secured lenders to seek exit of subsidiary company's account from CDR and on 30 November 2015 CDR EG approved this exit. Subsequent to approval of exit by CDR EG, majority of lender banks have issued notices to subsidiary company recalling their debt. Pursuant to exit from CDR, the group has classified debt from non-current bank liabilities to current liabilities and derecognized the amounts recoverable from banks under CDR scheme with corresponding adjustments to the debt and interest expense. In the absence of any communication from these lenders bank, the group has not been able to determine the impact of exit from CDR on the carrying value of debt and interest payable thereon.

7. One of the subsidiary companies entered into a long term Wafer Supply Agreement on 01 April 2008 (WSA) with Jiangxi LDK Solar Hi-Tech Co [LDK] and in pursuance, the subsidiary paid an advance of USD 48.89 Million in accordance with the terms of the WSA (Advance Payment). LDK issued Bank Guarantee dated 07 May 2008 of China Merchant Bank (CMB) as security for advance paid by subsidiary. The Agreement was further amended by an Amendment Agreement dated 10 January 2011 (AA).

As per the terms of AA, remaining advance of USD 34.6 Million (out of USD 48.89 million), which was secured through a bank guarantee, was to be adjusted against future purchases by the subsidiary at an agreed market driven price and the balance unadjusted amount, if any, was to be refunded back to the subsidiary after five years from the date of such agreement subject to a deduction of 5% of purchase shortfall under the AA. Under AA, LDK was to provide an amended bank guarantee which was not provided, causing therefore, a breach of such terms and further sought to cancel the bank guarantee which it furnished in 2008. Upon breaches by LDK, the WSA (as amended by AA) was terminated by the subsidiary pursuant to its letter dated 26 September 2013.

As a result of the termination, LDK was demanded to refund the balance of the advance payment i.e. USD 34.6 Million. As LDK failed to refund the Advance Payment, Subsidiary made a demand under the bank guarantee provided by CMB on 22 October 2013. However, LDK obtained a freezing order before the Xinyu Intermediate People's Court on 6 November 2013, which prevented CMB from making payment under the Bank Guarantee.

Aggrieved by such order, the Subsidiary initiated arbitration before Hongkong International Arbitration Centre (HKIAC) and also filed jurisdiction objection Application before Xin Yu Court. Upon rejection of Subsidiary's application, an appeal was filed against the Xin Yu Court's decision and Appeal was also rejected by Jiangxi Higher Court. A three member Arbitration Tribunal was constituted and the final hearing happened at HKIAC from 18 January 2016 to 22 January 2016.

Based on the opinion of external legal counsel, management has made an additional provision of USD 4.5 million (Rs. 2,970 lacs) towards liability for 2.2 million wafers shipped by the vendor in consolidated financial statements during the current period, in addition to the previous provision for 5% of the unexecuted contract value (for purchase shortfalls from committed purchases as per AA) up to the date of termination. Based on the legal appraisal, management believes that the balance amount of USD 26.82 million (Rs. 17,766 lacs) as of 31 March 2016 is recoverable.

8. The Group has incurred a loss of Rs 97,501 lacs during the period ended 31 March 2016 (previous year Rs. 93,954 lacs), and, as of that date, the Group's accumulated losses amounts to Rs. 520,339 lacs (previous year Rs. 421,987 lacs) and it has negative net worth of Rs. 373,570 lacs (previous year Rs. 266,123 lacs). Further, as of 31 March 2016, the Group's current liabilities exceeded its current assets by Rs. 397,225 lacs (previous year Rs. 212,958 lacs).

   In respect of the company, basis for preparation of accounts using going concern assumption has already been explained in the note 2 above.

   In respect of Helios Photovoltaic Limited (HPVL) one of the subsidiary of the company as mentioned in note 6 to the results the lenders banks have exited from CDR and have issued notices to subsidiary company recalling their debt. The management is in discussion with lender banks for restructuring of debts. The management has also taken an expert opinion from a leading law firm about the options available to the banks and the possible legal defenses available to the company.

   In respect of another subsidiary company MBSL, due to continued liquidity issues primarily resulting from non-release of sanctioned working capital limits and refunds due to the subsidiary company, it is unable to comply with repayment terms of its borrowing arrangements with secured lenders as agreed in the Corporate Debt Restructuring packages approved in year ended 31 March 2013. MBSL has now approached these lenders for a revised debt restructuring plan. The MI of MBSL instituted a TEV study to be conducted by an independent expert who has submitted their report to the respective lenders. The TEV study is under consideration excluding independent of the capital subsidy under Special Incentive Package Scheme.

   The Group has been operating at suboptimal levels due to working capital constraints, resulting in adverse impact on cash flow from operations in the current quarter as well as earlier quarters. With restoration of OEM optical media business, generation of funds through sale of surplus assets and promoter contribution, accompanied by restructuring of debt from banks, the group expects to achieve better utilization of its manufacturing facilities and consequently, generate positive cash flow from operations. Further, the group also expects release of capital subsidies under Special Incentive Package Scheme (SIPS) in MBSL and HPVL and also expects significant supportive measures by government for Solar energy sector in solar business in India.

   Conditions explained above, indicate existence of a material uncertainty that may cast significant doubt on the group's ability to continue as a going concern due to which the group may not be able to realize its assets and discharge its liabilities in the normal course of business. However, considering recent developments, inter-alia, progress made in the review of plan and further management's plans relating to restructuring of debt, FCCBs, infusion of capital, generation of funds through sale of surplus assets, legal opinion of expert in respect of HPVL as referred above and expected improvement in the operating activities, and receipt of capital subsidy (SIPS) management expects to generating positive cash flow from operations and accordingly, these results have been prepared on a going concern basis.

9. As of 31 March 2016, the management performed detailed impairment assessments of carrying value of fixed assets for all of its operating subsidiary companies based on business valuation. Such assessments are based on recoverable value of assets determined using Value in use method and are therefore dependent upon future outcome of certain matters such as negotiation with the lenders banks for debt

restructuring, recovery of SIPS, recovery of advance under litigation and revival of operations. In case of one of the subsidiary of the Company, HPVL, the lenders banks have exited from the CDR scheme as described in note 6 and 8.

HPVL has submitted the revival plan to the banks and their responses are awaited. Pending finalization of the revival plan, no further impairment in the carrying value of the fixed assets is made. Carrying value of fixed assets of HPVL as at 31 March 2016 is Rs. 24,075 lacs.

10. The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 25 May 2016.

11. Amount for the quarter ended 31 March 2016 represents the balancing amount between the audited amounts for the fifteen months financial year and the published year to date amounts up to the fourth quarter of the fifteen months financial year.

12. The Company had changed its financial year from 31 December to 31 March and prepared accounts for 15 months, whereas previous financial year consisted of 12 months period. Accordingly, current financial period figures are not comparable with those of the previous year.

13. Figures of the previous periods/ year have been regrouped and rearranged wherever necessary, to make them comparable.

For and on behalf of the Board of Directors of

Moser Baer India Limited

Place: New Delhi

Date: 25 May 2016

DEEPAK PURI

Chairman and Managing Director

Walker Chandiok & Co LLP

Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
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Jacaranda Marg, DLF Phase II
Gurgaon 122002
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Auditor's Report on Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Moser Baer India Limited

1. We have audited the annual financial results of Moser Baer India Limited ("the Company") for the fifteen months from 01 January 2015 to 31 March 2016 ("the period"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to note 11 in the annual financial results regarding the figures for the quarter ended 31 March 2016 as reported in these annual financial results are the balancing figures between audited figures in respect of the fifteen months financial year and the published year to date figures upto the end of the fourth quarter of the fifteen months financial year. Also, the figures up to the end of the fourth quarter had only been reviewed and not subjected to audit. These fifteen months financial results have been prepared on the basis of the annual financial statements and reviewed quarterly financial results upto the end of the fourth quarter, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these annual financial results based on our review of financial results for the twelve months period ended 31 December 2015 which were prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India; and our audit of the annual financial statements as at and for the fifteen months period ended 31 March 2016.

2. 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 misstatements. 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.

3. In our opinion and to the best of our information and according to the explanations given to us the annual financial 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 of the net loss and other financial information for the period ended 31 March 2016.

4. We draw attention to note 2 to the financial results which indicates that the Company has incurred a net loss of Rs. 70,365 lacs for the fifteen months period ended 31 March 2016 and, as of that date, the Company's accumulated losses amounted to Rs. 236,050 lacs resulting in complete erosion of its net worth. Further, as of that date, the Company's current liabilities exceeded its current assets by Rs. 219,859 lacs. These conditions, as explained in/along with matters set forth in note 2 indicate the existence of uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

5. We draw attention to note 3 to the financial results with respect to management's assessment of 'other than temporary' diminution in value of investments in and recoverability advances/receivables from certain subsidiaries namely Moser Baer Solar Limited (MBSL), Moser Baer Entertainment Limited (MBEL), Photovoltaic Holdings Limited and Moser Baer Investments Limited aggregating to Rs. 58,024 lacs and Rs. 15,101 lacs respectively (net of payables and provisions thereon). Our opinion is not qualified in respect of this matter.

Walker Chandiok & Co LLP

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Neeraj Goel

per **Neeraj Goel**
Partner
Membership No.: 099514

Place : New Delhi
Date : 25 May 2016

Walker Chandiok & Co LLP

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(Formerly Walker, Chandiok & Co)
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Auditor's Report on Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Moser Baer India Limited

1. We have audited the annual consolidated financial results of Moser Baer India Limited ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), for the fifteen months from 01 January 2015 to 31 March 2016 ("the period"), 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 annual consolidated financial results have been prepared on the basis of the annual consolidated financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these annual consolidated financial results based on our audit of the annual consolidated financial statements as at and for the period ended 31 March 2016.

2. 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 consolidated financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as consolidated 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 qualified opinion.

<u>Basis for qualified opinion in consolidated financial results</u>

3. (a) As explained in note 6 to the annual consolidated financial results, the group's short term borrowings and other current liabilities include balances payable to various lender banks amounting to Rs. 112,543 lacs in respect of one of the subsidiary company whose account has been exited from Corporate Debt Restructuring (CDR) Cell in the current period. As a result the accounting for these balances should be as per the original agreements entered with such lenders banks. However, in absence of relevant details and information with respect to calculation of interest and loan liability, we are unable to comment upon the impact of such exit on the carrying value of aforesaid short term borrowings, other current liabilities and interest expense for the financial period ended 31 March 2016 and the consequential impact on the accompanying consolidated financial results.

   (b) As explained in note 9 to the annual consolidated financial results, the group's fixed assets include fixed assets aggregating to Rs. 24,075 lacs in respect of the aforesaid subsidiary Company. However, in the absence of sufficient appropriate audit evidence, we are unable to comment on the carrying value of these assets and the consequential impact on the accompanying consolidated financial results.

4. In our opinion and to the best of our information and according to the explanations given to us and upon consideration of reports of other auditors, the annual consolidated financial results:

   (i) include the annual financial results for the period ended 31 March 2016, of the following entities:

   European Optic Media Technology GmBH, Moser Baer Distribution Limited (formerly known as Moser Baer SEZ Developer Limited), Solar Research Limited, Moser Baer Laboratories Limited, Moser Baer Entertainment Limited, Moser Baer Investments Limited, Photovoltaic Holdings Limited, MB Solar Holdings Limited, Moser Baer Solar Limited, Helios Photovoltaic Limited (formerly known as Moser Baer Photo Voltaic Limited), Perafly Limited, Nicofly Limited, Peraround Limited, Advoferm Limited, Cubic Technologies BV (upto 21 December 2015), Tifton Limited, Value Solar Energy Private Limited, Pride Solar Systems Private Limited, Admire Energy Solutions Private Limited, Moser Baer Solar Systems Private Limited, Competent Solar Energy Private Limited, Moser Baer Technologies USA (upto 22 April 2015), Moser Baer Infrastructure and Developers Limited, Moser Baer Photovoltaic Inc. USA.

   (ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

   (iii) give a true and fair view of the consolidated net loss and other financial information for the period ended 31 March 2016 except for the possible effects of qualifications as described in the previous paragraphs.

5. (a) We draw attention to note 8 to the consolidated financial results. The Group has incurred a net loss of Rs. 97,501 lacs for the fifteen months period ended 31 March 2016 and, as of that date, the Group's accumulated losses amounted to Rs 520,339 lacs resulting in complete erosion of its net worth. Further, as of that date, the Group's current liabilities exceeded its current assets by Rs. 397,225 lacs. These conditions, along with matters set forth in note 4 indicate the existence of uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

   (b) We draw attention to note 7 to the consolidated financial results which describes uncertainty related to outcome of arbitration/litigation of proceeding against a vendor for recovery of advances aggregating to Rs. 17,766 lakhs (net of provision amounting to Rs. 5,166 lakhs), as at 31 March 2016 in respect of one of the subsidiary company. Pending the ultimate outcome of the matter, which is presently uncertain, no further adjustment has been recorded in the financial statements. Our opinion is not qualified in respect of the matter.

6. We did not audit the financial statements of certain subsidiaries included in the annual consolidated financial results, whose financial statements reflect total revenues (after eliminating intra-group transactions) of Rs. 3 lacs and net loss after tax and prior period items (after eliminating intra-group transactions) of Rs. 2,163 lacs for the period ended 31 March 2016 and total assets of Rs. 3,019 lacs as at 31 March 2016. These financial statements and other financial information have been audited by other auditors whose audit reports have been furnished to us, and our opinion in respect thereof is based solely on the audit reports of such other auditors. Our opinion is not qualified in respect of this matter.

7. We did not audit the financial statements of certain consolidated entities included in the annual consolidated financial results, whose financial statements reflect total revenues (after eliminating intra-group transactions) of Rs. 95 lacs and net loss after tax and prior period items (after eliminating intra-group transactions) of Rs. 71 lacs for the period ended 31 March 2016 and total assets of Rs. 1,016 lacs as at 31 March 2016. These financial statements and other financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these entities is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/financial information are not material to the Group.

Walker Chandiok & Co LLP

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Neeraj Goel

per **Neeraj Goel**
Partner
Membership No.: 099514

Place : New Delhi
Date : 25 May 2016

Form B

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

1.	**Name of the Company**	Moser Baer India Limited
2.	**Annual Financial Statements for the year ended**	Fifteen months period ended 31 March 2016
3.	**Type of Audit qualification**	Qualified and Emphasis of Matter
4.	**(a) Draw attention to relevant notes in the annual financial statements and management responses to the qualification in the directors report:**	A. Emphasis of Matter in the Independent Auditors' Report dated 25 May 2016 on the standalone financial statements: The report of Statutory Auditors contains the following observations on the financial statement: (a) We draw attention to note 2 to the financial results which indicates that the Company has incurred a net loss of Rs. 70,365 lacs for the fifteen months period ended 31 March 2016 and, as of that date, the Company's accumulated losses amounted to Rs. 236,050 lacs resulting in complete erosion of its net worth. Further, as of that date, the Company's current liabilities exceeded its current assets by Rs. 219,859 lacs. These conditions, as explained in/along with matters set forth in note 2 indicate the existence of uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not qualified in respect of this matter. (b) We draw attention to note 3 to the financial results with respect to management's assessment of 'other than temporary' diminution in value of investments in and recoverability advances/receivables

		from certain subsidiaries namely Moser Baer Solar Limited (MBSL), Moser Baer Entertainment Limited (MBEL), Photovoltaic Holdings Limited and Moser Baer Investments Limited aggregating to Rs. 58,024 lacs and Rs. 15,101 lacs respectively (net of payables and provisions thereon). Our opinion is not qualified in respect of this matter.
		(c) Observation in CARO statement as per clause (viii) of the annexure: In our opinion, the Company's accumulated losses at the end of the year are more than fifty percent of its net worth. The Company has incurred cash losses in the current year and the immediately preceding financial year.
		B. Basis for qualified opinion in the Independent Auditors' Report dated 25 May 2016 on the Consolidated financial statements: The report of Statutory Auditors contains the following qualifications on the consolidated financial statement: (a) As explained in note 6 to the annual consolidated financial results, the group's short term borrowings and other current liabilities include balances payable to various lender banks amounting to Rs. 112,543 lacs in respect of one of the subsidiary company whose account has been exited from Corporate Debt Restructuring (CDR) Cell in the current period. As a result the accounting for these balances should be as per the original agreements entered with such lenders banks. However, in absence of relevant details and information with respect

			to calculation of interest and loan liability, we are unable to comment upon the impact of such exit on the carrying value of aforesaid short term borrowings, other current liabilities and interest expense for the financial period ended 31 March 2016 and the consequential impact on the accompanying consolidated financial results. **Management response:** Pursuant to exit from CDR, the group has classified debt from non-current bank liabilities to current liabilities and derecognized the amounts recoverable from banks under CDR scheme with corresponding adjustments to the debt and interest expense. In the absence of any communication from these lenders bank, the group has not been able to determine the impact of exit from CDR on the carrying value of debt and interest payable thereon. (b) As explained in note 9 to the annual consolidated financial results, the group's fixed assets include fixed assets aggregating to Rs. 24,075 lacs in respect of the aforesaid subsidiary Company. However, in the absence of sufficient appropriate audit evidence, we are unable to comment on the carrying value of these assets and the consequential impact on the accompanying consolidated financial results. **Management response:** HPVL has submitted the revival plan to the banks and their responses are awaited. Pending finalization of the revival plan, no further impairment in the carrying value of the fixed assets

		is made. Carrying value of fixed assets of HPVL as at 31 March 2016 is Rs. 24,075 lacs.
		C. Emphasis of Matter in the Independent Auditors' Report dated 25 May 2016 on the Consolidated financial statements: The report of Statutory Auditors contains the following observations on the financial statement: (a) We draw attention to note 8 to the consolidated financial results. The Group has incurred a net loss of Rs. 97,501 lacs for the fifteen months period ended 31 March 2016 and, as of that date, the Group's accumulated losses amounted to Rs 520,339 lacs resulting in complete erosion of its net worth. Further, as of that date, the Group's current liabilities exceeded its current assets by Rs. 397,225 lacs. These conditions, along with matters set forth in note 4 indicate the existence of uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not qualified in respect of this matter. (b) We draw attention to note 7 to the consolidated financial results which describes uncertainty related to outcome of arbitration/litigation of proceeding against a vendor for recovery of advances aggregating to Rs. 17,766 lakhs (net of provision amounting to Rs. 5,166 lakhs), as at 31 March 2016 in respect of one of the subsidiary company. Pending the ultimate outcome of the matter, which is presently uncertain, no further adjustment has been recorded

		in the financial statements. Our opinion is not qualified in respect of the matter.
		(c) Observation in CARO statement as per clause (viii) of the annexure: In our opinion, the Group's accumulated losses at the end of the year are more than fifty percent of its net worth. The Group has incurred cash losses in the current year and the immediately preceding financial year.
	(b) Frequency of qualification	**Emphasis of Matter in Standalone financial statements** (a) has been appearing since year ended 31 March 2013. However, in audit report on the financial statements for year ended 31 March 2013, the auditors had given emphasis of matter only on the uncertainties related to ongoing dispute with the bond holders and accounting for the bonds. (b) has been appearing since year ended 31 March 2012. In audit report on the financial statements for the years ended 31 March 2012, 31 March 2013 and nine months period ended 31 December 2013, the auditors had given emphasis of matter on recoverability of investments and advances from only 2 subsidiaries namely Moser Baer Solar Limited and Helios Photo Voltaic Limited (formerly known as Moser Baer Photo Voltaic Limited). **Observation in CARO statement** (a) has been appearing since year ended 31 March 2013 **Qualification in Consolidated financial statement** (a) has appeared in the current period ended

			31 March 2016. (b) has appeared in the current period ended 31 March 2016. **Emphasis of Matter in Consolidated financial statement** (a) has been appearing since year ended 31 March 2013. However, in audit report on the consolidated financial statements for year ended 31 March 2013, the auditors had given emphasis of matter on the uncertainties related to ongoing dispute with the bond holders and accounting for the same. (b) has been appearing since nine months period ended 31 December 2013. However, in audit report on the consolidated financial statements for nine months period ended 31 December 2013, the auditors had given emphasis of matter on the recoverability of advances and settlement of claims for two vendors.
	(c)	**Additional comments from the board/audit committee chair:**	No further significant comments

5.	To be signed by – **Managing Director** Mr. Deepak Puri **Group CFO** Mr. Yogesh Mathur **Auditor of the Company** For **Walker Chandiok& Co LLP** Chartered Accountants Firm Registration No.: 001076N/N500013 **Neeraj Goel** Partner Membership No. 099514 **Audit Committee Chairman** Mr. Sanjay Jain Place: New Delhi Date: 25 May 2016	

PRESS RELEASE

Moser Baer announces Jan’15-Mar’16 Results

New Delhi, May 25, 2016

Moser Baer India Limited (MBIL) today released its financial results for the period of January’15-March’16 and January-March’16 quarter. The financial results for the period ended March’16 were approved by the company’s Board of Directors, at its meeting in New Delhi today.

Highlights:

- Total standalone income stood at INR 7,596 million during the fifteen month period ending March’16 and remained stable at INR 1,532 million for January-March’16 quarter.
- Though liquidity issues continue to hurt operations, the Company has regained its market share and materially improved its overall margins through its concerted efforts in improving efficiencies and reducing costs.
- Over the past year, the Optical Media business has gradually recovered volumes in the international market due to enhanced customer engagement and restoration of OEM customer volumes.
- Company’s subsidiary has entered into an exclusive distribution agreement with Verbatim (a long term customer of the Company) for sale of Verbatim branded Storage Media and LED products in India.
- Solid State Media (SSM) segment continues to grow and recorded 18% increase in the turnover Q-o-Q on the back of enhanced market share through key customers in India.

Shiv Nath, Chief Executive Officer, Moser Baer India Ltd., further commented *“By the end of this financial period, the Optical Media volumes from our OEM customers have been substantially restored, which will allow the company to gradually scale up manufacturing and despatch higher volumes. The Company has also registered an annualised growth of 23% in its SSM business on the back of increased market share. One of the Company’s priorities in the coming year will be on establishing itself more firmly in the LED market, for which it is well positioned. However, the Company continues to be constrained by its liquidity challenges, and will continue to seek the support of its secured lenders to help revive the Company.”*

Trends in Storage Media:

- Net Sales stood at INR 1,382 million.
- While overall ASPs have been stable, reduction in input prices has been positive for the Company during the quarter. However, input prices are expected to firm up in the coming quarters.
- Product mix and contracted ASPsare expected to improve in the coming quarters, along with further restoration of volumes in optical media segment and continued growth in SSM segment.

Financial Update

- The Company is has made progress in several respects in the preparatory process for restructuring the terms of the outstanding FCCBs.
- The Company is actively engaged in dialogue with secured lenders to address liquidity and debt issues to support business recovery and has submitted a revised restructuring proposal, which is yet to be accepted by secured lenders.

Trends in the Solar Photovoltaic business:

- The Indian solar market appears in full bloom right now with key policy changes being introduced and 25 GW of projects under different stages of development
- A total of 8,000 MW of DCR (Domestic Content Requirement) projects have been identified by the government to be implemented during 2014-19, 5,500 MW are under tendering or tendered and 625 MW stand implemented in 2014-16. It is understood that MNRE is in the final stages of a policy change to directly incentivise DCR cell and module manufacturers based on MW produced.
- However, volatility in DCR orders and delay in disbursement of approved government subsidy continues to impact the manufacturing operations.
- Through its concerted efforts, the Company is in the process of entering into an agreement with a leading EPC Company for supply of 45 MW of DCR cells within FY 2016-17.
- The Solar Subsidiaries continue to engage with their secured lenders to seek support for their revival. Despite the lender consortium (under CDR) withdrawing support to one solar subsidiary, the subsidiary continues operations based on customer support and Company’s efforts at optimizing cash flows.

Commenting on the solar business of the company, **K N Subramaniam, CEO, Moser Baer Solar Limited** shared, "The Company has not been able to substantially benefit from the aggressive Governments DCR policy for demand creation, on account of its liquidity challenges and lack of support from Banks. However, with the 45 MW order under execution, we expect to start playing a more significant role in the DCR segment. Resolution of liquidity issues will play a key role in the revival of the Company."

About Moser Baer India Ltd.

Moser Baer India Limited headquartered in New Delhi, is a leading global tech-manufacturing company. Established in 1983, the company has successfully developed cutting edge technologies to become one of the world's largest manufacturers of Optical Storage Media like CDs and DVDs and Solid State Media. The Company has also entered into the emerging energy efficiency lighting segment. Over the years the company has entered into exciting areas of technology manufacturing and is a market leader in the high growth photovoltaic space. It is the only company worldwide to receive the prestigious 5-star rating from TÜV Rheinland for 3 years in a row (2009 - 2012) maintaining highest standards of quality in manufacturing PV modules. Moser Baer India has emerged as one of the most credible brands focused on hi-tech manufacturing and R & D activities. It is continuing to unfold the next generation innovative technologies that will catapult India into a respectable manufacturing hub.

For further information, please contact :
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