

MAHENDRA N. SHAH & CO.
CHARTERED ACCOUNTANTS

CA MAHENDRA N. SHAH B.Com., B. A. (SPL) F.C.A.
CA CHIRAG M. SHAH B.Com., LL.B., F.C.A. D.I.S.A.
CA MADHUKANT T. PATEL B.Com., LL.B., F.C.A.
CA RASHMI B. SHETH B.Com., F.C.A.



T. No. : Office : 26575085/086/66614445
Fax : (079) 26584359
Resi. : 26569780
E-mail : mnshahco@gmail.com
E-Block, 3rd Floor,
Capital Commercial Centre,
Nr. Sanyas Ashram, Ashram Road,
AHMEDABAD - 380 009.

Ref. No. :

Date :

To,
The Board of Directors,
Gujarat State Financial Corporation
Gandhinagar.

Sub: Limited Review Report of Unaudited financial Statements for the Quarter ended 30th June 2014 pursuant to Clause 41 of Listing Agreement.

We have reviewed the accompanying statement of unaudited financial results of **Gujarat State Financial Corporation** for the Quarter ended 30th June, 2014 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and is subject to approval by the Board of Directors / Committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, "Engagements to Review Financial Statements" 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures which are 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.

We have to draw attention about certain accounting transactions as under.

- (1) During the quarter, no provision for employee retirement benefits, legal and profession fees, Sales tax liability, ICICI security deposit liability etc. are made and we have been informed that the same will be provided by the year end.
- (2) Interest on ICD & LQD and branch office rent is accounted for on Cash basis in quarterly working and not on accrual basis.
- (3) The Accounting effect of (1) reworking of interest and penalty on various loans (2) Profit/Loss on sale of Assets are not ascertained and shall be accounted for on finalization of working thereof.
- (4) Justification for certain Credit and Debit entries / balance in various income and expenses account like Interest on term loan, Interest on Corporation loan, Interest on Tiny Loan, Interest on staff loan, Staff advances, bad debt recovery account etc. is still to be received.

Based on our review conducted except as stated above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 and/or Accounting Standards issued by Institute of Chartered Accountants of India and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

PLACE: AHMEDABAD
DATE: 4th August 2014



For MAHENDRA N. SHAH & CO
CHARTERED ACCOUNTANTS,
FRN: 105775W

Chirag M. Shah
CHIRAG M. SHAH
(PARTNER)
MEMB. NO. 45706