

OREGON COMMERCIALS LIMITED.

DIRECTORS

ASHOK S. RUPANI
(MANAGING DIRECTOR)
NARESH S. RUPANI
UTTAM GADA

BANKERS

BANK OF BAHRAIN & KUWAIT BSC
ORIENTAL BANK OF COMMERCE
HDFC BANK

AUDITORS

PACHORI & ASSOCIATES
CHARTERED ACCOUNTANTS
3/1106@ NAVJIVAN SOCIETY
LAMINGTON ROAD
MUMBAI-400 008.

REGISTERED OFFICE

3-5 DOSSA MANSION
61 SIR P.M. ROAD
FORT
MUMBAI-400 001.

REGISTRARS AND TRANSFER AGENTS

ADROITS CORPORATE SERVICES PVT. LTD.
19 JAFFERBHOY INDUSTRIAL ESTATE
1ST FLOOR, MAKWANA ROAD,
MAROL NAKA, MUMBAI-400 059.

OREGON COMMERCIALS LIMITED.

NOTICE

Notice is hereby given that the Twenty Fifth Annual General Meeting of the Members of the OREGON COMMERCIALS LTD. Will be held at the Registered office of the Company at 3-5 Dossa Mansion, 1st floor, 61 Sir P.M. Road, Mumbai-400 001. On Wednesday the 29th day of September 2010 at 11 a.m. to transact the following business.

1. To receive and adopt the Directors Report and the audited Balance Sheet and Profit & Loss account for the year ended 31st March, 2010.
2. To appoint auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.
3. To appoint a director in place of Mr. Naresh Rupani who retires by rotation and being eligible offers himself for reappointment.

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company.
2. The register of members and share Transfer books of the company will remain closed from Wednesday 22nd day of September, 2010 to Wednesday 29th day of September, 2010 both days inclusive.

Registered Office

3-5 Dossa Mansion
61 Sir P.M. Road
Mumbai-400 001.

By Order of the Board

**ASHOK S. RUPANI.
Managing Director.**

Dated : The 28th Day Of MAY 2010.

OREGON COMMERCIALS LTD.
DIRECTORS REPORT
TO
THE SHAREHOLDERS.

1. Your Directors have pleasure in presenting their Twenty Fifth Annual Report and Audited Accounts for the year ended 31-03-2010.
2. **Financial Results :**
The working for the year shows a profit of Rs.5,24,583/= before taxation. After adjusting provisions for taxation of Rs. 1,57,008/= and Excess Income tax for earlier year Rs. 677/= the Net Profit of Rs. 3,68,260/= is being carried to the Balance Sheet along with profit of Rs. 1,88,79,109/= of earlier years.
3. **Board of Directors :**
Mr. Naresh Rupani retires by rotation and being eligible, seeks re-appointment.
4. **Auditors :**
The auditors retire from Office at this Annual General Meeting and are eligible for reappointment.
5. **Depository System:**
The trading of the Company's equity shares in dematerialized form has been made mandatory by the Securities & Exchange Board of India (SEBI) with effect from 25th September 2000. In line with this, the Company has entered into a tripartite agreement with Central Depository Services (India) Ltd., National Securities Depository Ltd. and Adroit Corporate Services Pvt. Ltd. Registrar for Depository System. The ISIN number allotted to the company's shares is INE092G01016. The Shareholders can avail of the facility for dematerialization of the securities for safe and efficient dealing in securities of the company.
6. **SECRETARIAL AUDIT CERTIFICATE**
In accordance with section 383A of the Companies Act 1956 and Companies (Compliance Certificate) Rule 2001, the company has obtained a certificate from a secretary in the whole time practice, which is annexed to and forms part of this Report.

7. **Particulars of Employees :**

Provisions of Section 217 (2A) of the Companies Act 1956 are not applicable as there was no employee in receipt of remuneration to the extent laid down in Section 217 (2A) of the Companies Act 1956.

8. **Directors Responsibility Statement:**

Pursuant to the requirement Under Section 217(2AA) of the Companies Act 1956, with respect to Director's Responsibility Statement, it is hereby confirmed:

- (i) **That in the preparation of the accounts for the financial year ended 31st March 2010 the applicable accounting standards have been followed alongwith proper explanation relating to material departures.**
- (ii) **That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year of the profit of the Company for the year under review:**
- (iii) **That the Directors have taken proper and sufficient care for the maintenance of the adequate accounting records in the safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.**
- (iv) **That the Directors have prepared the accounts for the financial year ended 31st March, 2010 on going concern basis.**

Registered Office:

**3-5, Dossa Mansion,
1st, Floor, 61 Sir P.M. Road,**

Dated :The 28th Day of May 2010.

**By order and on behalf of the
Board of Directors.**

**ASHOK S. RUPANI.
Managing Director.**

**NARESH S. RUPANI.
Director.**

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

I. REGISTRATION DETAILS

Registration No. 3|4|8|8|1

State Code 1|1

Balance Sheet 3|1|0|3|1|0

Date Month Year

II. CAPITAL RAISED DURING THE YEAR (AMOUNT Rs. IN THOUSAND).

Publish Issue N|I|L

Bonus Issue N|I|L

Right Issue N|I|L

Private Placement N|I|L

III. POSITION OF MOBILISATION DEVELOPMENT OF FUNDS (AMOUNT Rs. IN THOUSANDS.)

Total Liabilities

2|8|8|4|7

Total Assets

2|8|8|4|7

SOURCES OF FUNDS

Paid up Capital

0|9|6|0|0

Reserves & Surplus

1|9|2|4|7

Secured Loans

N|I|L

Unsecured Loans

N|I|L

APPLICATION OF FUNDS

Net Fixed Assets

0|1|1|0

Investments

1|0|2

Net Current Assets

2|8|6|3|5

Misc. Expenditure

N|I|L

Accumulated Losses

N|I|L

IV. PERFORMANCE OF THE COMPANY (AMOUNT Rs. IN THOUSAND)

Total Income

0 | 0 | 1 | 7 | 3 | 2

Total Expenditure

0 | 0 | 1 | 1 | 9 | 4

Profit Before Tax

0 | 5 | 2 | 5

Profit After Tax

3 | 6 | 8

Earning Per Share (Rs.)

0 | . | 3 | 8

Dividend Rate (%)

N | I | L

IV. GENERIC NAME S OF PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY (AS PER MONETARY TERMS)

Product Description

Item Code No. N | I | L

D | E | A | L | I | N | G | I | N | C | H | E | M | I | C | A | L

I | N | V | E | S | T | M | E | N | T | S | I | N | S | H | A | R | E | S

SCHEDULE 'J' NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2010.

1. Significant Accounting Policies :-
 - a) The company follows the accrual system of accounting in respect of all income and expenditure except dividend which is accounted for in the year in which the same is declared and received.
 - b) Fixed assets are valued at cost and depreciation is provided on WDV method as per rates prescribed under Income Tax Act, 1961.
 - c) Inventories are valued at cost.
2.
 - a) Previous year's figures have been regrouped wherever necessary.
 - b) Figures in brackets relate to the previous year.
3. Confirmation from Debtors, Creditors squared up transactions and inter account transfer and Loanees are awaited, Hence balances shown are subject to confirmation. Sundry debtors includes on amount of Rs.1,205/- outstanding for more than six months. No provision has been made in the accounts as the same are expected to be recovered in due course.
4. In the opinion of the Board provisions in respect of all known Liabilities are made and are not in excess of the amount reasonably necessary.
5. In the opinion of the Board the current assets loans & advances are approximately of the value stated if realized in the ordinary course of business.
6. As per Management the provisions of Gratuity Act and Provident Fund Act are not applicable to the company at present.
7. Earnings and Expenditure in foreign currency: Rs. NIL

8. Particulars in respect of the Goods traded in :

Class of Goods	Unit	Opening Stock		Purchases		Closing stock		Turnover	
		Qty.	Value	Qty.	Value	Qty	Value	Qty.	Value
				Rs.Lacs				Rs. Lacs	
A. Base Paper	Kgs	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
B Chemicals	MT	NIL (NIL)	NIL (NIL)	(45.154)	(889.80)	NIL (NIL)	NIL (NIL)	(45.154)	(912.36)
C. Zinc	MT	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)

9. **RELATED PARTY DISCLOSURE**

Related party disclosures, as required by AS-18 are given below:

- i. Key Management Personal Shri Ashok . Rupani, Managing Director.
- ii Other Directors Shri Naresh S.Rupani
Shri Uttam Gada.

ENTERPRISE IN WHICH KEY MANAGEMENT PERSONNEL HAVE SIGNIFICANT INFLUENCE.

1. ANUKARAN COMMERCIALS LTD.

DETAILS OF TRANSACTIONS:

Particulars	Key Management Personal	Enterprise in which Management personal Have significant Influence.	Relatives of Directors	Outstanding.
-----	-----	-----	-----	-----
Directors Remuneration	NIL	Nil	Nil	Nil
Rent Paid	Nil	NIL	Nil	Nil
Loans & Advances given	Nil	Rs.14,45,000	Nil	NIL
Loan & Advances taken	NIL	Nil	Nil	NIL

The related party relationship have been identified by the management and relied upon by the Auditors.

10. Break up of expenditure in respect of employees who were in receipt of remuneration aggregating to:
- a. Not less than Rs. 24,00,000/- per annum : Nil
 - b. Not less than Rs. 2,00,000/- per month for part of the year: Nil
11. The other information required by Schedule VI of the companies Act 1956 is either Nil or not applicable.

SCHEDULE "A" to "J" authenticated:

As per our Report of even date:
For PACHORI & ASSOCIATES
Chartered Accountants

ASHOK S. RUPANI
Managing Director

P.V. PACHORI
Partner
(M. No.38146)

NARESH S. RUPANI

Place: Mumbai
Dated: 29TH DAY OF SEPTEMBER, 2010.

UTTAM GADA
(Director)

OREGON COMMERCIALS LTD.

BALANCE SHEET AS AT 31ST MARCH, 2010

			<u>AS AT</u> <u>31/03/2010</u>	<u>AS AT</u> <u>31/03/2009</u>
<u>SOURCES OF FUNDS :</u>				
(1)	<u>Shareholders Funds :</u>	SCHEDULE		
A.	Share Capital	A	9,600,000	9,600,000
B.	Reserves & Surplus		19,247,369	18,879,109
		TOTAL	<u>28,847,369</u>	<u>28,479,109</u>
<u>APPLICATION OF FUNDS</u>				
(1)	Fixed Assets	B	109,780	398,143
(2)	Investments	C	102,125	102,125
(3)	Current Assets, Loans, and Advances	D	39,189,046	
Less:	Current Liabilities and Provisions	E	11,210,205	
			<u>28,635,464</u>	<u>27,978,841</u>
		TOTAL	<u>28,847,369</u>	<u>28,479,109</u>

NOTE SCHEDULE 'J'

As per our report of even date

For PACHORI & ASSOCIATES
Chartered AccountantsP.V.Pachori
Partner. (M. No. 38146)
Place: Mumbai
Dated : The 28TH DAY OF MAY, 2010.ASHOK RUPANI
Managing Director

Naresh S. Rupani

UTTAM GADA
Director

OREGON COMMERCIALS LTD.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

<u>INCOME</u>		For the year ended	
		<u>31/03/2010</u>	<u>31/03/2009</u>
Sales & other income	F	1,731,938	11,457,121
	Total	<u>1,731,938</u>	<u>11,457,121</u>
 <u>EXPENDITURE</u>			
Cost of Goods sold	G	-	9,067,284
Financial charges	H	105	2,126
Miscellaneous expenses	I	1,194,154	1,057,835
	Total	<u>1,194,259</u>	<u>10,127,245</u>
Profit before Depreciation		537,679	1,329,876
Depreciation		13,096	63,468
Profit after Depreciation		<u>524,583</u>	<u>1,266,408</u>
Less: Provision for Taxation-Income Tax		157,000	304,000
Fringe Benefit Tax		-	9,009
		<u>367,583</u>	<u>953,399</u>
Add/Less: Excess/Short Provision for income tax for earlier years		677	2,705
Profit after taxation		<u>368,260</u>	<u>956,104</u>
Add : Profit as per last Balance sheet		18,879,109	17,923,005
Balance carried over to Balance sheet		<u>19,247,369</u>	<u>18,879,109</u>

Notes : - Schedule "J"
As per our report of even date
For PACHORI & ASSOCIATES
Chartered Accountants.

AHOK S. RUPANI
Mnaging Director

NARESH S. RUPANI

P.V. PACHORI
Partner. (M. No. 38146)

UTTAM GADA
Directors

Place: Mumbai
Dated : The 28TH DAY OF MAY, 2010.

OREGON COMMERCIALS LTD.**SCHEDULES A-J FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-10**

<u>SCHEDULE "A" SHARE CAPITAL</u>	As at <u>31/03/2010</u>	As at <u>31/03/2009</u>
	Rs.	Rs.
<u>AUTHORISED</u>		
10,00,000 Equity shares of Rs. 10 /- each	<u>10,000,000</u>	<u>10,000,000</u>
<u>ISSUED, SUBSCRIBED & PAID UP</u>		
960,000 Equity shares of Rs. 10/- each fully paid up in cash	<u>9,600,000</u>	<u>9,600,000</u>

OREGON COMMERCIALS LTD.**SCHEDULE "D"****CURRENT ASSETS, LOANS AND ADVANCES**

<u>A. CURRENT ASSETS</u>	<u>AS AT 31/03/2010</u>	<u>AS AT 31/03/2009</u>
Closing stock Shares	68,146	68,146
Sundry Debtors (More than 6months Rs.1205/-) (Unsecured considered good)	1,205	1,706,403
Cash on hand	7,238	20,684
Balance with schedule bank in current account	1,161,122	177,013
Advance recoverable in cash or kind for value to be received	79,934	70,234
Total A.	<u>1,317,645</u>	<u>2,042,480</u>
 <u>B. LOANS & ADVANCES</u>		
(Unsecured considered good)		
Loans (Including Interest)	27,458,093	36,820,483
Income tax deducted at source	183,255	326,083
Total B.	<u>27,641,348</u>	<u>37,146,566</u>
Total A + B	<u>28,958,993</u>	<u>39,189,046</u>

OREGON COMMERCIALS LTD.

SCHEDULE "E" CURRENT LIABILITIES AND PROVISIONS

	<u>AS AT</u> <u>31/03/2010</u>	<u>AS AT</u> <u>31/03/2009</u>
<u>A. CURRENT LIABILITIES</u>		
Sundry Creditors ---> For Goods	-	10,664,676
For Expenses	161,379	236,379
T.D.S. by us	5,150	5,150
Total A.	<u><u>166,529</u></u>	<u><u>10,906,205</u></u>
<u>B. PROVISIONS</u>		
Provision for Taxation Income Tax	157,000	304,000
Total B.	<u><u>157,000</u></u>	<u><u>304,000</u></u>
Total A+B	<u><u>323,529</u></u>	<u><u>11,210,205</u></u>

	<u>AS AT</u> <u>31/03/2010</u>	<u>AS AT</u> <u>31/03/2009</u>
<u>SCHEDULE "F" SALES AND OTHER INCOME</u>		
Sales	-	9,123,635
Interest	1,728,803	2,031,102
Other Income	-	17,608
Dividend	3,135	284,776
	<u><u>1,731,938</u></u>	<u><u>11,457,121</u></u>

OREGON COMMERCIALS LTD.

25TH ANNUAL REPORT

2009 - 2010

SCHEDULE 'G' COST OF GOODS SOLD

	<u>AS AT</u> <u>31/03/2010</u>	<u>AS AT</u> <u>31/03/2009</u>
PURCHASES	-	8,897,954
BROKERAGE & COMMISSION	-	169,330
	-	<u>9,067,284</u>

SCHEDULE "H" FINANCIAL CHARGES

	<u>AS AT</u> <u>31/03/2010</u>	<u>AS AT</u> <u>31/03/2009</u>
BANK CHARGES	105	2,126
	<u>105</u>	<u>2,126</u>

SCHEDULE "I" MISCELLENEOUS EXPENSES

	<u>2009-2010</u>	<u>2008-2009</u>
ADVERTISING EXPENCES	25,328	25,212
COMPUTER CHARGES	3,034	19,304
DEMAT CHARGES	27,164	23,133
ELECTRICITY EXPENSES	38,383	50,877
FILING FEES	4,596	11,050
GENERAL EXPENSES	7,930	24,520
LISTING FEE	11,030	10,000
COMPANY PROFESSION TAX	2,500	-
POSTAGE & TELEGRAM EXPS.	10,491	16,882
PRINTING & STATIONERY	6,736	20,839
PROFESSIONAL CHARGES	15,000	50,000
SALARIES & GRATUITY	746,435	300,407
SALES TAX & C.S.T. PAID	-	2,102
STAFF WELFARE EXPS	12,230	29,325
SERVICE CHARGES	12,441	-
TELEPHONE EXPENSES	25,203	25,878
AUDITORS REMUNERATION	50,000	
AUDIT FEES	5,150	
FOR SERVICE TAX	55,150	55,150
SUNDRY EXPENSES	-	21,156
STAMP CHARGES	236	-
LOSS ON SALE OF MOTOR CAR	190,267	-
STOCK EXCHANGE CHARGES	-	372,000
	<u>1,194,154</u>	<u>1,057,835</u>

SCHEDULE "J" MISCELLANEOUS EXPENSES**2008-09**

	<u>2008-09</u>	<u>2007-08</u>
SALARIES		300,407
MANAGING DIRECTORS REMUNERATION		-
PRINTING & STATIONERY		20,839
LISTING FEE		10,000
MOTOR CAR EXPENSES		-
DEMAT CHARGES		23,133
CONVEYANCE EXPENSES		-
PROFESSIONAL CHARGES		50,000
SUNDRY BALANCES WRITTEN OFF		-
ELECTRICITY EXPENSES		50,877
TELEPHONE EXPENSES		25,878
STAFF WELFARE EXPS		29,325
GENERAL EXPENSES		24,520
FILING FEES		11,050
ADVERTISING EXPENCES		25,212
POSTAGE & TELEGRAM EXPS.		16,882
DIRECTORS SITTING FEES		-
SALES TAX & C.S.T. PAID		2,102
COMPUTER CHARGES		19,304
AUDITORS REMUNERATION	-	
AUDIT FEES	-	
FOR SERVICE TAX	-	50,000
TRAVELLING EXPENSES	-	-
SUNDRY EXPENSES	-	26,306
RENT	-	-
DONATION	-	-
STOCK EXCHANGE CHARGES	-	372,000
	<u>-</u>	<u>1,057,835</u>

OREGON COMMERCIALS LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

<u>A. CASH FLOW FROM OPERATING ACTIVITIES :</u>	<u>2009 - 2010</u>	<u>2008 - 2009</u>
NET PROFIT BEFORE TAX AND EXTRA ORDINARY ITEMS	524,583	1,266,408
<u>ADJUSTMENT FOR</u>		
DEPRECIATION	13,096	63,468
LOSS ON SALE OF CAR	190,267	-
1 <u>LESS : INCOME/EXPENSES TRADED SEPERATELY</u>		
2 DIVIDEND INCOME	(3,135)	(284,776)
3 INTEREST INCOME	(1,728,803)	(2,031,102)
4 EXCESS PROVISION WRITTEN BACK	677	2,705
	-	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHARGES	(1,003,315)	(983,297)
<u>CHANGES IN WORKING CAPITAL</u>		
1 CHANGES IN INVENTORIES	-	5,309,753
2 CHANGES IN RECEIVABLE	6,605,198	9,759,558
3 CHANGES IN OTHER TRADE RECEIVABLES	(9,700)	121,045
4 CHANGES IN CURRENT LAIBILITIES	(11,043,676)	(12,478,749)
5 CHANGES IN LOANS & ADVANCES/TAX/TDS	4,605,218	(3,799,339)
6 PAYMENT OF TAXES	-	(9,009)
NET CHANGE IN WORKING CAPITAL	157,040	(1,096,741)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	(846,275)	(2,080,038)
<u>B. CASH FLOW FROM INVESTING ACTIVITIES</u>		
DIVIDEND INCOME	3,135	284,776
INTEREST INCOME	1,728,803	2,031,102
NETT CASH FLOW FROM INVESTING ACTIVITIES (B)	1,731,938	2,315,878
<u>C. CASH FLOW FROM FINANCING ACTIVITIES</u>		
SALE OF MOTOR CAR	85,000	-
CHANGES IN BORROWINGS ©	-	(100,000)
	85,000	(100,000)
INCREASE IN CASH & CASH EQUIVALENT (A+B+C)	970,663	135,840
OPENING CASH & CASH EQUIVALENT	197,697	61,857
CLOSING CASH & CASH EQUIVALENT	1,168,360	197,697
INCREASE IN CASH & CASH EQUIVALENT	970,663	135,840

As per our report pf even date attached
For PACHORI & ASSOCIATES
(CHARTERED ACCOUNTANTS)

P.V. PACHORI
PARTNER
M.NO. 38146
MUMBAI

Dated : The 28TH DAY OF MAY, 2010.

ASHOK S. RUPANI

NARESH S.RUPANI

UTTAM GADA
DIRECTORS.

OREGON COMMERCIALS LTD.SCHEDULE "B" FIXED ASSETS

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 01/04/09	Additions During the Year	Deletion During the Year	As at 31/03/10	Upto 01/04/09	Deletions	For the Year	Total	As at 31/3/2010	As at 31/3/2009
Motor car	2214322	-	2214322	0	1939055	1939055	0	1939055	0	275267
Furniture	856722	-	-	856722	747799	-	10892	758691	98031	108923
Air conditioner	56900	-	-	56900	53134	-	565	53699	3201	3766
Computer	244279	-	-	244279	244033	-	148	244181	98	246
Office Equipment	50490	-	-	50490	40549	-	1491	42040	8450	9941
TOTAL	3422713	-	2,214,322.00	1208391	3024570	1939055	13096	3037666	109780	398143
PREVIOUS YEAR	3422713	-	-	3422713	2961102	0	63468	3024570	398143	461611

SCHEDULE ' C ' INVESTMENT - AT COST

Name of the Company	No. of shares	Face Value	31/03/10	31/03/09
Victor Impex Ltd.	43250	10	102125	102125
Total Rs.			102125	102125

OREGON COMMERCIALS LIMITED
AUDITORS REPORT

We have audited the attached Balance sheet of Oregon Commercials Ltd. as at 31st March, 2010 and also the Profit and Loss Account and the 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 on our audit.

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 include 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.

1. 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 Annexure3 a statement on the matters specified in paragraphs 4 and 5 of the said order to the next extent applicable.

Further to our comments in the Annexure referred to 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 and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet and Profit and Loss Accounts dealt with by this report comply with the accounting standards referred to 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 is disqualified as on 31st March 2010 from being appointed as a directors in terms of clause (g) of sub-section (1) of section 274 of the Companies Act '1956.
- (f) Attention is invited to Note to Notes on Accounts, regarding sundry debtors outstanding for more than six months.
- (g) Subject to the above, in our opinion and to best of our information and according to the explanations given to us, the said accounts read with Significant Accounting Policies and Notes on 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.
 - (i) In the case of the Balance Sheet, of the state affairs of the Company as at 31st March, 2010.
 - (ii) In the case of the Profit and Loss account of the Profit for the year ended on that date and
 - (iii) In the case of cash flow statement, of the cash flows for the year ended on that date.

For PACHORI AND ASSOCIATES
Chartered Accountants

P. V. PACHORI

PARTNER
M. No. 38146

PLACE: MUMBAI
DATED: 28TH DAY OF MAY, 2010.

ANNEXURE TO THE AUDITORS REPORT

(Referred to in Paragraph 3 of our report of even date)

The annexure referred to para 1 of our report of even date on accounts of M/s. Oregon Commercials Ltd. for the year 31-03-2010.

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets on the basis of available information.
- (b) The fixed assets have been physically verified by the management during the year and we have been informed that no material discrepancies have been noticed on such verification.
- © In our opinion and according to the information & explanations given to us, a substantial part of fixed assets have not been disposed off by the company during year affecting going concern basis.
- II. (a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.
- (b) In our opinion, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- © The Company is maintaining proper records of inventory. The discrepancies noticed on verification of stocks as compared to book records were not material and these have been properly dealt with the books of accounts.
- III. (a) According to the information and explanation given to us the company has granted loans to the companies covered under register maintained under section 301 of the companies act 1956. The maximum amount involved during the year was Rs.. 14,45,000/- and the balance outstanding as on 31st March, 2010 is Rs. NIL/-.
- (b) According to the information and explanation given to us the company has not taken loan from the parties covered in register maintained under section 301 of the Companies act 1956.
- © No terms of repayment of principal and interest are stipulated.
- (d) In our opinion, the rate of interest and other terms and conditions on which loan have been granted to other 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..
- IV. In our opinion and according to the information and explanation given to us there are adequate internal control procedure commensurate with the size of the Company and nature of its business for the purchase of inventory and fixed assets and for the sale of goods. During the course of audit, we have not observed the continuing failure to correct major weakness in internal controls.

- V. In respect of transactions entered in the register maintained in pursuance of Section 301 of the Companies Act 1956.
- (a) To the best of our knowledge and belief and according to the information and explanation given to us, transaction that needed to be entered into the register have been so entered.
- (b) According to the information and explanations given to us, such transactions have been made at prices, which are reasonable having regard to the prevailing market prices at the relevant time.
- VI. The company has not accepted any deposits from public within the meaning of provisions of section 58 A & Section 58 AA of the Companies Act, 1956.
- VII. In our opinion the company has an adequate internal audit system commensurate with the size and nature of its business.
- VIII. As informed to us the company is not required to maintain cost accounts and records as prescribed by Central Government under section 290 (1)(d) of the Companies Act 1956.
- IX. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues have been generally deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as on 31st March, 2010 for a period of more than six months from the date of becoming payable.
- X. The Company has no accumulated losses and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- XI. In our opinion according to the information and explanations given to us, the company has not taken any loans from financial institutions, banks or debenture holders.
- XII. In our opinion and according to the information and explanation given to us, 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.
- XIII. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit/society. Therefore, clause 4(xiii) of the Companies (Audit Report) Order, 2003 are not applicable to the company.
- XIV. In our opinion, the company is dealing or trading in shares, Securities, debentures and proper records of the transactions have been maintained by the company. The Investments held for deriving the dividend income are in the name of the company.

- XV. In our opinion. The company has not given any guarantee for loans taken by others from banks or financial institutions.
- XVI. The Company has not raised any new term loans during the year.
- XVII. On the basis of an overall examination of the Balance Sheet of the Company and according to the information and explanations given to us, in our opinion, funds raised on short term basis have not been used during the year for long term investment and vice versa.
- XVIII. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.
- XIX. The Company has not issued any debentures till date.
- XX. The Company has not raised any money by public issue during the year.
- XXI. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted audit practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

3/1106® Navjivan Society
Lamington Road,
Mumbai-400 008.

For PACHORI & ASSOCIATES
Chartered Accountants

PLACE: MUMBAI

Dated: 28TH DAY OF MAY, 2010.

P.V. Pachori

Partner.
M.No. 38146.