

AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL OXYGEN LIMITED

We have audited the attached Balance Sheet of **NATIONAL OXYGEN LIMITED** as at 31st March 2011, and the Profit & Loss Account and 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 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.

As required by the Companies (Auditor's Report) Order 2003 (as amended) issued by the Central Government 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 paragraph 4 & 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

1. 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;
2. In our opinion, the company has kept proper books of Accounts as required by law so far as appears from our examination of those books;
3. The Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by the report are in agreement with the books of account;

AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL OXYGEN LIMITED (Contd..)

4. 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 Companies Act, 1956.

5. On the basis of the written representations received from the directors as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act' 1956.

6. 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 'NOTES' thereon, 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 Balance Sheet, of the state of affairs of the Company as at 31st March, 2011.
 - ii) In the case of the Profit & Loss Account, of the Profit of the Company for the year ended on that date, and
 - iii) In the case of the Cash Flow Statement of the Cash flows of the Company for the year ended on that date.

For SINGHI & CO.,
Chartered Accountants

(SUDESH CHORARIA)
Partner
Membership No. 204936
FRNo. 302049E

Chennai,
Dated : 30th May 2011.