

INDIA E-COMMERCE LIMITED
Auditor's Report

Report  F.Y 2001-02 www.reportjunction.com

VIJAY FULKAR & CO.
CHARTERED ACCOUNTANTS

VIJAY P. FULKAR

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AUDITOR'S REPORT

To,
 The Shareholders of,
 M/s India E-Commerce Limited,
 (Formerly Jayketan Textiles Ltd.)
 Mumbai-400023

We have audited the attached Balance sheet of M/s India E-Commerce Limited, as at 31st March, 2002 and Profit and Loss Account of the company for the year ended on that Date annexed hereto and report that:

1. As required by the Manufacturing and other companies (Auditor's report) order, 1983 issued by the Central Government under section 227 (4A) of the Companies Act, 1956, we give in the annexure a statement on the matter specified in paragraph's 4 & 5 of the said order, to the extent applicable to the company.
2. Further to our comments in the annexure referred to in paragraph 1 above we report that :
 - a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by the law have been kept by the company so far as it appears from our examination of the books of the company.
 - c) The Balance sheet and Profit & Loss Account dealt with by this report are in agreement with the books of accounts of the company.
 - d) In our opinion the Balance sheet and Profit & Loss Account dealt with by this report comply with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.
 - e) In our opinion and to the best of our information and according to the explanation given to us, the said Balance Sheet and Profit & Loss Account read together with the notes thereon, gives the information required by the Companies Act 1956, in the manner so required and give true and fair view:
 1. In case of Balance sheet of the state of affairs of the Company as at 31st March, 2002, and
 2. In case of profit and loss account of the loss for the year ended on that date.

PLACE : MUMBAI

DATE : 23rd August, 2002.

for **VIJAY FULKAR & CO.**
CHARTERED ACCOUNTANTS

Vijay Fulkar
Vijay Fulkar
PROPRIETOR
 (Membership No. 49914)



ANNEXURE TO THE AUDITORS REPORT
(As Referred To In Paragraph 1 Of Our Report Of Even Date.)

1. The company has maintained proper records showing full particulars including quantitative and situations of its fixed assets. The fixed assets have been physically verified by the management during the period. We are informed that no material discrepancies were noticed on physical verification as compared with the records of the fixed assets.
2. None of the fixed assets have been revalued during the period.
3. The stock of finished goods, stores, spare-parts and raw materials have been physically verified during the period by the management.
4. The procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to size of the Company and the nature of its business.
5. The discrepancies noticed on verification between the physical stocks and the book records were not material.
6. On the basis of our examination of stock records, we are of the opinion that the valuation of stock is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
7. The company has not taken any loan from Companies, Firms or other parties listed in the Register maintained Under section 301 of the Companies Act 1956. There is no company under the same management within the meaning of section 370(1B) of the companies Act, 1956.
8. The Company has not granted any Loans, to Companies, firms or other parties listed in the Register maintained Under Section 301 of the Companies Act, 1956. There is no company under the same management within the meaning of section 370(1B) of the companies Act, 1956.
9. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regards to purchase of stores, raw materials including components, plant and machinery, equipment and other assets and with regard to sale of goods.
10. According to the information and explanations given to us, there are no transactions of purchase of goods, materials and services aggregating during the period to Rs. 50000/- or more in respect of each party made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the companies Act, 1956..
11. As explained to us, the company has a regular procedure for the determination of unserviceable or damaged stores, raw materials and finished goods. Adequate provision has been made in the accounts for the loss arising on the items so determined.
12. The company has not accepted any deposits to which the provisions of section 58 A of the companies Act, 1956 are applicable.
13. In our opinion, reasonable records have been maintained by the company for the sale and disposal of realisable by-products and scrap where-ever significant.
14. In our opinion, the internal audit system of the company is commensurate with the size of the company and the nature of its business.
15. The Central Government has prescribed maintenance of cost Records under section 209(i) (d) of the Companies Act, 1956 in respect of certain manufacturing activities of the company. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been made and of the same with a view to determining whether they are accurate or complete.
16. The provisions of Provident fund Act is not made applicable to the company, hence the question of regularly depositing provident dues with the appropriate authority does not arise.
17. According to the information and explanation given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty and Excise Duty were outstanding as on 31st March, 2002 for a period of more than six months from the date they became payable.



18. According to the information and explanations given to us and on the basis of the records examined by us, no personal expenses of Employees or Directors have been charged to Revenue Account other than those payable under contractual obligations or in accordance with generally accepted business practice.
19. The company is not a sick industrial company within the meaning of clause (o) of sub-section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
20. In respect of trading activities, we are informed that the company does not have damaged goods lying with it at the end of the financial year. Therefore no provision for any loss is required to be made in the accounts.

Place : Mumbai

Date : 23rd August, 2002.

for VIJAY FULKAR & CO.
CHARTERED ACCOUNTANT

Mulka

PROPRIETOR
(Membership No. 49914)

Vijay P Fulkar
B Com, LL B, FCA
Membership No: 49914

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