

# **LESHA ENERGY** **RESOURCES LIMITED**

## **17<sup>TH</sup> Annual Report**

Report  junction.com

# **2007 – 2008**

**Regd. Office**

702, Ashoka Chambers, Near Lions Hall, Mithakhali Six Road, Ahmedabad 380 006.

## AUDITORS' REPORT

To,  
The Members of  
LESHA ENERGY RESOURCES LIMITED

1. We have audited the attached Balance Sheet of LESHA ENERGY RESOURCES LIMITED Ahmedabad as at 31st March, 2008 and also the Profit and Loss Account and Cash Flow Statement 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 as on our audit.
2. We conducted our audit in accordance with 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 (Auditor's Report) Order, 2003 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we give in the annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 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 and Profit & Loss Account and Cash Flow Statement dealt with, by this report are in agreement with the books of accounts.
  - (d) In our opinion, Balance Sheet and Profit and Loss account and Cash flow statement dealt with this report comply with the Accounting Standard referred to in sub Section 211 (3C) of the Companies Act, 1956 to the extent applicable.



- (e) On the basis of the written representations received from the Directors and taken on record by the Board of Directors, we report that none of the Directors of the company are prima facie disqualified as at 31<sup>st</sup> March 2008 from being appointed as Directors of the company in terms of Clause (g) of Section 274(1) of the Companies Act, 1956.
- (f) (1) Interest receivable on Advances given to certain parties is accounted for on cash basis Subject to above remarks, in our opinion and to the best of our information and according to the explanations given to us, the accounts read with other notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
- (i) In the case of the Balance Sheet, of the state of the affairs of the Company as at 31st March, 2008, and
  - (ii) In the case of the Profit & Loss Account, of the profit of the Company for the year ended on that date.
  - (iii) In the case of Cash Flow Statement, of the cash flows of the company for the year ended on that date :

FOR NAIMISH K. SHAH & CO.  
CHARTERED ACCOUNTANTS

Place : Ahmedabad.  
Date : 23.06.2008

  
(N.K.SHAH)  
PROPRIETOR



## ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in paragraph 3 of the Auditor's report to the members of LESHA ENERGY RESOURCES LIMITED, on the accounts for the year ended on 31st March, 2008.

1. a. According to the information and explanation given to us, the fixed assets records showing full particulars including quantitative details and situation of fixed assets are under compilation.  
b. As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.  
c. In our opinion, the company has not disposed of substantial part of its fixed assets during the year and the Going Concern status of the Company is not effected.
2. a. The Inventories lying with the company have been physically verified by the management to the extent practicable at reasonable interval during the year or at the year end.  
b. In our opinion the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
c. In our opinion the company is maintaining proper records of inventories and according to the records of the company the discrepancies noticed on physical verification of stocks as compared to book records were not material.
3. a. The Company has not granted any loans, or advances in the nature of loans to companies, firms or other parties listed in the register to be maintained under Section 301 of the Companies Act, 1956.  
b. The company has not taken any unsecured loans from any company to be listed in the Register required to be maintained under section 301 of the Act.
4. In our opinion and on the basis of test checks carried out by us, it appears that there are adequate internal control procedures commensurate with the size of the company and the nature of its business, with regard to purchase of inventory, fixed assets and for the sale of goods. During the course of audit, we have neither come across nor have been informed of any instance of major weaknesses in aforesaid internal control procedure, which would require corrective action.
5. a. In our opinion and according to the information and explanations given to us, there are no transactions that need to be entered in the Register maintained under Section 301 of the Companies Act, 1956.  
b. As there are no transactions that need to be entered into the register maintained under section 301 of the Companies Act, paragraph 4(v)(b) of the order is not applicable.
6. The Company has not accepted deposits from public.



7. The company did not have any formal internal audit system during the year under review. In the opinion of the management, the existing internal control procedures are adequate and hence separate internal audit is not called for.
8. According to the records of the company, we are of the opinion that the company has been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, VAT, wealth tax, service tax, custom duty, excise duty, Excess and other statutory dues applicable to it. Based on our audit procedures and according the information and explanations given to us, and records of the company, there are not arrears of statutory dues which has remained outstanding as at 31<sup>st</sup> March 2007.
9. The company has no accumulated losses and has not incurred any cash losses during the current financial year and in the immediately preceding financial year.
10. According to the records of the company, and the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank during the financial year.
11. In our opinion, the company has not granted any loans and advances on the basis of security by way of pledge of shares and other securities.
12. In our opinion, the provisions of any special statute applicable to chit fund or nidhi mutual fund or mutual benefit fund/ societies are not applicable to the company.
13. As per the information and explanations given to us, the company during the years has not given guarantees for loans taken by others form bank.
14. In our opinion, the term loans have been applied for the purpose for which they were obtained / raised.
15. According to the information and explanations given to us and on an overall examination of the balance sheet and cash flow statement of the company for the year under audit, we report that no funds raised on short-term assets except permanent working capital.
16. The company has made preferential allotment of shares during the year to outsider under SEBI Guidelines on Preferential Issue.
17. The Company has not issued any debenture during the year.
18. The company has not raised any money by way of public issues during year.
19. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the company nor have we been informed of such case by the management.

Place : Ahmedabad.  
Date : 23.06.2008

FOR NAIMISH K. SHAH & CO.  
CHARTERED ACCOUNTANTS

  
(N.K.SHAH)  
PROPRIETOR



# AUDITORS' CERTIFICATE

## AS PER CLAUSE 49 OF THE LISTING AGREEMENT

To  
The Member of  
LESHA ENERGY RESOURCES LIMITED  
Ahmedabad.

We have examined the compliance of conditions of corporate governance by Lesha Energy Resources Ltd. for the ended 31<sup>st</sup> March, 2008 as stipulated in clause 49 of the Listing Agreement of the said company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the corporate governance. It is, neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of information and according to the explanations given to us, we certify that company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31<sup>st</sup> March, 2008, no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Shareholders'/Investors' Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

FOR NAIMISH K. SHAH & CO.  
CHARTERED ACCOUNTANTS

Place : Ahmedabad.  
Date : 23.06.2008

  
(N.K.SHAH)  
PROPRIETOR

