

Courier

DCS/COMP/NM/113/2014-15

October 29, 2014

The Company Secretary / Compliance Officer
Baroda Extrusion Ltd
Survey No 65-66
Village Garadia
Jarod-samalaya Road, Taluka Savli
Vadodara – 391007
Gujarat

Dear Sir/Madam,

Sub: Audit Reports filed by listed companies

This has reference to the provisions of Clause 31(a) of the Listing Agreement and SEBI Circulars pertaining to the "Manner of Dealing with Audit Reports filed by Listed Companies" dated August 13, 2012 and June 05, 2013 which inter-alia mandated listed companies to submit either Form A (Unqualified / Matter of Emphasis Report) or Form B (Qualified / Subject to / Except for Audit Report) along with the company's Annual Report to the Stock Exchange.

As per the provisions of the said circulars, the qualifications raised by the Statutory Auditors in their Audit Report, would be scrutinized by the Qualified Audit Review Committee (QARC) constituted by SEBI.

Accordingly, after scrutiny and discussion by QARC and thereafter by FRRB and as directed by SEBI, you are advised to:

1. Suitably rectify / address the qualifications* contained in the report of the Statutory Auditors that is part of your Annual Report for the year 2012-13. Further, due care may be exercised by the company to ensure that the same qualification should not appear in the Audit Report for the next reporting period.
2. Restate the Financial Statements pertaining to Financial Year 2012-13 giving effect to the qualifications*, in terms of Clause 31A of the Listing Agreement and in terms of SEBI Circular No. CIR/CFD/DIL/7/2012 dated August 13, 2012 read with the SEBI's Clarificatory Circular CIR/CFD/DIL/9/2013 dated June 05, 2013.

(* Refer Annexure-I for details)

You are requested to take note of the same and comply accordingly, under information to the Exchange.

In case you need any clarifications on the above, you may please contact Mr. Nitesh Mhatre on 02222728880 / Ms. Dhara Barot on 22728559 / Mr. Rakesh Parekh on 22728307 (email rakesh.parekh@bseindia.com, dhara.barot@bseindia.com) for assistance.

Yours truly,



Netra Sahani
D.G..M - Listing Compliance



Abhijit Pai
A.G.M – Listing Compliance

ANNEXURE I:

Baroda Extrusion Ltd

Auditor Qualification:

The accounts of the Company are drawn up on "Going Concern" basis even though the accumulated losses of the Company exceed its paid up capital and reserve. The Company is "Sick Industrial Company" under the provisions of Sick Industrial Companies Act, 1985.

Action to be taken: Rectify / address the qualifications contained in the report of the Statutory Auditors that is part of your Annual Report for the year 2012-13. Please ensure that the same qualification should not appear in the Audit Report for the next reporting period.

Non-provision of doubtful debts amounting to Rs 26,81,11,030/- and to that extent the loss for the year is understated.

Action to be taken: Restate the Financial Statements pertaining to Financial Year 2012-13 giving effect to the qualifications, in terms of Clause 31A of the Listing Agreement and in terms of SEBI Circular No. CIR/CFD/DIL/7/2012 dated August 13, 2012 read with the SEBI's Clarificatory Circular CIR/CFD/DIL/9/2013 dated June 05, 2013.

Non-compliance of AS-15 with regard to Accounting of Retirement Benefits, except Provident Fund. The exact amount in respect of these benefits is not provided in the accounts as no actual valuation in respect of these benefits is made by the Company.

Action to be taken: Restate the Financial Statements pertaining to Financial Year 2012-13 giving effect to the qualifications, in terms of Clause 31A of the Listing Agreement and in terms of SEBI Circular No. CIR/CFD/DIL/7/2012 dated August 13, 2012 read with the SEBI's Clarificatory Circular CIR/CFD/DIL/9/2013 dated June 05, 2013.