



BATRA DEEPAK & ASSOCIATES

CHARTERED ACCOUNTANTS


1-B, 1/17, Lalita Park, Vikas Marg,
Laxmi Nagar, Delhi-110092 (INDIA)
Ph. : +91-11-22425771
Fax : +91-11-42487292
Mobile : +91-11-9811445455
E-mail : kkbhagirath@yahoo.com

AUDITOR'S REPORT

1. We have audited the attached Balance Sheet of M/s CONTAINERWAY INTERNATIONAL LTD., as at 31st March 2013, the Profit and Loss Account and also the Cash Flow Statement of the company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with Auditing Standard generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit included, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the Accounting Principles used and significant estimates made by management, as well as evaluation the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the companies Act, 1956, We enclose in the annexure a statement of the matters specified in paragraphs 4 and 5 of said order: -
4. Further to our comments in the annexure referred to in paragraph 1 above, we state that:
 - (a) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, the Company, as required by law, has kept proper books of accounts, so far as appears from our examination of the books;
 - (c) The Company's Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with books of accounts;
 - (d) On the basis of written representation received from directors as on 31 March 2013, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31 March 2013 from being appointed as a directors in term of clause (g) of subsection (1) of Section 274 of the Companies Act, 1956;
 - (e) In our opinion the Balance Sheet, the Profit & Loss Account and Cash Flow Statement complies with the Accounting Standards referred to in sub Section (3C) of Section 211 of the Companies Act, 1956;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the Accounting Principles generally accepted in India:
 - i). In case of the Balance sheet, of the state of affairs of the company as at 31st March 2013 and
 - ii). In the case of the Profit and Loss Account, of the loss of the company for the year ended on that date.
 - iii). In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Place: New Delhi
Date : 20.08.2013

For Batra Deepak & Associates
Chartered Accountants


(Kapil Kumar Bhagirath)
(Partner)

M. No.: 095639
Firm Regn. No.: 005408C

ANNEXURE FORMING PART OF AUDIT REPORT OF CONTAINERWAY INTERNATIONAL LTD.

Referred to in paragraph 3 of our report of even date.

- (i) (a) According to the information and explanations given to us, the company does not have any fixed asset. Hence clause (i)(a),(b)&(c) are not applicable.
- (ii) The Company is a service company, primarily rendering logistics services. Accordingly it does not hold any physical inventories. Thus, paragraph 4(ii) of the Order is not applicable.
- (iii) (a) According to the information and explanation given to us, the company has not granted any loan to any firm covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, paragraph 4 (iii) (a) to 4 (iii) (d) of the Order is not applicable.

(e) According to the information and explanation given to us, the company had taken loan from companies covered in the register maintained under section 301 of the Companies Act, 1956. The year end balance and maximum amount during the year was Rs. 19.00 lakhs during the year.

(f) The company has taken unsecured loan at NIL rate of interest and other terms and conditions of the loan, in our opinion, is not prima facie prejudicial to the interest of the company,

(g) The loan has not been repaid during the year.
- (iv) In our opinion and according to the information and explanations given to us, there exist internal control procedures, which need to be strengthened commensurate with the size of the company and the nature of its business with regard to purchases of fixed assets and with regard to the sale of services. The activities of the company do not involve purchase of inventories and sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.
- (v) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.

(b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to in (v) (a) above and exceeding the value of Rs. 5 lakhs with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public. Accordingly, paragraph 4(vi) of the Order is not applicable.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and the nature of its business.
- (viii) The Central Government has not prescribed the maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 for any of the services rendered by the Company. Accordingly, paragraph 4(viii) of the Order is not applicable.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income-tax, Sales-tax, Wealth tax, Service tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Employees' State Insurance, Customs duty and Excise duty. There were no dues on account of cess under Section 441A of the Companies Act, 1956 since the aforesaid section has not yet been made effective by the Central Government.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Income-tax, Sales tax, Wealth tax, Service tax and other material statutory dues were in arrears as at 31 March 2013 for a period of more than six months from the date they became payable.
- (x) The company has accumulated losses of Rs. 471.71 lacs (Rs. 471.56 lacs) at the end of the financial year and has incurred cash losses Rs. 0.15 lacs (Rs. 0.45 lacs) during the current financial year.
- (xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, bank.



- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, paragraph 4(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund/ nidhi/ mutual benefit fund/ society. Accordingly, paragraph 4(xiii) of the Order is not applicable.
- (xiv) Based on our examination of the records and evaluation of the related internal controls, we are of the opinion that proper records have been maintained of the transaction and contracts and timely entries have been made in those records in respect of shares, securities, debentures and other investments. We also report that the company has held the shares, securities, debentures, also other securities in its own name.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, paragraph 4(xv) of the Order is not applicable.
- (xvi) The company has not taken any term loans during the year. Accordingly, paragraph 4(xvi) of the Order is not applicable.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no fund raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956. Accordingly, paragraph 4(xviii) of the Order is not applicable.
- (xix) The Company did not have any outstanding debentures during the year. Accordingly, paragraph 4(xix) of the Order is not applicable.
- (xx) The Company has not raised any money by public issues during the year. Accordingly, paragraph 4(xx) of the Order is not applicable.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

Place: New Delhi
Date : 20.08.2013

For Batra Deepak & Associates
Chartered Accountants


(Kapil Kumar Bhagirath)
(Partner)

M. No.: 095639
Firm Regn. No.: 005408C

