

IDEAL OPTICS LTD

AUDIT REPORT

FOR THE YEAR

Report  junction.com

ENDING ON 31-03-2009

Dixesh H. Doshi
B.COM., F.C.A.



Dixesh Doshi & Co.

CHARTERED ACCOUNTANTS

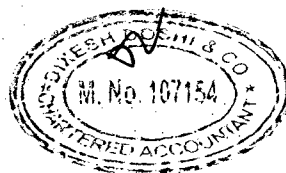
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AUDITORS REPORT

To,
The Members of
Ideal Optics Limited

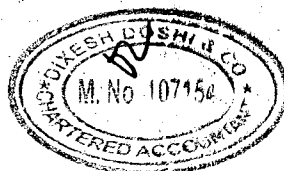
We have audited the attached Balance Sheet and also Profit & Loss account of Ideal Optics Limited as at 31st March, 2009 which are prepared in conformity with accounting principles generally accepted in India. The said financial statement is the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. 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 misstatements. An audit includes examining on the test basis, evidence supporting the amounts and disclosures in the financial statement. 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.
2. As required by the Companies (Auditor's Report) Order, 2003 and Companies (Auditors Report) (Amendment) order 2004 thereon issued by the Central Government of India 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.
3. Further to our comments in the Annexure referred to above, we report that
 - (i) 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 ;



ANNEXURE TO THE AUDITORS' REPORT
(Referred to in paragraph 3 of our report of even date)

- (i) (a) The company has not maintained fixed assets register as per Companies Act, 1956.
- (b) Majority of the assets has been physically verified by the management with books of accounts during the year 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 verification.
- (c) During the year, the company has not disposed off any major part of the Fixed Assets.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) 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) On the basis of our examination of the records of the company, we are of the opinion that the Company is maintaining proper records of stock.
- (iii) (a) The company has not granted any loans to a party covered in the register maintained under Section 301 of the Companies Act, 1956. Hence we do not have any comment under this para.
- (b) The Company had taken interest free unsecured loans from parties covered in the register maintained under Section 301 of the Companies Act, 1956. The year end balance of loans taken from such parties was Rs 2.67/- Lacs.
- (c) In our opinion, the other terms and conditions on which loans have been taken from parties listed in the register maintained under section 301 of the companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
- (d) We have been informed that there is no stipulation regarding repayment of said loans.
- (iv) 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 regard to purchase of inventory, fixed



assets. During the course of our audit, no major weaknesses have been noticed in the internal controls.

- (v) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that there are no transactions that need to be entered into the register maintained under Section 301 hence we do not have any comments under this para.
- (vi) In our opinion, as the paid up capital of the company is more than Rs. 50 Lacs and an average annual turnover is not exceeding five crores the company is does not have an internal audit system commensurate with the size and nature of its business.
- (vii) The Central Government has not prescribed maintenance of cost records under section 209(1) (d) of the Companies Act, 1956. Hence the provision of this clause is not applicable to the company.
- (ix) (a) According to the records of the company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Wealth Tax, Service tax, Custom Duty, Excise Duty, Cess and other Statutory Duties applicable to it.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service tax, Excise Duty, and Cess were outstanding, as at 31st March, 2009 for a period of more than six months from the date they become payable.
(c) According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty and excise duty which have not been deposited on account of any dispute.
- (x) The company has incurred cash losses during the financial year covered by our audit.
- (xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to the banks.
- (xii) The company has not granted any loans against security by way of pledge of shares, debentures and other securities.



- (xiii) The company is not a chit fund or a Nidhi mutual benefit fund/society. Therefore, the provisions of this clause of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) The company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of this clause of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xv) According to the information & explanation given to us, the company has not given any guarantee hence we do not have any comment under this para.
- (xvi) To the best of our knowledge and belief and according to the information and explanation given to us, in our opinion, the term loans was utilized for the purpose for which it was sanctioned.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no significant funds raised on short-term basis have been used for long-term investment by the company.
- (xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties covered in the register maintained under section 301 of the Companies Act, 1956. As the price is not ascertained we could not comment whether the price at which such shares have been issued is prejudicial to the interest to the company or not.
- (xix) During the period covered by our audit report, the company has not issued any secured debentures. Accordingly, the provision of clause (xix) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
- (xx) To the best of our Knowledge and belief, and according to the information and explanation given to us, no frauds on or by the company was noticed or reported during the year.

For Dixesh Doshi & Co.
Chartered Accountants
Dixesh H Doshi
(Dixesh Doshi)
Sole Proprietor
Place : Ahmedabad
Date : 05/09/2009
Mem.No. 107154

