



Bipinchandra J. Modi & Co.

Chartered Accountants

B.No. 18/A, Prakash Co-Op. Hsg. Society

B/h Intelligent Guidance Classes

Athwalines, Surat 395 001

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PAN : AAHFB2203M

STC No.: AAHFB2203MST001

Bipin Modi

B. Com. FCA, DISA (CAAT)

Alok Gandhi

M.Com., ACA

~~Auditors Report~~

To the Members,


BIJLEE TEXTILES LIMITED

1. We have audited the attached Balance sheet of **BIJLEE TEXTILES LIMITED** as at 31st March, 2010 and also the Profit and Loss Account and 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 conducted our audit in accordance with the auditing standards 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 includes 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 evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government in terms of sub-section (4A) of section 227 of the Companies Act, 1956. We enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, We report that:
 - a) We have 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 appears from our examination of the books;
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on 31st March, 2010 and taken on record by the Board of Directors. We report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 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 read along with Significant Accounting Policies and notes thereon, 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 the case of the Balance sheet, of the state of affairs of the Company as at 31st March, 2010;
 - ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **Bipinchandra J. Modi & Co.**

Chartered Accountants




(Bipin J. Modi)

Partner

Membership No. 31687

Surat, dated: August 11, 2010



Bipin Modi

B. Com. FCA, DISA (CAAT)

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**Annexure referred to in paragraph 3 of our report of even date on the accounts
for the year ended 31st March, 2010**

- i. The Company has no fixed assets, hence paragraphs (i)(a), (b) and (c) of the Order are not applicable.
- ii. (a) As explained to us, inventories were physically verified during the year by the management at reasonable intervals.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii. (a) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956, paragraphs (iii)(b), (c), (d), (e), (f), (g) of the Order are not applicable.
- iv. In our opinion, and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the Company and nature of its business for the purchase of inventory and with regard to the sale of goods and services. During the course of our audit, We have not observed any continuing failure to correct major weaknesses in internal control.
- v. (a) In our opinion and according to the information and explanations given to us, there are no transactions that need to be entered in to the register maintained under Section 301 of the Companies Act, 1956, paragraph (v)(b) of the Order is not applicable.
- vi. The Company has not accepted any deposits from the public.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- viii. The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any of the products of the Company.
- ix. (a) According to information and explanations given to us, the Company is generally been regular in depositing undisputed statutory dues as applicable with the appropriate authorities during the year.

(b) According to information and explanation given to us, there are no statutory dues as applicable which have not been deposited on account of any dispute.
- x. The Company does not have accumulated losses as at 31st March, 2010 and has not incurred cash losses during the financial year ended on that date or in the immediately preceding financial year.
- xi. The Company has not taken any loans from financial institutions or banks or debenture holders and hence the question of default in repayment of dues and the period and amount does not arise.
- xii. In our opinion, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and any other securities.





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- xiii. The provisions of any special statute as specified under paragraph (xiii) of the Order are not applicable to the Company.
- xiv. In our opinion and according to information and explanation given to us, the Company is not a dealer or a trader in shares, securities, debentures and other investments.
- xv. In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- xvi. The Company has not taken any term loan during the current year.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, in our opinion, there are no funds raised on short term basis which have been used for long term investment, and vice versa.
- 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 during the year.
- xix. The Company has not issued any debentures during the year.
- xx. The Company has not raised any money by way of public issue during the year.
- xxi. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For Bipinchandra J. Modi & Co.
Chartered Accountants




(Bipin J. Modi)
Partner
Membership No. 31687

Surat, dated: August 11, 2010.