



# The Baroda Rayon Corporation Ltd.

CIN L99999GJ1958PLC000892

P O Fatehnagar, Udhna, Surat 394 220

Tel : 2899526 /27, 2898403

Fax: (0261) 289 1770 / 289 7892

08<sup>th</sup> July, 2016

To,  
The BSE Limited  
Department of Corporate Services,  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building,  
P. J. Towers, Dalal Street,  
Mumbai – 400 001.

**Sub – Audited Financial Results for the Quarter and Year ended 31<sup>st</sup> March, 2015.**  
**Ref – (Scrip code – 500270)**

Dear Sir,

Please find enclosed herewith the following documents –

- 1) Statement of Standalone Audited Financial Results of the company for the Quarter & Year ended 31<sup>st</sup> March, 2015, duly adopted in the meeting of Board of Directors held on 28<sup>th</sup> May, 2015.
- 2) Audit Report for the year ended 31<sup>st</sup> March, 2015.

Request you to kindly take the same on your record.

Thanking you,

Yours faithfully,

**For The Baroda Rayon Corporation Limited**

*Dentseer P. Bhusari P.*

**Authorized Signatory**

Encl: As Above





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## Statement of Standalone Audited Financial Results for the Quarter and Year Ended 31st March, 2015

PART - I

(Rs. In lakhs)

SR. NO.	Particulars	Quarter Ended			Year Ended	
		31-03-2015 (Audited)	31/12/2014 (Unaudited)	31/03/2014 (Audited)	31/03/2015 (Audited)	31/03/2014 (Audited)
1	<b>Income from operations</b>					
	(a) Net Sales/Income from Operations (Net of excise duty)	-	-	-	-	-
	(b) Other operating income	-	-	-	-	-
	<b>Total income from operations (net)</b>	-	-	-	-	-
2	<b>Expenses</b>					
	(a) Cost of materials consumed	-	-	-	-	-
	(b) Purchases of stock-in-trade	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-
	(d) Employee benefits expense	-	-	-	-	-
	(e) Depreciation and amortisation expense	-	-	998.69	-	998.69
	(f) Power & Fuel Charges	75.99	75.99	75.99	303.94	303.94
	(g) Repair & Maintenance	-	-	-	-	-
	(h) Other Expenditure	-	-	-	-	-
	<b>Total expenses</b>	15.35	6.28	231.06	37.36	297.77
3	<b>Profit from operations before other income, Finance costs and exceptional items.(1-2)</b>	91.34	82.27	1,305.74	341.30	1,600.40
4	Other income	-91.34	-82.27	-1,305.74	-341.30	-1,600.40
5	<b>Profit from ordinary activities before finance costs and exceptional items (3 + 4)</b>	-	-	-	-	-
6	Finance costs	-91.34	-82.27	-1,305.74	-341.30	-1,600.40
7	<b>Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 + 6)</b>	17.90	1.03	135.31	20.59	598.61
8	Exceptional items	-109.24	-83.30	-1,441.05	-361.89	-2,199.01
9	<b>Profit/ (Loss) from ordinary activities before tax (7 + 8)</b>	-	-	-	-	-
10	Tax Expenses	-109.24	-83.30	-1,441.05	-361.89	-2,199.01
11	<b>Net Profit / (Loss) from ordinary activities after tax (9 + 10)</b>	-	-	-	-	-
12	Extraordinary items (net of tax Exp Rs. Lakh)	-109.24	-83.30	-1,441.05	-361.89	-2,199.01
13	<b>Net Profit/Loss for the period (11+12)</b>	11.02	-	1,865.12	-11.02	1,865.12
14	Paid-up equity share capital (Face Value of Rs. 10/- each)	-98.22	-83.30	424.07	-350.87	-333.89
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	2,291.14	2,291.14	2,291.14	2,291.14	2,291.14
16(i)	Earnings Per Share (before extraordinary items) of ₹ 10/- each (not annualised):				-25,539.63	-25,188.75
	(a) Basic	-0.48	-0.36	-6.29	-1.58	-9.60
	(b) Diluted	-0.48	-0.36	-6.29	-1.58	-9.60
16(ii)	Earnings Per Share (after extraordinary items) of ₹10/- each (not annualised):					
	(a) Basic	-0.43	-0.36	1.85	-1.53	-1.46
	(b) Diluted	-0.43	-0.36	1.85	-1.53	-1.46
	See accompanying note to the Financial Results					



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PART-II

...2...

Continuation Sheet

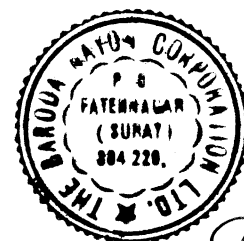
(Rs. in lakhs)

SR. NO.	Particulars	Quarter Ended			Year Ended	
		31-03-2015 (Audited)	31/12/2014 (Unaudited)	31/03/2014 (Audited)	31/03/2013 (Audited)	31/03/2014 (Audited)
<b>A.</b>	<b>PARTICULARS OF SHAREHOLDING</b>					
1	Public shareholding					
	- Number of shares	12018212	12018212	12018212	12018212	12018212
	- Percentage of shareholding	52.46	52.46	52.46	52.46	52.46
2	<b>Promoters and Promoter Group Shareholding</b>					
	(a) Pledges / Encumbered					
	- Number of shares	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of the total share capital of the company)	-	-	-	-	-
	(b) Non - encumbered					
	- Number of shares	10893147	10893147	10893147	10893147	10893147
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total shareholding of the total share capital of the company)	47.54	47.54	47.54	47.54	47.54

PARTICULARS		Quarter ended 31/03/2015
<b>B</b>	<b>INVESTOR COMPLAINTS</b>	
	Pending at the beginning of the Quarter	0
	Received during the Quarter	2
	Disposed of during the Quarter	2
	Remaining unresolved at the end of the year	0

**Standalone Statement of Assets and Liabilities**

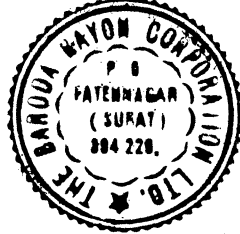
Sr. No.	PARTICULARS	As at 31/03/2015	As at 31/03/2014
		(Audited)	(Audited)
<b>A.</b>	<b>EQUITY AND LIABILITIES</b>		
1	<b>Shareholder's Funds</b>		
	(a) Share Capital	2291.14	2291.14
	(b) Reserves and Surplus	-17545.45	-16132
	<b>Sub-total - Shareholders' funds</b>	<b>-15254.31</b>	<b>-13840.86</b>
2	<b>Non-current liabilities</b>		
	(a) Long-term borrowings	5835.37	12317.16
	(b) Deferred tax liabilities (net)		
	(c) Other long-term liabilities		
	<b>Sub-total - Non-current liabilities</b>	<b>5835.37</b>	<b>12317.16</b>
3	<b>Current Liabilities</b>		
	(a) Short-term borrowings	1298.48	2536.54
	(b) Trade Payables	432.45	432.45
	(c) Other current liabilities	19254.75	10984.02
	(d) Short-term provisions	4133.61	4603.53
	<b>Sub-total - Current liabilities</b>	<b>25119.29</b>	<b>18556.54</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>15700.35</b>	<b>17032.84</b>
<b>B</b>	<b>ASSETS</b>		
1	<b>Non-current assets</b>		
	(a) Fixed Assets	14499.28	15865.79
	(b) Non - current investments	599.61	599.61
	(c) Long-term loans and advances	504.84	468.4
	<b>Sub-total- Non-current assets</b>	<b>15603.73</b>	<b>16933.80</b>
2	<b>Current Assets</b>		
	(a) Inventories	17.89	17.89
	(b) Trade Receivables	69.57	71.85
	(c) Cash and cash equivalents	9.16	9.30
	(d) Short-term loans and advances		
	<b>Sub-total-Current assets</b>	<b>96.62</b>	<b>99.04</b>
	<b>TOTAL - ASSETS</b>	<b>15700.35</b>	<b>17032.84</b>





Notes:-

- 1 The above results were reviewed by the Audit Committee and thereafter taken on record by the Board in its meeting held on 28.05.2015.
- 2 The figures of the last quarter are the balancing figures between the audited financials for the whole year and the unaudited financials upto 31.12.2015, being the date of the end of the third quarter of the financial year, which are subject to review.
- 3 Previous year figures have been regrouped and arranged, wherever necessary.
- 4 Since August 2008 the company has suspended its entire operational activities.



For The Baroda Rayon Corporation Limited

Damodarbai Patel  
Chairman & Managing Director  
DIN - 00056513

Place: Surat  
Date: 28.05.2015



# AMPAC & ASSOCIATES

Chartered Accountants

D-102, Green Lawn Apartment, Opp. St. Pius College  
Aarey Road, Goregaon (East), Mumbai - 400 063

Telefax: +91 22 2927 0099 / 2927 0104

Website: www.ampac.in • Email: ca.ampac@gmail.com

## INDEPENDENT AUDITORS' REPORT

To The Members of The Baroda Rayon Corporation Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of The Baroda Rayon Corporation Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's responsibility for the (Standalone) Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the accounting standards specified under section 133 of the act, read with rule 7 of the companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by companies directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Opinion

#### *Attention is invited to followings:*

- a. As stated in note No.19 (a) in financial statements, the accounts have been prepared on going concern basis. However the net worth of the Company had been fully eroded due to the continued losses, the Company's entire operations have been suspended since August' 2008 and there are many legal cases pending against the Company which may affect the future functioning of the Company. In our opinion, the



Company is not a going concern, though accounts have been prepared on historic cost basis. No valuation reports is obtained for arriving at the fair market value of the assets, hence we are unable to report on the realizable value of the asset valuation as well as the provision for impairment.

In the absence of key personnel in accounting and finance departments and the non-availability of adequate data and information for its accounting compilation, the Company had to prepare the accounts ongoing concern basis. Consequently no adjustments have been made in the accounts relating to the recoverability of recorded assets and in respect of recorded liabilities and contingent liabilities that might devolve on the Company.

- b. The Company could not make full payment of settled past dues as desired in the terms of wage settlement agreement referred in Note 22 of financial statements during its tenure and no fresh renewal agreement was entered. Subsequently, employee Union has filed the litigation in September 2008 for recovery of their total dues against the Company at Gujarat High court. The Hon'ble High court has directed to resolve the litigation by way of arbitration process. Thereafter arbitrator had issued impugned award then the Company has challenged the said award Order Under provision of Section 34 of Arbitration and Conciliation Act, 1996. Consequently, the award is automatically stayed. Simultaneously, the Company has referred the said matter with Hon'ble BIFR for making necessary modification in Modified Draft Rehabilitation Scheme (MDRS). The matter is pending with the Board. Subject to the final verdict, we are unable to express any opinion on probable liabilities on account of the non compliance of the pending disposal of final verdict in arbitration award.
- c. The balances for Sundry Debtors, Sundry creditors, secured and unsecured loans, loans & advances, bank balances, statutory and other liabilities as on 31<sup>st</sup> March' 2015 are subject to confirmation. The figures reported in the financial statement are as per the ledger account.
- d. On account of closure of operation since August' 2008 and loss of key personnel, we have not physically verified the stores & spares and fixed assets of the Company as on 31<sup>st</sup> March' 2015.
- e. No information is available regarding the amount payable to suppliers under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, interest provision required under the said Act is not made.
- f. Company has not applied the Schedule II of Companies Act' 2013 for charging depreciation for details refer to Note 8 under Fixed Assets as per residuary method and the effect of the changed depreciation is not arrived, hence we cannot quantify its effects on the reported losses resulting understatement of current losses and overstatement of carrying value of fixed assets.

Subject to above paragraph from a) to f) and paragraph mentioned under Report on Other Legal and Regulatory Requirements 2d) relating non-compliance of Accounting standards from I) to IV), In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance sheet, of the state of affairs of the company as at March 31, 2015;
- (ii) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of sub-section(11) of the section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a. In view of huge accumulated losses of Rs. 359,25,40,756 and financial constraints, there was loss of key personnel and staff responsible for financial and accounting matters, as such the financial information and accounting data were prepared on the basis of available information and we are expressing our opinion with



such limitation, subject to above, we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.

- b. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- c. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- d. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- e. *Except for the following Accounting Standards as referred below in our opinion, the aforesaid Financial Statements comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014;*
  - i. *We are unable to express an opinion on the financial impact, not ascertained by the Company, that may arise on account of impairment of assets related to discontinued operations for details refer to note 34 of financial statements. No separate disclosure has been made in the profit and loss account and Cash flow statements for the year for the discontinued operations. Non- disclosure of information with respect to discontinued operation and non-provision of impairment value in assets are inconsistent with the compliance of Accounting Standard - 24 relating to discontinuing operation and Accounting Standard -28 relating to Impairment of Assets.*
  - ii. *No information is disclosed of related party disclosure in the financial statement, which is contrary to AS 18.*
  - iii. *The Company has not made any provision for the decline in the value of investment related to investment in unquoted shares of Thai Baroda Industries Ltd for ₹ 5,74,84,744 and equity shares in TAIB Capital Corporation Ltd for ₹ 24,50,000 which is contrary to the Accounting Standard 13.*
  - iv. *The provision has been made for P.F, E.S.I.C. and leave salary as per Company's own estimate up to 31<sup>ST</sup> March' 2009; no liabilities have been ascertained for the financial year 2009-10, 2010-11, 2011-12, 2012-13, 2013-14 & 2014-15. The provision for gratuities has been made up to financial year 2013-14 as per Company's own estimates. Hence the reported losses and accumulated losses are understated to the extent of such non-provision. The accounting of said employees dues are not as per the actuary valuation, which is contrary to Accounting Standard AS 15.*
- f. on the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013;
- g. With respect to the other matters included in the auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to best of our information and according to the explanation & information provided to us:-
  - i) The company has pending litigation with labour as referred in paragraph (b) above under opinion, which would impact its financial position;
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii) There has not been any occasion in case of the Company during the year under report, to transfer any sums to the Investor Education & Protection Fund.

For AMPAC & Associates,  
Chartered Accountants  
Firm's Registration No.: 112236W

**P. B. Sheth**  
CA Piyush B. Sheth  
Partner  
Membership No.:44062  
Mumbai  
May 30, 2015

