



S.S.N. MURTHY & Co.
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To

The Members of M/s BLUE WATER LOGISTICS PRIVATE LIMITED

Report on the audit of standalone financial Statements

Opinion

We have audited the accompanying standalone financial statements of **M/s BLUE WATER LOGISTICS PRIVATE LIMITED** (CIN: U63030TG2022PTC165815) ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2023, the Standalone Statement of Profit and Loss, the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year ended on that date and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, changes in equity and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules made there under, and we have fulfilled our other





ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the standalone financial statements and auditors' report thereon

The Company's board of directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.





Responsibilities of Management and those Charged with Governance for the Standalone Financial Statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

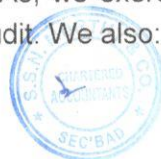
In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:





- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the Standalone financial statements of the Company.





Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books





- c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules made thereunder, as applicable.
- e) On the basis of the written representations received from the directors as on March 31st 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over the financial reporting of the Company with reference to these Standalone Financial Statements and the operating effectiveness of those controls refer to our separate report in " Annexure B " to this report.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) The Company has taken over the business of the firm M/s Blue Water Logistics with all assets and liabilities as on 31.08.2023. However business was carried on in the firm M/s Blue Water Logistics due to certain operational difficulties and the business carried on in the firm was incorporated in the books of accounts of the company as if the same was carried on by the company. Refer to point no.C, Basis of accounting, in Notes forming part of accounts to financial statements.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts due to be transferred to the Investor Education and Protection Fund by the Company.





- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above contain any material misstatement
- v. The Company has not paid or declared any dividend during the year and until the date of report, Hence, Compliance in accordance with section 123 of the Act is not applicable.

Place: Hyderabad
Date : 21.09.2023

For S.S.N. MURTHY & CO.,
CHARTERED ACCOUNTANTS
FIRM REGN. NO. 002188S



(SATTIRAJU SATHYANARAYANA MURTHY)
PROPRIETOR
M.NO.028516
UDIN: 23028516BGWG NR6083



ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of the Company)

- i. (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(ii) The Company does not own any intangible Assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year. In our opinion, having regard to the size of the Company and nature of its business, the frequency of verification appears to be reasonable and adequate. Based on records produced to us, no material discrepancies were noticed on such verification.
- (c) Based on audit procedures performed by us for the purpose of reporting the true and fair view of the financial statements of the Company and based on records produced to us and according to information and explanations provided to us, the company does not own any immovable properties
- (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- (e) According to the information and explanations given to us and based on our verification we were reported that there are no proceedings have been initiated during the year or pending against the Company as at March 31st, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and the rules made thereunder.
- ii. (a) The company is in the business of transportation and logistics services and does not hold any inventory. Hence clause ii (a) of the Order is not applicable to the company.

(b) As per the records produced for our verification and information and explanations given to us the returns submitted to the bankers for the working capital facilities availed are in agreement with the books of accounts maintained.
- iii. According to the information and explanations provided to us, the Company has not made any investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships covered in the register maintained under section 189 of the Act. Accordingly, the requirements of paragraph 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable to the Company.





- b.) However the company has granted loan to Director and the amount of Rs. 20,00,000/- is outstanding as at the end of the year.
- (a) No terms and conditions were specified for the loan granted to Director
(b) No schedule of repayment of principal and payment of interest has been specified
(c) Schedule of repayment of principal and payment of interest has not been stipulated and therefore the quantification of overdue amount does not arise. The company has informed that the reasonable steps have been taken for recovery of the loan amount.
- v) During the year under audit the Company has not accepted any deposits or amounts which are deemed to be deposits. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company
- vi) According to the information and explanations provided to us, the Central Government has not specified the maintenance of cost records under section 148(1) of the Act, for any of the products of the Company. Accordingly, paragraph 3 (vi) of the Order is not applicable to the Company.
- vii) According to the information and explanations given to us, in respect of statutory dues
- (a) According to the information and explanations provided to us and as per the records maintained by the Company, the Company is generally regular in depositing with appropriate authorities, undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, Goods and Service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to the Company. As per the records of the Company, as at March 31st 2023. the Company does not have any undisputed statutory dues which are outstanding for a period of more than six months from the date they became payable.
- (b) According to the information and explanations provided to us and as per the records of the Company, the Company does not have any dues as at March 31st, 2023 in respect Goods and Service tax provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues which have not been deposited on account of any dispute.
- viii) According to the information and explanations given to us and on the basis of the records produced for our verification there were no transactions that are not recorded in the books of account and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix) (a) The Company has not defaulted in the repayment of loans or borrowings or in the payment of interest there on to any financial institutions, banks and government.





- (b) The Company has not been declared willful defaulter by any bank or financial institution or Government or Government authority.
- (c) According to information and explanations given to us term loans were applied for purposes for which the loans were obtained.
- (d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised any loans on the pledge of securities held in its subsidiaries, joint ventures or associate companies during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x) (a) As per the records of the Company and according to the information and explanations provided to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the management there were no whistle blower complaints received by the Company during the year
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order is not applicable to the Company.





- xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc., as required by the applicable accounting standards.
- xiv) Reporting under clause 3(xiv) (a) and (b) of the Order are not applicable to the company.
- xv) In our opinion and according to the information and explanations given by the management during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a),(b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors of the Company during the year.
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Companies Act in



S.S.N. MURTHY & Co.
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compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable for the year.

xxi) Clause 3(xxi) of the order is not applicable to the company during the year under audit.

Place: Hyderabad
Date : 21.09.2023

For S.S.N.MURTHY & CO.,
CHARTERED ACCOUNTANTS
FIRM REGN. NO. 002188S



(SATTIRAJU SATHYANARAYANA MURTHY)
PROPRIETOR
M.NO.028516
UDIN: 23028516BGWGNR6083