



# The Baroda Rayon Corporation Ltd.

CIN L99999GJ1958PLC000892

P O Fatehnagar, Udhna, Surat 394 220

Tel : 0261-2899555

Email : brcsurat@gmail.com

Website : www.brcl.in

30<sup>th</sup> June, 2020

To,  
Department of Corporate Services,  
BSE Limited  
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 & year ended 31<sup>st</sup> March, 2020.**  
**Ref – (Scrip code – 500270)**

Dear Sir/Madam,

In compliance with Regulation 30 and Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we enclose herewith:

- 1) Standalone Audited Financial Results of the company for the Quarter & year ended 31<sup>st</sup> March, 2020.
- 2) Standalone Statement of Assets & Liabilities as on 31<sup>st</sup> March, 2020 and Cash Flow Statement for the year ended 31<sup>st</sup> March, 2020.
- 3) Auditor's Report along with Statement on Audit Qualification (for audit report with modified opinion) in respect of the Audited Financial Results for the financial year ended on 31<sup>st</sup> March, 2020.

The meeting of Board of Directors for considering and approval of aforesaid results commenced at 12:00 noon and ended at 2:20 p.m.

Request you to kindly take the same on your record.

Thanking you,

Yours faithfully,

**For The Baroda Rayon Corporation Limited**

*Kunjai S Desai*

**Kunjai Desai**  
**Company Secretary**  
**ACS-40809**



**Encl: a/a.**

**Head Office: Hoechst House, 193, Backbay Reclamation, Nariman Point, Mumbai 400 021**



# The Baroda Rayon Corporation Ltd.

CIN L99999GJ1958PLC000892

P O Fatehnagar, Udhna, Surat 394 220

Tel : 0261-2899555

Email : brcsurat@gmail.com

Website : www.brcl.in

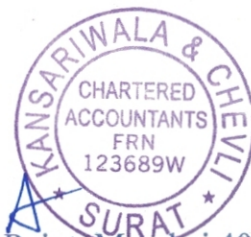
## Statement of Standalone Audited Financial Results for the Quarter & Year Ended 31st March, 2020

(₹ in lakhs except EPS)

SR. NO.	Particulars	Quarter Ended			Year ended	
		31-03-2020	31-12-2019	31-03-2019	31-03-2020	31-03-2019
		(Audited) Ref note 5	(Unaudited)	(Audited) Ref note 5	(Audited)	(Audited)
1	Revenue from operations	-	-	-	-	-
	Other income	10.56	-	0.10	10.56	6.11
	<b>Total revenue</b>	<b>10.56</b>	<b>-</b>	<b>0.10</b>	<b>10.56</b>	<b>6.11</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	0.53	21.79	13.83	22.32	448.36
	(e) Finance cost	32.99	5.71	30.00	38.70	30.00
	(f) Depreciation and amortisation expense	-	-	-	-	-
	(g) Power & Fuel Charges	-	-	-	-	-
	(h) Repair & Maintenance	-	-	-	-	-
	(i) Other Expenditure	169.05	20.87	99.45	202.46	120.96
	<b>Total expenses</b>	<b>202.57</b>	<b>48.37</b>	<b>143.28</b>	<b>263.48</b>	<b>599.32</b>
3	<b>Profit before exceptional items and tax</b>	<b>-192.01</b>	<b>-48.37</b>	<b>-143.18</b>	<b>-252.92</b>	<b>-593.21</b>
4	Exceptional items	2,057.65	-	-	2,057.65	-
5	<b>Profit before tax</b>	<b>1,865.64</b>	<b>-48.37</b>	<b>-143.18</b>	<b>1,804.73</b>	<b>-593.21</b>
6	Tax expense:	-	-	-6.97	-	-6.97
	(1) Current tax	-	-	-	-	-
	(2) Deferred tax	-	-	-	-	-
	(3) Earlier year tax	-	-	-6.97	-	-6.97
7	<b>Net Profit (Loss) from continuing operations after tax</b>	<b>1,865.64</b>	<b>-48.37</b>	<b>-136.21</b>	<b>1,804.73</b>	<b>-586.24</b>
8	Profit (Loss) from discontinued operations	-	-	-	-	-
9	Tax expense of discontinued operations	-	-	-	-	-
10	<b>Net Profit (Loss) from discontinued operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
11	<b>Net profit (loss) for the period</b>	<b>1,865.64</b>	<b>-48.37</b>	<b>-136.21</b>	<b>1,804.73</b>	<b>-586.24</b>
12	<b>Other comprehensive income</b>					
	Equity Investments measured at fair value (Net of Tax)	-	-	0.23	-	0.23
	<b>Total Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Comprehensive income (XI+XII)</b>	<b>1,865.64</b>	<b>-48.37</b>	<b>-135.98</b>	<b>1,804.73</b>	<b>-586.01</b>
13	Paid-up equity share capital (Face Value of Rs. 10/- each)	2,291.14	2,291.14	2,291.14	2,291.14	2,291.14
14	Reserves excluding revaluation reserve as shown in audited balance sheet	-	-	-	-24,884.84	-26,696.53
15	Earnings Per Share of ₹10/- each) (not annualised):					
	(a) Basic	8.14	-0.21	-0.62	7.88	-2.59
	(b) Diluted	8.14	-0.21	-0.62	7.88	-2.59
	See accompanying note to the Financial Results					

cont...

24



Head Office: Hoechst House, 193, Backbay Reclamation, Nariman Point, Mumbai 400 021





Notes:-

1

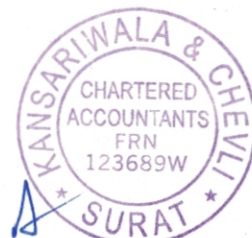
**Statement of Assets & Liabilities as on 31st March, 2020**

(₹ In Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Audited	Audited
<b>ASSETS</b>		
<b>Non-Current assets</b>		
(a) Property, plant & equipment	6,287.91	6,287.91
(b) Capital Work-in-Progress	-	-
(c) Financial Assets		
Investments	599.91	599.91
(d) Other Non-current assets	344.73	352.05
<b>Total Non-Current assets</b>	<b>7,232.55</b>	<b>7,239.87</b>
<b>Current assets</b>		
(a) Investments	-	-
(b) Inventories	17.89	17.89
(c) Financial Assets		
(i) Trade receivables	-	-
(ii) Cash and cash equivalents	19.14	11.37
(d) Other Current assets	1,891.70	1,904.70
<b>Total Current assets</b>	<b>1,928.73</b>	<b>1,933.96</b>
<b>Total Assets</b>	<b>9,161.28</b>	<b>9,173.83</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity Share capital	2,291.14	2,291.14
(b) Other Equity	(24,884.84)	(26,689.56)
<b>Total Equity</b>	<b>(22,593.70)</b>	<b>(24,398.42)</b>
<b>Liabilities</b>		
<b>Non-Current liabilities</b>		
<b>Financial Liabilities</b>		
(i) Borrowings	19,040.15	18,682.15
(ii) Provisions	-	-
<b>Total non-current liabilities</b>	<b>19,040.15</b>	<b>18,682.15</b>
<b>Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	3,809.98	3,738.38
(ii) Trade payables	384.49	387.94
(a) total outstanding dues to micro and small enterprises and	-	-
(b) total outstanding dues of creditors other than micro and		
small enterprises	384.49	387.94
(iii) Other Financial Liabilities	699.27	829.40
(b) Other Current liabilities	5,168.76	7,226.95
(C) Provisions	2,652.33	2,707.43
(d) Current tax liabilities	-	-
<b>Total current liabilities</b>	<b>12,714.83</b>	<b>14,890.10</b>
<b>Total Equity and Liabilities</b>	<b>9,161.28</b>	<b>9,173.83</b>

cont...

*[Handwritten signature]*





## Cash Flow Statement for the year ended 31st March, 2020

(₹ In Lakhs)

Particulars	Year ended 31.03.2020 Audited	Year ended 31.03.2019 Audited
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before tax	(252.93)	(593.21)
<u>Adjustments for:</u>		
Finance costs	38.70	30.03
	(214.23)	(563.18)
Operating profit / (loss) before working capital changes	(214.23)	(563.18)
<u>Changes in working capital:</u>		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Trade receivables	0.00	16.53
Long-term loans and advances	7.32	10.72
Other current assets	13.00	80.00
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Trade payables	(3.45)	(27.65)
Other current liabilities	(2,188.32)	(224.14)
Short-term provisions	(55.10)	(211.91)
	(2,226.55)	(356.45)
Cash flow from extraordinary items	2,057.65	0.00
Cash generated from operations	(383.13)	(919.63)
Net income tax (paid) / refunds	0.00	0.00
Earlier year tax	0.00	(6.97)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(383.13)</b>	<b>(912.66)</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets, including capital advances	0.00	0.00
Proceeds from sale of fixed assets	0.00	0.00
Purchase of Shares	0.00	0.00
Cash flow from extraordinary items	0.00	0.00
Proceeds from sale of investments	0.00	0.00
Net income tax (paid) / refunds	0.00	0.00
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>0.00</b>	<b>0.00</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from long-term borrowings*	358.00	786.90
Proceeds from other short-term borrowings	71.60	157.38
Finance cost	(38.70)	(30.03)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>390.90</b>	<b>914.25</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>7.77</b>	<b>1.59</b>
Cash and cash equivalents at the beginning of the year	11.37	9.78
<b>Cash and cash equivalents at the end of the half year</b>	<b>19.14</b>	<b>11.37</b>

2	The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 30th June, 2020.
3	The Standalone financial results of the company are prepared in accordance with the recognition of and measurement principles of Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015 as specified in Section 133 of the Companies Act, 2013.
4	The figures of the quarter ended March 31, 2020 and the corresponding quarter ended March 31, 2019 are the balancing figures between the audited figures in respect of the full financial year and published figures upto the third quarter of the respective financial years.
5	Previous period figures have been regrouped/re-classified wherever necessary.
6	Since August 2008 entire operational activities of the company are non operational due to non cooperation from the labour.
7	Under the Modified Draft Restructuring Scheme (MDRS), the Company has availed the loan for Rs. 22800.13 lakhs with immediate object to revive the Company. Owing to the pending legal cases, the Company could not liquidate the asset and repay the mentioned loan amount as per stipulation, which has become over due. In compliance of the terms & condition mentioned in the agreement, the Company will create the security of overdue unsecured loans along with the secured loans, which shall rank pari passu. The interest amount payable for aforesaid loans is estimated to be ₹ 49189.48 lakhs till March 2020, which is not provided in the books of accounts.
8	The entire operational activities of the company are standstill since August 2008, due to labour & other regulatory issues. Till date there are no plants or units in operation. As a result there is no question of turnover or profitability or impact of COVID-19 on operation of units of the company except uncertainty relating to fair market value of investment, which may decline in future. Management does not expect any adverse impact on its future cash flows and shall be able to continue as a going concern. The Company will continue to monitor future economic conditions for any significant change. The internal financial control over financial reporting, disclosure controls and risk assessment and minimization procedures are maintained, continued and followed and there is no change in the same.
9	The exceptional item of Rs. 2057.65 lakhs comprises of Rs. 687.27 lakhs towards waiver of interest and penalty of excise duty granted under Sabka Vishwas Scheme, 2019 and Rs. 1370.38 lakhs towards waiver of interest and penalty of Gujarat Sales Tax granted under Vera Samadhan Yojana 2019. Refer to Annexed Auditors point (iv) of Emphasis of Matter.
10	Comprehensive income/loss consisting of Equity Investments measured at Fair Value (Net of Tax) is not taken into account for FY 2019-20 as the amount is negligible and will be considered in next financial year.
11	Segment reporting is not applicable since the entire operation of the company are stand still.
12	In terms of SEBI circular CIR/CFD/CMD/56/2016 dated: 27th May, 2016 The company hereby declares that auditors have issued audit report with modified opinion on annual audited financial result for the year ended 31st March, 2020.





H. B. KANSARIWALA B. Com., F.C.A.  
Cell: 98251 18009

A. H. CHEVLI B. Com., F.C.A.  
Cell: 98253 64938

J. A. CHEVLI B. Com., A.C.A., DISA(I.C.A.I.)  
Cell: 90338 57745



**KANSARIWALA & CHEVLI**  
**CHARTERED ACCOUNTANTS**

2/1447, "UTKARSH" 1st Floor,  
Opp. Sanghvi Hospital, Behind Centre Point,  
Sagrampura, SURAT-395002. Phone: 2364640-2364641  
e-mail : kansariwala\_chevli@hotmail.com

**Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To,  
The Board of Directors of,  
**The Baroda Rayon Corporation Limited**

**Report on the audit of the Standalone Financial Results**

**Qualified Opinion**

We have audited the accompanying statement of quarterly and year to date standalone Ind-AS financial results of The Baroda Rayon Corporation Limited (the "Company") for the quarter ended March 31, 2020 and for the year ended March 31, 2020 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

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

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. except for the possible effect of the matter described in **basis of qualified opinion** paragraph below and non-consideration of comprehensive loss on fair value of investment which is temporary and not material in the opinion of management, gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other financial information of the Company for the quarter ended March 31, 2020 and for the year ended March 31, 2020.

**Basis of Qualified Opinion**

- (i) Attention is drawn to Note 7 to the statement regarding non provision of interest for Rs. 49189.48 lakhs of overdue debts availed under the Modified Draft Restructuring Scheme (MDRS) till March, 2020. Owing to the pending legal cases, the Company could not liquidate the asset and repay the mentioned loan amount as per stipulation.
- (ii) Employee Union had filed the litigation for recovery of their total dues against the Company at Gujarat High Court. The Company had referred the said matter with Hon'ble BIFR for making necessary modification in Modified Draft Rehabilitation Scheme (MDRS). In pursuant to Government Notification S.O. No 3568(E) dated 25.11.2016 and S.O. 3569(E) dated 25.11.2016, BIFR has been wound up w.e.f. 01.12.2016. In pursuant to Insolvency and Bankruptcy Code (Removal of Difficulties) Order, 2017 vide notification dated 24/05/2017 issued by Ministry of Corporate Affairs relating to amendment to the Sick Industrial Companies (Special Provisions) Repeal Act, 2003, provided that any scheme sanctioned under sub-section (4) or any scheme under implementation under sub-section (12) of section 18 of the Sick Industrial Companies (Special Provisions) Act, 1985 shall be deemed to be an approved resolution plan under sub-section (1) of section 31 of the Insolvency and Bankruptcy Code, 2016 and the same shall be dealt with, in accordance with the provisions of Part II of the said Code. Subject to the final verdict, we are unable to express any opinion on probable liabilities, which may arise in future.





- (iii) According to Ind AS-19 related to employees benefits, the company has not given any effect of gratuity liabilities as per actuarial valuation, hence the effect of gratuity expenses as per Ind AS-19 is not reported in other comprehensive income. As per information provided by the company, its operational activities are standstill since Aug'2008 and due to non availability of key personnel there is no detail available for actuarial valuation. Further the matter related to employee's dues is pending before Hon'ble Gujarat High Court. However the Company has started the process of settlement of employee dues and out of the total employee's dues, most of the retired employees claims has been settled.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Ind-AS Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

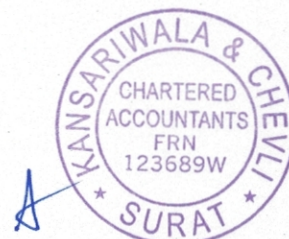
#### **Material Uncertainty Related to Going Concern**

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 become standstill since August' 2008 and there are many legal cases pending against the Company which may affect the future functioning of the Company. The reported profit for the current year is on account of cessation of liabilities relating to interest and penalties as mentioned in Note 9 of the accompanying standalone financial results, which is on account of settlement of indirect taxes and it is not on account of any manufacturing/trading or other operational activities. The entire account is due to operations being standstill and current year expenditure debited to profit and loss account is on account of statutory compliances and expenditure necessary to keep the Company survive.

#### **Emphasis of matter**

- i) The balances for Sundry Debtors, Sundry creditors, loans & advances, bank balances, statutory and other liabilities as on 31<sup>st</sup> March' 2020 are subject to confirmation. The figures reported in the financial statement are as per the ledger account.
- ii) The Company has applied the rate of depreciation on the basis of residual value of the fixed assets as contemplated in Schedule II of Companies Act' 2013, as the entire fixed assets register have been updated with physical verification. As all the plants are very old, the useful life of assets are completed as per the years mentioned in the Schedule II of the Companies Act' 2013.
- iii) We draw attention to Note 8 of the accompanying standalone financial results, as regards the management's evaluation of uncertainties related to COVID-19 and its consequential effects on the carrying value of the assets as at March 31, 2020 and operations of the Company. Our opinion is not modified in respect of this matter.
- iv) We draw attention to Note 9 of the accompanying standalone financial results, as regards to the exceptional item of Rs. 2057.65 lakhs comprises of Rs. 687.27 lakhs towards waiver of interest and penalty of excise duty which was waived by the government vide order dated 29<sup>th</sup> February, 2020 under Sabka Vishwas Scheme, 2019 and Rs. 1370.38 lakhs towards waiver of interest and penalty of Gujarat Sales tax which was waived by the government vide order dated 15<sup>th</sup> February, 2020 under Vera Samadhan Yojana 2019.

Our opinion is modified in respect of above matter mentioned as per Annexure –I.





## **Management's Responsibilities for the Standalone Ind-AS Financial Results**

The Statement has been prepared on the basis of the standalone annual Ind-AS financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/(loss) and other comprehensive income/(loss) of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

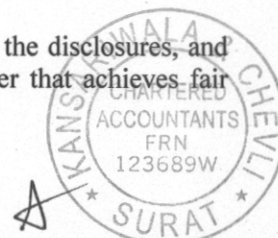
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Standalone Ind-AS Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

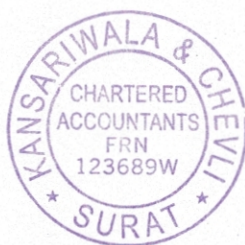


We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

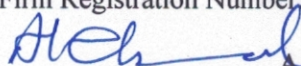
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Other Matter

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.



Place: Surat  
Date: June 30, 2020

For Kansariwala & Chevli  
Chartered Accountants  
Firm Registration Number: 123689W  
  
A. H. Chevli  
Partner  
Membership Number: 038259  
UDIN: 20038259AAAABI3647





# The Baroda Rayon Corporation Ltd.

CIN L99999GJ1958PLC000892

P O Fatehnagar, Udhna, Surat 394 220

Tel : 0261-2899555

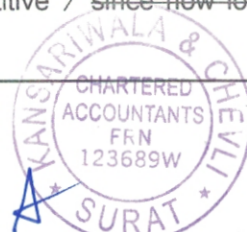
Email : [brcsurat@gmail.com](mailto:brcsurat@gmail.com)

Website : [www.brcl.in](http://www.brcl.in)

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-  
with Annual Audited Financial Results - (*Standalone*)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020				
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] (₹ in lakhs)				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	10.56	-
	2.	Total Expenditure	(1794.17)	-
	3.	Net Profit/(Loss)	1804.73	Not ascertained
	4.	Earnings Per Share	7.88	Not ascertained
	5.	Total Assets	9161.28	Not ascertained
	6.	Total Liabilities	31754.98	Not ascertained
	7.	Net Worth	(22593.70)	Not ascertained
	8.	Any other financial item(s) (as felt appropriate by the management)	-	Not ascertained
II.	Audit Qualification (each audit qualification separately):			
	a.	Details of Audit Qualification: <i>Refer Annexure-I</i>		
	b.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion		
	c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing		

*Signature*

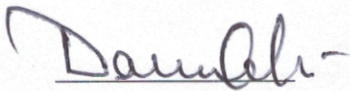


Head Office: Hoechst House, 193, Backbay Reclamation, Nariman Point, Mumbai 400 021

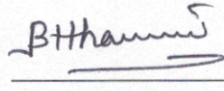


	For Audit Qualification(s) where the impact is quantified by the auditor,
d.	Management's Views: The effect is not quantified
e.	For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification:-
	(ii) If management is unable to estimate the impact, reasons for the same: <i>Refer Annexure-II</i>
	(iii) Auditors' Comments on (i) or (ii) above:
	Included in details of auditor's qualification stated above.

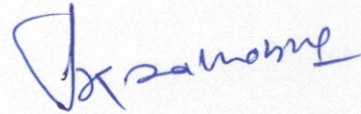
For The Baroda Rayon Corporation Limited



Damodarbai Patel  
Managing Director  
DIN-00056513



Bhavanjibhai Patel  
Audit Committee Chairman  
DIN-01690183



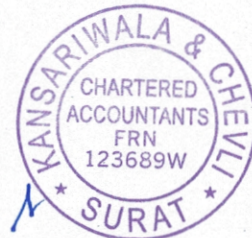
J K Jakhotia  
Chief Financial Officer



For Kansariwala & Chevli



A H Chevli  
Partner  
Membership No. 38259  
Firm Reg. No. 123689W





H. B. KANSARIWALA B. Com., F.C.A.  
Cell: 98251 18009

A. H. CHEVLI B. Com., F.C.A.  
Cell: 98253 64938

J. A. CHEVLI B. Com., A.C.A., DISA(I.C.A.I.)  
Cell: 90338 57745



**KANSARIWALA & CHEVLI**  
**CHARTERED ACCOUNTANTS**

2/1447, "UTKARSH" 1st Floor,  
Opp. Sanghvi Hospital, Behind Centre Point,  
Sagrampura, SURAT-395002. Phone: 2364640-2364641  
e-mail : kansariwala\_chevli@hotmail.com

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with**  
**Annual Audited Financial Results - (Standalone)**

**Annexure -I**

- i) Attention is drawn to Note 7 to the statement regarding non provision of interest for Rs. 49189.48 lakhs of overdue debts availed under the Modified Draft Restructuring Scheme (MDRS) till March, 2020. Owing to the pending legal cases, the Company could not liquidate the asset and repay the mentioned loan amount as per stipulation.
- (ii) Employee Union had filed the litigation for recovery of their total dues against the Company at Gujarat High Court. The Company had referred the said matter with Hon'ble BIFR for making necessary modification in Modified Draft Rehabilitation Scheme (MDRS). In pursuant to Government Notification S.O. No 3568(E) dated 25.11.2016 and S.O. 3569(E) dated 25.11.2016, BIFR has been wound up w.e.f. 01.12.2016. In pursuant to Insolvency and Bankruptcy Code (Removal of Difficulties) Order, 2017 vide notification dated 24/05/2017 issued by Ministry of Corporate Affairs relating to amendment to the Sick Industrial Companies (Special Provisions) Repeal Act, 2003, provided that any scheme sanctioned under sub-section (4) or any scheme under implementation under sub-section (12) of section 18 of the Sick Industrial Companies (Special Provisions) Act, 1985 shall be deemed to be an approved resolution plan under sub-section (1) of section 31 of the Insolvency and Bankruptcy Code, 2016 and the same shall be dealt with, in accordance with the provisions of Part II of the said Code. Subject to the final verdict, we are unable to express any opinion on probable liabilities, which may arise in future.
- (iii) According to Ind AS-19 related to employees benefits, the company has not given any effect of gratuity liabilities as per actuarial valuation, hence the effect of gratuity expenses as per Ind AS-19 is not reported in other comprehensive income. As per information provided by the company, its operational activities are standstill since Aug'2008 and due to non availability of key personnel there is no detail available for actuarial valuation. Further the matter related to employee's dues is pending before Hon'ble Gujarat High Court. However the Company has started the process of settlement of employee dues and out of the total employee's dues, most of the retired employees claims has been settled.

Subject to above paragraph (i) to (iii), in our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at March 31, 2020, and its profits and its cash flows for the year ended on that date.

**For Kansariwala & Chevli**

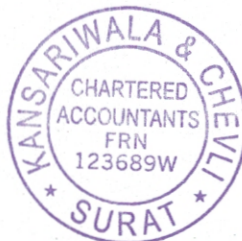
**A. H. Chevli**

**Partner**

**Membership No. 38259**

**Firm Reg. No. 123689W**

**UDIN : 20038259AAAABI3647**







# The Baroda Rayon Corporation Ltd.

CIN L99999GJ1958PLC000892

P O Fatehnagar, Udhna, Surat 394 220

Tel : 0261-2899555

Email : brcsurat@gmail.com

Website : www.brcl.in

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with  
Annual Audited Financial Results - (Standalone)

Annexure -II

*In respect of the Qualifications as stated in the Audit Report, your management is of the view that –*

*Your Company is a sick unit and has standstill all the production/manufacturing activities of the company and due to loss of key personnel responsible for the various compliances, the non compliances as stated in the Report has occurred.*

*Pursuant to Government Notification S.O. No 3568(E) dated 25.11.2016 and S.O. 3569(E) dated 25.11.2016, BIFR has been wound up w.e.f. 01.12.2016 In pursuant to Insolvency and Bankruptcy Code (Removal of Difficulties) Order, 2017 vide notification dated 24/05/2017 issued by Ministry of Corporate Affairs relating to amendment to the Sick Industrial Companies (Special Provisions) Repeal Act, 2003, provided that any scheme sanctioned under sub-section (4) or any scheme under implementation under sub-section (12) of section 18 of the Sick Industrial Companies (Special Provisions) Act, 1985 shall be deemed to be an approved resolution plan under sub-section (1) of section 31 of the Insolvency and Bankruptcy Code, 2016 and the same shall be dealt with, in accordance with the provisions of Part II of the said Code.*

*Apropos the above Removal of Difficulties Order, company has written a letter dtd. 31.10.2017 as well on the portal of IBBI dtd 28.10.2017 to the Office of Insolvency and Bankruptcy Board of India, New Delhi seeking clarification of the implementation of the said order.*

**For The Baroda Rayon Corporation Limited**

  
Damodarbhai Patel  
Managing Director  
DIN-00056513

