

34th ANNUAL REPORT

CONFIDENCE FINANCE AND TRADING LIMITED

2013-2014

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

CONFIDENCE FINANCE AND TRADING LIMITED

(Formerly known as Confidence Trading Company Limited)

Registered Office: 9, Botawala Building, 3rd Floor, 11/13, Horniman Circle, Fort, Mumbai 400001
CIN: L51909MH1980PLC231713

34th ANNUAL REPORT

BOARD OF DIRECTORS

Mr. A. R. Coutinho	-	Managing Director
Mr. Manoj Naginlal Jain	-	Executive Director
Ms. Swati Panchal	-	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 **34th**(Thirty Fourth) Annual General Meeting (AGM) of the Members of **CONFIDENCE FINANCE AND TRADING LIMITED (Formerly known as Confidence Trading Company Limited)** will be held on **30th September, 2014 on Tuesday at 10:00 AM** 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, 2014, 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 appoint a Director in place of **Mr. Manoj Jain (holding DIN: 00165280)**, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. Suresh Anchaliya & Co., Chartered Accountants (ICAI Registration No.112492W) as Statutory auditors and to fix their remuneration in consultation with the board.

SPECIAL BUSINESS:

1. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that Ms. Swati Panchal (holding DIN05281377), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 14th February, 2014, in terms of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Independent Director of the Company to hold office for a term up to five (5) consecutive years commencing from 30th September, 2014.”

2. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED that pursuant to the provisions of Section 197 and any other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) a sum not exceeding one percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, be paid to and distributed amongst the directors other than the managing director of the Company or some or any of them in such amounts or proportions and in such manner and in all respects as may be decided and directed by the Board of Directors and such payments shall be made in respect of the profits of the Company for each financial year, for a period of five (5) financial years commencing from 1st April, 2014, provided that none of the directors aforesaid shall receive individually a sum exceeding `10,00,000/- (Rupees ten lakhs only) in a financial year.

RESOLVED FURTHER that the above remuneration shall be in addition to fee payable to the director(s) for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings.”

REGISTERED OFFICE:

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

By Order of the Board Of Directors

Date: 1st September, 2014

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 relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is enclosed and forms part of the Notice.
- 3) The Register of Members and the Transfer Book of the Company will remain closed from 22nd September, 2014 to 30th September, 2014 (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) Electronic copy of the Notice of the 34th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 34th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode
- 6) 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 Purva Shareregistry (India) Pvt. Ltd. 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (E), Mumbai – 400 011
- 7) 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, 2014 are enclosed herewith.
- 8) Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, 5th September, 2014, are entitled to vote on the Resolutions set forth in this Notice.

Members who have acquired shares after the dispatch of the Annual Report and before the book closure may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means. The e-voting period will commence at 9.00 a.m. on Monday 22nd September, 2014 and will end at 5.00 p.m. on Friday, 26th September, 2014. The Company has appointed Mr. Amit Dadheech, Practising Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e voting given hereinafter.

PROCEDURE FOR E VOTING

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Monday 22nd September, 2014 at 9.00 a.m and ends on Friday, 26th September, 2014 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 5th September, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) ☐ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. ☐ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB Dividend Bank Detail	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. Enter the Dividend Bank Details as recorded in your demat account or in the company record for the said demat account of folio.1 ☐ Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for Confidence Finance and Trading Limited.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders & Custodians:
- ☐ Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - ☐ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - ☐ After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - ☐ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com
- 9) 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.
- 10) Proxies, in order to be effective, forms 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 102 OF THE COMPANIES, 2013

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 Finance and Trading Limited** to be held at 9, Botawala Building, 3rd Floor, 11/13, Horniman Circle, Fort, Mumbai 400001 on 30th September, 2014 at 3.30PM.

Item No. 1

Ms. Swati Panchal has been appointed as Additional Director of the Company pursuant to Section 161(1) of the Companies Act, 2013 read with Articles of Association of the Company with effect from 14th February, 2014. The terms of the directors expire at the ensuing Annual General Meeting of the

Company. The Company has received notice from the member proposing to appoint Ms. Swati Panchal as a candidate for the office of Director of the Company.

The Board considers that the appointment of Ms. Swati Panchal as an Independent Director of the Company would be of immense benefit to the Company. Accordingly, the Board of Directors recommends her appointment as an Independent Director of the Company to hold office for five consecutive years for a term up to five consecutive years commencing from 30th September, 2014."

None of the Directors of the Company are interested in passing the resolution, except Ms. Swati Panchal to the extent of her appointment as Director of the Company. 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.

Item No. 2

In view of Sections 149, 197 and any other relevant provisions of the Companies Act, 2013 coming into effect from 1st April, 2014 and taking into account the roles and responsibilities of the directors, it is proposed that the Directors other than Managing Director be paid for each of the five financial years of the Company commencing from 1st April, 2014, remuneration not exceeding one percent per annum of the net profits of the Company computed in accordance with the provisions of the Companies Act, 2013. This remuneration will be distributed amongst all or some of the Directors in accordance with the directions given by the Board of Directors and subject to any other applicable requirements under the Companies Act, 2013. None of the Directors shall receive individually a sum exceeding `10,00,000/- (Rupees ten lakhs only) in a financial year. This remuneration shall be in addition to fee payable to the Directors for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board, and reimbursement of expenses for participation in the Board and other meetings.

Accordingly, a fresh approval of the Members is sought by way of a Special Resolution under the applicable provisions of the Companies Act, 2013 for payment of remuneration by way of commission to the Directors of the Company other than Managing Director and Whole-time Directors, for a period of five years commencing from 1st April, 2014 as set out in the Resolution at Item No. 2 of the Notice.

The Managing Director and Key Managerial Personnel of the Company and their relatives are not concerned or interested, financial or otherwise, in the resolution set out at Item No. 2 of the Notice. Directors other than the Managing Director of the Company may be deemed to be concerned or interested in the resolution set out at Item No. 2 of the Notice to the extent of the remuneration that may be received by them.

REGISTERED OFFICE

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

By Order of the Board of Directors

Date: 1st September, 2014

Manoj Jain
Director

BOARD OF DIRECTORS' REPORT

**To
The Members**

Your Directors present their 34th (Thirty Fourth) Annual Report with Audited Statement of Accounts for the year ended on March 31, 2014.

Financial Results

(Rs. In Lacs)

Particulars	Year Ended 31/03/2014	Year Ended 31/03/2013
Income	163.69	194.46
Profit before Depreciation	55.59	113.06
Depreciation	5.16	3.24
Profit after Depreciation	50.43	109.82
Provision for Taxation	15.63	36.74
Tax (Income Tax) paid for earlier period	-0.19	0.17
Profit after Tax	34.99	72.91
Surplus/Loss brought forward from the previous year	43.13	29.78
Total amount available for appropriation	78.11	102.69
Appropriation :		
Bonus Share	-	-
Dividend	-	51.25
Dividend Distribution Tax	-	8.31
Surplus carried over	78.11	43.13

FINANCIAL HIGHLIGHTS

During the year Company has earned the income of Rs.163.69lacsas compared to Rs.194.46 lacs in the previous year.

DIVIDEND

Your Directors decided to plough back the profit and therefore dividend is not declared.

SHARE CAPITAL

During the year, the Company has sub-divided its Equity shares from face value of Rs. 10/- to face value of Rs. 1/-.

BOARD OF DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Manoj Jain retired by rotation at the ensuing Annual General Meeting, and being eligible offers himself for reappointment. Ms. Swati Panchal was appointed as an Additional Director on the Company's Board with effect from 14th February, 2014 consequently Mr. Lalit Maroo resigned from Directorship. The Board places on record his appreciation for the distinguished service and contribution made to the company by Mr. Lalit Maroo as Director.

FUTURE OUTLOOK

With the new found positive momentum on economic front, the board of directors is optimistic about growth in the business segment in which company operates. The finance sector is scaling new high the directors are confident of its positive effect on overall performance of the company.

CSR INITIATIVE

Company will earmark a budget of Rs. 1 lac to be spent on "Clean India" initiative. Company would finance for hygienic sanitation facilities for girl students across 3 schools in the country.

OPERATIONS

Total revenue earned for the year is Rs. 1.63 crore on total Net worth of Rs. 19.59 crore which has given gross RoI 8.32% and Net RoI 1.79%.

DEPOSITS

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

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, 2014 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, 2014 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.

CORPORATE GOVERNANCE

A separate report on Corporate Governance is provided of this Annual Report, together with a Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange(s). A Certificate of the CEO of the Company in terms of sub-clause(v) of Clause 49 of Listing Agreement, inter alia, confirming the correctness of the financial statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed.

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: 1st September, 2014

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 Managing Director, Mr. Manoj Naginlal Jain as Executive Director, Ms. Swati Panchal as Additional Director and Mr. Lalitkumar Maroo as Non Executive Independent Director.

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	-	-	6250
Mr. Manoj Naginlal Jain	Executive Director	8	Yes	3	-	-	-
Mr. Lalitkumar Maroo #	Non – Executive Independent Director	8	Yes	3	-	-	500
Ms. Swati Panchal *	Additional Director	1	N.A	-	-	-	80

resigned w.e.f 14.02.2014

*appointed w.e.f 14.02.2014

Notes:

During the period ended 31st March 2014, **8**(Eight) Board Meetings were held on the following dates: 29/05/2013, 27/07/2013, 30/08/2013, 08/10/2013, 18/11/2013, 18/12/2013, 21/01/2014 and 18/02/2014.

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 purpose of Audit Committee is to assist the Board of Directors (the "board") in reviewing the financial information which will be provided to the shareholders and others, reviewing the systems of internal controls which the management and board have established, appointing, retaining and reviewing the performance of statutory auditors and overseeing the Company's accounting and financial reporting processes and the audits of the Company's financial statements.

Terms of Reference:

The Company has an audit committee as envisaged in the listing agreement. The terms of reference of audit committees broadly are as under:

- (a) To hold periodic discussions with the statutory auditors and internal auditors of the Company concerning the financial reports of the Company, internal control systems, scope of audit and observations of the auditors/internal auditors;
- (b) Discussion with internal auditors on significant audit findings and follow up thereon;
- (c) To review compliance with internal control systems;
- (d) To review the quarterly, half yearly and annual financial results of the Company before submission to the Board
- (e) To make recommendations to the board on any matter relating to the financial management of the Company, including the audit report;
- (f) Recommending the appointment/reappointment of statutory auditors and fixation of their remuneration;
- (g) To review the annual plan and budget before submission to the board.

The scope of the audit committee includes amongst other matters which are set out in clause 49 of the listing Agreement with stock exchanges amended from time to time read with section 292A of the Companies Act, 1956.

Composition & Meetings:

The Audit Committee consists of the following members. The details of which are provided below:

Name of Director	Designation	No. of meetings attended
Mr. Lalit Maroo #	Chairman and Member	2
Mr. Amruth Coutinho	Member	2
Mr. Manoj Jain	Member	2
Ms. Swati Panchal *	Member	-

resigned on 14.02.2014

* Appointed on 14.02.2014

The Committee met twice during the period ended 31st March, 2014. The details of which are provided below:

29/05/2013 and 09/10/2013.

The terms of reference of the Committee are as per the regulations set out in Clause 49 of the listing agreement with the Stock Exchanges and section 292A of the Companies Act, 1956 and inter alias 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.

E) SHARE TRANSFER COMMITTEE

a) Terms of reference:

The Committee was constituted to specifically look into the redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet and non-receipt of declared dividend.

b) The composition of the Shareholders Grievance Committee is as follows:

Name of Director	Designation	No. of meetings attended
Mr. Lalit Maroo #	Chairman and Member	2
Mr. Amruth Coutinho	Member	2
Mr. Manoj Jain	Member	2
Ms. Swati Panchal *	Member	-

resigned on 14.02.2014

* appointed on 14.02.2014

F) REMUNERATION COMMITTEE

The Company has constituted a Remuneration Committee with terms of reference to evaluate compensation/commission and benefits for Directors and to frame policies and procedures for Stock Option Plans as approved by the shareholders. This Committee also acts as Nomination Committee and Compensation Committee.

a) The composition of the Remuneration Committee is as follows:

Name of Director	Designation	No. of meetings attended
Mr. Lalit Maroo #	Chairman and Member	2
Mr. Amruth Coutinho	Member	2
Mr. Manoj Jain	Member	2
Ms. Swati Panchal *	Member	-

resigned on 14.02.2014

* appointed on 14.02.2014

Remuneration paid to Directors during the period ended 31st March 2014

NAME OF THE DIRECTOR	SALARY	PERQUISITES	CONTRIBUTION TO VARIOUS FUNDS	TOTAL
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
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	Manoj Jain
Date of Birth	06/02/1972
Date of Appointment	21/02/2011
Expertise in any specific functional Area	Accounts and Finance
Qualification	Chartered Accountant
Directorships held in other companies (excluding foreign – Companies)	1. Taranya Projects Private Limited 2. Anju Securities Private Limited 3. Jaisons Realty (Asia) 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 2011	11/08/2011	03:30 P.M
31 st March 2012	29/09/2012	12:00 Noon
31 st March 2013	30/09/2013	3:30 P.M

H) DISCLOSURES

- During the Financial year 2013-14, Company has sold Equity shares of its Subsidiary i.e Confidence Capital Market Private Limited and Company has no subsidiary as on today.
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

(i) Annual General Meeting– The 34th Annual General Meeting of the Company will be held on 30/09/2014 at 10.00AM 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, 2013
Second Quarter Results Declared : First Week of October, 2013
Third Quarter Results Declared : Last Week of January, 2014
Fourth Quarter Results Declared : Last Week of May, 2014

(iii) Book Closure date : 22nd September, 2014 to 30th September, 2014 (both days inclusive)

(iv) Dividend payment date : Not Applicable

(v) (i) 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.

(vi) (i) Scrip Code for BSE : 504340

(ii) ISIN Numbers in NSDL & CDSL: INE180M01025 for Equity Shares (Post Sub-Division)
INE 180M01017 for Equity Shares (Pre Sub-Division)

Stock Market Data at BSE:

Month	High (Rs.)	Low (Rs.)	Close	Volume
April, 2013	330.85	300.30	319.00	1382234
May, 2013	332.00	302.60	309.30	979853
June, 2013	315.65	247.60	272.00	407281
July, 2013	280.00	233.30	249.95	602053
August, 2013	251.00	225.00	235.00	257347
September, 2013	268.50	238.00	250.00	148421
October, 2013	300.00	250.00	268.30	242286
November, 2013	305.00	265.00	270.95	317848

December, 2013	293.00	21.65	21.65	329972
January, 2014	22.65	13.55	13.55	2868332
February, 2014	14.10	8.03	8.09	2427799
March, 2014	7.75	4.79	5.21	3738014

(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 2014

Shareholders			Shareholding	
No. of Shares	Nos.	%	No. of Shares	%
1-5000	429	71.74	156670	0.15
5001-10000	6	1.00	50730	0.05
10001-20000	13	2.17	187160	0.18
20001-30000	12	2.01	327400	0.32
30001-40000	3	0.50	104800	0.10
40001-50000	4	0.67	184020	0.18
50001-100000	24	4.01	1707340	1.67
100001- and above	107	17.89	99781880	97.35
Total	598	100	102500000	100

(xi) Shareholding Pattern as on 31.03.2014

Category		No. of Shares held	Percentage of Shareholding
A	Promoter's Holding		
1	Promoters		
	- Indian Promoters	1825000	1.78
	- Foreign Promoters	-	-
2	Persons acting in concert	-	-
	Sub – Total (A)	1825000	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	57327013	56.94
b)	Indian Public	42423657	42.14
c)	NRI's/OCB's	-	-
d)	Any Other (Please specify) - Clearing Members	924330	0.92
	Sub-Total (B)	100675000	98.22
	Grand Total (A+B)	102500000	100

(xii) Dematerialisation of Shares

As on 31st March, 2014, 99.99% of the Company's Shares representing 102487500 Share were held in dematerialized form and the balance 12500 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: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. BorichaMarg, 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, 2014.

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 Finance and Trading 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 stabilized during the year 2013-14 and overall business sentiments are very encouraging, specially in the context of investments and Capital Market. Going forward, the outlook remains extremely positive and growth oriented.

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 Finance and Trading 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, 2014 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 Finance and Trading Limited

Date: 1st September, 2014
Place: Mumbai

A. R. Coutinho
Managing Director

COMPLIANCE CERTIFICATE

To
The Members of
Confidence Finance and Trading 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, 2014.

Registered Office:

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

For Confidence Finance and Trading Limited

Date: 1st September, 2014
Place: Mumbai

A. R. Coutinho
Managing Director

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 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: 28th May, 2014

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

(Suresh Anchaliya)
Partner
Membership No. 044960

INDEPENDENT AUDITOR'S REPORT

To the Members of

CONFIDENCE FINANCE AND TRADING LIMITED (Formerly Known As Confidence Trading Company Limited)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **Confidence Finance and Trading Limited**, ("the Company") which comprise the Balance Sheet as at 31st March, 2014, 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, 2014;
- (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, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

Place: Mumbai
Date: 28th May, 2014

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

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. In respect of its Inventories :

- 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. In respect of its Loans and Advances :

- a) The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained u/s. 301 of the Companies Act, 1956.
- b) In respect of loans, secured or unsecured taken by the company from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1961
 - i. the Company has taken loan from one party and the amount involved is Rs. 45,959/-
 - ii. the rate of interest and other terms and condition of loan taken are not prejudicial to the interest of the company.
 - iii. the payment of interest on loan and principal is regular.

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. In respect of transactions covered under Section 301 of the Companies Act, 1956, in our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that needed to be entered into in the register maintained under Section 301 of the Companies Act, 1956, have been so entered. The transaction have been made at prices which are *prima facie* reasonable having regards to prevailing market price at the relevant time.

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, 2014, 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.

To the Members of Confidence Finance and Trading Limited
(Formerly Known as Confidence Trading Company Limited)

We have examined the compliance of the conditions of corporate governance by **Confidence Finance and Trading Limited** (the Company) for the year ended 31st March, 2014 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: 28th May, 2014

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

Suresh Anchaliya
Partner
Membership No. 044960

Confidence Finance and Trading Limited

(Formerly Known As Confidence Trading Company Limited)

Statement of Profit and Loss for the year ended 31st March, 2014

(In Rs.)

Particulars	Note	2013-14	2012-13
<u>Income</u>			
Revenue from Operations	17	16024688	19437125
Other Income	18	344367	9235
Total Revenue		16369055	19446360
<u>Expenditure</u>			
Purchase of Stock in Trade	19	351694	791786
Changes in Inventories of Finished Goods and Stock-in-Trade	20	(152014)	596800
Employee Benefit Expense	21	3502754	2049110
Financial Costs	22	51065	0
Depreciation and Amortization Expenses		516088	324129
Other Administrative Expenses	23	7056602	4702034
Total Expenses		11326190	8463859
Profit Before Tax		5042865	10982501
<u>Tax Expenses:</u>	24		
(1) Current Tax		1600000	3650000
(2) Tax for Earlier Period		(19073)	17175
(3) Deferred Tax		(36815)	24005
Profit/(Loss) For The Period		3498753	7291321
Earning Per Equity Share:			
(1) Basic		0.03	0.07
(2) Diluted		0.03	0.07

Significant Accounting Policies and Notes on Financial Statement

1 to 25

As per our report of even date

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

Suresh Anchaliya
Partner
Membership No. 044960

Place : Mumbai

Date : 28th May, 2014

For and On behalf of the Board

Amruth Coutinho Managing Director

Manoj Jain Executive Director

Swati P Panchal Additional Director

Confidence Finance and Trading Limited
(Formerly Known As Confidence Trading Company Limited)
Notes to Financial Statement for the Year ended 31st March, 2014

Note No. 1

Shareholders Fund

Equity Share Capital

	(In Rs.)	
	<u>As at 31.03.2014</u>	<u>As at 31.03.2013</u>
a) Authorised Share:		
210000000 Equity Shares of Rs. 1/- each (Previous Year Rs. 10/- each)	210000000	210000000
	210000000	210000000
b) Issued, Subscribed and Paid up:		
102500000 Equity Shares of Rs. 1/- each Fully paid-up (Previous Year Rs. 10/- each)	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	10250000
Add: Issued During the year	0	0
Add: Addition of Shares due to Sub Division	92250000	0
Outstanding at the End of the Reporting Year	102500000	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. 1/- each

S.No.	Name	<u>As at 31st March, 2014</u>		<u>As at 31st March, 2013</u>	
		No. of Shares	% of Holding	No. of Shares	% of Holding
1	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	50000000
Closing Balance	50000000	50000000
b) Surplus / (deficit) in the Statement of Profit and Loss		
Balance as per Last Financial Statement	4312651	2977733
Add: Profit/(Loss) for the Year	3498753	7291321
Less: <u>Appropriation</u>		
Dividend paid	0	5125000
Tax on Dividend paid	0	831403
Issue of Bonus Shares	0	0
Net Surplus / (Deficit) in the Statement of Profit and Loss	7811404	4312651
Total Reserve and Surplus	57811404	54312651

Note No. 3

Share Application Money Pending Allotment

Share Application Money	35600000	0
	35600000	0

Confidence Finance and Trading Limited

(Formerly Known As Confidence Trading Company Limited)

Notes to Financial Statement for the Year ended 31st March, 2014

	As at 31.03.2014	(In Rs.) As at 31.03.2013
Note No. 4		
<u>Defferd Tax Liabilites</u>		
For Fixed Assets	0	24005
	0	24005
Note No. 5		
<u>Short Term Borrowing</u>		
(Unsecured)		
Loans and advances from related parties	45959	0
	45959	0
Note No. 6		
<u>Other Current Liabilities</u>		
Creditors for Expenses	648184	385921
Advance From Parties	0	257425
TDS Payable	5106	0
	653290	643346
Note No. 7		
<u>Short Term Provision</u>		
Provision for Tax	1600000	3650000
Statutory Liabilities	0	5956403
Others	0	310000
	1600000	9916403

Confidence Finance and Trading Limited
(Formerly Known As Confidence Trading Company Limited)
Notes to Financial Statement for the Year ended 31st March, 2014

Note No. 8

Fixed Assets

(In Rs.)

NAME OF ASSETS	GROSS BLOCK		DEPRECIATION				NET BLOCK		
	As On 01.04.13	Addition/(Del ction) during the year	As On 31.03.14	As On 01.04.13	Depreciation during the year	Depreciation Adjustments	Total As On 31.03.14	As On 31.03.14	As On 31.03.13
Computers	291902	55120	347022	63879	103264	0	167143	179879	228023
Furniture & Fixtures	65247	0	65247	3439	11156	0	14595	50652	61808
Motor Car	1600000	360000	1960000	259892	394010	0	653902	1306098	1340108
Air Conditioner	0	388356	388356	0	3537	0	3537	384819	0
Apple I Phone 5	0	42750	42750	0	4121	0	4121	38629	0
Total	1957149	846226	2803375	327210	516088	0	843298	1960076	1629939
Previous Year Total	39950	1917199	1957149	3081	324129	0	327210	1629939	36869

Confidence Finance and Trading Limited

(Formerly Known As Confidence Trading Company Limited)

Notes to Financial Statement for the Year ended 31st March, 2014

	(In Rs.)	
	<u>As at 31.03.2014</u>	<u>As at 31.03.2013</u>
Note No. 9		
<u>Non Current Investments</u>		
<u>Un Quoted Shares</u>		
Confidance Capital Markets Private Limited	0	100000
	<u>0</u>	<u>100000</u>
Note No. 10		
<u>Long Term Loans and Advances</u>		
(Unsecured and considered good)		
Loans and Advances to others	185963804	157173719
	<u>185963804</u>	<u>157173719</u>
Note No. 11		
<u>Other Non - Current Assets</u>		
Deposits	25000	25000
	<u>25000</u>	<u>25000</u>
Note No. 12		
<u>Deferred Tax Assets</u>		
For Fixed Assets	12810	0
	<u>12810</u>	<u>0</u>
Note No. 13		
<u>Inventories</u>		
Finished Goods/Securities	360014	208000
	<u>360014</u>	<u>208000</u>
Note No. 14		
<u>Trade Receivable</u>		
Outstanding for less than 6 month from the due date	230310	0
	<u>230310</u>	<u>0</u>
Note No. 15		
<u>Cash and Cash Equivalent</u>		
Balances with Banks	7316674	5438268
Cash on hand	89296	80723
	<u>7405970</u>	<u>5518991</u>
Note No. 16		
<u>Other Current Assets</u>		
Preliminary Expenses	256000	384000
ROC - Capital Expenses	443801	591734
Income Tax Refundable	47349	16613
Advance Tax and TDS	1460094	1732869
Service Tax Receivables	114	9765
VAT	45311	5775
	<u>2252669</u>	<u>2740756</u>

Confidence Finance and Trading Limited

(Formerly Known As Confidence Trading Company Limited)

Notes forming part of Statement of Profit and Loss for the Year ended 31st March, 2014

	31st March, 2014	(In Rs.) 31st March, 2013
Note No. 17		
<u>Revenue From Operation</u>		
Revenue From Services	0	880250
Less: Excise Duty/VAT/Service Tax	0	0
Interest Income on Loan	15706240	18556635
Commission Income	318448	240
	16024688	19437125
Note No. 18		
<u>Other Income</u>		
Interest on Income tax Refund	0	9235
Discount Received	100	0
Inspection Fees	200	0
Sundry Creditors Written Back	344067	0
	344367	9235
Note No. 19		
<u>Purchases of Stock in Trade</u>		
Purchase of Goods	351694	791786
	351694	791786
Note No. 20		
<u>(Increase)/Decrease in Inventory</u>		
Opening Balance of Inventory	208000	804800
Less: Closing Balance of inventory	360014	208000
	(152014)	596800
Note No. 21		
<u>Employees Benefit Expenses</u>		
Salaries and Wages	2472500	1647810
Staff welfare Expenses	1030254	401300
	3502754	2049110
Note No. 22		
<u>Financial Cost</u>		
Interest on Loan	51065	0
	51065	0

Confidence Finance and Trading Limited

(Formerly Known As Confidence Trading Company Limited)

Notes forming part of Statement of Profit and Loss for the Year ended 31st March, 2014

	<u>31st March, 2014</u>	<u>31st March, 2013</u>
Note No. 23		
<u>Other Expenses</u>		
Advertising Expenses	206832	85681
Audit Fees	25000	15000
Bank Charges	5798	9895
Club Membership Fees	48811	0
Conveyance Expenses	502880	123359
Computer Expenses	378324	48206
Custodial Fees	54000	57708
Demat/share Transfer Charges	48523	22322
Director Remuneration	300000	360000
Director Sitting Fees	75000	0
Donation	0	500000
Hotel Charges	205000	0
Insurance Expenses	25007	0
Interest on Annual Listing Fees	150	0
Interest On Service Tax	0	74937
Listing Fees	40000	44944
Misc. Exp.	116058	51290
Office Expenses	799893	498753
Postage and Courier Charges	160500	171936
Preliminary expenses written off	275933	275933
Printing and Stationery	530667	270368
Processing Fees	52046	0
Professional Fees	878600	836500
Rent Rates and Taxes	168000	244899
Repair & Maintenance Exp	490836	398433
Roc Charges	0	5000
Service Tax	0	46713
Service Tax Penalty	0	13000
Software Expenses	179503	0
Telephone Expenses	285831	119566
Electricity Expenses	159353	21963
Travelling Expenses	1014640	305628
Website Maintenance Exp	29417	0
Balance W/Off	0	100000
	<u>7056602</u>	<u>4702034</u>

Note No. 24**Tax Expenses**

Current Tax	1600000	3650000
Tax for Earlier period	(19073)	17175
Deferred Tax	(36815)	24005
	<u>1544112</u>	<u>3691180</u>

Confidence Finance and Trading Limited
(Formerly Known As Confidence Trading Company Limited)
Cash Flow Statement for the year ended 31st March, 2014

PARTICULARS	For the year ended 31st March, 2014	For the year ended 31st March, 2013
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax And Extraordinary Items	5042865	10982501
Adjustment for :		
Depreciation	516088	324129
Interest (Net)	(15655175)	(18556635)
Operating Profit Before Working Capital And Receivables	(10096221)	(7250005)
Adjustment for :		
(Increase) / Decrease in trade and other receivables	257777	394296
(Increase) / Decrease in Inventories	(152014)	596800
Increase / (Decrease) in Trade Payables and other liabilities	(8306459)	(2931384)
Cash Generated From Operations	(18296917)	(9190293)
Income Tax Paid	1580927	1732869
Net Cash From Operating Activities	(a) (19877844)	(10923162)
B CASH FLOW FROM INVESTING ACTIVITIES		
Sale/(Purchase) of Fixed Assets	(846226)	(1917199)
Interest Received	15706240	18556635
Sale/Purchase of Shares	100000	(100000)
Net Cash Used In Investment Activities	(b) 14960014	16539436
C CASH FLOW FROM FINANCING ACTIVITIES		
Loan Received and Paid	(28790085)	(476633)
Share Application Money Received	35600000	0
Short Term Borrowing and others	45959	0
Interest Paid	(51065)	0
Net Cash Used In Financing Activities	(c) 6804809	(476633)
Net Increase In Cash And Cash Equivalents (a) + (b) + (c)	1886979	5139641
Cash And Cash Equivalents As At The Commencement of the Year (Opening Balance)	5518991	379350
Cash And Cash Equivalents As At The End of the Year	7405970	5518991
Net Increase / (Decrease) As Disclosed Above	1886979	5139641

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

Manoj Jain Executive Director

Suresh Anchaliya
Partner
Membership No. 044960

Swati P Panchal Additional Director

Place : Mumbai
Date : 28th May, 2014

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, 2014</u>	<u>As At 31st March, 2013</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	25000	15000
(ii) Service Tax	3090	1854
	<u>28090</u>	<u>16854</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) Manoj Jain 2) A.R. Coutinho 3) Swati P Panchal

(ii) Transaction with Related Parties :

		(In Rs.)	
Type of Related Party	Description of the Transaction	2013-14	2012-
13 _____			
(a) Where Control Existed	-----	NIL	-----
(b) Key Management Personnel			
	(a) Total Loans / Advances Paid	--	--
	(b) Total Loans / Advances Recd.	45959/-	--
	(c) Managing Directors Remuneration	300000/-	360000/-
	(d) Rent Paid	120000/-	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 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)	3498753	7291321
(b) Weighted Average number of equity shares used as denominator for calculating EPS	102500000	102500000
(c) Basic and Diluted Earnings per share of Rs.1 each :	0.03	0.07

10. a.)	Value of Imports on CIF basis	<u>Current Year</u>	<u>Previous Year</u>
	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 Regn. No. : 112492W

On behalf of the Board of Directors

1) **A.R. Coutinho** **Managing Director**

Suresh Anchaliya
Partner
Membership No. 044960
Place: Mumbai
Date: 28th May, 2014

2) **Manoj Jain** **Director**

3) **Swati P Panchal** **Additional Director**

CONFIDENCE FINANCE AND TRADING LTD

(Formerly known as 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 shareholder/shareholders of Confidence Finance and Trading 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 34th Annual General meeting of the Company to be held on 30/09/2014 at 10.00 AM and at
any adjournment thereof.

Signed this _____ day of _____ 2014

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 FINANCE AND TRADING LTD

(Formerly known as Confidence Trading Company Limited)

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

ATTENDANCE SLIP
34th 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 34th 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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