

33rd ANNUAL REPORT

CONFIDENCE TRADING COMPANY LIMITED

2012 - 2013

Registered Office:
9, Botawala Building, 3rd Floor,
11/13, Horniman Circle, Fort,
Mumbai 400001
www.ctcl.co.in
ctclbse@gmail.com

CONFIDENCE TRADING COMPANY LIMITED

Registered Office: 9, Botawala Building, 3rd Floor, 11/13, Horniman Circle, Fort, Mumbai 400001

33rd ANNUAL REPORT

BOARD OF DIRECTORS

Mr. A. R. Coutinho	-	Managing Director
Mr. Manoj Naginlal Jain	-	Executive Director
Mr. Lalitkumar Roshanlal Maroo	-	Non – Executive Independent Director

AUDITORS

M/s Suresh Anchaliya & Co.

Chartered Accountants

1608/C, Panchratna,

Opera House,

Mumbai 400004

REGISTERED OFFICE

9, Botawala Building, 3rd Floor,

11/13, Horniman Circle, Fort,

Mumbai 400001

www.ctcl.co.in

ctclbse@gmail.com

BANKERS

Axis Bank Ltd.

HDFC Bank Ltd.

REGISTRAR & SHARE TRANSFER AGENT

Purva Share Registry (India) Private Limited

9, Shiv Shakti Industrial Estate,

J.R. Boricha Marg, Lower Parel (E),

Mumbai 400 011

www.purvashare.com

busicomp@vsnl.com

NOTICE

Notice is hereby given that the 33rd (Thirty Third) Annual General Meeting (AGM) of the Members of **CONFIDENCE TRADING COMPANY LIMITED** will be held on **30th September, 2013** on **Monday** at **3:30 PM** at the Registered Office of the company at 9, Botawala Building, 3rd Floor, 11/13, Horniman Circle, Fort, Mumbai 400001 to transact the following business;

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013, and the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Ordinary Shares.
3. To appoint a Director in place of **Mr. Lalit Maroo**, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint auditors and to fix their remuneration in consultation with the board.

SPECIAL BUSINESS:

1. Preferential Allotment

To Consider and if thought fit, pass with or without modifications, the following resolution as a *Special Resolution*:

“RESOLVED THAT in accordance with the provisions of Section 81 (1A) and all other applicable provisions, if any, of the Companies Act, 1956, provisions of SEBI Act and SEBI’s Guidelines and other applicable provisions including any statutory modification(s) or re-enactment thereof, for the time being in force, the provisions of the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 [“SEBI (ICDR) Regulations”] and any amendment thereof, any other Guidelines or Regulations of SEBI, Listing Agreement entered into with the Stock Exchanges, where the shares of the Company are listed, and any other applicable laws / rules / regulations and subject to the consent / approval of any other authority / institution, the consent of the Company be and is hereby accorded to create, offer, issue and allot up to **15,00,000** fully convertible **Warrants** at a issue price of Rs. **300/- (Rupees Three Hundred only)** per warrant, on a preferential basis to the allottee (Non Promoter)s, as detailed in the Explanatory Statement forming part of this Notice, with a right to subscribe to equal number of equity shares on conversion within a period of 18 (Eighteen) months from the date of allotment of such warrants of nominal value of Rs. 10/- (Rupees Ten only) each and fully paid up at a price of Rs. 300/- per Warrant including premium of Rs. 290/- (Rupees Two hundred ninety Only) per warrant, which is more than the price calculated in accordance with the Guidelines for Preferential Issue, issued by SEBI so that the total number of equity shares to be issued by the Company upon conversion of the Warrants do not exceed 15,00,000 (Fifteen Lac only) equity shares of Rs. 10/- each, at a premium of Rs. 290/- each on such terms and conditions as may be decided and deemed appropriate by the Board of Directors of the Company (hereinafter referred to as the “Board”, which shall be deemed to include any duly authorized committee thereof), at the time of issue or allotment, subject to the overall guidelines governing such issue.

The names of the Proposed Allottees of Warrants, whether or not they are existing members of the Company, along-with the No. of proposed warrants to be allotted to on Preferential issue basis, are detailed below:-

Sr. No	Name of Proposed Allottees of Warrant	No. of Shares to be Issued /Converted	Post Issue Holding	Relationship
1	Emerald Digital Media Limited	1500000	1500000	Non Promoter

RESOLVED FURTHER THAT the pricing of the Equity Shares to be allotted on conversion of the above said warrants, calculated in accordance with the SEBI Guidelines on the 'Relevant Date' in relation to the conversion of one warrant into one Equity Share, and the relevant date as under:

- I. The 'Relevant Date' as per SEBI (ICDR) Regulations for the determination of applicable price for issue of aforesaid Equity Shares is August 31, 2013
- II. 15,00,000 (Fifteen Lacs) Warrants of Rs.10/- each shall be convertible into 15,00,000 (Fifteen Lacs) Equity Share of the face value of Rs.10/- each on payment of aggregate price on the following terms and conditions:
 - (a) Exercise of offer for conversion of the warrants shall be at the sole option of the warrant holders at any time within a period of 18 months from the date of allotment of warrants in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ["SEBI (ICDR) Regulations"] or any amendment thereof.
 - (b) The warrant holder(s) shall pay an amount equivalent to 25% i.e. Rs. 75/- (Rupees Seventy Five only) per warrant of the value of the warrant on or before the date of allotment of warrants.
 - (c) The amount referred to in point (b) above shall be adjusted against the price payable subsequently for acquiring the shares by exercising an option by the warrant holder(s).
 - (d) The warrant holder(s) shall pay on or before the date of conversion of such warrants into equity shares, the balance 75% (Rs. 225/- per warrant).
 - (e) The amount referred in above (b) shall be forfeited, if the option to convert the shares is not exercised by the warrant holder(s) within the stipulated time.
- III. The warrants shall be locked in as per the provisions Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ["SEBI (ICDR) Regulations"] or any amendment thereof.
- IV. The allotment of convertible warrants shall be completed within a period of 15 days from the date of passing of this resolution by the shareholders, provided, that where the allotment is pending on account of pendency of any approval from any Regulatory Authorities, Stock exchanges or the Central Govt., the allotment shall be completed by the Company within a period of 15 days from the date of such approvals.

- V. The details of all monies utilized out of the preferential issue proceeds shall be disclosed under an appropriate head in the Balance Sheet and/or Directors' Report of the Company, indicating the purposes for which such monies have been utilized and that the details of the unutilized monies shall be disclosed under a separate head in the balance sheet of the Company indicating the form in which such unutilized money have been invested.
- VI. The number of warrants and the price per warrant shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of a division or any such capital or corporate restructuring. The similar benefit of corporate actions such as bonus issue, rights issue, stock split, and merger will be extended to the warrant holders through reservation of warrants/ shares. The warrant holders will be entitled to benefit of bonus shares on the date of conversion of warrants into equity shares.

RESOLVED FURTHER THAT the Equity Shares so issued on conversion of warrants shall upon allotment have the same rights of voting as the existing equity shares and be treated for all other purposes *pari passu* with existing equity shares of the Company and that the equity shares so allotted during the financial year shall be entitled to the dividend, if any, declared including other corporate benefits, if any, for the financial year in which the allotment has been made and subsequent years.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to agree and accept all such condition(s), modification(s) and alteration(s) as may be stipulated by any relevant authorities while according approval or consent to the issue as may be considered necessary, proper or expedient and give effect to such modification(s) and to resolve and settle all questions, difficulties or doubts that may arise in regard to such issue and allotment and to do all acts, deeds and things in connection therewith and incidental thereto without being required to seek any further consent or approval of the members of the Company to the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Company shall ensure that whilst any warrants remaining exercisable, it will at all times, keep available and reserved such part of its authorised but unissued share capital as would enable all outstanding warrants to be satisfied in full.

RESOLVED FURTHER THAT the Company do apply for listing of the new equity shares as may be issued on conversion of warrants with the relevant Stock Exchange(s) where the shares of the company are listed.

RESOLVED FURTHER THAT the Company do make an application to the National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL) for admission of the new equity shares to be issued on conversion of warrants on preferential basis as and when required."

REGISTERED OFFICE:

9, Botawala Building, 3rd Floor,
11/13, Horniman Circle, Fort,
Mumbai: 400001

By Order of the Board Of Directors

Date: 30th August, 2013

Manoj Jain
Director

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/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- 2) The relevant Explanatory Statements, pursuant to Section 173 of the Companies Act,1956, in respect are annexed hereto. The relevant details of persons seeking appointment as Directors under the said items, as required by Clause 49 of Listing Agreement entered into with the Bombay Stock exchange is also annexed.
- 3) The Register of Members and the Transfer Book of the Company will remain closed from 22nd September, 2013 to 30th September, 2013 (both days inclusive).
- 4) Members / Proxies should bring attendance slip duly filled in for attending the meeting. Members are also requested to bring their copies of Annual Report.
- 5) Members are requested to notify immediately any change in their address details to the Company's Registrar and share transfer agents for shares held in demat / physical form at In-house Share Registry since all shares are in physical formate.
- 6) Printed copies of the Balance Sheet, Statement of Profit and Loss, Director's Report, the Auditor's Report and every other documents required by the law to be annexed or attached to the Balance Sheet for the year ended 31st March, 2013 are enclosed herewith.
- 7) Members seeking any information with regard to accounts are requested to write to the company at least one week in advance so as to enable the management to keep the information ready.
- 8) Proxies in order to be effective must be deposited duly stamped and signed at the Registered Office of the Company not less than 48 hours before the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT 1956:

The following explanatory statement sets out all material facts relating to the special business set out in the accompanying notice of the Annual General Meeting (AGM) of the members of **Confidence Trading Company Limited** to be held at 9, Botawala Building, 3rd Floor, 11/13, Horniman Circle, Fort, Mumbai 400001 on 30th September, 2013 at 3.30 PM.

Item No. 1

As per Section 81(1A) of the Companies Act, 1956 and regulation 72(1) of ICDR Regulations and approval of shareholders in the Annual General Meeting is required for allotment and issue of 15,00,000 (fifteen Lacs) warrants convertible into equity shares on preferential basis and hence the resolution is placed before the shareholders.

The Directors recommended the resolution for your approval.

The required disclosure as per provision of chapter VII of SEBI ICDR Regulations regarding Proposed issue is as under:-

1) Objects of this issue: -

- In Order to generate long term resources for implementing future growth plans, it is proposed to issue convertible warrants on a preferential basis.
- The Proceeds of the proposed preferential allotments of warrants convertible into equity shares will strengthen the financial position of the company.

2) Intention of Promoters /Directors /Key management persons to subscribe to the offer :

None of the Promoters/Directors/Key Management persons intends to subscribe this offer.

3) Shareholding pattern before and after the issue:-

The shareholding pattern before and after completion of the proposed preferential issue would be as under:-

Sr. No.	Category	Pre – issue holding		Post-conversion holding.	
		No. of shares	% of Capital	No. of shares	% of Capital
A	Promoters Holding				
1	Indian Promoters	182500	1.78	182500	1.55
	Foreign Promoters	0	0	0	0
2	Persons Acting in Concert	0	0	0	0
	Sub-Total	182500	1.78	182500	1.55
B	Non-Promoter Holding				
1	Institutional investors	0	0	0	0
	Mutual Funds	0	0	0	0
	Banks, FIs, Insurance companies	0	0	0	0
	NRIS/OCBs	0	0	0	0
	FIs	0	0	0	0
	Sub-Total	0	0	0	0
2	Others				
	Bodies Corporate	6139033	59.89	7639033	65.01
	Indian Public	3922467	38.27	3922467	33.38
	Clearing Members	6000	0.06	6000	0.06
	Sub-Total	10067500	98.22	11567500	98.45
	Grand Total	10250000	100	11750000	100

Notes:-

The above shareholding pattern has been prepared on the basis of shareholding as on 23/08/2013 as provided by the Registrar and Share Transfer Agent.

The post- issue conversion shareholding has been arrived on the assumption that the entire 15 lakh warrants proposed to be issued will be allotted and would be converted into equity shares.

4) Proposed Time within which the allotment shall be completed:

The allotment of convertible warrants shall be completed within 15 days from the date of shareholders approval provided where the allotment on is pending on account of any approval by any regulatory authority or Central Government as per SEBI Guidelines, the allotment shall be completed within 15 days from the date of such approval.

5) The Identity of the natural persons who are ultimate beneficial owners of the warrants/ shares to be allotted and/or who ultimately control the proposed allottees and percentage of post issue (upon conversion) capital that may be held: Proposed allottees have given their consent to subscribe to the same.

Proposed Allottees	Security proposed to be issued	Number of securities to be issued	% of the post issue/conversion	Natural Persons who are ultimate beneficial owners of the warrants/shares proposed to be allotted
Emerald Digital Media Limited	Warrants convertible into shares	1500000	12.77	A separate detailed list attached

6) Lock- In: - The equity shares to be allotted on preferential basis shall be subject to lock in as per the applicable SEBI - ICDR Regulations, 2009 and any amendment thereof.**7) Change in the control or composition of the Board.**

There will neither be any change in the composition of the Board nor any change in the control of the company on account of the proposed allotment. However, there will be corresponding changes in the shareholding pattern as well as voting rights consequent to preferential allotment.

8) Pricing of the preferential issue:

The above warrants are proposed to be allotted on preferential basis at a price of Rs.300/- per share including premium of Rs. 290/- per share, which is higher than the price arrived at as per SEBI ICDR Regulations, 2009.

9) Auditor's Certificate: - The Certificate issued by **M/s. Suresh Anchaliya & Co.,** Chartered Accountants, statutory Auditors of the Company as to the Pricing of the issue and that this preferential issue of securities is being made in accordance with the guidelines on Preferential Allotment issued by SEBI is being placed before the shareholders at the Meeting and also available for inspection at the Registered Office of the company during the business hours on any working days.

10) Undertaking of the Issuer:

The Company undertakes that:

- 1) It shall re-compute the price of the specified securities in terms of the provisions of SEBI (ICDR) Regulations or any amendment thereof where it is required to do so under the provisions of SEBI (ICDR) Regulations or any amendment thereof;
- 2) If the amount payable on account of the re-computation of price is not paid within the time stipulated in SEBI (ICDR) Regulations or any amendment thereof, the specified securities shall continue to be locked- in till the time such amount is paid by the allottees.

- 11) **SEBI Takeover code:** In terms of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 or any amendment thereof, the investors are not required to make an open offer.

Accordingly, the consent of the shareholders is being sought pursuant to the provisions of section 81 and all other applicable provisions of the Companies Act, 1956, SEBI Guidelines and the provisions of the Listing Agreement with the Stock Exchange for authorizing the Board to offer, issue and allot convertible warrants as stated in the resolution, which would result in a further issuance of securities of the Company to the Promoters, their relatives, person acting in concert and others on a preferential allotment basis, in such form, manner and upon such terms and conditions as the Board may in its absolute discretion deem fit.

The Board of Directors recommends the passing of this resolution as Special Resolution as set in item No.1 (special business) of the Notice.

None of the directors of the company are, in any way, concerned or deemed to be interested in this resolution.

REGISTERED OFFICE

9, Botawala Building, 3rd Floor,
11/13, Horniman Circle, Fort,
Mumbai: 400001

Date: 30th August, 2013

By Order of the Board of Directors

Manoj Jain
Director

Attachment to notice and part of explanatory statement:

The Identity of the natural persons who are ultimate beneficial owners of the warrants/ shares to be allotted and/or who ultimately control EMERALD DIGITAL MEDIA LIMITED

List of present Directors:

Sr. No.	Name of Director	Address of Director	DIN	Date of Appointment
1	Haresh P. Ben	M H B Colony, Gaikwad Nagar, Malwani, Malad (W), Mumbai- 400095, Maharashtra	02186919	27/03/2012
2	Vishal Bhagat	Plot No.78/Room No.25, Sathi Co-Op Hsg.Soc. Ltd., S.V.P Nagar, Mhada, Four Bungalows, Versova, Andheri, Mumbai-400053, Maharashtra	02405961	27/01/2009
3	Manoj Ram Singh	Sardar Chawl, Nr. Matrukripa, BLDG Pandit, Soutors Road, Malad (E), Mumbai - 400097, Maharashtra	06370817	28/03/2012
4	Anil Gajraj	W No. 3, Rajgarh Road, Pilani, Jhunjhunu- 333031, Rajasthan	06372146	28/03/2012
5	Valbhai Patel	Uplo vas, Baladia, Kutch-370427, Gujarat	06449810	14/04/2012

List of major Share Holders and their respective share holding:

Sr. No.	Name of Shareholder	Address of Share holder	DIN	No of Shares	% of Holding
1	Hirji K. Patel	32, Queens View, 3rd Floor, Nr. SNDT College, Juhu Road, Santacruz (West), Mumbai-400054, Maharashtra	00157481	4,847,972	35.68
2	Vishal Bhagat	Plot No.78/Room No.25, Sathi Co-Op Hsg. Soc. Ltd, S.V.P Nagar, Mhada, Four Bungalows, Versova, Andheri, Mumbai -400053, Maharashtra	02405961	3,890,000	28.63
3	Valbhai K. Patel	Uplo vas, Baladia, Kutch-370427, Gujarat	06449810	2,801,179	20.62

BOARD OF DIRECTORS' REPORT

To
The Members

Your Directors present their 33rd (Thirty Third) Annual Report with Audited Statement of Accounts for the year ended on March 31, 2013.

Financial Results

(Rs. In Lacs)

Particulars	Year Ended 31/03/2013	Year Ended 31/03/2012
Income	194.46	89.51
Profit before Depreciation	113.06	49.19
Depreciation	3.24	0.03
Profit after Depreciation	109.82	49.16
Provision for Taxation	36.74	15.00
Tax (Income Tax) paid for earlier period	0.17	4.62
Profit after Tax	72.91	29.54
Surplus/Loss brought forward from the previous year	29.78	20.82
Total amount available for appropriation	102.69	50.36
Appropriation :		
Bonus Share	-	20.00
Dividend	51.25	0.50
Dividend Distribution Tax	8.31	0.08
Surplus carried over	43.13	29.78

FINANCIAL HIGHLIGHTS

During the year Company has earned the income of Rs.194.46 lacs as compared to Rs.89.51 lacs in the previous year.

DIVIDEND

Your Directors are pleased to recommend a final dividend of 5% (Rs. 0.50 /- per Equity share) for the year ended 31.03.2013. After approval by shareholders at the ensuing Annual General Meeting, the dividend will be paid in line with applicable regulations.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company *Mr. Lalit Maroo* retire by rotation at the ensuing Annual General Meeting, and being eligible offers himself for reappointment.

DEPOSITS

During the year under review your company has not accepted any deposits within the meaning of Section 58A of The Companies Act, 1956.

ISSUE OF CAPITAL

During the year under review, the company has come out with an issue of 1,00,00,000 equity shares to be allotted on preferential basis at a price of Rs. 15/- each, to strategic investors and collected application money from the various investors. However, the company has returned the application money to all the investors and has not made allotment and the issue was withdrawn.

FOREIGN EXCHANGE

There is no inflow and outflow of Foreign Exchange during the year.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) That in the preparation of the accounts for the financial year ended 31st March, 2013 the applicable accounting standards have been followed, along with proper explanation relating to all material departures.
- (ii) That they have, in the selection of the accounting policies, consulted the statutory auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for that period.
- (iii) They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for 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, 2013 on a going concern basis.

AUDITORS

M/s Suresh Anchaliya & Co., Chartered Accountants statutory auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Auditors have confirmed their eligibility and willingness to accept the office, if re-appointed and The Company has received a certificate from them under Section 224(1-B) and 226(3) of the Companies Act, 1956.

AUDITORS REPORT

Observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments as required under Section 217(3) of the Companies Act, 1956.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The particulars under the companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, on conservation of energy and Technology absorption is not applicable to the company.

PARTICULARS OF EMPLOYEES

The information required under section 217(2A) of the Companies Act 1956, read with the Companies (particulars of employees) Rules 1975, forms part of this report - Not applicable.

ACKNOWLEDGEMENT

The Board of Directors wishes to express sincere thanks to Bankers, Shareholders, Clients and Employees of the Company for extending their support during the year.

REGISTERED OFFICE

9, Botawala Building, 3rd Floor,
11/13, Horniman Circle, Fort,
Mumbai: 400001

By Order of the Board of Directors

Date: 30th August, 2013

Manoj Jain
Director

CORPORATE GOVERNANCE REPORT

A) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes in transparent dealings and integrity and compliance of rules and regulations. The Company firmly believes that good corporate governance is pre-requisite to meet the stakeholders' requirements and needs. The mandatory requirements of the code of Corporate Governance as per clause 49 of the listing agreement have been implemented by your Company.

B) BOARD OF DIRECTORS

The Board of Directors comprises of Mr. A. R. Coutinho as Executive Director, Mr. Manoj Naginlal Jain as Executive Director and Mr. Lalitkumar Maroo as Non Executive Independent Directors.

a) The composition of the Board of Directors and their attendance at the meetings during the period and at the last Annual General Meeting as also number of other directorships, membership of committees are as follows: -

Name of Director	Status	No. of Board meetings Attended	Attendance at last AGM	No. of other Directorships	Committee Membership		No of Equity Shares Held
					Member	Chairman	
Mr. A. R. Coutinho	Managing Director	8	Yes	2	3	3	625
Mr. Manoj Naginlal Jain	Executive Director	8	Yes	3	3	3	-
Mr. Lalitkumar Maroo	Non – Executive Independent Director	8	Yes	3	3	3	50

Notes:

During the period ended 31st March 2013, 8 Board Meetings were held on the following dates: 12/04/2012, 31/05/2012, 30/07/2012, 21/08/2012, 12/09/2012, 29/09/2012, 31/10/2012, 29/01/2013,

C) CODE OF CONDUCT

The Board has laid down a code of conduct for Board members and senior management staff of the Company. The Board members and senior management staff have affirmed compliance with the said code of conduct.

D) AUDIT COMMITTEE

The Audit Committee comprises of viz Mr. Lalitkumar Maroo, non-executive Independent Director as Chairman of Audit Committee, Mr. Manoj Naginlal Jain and Mr. A. R. Coutinho as committee members. The Audit committee meetings were held on 31st May, 2012, 30th July, 2012, 31st October, 2012 and 29th January, 2013.

The terms of reference of the Committee are as per the guidelines set out in Clause 49 of the listing agreement with the Stock Exchanges and section 292A of the Companies Act, 1956 and inter alia it briefly includes review of quarterly and Annual financial statements, the statutory Auditor's Report on the financial statements, Internal audit reports, internal controls, Accounting policies and to generally interact with the Internal Auditors and Statutory Auditors.

The Chairman of Audit Committee was present at the AGM held on 29/09/2012 to attend the shareholder queries.

E) SHARE TRANSFER COMMITTEE

The Committee comprises of Mr. Lalitkumar Maroo, Mr. Manoj Naginlal Jain and Mr. A. R. Coutinho. The Committee normally meets twice a month to approve transfer of shares and other shares related matters. Mr. Lalitkumar Maroo is the Chairman of the Committee. During the year ended 31st March, 2013, no investor complaint were received and as on 31st March, 2013 there were no complaint pending. There were no share transfers pending for registration for more than 30 days as on 31st March, 2013.

F) REMUNERATION COMMITTEE

Remuneration Committee comprises of Mr. Lalitkumar Maroo, as Chairman of the committee and Mr. Manoj Naginlal Jain and Mr. A. R. Coutinho Directors are committee members. During the year under review, no meeting was held.

Remuneration paid to Directors during the period ended 31st March 2013

NAME OF THE DIRECTOR	SALARY	PERQUISITES	CONTRIBUTION TO VARIOUS FUNDS	TOTAL
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Mr. A. R. Coutinho	60,000	-	-	60,000
Mr. Manoj Jain	3,00,000			3,00,000

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING (pursuant to Clause 49 (vi) (A) of the Listing Agreement)

Director seeking re-appointment

Name of the Director	Lalit Maroo
Date of Birth	15/10/1971
Date of Appointment	24/11/2010
Expertise in any specific functional Area	Accounts and Finance
Qualification	Inter C.A.
Directorships held in other companies (excluding foreign – Companies)	1. Dishy Properties Private Limited 2. G-Fast Systems Private Limited 3. Vedshree Realty Private Limited
Committee position held in other Companies	N.A.

G) GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under:-

Year/Period Ended	Date of Meeting	Time
31 st March 2010	30/09/2010	11:00 A.M
31 st March 2011	11/08/2011	03:30 P.M
31 st March 2012	29/09/2012	12:00 Noon

H) DISCLOSURES

- During the period, there were no transactions materially significant with Company's promoters, directors or management or subsidiaries or their relatives that may have potential conflict with the interests of the Company at large.

I) MEANS OF COMMUNICATION

Quarterly, Half Yearly and Yearly financial results are sent to the Stock Exchanges immediately after they are approved by the Board.

(i)	Half-yearly report sent to each household of shareholders	No
(ii)	Quarterly results: Which newspapers normally published in	The Free Press Journal and Navashakti (Marathi).
(iii)	Any website, where displayed	www.ctcl.co.in
(iv)	Whether it also displays official News releases and presentations made to Institutional investors / analysts	No
(v)	Whether MD & A is a part of Annual Report	Yes

J) GENERAL INFORMATION FOR MEMBERS

- Annual General Meeting** – The 33rd Annual General Meeting of the Company will be held on 30/09/2013 at 3.30 PM at 9, Botawala Building, 3rd Floor, 11/13, Horniman Circle, Fort, Mumbai - 400001.

(ii) Financial Calendar & Announcement of Financial Results

First Quarter Results Declared	: Last Week of July, 2012
Second Quarter Results Declared	: Last Week of October, 2012
Third Quarter Results Declared	: Last Week of January, 2013
Fourth Quarter Results Declared	: Last Week of May, 2013

- Book Closure date** : 22nd September, 2013 to 30th September, 2013 (both days inclusive)

- Dividend payment date** : 30/10/2013

- Listing of Equity Shares** : BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Fort, Mumbai - 400001

(ii) Listing fees is duly paid to the BSE Ltd. as per listing agreement.

- Scrip Code for BSE** : 504340

(ii) ISIN Numbers in NSDL & CDSL: INE 180M01017 for Equity Shares

Stock Market Data at BSE:

Month	High (Rs.)	Low (Rs.)	Close	Volume
April, 2012	73.65	52.50	73.65	400.00
May, 2012	77.30	77.30	77.30	50.00
June, 2012	-	-	-	-
July, 2012	-	-	-	-
August, 2012	-	-	-	-
September, 2012	109.90	78.80	109.90	285.00
October, 2012	165.85	112.05	165.85	315.00
November, 2012	241.10	169.15	241.10	595.00
December, 2012	306.00	245.90	303.50	107935.00
January, 2013	326.00	305.00	320.00	765934.00
February, 2013	320.50	313.00	320.00	2300298.00
March, 2013	322.00	302.30	311.80	1541543.00

(vii) Registrar & Transfer Agents and Share Transfer System

All documents, transfer deeds, demat requests and other communication in relation thereto should be addressed to the Registrar and share Transfer Agent at its following address:

PURVA SHAREREGISTRY (INDIA) PRIVATE LIMITED

9, Shiv Shakti Industrial Estate,
J.R. Boricha Marg, Lower Parel (E),
Mumbai: 400 011
Tel: 91-22-2301 6761 / 8261
Fax: 91-22-2301 2517
www.purvashare.com
busicomp@vsnl.com

Share transfers in physical form are processed within about 2 weeks from the date of receipt of the valid and completed documents.

(viii) Investor Relation Officer : Mr. Manoj Jain

(ix) Share Transfer System as per Listing Agreement and the Companies Act, 1956

Share transfer requests received in physical form are registered within 30 days from the date of receipt and Demat requests are normally confirmed within an average period of 10 days from the date of receipt

(x) Distribution of Shareholding as on 31st March 2013

Shareholders			Shareholding	
No. of Shares	Nos.	%	No. of Shares	%
1-5000	314	72.85	77818	0.76
5001-10000	12	2.78	92745	0.90
10001-20000	15	3.48	231244	2.26
20001-30000	10	2.32	241180	2.35
30001-40000	13	3.02	465711	4.54
40001-50000	6	1.39	252195	2.46
50001-100000	17	3.94	1328843	12.96
100001- and above	44	10.21	7560264	73.76
Total	431	100	10250000	100

(xi) Shareholding Pattern as on 31.03.2013

Category		No. of Shares held	Percentage of Shareholding
A	Promoter's Holding		
1	Promoters		
	- Indian Promoters	182500	1.78
	- Foreign Promoters	-	-
2	Persons acting in concert	-	-
	Sub – Total (A)	182500	1.78
B	Non-Promoter's Holding		
3	Institutional Investors	-	-
a)	Mutual Funds and UTI	-	-
b)	Banks, Financial Institutions, Insurance Companies	-	-
	(Central/State Govt. Institutions/Non Government Institutions)	-	-
C	FII's	-	-
4	Others	-	-
a)	Corporate Bodies	3241444	31.62
b)	Indian Public	6758495	65.94
c)	NRI's/OCB's	-	-
d)	Any Other (Please specify) - Clearing Members	67561	0.66
	Sub-Total (B)	10067500	98.22
	Grand Total (A+B)	10250000	100%

(xii) Dematerialisation of Shares

As on 31st March, 2013, 99.96% of the Company's Shares representing 10245750 Share were held in dematerialized form and the balance 4250 Shares were held in physical form.

(xiii) Investor Correspondence:

For transfer / dematerialisation of shares payment of dividend on shares, interest and redemption of debentures, and any other query relating to the shares and debentures of the Company.

(xiv) Nomination Facility:

Individual Shareholders can now avail of the facility of nomination. The nominee shall be the person in whom all rights of transfer and/or amount payable in respect of the shares shall vest in the event of the death of shareholder(s). A minor also can be a nominee provided the name of the guardian is given in the Nomination Form. The facility of nomination is not available to non-individual shareholders such as Bodies' Corporate, Financial Institutions, Karta's of Hindu undivided families and holders of Power of Attorney.

(xv) Green Initiative

The Ministry of Corporate Affairs ("MCA"), Government of India, through its Circular No. 17/2011 dated 21st April, 2011 and Circular No. 18/2011 dated 29th April, 2011 has allowed companies to send Annual Report comprising of Balance Sheet, Statement of Profit and Loss, Directors' Report, Auditors' Report and Explanatory Statement etc., through electronic mode to the registered e-mail address of the members. Keeping in view the underlying theme and the circulars issued by MCA, we propose to send future communications in electronic mode to the e-mail address provided by you to the depositories and made available by them being the registered address. By opting to receive communication through electronic mode you have the benefit of receiving communications promptly and avoiding loss in postal transit. Members who hold shares in physical form and desire to receive the documents in electronic mode are requested to provide their details (name, folio no, e-mail id) on the Company's e-mail address [viz. ctclbse@gmail.com](mailto:viz.ctclbse@gmail.com) Members who hold shares in electronic form are requested to get their details updated with the respective Depositories

PURVA SHAREREGISTRY (INDIA) PRIVATE LIMITED

9, Shiv Shakti Industrial Estate,

J.R. Boricha Marg, Lower Parel (E),

Mumbai: 400 011

Tel: 91-22-2301 6761 / 8261, Fax: 91-22-2301 2517, www.purvashare.com, busicomp@vsnl.com

Any other query:

REGISTERED OFFICE

9, Botawala Building, 3rd Floor,

11/13, Horniman Circle, Fort,

Mumbai 400001

ctclbse@gmail.com

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31st March, 2013.

The management discussion and analysis have been included in consonance with the code of corporate governance as approved by The Securities and Exchange Board of India (SEBI). Investors are cautioned that these discussions contain certain forward looking statements that involve risk and uncertainties including those risks which are inherent in the Company's growth and strategy. The company undertakes no obligation to publicly update or revise any of the opinions or forward looking statements expressed in this report consequent to new information or developments, events or otherwise.

The management of the company is presenting herein the overview, opportunities and threats, initiatives by the company and overall strategy of the company and its outlook for the future. This outlook is based on management's own assessment and it may vary due to future economic and other future developments in the country.

OVERVIEW

The operations of the company are centered around Trading and Finance Business and company also planning to enter into the business of dealing in shares and various other securities. However, due to bad market conditions company has deployed its funds in short term advances and is earning revenue from that.

INDUSTRY STRUCTURE AND DEVELOPMENT:

The Indian economy has witnessed slowdown in year 2012-13 and overall business sentiments are not very encouraging, specially in the context of investments and Capital Market.

OPPORTUNITIES AND THEREATS:

Some of the key trends of the industry that are favourable to the company to exploit these emerging opportunities are:

1. Clients are more comfortable with uniform high quality and quick finance and security process across the enterprise.
2. The company since involved in the trading business for a very long time there are good prospects for expanding further activities in this direction.

Some of the key changes in the industry unfavourable to the company are:

1. Heightened competition
2. Increasing cost of Finance
3. Increasing Compliances

INITIATIVES BY THE COMPANY

The company has taken following initiatives'

1. Every effort is being made to locate new client base to boost its business by providing Finance quickly and easily.
2. The company is endeavoring to penetrate into newer Financial Activities and Capital market.

OUTLOOK

The company is mainly engaged in finance and shares and security business. The company is planning to expand and diversify the activities in this time to tap higher revenues.

RISK AND CONCERNS:

Due to stiff competitions in the finance fields where the company's activities are centered in, the overall margins are under pressure but maintainable with constant effort and good services.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

1. Compliance of the company with applicable statutes, policies procedures, listing requirements and management guidelines.
2. All transaction are being accurately recorded and verified.
3. Adherence to applicable accounting standards and polices.

HUMAN RESOURCES/INDUSTRY RELATIONS:

- The company provided excellent working environment so that the individual staff can reach his/her full potential.
- The company is poised to take on the challenges and march towards accomplishing its mission with success.
- The company maintained good Industrial/Business relation in market which enhanced the Creditworthiness of the Company.

CAUTIONARY STATEMENT

Statement in the Management Discussion and analysis describing the company's objectives exceptions or predications may be forwards looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Several factors could make significant difference to the company's operation. These include climatic conditions and economic conditions affecting demand and supply, government regulations and taxation, natural calamities etc. over which the company does not have any control.

CEO / CFO CERTIFICATION

To,
The Board of Directors,
Confidence Trading Company Limited
9, Botawala Building, 3rd Floor,
11/13, Horniman Circle, Fort,
Mumbai: 400001

We hereby certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2013 and that to the best of our knowledge and belief;
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. No transaction is entered into by the company during the year which is fraudulent, illegal or violate of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of and the which we are aware steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee:
 - a. Significant changes in internal control over financial reporting during the year.
 - b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Confidence Trading Company Limited

Date: 30th August, 2013
Place: Mumbai

A. R. Coutinho
Managing Director

COMPLIANCE CERTIFICATE

To
The Members of
Confidence Trading Company Limited

It is hereby certified and examined that as provided in Clause 49 I (D) of the listing agreement with the stock exchanges, the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2013.

Registered Office:

9, Botawala Building, 3rd Floor,
11/13, Horniman Circle, Fort,
Mumbai: 400001

For Confidence Trading Company Limited

Date: 30th August, 2013
Place: Mumbai

A. R. Coutinho
Managing Director

To the Members of Confidence Trading Company Limited

We have examined the compliance of the conditions of corporate governance by **Confidence Trading Company Limited** (the Company) for the year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above-mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee as at the year end.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai
Date: 29th May, 2013

For **Suresh Anchaliya & Co.**
Chartered Accountants
Firm Registration No: 112492W

CA Suresh Anchaliya
Partner
Membership No. 044960

INDEPENDENT AUDITOR'S REPORT

To the Members of

CONFIDENCE TRADING COMPANY LIMITED REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **Confidence Trading Company Limited**, ("the Company") which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act 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 the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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 Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, 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 it appears from our examination of those books.
 - (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

Place: Mumbai
Date: 29th May, 2013

For **Suresh Anchaliya & Co.**
Chartered Accountants
Firm Registration No.:112492W

CA Suresh Anchaliya
Partner

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

In terms of information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state as under:

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, the fixed assets have been physically verified by the management during the year in a phased periodical manner, 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) In our opinion, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.

2. a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.

- b) In our opinion and according to the information and explanations given to us, 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) The Company has maintained proper records of inventories. There was no material discrepancies noticed on physical verification of inventory.

3. a) The company has not taken any loans and advance from the parties covered in the register maintained u/s.301 of the Companies Act, 1956.

- b) The company has not granted any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained u/s.301 of the Companies Act, 1956.

4. In our opinion and according to the information and explanations given to us and as verified by 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 and found no continuous failure to correct the weakness.

5. The company has not entered into transaction with the parties covered under section 301 of the Companies Act, 1956.

6. In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits from the public u/s.58A and 58AA of the Companies Act, 1956.

7. In our opinion, the internal audit system of the Company is in commensurate with its 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, for the product of the Company.

9. In respect of statutory dues :

- a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, 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 the aforesaid dues were outstanding as at 31st March, 2013, for a period of more than six months from the date of becoming payable.
- b) There are no dues of Sales Tax, Income Tax, Service Tax, Custom Tax, Wealth Tax etc. which have not been deposited on account of any dispute.

10. The Company has no accumulated losses of more than fifty percent of its net worth 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 information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.

12. 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.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
14. According to the information and explanation given to us, the company is not dealing or trading in shares, securities, debentures and other investments.
15. The Company has not given guarantees for loans taken by others from banks or financial institutions.
16. The Company has not raised any new term loans during the year and there is no loan outstanding at the beginning of the year.
17. According to the records examined and the information and explanation given to us on overall basis, funds raised for short term basis have prima-facie not been used during the year for long term investments.
18. During the year, the company has not made any preferential allotment of shares.
19. The Company has not raised any money by way of issue of debentures.
20. The Company has not raised any money by way of 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 causes the financial statements to be materially misstated.

Place: Mumbai
Dated: 29th May, 2013

For **Suresh Anchaliya & Co.**
Chartered Accountants
Firm Registration No: 112492W

CA Suresh Anchaliya
Partner
Membership No.: 044960

Confidence Trading Company Limited
Balance Sheet as at 31st March, 2013

(In Rs.)

Particulars	Note	As at 31.03.2013	As at 31.03.2012
<u>EQUITY AND LIABILITIES</u>			
<u>Shareholder's Funds</u>			
Other Income	1	102500000	102500000
Reserves and Surplus	2	54312651	52977733
<u>Current Liabilities</u>			
Deferred Tax Liabilities	3	24005	0
Other Current Liabilities	4	643346	1537612
Short Term Provision	5	9916403	2329943
TOTAL		167396405	159345288
<u>ASSETS</u>			
<u>Non-Current Assets</u>			
Fixed Assets			
(i) Tangible Assets	6	1629939	36869
Non-Current Investments	7	100000	0
Long Term Loans and Advances	8	157173719	147497086
Other Non - Current Assets	9	25000	125000
<u>Current Assets</u>			
Inventories	10	208000	804800
Cash and Cash Equivalents	11	5518991	379350
Short - Term Loans and Advances	12	0	9200000
Other Current Assets	13	2740756	1302183
TOTAL		167396405	159345288

Significant Accounting Policies and Notes on
Financial Statement
As per our report of even date

1 to 22

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No: 112492W

For and On behalf of the Board

Amruth Coutinho

Managing Director

Suresh Anchaliya
Partner
Membership No. 044960

Manoj Jain

Executive Director

Place : Mumbai
Date : 29th May, 2013

Lalitkumar Maroo

Independent Director

Confidence Trading Company Limited

Statement of Profit and Loss for the year ended 31st March, 2013

		(In Rs.)	
Particulars	Note	2012-13	2011-12
Income			
Revenue from Operations	14	880250	0
Other Income	15	18566110	8951594
Total Revenue		19446360	8951594
Expenditure			
Purchase of Stock in Trade	16	791786	804800
Changes in Inventories of Finished Goods, Work-In-Progress and Stock-in-Trade	17	596800	-804800
Employee Benefit Expense	18	2049110	2275651
Depreciation and Amortization Expenses	19	324129	3081
Other Administrative Expenses	20	4702034	1756652
Total Expenses		8463859	4035384
Profit Before Tax		10982501	4916210
Tax Expenses:	21		
(1) Current Tax		3650000	1500000
(2) Tax for Earliar Period		17175	461915
(3) Differed Tax Libities		24005	0
Profit/(Loss) For The Period		7291321	2954295
Earning Per Equity Share:			
(1) Basic		0.71	0.29
(2) Diluted		0.71	0.29

Significant Accounting Policies and Notes on Financial Statement

1 to 22

As per our report of even date

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No: 112492W

For and On behalf of the Board

Amruth Coutinho

Managing Director

Suresh Anchaliya
Partner
Membership No. 044960

Manoj Jain

Executive Director

Place : Mumbai
Date : 29th May, 2013

Lalitkumar Maroo

Independent Director

Confidence Trading Company limited

Notes to Financial Statement for the Year ended 31st March, 2013

Note No. 1**Shareholders Fund****Equity Share Capital**

	(In Rs.)	
	<u>As at 31.03.2013</u>	<u>As at 31.03.2012</u>
a) Authorised Share:		
21000000 (11000000) Equity Shares of Rs. 10/- each	210000000	110000000
	<u>210000000</u>	<u>110000000</u>
b) Issued, Subscribed and Paid up:		
10250000 Equity Shares of Rs. 10/- each Fully paid-up	102500000	102500000
Total	<u>102500000</u>	<u>102500000</u>

c) Reconciliation of the Number of Equity Shares Outstanding at the beginning and at the end of the reporting period**Particulars**

Outstanding at the Beginning of the Reporting Year	10250000	50000
<u>Add: Issued During the year</u>		
Bonus issue	0	200000
Preferential Allotment	0	10000000
Outstanding at the End of the Reporting Year	<u>10250000</u>	<u>10250000</u>

d) Terms / Right Attached to Equity Shares**Equity Shares**

In the event of liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in the number of equity shares held by the shareholders at the time of liquidation

e) Details of Shareholders holding more than 5% share in the company

Equity Shares Fully Paid at Rs. 10/- each

S.No.	Name	<u>As at 31st March, 2013</u>		<u>As at 31st March, 2012</u>	
		No. of Shares	% of Holding	No. of Shares	% of Holding
Nil	Nil	Nil	Nil	Nil	Nil

Note No. 2**Reserve and Surplus****Particulars**

	<u>As at 31.03.2013</u>	<u>As at 31.03.2012</u>
a) Securities Premium Reserve		
Balance as per Last Financial Statement	50000000	0
Add: On Issue of Equity Shares	0	50000000
Closing Balance	<u>50000000</u>	<u>50000000</u>
b) Surplus / (deficit) in the Statement of Profit and Loss		
Balance as per Last Financial Statement	2977733	2081743
Add: Profit/(Loss) for the Year	7291321	2954295
Less: <u>Appropriation</u>		
Dividend	5125000	50000
Tax on Dividend	831403	8305
Issue of Bonus Shares	0	2000000
Net Surplus / (Deficit) in the Statement of Profit and Loss	<u>4312651</u>	<u>2977733</u>
Total Reserve and Surplus	<u>54312651</u>	<u>52977733</u>

Confidence Trading Company Limited

Notes to Financial Statement for the Year ended 31st March, 2013

	(In Rs.)	
	<u>As at 31.03.2013</u>	<u>As at 31.03.2012</u>
Note No. 3		
<u>Defferd Tax Liabilites</u>		
For Fixed Assets	24005	0
	<u>24005</u>	<u>0</u>
Note No. 4		
<u>Other Current Liabilities</u>		
Creditors for Expenses	385921	1537612
Advance From Parties	257425	0
	<u>643346</u>	<u>1537612</u>
Note No. 5		
<u>Short Term Provision</u>		
Provision for Tax	3650000	1500000
Statutory Liabilities	5956403	206898
Others	310000	623045
	<u>9916403</u>	<u>2329943</u>
Note No. 7		
<u>Non Current Investments</u>		
Un Quoted Shares	100000	0
	<u>100000</u>	<u>0</u>
Note No. 8		
<u>Long Term Loans and Advances</u>		
(Unsecured and considered good)		
Advances to others	157173719	147497086
	<u>157173719</u>	<u>147497086</u>
Note No. 9		
<u>Other Non - Current Assets</u>		
Deposits	25000	125000
	<u>25000</u>	<u>125000</u>
Note No. 10		
<u>Inventories</u>		
Finished Goods / Securities	208000	804800
	<u>208000</u>	<u>804800</u>
Note No. 11		
<u>Cash and Cash Equivalent</u>		
Balances with Banks	5438268	348615
Cash on hand	80723	30735
	<u>5518991</u>	<u>379350</u>
Note No. 12		
<u>Short term Loans and Advances</u>		
(Unsecured and Considered Good)		
Other amounts recoverable in cash or kind	0	9200000
	<u>0</u>	<u>9200000</u>
Note No. 13		
<u>Other Current Assets</u>		
Preliminary Expenses to the extent not written off	975734	512000
Income Tax Refundable	16613	0
Advance Tax and TDS	1732869	790183
Service Tax Receivable	9765	0
VAT Receivable	5775	0
	<u>2740756</u>	<u>1302183</u>

Confidence Trading Company Limited

Notes to Financial Statement for the Year ended 31st March, 2013

Note No. 6

Fixed Assets

(In Rs.)

NAME OF ASSETS	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	As On 01.04.12	Addition/(Deletion) during the year	As On 31.03.13	As On 01.04.12	Depreciation during the year	Depreciation Adjustments	Total As On 31.03.13	As On 31.03.13	As On 31.03.12
Computers	39950	251952	291902	3081	60798	0	63879	228023	36869
Furniture & Fixtures	0	65247	65247	0	3439	0	3439	61808	0
Motor Car	0	1600000	1600000	0	259892	0	259892	1340108	0
Total	39950	1917199	1957149	3081	324129	0	327210	1629939	36869
Previous Year Total	0	39950	39950	0	3081	0	0	36869	0

Confidence Trading Company Limited

Notes forming part of Statement of Profit and Loss for the Year ended 31st March, 2013

	(In Rs.)	
	31st March, 2013	31st March, 2012
Note No. 14		
<u>Revenue From Operations</u>		
Revenue From Sales	880250	0
Less: Excise Duty/VAT/Service Tax	0	0
	880250	0
Note No. 15		
<u>Other Income</u>		
Interest on Advances	18556635	6546735
Commission Income	240	2376513
Interest on Income tax Refund	9235	28246
	18566110	8951594
Note No. 16		
<u>Purchases of Stock in Trade</u>		
Purchase	791786	804800
	791786	804800
Note No. 17		
<u>(Increase)/Decrease in Inventory</u>		
Opening Balance of Inventory	804800	0
Less: Closing Balance of inventory	208000	804800
	596800	804800
Note No. 18		
<u>Employees Benefit Expenses</u>		
Salaries and Wages	1647810	2193306
Staff welfare Expenses	401300	82345
	2049110	2275651
Note No. 19		
<u>Depreciation and Amortization</u>		
Depreciation and Amortization	324129	3081
	324129	3081
	31st March, 2013	31st March, 2012
Note No. 20		
<u>Other Expenses</u>		
Advertising Expenses	85681	37189
Audit Fees	15000	15000
Bank Charges	9895	7292
Conveyance Expenses	123359	167141
Computer Expenses	48206	0
Custodial Fees	57708	44000
Dematerialisation and Share Transfer Charges	22322	42162
Director Remuneration	360000	250000
Donation	500000	0
Interest On Service Tax Late payment	74937	0
Listing Fees	44944	370025
Miscellaneous Expenses	51290	0
Office Expenses	498753	92948
Postage and Courier Charges	171936	19330
Preliminary expenses written off	275933	128000
Printing and Stationery	270368	38782
Professional Fees	836500	114000
Rent, Rates and Taxes	244899	120000
RoC Charges	5000	123400
SEBI Charges	0	50000
Secreterial and Legal Expenses	0	50000
Service Tax	59713	0
Telephone Expenses	119566	54883
Electricity Expenses	21963	9850
Repair and Maintenance Charges	398433	8850
Professional Tax	0	2500
Travelling Expenses	305628	11300
Bad Debt written off	100000	0
	4702034	1756652
Note No. 21		
<u>Tax Expenses</u>		
Current Tax	3650000	1500000
Tax for Earlier period	17175	461915
	3667175	1961915

Confidence Trading Company Limited
Cash Flow Statement for the year ended 31st March, 2013

PARTICULARS	For the year ended 31st March, 2013	For the year ended 31st March, 2012
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax And Extraordinary Items	10982501	4916210
Adjustment for :		
Depreciation	324129	3081
Interest (Net)	(18556635)	(6546735)
Operating Profit Before Working Capital And Receivables	(7250005)	(1627444)
Adjustment for :		
(Increase) / Decrease in trade and other receivables	394296	1455070
(Increase) / Decrease in Inventories	596800	(804800)
Increase / (Decrease) in Trade Payables and other liabilities	(2931384)	(7214190)
Cash Generated From Operations	(9190293)	(8191364)
Income Tax Paid	1732869	(684713)
Net Cash From Operating Activities	(a) (10923162)	(7506651)
B CASH FLOW FROM INVESTING ACTIVITIES		
Sale/(Purchase) of Fixed Assets	(1917199)	(39950)
Interest Received	18556635	6546735
Purchase of Shares	(100000)	0
Net Cash Used In Investment Activities	(b) 16539436	6506785
C CASH FLOW FROM FINANCING ACTIVITIES		
Loan Received and Paid	(476633)	(157572406)
Proceeds Received from issue of Shares	0	150000000
Interest Paid	0	(58305)
Net Cash Used In Financing Activities	(c) (476633)	(7630711)
Net Increase In Cash And Cash Equivalents (a) + (b) + (c)	5139641	(8630577)
Cash And Cash Equivalents As At The Commencement of the Year (Opening Balance)	379350	9009927
Cash And Cash Equivalents As At The End of the Year	5518991	379350
Net Increase / (Decrease) As Disclosed Above	5139641	(8630577)

Note : All figures in brackets are outflows

As per our report of even date

For and on behalf of the Board of Directors

For Suresh Anchaliya & Co.

Chartered Accountants
Firm Regn. No: 112492W

Amruth Coutinho

Managing Director

Suresh Anchaliya

Partner
Membership No. 044960

Manoj Jain

Executive Director

Place : Mumbai

Date : 29th May, 2013

Lalit Kumar Maroo

Independent Director

A. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation of Financial Statement:-

The financial statements are prepared under the historical cost convention on accrual basis in accordance with the generally accepted accounting principles and provision of the Companies Act, 1956 as adopted consistently by the Company.

2. Use of Estimates:-

The preparation of financial statement requires the management of the Company to make estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statement of and reported amounts of income and expenses during the period. Examples of such estimate includes provision for doubtful debts, future obligation, employees retirement benefit plans, provision for income taxes, useful lives of fixed assets and intangible assets. Contingencies are recorded when it is probable that a liability will be incurred and the amount can be reasonably estimated. Actual results may differ from such estimates.

3. Fixed Assets:-

All fixed assets are valued at cost (including adjustment on revaluation) less accumulated depreciation. Cost of acquisition is inclusive of freight, duties and other incidental expenses incurred during construction period and exclusive of cenvat credit availed thereon.

4. Depreciation:-

Depreciation on Fixed Assets is provided on WDV Method in accordance with the rate specified in the Schedule XIV of the Companies Act, 1956 on pro-rata basis.

5. Inventories:-

Inventory is valued at lower of cost or net realizable value.

6. Provision for Current and Deferred Tax:-

Provision for current tax made after taking into consideration benefits admissible under the provisions of the Income-Tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to extent that there is virtual certainty that the asset will be realized in future.

7. Revenue Recognition:-

In appropriate circumstance, revenue is recognized when no significant uncertainty as to determination or realisation exists.

8. Contingent Liability:-

These are disclosed by way of notes on the Balance Sheet date. Provision is made wherever applicable for those contingencies which are likely to materialise into liabilities after the year end till the finalization of accounts and have material effect on the position stated in Balance Sheet.

9. Impairment:-

At each Balance Sheet date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of assets net selling price and value in use. In assessing value in use, the estimated future cash flow expected from the continuing use of the assets and from its disposal is discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and risks specific to the assets. Reversal of impairment loss is recognized immediately as income in the Profit and Loss Statement.

10. Earning Per Share:-

The earning considered in ascertaining EPS comprise the Net Profit after Tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

(B) NOTES ON ACCOUNTS: -

1. Previous year figures have been regrouped, reworked, rearranged and reclassified whenever necessary.

	<u>As At 31st March, 2013</u>	<u>As At 31st March, 2012</u>
2. Contingent Liabilities	NIL	NIL
3. Estimated amount of contract remaining to be executed on Capital Account and not provided for the year	NIL	NIL
4. Amount Outstanding to SSI Units	NIL	NIL
5. Payments to Auditors:-		
(i) Audit Fees	15000	15000
(ii) Service Tax	<u>1854</u>	<u>1545</u>
	<u>16854</u>	<u>15545</u>

6. **Segment Reporting:-**

The Company has been operating significantly in a single segment.

7. There are no delays in payments to Micro, Small and Medium Enterprises as required to be disclosed under "The Micro, Small and Medium Enterprises Development Act, 2006."

8. **Related Party Disclosure as per AS 18 (As identified by the Management):**

(i) Related Party Relationship

(a) Where Control Existed	NIL
(b) Key Management Personnel	1) Shri Manoj Jain 2) Shri A.R. Coutinho 3) Shri Lalit Kumar Maroo

(ii) Transaction with Related Parties:

Type of Related Party	Description of the Transaction	Nature of Transaction	(In Rs.) Volume of Transaction	
			2012-13	2011-12
(a) Where Control Exists	-----	NIL	-----	
(b) Key Management Personnel				
	(a) Total Loans / Advances Paid		--	--
	(b) Total Loans / Advances Recd.		--	--
	(c) Director's Remuneration		360000/-	--
	(d) Rent Paid		120000/-	--
(c) Relatives of Key Management Personnel				
	(a) Total Loans / Advances Paid		--	--
	(b) Total Loans / Advances Recd.		--	--
	(c) Rent Paid		--	--
(d) Other Related Parties	(a) Purchases of Goods		--	--

9. Earning Per Share:-

The Earning Per Share (EPS) has been computed by dividing the profit after tax by number of Equity Shares outstanding.

	Current Year	Previous Year
(a) Net profit available for Equity Shareholders (Numerator used for calculation)	7291321	2954295
(b) Weighted Average number of equity shares used as denominator for calculating EPS	10250000	2100000
(c) Basic and Diluted Earnings per share of Rs.10 each :	0.71	1.41

10. a) Value of Imports on CIF basis

	Current Year	Previous Year
Traded Goods	Nil	Nil
b) Amount remitted during the year in foreign currency on account of : -		
Dividend	NIL	NIL
Travelling	NIL	NIL
Purchase of Goods	NIL	NIL
c) Earning in foreign exchange		
Export of goods on FOB basis	NIL	NIL

As per our report of even date
For **Suresh Anchaliya & Co.**
Chartered Accountants
Firm Registration No: 112492W

On behalf of the Board of Directors

Amruth Coutinho **Managing Director**

CA Suresh Anchaliya
Partner
Membership No. 044960
Place: Mumbai
Date: 29th May, 2013

Manoj Jain **Executive Director**

Lalit Maroo **Independent Director**

INDEPENDENT AUDITOR'S REPORT

To the members of
Confidence Trading Company Limited

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of **Confidence Trading Company Limited**, ("the Company") which comprise the Consolidated Balance Sheet as at 31st March, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the group in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Act 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 the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2013;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date, and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the group for the year ended on that date.

OTHER MATTER

The financial statement of subsidiary company has been audited by us.

Place: Mumbai
Date: 29th May, 2013

For **Suresh Anchaliya & Co.**
Chartered Accountants
Firm Regn. No.:112492W

Suresh Anchaliya
Partner
Membership No.: 044960

Confidence Trading Company Limited
Consolidated Balance Sheet as at 31st March, 2013

(In Rs.)

Particulars	Note	As at 31.03.2013	As at 31.03.2012
<u>EQUITY AND LIABILITIES</u>			
<u>Shareholder's Funds</u>			
Share Capital	1	102500000	102500000
Reserves and Surplus	2	54313267	52977733
<u>Share Application Money Pending Allotment</u>		4500000	0
<u>Non-Current Liabilities</u>			
Long Term Loan & Advances	3	4024460	0
<u>Current Liabilities</u>			
Deferred Tax Liabilities	4	24005	0
Other Current Liabilities	5	646064	1537612
Short Term Provision	6	9954639	2329943
TOTAL		175962435	159345288
<u>ASSETS</u>			
<u>Non-Current Assets</u>			
Fixed Assets			
(i) Tangible Assets	7	1629939	36869
Long Term Loans and Advances	8	165719620	147497086
Other Non - Current Assets	9	25000	125000
<u>Current Assets</u>			
Inventories	10	208000	804800
Cash and Cash Equivalents	11	5628464	379350
Short - Term Loans and Advances	12	0	9200000
Other Current Assets	13	2751412	1302183
TOTAL		175962435	159345288

Significant Accounting Policies and Notes on
Financial Statement
As per our report of even date

1 to 22

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No: 112492W

For and On behalf of the Board

Amruth Coutinho

Managing Director

Suresh Anchaliya
Partner
Membership No. 044960

Manoj Jain

Executive Director

Place : Mumbai
Date : 29th May, 2013

Lalitkumar Maroo

Independent Director

Confidence Trading Company Limited

Consolidated Statement of Profit and Loss for the year ended 31st March, 2013

(In Rs.)			
Particulars	Note	2012-13	2011-12
Income			
Revenue from Operations	14	880250	0
Other Income	15	18672667	8951594
Total Revenue		19552917	8951594
Expenditure			
Purchase of Stock in Trade	16	791786	804800
Changes in Inventories of Finished Goods, Work-In-Progress and Stock-in-Trade	17	596800	-804800
Employee Benefit Expense	18	2074110	2275651
Depreciation and Amortization Expenses	19	324129	3081
Other Administrative Expenses	20	4782975	1756652
Total Expenses		8569800	4035384
Profit Before Tax		10983117	4916210
Tax Expenses:	21		
(1) Current Tax		3650000	1500000
(2) Tax for Earlier Period		17175	461915
(3) Differed Tax Liabilities		24005	0
Profit/(Loss) For The Period		7291937	2954295
Earning Per Equity Share:			
(1) Basic		0.71	0.29
(2) Diluted		0.71	0.29

Significant Accounting Policies and Notes on Financial Statement

1 to 22

As per our report of even date

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No: 112492W

For and On behalf of the Board

Amruth Coutinho **Managing Director**

Suresh Anchaliya
Partner
Membership No. 044960

Manoj Jain **Executive Director**

Place : Mumbai
 Date : 29th May, 2013

Lalitkumar Maroo **Independent Director**

Confidence Trading Company Limited

Notes to Consolidated Financial Statement for the Year ended 31st March, 2013

Note No. 1**Shareholder's Fund****Equity Share Capital**

	(In Rs.)	
	As at 31.03.2013	As at 31.03.2012
a) Authorised Share:		
21000000(11000000) Equity Shares of Rs. 10/- each	210000000	110000000
	210000000	110000000
b) Issued, Subscribed and Paid up:		
10250000 Equity Shares of Rs. 10/- each Fully paid-up	102500000	102500000
Total	102500000	102500000

c) Reconciliation of the Number of Equity Shares Outstanding at the beginning and at the end of the reporting period**Particulars**

Outstanding at the Beginning of the Reporting Year	10250000	50000
<u>Add: Issued During the year</u>		
Bonus issue	0	200000
Preferential Allotment	0	10000000
Outstanding at the End of the Reporting Year	10250000	10250000

d) Terms / Right Attached to Equity Shares**Equity Shares**

In the event of liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in the number of equity shares held by the shareholders at the time of liquidation

e) Details of Shareholders holding more than 5% share in the company

Equity Shares Fully Paid at Rs. 10/- each

S.No.	Name	As at 31st March, 2013		As at 31st March, 2012	
		No. of Shares	% of Holding	No. of Shares	% of Holding
NIL	NIL	NIL	NIL	NIL	NIL

Note No. 2**Reserve and Surplus****Particulars**

	As at 31.03.2013	As at 31.03.2012
a) Securities Premium Reserve		
Balance as per Last Financial Statement	50000000	0
Add: On Issue of Equity Shares	0	50000000
Closing Balance	50000000	50000000
b) Surplus / (deficit) in the Statement of Profit and Loss		
Balance as per Last Financial Statement	2977733	2081743
Add: Profit/(Loss) for the Year	7291937	2954295
Less: <u>Appropriation</u>		
Dividend paid	5125000	50000
Tax on Dividend paid	831403	8305
Issue of Bonus Shares	0	2000000
Net Surplus / (Deficit) in the Statement of Profit and Loss	4313267	2977733
Total Reserve and Surplus	54313267	52977733

Confidence Trading Company Limited

Notes to Consolidated Financial Statement for the Year ended 31st March, 2013

		(In Rs.)
	<u>As at 31.03.2013</u>	<u>As at 31.03.2012</u>
Note No. 3		
Long Term Borrowings		
Unsecured considered good	4024460	0
	<u>4024460</u>	<u>0</u>
Note No. 4		
Defferd Tax Liabilites		
For Fixed Assets	24005	0
	<u>24005</u>	<u>0</u>
Note No. 5		
Other Current Liabilities		
Creditors for Expenses	385921	1537612
Advance From Parties	257425	0
TDS Payable	2718	0
	<u>646064</u>	<u>1537612</u>
Note No. 6		
Short Term Provision		
Provision for Tax	3650000	1500000
Statutory Liabilities	5956403	623045
Others	348236	206898
	<u>9954639</u>	<u>2329943</u>
Note No. 8		
Long Term Loans and Advances		
(Unsecured and considered good)		
Advances to others	165719620	147497086
	<u>165719620</u>	<u>147497086</u>
Note No. 9		
Other Non - Current Assets		
Deposits	25000	125000
	<u>25000</u>	<u>125000</u>
Note No. 10		
Inventories		
Finished Goods / Securities	208000	804800
	<u>208000</u>	<u>804800</u>
Note No. 11		
Cash and Cash Equivalent		
Balances with Banks	5486077	348615
Cash on hand	142387	30735
	<u>5628464</u>	<u>379350</u>
Note No. 12		
Short term Loans and Advances		
(Unsecured and Considered Good)		
Other amount recoverable in cash or kind	0	9200000
	<u>0</u>	<u>9200000</u>
Note No. 13		
Other Current Assets		
Preliminary Expenses	975734	512000
Income Tax Refundable	16613	0
Advance Tax and TDS	1743525	790183
Service Tax Receivables	9765	0
VAT	5775	0
	<u>2751412</u>	<u>1302183</u>

Confidence Trading Company Limited

Notes to Consolidated Financial Statement for the Year ended 31st March, 2013

Note No. 7

Fixed Assets

NAME OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As On 01.04.12	Addition/(Deletion) during the year	As On 31.03.13	As On 01.04.12	Depreciation during the year	Depreciation Adjustments	Total As On 31.03.13	As On 31.03.13 As On 31.03.12
Computers	39950	251952	291902	3081	60798	0	63879	36869
Furniture & Fixtures	0	65247	65247	0	3439	0	3439	0
Motor Car	0	1600000	1600000	0	259892	0	259892	0
Total	39950	1917199	1957149	3081	324129	0	327210	1629939 36869
Previous Year Total	0	39950	39950	0	3081	0	0	36869 0

Confidence Trading Company Limited

Notes forming part of Consolidated Statement of Profit and Loss for the Year ended 31st March, 2013

	(In Rs.)	
	31st March, 2013	31st March, 2012
Note No. 14		
<u>Revenue From Operation</u>		
Revenue From Sales	880250	0
Less: Excise Duty/VAT/Service Tax	0	0
	<u>880250</u>	<u>0</u>
Note No. 15		
<u>Other Income</u>		
Interest Income on Loan	18663192	6546735
Commission Income	240	2376613
Interest on Income tax Refund	9235	28246
	<u>18672667</u>	<u>8951594</u>
Note No. 16		
<u>Purchases of Stock in Trade</u>		
Purchase	791786	804800
	<u>791786</u>	<u>804800</u>
Note No. 17		
<u>(Increase)/Decrease in Inventory</u>		
Opening Balance of Inventory	804800	0
Less: Closing Balance of inventory	208000	804800
	<u>596800</u>	<u>804800</u>
Note No. 18		
<u>Employees Benefit Expenses</u>		
Salaries and Wages	1672810	2193306
Staff welfare Expenses	401300	82345
	<u>2074110</u>	<u>2275651</u>
Note No. 19		
<u>Depreciation and Amortization</u>		
Depreciation and Amortization	324129	3081
	<u>324129</u>	<u>3081</u>
	31st March, 2013	31st March, 2012
Note No. 20		
<u>Other Expenses</u>		
Advertising Expenses	85681	37189
Accounting Charges	3500	0
Audit Fees	26236	15000
Bank Charges	12086	7292
Conveyance Expenses	126667	167141
Computer Expenses	48206	0
Custodial Fees	57708	44000
Dematerialisation and Share Transfer Charges	22322	42162
Director Remuneration	380000	250000
Donation	500000	0
Interest Paid	27178	0
Interest On Service Tax Late payment	74937	0
Listing Fees	44944	370025
Miscellaneous Expenses	51290	0
Office Expenses	503516	92948
Postage and Courier Charges	171936	19330
Preliminary expenses written off	275933	128000
Printing and Stationery	275633	38782
Professional Fees	840000	114000
Rent Rates and Taxes	244899	120000
RoC Charges	5000	123400
SEBI Charges	0	50000
Secreterial and Legal Expenses	0	50000
Service Tax	59713	0
Telephone Expenses	119566	54883
Electricity Expenses	21963	9850
Repair and Maintenance Charges	398433	8850
Professional Tax	0	2500
Travelling Expenses	305628	11300
Bad Debt written off	100000	0
	<u>4782975</u>	<u>1756652</u>
Note No. 21		
<u>Tax Expenses</u>		
Current Tax	3650000	1500000
Tax for Earlier period	17175	461915
	<u>3667175</u>	<u>1961915</u>

Confidence Trading Company Limited
Cash Flow Statement for the year ended 31st March, 2013

PARTICULARS	For the year ended 31st March, 2013	For the year ended 31st March, 2012
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax And Extraordinary Items	10983117	4916210
Adjustment for :		
Depreciation	324129	3081
Interest (Net)	(18663192)	(6546735)
Operating Profit Before Working Capital And Receivables	(7355946)	(1627444)
Adjustment for :		
(Increase) / Decrease in trade and other receivables	383640	1455070
(Increase) / Decrease in Inventories	596800	(804800)
Increase / (Decrease) in Trade Payables and other liabilities	(2890430)	(7214190)
Cash Generated From Operations	(9265936)	(8191364)
Income Tax Paid	1732869	(684713)
Net Cash From Operating Activities	(a) (10998805)	(7506651)
B CASH FLOW FROM INVESTING ACTIVITIES		
Sale/(Purchase) of Fixed Assets	(1917199)	(39950)
Interest Received	18663192	6546735
Purchase of Shares		0
Net Cash Used In Investment Activities	(b) 16745993	6506785
C CASH FLOW FROM FINANCING ACTIVITIES		
Loan Received and Paid	(4998074)	(157572406)
Proceeds Received from issue of Shares/Application Money Recd.	4500000	150000000
Interest Paid	0	(58305)
Net Cash Used In Financing Activities	(c) (498074)	(7630711)
Net Increase In Cash And Cash Equivalents (a) + (b) + (c)	5249114	(8630577)
Cash And Cash Equivalents As At The Commencement of the Year (Opening Balance)	379350	9009927
Cash And Cash Equivalents As At The End of the Year	5628464	379350
Net Increase / (Decrease) As Disclosed Above	5249114	(8630577)

Note : All figures in brackets are outflows

As per our report of even date

For and on behalf of the Board of Directors

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No: 112492W

Amruth Coutinho Managing Director

Suresh Anchaliya
Partner
Membership No. 044960

Manoj Jain Executive Director

Place : Mumbai
Date : 29th May, 2013

Lalit Kumar Maroo Independent Director

CONFIDENCE TRADING COMPANY LIMITED

Note No. 22:

SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED FINANCIAL STATEMENT

A. Principal of Consolidation

The consolidated financial statement relate to **Confidence Trading Company Limited** ('the company') and its subsidiary company ('Confidence Capital Market Pvt Ltd'). The consolidated financial statements have been prepared on the following basis:

- a. The financial statement of the company and its subsidiary company are combined on line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transaction in accordance with Accounting Standard (AS) 21 – "Consolidated Financial Statement"
 - b. The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statement as goodwill or capital reserve as the case may be.
 - c. The company is holding 100% equity share capital of the subsidiary company hence no minority interest in the net profit and a net asset of the consolidated subsidiary is identified.
 - d. As far as possible, the consolidated financial statement are prepared using uniform accounting policies for like transaction and other events in similar circumstances and are presented in the same manner as the company's separate financial statements.
- B. Investment other than subsidiary have been accounted as per Accounting Standard (AS) 13 on – "Accounting for Investments"**
- C. Other significant accounting policies**

These are set out under "Significant Accounting Policies" as given in the company's separate financial statements.

(B) NOTES ON ACCOUNTS: -

(In Rs.)

1. Previous year figures have been regrouped, reworked, rearranged and reclassified whenever necessary.

	As At 31st March, 2013	As At 31st March, 2012
2. Contingent Liabilities	NIL	NIL
3. Estimated amount of contract remaining to be executed on Capital Account and not provided for the year	NIL	NIL
4. Amount Outstanding to SSI Units	NIL	NIL
5. Payments to Auditors:-		
(i) Audit Fees	25000	15000
(ii) Service Tax	3090	1545
	28090	15545

6. Deferred Tax:-

The Company has accounted for Deferred Taxation in respect of timing differences in accordance with the requirement of Accounting Standard 22 "Accounting for Taxes on Income". The Deferred Tax liability comprises the followings:

Deferred Tax Liabilities	Current Year	Previous Year
On account of fixed assets	24005	0

7. Segment Reporting:-

The Company has no Reportable Segment.

8. Financial information of subsidiary company

Sr. no.	Particulars	
1	Name of Subsidiary Company	Confidence Capital Markets Private limited
2	Reporting Currency	INR
3	Capital	100000
4	Reserve	616
5	Total Assets	8716030
6	Investment	-
7	Turnover/Total Income	106557
8	Profit Before Taxation	616
9	Provision for Taxation	-
10	Profit after Taxation	616
11	Proposed Dividend	-
12	Country	India

9. There are no delays in payments to Micro, Small and Medium Enterprises as required to be disclosed under "The Micro, Small and Medium Enterprises Development Act, 2006."

10. Related Party Disclosure as per AS 18 (As identified by the Management) :**(i) Related Party Relationship**

(a) Where Control Existed	--
(b) Key Management Personnel	1) Shri A.R. Coutinho 2) Ms Sneha Raut 3) Shri Manoj Jain 4) Shri Lalit Maroo
(c) Relatives of Key Management Personnel (Whom Transaction have taken place)	NO
(d) Other Related Parties (Whom Transaction have taken place)	NO

(ii) Transaction with Related Parties:

Type of Related Party	Description of the Transaction	Nature of Transaction	(In Rs.) Volume of Transaction	
			2012-13	2011-12
(a) Where Control exists	(a) Loan made		--	--
(b) Key Management Personnel	(a) Total Loans / Advances Paid		--	--
	(b) Total Loans / Advances Recd.		--	--
	(c) Directors Remuneration		380000/-	--
	(d) Rent Paid		120000/-	--
(c) Relatives of Key Management Personnel	(a) Total Loans / Advances Paid		--	--
	(b) Total Loans / Advances Recd.		--	--
	(c) Rent Paid		--	--
(d) Other Related Parties	(a) Purchases/Sale of Goods		--	--

11. Earning Per Share:-

The Earning Per Share has been computed by dividing the profit after tax by number of Equity Shares outstanding.

	Current Year	Previous Year
(a) Net profit available for Equity Shareholders (Numerator used for calculation)	7291937	2954295
(b) Weighted Average number of equity shares used as denominator for calculating EPS	10250000	2100000
(c) Basic and Diluted Earnings per share of Rs.10 each :	0.71	1.41

As per our report of even date
For **Suresh Anchaliya & Co.**
Chartered Accountants
Firm Registration No: 112492W

On behalf of the Board of Directors

Amruth Coutinho

Managing Director

CA Suresh Anchaliya
Partner
Membership No. 044960
Place: Mumbai
Date: 29th May, 2013

Manoj Jain

Executive Director

Lalit Maroo

Independent Director

CONFIDENCE TRADING COMPANY LIMITED

Regd. Off: 9, Botawala Building, 3rd Floor, 11/13, Horniman Circle, Fort, Mumbai: 400001

PROXY FORM

Reg. Folio NO _____ No. of Shares: _____
D.P. I. D* _____ Client ID* _____

I/we _____ of _____
Being a share holder/shareholders of Confidence Trading Company Limited
Hereby _____ appoint _____ or _____ failing
him/her _____ as my/our proxy to attend and vote for me/us and
on my/our behalf at the 33rd Annual General meeting of the Company to be held on 30/09/2013 at 3.30 P.M.
and at any adjournment thereof.

Signed this _____ day of _____ 2013

Signature of the shareholder _____

Affix
Re. 1/-
Revenue
Stamp

Note: The Proxy form duly completed and signed must be deposited at the registered office of the company not less than 48 hours before the time for holding the Meeting

*Applicable for shares held in electronic form.

CONFIDENCE TRADING COMPANY LTD

**Regd. Off: 9, Botawala Building, 3rd Floor, 11/13, Horniman Circle, Fort,
Mumbai: 400001**

ATTENDANCE SLIP

33rd Annual General Meeting

Reg. Folio NO. _____ No. of shares held _____

Name of the Attending Member _____

D.P.I.D* _____ Client I.D.* _____

I/We hereby record my/our presence at the 31st Annual General Meeting of the company at 9, Botawala Building, 3rd Floor, 11/13, Horniman Circle, Fort, Mumbai: 400001.

Signature of the shareholder(s), / Proxy/ Representative _____

Note:

- 1) Member / proxy holder wishing to attend the meeting must bring the attendance slip to the meeting and hand over the same duly signed at the entrance.
- 2) Member/Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

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