

Courier

DCS/COMP/DB/152/2014-15

December 18, 2014

The Company Secretary / Compliance Officer
Orient Beverages Ltd
Aelpe Court 3rd Floor 225C A J C Bose Road
Kolkata - 700020
West Bengal

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:

Orient Beverages Ltd

Auditor Qualification:

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 subject to Note No. 2.32 regarding non-charging of depreciation on Fixed Assets of Bhubhaneshwar unit.

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.

Note No.2.29(a) regarding non provision of Excise duty of Rs.26,98,597 as demanded by the Excise Authority being disputed 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.

Note No. 2.29(b) & (c) regarding interest and penalty of Kolkata Municipal Corporation taxes of Rs.61,61,571 being disputed 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.

Note No. 2.30 regarding writ petitions filed by the company before the Hon'ble High Court at Calcutta for recovery of Service Tax of Rs.39,43,202 on rent from one of its tenants names M/s Income tax Appellate Tribunal.

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.

Note No 2.30 regarding disputing property tax of Rs.1,06,00,390 against valuation made by the Kolkata Municipal Corporation

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.

Note No. 2.34 regarding impairment of assets as per AS-28 and discarded assets of the closed units in Bhubaneswar

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.