R A J E N D R A & C O .
CHARTERED ACCOUNTANTS
1311 Dalamal Tower 211 Nariman Point Mumbai 400021 Tel : 2285 5770 Fax : 2283 4243 E-mail : rajendraco@vsnl.com

Auditors' Report
To the Members of ALNA TRADING AND EXPORTS LIMITED

We have audited the attached Balance Sheet of Alna Trading and Exports Limited as at 31st March 2010 and the Profit and Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date. 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.

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 a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the 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 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 hereto a statement on the matters specified in paragraphs 4 of the said Order.

3. Further to our comments in the Annexure referred to in paragraph 2 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 those books;

   c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;

   d) In our opinion the Balance Sheet and the Profit and Loss Account dealt with by this report comply with the mandatory Accounting Standards referred in sub-section (3C) of section 211 of the Companies Act, 1956;

   e) In our opinion, and based on information and explanations given to us, none of the directors are disqualified as on 31st March, 2010 from being appointed as directors in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956;

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f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view, in conformity with the accounting principles generally accepted in India:

(i) in so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;

(ii) in so far as it relates to the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and

(iii) In so far as it relates to the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

For Rajendra & Co.
Chartered Accountants
(Firm Registration No.108355W)

RAJENDRA & CO. MUMBAI CHARTERED ACCOUNTANTS

K. K. Desai
Partner
Membership No. 100805

Mumbai
Dated: 29th May 2010

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ANNEXURE TO AUDITOR'S REPORT

Referred to in Paragraph 2 of our report of even date

1. In respect of its fixed assets:
   a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
   b. As explained to us, all the fixed assets have been physically verified by the Management at the end of the year, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
   c. Based on the information and explanations given to us and on the basis of audit procedures performed by us, none of the significant fixed assets have been disposed off during the year that may affect the going concern of the Company.

2. In respect of its inventories:

   As there is no opening and closing Inventory for the year, clause (ii) of the said Order is not applicable.

3. The Company has not granted or taken any loans, secured or unsecured, to/from companies, firms or other parties as listed in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4(iii) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.

4. 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 for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.

5. In respect of transactions covered under Section 301 of the Companies Act, 1956:

   a. In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements, which needed to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.

   b. In our opinion and according to the information and explanations given to us, there are no transactions of purchase of goods and materials or sale of goods, materials and services made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 aggregates during the year to Rs. 5,00,000/- (Rupees Five Lacs only) or more in respect of any party.

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6. The Company has not accepted any deposits from the public. Therefore, the directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules 1975 are not applicable to the Company.

7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

8. The Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956.

9. In respect of statutory dues:

   a. According to the records of the Company, undisputed statutory dues including Income Tax, Sales tax, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty were outstanding as at 31st March, 2010 for a period of more than six months from the date on which they became payable.

   b. There are no dues outstanding in case of sales tax, income tax, custom duty, wealth tax, excise duty and Cess on account of any dispute.

10. The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.

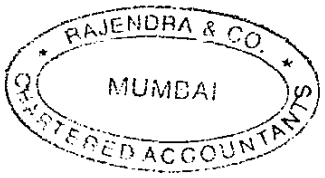
11. Based on our audit procedures and according to the explanations given to us and based on the information available, Company has not taken any loan from financial institution, Bank or from Debenture holders, hence question of defaulting in repayment does not arise.

12. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.

13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/ society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.

14. Since Company is not dealing in shares or any other securities; clause (xiv) of the said Report is not applicable.

15. The Company has not given guarantees for loans taken by others from banks or financial institutions.



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16. The Company has not raised any term loan during the year.

17. According to the information and explanations given to us, the Company has not used short term loans during the year for the long-term purpose.

18. During the year, 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.

19. Since Company has not raised any loans during the year; clause regarding securities in respect of Debentures does not arise.

20. The Company made no new public issue during the year.

21. In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year that may have a material bearing on the financial condition of the Company.

For Rajendra & Co.
Chartered Accountants
(Firm Registration No.108355W)

K. K. Desai
Partner
Membership No. 100805
Mumbai
Dated: 29th May 2010

RAJENDRA & CO. MUMBAI CHARTERED ACCOUNTANTS