

30<sup>th</sup> March, 2013

The National Stock Exchange of India Limited  
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Corporate Relationship Department  
The Bombay Stock Exchange Limited  
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Dalal Street  
Mumbai- 400 001  
Fax No.: 22723121/2037

**Re: Arshiya International Limited - NSE Scrip Name: ARSHIYA  
- BSE Scrip Code: 506074**

**Sub: NOTE FROM THE BOARD OF DIRECTORS OF ARSHIYA  
INTERNATIONAL LIMITED ON THE SPECIAL REVIEW REPORT**

The Audit Committee and the Core Committee of the Joint Lenders had appointed an independent professional firm to conduct a special review on the financial statements of Arshiya International Limited, Arshiya Rail Infrastructure Limited, Arshiya Northern FTWZ Limited and Arshiya Industrial & Distribution Hub Limited. The scope of the special review was defined jointly by the Core Committee of the Joint Lenders of Arshiya Group and the Audit Committee of Arshiya International Limited. The Audit Committee and the Board of Directors met on 30<sup>th</sup> March, 2013, in which one of the items discussed was with regards to the observations made in the special review report. All observations made in the special review report were examined and deliberated upon. The company's representations and responses were also considered and deliberated upon.

Based on the observations in the special review report, the Audit Committee and the Board of Directors have advised the company and the said subsidiaries, that specific internal control systems with respect to the following items need further improvement and strengthening:

1. Monitoring and timely collection of outstanding debtors.
2. KYC compliance for operational vendors.
3. Advances given to employees in excess of Rs. 10,000/- to be reviewed on a periodic basis and ensure timely booking of expenses.
4. Timely payment of statutory dues.



**Arshiya International Ltd.**

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The special review report was also discussed in the last Joint Lenders Meeting of Arshiya Group.

This is for your information, records and necessary action.

Yours truly,

**For ARSHIYA INTERNATIONAL LIMITED**



**AJAY S MITTAL**  
**CHAIRMAN & MANAGING DIRECTOR**



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