

**N. C. Shah & Associates**

Chartered Accountants  
191/1, New Cloth Market,  
Ahmedabad – 380 002

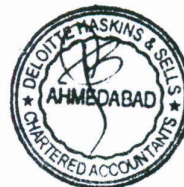
**Deloitte Haskins & Sells**

Chartered Accountants  
'Heritage', 3<sup>rd</sup> Floor,  
Nr. Gujarat Vidhyapith,  
Off Ashram Road,  
Ahmedabad -380 014

**INDEPENDENT AUDITORS' REVIEW REPORT  
TO THE BOARD OF DIRECTORS OF  
AARVEE DENIMS AND EXPORTS LIMITED**

1. We have reviewed the accompanying statement of Standalone Unaudited Financial Results of **AARVEE DENIMS AND EXPORTS LIMITED** ("the Company") for the Quarter and Six Months ended 30/09/2013 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 5 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. *Attention is invited to Note No 2 of the Statement which states that in view of prevailing volatility in the foreign exchange market, in respect of foreign currency borrowings, creditors, debtors and corresponding forward contracts, gain/loss arising on foreign exchange rate fluctuation on outstanding balances as at the end of the quarter has not been given effect in the above results as the Company will account for the same at the end of the financial year. Such net loss for the quarter is Rs.165.61 lacs and net loss for the six months is Rs. 1,187.65 lacs. This has resulted in the profit for the quarter being overstated by Rs.165.61 lacs and for the six months by Rs.1187.65 lacs.*
4. *Except for the above and based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with the Accounting Standards notified under the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs) and other recognised accounting practices and policies and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.*

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5. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter and Six Months Ended 30/09/2013 of the Statement, from the details furnished by the Management.

For N.C. Shah & Associates  
Chartered Accountants  
(Firm Registration No.: 109692W)

*Nitin C. Shah*

Nitin C. Shah  
Proprietor  
Membership No. 34633

Place: Ahmedabad  
Date: October 30, 2013



For Deloitte Haskins & Sells  
Chartered Accountants  
(Firm Registration No.: 117365W)

*Gaurav J. Shah*

Gaurav J Shah  
Partner  
Membership No. 35701

Place: Ahmedabad  
Date: October 30, 2013

