

AUDIT REPORT
OF
MAHESHWARI LOGISTICS PRIVATE LIMITED
FOR THE YEAR ENDING
ON 31ST MARCH 2014.



KAKARIA & ASSOCIATES

CHARTERED ACCOUNTANTS

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KAKARIA & ASSOCIATES

CHARTERED ACCOUNTANTS

UJWAL K. KAKARIA B. Com., B.L., F.C.A.

SUBHASH S. KOTADIA B. Com.(HONS.) F.C.A.

JAIPRAKASH H. SHETHIYA B. Com., F.C.A.

JIGNESH V. VASANI B. Com., B.D.A., F.C.A.

YOUR REF. :

OUR REF. :

DATE :

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAHESHWARI LOGISTICS PVT.LTD.

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of M/S MAHESHWARI LOGISTICS PVT.LTD. ("the Company") which comprises the Balance Sheet as at March 31, 2014, the Statement of Profit & Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Management is responsible for 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 Standards notified under the Companies Act, 1956, ("the Act") read with General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies, Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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



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considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

OPINION

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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS


1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) 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) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) 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.



- d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
- e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

For, KAKARIA & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 104558W




KAKARIA UJWAL K.
Partner
M. No. 35416

PLACE: Vapi
DATE: 26/6/2014

MAHESHWARI LOGISTICS PRIVATE LIMITED

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 1 under the heading of " report on other legal and regulatory requirements" of our Report of Even Date)

- i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
- (b) It is explained to us that during the year fixed assets have been frequently physically verified by the Management and no discrepancies were noticed on such physical verification. In our opinion procedure of physical verification of Fixed Assets by the management is reasonable and adequate.
- (c) In our opinion and according to the information and explanations given to us, the Company has not disposed off a substantial part of its fixed assets during the year and going concern status of the Company is not affected.
- ii) (a) As explained to us, inventories have been frequently physically verified by the management during the year. In our opinion, having regard to the size of the Company and the nature of its Business the frequency of such verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of records and in our opinion, the Company is maintaining proper records of inventory. As explained to us there were no material discrepancies noticed on physical verification of inventory.
- iii) (a) As informed, the company has not granted any loans, secured or unsecured to companies, firms other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) Hence the provisions as to whether the Rate of Interest and other Terms & conditions of Loans given by the Company, Secured or Unsecured, are prima facie prejudicial to the interest of the Company are not applicable.



- (c) So also the provisions as to whether the payment of the Principal and Interest are regular are also not applicable.
- (d) Similarly, the provision as to whether reasonable steps have been taken by the company for recovery of the principal and Interest, if the overdue amount is more than 1 lakh are not applicable.
- (e) The Company has taken loans, from 4 parties covered in the register maintained under section 301 of the Companies Act, 1956 and the year end balance of loan taken from such parties is Rs.4,85,88,447/- and the Maximum amount involved during the year is of Rs.13,67,08,431/-.
- (f) According to the information and explanation given to us, we report that the terms and conditions of unsecured loan taken by the company are not, prima facie prejudicial to the interest of the Company.
- (g) According to the information and explanation given to us, we report that there is no overdue amount of loan taken by the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate Internal Control Procedures commensurate with the size of the Company and the nature of it's business with regard to the Purchases and Sales and with regard to Transport Hire Charges/Income. During the course of our audit, we have not observed any major weaknesses in Internal Controls Systems.
- (v) (a) According to the information and explanation given to us, we are of the opinion that the particulars of contracts/arrangement that need to be entered into the Register maintained under section 301 of the Companies Act, 1956 have been duly entered.
- (b) In our opinion and according to the information and explanation given to us, the transaction made in pursuance of contract or arrangements entered in the register maintained under section 301 of the company Act 1956 and exceeding the value of Ruppes five lakhs in respect of any party during the year have been made at price which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits within the provisions of section 58A and 58AA and other provision of the Companies Act 1956, therefore the provision of Clause 4(vi) of the Companies (auditor's Report) order 2003 are not applicable to the company.



