

IDEAL OPTICS LTD

AUDIT REPORT

FOR THE YEAR

ENDING ON 31-03-2009

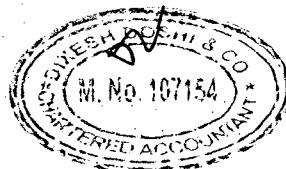


AUDITORS REPORT

To,
The Members of
Ideal Optics Limited

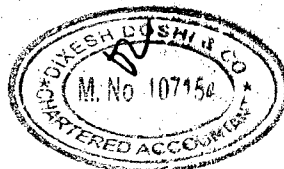
We have audited the attached Balance Sheet and also Profit & Loss account of Ideal Optics Limited as at 31st March, 2009 which are prepared in conformity with accounting principles generally accepted in India. The said financial statement is the responsibility of the company's management. Our responsibility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

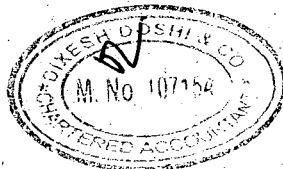


assets. During the course of our audit, no major weaknesses have been noticed in the internal controls.

- (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.

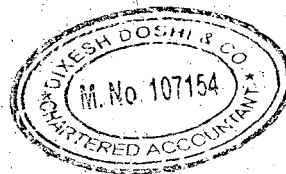
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service tax, Excise Duty, and Cess were outstanding, as at 31st March, 2009 for a period of more than six months from the date they become payable.

(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.



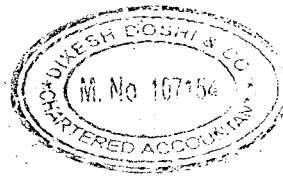
- (xiii) The company is not a chit fund or a Nidhi mutual benefit fund/society. Therefore, the provisions of this clause of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) The company is not dealing in or trading in shares, securities, debentures and other investments. 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



- (ii) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
- (iii) The balance sheet dealt with by this report is in agreement with the books of account;
- (iv) In our opinion, the balance sheet dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 subject to notes on Accounts annexed ;
- (v) On the basis of written representations received from the directors, as on 31st March 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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.
- (a) In the case of Balance Sheet of the State of affairs of the Company as at 31st March, 2009.
- (b) In the case of Profit & Loss account of the Profit of the Company for the year ended on 31st March, 2009

Dated:- 05/09/2009
Place: Ahmedabad



For Dixesh H Doshi & Co.
Chartered Accountants

Dixesh H Doshi

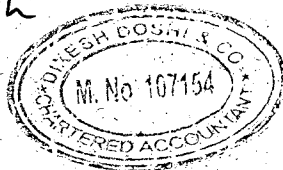
(Dixesh H Doshi)
Sole Proprietor
M. NO. : 107154

IDEAL OPTICS LIMITED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2009

PARTICULARS	SCHEDULE	AMT. RS.	AS AT 31.03.2009	AS AT 31.3.2008
INCOME				
Sales			347610	726390
Other Income	"I"		482716	571718
TOTAL			830326	1298108
LESS :				
EXPENDITURE				
Cost of Goods Sold	"J"		303629	320371
Processing & Packing Exp.	"K"		0	53697
Admin., Selling & Other Exp	"L"		1224172	1207099
Depreciation			182352	218938
Preliminary & share issue Exp Written Off			NIL	NIL
		TOTAL	1710153	1800105
Profit /(Loss) for the year			-879827	-501997
Less : Taxation			NIL	NIL
Profit /(Loss) After Tax			-879827	-501997
Previous year balance carried forward			-31504782	-31002785
Transferred to Balance Sheet			-32384609	-31504782

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS : L
As Per Our Attached Audit Report of Even Date

FOR, DIXESH DOSHI & CO
Chartered Accountants
Dixesh Hoshi
Dixesh.H.Doshi
Proprietor
Place: Ahmedabad
Date :- 05/09/2009



FOR, IDEAL OPTICS LIMITED
FOR, IDEAL OPTICS LTD
DR.ATUL M.SHAH *Atul* MANAGING DIRECTOR
SANJAY M.SHAH *Sanjay* DIRECTOR
ASHISH M.SHAH *Ashish* DIRECTOR
Place : Ahmedabad
Date :- 05/09/2009 *Authorised Signatory*

IDEAL OPTICS LIMITED
BALANCE SHEET AS ON 31ST MARCH 2009

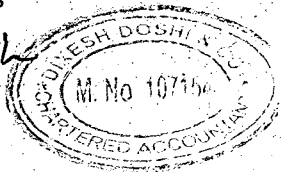
PARTICULARS	SCHEDULE	AMT IN RS.	AS AT 31.03.2009	AS AT 31.3.2008
SOURCES OF FUNDS				
1) SHAREHOLDERS' FUND: Share Capital	"A"		45424000	45424000
2) LOAN FUNDS : Secured Loans Unsecured Loans	"B"		267580	NIL 287580
TOTAL			45691580	45711580
APPLICATION OF FUNDS				
1) FIXED ASSETS :			45691.58	
Gross Block			6009968	2917504
Less : Depreciation	"C"		3493754	218938
Net Block			2516214	2698566
2) Investments	"D"		NIL	Nil
3) CURRENT ASSETS ,LOANS AND ADVANCES				
Current Assets	"E"		10771267	11162255
Loans ,Advances & Deposits	"F"		323580	437479
			11094847	11599734
LESS : CURRENT LIABILITIES & PROVISIONS	"G"		304090	91502
NET CURRENT ASSETS			10790757	11508232
4) MISCELLANEOUS EXPENDITURE (To the extent not written off)	"H"		NIL	NIL
Profit and Loss Account			32384609	31504782
TOTAL			45691580	45711580

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS : "L"

As Per Our Attached Audit Report of Even Date

For, DIXESH DOSHI & CO
Chartered Accountants

Dixesh H Doshi



(Dixesh H. Doshi)
Proprietor

Place : Ahmedabad

Date :- 05/09/2009

FOR, IDEAL OPTICS LIMITED
DR. ATUL M. SHAH *FOR IDEAL OPTICS LIMITED* MANAGING DIRECTOR

SANJAY M. SHAH *Sanjay* DIRECTOR

ASHISH M. SHAH *Ashish* DIRECTOR
Authorised Signatory

Pla Place : Ahmedabad

Date :- 05/09/2009

IDEAL OPTICS LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF BALANCE SHEET AS A 31.03.2009

PARTICULARS		AS AT 31.03.2009	AS AT 31.3.2008
SCHEDULE- A			
SHARE CAPITAL			
AUTHORISED SHARE CAPITAL			
50,00,000 Equity Shares of Rs.10/- each		50000000	50000000
ISSUED, SUBSCRIBED AND PAID CAPITAL			
45,42,400 Equity Shares of Rs.10/-Each Fully Paid Up		45424000	45424000
		45424000	45424000
SCHEDULE-B			
		31.3.2009	31.3.2008
UNSECURED LOANS			
AS PER GROUPING			
		267580	287580
		267580	287580
SCHEDULE-D			
		31.3.2009	31.3.2008
INVESTMENTS			
		NIL	NIL
	TOTAL	NIL	287580
SCHEDULE- E			
CURRENT ASSETS			
CASH & BANK BALANCES			
Cash on Hand			
		272776	236970
Balance With Schedule banks in Current A/c			
		145037	266312
In Fixed Deposit A/c			
		6358646	6858646
		6776459	7361928
CURRENT ASSETS			
Stock in Trade(At Cost Or Market Value Which Ever Is Less			
		292470	389499
(As Taken Value & Certified By Management)			
Sundry Debtors(Unsecured, Considered Good)			
More Than Six Months			
		3702338	2690688
Other			
		NIL	720140
	TOTAL	3994808	3800327
		10771267	11162255
SCHEDULE - F			
LOANS & ADVANCES			
[UnSecured, Considered Good]			
Other Deposit			
		4000	160467
Advance Recoverable in cash or in kind			
		99215	99215
Interest Receivable			
		46759	46759
Prepaid Expenses			
		1000	1000
Tax Deduction At Source			
		79775	79775
TDS 2007-08			
		50263	50263
TDS on FDR - BOM- 08-09			
		42568	NIL
	TOTAL	323580	437479

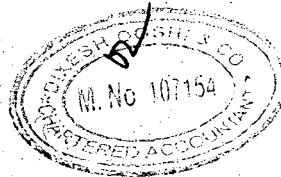


IDEAL OPTICS LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF BALANCE SHEET AS A 31.03.2009

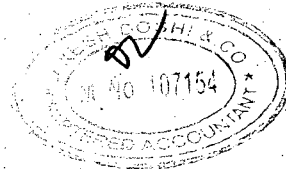
PARTICULARS		AS AT 31.03.2009	AS AT 31.3.2008
SCHEDULE - G			
CURRENT LIABILITIES			
Unpaid Salary Exp.		NIL	8000
Share Application Money Pending Refund		NIL	40290
Audit Fees Payable		30000	15000
Sundry Creditors (Due To Small Scale Industries Nil)		274090	28212
TOTAL		304090	91502
SCHEDULE - H			
MISCELLANEOUS EXPENDITURE			
(To the extent not written off or adjusted)		NIL	NIL
TOTAL		NIL	NIL

SCHEDULE - I		31.03.2009	31.3.2008
OTHER INCOME			
Interest		482716	571718
TOTAL		482716	571718
SCHEDULE - J			
COST OF GOODS SOLD			
Opening Stock		389499	279235
Purchase		206600	430635
Less: Closing Stock		292470	389499
TOTAL		303629	320371



SCHEDULE ANNEXED TO AND FORMING PART OF BALANCE SHEET AS A 31.03.2009

PARTICULARS		AS AT	AS AT
		31.03.2009	31.03.2008
SCHEDULE- K			
Packing Material & Printing		NIL	15729
Raw Material Exp		NIL	37968
	TOTAL	0	53697
SCHEDULE - L			
Administrative Selling and other Expenses			
Salary & Bonus Exps		163680	411000
Staff Welfare Exps		29934	28210
Rates & Taxes Exps		4232	4220
Other Repairs		NIL	9586
Telephone Exp & Courier Exps		8460	8485
Post & Telegrams Exps		29453	30475
Professional Tax		NIL	3440
AUDIT FEES		15000	15000
EYE CAMP EXPS		70000	NIL
Travelling Exps		63859	69145
Interest		NIL	74
DIRECTOR REMUNERATION EXP		646000	480000
Conveyances allowance & Petrol exp		30740	31050
Office & tea Exps		32147	39779
News Paper Exps		4670	4525
Bank Charges/Interest		5216	400
Electric Exps		32460	45820
Entertainment Exp		9740	12170
Medical Exp		16038	13720
Kasar A/C		62543	NIL
	TOTAL	1224172	1207099



GROUPING OF UNSECURED LOANS	AMOUNT
ASHISH M SHAH	113520
ATUL M SHAH	8020
MANGULABEN M SHAH	89520
SANJAY M SHAH	56520
TOTAL	267580

GROUPING OF SUNDRY CREDITORS	AMOUNT
BIO TECH VISION CARE PVT LTD	206600
B S N L DEPOSITS	200
SHARE APP. PENDING REFUND	40290
S M PLAST	15500
S N DIVATIA & CO	11500
TOTAL	274090

GROUPING OF BANK ACCOUNTS	AMOUNT
BANK OF MAHARASTRA	206600
C B I BANK REFUND ORDER	200
CENTRAL BANK OF INDIA	40290
THE MEHSANA URBAN CO OP BANK	15500
S N DIVATIA & CO	11500
TOTAL	274090



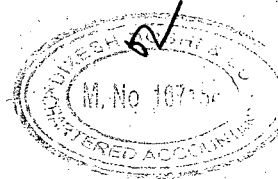
IDEAL OPTICS LIMITED

SCHEDULE-C

FIXED ASSETS
GROSS BLOCK

31-3-2009
DEPRECIATION
NET BLOCK

PARTICULARS	OPENING BALANCE AT 01.04.2008	ADD DURING THE YR.	DED	TOTAL AT 31.03.2009	OPENING BALANCE UPTO 31.03.08	CURR. YEAR DEP	TOTAL UPTO 31.03.09	CLOSING BALANCE 31.03.2009	CLOSING BALANCE 31.03.2008
Office Premises	1661346	-	-	1661346	327114	27080	354194	1307152	1334232
Plant & Machineries	714000	-	-	714000	326718	33915	360633	353367	387282
Furniture & Fixtures and Equipments	2401687	-	-	2401687	1424636	121357	1545993	855694	977051
Vehicles	1232935	-	-	1232935	1232934	-	1232934	1	1
TOTAL	6009968			6009968	3311402	182352	3493754	2516214	2698566
PREVIOUS YEAR	6009968			6009968	3092464	218938	3311402	2698566	2917504



IDEAL OPTICS LTD

**ANNEXURE - 'E'
QUANTITATIVE DETAILS**

A.Y. 2009 - 2010

ITEM NAME	OP.STOCK QTY	RS.	Purchases QTY	RS.	Sales QTY	RS.	Closing Stock QTY	RS.
Right Air	26	10764	-	-	-	-	26	10764
Ideal Edge	108	10800	-	-	-	-	-	-
LENSES:								
One Piece	5839	326984	7266	377850	7810	726390	5295	326984
Three Piece	745	26075	-	-	-	-	745	26075
Kits	548	14876	-	-	-	-	548	14876
TOTAL		389499		377850		726390		

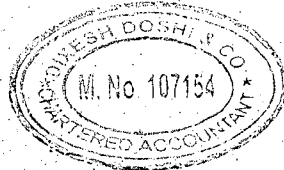
As per our report of even date attached

For, DIXESH DOSHI & CO
Chartered Accountants

Dixesh Doshi

Dixesh Doshi

Place : Ahmedabad
Date : 05/09/2009



FOR, IDEAL OPTICS LIMITED

DR. ATUL M. SHAH MANAGING DIRECTOR

SANJAY M. SHAH DIRECTOR

ASHISH M. SHAH DIRECTOR

Place: Ahmedabad
Date : 05/09/2009

FOR, IDEAL OPTICS LTD
Sanjay
Authorised Signatory

IDEAL OPTICS LIMITED

NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31.03.2009

SCHEDULE 'A'

1. Significant Accounting Policies

A) Accounting Convention:

The financial statements are prepared under historical cost convention. Revenues are recognized and expenses are accounted on accrual basis with necessary provisions for all known liabilities and losses.

B) Depreciation:

Depreciation is provided on the fixed assets as per rates under prescribed under Schedule XIV of the companies Act in proportion for period of its use.

C) Payment of Gratuity:

As informed by Director, none of employee is qualified for gratuity .

D) Inventories: (As certified by Management)

Inventories are valued as under:

Raw Materials : At cost or market value whichever is less

2. In the Opinion of the Management:

(A) The Current Assets, Loans and Advances are approximately of the value stated if realized in the ordinary course of business.

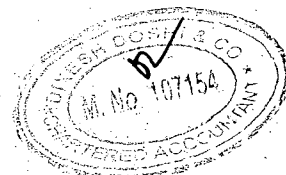
(B) The provision for all known liabilities are adequate and not in excess of the amounts reasonably necessary.

(C) Provision for Taxation for the year is made considering various provisions under Income Tax Act.

(D) No personal expenses have been charged to revenue accounts.

3. The balance shown in Sundry Creditors and Advances are subject to confirmation from the respective parties.

4. None of the employee of the company was in receipt of remuneration at a rate which in the aggregate was Rs.200000/- or more per month OR Rs.24,00,000/- or more for the year.



5. Quantitative information to the extent applicable for the year pursuant to paragraphs 3 & 4 of Part II of Schedule VI to the Companies Act, 1956. (As certified by the Management)

6. Managerial Remuneration:-

DIRECTOR'S SALARY RS.6,46,000/-

03. DISCLOSURES:

01. Accounting for taxes of Income: (AS-22)

The Provision for current taxes has been made in the account on the income computed as per the provisions of Income Tax Act, 1961.

02. Earning per Share : (AS-20)

(i) The amount used as numerator in calculating basic earnings per share is the Loss i.e. Rs.879827/-

(ii) The number of ordinary shares used as the denominator in calculating the basic earnings per share is i.e. no. of equity shares as on the date of balance sheet 31st March 2009

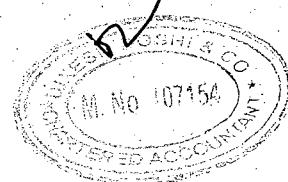
	As at 31 st March 2009(Rs.)
Loss attributable to the Equity Shareholders (Rs.) (A)	879827/
Basic number of Equity Shares (B)	4542400
Weighted number of equity shares	4542400
Nominal value of Equity Shares – (Rs.)	10
Basic Earnings per Share (Rs.) (A)/(B)	(-)0.19
Earnings on weighted no. of shares (A)/(B)	

03. Segment Reporting: (AS-17)

There is no segment.

04. Related Party Disclosures: (AS-18)

Sr No.	Name of related party	Nature of relationship with the company	Nature of transaction	Amount Rs.
1.	ATUL M SHAH	Managing Director	Remuneration	183000



2.	SANJAY M SHAH	Director	Remuneration	183000
3.	ASHISH M SHAH	Director	Remuneration	168000
4.	MANJULABEN M SHAH	Executive Director	Remuneration	112000

Company has taken interest free loan from related parties, the yearend balance of which is Rs. 2.67/- Lacs.

05. The quantity of inventories is based upon physical verification by the management and the valuation is also based on details of cost and realizable value (wherever applicable) considering the quality & other relevant factors ascertained by Management. The quantities of inventories, purchase are taken on the basis of details worked out from the bills and the stock records maintained by the company.

06. We have verified the vouchers and evidence produce before us. Where no documentary evidences are available, we relied on the authentication given by the management.

Schedules 1 to 10 and Schedule A Notes are forming part of the Accounts as at 31.03.2009

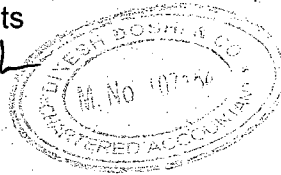
As per our audit report of even date.

For and on behalf of Board of Directors

For Dixesh Doshi & Co.,
Chartered Accountants

Dixesh H Doshi

(Dixesh H Doshi)
Sole Proprietor
Place : Ahmedabad
Date : 05/09/2009



FOR, IDEAL OPTICS LTD.

Directors
Place : Ahmedabad
Date : 05/09/2009

[Handwritten Signature]

Authorized Signatory

IDEAL OPTICS LIMITED

Information referred to in Notes in Schedule-A to the accounts for the year ended 31st March, 2009

PART IV OF SCHEDULE VI OF COMPANIES ACT, 1956 (AS AMENDED) BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE.

I Registration Details

CIN 23061

Balance Sheet | 31 | 03 | 2009 |

Date Month Year

State Code: 04

Capital Raised during the Year (Amount in Rs. Thousand)

Public Issue	Rights Issue	Bonus Issue
NIL	NIL	NIL

Private Placement

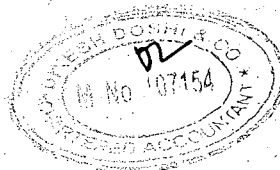
| NIL |

III Position of Mobilisation and Deployment of Funds (Amount in Thousand)

Total Liabilities	Total Assets
45691.58	45691.58

Source of Funds

Paid up Capital	Reserve & Surplus
45424.00	00.00
Secured Loans	Unsecured Loans
00.65	2.67



Application of Fund

Net Fixed Asstes	Investments
-----	-----
2516.21	00.00
-----	-----
Net Current Assets	Misc. Expenditure
-----	-----
-1881.63	10790.78
-----	-----

Accumulated Losses

32384.61

IV Performance of Company (Amount in Rs. Thousand)

Income from Operations	Total Expenditure
-----	-----
830.33	1710.15
-----	-----
+ - Profit/Loss Before Tax	+ - Profit/Loss After Tax
-----	-----
-879.83	-879.83
-----	-----
Earning Per Shares in Rs.	Dividend rate % (Prorata)
-----	-----
-0.19	0.00
-----	-----

V Generic Names of Two Principal Products/Services of Company
(as per monetary terms)

Item Code No. (ITC Code) | N. A. |

Product Description

FOR, IDEAL OPTICS LTD.



(DIRECTORS) Signatory