

AUDITORS' REPORT

Audit Report to the members of **M/S Rajesh Solvex Limited.**

- 1 We have audited the attached balance sheet of M/s Rajesh Solvex Limited, as at **31 st March 2010**, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. 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.
- 2 We conducted our audit in accordance with the 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 includes assessing the accounting principals 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.
- 3 As required by the Company (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 of India (the ACT) and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, we further report that:
 - (i) a. The company was maintaining proper records showing full particulars including quantitative details and situation of fixed assets which could not be produced before us.
 - b. As explained by management, the fixed assets are physically verified by the management at reasonable intervals, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. The fixed assets were physically verified by the management during the year and no material discrepancies between the book records and the physical inventory were noticed.
 - c. In our opinion and according to the information and explanation given to us, no substantial part of the fixed assets has been disposed off by the company during the year.
 - (ii) a. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. However, there was no inventory as on **31.03.2010** except spare parts and packing materials.
 - b. In our opinion, the procedure of physical verification of inventory 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 inventory records, in our opinion, the company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification of inventory.
 - (iii) a. The company has taken unsecured loans from **4 Directors Rs. 68,07,680/-** and from **28** of their relative & their concerns **Rs. 1,73,09,839/-** listed in the register maintained under section 301 of the Companies act 1956,
 - b. Rate of interest and other terms & conditions of the unsecured loans are not prejudicial to the interest of company.
 - (iv) There is an adequate internal control procedures commensurate with the size of the company and the nature to its business for the purchase of inventory and fixed assets and for the sale of goods. However, during the year, company had no material purchase or sale. No continuing failure was noticed for correcting major weakness in the aforesaid internal control procedures.
 - (v) In our opinion and according to the information and explanation given, there was no transaction of purchases of goods and materials and sale of goods made in pursuance of the contracts or arrangements entered in the register maintained u/s 301 of the Companies Act 1956.
 - (vi) The company has not accepted any deposits from the public within the meaning of Section 58A and 58 AA of the Act and the rules framed thereunder.
 - (vii) The Company has no internal audit system during the year.
 - (viii) The Central Government has not prescribed maintenance of cost records
 - (ix) Generally company is regular in depositing undisputed statutory dues except Provident

- Fund (Including Employer's Contribution) which was deposited late throughout the year. However, PF amount of Rs. 33971 /- was not paid for the month of May, June, July and March till the date of audit. and FBT of Rs. 14546/- was also remained unpaid till the date of audit.
- (x) The company has accumulated losses as at the year end, are 89% of its networth and it incurred cash losses during preceeding years except current year and last two years.
- (xi) The company has now no outstading secured loans.
- (xii) The company has not granted any loan or advances against pledge of shares and other securities.
- (xiii) The provisions of any special statute applicable to chit fund/nidhi/mutual benefitfund/societies are not applicable to the company.
- (xiv) The company has not entered in to any transaction of shares, debentures and other invesments during the year.
- (xv) The company has not given any type of guarantee for loan taken by others.
- (xvi) In our opinion and according to the information and explanation given to us, on an overall basis, the term loan has been applied for the purposes for which they were obtained. However during the year, not term loan was obtained.
- (xvii) On the basis of examination of the balance sheet of the company in our opinion short term raised funds have not been used for long term invesment in fixed assets & vice versa.
- (xviii) The company has not made any preferential allotment of shares to parties.
- (xix) No securities have been created in respect of debentures as no debentures were issued.
- (xx) The company has not raised any money by public issues during the year.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us. no fraud on or by the company was noticed or reported during the year.

4 Further to our comments in paragraph 3 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 , Profit and Loss Account and Cash Flow Statement dealt with by the report are in agreement with the books of account.
- D In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
- E On the basis of written representations received from the directors, and taken on record by the Board of Directors, none of the directors is disqualified as on **31st March 2010** from being appointed as director in terms of clause (g) of sub-section (i) of section 274 of the Act;
- F In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act 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 of affairs of the Company as at **March 31st 2010**,
 - ii. In the case of the Profit and Loss Account, of the loss for the year ended on that date and
 - iii. In the case of the Cash Flow Statement, of the cash flows for the year ended on that that.

**FOR K. C. MOONDRA & CO.
CHARTERED ACCOUNTANTS**

**PLACE: SHEOGANJ
DATE: 16.08.2010.**

**(CA. K.C. MOONDRA)
PARTNER
M.No.070789**

RAJESH SOLVEX LIMITED
BALANCE SHEET AS AT 31 ST MARCH 2010

	Schedule	As At 31.03.10	As At 31.03.09
SOURCES OF FUNDS			
1 Share holders Funds			
Share Capital	1	54999000	54999000
Reserves & Surplus	2	1500000	1500000
		<u>56499000</u>	<u>56499000</u>
2 Loans Funds			
Secured Loans	3	0	0
Unsecured Loans		24117519	14588606
		<u>24117519</u>	<u>14588606</u>
TOTAL (1 TO 2)		<u>80616519</u>	<u>71087606</u>
APPLICATION OF FUNDS			
1 Fixed Assets:			
Gross Block		61945547	57175830
Less: Depreciation/loss	4	41752361	39060660
Net Block		<u>20193186</u>	<u>18115170</u>
2 Investments at Cost	5	9000	9000
3 Current Assets, Loans & Advances:			
Inventories	6	2136263	19235911
Sundry Debtors	7	465633	14825941
Cash & Bank Balances	8	410360	2495871
Loans & Advances	9	1228648	1366283
		<u>4240904</u>	<u>37924006</u>
Less: Current Liabilities & Provisions	10	1228363	35250119
		<u>3012541</u>	<u>2673886</u>
4 Miscellaneous Expenditure	11	57401793	50289550
TOTAL (1 to 4)		<u>80616520</u>	<u>71087606</u>
Notes to Accounts	18		

As per our report of even date
For **K.C.MOONDRA & CO.**

For & on behalf of the Board of Directors

(K.C.MOONDRA)
PARTNER

(S.P.JAIN)
MANAGING DIRECTOR

(P.P.JAIN)
WHOLETIME DIRECTOR

RAJESH SOLVEX LIMITED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2010

	Schedule	As At 31.03.10	As At 31.03.09
INCOME			
Sales		172544629	249474111
Other Income		301572	3924794
Increase / (Decrease) in Stock	12	-17099648	19155911
TOTAL (A)		155746554	272554816
EXPENDITURE			
Rawmaterial Consumed	13	137596214	229607908
Packing Material Purchases		1615403	1346299
Consumable goods (Haxine)		2735910	4737194
Purchases for resales		0	3757541
Processing Direct Expnses	14	13154552	25474923
Employees Cost	15	326154	235464
Other Expenditure	16	2711719	2801681
Financial Expenses	17	2027145	1544468
TOTAL (B)		160167095	269505477
Profit Before Depreciation (A)-(B)		-4420542	3049338
Depreciation		2691701	2691701
Profit Before Taxation		-7112243	357637
Provision for Taxation (FBT)		0	14546
Profit after Taxation		-7112243	343091
Last Year's Balance Carried Forward		-50289550	-50632641
Profit Before Appropriation		-57401793	-50289550
Provision for Proposed Dividend		0	0
Transfer from General Reserves		0	0
Profit carried to Balance Sheet		-57401793	-50289550
Notes to Accounts	18		

As per our report of even date
For K.C.MOONDRA & CO.

For & on behalf of the Board of Directors

(K.C.MOONDRA)
PARTNER

(S.P.JAIN)
MANAGING DIRECTOR

(P.P.JAIN)
WHOLETEIME DIRECTOR

PLACE: SHEOGANJ
DATE: 16.08.2010

RAJESH SOLVEX LIMITED

SCHEDULE 1	As At 31.03.10	As At 31.03.09
SHARE CAPITAL		
<u>Authorised Capital</u> 6000000 Equity Shares of Rs 10/- each	<u>60000000</u>	<u>60000000</u>
<u>Issued, Subscribed and paid up</u> 5499900 Equity Shares of Rs 10/- each fully paid up	<u>54999000</u>	<u>54999000</u>

SCHEDULE 2

RESERVES & SURPLUS

1 Rajasthan State Subsidy	1500000	1500000
2 General reserve	0	0
TOTAL	<u>1500000</u>	<u>1500000</u>

SCHEDULE 3

From Financial Institutions	0	0
From Other	0	0
TOTAL	<u>0</u>	<u>0</u>

RAJESH SOLVEX LIMITED
FIXED ASSETS AS ON 31.03.2010

Sr No	Assets	Gross Block			Depreciation			
		As at as at 31.03.09	Addition	reduction	as at 31.03.10	As at 2009	For the Year	As at 31.03.10
1	Free hold land	456810	0	0	456810	0	0	0
2	Lease hold Land	655886	0	0	655886	0	0	0
3	Factory Building							
A	Solvent Plant	13166957	0	0	13166957	6878902	439776	7318678
B	Refinery Plant	831513	0	0	831513	370107	27773	397880
4	Plant & Machineries							
A	Solvent Plant	28328236	0	0	28328236	22461643	1495731	23957374
B	Refinery including Thermic Fluid	11820941	0	0	11820941	8343863	624146	8968009
C	Acid Oil Unit & Effluent Treatment Plant	733007	0	0	733007	486491	38703	525194
D	Chilling Unit Auto matic Flowdown System	220475	0	0	220475	146322	11641	157963
E	QUALITY CONTROL EQUIPMENT	58240	0	0	58240	15375	3075	18450
F	R.O. Plant	604990			604990	159105	31944	191049
5	Furniture	298775	0	0	298775	198852	18912	217764
6	New Plant & Machi. Progress		5E+06		4769717	0	0	0
	TOTAL	57175830	5E+06	0	61945547	39060660	2691701	41752361

SCHEDULE 5

	As At 31.03.10	As At 31.03.09
INVESTMENTS AT COST		
6 Years National Saving Certificates	4000	4000
Indira Vikas Patra	5000	5000
TOTAL	<u>9000</u>	<u>9000</u>

SCHEDULE 6

INVENTORIES		
(Taken, Valued and certified by the Management)		
Stores & Spares (at Cost)	75000	75000
Raw Materials (at Cost)	1881	0
Finished Goods (Lower of Cost or Market value)	408400	17721040
Consumable goods in process (Hexine)	680000	675000
Packing Material (at market Value)	970982	764871
TOTAL	<u>2136263</u>	<u>19235911</u>

SCHEDULE 7

SUNDRY DEBTORS		
(Unsecured & Considered Good)		
Exceeding six months	465633	13701
Others	0	14812240
TOTAL	<u>465633</u>	<u>14825941</u>

SCHEDULE 8

CASH & BANK BALANCES		
Cash in hand	75688	262746
In Current account with Scheduled Banks	334672	2233125
TOTAL	<u>410360</u>	<u>2495871</u>

SCHEDULE 9

LOANS & ADVANCES		
(UNSECURED & CONSIDERED GOOD)		
a. Advances (recoverable in cash or in kind or for value to be received)	1196709	767016
b. Deposits (Income Tax Refundable)	31939	599267
TOTAL	<u>1228648</u>	<u>1366283</u>

SCHEDULE 10**CURRENT LIABILITIES & PROVISIONS**

a. Current Liabilities			
Sundry Creditors:			
For Capital goods	0		0
For Goods	356037		40427531
For Expenses	607070		736258
For Others	<u>751030</u>		<u>696612</u>
		1714137	41860400
b. Provision for FBT		0	14546
c. Provision for Provident Fund		9225	33971
d. TDS		219564	160516
f. Vat & CST(Refundable)		-714563	-7215402
g. Electricity power bill Payable		0	377412
h. Entry Tax payable		<u>0</u>	<u>18676</u>
TOTAL		<u>1228363</u>	<u>35250119</u>

SCHEDULE 11**MISCELLANEOUS EXPENDITURE**

Preliminary Expenses		0	0
(To the extent not written off)			
Profit & Loss Account		-57401793	-50289550
TOTAL		<u>-57401793</u>	<u>-50289550</u>

SCHEDULE 12**INCREASE / (DECREASE) IN STOCK**

Stock as on 31.03.2010			
Stores & Spares (at Cost)	75000		75000
Finished Goods	1090281		18396040
Work In Progress	0		0
Packing Materials	<u>970982</u>	2136263	<u>764871</u> 19235911
Stock as on 31.03.2009			
Stores & Spares (at Cost)	75000		75000
Finished Goods	18396040.2		0
Work In Progress	0		0
Packing Materials	<u>764870.5</u>	19235911	<u>5000</u> 80000
Increase/ (Decrease) in stock		<u>-17099648</u>	<u>19155911</u>

SCHEDULE 13**RAWMATERIALS CONSUMED**

Opening Stock		0	0
Add: Purchases		<u>137596214</u>	<u>229607908</u>
		137596214	<u>229607908</u>
Less: Sales		0	0
Closing Stock		0	0

TOTAL137596214229607908**SCHEDULE 14**

PROCESSING DIRECT EXPENSES

Wages, Salaries & Bonus	0	751305
Labour Charges	1012499	1523165
Power & Fuel	3450435	9121927
Diesel Expneses	115887	291762
Stores & Spares Consumed /loss	641356	2035446
Freight & Cartage	6996977	11555730
Lab Testing expenses	417063	91599
Refinery Operating expnese	13830	54227
Boiler Operating expenses	490025	44942
Water Charges	16480	4820
	<u>13154552</u>	<u>25474923</u>

SCHEDULE 15

EMPLOYEES COST

Directors' Remuneration & Allowances	0	
Provident Funds	50397	102386
Salaries	275757	133078
	<u>326154</u>	<u>235464</u>

TOTAL**SCHEDULE 16**

OTHER EXPENDITURE

Incetives	18000	
Weight brige repairs Exp	30870	
Postage	5251	6289
Rate difference and Rebat	949077	803874
Bank Charges	100418	135767
Insurance	87377	157428
Legal & Professional Charges	55655	151897
Professional Tax	13400	
Vat Reverse Tax	59746	
Brokerage and commison	333654	
General Office Exp.	279130	
Miscellaneous Expenses		295747
Telephone	64340	110961
Printing & Stationery	12494	22859
Repairs & Maintainenance	253529	657705
Share Transfer Expenses	179661	41766
Travelling	60911	85211
Electricity expenses	38006	61635
Entery Tax	83895	147876
Convyannce expenses	58618	81726
Two Wheeler vehical expenses	7690	19690
Advertisement Expenses		1250

Rounded off		-3	0
<u>Payment to Auditors</u>			
For Audit	20000		20000
For Other Services	<u>0</u>		<u>0</u>
		20000	20000
TOTAL		<u>2711719</u>	<u>2801681</u>

SCHEDULE 17

FINANCIAL CHARGES

a. Interest

On Term Loan	0		109025	
On LIC Loan	0		121960	
Other Interest	2027145	2027145	1009189	1240174
TOTAL		<u>2027145</u>	<u>2027145</u>	<u>1240174</u>

SCHEDULE 18

NOTES ON ACCOUNTS FORMING PART OF THE ACCOUNTS AS ON 31.03.2010

1 **SIGNIFICANT ACCOUNTING POLICIES**

(a) ACCOUNTING CONVENTION

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year. However Company has not been provided deferred tax liability in the books of accounts as per A.S. 23

(b) FIXED ASSETS

Fixed Assets stated in their original cost of acquisition / installation and are shown net of depreciation.

(c) DEPRECIATION

(I) Depreciation is provided as per Schedule- XIV of the Companies Act 1956 on Straight Line Method.

(d) INVESTMENTS

Investments are shown at cost.

(e) INVENTORIES

Inventories are valued at cost or market value whichever is lower.

(f) SALES

This year entire sales is it's own and no job was done.

(g) CONTINGENT LIABILITIES

Freight and cartage includes inward freight of Rs. 454991/-, outward freights Rs.6514138/- and cartage Rs. 28748/-. Management explained that company has not paid and provided any service tax of freight claiming that freight was paid on production and supply of goods for Exports, but no provision was made for service tax payable on freight to the extent of Rs. 215346/-. However.

2 During the year, company has completely used plant & machinery for processing of oil cakes & Refining

of edible oil.

3 Balances in Sundry Debtors, Sundry Creditors and other balances with third parties are subject to confirmations.

4 MANAGERIAL REMUNERATION - No Managerial remuneration was paid this year also.

5 Other Income includes following items:-

Weigh Bridge income	31979
Rebate and Cash discount	4242
Office Rent (Vazir Polymer's)	18000
Income from Other Source	11500
Interest received	235851
	<u>301572</u>

6 Company has no Subsidiary Company.

7 Company did not deduct PF contribution of employees but whenever, it was deposited, it was deposited completely by the company. P.F. (Including employer's contribution) from April to November, 2009 for Rs. 41172/- was deposited on 07.12.2009 and balance P.F. so provided for Rs. 9,225/- was not deposited till the date of audit.

8 Sundry Creditors includes an amount of Rs. 626973/- (named Riico Land A/c) received by the company under protest against the acquisition of company's land and the matter is disputed in the civil court.

9 Neither bonus was paid nor it was provided for.

10 Additional Information pursuant to part II of Schedule IV of the Companies Act 1956.

A. PARTICULARS OF RAWMATERIAL CONSUMED

CLASS OF GOODS	Year Ended on 31.03.2010		Year Ended on 31.03.2009	
	Quantity in M/T	Value in Rs	Quantity in M/T	Value in Rs
I Mustard Oil Cakes Purchases	10973.641	137596214	21102	229607908
II S E O & Degummed Oil Purchases				
III Mustard Refind Oil	0	0		
IV SEO Transferred from Solvent Plant to Refinery	157.000			
Total		137596214	0	229607908
B SALES				
I De-Oiled Cakes	11651.098	131430899	19505	183880044
II S E Oil	785.670	31355453	168	7415851
III Refined Oil	175.235	8070672	1094	57172384
IV Non edible oil	54.890	1081793	47	973794
V By other		605812	0	32039
Total		172544629		249474111
C STOCKS OF FINISHED GOODS				
I De-Oiled Cakes	30.000	240000	1062	9347175
II S E Oil	0.000	0	156	6489355
III Refined Oil	0.190	1881	26	1164150
IV Non edible oil			40	720360
V By Product	38.050	848400	0	0
Total		1090281		17721040

D CAPACITY & PRODUCTION (IN M/T)

a <u>CLASS OF GOODS</u>	LICENCED/ INSTALLED CAPACITY CURRENT YEAR	ACTUAL PRODUCTION CAPACITY PREVIOUS YEAR
I De- Oiled Cakes	90000 M/T Consumption of moc	90000 M/T Consumption of moc
II Refined Oil	7500 M/T Consumption of S.E.O	7500 M/T Consumption of S.E.O
b <u>Production (in MT.)</u>	CURRENT YEAR	PREVIOUS YEAR
I De- Oiled Cakes	10618.919	20,567.02
II S.E.Oil	786.300	251.43
III Refined Oil	149.555	1,120.03
IV Recovered oil	14.870	86.58
V Production Shortage	-	-
	<u>11,569.644</u>	<u>22,025.050</u>

E RAWMATERIAL & CONSUMABLES CONSUMED

<u>Particulars</u>	Year Ended on 31.03.10		Year Ended on 31.03.09	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
I RAW MATERIALS				
(a) Imported	0	0	0	0
(b) Indigenous	137596214	100	229607908	0
	<u>137596214</u>	<u>100</u>	<u>229607908</u>	<u>0</u>
II CONSUMABLES				
(a) Imported	0	0	0	0
(b) Indigenous	2739010	100	4737194	100
	<u>2739010</u>	<u>100</u>	<u>4737194</u>	<u>0</u>

F EXPENDITURES / PAYMENTS IN FOREIGN CURRENCY

	31.3.2010	31.3.2009
(a) Expenditures	Nil	Nil
(b) Remittances in Foreign Currency	Nil	Nil
(c) C.I.F Value of Imports	Nil	Nil

G EARNINGS IN FOREIGN EXCHANGE

	31.3.2010	31.3.2009
(a) F.O.B Value of Exports (D.O.C)	Nil	Nil
(b) Other Earnings	Nil	Nil
	<u>Nil</u>	<u>Nil</u>

13 BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE: (In Lakhs)

1	Registration Details:	
	State Code	11-54734
	Balance Sheet Date	31.3.2010
2	Capital Raised During the Year	
	Public Issue	Nil
	Right Issue	Nil
	Bonus Issue	Nil
	Private Placement	Nil
3	Position of Mobilisation and Deployment of Funds	
	Total Liabilities	806
	Total Assets	806
	Source of Funds:	
	Paid up Capital	550
	Reserves & Surplus	15
	Secured Loans	0
	Unsecured Loans	<u>241</u>
		806
	Application of Funds	
	Net Fixed Assets	202
	Investments	0
	Net Current Assets	30
	Miscellaneous Expenditure	<u>574</u>
		806
4	Performance of Company	
	Turnover	1557
	Total Expenditure	1629
	Profit/(Loss)before tax	-71
	Profit/(Loss)after tax	-71
	Earnings Per Share (Rs.)	-1
	Dividend Rate	--
	Note: Turnover includes other Income and total expenditure includes depreciator	

5 Generic Names of Three Principal Products of the Company:

<u>Item Code No</u>	<u>Product Description</u>
31515500	Solvent Extracted Mustard Oil (S.E.O)
2110(DIC)	Mustard De-Oiled Cake (D.O.C)
15162000	Rapseed Solvent Extracted Refined Oil (S.E.O Refined)

Signatures to Schedule "1" to "18"

As per our report of even date

For & on behalf of the Board of Directors
For K.C.MOONDRA & CO.**(S.P.JAIN)**
MANAGING DIRECTOR**(P.P.JAIN)**
WHOLETIME DIRECTOR**(K.C.MOONDRA)**
PARTNER

PLACE: SHEOGANJ

CASH FLOW STATEMENT

Cash Flow Statement Annexed to the Balance Sheet of Rajesh Solvex Limited for the year ended 31/03/2010

Particulars	31st March 2010	31st March 2009
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit After Tax as per P & L A/c	-71.12	3.43
Adjusted For:		
Net Prior Years Expenses	0.00	0.00
(Preliminary Expenses written off)		
Net Profit Before Tax & Extraordinary Items	-71.12	3.43
Adjusted For:		
Depreciation/ Loss	26.92	26.92
Loss On Revaluation/sale of Assets	0.00	0.00
Interest / Other Income	-3.02	-39.25
Interest Expenses	20.27	15.44
Operating Profit Before Working Capital Changes	-26.95	6.54
Adjusted For:		
Trade & Other Receivables	144.98	-149.82
Inventories	171.00	-191.56
Trade Payables	-340.22	327.39
Cash Generated From Operations	-51.19	-7.44
Interest Paid	-20.27	-15.44
Cash Flow Before Extraordinary items	-71.46	-22.89
Net Prior Years Expenses	0.00	0.00
Net Cash From Operating Activities	-71.46	-22.89
B Cash Flow From Investing Activities		
Purchase of Fixed Assets	0.00	0.00
Sale of Investments	0.00	0.00
Movement in Loans	95.29	19.91
Interest/Other Income	3.02	39.25
Dividend Income	0.00	0.00
Net Cash From Investing Activities	98.30	59.16
C Cash Flow From Financing Activities		
Proceeds from Issue of Share Capital(Net)	0.00	0.00
Increase in Cash and Bank Balance on Amalgamation	0.00	0.00
Increase in Secured Loans	0.00	-12.83
Repayments of Secured Loans	0.00	0.00
Preliminary Expenses (Incl. Issue Expenses)	0.00	0.00
Net Cash Used in Financing Activities	0.00	-12.83
Net Increase in Cash and cash Equivalents (A+B+C)	26.84	23.44
Opening Balance of Cash and Cash Equivalents	24.97	1.53
Closing Balance of Cash and Cash Equivalents	51.81	24.97

For & on behalf of the Board of Directors

Chairman & Managing Director

Auditor's Certificate

We have verified the attached Cash Flow Statement of Rajesh Solvex Ltd, derived from audited financial statements and the books and records maintained by the company for the year ended 31st March 2008 and 31st March 2009 and found the same agreement therewith.

For K.C.MOONDRA & CO.

Place: Sheoganj