

ANNEXURE 'A' REFERRED TO IN PARAGRAPH I OF OUR REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OUR AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 OF HUBTOWN BUS TERMINAL (MEHSANA) PRIVATE LIMITED

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:

- (i) a. The Company has maintained a register of fixed assets, giving description and location of its assets; and
b. As explained to us, the Company has physically verified its fixed assets during the year;
- (ii) a. The inventory physically verified by the management during the year. In our opinion, the frequency of the verification is reasonable;
b. In our opinion, the 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; and
c. On the basis of our examination of the records produced before us, we are of the opinion that, the Company is maintaining proper project-wise records. The discrepancies noticed on physical verification of inventory as compared to its book records were not material;
- (iii) The Company has granted unsecured loan to Four Companies covered under the register maintained under Section 189 of the Companies Act, 2013;
a. The above loan is interest free and repayable on demand; and
b. As the loan repayable on demand, the question of overdue amount does not arise;
- (iv) The company has not granted any loans or made any investments, or provided any guarantees or securities to the parties covered under section 185 and 186. Therefore, the provisions of clause 3(iv) of the said order are not applicable to the company;
- (v) The Company has not accepted any deposits from the public as mentioned in sections 73 and 74 of the Act and the rules framed thereunder to the extent notified;
- (vi) In our opinion, and according to the information and explanation given to us, the Company has not crossed the threshold limit as prescribed by the Central government under sub-section (1) of section 148 of the Act for maintenance of cost records and hence such the provision for maintenance of records are not applicable to the company;
- (vii) a. According to the records of the Company, it has been generally regular in depositing, wherever applicable, undisputed statutory dues including Investor Education and Protection Fund, Wealth Tax, Custom Duty, Cess and other statutory dues with the appropriate authorities. **There have been delays in depositing Income Tax Deducted at Source (TDS) amounting to ₹1,11,22,313/-, ₹26,99,493/- towards service tax, ₹11,94,399/- towards VAT, ₹8,416/- towards Tax Collected at Source (TCS) and Interest on Tax payable amounting to ₹33,22,465/- on the late payment of statutory dues are outstanding from the date they become payable. There were dues of ₹30,467/- during the year towards Provident Fund and ₹8,280/- towards**



Profession Tax. There were no other dues towards Employees State Insurance and Excise Duty;

b. On the basis of our examination of documents and records of the Company, and explanation provided to us, there were no disputed dues in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty or Cess;

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

- (viii) In our opinion and according to the information and explanations given by the management, the company has not default in repayment of dues to banks and financial institution. There are no dues to any financial institutions;
- (ix) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3(ix) of the order is not applicable;
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of the material fraud on or by the Company, has been noticed or reported by the Company during the year, nor have we been informed any such case by the Company;
- (xi) The provisions of section 197 read with schedule V to the Act are applicable only to public companies. Accordingly, the provisions of Clause 3(xi) of the order are not applicable to the company;
- (xii) As the company is not a Nidhi Company, the provisions of clause 3(xii) of the order are not applicable to the company;
- (xiii) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year under review. Accordingly, the provisions of clause 3(xiv) of the order are not applicable to the company;
- (xiv) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company;

FOR SANKET R SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO.: 135703W



SANKET SHAH
PROPRIETOR
MEMBERSHIP NO.: 152369



Place: Mumbai

Date: 16th September, 2016

ANNEXURE 'B' REFERRED TO IN PARAGRAPH II(f) OF OUR REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OUR AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 OF HUBTOWN BUS TERMINAL (MEHSANA) PRIVATE LIMITED

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the Internal Financial Controls over financial reporting of **HUBTOWN BUS TERMINAL (MEHSANA) PRIVATE LIMITED** ("the Company"), as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the company for the year ended and as on that date.

1) Management's Responsibility for Internal Financial Controls:

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

2) Auditor's Responsibility:

Our responsibility is to express an opinion on the Company's Internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



3) Meaning of Internal Financial Controls over Financials Reporting:

A Company's internal financial control over financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

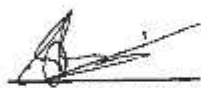
4) Inherent Limitations of Internal Financial Controls over Financial Reporting:

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

5) Opinion:

In our opinion, to the best of our information and according to the explanations given to us, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

FOR SANKET R SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO.: 135703W



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