

CONFIDENCE TRADING COMPANY LIMITED
ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2003



SHANKER GIRI & PRABHAKAR
Chartered Accountants

For CONFIDENCE TRADING COMPANY LTD

A handwritten signature in black ink, appearing to be "Shanker Giri".

Director

Shanker Giri & Prabhakar
Chartered Accountants

"GUHALAYA", Flat B-7,
No. 262 (Old 179), Royapettah High Road,
Mylapore, Chennai - 600 004.
Phone : 499 29 82, 499 13 45
Fax : 91-44-4997317

REPORT OF THE AUDITORS TO THE MEMBERS OF

CONFIDENCE TRADING COMPANY LIMITED

1. We have audited the attached Balance Sheet of CONFIDENCE TRADING COMPANY LIMITED as at 31st March 2003 and also the Profit and Loss Account for the year ended on that date annexed thereto and the Cash Flow Statement for the period ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that :
 - (i) 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.
 - (ii) In our opinion, proper books of account as required by Law have been kept by the Company so far as appears from our examination of those books.
 - (iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion the Balance Sheet and Profit and Loss Account dealt with by this Report comply with the accounting standards referred to in sub-section (3-C) of Section 211 of the Companies Act, 1956.
 - (v) On the basis of the written representations received from the directors as on 31st March 2003, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2003 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us the said accounts together with the schedules attached thereto give the information required by the Companies Act, 1956, in the manner so required and gives 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 2003 and
 - b) in the case of the Profit and Loss Account, of the loss for the year ended on that date.
 - c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For SHANKER GIRI & PRABHAKAR
Chartered Accountants

P. Prabhakar
P. PRABHAKAR RAO
Partner

CHENNAI: 30/6/03

For CONFIDENCE TRADING COMPANY LTD

[Signature]
Director

Shanker Giri & Prabhakar
Chartered Accountants

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Annexure referred to in Paragraph 3 of the Auditors' Report to the Members of Confidence Trading Company Limited on the accounts for the year ended 31st March 2003.

1. The Company was not holding any stocks as at 31st March 2003 and as such reporting under Clauses (iii), iv, (v) and (vi) does not arise.
2. The Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the register maintained under section 301 and 370 (I-B) of the Companies Act, 1956. The Company has taken short Term Loans from a director. The terms and conditions of such loans are not prejudicial to the interest of the Company.
3. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 301 and 370 (I-B) of the Companies Act, 1956.
4. The Company has not given any loans or advances in the nature of loans during the year.
5. According to the information and explanations given to us, the internal control procedures are adequate and commensurate with the size of the company and the nature of its business, for the purchase of stocks and for the sale of goods.
6. According to the information and explanations given to us, there were no transactions of purchase of goods and materials and sale of goods made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 as aggregating during the year to Rs.50000/- or more in respect of each party.
7. The Company has not accepted any deposits from the public.
8. As there were no employees during the year, the question of reporting on remittance of Provident Fund Recoveries and ESI recoveries does not arise.
9. According to the information and explanations given to us there are no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales tax, Customs Duty and Excise Duty outstanding for a period of more than six months from the date they became payable.
10. In our opinion and according to the information and explanations given to us, personal expenses have not been charged to revenue account other than those payable under contractual obligations or in accordance with generally accepted business practice.
11. The other provisions of the Manufacturing and other Companies (Auditor's Report) Order, 1988 are not applicable to the Company during the period covered by the aforesaid accounts.

For SHANKER GIRI & PRABHAKAR


P. PRABHAKAR RAO
PARTNER

CHARTERED ACCOUNTANTS

CHENNAI: 30/6/03

For CONFIDENCE TRADING COMPANY LTD


Director