



COMFORT INTECH LIMITED

A- 301, HETAL ARCH, OPP NATRAJ MARKET, S.V.ROAD, MALAD (WEST), MUMBAI - 400 064
TEL NO : 2881 1259 / 2844 9765 - 68 / 2882 5509 • FAX : 022-2889 2527
E-mail : info@comfortintech.com • URL : www.comfortintech.com

Regd.office: 106, Avkar, Algani Nagar, Kalaria, DAMAN - 396 210 (U.T)

CIN NUMBER : L65921DD1994PLC001678

FORM B

Sub : Manner of dealing with audit reports filed by listed companies

Ref : Clause -31a of the listing agreement and SEBI Circular no.CIR/CFD/DIL/7/2012 dated 13th August 2012

1.	Name of the Company.	Comfort Intech Limited
2.	Annual Financial statements for the year ended	31 st March, 2014
3.	Type of Audit qualification	Except for, 1. <u>Contravention of Accounting Standard 15 on Accounting for retirement benefits of employees.</u> As stated in Note 1 (I) of Significant Accounting Policies followed by the company the Company is not making any provision for Gratuity and leave encashment as the same is accounted for on payment basis. This is in Contravention of Accounting Standard 15 on Accounting for retirement benefits of employees. 2. In respect of advance of Rs. 3,17,98,134/- outstanding as on 31/03/2014 (advance given to Mr Amit Dahanukar) is shown as capital advance for purchase of property. In absence of proper documents for the advance given, in our opinion this amount should be treated as loss asset and 100% provision for loss asset amounting to Rs.3,17,98,134/- should be made instead of 10% made by the

M. Agrawal




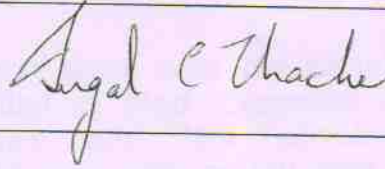


		<p>company.</p> <p>3. Amount outstanding as on 31/03/2014 with M/s Pawankumar Sanwarmal Rs.42,02,83,250/- is classified by the company as substandard Asset. Out of this amount interest cheque of Rs.2,09,87,500/- appears in reconciliation as on date. This is in contradiction to Income Recognition and Asset Classification Norms prescribed by RBI in respect of NBFCs hence this amount of Rs.2,09,87,500/- should be reversed.</p>
4.	Frequency of qualification	1 - Repetitive and remaining are first time
5.	Draw attention to relevant notes in the annual financial statement and management response to the qualification in the directors report	<p>Management response</p> <p>1. As regards not making provision for retirement benefits of employees, the same has not been done in view of the meager staff strength</p> <p>2. With respect to the Capital Advance given to Mr. Amit Dhanuka towards purchase of property, your company has made a provision of 10% instead of 100% as per RBI norms. This is mainly because your company has received near about half of the amount i.e Rs. 2,82,34,788/- out of the total amount during the financial year and made a 10% of the provision on the balance amount i.e on Rs. 3,17,98,134/-.</p> <p>3. With respect to the loan given to Mr. Pawankumar Sanwarmal, your company has received an amount of Rs. 2,09,87,500/- which was in reconciliation as on the date of Balance Sheet. A provision of 10% has been made on the outstanding balance amount i.e on Rs.</p>



M. Agrawal



		<p>42,02,83,250/- according to the Reserve Bank of India norms.</p> <p>However, the said group of accounts are secured by mortgage of properties which are more than sufficient to cover the entire dues from the said group.</p> <p>During the year 2014-15, the management is confident of realising these dues.</p>
6.	Additional comments from the board / audit committee chair	NA
7.	To be signed by -	
a	Anil Agrawal Managing Director	
b	Anil Agrawal CFO	
c.	Auditor of the Company Bansal Bansal and Co. Chartered Accountants Manoj Agrawal Partner M.No. 107624	
d	Jugal C Thacker Audit Committee Chairman	



COMFORT INTECH LIMITED

20th Annual Report 2013-14



BUILD YOUR FUTURE WITH COMFORT



**BOARD OF DIRECTORS :**

Mr. Anil B Agrawal - Chairman & Managing Director
Mr. Bharat N Shiroya - Executive Director
Mr. Janak G Mehta - Director
Mr. Jugal C Thacker - Director
Mrs. Annu A Agrawal - Director
Mr. Anil Kumar S Nevatia- Director

CIN : L65921DD1994PLC001678

COMPANY SECRETARY :

Mrs. Rama Devi Gundeti

STATUTORY AUDITORS :

M/s. Bansal Bansal & Co.,
Chartered Accountants,
120, Sanjay Building No. 6,
Mittal Industrial Estate
Andheri Kurla Road, Andheri (E)
Mumbai – 400 059.

BANKERS :

Union Bank of India
Axis Bank
Punjab National Bank
IDBI Bank
HDFC Bank Ltd.

REGISTRARS & SHARE TRANSFER AGENTS :

Bigshare Services Pvt. Ltd
E-2/3, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka,
Andheri (East),
Mumabi –400 072.
Tel : 91-22-40430200
Fax :91-22-28475207
Website : www.bigshareonline.com

REGISTERED OFFICE:

106, Avkar, Algani Nagar,
Kalaria, Daman– 369 210 (U.T.)

CORPORATE OFFICE:

A-301, 3rd Floor, Hetal Arch,
S. V. Road, Malad (West),
Mumbai – 400 064.
Tel : 91-22-28449765/66
Fax: 91-22-28892527
Email : info@comfortintech.com
Website: www.comfortintech .com

Wholly Owned Subsidiary Company in UAE :

M/s. Finsolution Services FZE
P.O.Box : 31291
Al-Jazeera Al-Hamra
RASAL Khaimah, U.A.E

Contents	Page Nos.
Board of Directors	1
Notice	2-9
Director's Report	10-13
Report on Corporate Governance	14-25
Management Discussion and Analysis	26-30
Auditor's Report	31-35
Balance Sheet	36
Profit & Loss Account	37
Cash Flow Statement	38-39
Significant accounting policies	40-41
Notes forming part of the Balance Sheet and Profit and Loss Account	41-52
NBFC Schedule	53-54
RBI Schedule	55
Consolidated Financial Statements	56- 70

TWENTIETH ANNUAL GENERAL MEETING

Day and Date	Saturday, September 20, 2014
Time	4.30 P.M.
Venue	Cidade De Daman (Hotel Sea View Pvt. Ltd.) Devka Beach, Nani Daman 396210 (U.T.)

NOTICE

NOTICE is hereby given that the TWENTIETH ANNUAL GENERAL MEETING of COMFORT INTECH LIMITED will be held at Cidade De Daman (Hotel Seaview Pvt. Ltd), Devka Beach, Nani Daman – 396210 (U.T of DAMAN and DIU) on Saturday, 20th September 2014 at 4.30 P.M to transact the following business:

ORDINARY BUSINESS:

1. To consider, approve and adopt
 - (a) the Audited Financial Statement of the Company for the financial year ended 31st March 2014 together with the Directors Report and Auditor's Report thereon; and
 - (b) the audited consolidated financial statement of the Company for the financial year ended 31st March 2014
2. To appoint a Director in place of Mrs. Annu Agrawal (DIN : 00014487) who retires by rotation at this AGM and being eligible, offers herself for re-appointment.
3. To re-appoint the Auditors and to fix their remuneration and in this regards pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time M/s. Bansal Bansal & Co., (Firm Registration No. 100986W), Chartered Accountants, be and is hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 6th consecutive Annual General Meeting (after commencement of the Companies Act 2013), subject to ratification by the shareholders at every Annual General meeting held after this Annual General Meeting, at a remuneration to be decided by the Board of Directors in consultation with the Auditors.”

SPECIAL BUSINESS:

4. Appointment of Mr. Anilkumar S Nevatia as an Independent Director

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:
“RESOLVED THAT pursuant to Section 149, 150,152 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Anilkumar S Nevatia, (holding DIN : 00531183) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 8th February 2014 and who holds office until the date of the Annual General Meeting, in terms of Section 160 of the Companies Act, 2013 signifying his intention to propose Anilkumar S Nevatia as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company up to 31st March 2019, not liable to retire by rotation.”

5. Appointment of Mr. Janak Mehta as an Independent Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.
“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Janak Mehta (holding DIN : 01049651), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and who, pursuant to the provisions of the Companies Act, 2013 (being an independent director) is no longer liable to retire by rotation and who in accordance with the Companies Act, 2013 is required to be appointed as an independent director 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 an Independent Director of the Company to hold office up to 31st March 2019 not liable to retire by rotation.”

6. Appointment of Mr. Jugal C Thacker as an Independent Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.
“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Jugal C Thacker (holding DIN : 00015460), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and who, pursuant to the provisions of the Companies Act, 2013 (being an independent director) is no longer



liable to retire by rotation and who in accordance with the Companies Act, 2013 is required to be appointed as an independent director 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 an Independent Director of the Company to hold office up to 31st March 2019 not liable to retire by rotation.”

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

“RESOLVED THAT the alteration made by the Board of Directors at the meeting held on 2nd August 2014 in the terms and conditions of appointment and remuneration of Mr. Bharat Shiroya, (DIN : 00014454) who was appointed as Executive Director of the Company and approved by the members of the company at every annual general meeting be and is hereby approved and the remuneration increased as under:

- (a) Salary from ₹ 8,64,000/- to ₹ 15,00,000/- per annum.
(b) Other benefits as per the rules of the Company.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary such terms of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013 (corresponding to Schedule XIII to the Companies Act, 1956) as may be agreed to by the Board of Directors.

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

“RESOLVED THAT the alteration made by the Board of Directors at the meeting held on 2nd August 2014 in the terms and conditions of appointment and remuneration of Mr. Anil B Agrawal (DIN : 00014413) who was appointed as Managing Director of the Company and approved by the members of the company at every annual general meeting be and is hereby approved and the remuneration increased as under:

- (a) Salary from ₹ 18,00,000/- to ₹ 24,00,000/- per annum.
(b) Other benefits as per the rules of the Company.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary such terms of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013 (corresponding to Schedule XIII to the Companies Act, 1956) as may be agreed to by the Board of Directors.

9. **Increase in the Borrowing Limits of the Company :**

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

“RESOLVED THAT in supersession of all previous resolutions passed by the Company and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, consent of the members, be and is hereby accorded to the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any Committee(s) constituted / to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) for borrowing, on behalf of the Company, any sum or sums of money, from time to time, as they may consider fit, any sum of money, in any manner, and without prejudice to the generality thereof, by way of loans, advances, credits, acceptance of deposits or otherwise in Indian rupees or any other foreign currency, from any bank or banks, or any financial institutions, other person or persons, and whether the same may be secured or unsecured, and if secured, whether domestic or international, whether by way of mortgage, charge, hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the Company’s assets and effects or properties including uncalled capital, stock in trade (including raw materials, stores, spares and components in stock or stock in transit), notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) and remaining undischarged at any given time, will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose so however that the total amount upto which money may be borrowed by the Board under this resolution, at any one time shall not exceed, in the aggregate, the sum of ₹ 300,00,00,000/- (Rupees Three Hundred Crores Only) and / or in equivalent foreign currency;

RESOLVED FURTHER THAT the Board be and is hereby authorized, to do all such acts, deed, matters and things as may be necessary, expedient and usual to implement this resolution.”

By Order of the Board

Place : Aamby Valley
Dated : 02/08/2014

Sd/-
RAMA DEVI GUNDETI
Company Secretary

Important Communique to Members-Green Initiative in Corporate Governance :

The Ministry of Corporate Affairs (MCA) has taken a Green Initiative in Corporate Governance by allowing paperless compliances by the companies and has issued a Circular stating that service of all documents including Annual Reports can be sent by e-mail to its Members. Your Company believes that this is a remarkable and environment friendly initiative by MCA and requests all members to support in this noble cause.

The Company has already embarked on this initiative and proposes to send documents including Annual Reports in electronic form to the Members on the email address provided by them to the RTA/Depositories.

The Members who hold shares in physical form are requested to intimate/update their email address to the Company / RTA while Members holding shares in demat form can intimate / update their email address to their respective Depository Participants.

Members are requested to further note that they will be entitled to be furnished, free of cost, the physical copy of the documents sent by e-mail, upon receipt of a requisition from them, any time, as a Member of the Company.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY / PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the company.
During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
2. PROXY FORM AND ATTENDANCE SLIP ARE ENCLOSED, PROXIES IN ORDER TO BE VALID MUST REACH AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special business set out in the Notice is annexed.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 16.09.2014 to 20.09.2014 (both the days inclusive.) for the purpose of AGM.
5. Members are requested to notify immediately changes in their respective address, if any, to the Company's Registered Office quoting their Folio No.
6. Members who hold shares in the Dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the Annual General Meeting.
7. Additional information pursuant to Clause 49 of the Listing Agreement with stock exchanges in respect of the directors seeking appointment / re-appointment at the AGM are furnished and forms a part of the Notice. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.
8. Members / Proxies should bring their copy of the Annual Report and also the attendance slip duly filled in for attending the meeting.
9. The Company has made necessary arrangements for the Members to hold their shares in dematerialized form. Those members who are holding shares in physical form are requested to dematerialize the same by approaching any of the Depository Participants (DPs). In case any member wishes to dematerialize his/her shares and needs any assistance, he/she may write to the Company Secretary at the Corporate office of the company.
10. Copies of Annual Report 2014 are being sent by electronic mode only to all the members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2014 are being sent by the permitted mode.
11. The notice of the 20th AGM and instructions for e-Voting, along with the Attendance Slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.



12. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants(s). Members holding shares in physical form shall submit their PAN details to the Company / RTA.

Pursuant to the provisions of Section 205A and 205C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividends for the financial years 2004-05 and 2005-06 from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the company on the website of the Company (www.comfortintech.com) as also on the website of the Ministry of Corporate Affairs.

13. Voting through electronic means :

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 20th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) limited (CDSL). The Company has signed an agreement with CDSL for facilitating such e-Voting by the Members. Kindly note that each Member can opt for only one mode for voting i.e. either by Physical Ballot or by E-voting. However, in case members cast their vote both via physical ballot and e-voting, then voting through postal ballot shall prevail and voting done by e-voting shall be treated as invalid.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

Log on to the e-voting website www.evotingindia.com

- (i) Click on "Shareholders" tab.
- (ii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iii) 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.
- (iv) Next enter the Image Verification as displayed and Click on Login.

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.

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) <ul style="list-style-type: none">• 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 last 8 digits of the demat account/folio number in the PAN field.• In case the folio 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 folio number 100 then enter RA00000100 in the PAN field.
DOB#	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.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none">• 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 number of shares held by you as on the cut off date in the Dividend Bank details field.

Comfort Intech Limited

Annual Report 2013 - 2014

- (v) After entering these details appropriately, click on "SUBMIT" tab.
- (vi) Members holding shares in physical form will then reach directly 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.
- (vii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant Comfort Intech Ltd on which you choose to vote.
- (ix) 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.
- (x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xi) 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.
- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xiv) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

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.

They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.

After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 15.09.2014, 9.00 AM and ends 16.09.2014, 6.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 14.08.2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) 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.



ANNEXURE TO THE NOTICE:

STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACTS, 2013

The following Statement sets out the material facts relating to the Special business mentioned in the accompanying Notice:

Item No. 4

The Board, at its meeting held on 8th February 2014 appointed Mr. Anil Kumar S Nevatia as an Additional Director of the Company with effect from 8th February 2014, pursuant to Section 161 of the Companies Act, 2013.

Pursuant to Section 161 of the Companies Act, 2013, Mr. Anil Kumar S Nevatia will be hold office up to the date of ensuing Annual General Meeting of the Company. The Company has received valid Notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member along with requisite deposit proposing the candidature of Mr. Anil Kumar S Nevatia for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

Mr. Anil Kumar S Nevatia is a Chartered Accountant by the profession and having more than 20 years experience in the field of finance and tax. In view of the background and valuable experience of Mr. Anil Kumar S Nevatia, it will be in the interest of the Company that he continues as an Independent Director of the Company.

The resolution seeks the approval of members for the appointment of Mr. Anil Kumar S Nevatia as an Independent Director of the Company up to 31st March 2019 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the rules made there under. He is not liable to retire by rotation.

In th opinion of the Board of Directors, Mr. Anil Kumar S. Nevatia, the Independent Director proposed to be appointed, full fill the conditions specified in the Companies Act, 2013 and the Rules made there under and he is independent of the Management. A copy of the draft letter of appointment of Mr. Anil Kumar S. Nevatia as an independent director setting out the terms and conditions is available for inspections without any fees by the Members at the office during normal business hours on working days upto the date of AGM.

No director, key managerial personnel or their relatives, except Mr. Anil Kumar S Nevatia, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 4 for the approval of the members.

Item No. 5 & 6

Mr. Janak G Mehta and Mr. Jugal C Thacker are Independent Directors of the Company. Both of them joined the Board of Directors of the company w.e.f. 1st July 2000 and 8th October 2004 respectively.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of independent directors by a listed company.

It is proposed to appoint Mr. Janak G Mehta and Mr. Jugal C Thacker as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years for a term up to 31st March 2019.

The Company has received notices in writing from members along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Mr. Janak G Mehta and Mr. Jugal C Thacker for the office of Directors of the Company.

Mr. Janak G Mehta and Mr. Jugal C Thacker are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors. The Company has also received declarations from Mr. Janak G Mehta and Mr. Jugal C Thacker that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Janak G Mehta and Mr. Jugal C Thacker fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Mr. Janak G Mehta and Mr. Jugal C Thacker are independent of the management.

Comfort Intech Limited

Annual Report 2013 - 2014

Brief resume of Mr. Janak G Mehta and Mr. Jugal C Thacker, nature of their expertise in specific functional areas, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided elsewhere in this notice of the ensuing Annual General meeting.

Copy of the draft letters for respective appointments of Mr. Janak G Mehta and Mr. Jugal C Thacker as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company. This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. Janak G Mehta and Mr. Jugal C Thacker are interested in the resolutions set out respectively at Item Nos. 5 and 6 of the Notice with regard to their respective appointments. The relatives of Mr. Janak G Mehta and Mr. Jugal C Thacker may be deemed to be interested in the resolutions set out respectively at Item Nos. 5 and 6 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in anyway, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out at Item Nos.5 and 6 of the Notice for approval by the shareholders.

Item No. 7

Mr. BHARAT SHIROYA was appointed as Executive Director of the Company in the Third Annual General Meeting and also re-appointed for the next 5 years in the meeting of the Board of Directors held on 4th August 2012.

Mr. Bhara N Shiroya is a graduate by qualification from Mumbai university and M.B.A from National Institute of Management. He is holding the office of Executive Director of our Company for more than 15 years. He has experience in securities and financial services and responsible for our Company's dealings in shares and investment portfolio.

Mr. Bhara N Shiroya shall not be liable to retire by rotation.

The approval of the members is being sought to the terms of Remuneration has been changed at the board meeting held on 2nd August 2014 as under:

Salary from ₹ 8,64,000/- to ₹ 15,00,000/- per annum.

Other benefits as per the rules of the Company.

In view of the provisions of Section 197, 198 and other applicable provisions of the Companies Act, 2013, the Board recommends the Ordinary Resolution set out at item no. 7 of the accompanying Notice for the approval of the Members.

Mr. Bharat Shiroya is interested in the resolution as it relates to his appointment.

None of the other Directors of the Company are, in any way, concerned or interested in the resolution.

Item No. 8

Mr. ANIL B AGRAWAL was reappointed as Managing Director of the Company in the Board Meeting held on 9th February 2013 for the period of 5 years.

Mr. Anil B Agrawal is a Chartered Accountant. He has more than 20 years of experience in the field of finance, capital markets and related activities. He is one of the founder promoters and Managing Director & Chairman of our Company and presently involved in day to day affairs including future planning, finances control, man- management, and in strategic decision making of our Company.

Mr. Anil B Agrawal shall not be liable to retire by rotation.

The approval of the members is being sought to the terms of Remuneration has been changed at the board meeting held on 2nd August 2014 as under:

Salary from ₹ 18,00,000/- to ₹ 24,00,000/- per annum.

2. Other benefits as per the rules of the Company.

In view of the provisions of Section 197, 198 and other applicable provisions of the Companies Act, 2013, the Board recommends the Ordinary Resolution set out at item no. 8 of the accompanying Notice for the approval of the Members.

Mr. Anil B Agrawal and Mrs. Annu Agrawal (spouse of Mr. Anil Agrawal) are interested in the resolution as it relates to his appointment.

None of the other Directors of the Company are, in any way, concerned or interested in the resolution.



Item No. 9

Section 180(1)(c) of the Companies Act, 2013 requires that the Board of Directors shall not borrow money in excess of the Company's paid up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, except with the consent of the company accorded by way of a special resolution.

It is, therefore, necessary that the members pass a special resolution under section 180(1)(c) and other applicable provisions of the Companies Act, 2013 as set out at Item No. 9 of the Notice, to enable to the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the company. Approval of members is being sought to borrow money upto 300 Crores (Rupees Three Hundred Crores) in excess of the aggregate of the paid up share capital and free reserves of the Company.

None of the Directors and / or key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 9

By Order of the Board

**Sd/-
RAMA DEVI GUNDETI
Company Secretary**

Place : Aamby Valley

Dated : 02/08/2014

Registered Office:

106, Avkar, Algani Nagar,
Kalaria, Daman - 396210

Details of Directors seeking appointment / re-appointment by the shareholders of the Company at the ensuing Annual General Meeting (In pursuance of Clause 49 of the Listing agreement)

Name of Director	Mrs. Annu Agrawal	Mr. Anil Kumar Nevatia	Mr. Janak Mehta	Mr. Jugal C Thacker
Date of Birth	14/04/1967	15/01/1963	31/01/1965	01/09/1963
Date of Appointment	16/08/2002	08/02/2014	01/07/2000	08/10/2004
Nature of experience / Expertise	Graduate and has more than 10 years experience in the stock market	Chartered Accountant by the profession and having more than 20 years experience in the field of finance and tax	Graduate by qualification from Mumbai university and holds Diploma in Computer Studies from NCC (U.K). He has experience in the software operations.	Chartered Accountant by the profession and experience in finance and investment Field. He has experience in debt syndication, Issue Managements, Buy-back, delisting, open offers etc
Shareholding in the Company	11655383	Nil	Nil	Nil

None of the above Directors are related to each other.

Comfort Intech Limited

Annual Report 2013 - 2014

DIRECTORS' REPORT

To the Members of the Company,

Your Directors have pleasure in presenting the Twentieth Annual Report on the business and operations of your Company with Audited Accounts for the year ended 31st March 2014. The financial results of the Company are summarized below:

FINANCIAL RESULTS:

(₹ In Lacs)

PARTICULARS	STANDALONE YEAR ENDED 31 ST MARCH 2014	STANDALONE YEAR ENDED 31 ST MARCH 2013	CONSOLIDATED YEAR ENDED 31 ST MARCH 2014	CONSOLIDATED YEAR ENDED 31 ST MARCH 2013
Income from Operations	1155.26	1426.57	1231.55	1538.24
Profit Before Depreciation and Taxes	(307.65)	261.65	(280.60)	354.35
Less: Depreciation	(10.51)	(10.09)	(10.51)	(10.09)
Less : Provision for				
(a) Income tax	(32.86)	(80.97)	(32.86)	(81.07)
(b) Deferred tax	0.35	1.79	0.35	1.80
Income Tax paid of Earlier years	0.41	0.17	0.41	0.17
Profit / (loss) for the Year	(350.26)	172.56	(323.22)	265.16
Add: Brought forward from last year	371.95	308.76	464.56	308.77
Distributable Profits	21.68	481.32	141.10	573.93
Appropriated as under :				
Transfer to Special Reserve	--	(34.51)	--	(34.51)
Proposed Equity Dividend	--	(63.98)	--	(63.98)
Tax on Distributed Profits	--	(10.87)	--	(10.87)
Balance Carried Forward to Balance sheet	21.68	371.95	141.10	464.56

OPERATIONS :

The Indian Economy has been passing through a stagnant phase for the last two years which has affected industry and Finance companies/ Banks tremendously. The outlook on India in the last couple of years had become bearish with infrastructure projects (which are the backbone of any economy) languishing due to no clear policy of the then Government. Many industries/projects shut down or did not take off from the drawing board. All these factors led to the finance sector including Banks coming under tremendous pressure from collection of loans from Industry.

NPA's of all major finance companies/Banks have increased to a great extent. There was intention by the entities who have taken loans to repay, but the stagnant economy and drying up of new projects, which led to vast overcapacities across sectors, had forced them to defer payments with consultations with the lenders.

With a new Government having been formed in at the Central level there is a wave of optimism in industrial and financial sectors and with decisions being taken for clearances of projects of over 21000 crores by the Government, there is full hope of high growth for the economy which would result in the financial sector gaining back its robust health.

Your Company is in the policy of giving short term loans which are fully backed by Assets/securities of at least 1.25-1.50 times the value of outstanding loans. Moreover the loans are given based on scrutiny of paying capacity and risk involved.

Certain exposures to a group of companies who have good and long relationship in the past have become NPAs. CIL has good relationship with them but due to unforeseen developments in the said groups(due to economic conditions prevalent in the country), the repayment commitments could not be met in time by them on due dates and even subsequently. Though the Company is fully confident of recoveries in these accounts. However as a prudent business practice and as per the rules prescribed by RBI the company has made provisioning in such accounts. This has resulted in net loss during the financial year.

With respect to the loan given to Mr. Pawankumar Sanwermal, your company has received an amount of ₹ 2,09,87,500/- which was in reconciliation as on the date of Balance Sheet (PI refer Auditors report). A provision of 10% has been made on the outstanding balance amount i.e on ₹ 42,02,83,250/- according to the Reserve Bank of India norms.



However, the said group of accounts are secured by mortgage of properties which are more than sufficient to cover the entire dues from the said group. During the year 2014-15, the management is confident of realising these dues.

With respect to the Capital Advance given to Mr. Amit Dhanuka towards purchase of property, your company has made a provision of 10% instead of 100% as per RBI norms. This is mainly because your company has received near about half of the amount i.e ₹ 2,82,34,788/- out of the total amount during the financial year and made a 10% of the provision on the balance amount i.e on ₹ 3,17,98,134/-.

FINANCIAL HIGHLIGHTS:

Consolidated Revenues :

The total consolidated income of the Company for the FY 2013-14 comprises operating revenues of ₹ 1230.40 Lacs and other income of ₹ 1.15 lacs as compared to previous fiscal operating revenues of ₹ 1527.72 lacs and other income of ₹ 10.52 lacs.

Standalone Revenues:

During the fiscal 2014, the gross operational income of the Company stood at ₹1155.26 Lacs as compared to previous fiscal of ₹ 1426.57 Lacs.

Consolidated Profits / (Loss):

Loss stood at ₹ (291.11) Lacs before tax and loss after Tax stood at ₹ (323.22) Lacs as compared to previous fiscal Profit before Tax (PBT) stood at ₹ 344.25 Lacs and Profit after Tax (PAT) stood at ₹ 265.15 Lacs.

Standalone Profits / (Loss) :

Loss stood at ₹ (318.16) lacs before tax and loss after tax stood at ₹ (350.26) lacs for the fiscal 2014 as compared to the previous year profit before tax ₹ 251.56 lacs and after tax ₹ 172.56 lacs.

Your company already intimated you regarding wholly owned subsidiary in the name of Finsolution Services FZE, in United Arab Emirates. During the fiscal 2014, the gross operational income of the subsidiary stood at AED 4.91 lacs and Operating Profit for the fiscal 2014 stood at AED 1.74 lacs as compared to the previous year AED 7.74 lacs and profit AED 6.43 lacs.

Further during the year your company has sold the shares of M/s. Luharuka Tradelink Private Limited, an Indian Company and it is no longer subsidiary of your company.

The standalone net worth of your company at the year end stands at ₹ 8689.94 Lacs which translated to a book value of ₹ 2.72/-. The consolidated net worth of your company at the year end stands at Ra. 8823.80 lacs which translated to a book value of ₹ 2.76/- per share of face value of Re. 1/-.

DIVIDEND:

Due to the provisional loss, your directors do not propose any dividend for the accounting year ended 31st March 2014.

DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association, Mrs. Annu Agrawal, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for reappointment.

During the year Mr. Anil Kumar S Nevatia has been appointed as an additional director of the company with effect from 8th February 2014. Further Mr. Anand Agarwal, Director of the company was resigned on 8th February 2014.

Mr. Janak G Mehta, Mr. Anil Kumar S Nevatia and Mr. Jugal C Thacker, directors of the Company, are being appointed as independent directors for five consecutive years for a term upto the conclusion of the 25th Annual General Meeting of Company in the 2019, as per provisions of Section 149 and other applicable provisions of the Companies Act 2013.

Necessary resolutions for the appointment /re-appointment of the aforesaid directors have been included in the notice convening the ensuing AGM and details of the proposal for appointment / re-appointment are mentioned in the explanatory statement of the notice. Your directors commend their appointment / re-appointment.

All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 274(1)(g) of the Companies Act, 1956.

A brief resume and other details, as stipulated under the Listing Agreement for the above director seeking re-appointment is given as Additional Information on Directors which forms part of the Notice.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to provisions of Section 217 (2AA) of the Companies Act, 1956 the Directors confirm that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) Appropriate accounting policies have been selected and the directors 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 the financial year 2013-2014 and of the profit and loss of the Company for the period;
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The annual accounts have been prepared on a going concern basis.

COMMENTS ON AUDITOR'S REPORT:

As regards not making provision for retirement benefits of employees, the same has not been done in view of the meager staff strength.

With respect to the loan given to Mr. Pawankumar Sanwormal, your company has received an amount of ₹ 2,09,87,500/- which was in reconciliation as on the date of Balance Sheet (Pl refer Auditors report). A provision of 10% has been made on the outstanding balance amount i.e on ₹ 42,02,83,250/- according to the Reserve Bank of India norms.

However, the said group of accounts are secured by mortgage of properties which are more than sufficient to cover the entire dues from the said group. During the year 2014-15, the management is confident of realising these dues.

With respect to the Capital Advance given to Mr. Amit Dhanuka towards purchase of property, your company has made a provision of 10% instead of 100% as per RBI norms. This is mainly because your company has received near about half of the amount i.e ₹ 2,82,34,788/- out of the total amount during the financial year and made a 10% of the provision on the balance amount i.e on ₹ 3,17,98,134/-.

STATUTORY AUDITORS:

The retiring auditors, namely M/s. Bansal Bansal & Co., Chartered Accountants, Mumbai, hold office until the conclusion of the forthcoming Annual General Meeting and are seeking re-appointment. They have confirmed that their appointment if made, at the Annual General Meeting, will be within the limits prescribed under Companies Act, 2013. They have also confirmed that they hold a valid peer review certificate as prescribed under Clause 41(1)(h) of the Listing Agreement. Members are requested to consider their reappointment.

SUBSIDIARY COMPANIES :

Your company has already intimated you regarding 100% wholly owned subsidiary in the name of Finsolution Services FZE, in United Arab Emirates which was incorporated on 25th January 2012

Further during the year your company has sold the shares of M/s. Luharuka Tradelink Private Limited, an Indian Company and it is no longer subsidiary of your company.

The details pertaining to financials of Subsidiary Companies have been given elsewhere in this report.

PARTICULARS PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956:

Pursuant to the provisions of Section 212 of the Companies Act, 1956 (Act), documents in respect of the various subsidiaries Viz., Directors Report, Auditor's Report, Balance Sheet and profit and Loss Account are required to be attached to the Balance Sheet of the holding company. However, in terms of the provisions of Section 212(8) of the Act, the Government of India, Ministry of Corporate Affairs, has vide letter No. 47/15/2011-CL-III dated 27th January 2011 granted exemption from the provisions of Section 212(1) of the Act. Accordingly, the Annual Report does not contain the financial statements of the subsidiaries of the Company. However, the Company will make available the audited annual accounts and related detailed information of the subsidiaries to the shareholders upon request in accordance with the applicable law. A statement pursuant to the provisions of Section 212(1)(e) of the Act appears elsewhere in the Annual Report.

FIXED DEPOSITS :

The Company has not accepted any fixed deposits as on 31st March 2014 so as to attract the provisions of Section 58A and 58AA of the Companies Act, 1956 read with Companies (Acceptance of the Deposits) Rules, 1975 as amended from time to time.



CONSOLIDATED FINANCIAL STATEMENTS :

In accordance with the Accounting Standards AS-21 on Consolidated Financial Statements read with the Accounting Standard AS-23 on Accounting for investments in Associates, the Audited Consolidated Financial Statements are provided in the annual report.

MANAGEMENT DISCUSSION AND ANALYSIS AND CORPORATE GOVERNANCE REPORT:

The Management Discussion and Analysis for the year 2013-14 and a detailed report on Corporate Governance, as required under Clause 49 of the Listing agreement executed with the Stock Exchanges, are given in separate sections forming part of the Annual Report.

A Certificate from Statutory Auditors of the company, M/s. Bansal Bansal & Co., confirming compliance with the conditions of Corporate Governance stipulated in Clause 49 is annexed to the report on Corporate Governance.

PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A);

The provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules 1988, as amended are not applicable to the company, as there are no employees whose remuneration is in excess of the limits prescribed.

LISTING:

The Equity Shares of the Company are at presently listed with the BSE Limited and Jaipur Stock Exchange Limited. The company is regular in payment of listing fee.

CASH FLOW STATEMENT:

In conformity with the provisions of Clause 32 of the Listing agreement and requirements of Companies Act, 1956, the Cash flow Statement for the year ended 31.03.2014 is annexed here to.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:

Information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earning and outgo is given in the Annexure – 1.

ACKNOWLEDGEMENT:

Your directors place on record their gratitude for the continued co-operation and guidance extended by the Securities and Exchange Board of India, Reserve bank of India, BSE Limited and take this opportunity to place on record their warm appreciation of the valuable contribution, unstinted efforts and the spirit of dedication by the employees and officers at all levels in the progress of the Company during the year under review.

Your directors also express their deep gratitude for the assistance, co-operation and support extended to your company by the bankers, customers as well as the investing community and look forward to their continued support.

FOR AND ON BEHALF OF THE BOARD

Place : Aamby Valley

Dated: 02.08.2014

**Sd/-
ANIL AGRAWAL
Chairman & Managing Director**

ANNEXURE-1 TO DIRECTORS' REPORT:

ENERGY CONSERVATION	:	NA
TECHNOLOGY OBSERVATION	:	NA

FOREIGN EXCHANGE EARNINGS AND OUT GO:

	<i>Amount in Rs.</i>
Foreign exchange used	Nil
Foreign exchange earned	Nil

REPORT ON CORPORATE GOVERNANCE

1. OUR PHILOSOPHY ON CORPORATE GOVERNANCE

Comfort is committed to provide fair, transparent and equitable treatment to all its stakeholders. For us Corporate Governance is not only a set of rules that define the relationship between the stakeholders and the management of a company but it is the way the company operates. Corporate Governance is both the structure and the relationship which determine corporate direction and performance.

At comfort, we have always sought to be a value-driven organization, where our values direct our growth and success.

- ❖ **Integrity** : Integrity is fundamental to our business. We adhere to moral and ethical principles in everything we do as professionals and corporate citizens. Our reputation, based on our high standards of integrity, is invaluable.
- ❖ **Team work** : We believe extensive teamwork is what makes it possible for us to work together towards a common goal. We value and respect each individual's commitment to group effort.
- ❖ **Client Focus**: We always put the interest of our clients before our own. We understand our client's needs, seek new opportunities for them and deliver unique solutions as per their expectations. The success of our clients is the biggest reward for us.
- ❖ **Innovation** : We understand our client's needs and develop solutions for the most complex or the simplest, the biggest or the smallest transactions, whether for individuals, corporations or institutions. Creativity and innovation are among the key essentials for everything we do. We encourage new ideas which help us capture unique opportunities.
- ❖ **Implementation** : Our expertise, experience and continuous focus on the quality of execution ensure effective implementation of our strategies.
- ❖ **Performance** : We believe in development of our people and continuously hone our skills, setting higher targets of performance for ourselves. We strive to attract, develop and retain the best talent. We recognize and reward talent based on merit.
- ❖ **Partnership** : Our relationship with all our stakeholders reflect our spirit of partnership. Clients see us as trusted advisors, shareholders see us as partners and employees see us as family. We respect, trust and support all our stakeholders.

We believe in demonstrating high level of accountability, maintaining high standards of transparency, timely disclosures and dissemination of price sensitive information, ensuring thorough compliance with all applicable laws and regulations and conducting our business in an ethical manner.

CLAUSE 49

Clause 49 of the Listing Agreement entered between a company and the Stock Exchanges is a benchmark for the compliance practices and rules required to be followed by all listed companies. Clause 49 is the baseline for good governance standards. At Comfort, we not only adhere to the prescribed corporate governance standards and practices as given in Clause 49 but we constantly strive to adopt the emerging best practices.

Corporate Governance has always been an integral and indispensable practice at Comfort in conducting its business for more than 18 years. We believe that corporate governance is a journey towards sustainable value creation and is always an upward moving target.

We follow high standards of corporate governance practices which inter-alia include:

- The Board of the Company comprises majority of Non executive Directors representing around 67% of the total composition of the Board.
- Out of the six directors on the Board, three are independent directors which represents around 50% of the total composition of the Board.
- Consistent monitoring and improvement of the human and physical resources.
- Introducing regular checks and audits and continuous improvement in already well define systems and procedures.
- Board/Committee meetings at regular intervals to keep the Board informed of the recent happenings.

The Company Secretary plays a very vital role in the implementation of the best corporate governance processes. She ensures that the Board procedures are followed and reviewed regularly. She also ensures that all relevant information/



documents/ details are made available to all the directors and Senior Managerial personnel (who are invited to attend the meeting) for effective decision making at all Board/Committee meetings. All the Directors and Senior Managerial Personnel have access to the advice and services of the Company Secretary.

2. BOARD OF DIRECTORS (“THE BOARD”):

Based on the size of the Company, complexity and nature of the Company’s business, the Board of the Company consists of appropriate composition, size, varied expertise and commitment to discharge its responsibilities and duties.

COMPOSITION AND CATEGORY OF DIRECTORS AS ON 31.03.2014 :

The Board of Directors of the Company comprises of a fair number of Independent professionally competent and acclaimed Non Executive Directors. The Board of Directors of the Company consists of Six Members. The Company has Two “Executive” and four “Non-Executive Directors.”

Mr. Anil B Agrawal.	-	Chairman & Managing Director & Promoter
Mrs. Annu A Agrawal.	-	Non-Executive & Promoter Director
Mr. Bharat N Shiroya.	-	Executive Director & Non Independent
Mr. Janak G Mehta.	-	Non-Executive Director & Independent
Mr. Jugal C Thacker	-	Non-Executive Director & Independent
Mr. Anil Kumar S Nevatia	-	Non-Executive Director & Independent

Note : During the year Mr. Anand H Agarwal, Director of the company has been resigned and Mr. Anil Kumar S Nevatia has been appointed as a additional and independent director of the company with effect from 8th February 2014.

A) Brief Profile of Directors

A brief profile of all the Directors of the Company, the nature of their expertise in specific functional areas, the names of the public companies (other than foreign companies, Section 25 companies and private companies that are not subsidiaries of a public company) of which they hold directorships in the company as on March 31, 2014 are given below

- I. **Mr. Anil B Agrawal**, aged 52 years is the Chairman & Managing Director of our Company. He is a Chartered Accountant. He has more than 20 years of experience in the field of finance, capital markets and related activities. He is one of the founder promoters and Managing Director & Chairman of our Company and presently involved in day to day affairs including future planning, finances control, man- management, and in strategic decision making of our Company. He is also on the board of the trustees of Seth Govindaram Charitable trust with activities in Mumbai.

Mr. Anil B Agrawal is on the Board of the following other public companies :

- Comfort Securities Limited
- Comfort Fincap Limited
- Comfort Commotrade Limited
- Blend Financial Services Limited
- Liquors India Limited

Mr. Anil B Agrawal held **994245** equity shares in the Company as on March 31, 2014.

- II. **Mr. Bharat N Shiroya** aged 44 years is the Executive Director of our Company. He is a graduate by qualification from Mumbai university and M.B.A from National Institute of Management. He is holding the office of Executive Director of our Company for more than 15 years. He has experience in securities and financial services and responsible for our Company’s dealings in shares and investment portfolio.

Mr. Bharat N Shiroya is on the Board of the following other public companies :

- Comfort Securities Limited
- Comfort Fincap Limited
- Comfort Commotrade Limited
- Liquors India Limited

Mr. Bharat N Shiroya held **10525** equity shares in the Company as on March 31, 2014.

Comfort Intech Limited

Annual Report 2013 - 2014

III. Mrs. Annu A Agrawal, aged 47 years is the director of our Company. She is a graduate and has more than 10 years experience in the stock market. She is on the board of the trustees of Seth Govindaram Charitable trust with activities in Mumbai.

Mrs. Annu Agrawal is on the Board of the following other public companies :

- Comfort Securities Limited
- Comfort Fincap Limited
- Comfort Commotrade Limited

Mrs. Annu Agrawal held **11655383** equity shares in the Company as on March 31, 2014.

Mrs. Annu Agrawal is liable to retire by rotation and being eligible, offers herself for re-appointment at the ensuing Annual General Meeting.

IV. Mr. Jugal C Thacker, aged 50 years is an Independent Director of our Company. He is qualified a Chartered Accountant and experience in finance and investment Field. He has experience in debt syndication, Issue Managements, Buy-back, delisting, open offers etc

Mr. Jugal C Thacker is on the Board of the following other public companies :

- Comfort Securities Limited
- Liquors India Limited
- Comfort Fincap Limited
- Comfort Commotrade Limited

Mr. Jugal C Thacker does not hold any equity shares in the Company as on March 31, 2014.

V. Mr. Janak G Mehta, aged 47 years is an independent director of our company. He is a graduate by qualification from Mumbai university and holds Diploma in Computer Studies from NCC (U.K). He has experience in the software operations.

Mr. Janak G Mehta is not holding any directorship in the public companies as on March 31, 2014

Mr. Janak G Mehta does not hold any equity shares in the Company as on March 31, 2014.

VI. Mr. Anil Kumar S Nevatia, aged 51 years is an independent director of our Company. He is a B.com, Chartered Accountant and having more than 20 years of experience in the field of account, audit & income tax. Currently he is a proprietor of M/s A.K Nevatia & Associates, Chartered Accountants, Mumbai.

Mr. Anil Kumar S Nevatia is on the Board of the following other public companies :

- Comfort Fincap Limited
- Comfort Commotrade Limited

Mr. Anil Kumar S Nevatia does not hold any equity shares in the Company as on March 31, 2014.

B) Board Meetings and Procedures

The company has been following the practice of holding at least four board meetings every year. During the year, the Company held seven board meetings. Out of these board meetings, four meetings; one in every quarter, included the agenda for review of the quarterly financial results of the Company. The maximum time-gap between any two consecutive meetings did not exceed four months.

The board meetings of the Company are scheduled in advance and the notice of each such board meeting is given in writing to all the directors. The Company Secretary usually sends the detailed agenda together with the relevant annexure to each of the directors in advance.

The Company Secretary, in consultation with the Chairman and other relevant officers prepares the detailed agenda for the meetings.

The meetings of the Board of Directors are generally held at Mumbai in the same building where the Corporate office of the Company is situated.

The Board reviews, periodically, reports confirming compliance with the laws applicable to the Company and steps taken by the Company to rectify instances of non-compliance, if any.



The following information as enumerated in Annexure 1A to Clause 49 of the Listing Agreement is placed before the Board at its meetings.

- Annual operating plans and budgets, capital budgets and updates, if any.
- Quarterly results of operating divisions or business segments.
- Minutes of meetings of audit, remuneration and shareholder's grievance committees.

Non compliance, if any of regulatory, statutory or listing requirements as well as investor services such as non payment of dividend and delays in share transfers.

The draft minutes of each board meeting are circulated to the Board members for their comment, which are then incorporated by the Company Secretary. Thereafter the minutes are confirmed by the Directors at the next meeting of the Board. The minutes of each Board / Committee meeting are recorded in the Minutes Book as per the provisions of the Companies Act, 1956.

During the year ended 31st March 2014, Seven (7) Board Meetings were held on the following dates :

4th May 2013, 21st May 2013, 30th May 2013, 18th July 2013, 10th August 2013, 9th November 2013 and 8th February 2014.

- C. Attendance of Directors at Board Meetings, last Annual General Meeting (AGM) and number of directorships and chairmanships/memberships of committees of each Director as on 31st March, 2014 are given below:

Name of Director	Category of Directorship	Attendance at		*No. of Directorships	Committee	
		Board Meeting	Last AGM		Positions Member	Chairman
Mr. Anil B Agrawal (Chairman)	Executive Promoter	7	Yes	6	6	--
Mrs. Annu A Agrawal	Non Executive Promoter	7	No	2	3	--
Mr. Bharat N Shiroya	Executive & Non Independent	7	Yes	5	3	1
Mr. Janak G Mehta	Non Executive & Independent	5	No	1	3	1
Mr. Jugal C Thacker	Non Executive & Independent	5	No	3	1	2
Mr. Anand H Agarwal*	Non Executive & Independent	5	Yes	1	--	--
Mr. Anil Kumar S Nevatia*	Non Executive & Independent	1	No	3	2	2

Note : Excluding directorships in private, foreign companies and companies which are granted license under Section 25 of the Companies Act, 1956.

*Mr. Anand Agarwal, Director of the company has resigned from the board with effect from 8th February 2014 and Mr. Anil Kumar S Nevatia has been appointed as an additional director of the company with effect from 8th February 2014

The necessary disclosure regarding Committee positions have been made by all the Directors. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49) across all companies in which they are Directors.

D) Code of Conduct:

The Code of Conduct, which has been formulated for the Board Members and Senior Members and Senior Management Personnel of the Company, is posed on the website of the Company, viz. www.comfortintech.com.

3. BOARD COMMITTEES:

The Board has constituted the following committees of Directors :

- I) **Audit Committee**
- II) **Remuneration Committee**
- III) **Shareholder’s Grievance Committee**

I. AUDIT COMMITTEE:

A. Composition:

The Audit Committee comprises of three Non-Executive Directors, namely

Names of Directors	Category
Mr. Jugal C Thacker	Non- Executive and Independent - Chairman
Mr. Janak Mehta	Non- Executive and Independent - Member
Mrs. Annu Agrawal	Non- Executive and Non Independent - Member

B. Terms of reference:

- (a) Review of the Company’s financial reporting process and financial statements.
 - (b) Review of accounting and financial policies and practices.
 - (c) Review of Internal control systems.
 - (d) Discussion with Statutory Auditors on any significant findings and follow-up thereon.
 - (e) Reviewing the Company’s financial and risk management policies.
 - (f) Related Party Transactions
 - (g) Internal audit reports and adequacy of internal audit function
- The Statutory Auditors are invitees to the Meeting.

C. Powers of Audit Committee:

The Audit Committee has the following powers:

- (a) To investigate any activity within its terms of reference;
- (b) To seek information from any employee;
- (c) To obtain outside legal or other professional advice;
- (d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

D. Audit committee Meetings and Attendance:

The Committee has met five (5) times during the financial year ended 31st March 2014 i.e. on 30th May 2013, 18th July 2013, 10th August 2013, 9th November 2013 and 8th February 2014. Details of attendance of each Director at the Audit Committee Meetings are given below:-

Name of the Director	Position	Meeting attendance
Mr. Jugal C Thacker	Chairman	5
Mr. Janak Mehta	Member	5
Mrs. Annu Agrawal	Member	5

II. REMUNERATION COMMITTEE:

A. Composition and attendance :

The Remuneration Committee comprised of three Non-Executive Directors, namely Mr. Jugal C Thacker (Chairman of the Committee), Mr. Janak Mehta and Mrs. Annu Agrawal as a members of the Committee. The Committee has met one (1) time during the financial year ended 31st March 2014 i.e. on 30th May 2013.

Name of the Member	Position	Category	Meeting attendance
Mr. Jugal C Thacker	Chairman	Independent & Non Executive Director	1
Mr. Janak Mehta	Member	Independent & Non Executive Director	1
Mrs. Annu Agrawal	Member	Non Independent & Non Executive Director	1



B. Terms of Reference:

The broad terms of reference of the committee are to appraise the performance of Managing Director and whole time directors, determine and recommend to the Board compensation payable to Managing Director and whole time directors. The remuneration policy of the Company is based on review of achievements. The remuneration policy is in consonance with the existing industry practice.

C. Remuneration Policy:

Subject to the approval of the Board of Directors and subsequent approval by the members at the General Meeting and such authorities as the case may be, remuneration of Managing Director and Whole time Directors, is fixed by the Remuneration Committee. The remuneration is decided by the Remuneration Committee taking into consideration various factors such as qualifications, experience, expertise, prevailing remuneration in the competitive industries, financial position of the company etc.,

Details of Remuneration to the directors for the year :

Name of Director	Remuneration paid during the year 2013-14 (in ₹)
Anil B Agrawal	14,25,000/-
Bharat N Shiroya	9,25,167/-

III. SHAREHOLDERS' / INVESTORS GRIEVANCE COMMITTEE:

A. Composition and attendance:

The Board has delegated the powers to approve transfer of shares etc., to this Committee of Three (3) Directors. The quorum for functioning of the committee is any two (2) directors present, four (4) meetings of the committee were held during the year. The composition and attendance of shareholders / Investors Grievance Committee as on 31st March 2014 is as follows:

Name of the Member	Position	Category	Meeting attendance
Mr. Janak Mehta	Chairman	Independent & Non Executive Director	4
Mr. Anil B Agrawal	Member	Non Independent & Executive Director	4
Mr. Bharat N Shiroya	Member	Non Independent & Executive Director	4

B. Terms of Reference:

The Company has a Shareholders/Investors Grievance Committee to look into redress of Investors Complaints and requests such as delay in transfer of shares, non receipt of Dividend, Annual Report, revalidation of Dividend warrants etc.,

The committee deals with various matters relating to :

Transfer / transmission of shares

Issue of Share certificate in lieu of lost, sub-divided, consolidated, rematerialized or defaced certificates.

Consolidation / splitting of folios

Review of shares dematerialized and all other related matters.

Investors grievance and redressal mechanism and recommend measures to improve the level of investors services.

C. Information on Investor Grievances for the period from 1st April, 2013 to 31st March 2014:

There are no outstanding complaints at the close of financial year which were received from shareholders during the year. The Company has no transfers pending at the close of the financial year.

The total no. of complaints received and complied during the year were :

Opening : Nil

Complaints Received : 1

Complied : 1

Pending : Nil

The complaints had been attended to within seven days from the date of receipt of the complaint, as communicated by the Registrar and Transfer Agent i.e Bigshare Services Pvt. Ltd

The Outstanding complaints as on 31st March 2014 – Nil

D. Compliance Officer:

Ms. Ramadevi Gundeti is the compliance officer for complying with the requirements of SEBI (Prohibition of Insider Trading) Regulation, 1992 and the Listing Agreements with the BSE & JSE.

Comfort Intech Limited

Annual Report 2013 - 2014

4. GENERAL BODY MEETINGS:

A. Particulars of General Meetings held during last three years:

Annual General Meetings :

YEAR	LOCATION	DATE	TIME	NATURE OF SPECIAL RESOLUTIONS IF ANY PASSED
2010-2011	Hotel Sea View Pvt. Ltd, Devka Beach, Nani Daman	16 th July 2011	4.30 P.M	Nil
2011-2012	Hotel Sea View Pvt. Ltd, Devka Beach, Nani Daman	1 st September 2012	4.30 P.M	Nil
2012-2013	Hotel Sea View Pvt. Ltd, Devka Beach, Nani Daman	31 st August 2013	4.30 P.M	Nil

B. Extraordinary General Meetings:

There were no Extraordinary General Meetings conducted during the Financial Year 2013-14.

5. OTHER DISCLOSURES:

Disclosure on materially significant related party transactions i.e transactions of the Company of material nature with its Promoters, the directors or the managements their subsidiaries or relatives etc., that may have potential conflict with the interests of the Company at large :

Details are given elsewhere in this report

There was no reported case of non-compliance by the Company and/or levy of any penalties, imposition of strictures on the Company by the Stock Exchanges or SEBI or any other statutory or other authority on any matter related to capital markets during the year under report.

6. MEANS OF COMMUNICATION:

A. Quarterly Financial Results were publishes during the Financial year as follows:

Financial Result	Un-Audited / Audited*	News Papers
First Quarter	Un-Audited	Business Standard & Gandhi Nagar Western Times
Second Quarter	Un-Audited	Business Standard & Gandhi Nagar Western Times
Third Quarter	Un-Audited	Business Standard & Gandhi Nagar Western Times
Fourth Quarter/ Full year	Audited	Free Press & Lok Mithra

* The Board of Directors of the Company approved and took on record the Un-Audited / Audited financial results within 45 days of quarter / half year and communicated these results to all Stock Exchanges where the shares of the Company are listed and published in news papers as indicated above and also put on Company's website www.comfortintech.com

Note: Un-audited Financial Results were intimated to Stock Exchanges with in 45 days of first three quarters and Audited Financial Results for the last quarter /Financial year ending within 60 days of close of Financial year.

B. Management Discussion and Analysis Report:

The Management Discussion and Analysis Report forms part of the Director's Report. All the matters relating to Industry Structures and Development, Opportunities and Threats, Risks and Concerns, Internal Control System and its adequacy, Discussion on financial performance with respect to operational performance, Human Resources Development and Industrial Relations are discussed in the Director's Report.

7. GENERAL SHAREHOLDER INFORMATION :

(i) Annual General Meeting

Day, Date and Time: Saturday, 20th September, 2014 at 4.30 p m

Venue: Cidade De Daman (Hotel Sea View Pvt. Ltd), Devka Beach, Nani Daman – 396210 (U.T of DAMAN and DIU)



(ii) Financial Calendar 2014-15 (Tentative)

Results for the quarter ending 30th June 2014 : Second week of August 2014
Results for the quarter ending 30th Sep, 2014 : Second week of November 2014
Results for the quarter ending 31st Dec 2014 : Second week of February 2015
Results for the year ending 31st March 2015 : Last week of May 2015

(iii) Book Closure Date

: 16-09-2014 to 20-09-2014
(Both the days inclusive)

(iv) Registered Office

: 106, Avkar, Algani Nagar, Kalaria, Daman- (U.T)

(v) Equity shares listed on

: 1) BSE Limited.

Stock Exchanges at

2) Jaipur Stock Exchange Limited

Note: The Annual listing fees as prescribed has been paid to all Stock Exchanges where shares are listed upto 2014-15.

(vi) Stock Code

Trading Symbol at

: BSE Limited (Physical Segment)

531216 COMFINTE

Demat ISIN Number in

: Equity Shares INE819A01023

NSDL & CDSL

(vii) BSE Limited Stock Market Data (in ₹ / per share)

Period	High (₹)	Low (₹)	Period	High (₹)	Low (₹)
April 2013	1.15	0.99	Oct 2013	1.12	0.90
May 2013	1.18	0.90	Nov 2013	1.15	0.85
June 2013	1.17	0.93	Dec 2013	1.19	0.85
July 2013	1.11	0.82	Jan 2014	1.64	0.94
Aug 2013	1.06	0.77	Feb 2014	2.15	1.24
Sep 2013	1.11	0.76	Mar 2014	1.76	1.28

- No scripts were traded in the Jaipur Stock Exchange during the financial year. Therefore no stock market data has been given.

(viii) Registrars and Transfer Agents: Bigshare Services Pvt. Ltd.

(Share transfer and communication regarding share certificates, dividends and change of address)

E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai 400 072.

(ix) SHARE TRANSFER SYSTEM

Presently, the share transfers in physical form are processed and the share certificates returned within a period of 15 days from the date of receipt of the document, subject to the documents being clear in all respects. The Board has delegated the authority for approving the transfers to the RTA subject to approval by Grievance Committee.

Shareholders Grievances and other miscellaneous correspondence on change of address, mandates etc., received from members are generally processed by RTA of the company within 15 days.

The Company obtains from a Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under clause 47C of the Listing Agreement and files a copy of the certificate with BSE and JSE.

Comfort Intech Limited

Annual Report 2013 - 2014

(x) DISTRIBUTION OF SHARE HOLDING AS ON 31ST MARCH 2014.

Range of Shareholding (Rs)	No. of Shareholders	% of Total	Share Amount ₹	% of Total
1-5000	5040	77.2651	6912529	2.1606
5001-10000	562	8.6157	4469231	1.3969
10001-20000	332	5.0897	4932841	1.5418
20001-30000	145	2.2229	3663616	1.1451
30001-40000	79	1.2111	2809506	0.8781
40001-50000	54	0.8278	2572558	0.8041
50001-100000	117	1.7937	9051629	2.8292
100001 and above	194	2.9741	285526170	89.2442
Total	6523	100.00	319939080	100.00

(xi) Shareholding Pattern (Category Wise) As On 31st March 2014 :

Category	No. of Shares	Percentage
Promoters	169759293	53.06
Mutual Funds / UTI & Banks	--	--
Private Corporate Bodies	24166724	7.553
Resident Individuals	125760922	39.307
NRIs / FIIs	136891	0.042
Clearing Members	114250	0.035
Total :	319939080	100.00

(xii) List of the Top 10 Shareholders of the Company (Excluding Promoter group as on 31st March 2014)

S. No.	Name of Shareholder	No. of Shares	Shares as % of total no. of shares
1.	Arcadia Share & Stock Broker Pvt. Ltd	4216760	1.3180
2.	Comfort Securities Limited	3861248	1.2069
3.	Bhaves Prakash Pabari	6042000	1.8885
4.	Jatin H Mehta	4895000	1.5300
5.	Brijesh H Mehtha	4629000	1.4468
6.	Darshan Doshi	4495000	1.4050
7.	Chirag Rajnikant Jariwala	3567784	1.1151
8.	Amit kumar Arunkumar Khara	3350000	1.0471
9.	Arunkumar Dalichand Khara	3350000	1.0471
10.	Mayurkumar Arunkumar Khara	3300000	1.0314

(xiii) DEMATERIALISATION OF SHARES:

Approximately 99.715 % of the Equity Shares have been dematerialized upto 31st March, 2014.

Trading in Equity shares of the Company is permitted only in dematerialized form w.e.f. 26th June 2000 as per notification issued by the Securities and Exchange Board, India (SEBI).



(xiv) LIQUIDITY:

Relevant data of the average daily working days turnover for the Financial Year 2013-2014 is given below:

BSE Limited

Shares (in Lacs) : 1.06

Amount (in Lacs) : 1.16

(xv) GDRs/ADRs/Warrants etc.,

The Company did not issue any GDRs/ADRs/Warrants or any convertible instruments.

INVESTOR CORRESPONDENCE FOR TRANSFER / DEMATERILISATION OF SHARES AND ANY OTHER QUERY RELATING TO THE SHARES OF THE COMPANY:

BIGSHARE SERVICES PVT. LTD.

E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (E), Mumbai 400 072.

Any query on Annual Report:

COMFORT INTECH LTD.

A-301, Hetal Arch,
Opp. Natraj Market,
S.V.Road, Malad (W),
Mumbai 400 064.

Other Mandatory requirements are not applicable to the Company.

Comfort Intech Limited

Annual Report 2013 - 2014

AUDITORS' REPORT ON CORPORATE GOVERNANCE

To
the Members,
COMFORT INTECH LTD.

We have examined the compliance of conditions of Corporate Governance by Comfort Intech Ltd for the year ended on 31st March, 2014, as stipulated in Clause 49 of listing agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of 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 we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period of one month against the company as per the records maintained by the Share transfer-cum-investors Grievance Committee.

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

For BANSAL & BANSAL & CO.
Chartered Accountants

Sd/-
MANOJ AGARWAL
Partner

Place : Mumbai
Dated : 02.08.2014



CEO/CFO CERTIFICATION

To
The Board of Directors
COMFORT INTECH LTD
Mumbai

Dear Sirs,

We have reviewed financial statements and the cash flow statement for the year ended 31st March 2014 and to the best of our knowledge and belief that:

- 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;
- iii. No transactions entered into by the Company during the above said period which are fraudulent, illegal or volatile of the company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of 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 which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors that:

- iv. Significant changes in internal control over financial reporting during the year;
- v. Significant changes in accounting policies during the period and that the same have been disclosed in the notes to the financial statements; and
- vi. 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.

Sd/-
ANIL AGRAWAL
Chairman & Managing Director

Place : Aamby Valley
Date : 02.08.2014

MANAGEMENT DISCUSSION & ANALYSIS

ABOUT THE INDUSTRY:

NBFCs are an integral part of the country's financial system complementing the services of commercial banks. The main reason attributed to the growth of NBFCs is the comprehensive regulation of the banking system. Other factors include higher level of customer orientation, lesser pre/post sanction requirements and higher rates of interest on deposits being offered by NBFCs. It is mandatory that every NBFC should be registered with RBI to carry on any business of non banking financial institution.

The activities of non-banking financial companies (NBFCs) in India have undergone qualitative changes over the years through functional specialisation. The role of NBFCs as effective financial intermediaries has been well recognized as they have inherent ability to take quicker decisions, assume greater risks, and customize their services and charges more according to the needs of the clients. While these features, as compared to the banks, have contributed to the proliferation of NBFCs, their flexible structures

allow them to unbundle services provided by banks and market the components on a competitive basis. The distinction between banks and non-banks has been gradually getting blurred since both the segments of the financial system engage themselves in many similar types of activities. At present, NBFCs in India have become prominent in a wide range of activities like hire-purchase finance, equipment lease finance, loans, investments, etc. By employing innovative marketing strategies and devising tailor-made products, NBFCs have also been able to build up a clientele base among the depositors, mop up public savings and command large resources as reflected in the growth of their deposits from public, shareholders, directors and other companies, and borrowings by issue of non-convertible debentures, etc.

The importance of NBFCs in delivering credit to the unorganised sector and to small borrowers at the local level in response to local requirements is well recognised. The rising importance of this segment calls for increased regulatory attention and focused supervisory scrutiny in the interests of financial stability and depositor protection.

The RBI and the Government have taken notable steps in FY 2013-14 to address the economic headwinds. The Government formed the Project Management Group to facilitate large projects, undertook actions on power tariffs, gas price and continued diesel price increases. The RBI initiated efforts at recognizing and cleaning up Non-Performing Assets ("NPA"). On the policy front, it introduced a shift in focus to Consumer Price Inflation (CPI) from Wholesale Price Inflation (WPI), and a move towards inflation targeting. If implemented correctly and in a time bound manner, these collectively have the ability to create a meaningful impact on the economy. The Government's first GDP estimate for FY 2013-14 estimates growth at 4.9%, largely in line with market expectations. The Interim budget which was the last budget of the UPA-II Government was "not" biased towards populist measures but focused on growth measures, like reduction in excise duties on capital and consumer goods and maintaining the fiscal deficit target within limits. The key to a higher growth would be reviving investments (initially by revival of stalled projects), especially in the private sector and higher domestic savings, especially financial savings, by containing inflation and positive real return.

Debt in the private sector has risen despite India's total debt (private and public) remaining at approximately 139% of GDP, in line with the last 10 years' average. Rising private-sector debt coupled with repayments to the tune of approximately US\$20 bn annually make the economy vulnerable to international capital flows. Though the real economy is largely domestic oriented, given its dependence on capital flows, India is open to exchange volatility and its related pitfalls. On the global front, the Federal Reserve reduced its monthly asset purchases with the last reduction for FY 2013-14 being made in February 2014. The monthly purchases are down to US\$ 65bn (US\$ 35 bn Treasury + US\$ 30 bn Mortgage Backed Securities). Global observers expect the tapering to continue in the coming months, leading to a complete wind down by end of Q2 2014-15. The year ahead will be challenging on the interest rate and credit quality front, however, if India votes a stable Government, we could see an improvement in asset quality and return growth.





NBFCs as components of the financial sector:

A broad picture of the role of NBFCs and the interconnectedness they have in the financial sector can be gauged from the details given below:

General:

The total number of NBFCs as on March 31, 2014 are 12,029 of which deposit taking NBFCs are 241 and non-deposit taking NBFCs with asset size of `100 crore and above are 465, non-deposit taking NBFCs with asset size between `50 crore and `100 crore are 314 and those with asset size less than `50 crore are 11009. As on March 31, 2014, the average leverage ratio (outside liabilities to owned fund) of the NBFCs-ND-SI stood at 2.94, return on assets (net profit as a percentage of total assets) stood at 2.3%, Return on equity (net profit as a percentage of equity) stood at 9.22 % and the gross NPA as a percentage of total credit exposure (aggregate level) stood at 2.8%. Asset Liability composition Liabilities* of the NBFC sector: Owned funds (23% of total liabilities), debentures (32%), bank borrowings (21%), deposit (1%), borrowings from Financial Institutions (1%), Inter-corporate borrowings (2%), Commercial Paper (3%), other borrowings (12%), and current liabilities & provisions (5%). Assets* of the NBFC sector: Loans & advances (73% of total assets), investments (16%), cash and bank balances (3%), other current assets (7%) and other assets (1%).

An Overview of Regulation of NBFCs

In response to the perceived need for better regulation of the NBFC sector, the Reserve Bank of India (RBI) Act, 1934 was amended in 1997, providing for a comprehensive regulatory framework for NBFCs. The RBI (Amendment) Act, 1997 conferred powers on the RBI to issue directions to companies and its auditors, prohibit deposit acceptance and alienation of assets by companies and initiate action for winding up of companies.

(1) Mission

To ensure that:

- the financial companies function on healthy lines,
- these companies function in consonance with the monetary policy framework, so that their functioning does not lead to systemic aberrations,
- the quality of surveillance and supervision exercised by the RBI over the NBFCs keeps pace with the developments in this sector.
- comprehensive regulation and supervision of Asset liability and risk management system for NBFCs,

(2) Amendments to the Reserve Bank of India (RBI) Act, 1934

RBI Act was amended in January 1997 providing for, inter alia.

- Entry norms for NBFCs and prohibition of deposit acceptance (save to the extent permitted under the Act) by unincorporated bodies engaged in financial business,
- Compulsory registration, maintenance of liquid assets and creation of reserve fund,
- Power of the RBI to issue directions to an NBFC or to the NBFCs in general or to a class of NBFCs.
- Comprehensive regulation and Supervision of deposit taking NBFCs and limited supervision over those not accepting public deposits.

(3) Basic Structure of Regulatory and Supervisory Framework

- Prescription of prudential norms akin to those applicable to banks,
- Submission of periodical returns for the purpose of off-site surveillance,
- Supervisory framework comprising (a) on-site inspection (CAMELS pattern) (b) off-site monitoring through returns (c) market intelligence, and (d) exception reports by statutory auditors,
- Punitive action like cancellation of Certificate of Registration (CoR), prohibition from acceptance of deposits and alienation of assets, filing criminal complaints and winding up petitions in extreme cases, appointment of the RBI observers in certain cases, etc.
- Co-ordination with State Governments to curb unauthorised and fraudulent activities, training programmes for personnel of NBFCs, State Governments and Police officials.

(4) Other steps for protection of depositors' interest

- Publicity for depositors' education and awareness, workshops / seminars for trade and industry organizations, depositors' associations, chartered accountants, etc.

ABOUT THE COMFORT INTECH LIMITED:

Business Overview:

Our Company is a non deposit taking NBFC, registered with the RBI vide Registration No.B.01.00419. Our Company has been in the business of providing financial services since inception. This endeavor was initiated by Mr. Anil B. Agrawal, qualified Chartered Accountant and a first generation entrepreneur.

Our Company is primarily focused in providing inter corporate loans, personal loans, loans against shares & securities, loans against properties, trade financing, bills discounting, trading in shares & securities and arbitrage business in stock and commodity market. Being an, NBFC our Company has positioned itself between the organized banking sector and local money lenders, offering the customers competitive, flexible and timely lending services.

Recently your company has incorporated a 100% wholly owned subsidiary in the name of Finsolution Services FZE, in United Arab Emirates on 25th January 2012.

Our Company offers financial services to commercial, industrial and financial clients with a one stop financial solution:-

Products & Services:

Our Company offers financial services to commercial, industrial and financial clients with a one stop financial solution:-

- ✓ Trade Finance & Bill Discounting
- ✓ Working capital loans
- ✓ Loan against property
- ✓ Margin funding and loan against approved securities

FINANCIAL PERFORMANCE :

Consolidated Revenues :

The total consolidated income of the Company for the FY 2013-14 comprises operating revenues of ₹ 1230.40 Lacs and other income of ₹ 1.15 lacs as compared to previous fiscal operating revenues of ₹ 1527.72 lacs and other income of ₹ 10.52 lacs.

Standalone Revenues:

During the fiscal 2014, the gross operational income of the Company stood at ₹1155.26 Lacs as compared to previous fiscal of ₹ 1426.57 Lacs.

Consolidated Profits / (Loss):

Loss stood at ₹ (291.11) Lacs before tax and loss after Tax stood at ₹ (323.22) Lacs as compared to previous fiscal Profit before Tax (PBT) stood at ₹ 344.25 Lacs and Profit after Tax (PAT) stood at ₹ 265.15 Lacs.

Standalone Profits / (Loss) :

Loss stood at ₹ (318.16) lacs before tax and loss after tax stood at ₹ (350.26) lacs for the fiscal 2014 as compared to the previous year profit before tax ₹ 251.56 lacs and after tax ₹ 172.56 lacs.

Your company already intimated you regarding wholly owned subsidiary in the name of Finsolution Services FZE, in United Arab Emirates. During the fiscal 2014, the gross operational income of the subsidiary stood at AED 4.91 lacs and Operating Profit for the fiscal 2014 stood at AED 1.74 lacs as compared to the previous year AED 7.74 lacs and profit AED 6.43 lacs.

Further during the year your company has sold the shares of M/s. Luharuka Tradelink Private Limited, an Indian Company and it is no longer subsidiary of your company.

The standalone net worth of your company at the year end stands at ₹ 8689.94 Lacs which translated to a book value of ₹ 2.72/-. The consolidated net worth of your company at the year end stands at Ra. 8823.80 lacs which translated to a book value of ₹ 2.76/- per share of face value of Re. 1/-.

Financial Highlights:

- Income from operation stood at ₹ 1155.26 Lacs for fiscal 2014



- Loss Before Taxes of fiscal 2014 was ₹ (318.16) Lacs.
- Loss After Taxes of fiscal 2014 was ₹ (350.26) Lacs
- Basic Earning per share for fiscal 2014 was ₹ Nil per share.
- Cash & cash equivalents (including fixed deposits with banks) stood at ₹ 1264.21 Lacs as on March 31, 2014
- Net Worth of company stood at ₹ 8689.94 Lacs as on March 31, 2014

SWOT ANALYSIS:

Strengths:-

- **Ready contacts for business development:** Our Company has strong relationships with the well established business houses in India cultivated through several years of client servicing.
- **Promoted and managed by qualified and experienced professionals:** Our Company is promoted by Mr. Anil B. Agrawal, Chartered Accountant who has more than 20 years of experience in financial services. The board of our Company comprises of qualified professionals, experienced in the industry.
- **Existing profit making & dividend paying company:** Our Company is an existing Profit making and paying dividend continuously for the previous seven years. However due to provisional loss during the year your company could not paying dividend for the current year.
- **Support of Group Entity:** Comfort Securities Limited, one of our Group Entities is in the Business of capital market services and merchant banking activities is having a clientele base of over 3400 including corporate, HNI and retail investors. We leverage the cliental base of our group entity to provide funding in the form of margin funding as well as in terms of Loan against Demat Shares.

Weakness:-

- **Branding:** Despite our ready contacts for business development & listing on esteemed Exchange (BSE), our company is not a well established brand among large NBFC players who have access to larger financial resources.
- **Accessibility:** We do not have branches on a Pan India basis, so we are not able to explore the business opportunities in those regions.

Opportunities:-

- **Large market:** The players in the NBFC sector still have a lot of scope to cover larger market and the rural markets are still untapped.
- **Desire for status:** With increased desire of individuals to improve their standard of living, the NBFC industry is getting exposed to new category of Client (Individuals) in a big way with large share of business coming from this segment apart form corporate clients.

Threats:-

- **Economic Downturn:** If the Economic downturn is prolonged it can reduce the financing need of people due to shrinking business opportunities.
- **Private Banks:** Private Banks are also working on the similar business model as the NBFCs do, thereby giving a very strong competitions to the NBFC's.
- **RBI and Government restrictions:** With more stringent norms governing the functioning of NBFC and certain government restrictions act as a hindrance in smooth functioning of NBFC.

FUTURE STRATEGY:

- **Expansion of existing activities:** - Our Company intends to expand its financial services by enhancing its focus on margin funding, loan against shares and securities, loan against properties and corporate loan, bill discounting and working capital loan.
- **Financial Management/Advisory Services:** - We have an in house team which has the capacity to provide services in the area of financial management/advisory services like syndication for big ticket loans from banks, project appraisals, debt restructuring and arranging non fund based limits form bank. Our Company is planning to foray into business of financial management/advisory services with the potential clients.

Comfort Intech Limited

Annual Report 2013 - 2014

- **Differentiated Services:-** In the growing economy, the corporate clients will be requiring funds for further expansions. Our Company would be providing all diversified service portfolio under one umbrella to cater most of the customer needs and demands.
- **Brand recognition:** We are in such a business where we are facing lot of competition. We are planning to put more efforts to build Comfort as a well known brand. Despite our existing contacts & listing on esteemed Exchange (BSE), our Company is not a well established brand among large NBFC players. We will be making the necessary arrangements for our brand reorganization.

REGULATORY:

As Being a Non-Banking Finance Company, is regulated by department of Non-Banking supervision of Reserve Bank of India. Company is current under category of Non –Deposit taking company so company is not within purview of various guidelines applicable. However RBI has issued several guidelines applicable to Non-Deposit taking companies, notable among which are:

- Submission of Financial
- Submission of Business-Continuity Certificate
- To exercise the Fair Practice Code
- Compliance with Prudential norms

Apart from this your Company total assets size has been increased to more than 100 crores and your company became systematically important company and complying various compliances with RBI.

Company is complying various statutory provisions such as Companies Act, Income tax, Service tax, BSE& JSE Listing Agreement provisions and other applicable laws and regulations applicable to the company.

INTERNAL CONTROL SYSTEM AND ADEQUACY:

Internal Control Systems has been designed to provide reasonable assurance that assets are safeguarded, transactions are executed in accordance's with management's authorization and properly recorded and accounting records are adequate for preparation of financial statements and other financial information. Internal check is conducted on a periodical basis to ascertain the adequacy and effectiveness of internal control systems. The management has put in place internal systems for review and monitoring of non performing assets of the company and to indicate corrective action for effecting recoveries.

CAUTIONARY:

Statement in the Management Discussion & Analysis, describing the company's objectives, projections and estimates are forward looking statement and progressive within the meaning of applicable laws & regulations. Actual result may vary from those expressed or implied. Important developments that could affect the company's operations are significant changes in political and economic environment in India, tax laws, RBI regulations, exchange rate fluctuation and other incidental factors.



Independent Auditor's Report

To the Members of

Comfort Intech Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of Comfort Intech Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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 Principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). 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 ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 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 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 qualified audit opinion.

Basis for Qualified Opinion

1. *Contravention of Accounting Standard 15 on Accounting for retirement benefits of employees.*

As stated in Note 1 (I) of Significant Accounting Policies followed by the company the Company is not making any provision for Gratuity and leave encashment as the same is accounted for on payment basis. This is in Contravention of Accounting Standard 15 on Accounting for retirement benefits of employees..

2. *In respect of advance of Rs. 3,17,98,134/- outstanding as on 31/03/2014 (advance given to Mr Amit Dahanukar) is shown as capital advance for purchase of property. In absence of proper documents for the advance given, in our opinion this amount should be treated as loss asset and 100% provision for loss asset amounting to Rs.3,17,98,134/- should be made instead of 10% made by the company.*
3. *Amount outstanding as on 31/03/2014 with M/s Pawankumar Sanwormal Rs.42,02,83,250/- is classified by the company as substandard Asset. Out of this amount interest cheque of Rs.2,09,87,500/- appears in reconciliation as on date. This is in contradiction to Income Recognition and Asset Classification Norms prescribed by RBI in respect of NBFCs hence this amount of Rs.2,09,87,500/- should be reversed.*

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion Paragraph, the aforesaid financial statements give the information

Comfort Intech Limited

Annual Report 2013 - 2014

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 March 31, 2014;
- b) in the case of the Profit and Loss Account, of the Loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw your attention to :

There was a violation of RBI Guidelines on exposure norms in the case of Shri. Pawan Kumar Sawarmal where the exposure was Rs.42,02,83,250/- as on 31st March 2014. The owned fund of the company as on 31st March 2013 stood at Rs.90.34 crore. Therefore the single and group exposure limits of 15% and 25% worked out to Rs.13.55 crore and Rs.22.59 crore.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) 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 purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) Except for the effects of the matters described in the Basis for Qualified Opinion Paragraph, in our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause of Section 274(1)g of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **Bansal Bansal and Co.**

Chartered Accountants

FRN: 100986W

Sd/-

Manoj Agrawal

Partner

Membership No. :107624

Place: Mumbai

Date: 30th May, 2014



Annexure to Independent Auditor's Report

Referred to in paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date.

1. In respect of its Fixed Assets
 - (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - (c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed off during the year and going concern status of the company is not affected.
2. In respect of its inventories:
 - (a) the stock in trade of shares and securities held in the physical format has been physically verified and those held in dematerialized format have been verified from the relevant statements received from the depositories during the year, by the management. Also the stock of properties acquired in satisfaction of claims have been physically verified during the year by the management.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of shares, securities and stock of properties acquired in satisfaction of claims followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of shares, securities and stock of properties acquired in satisfaction of claims by the management as compared to book records.
3.
 - (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has granted interest free unsecured loan to one party covered in the register maintained under Section 301 of the Companies Act, 1956. The Maximum amount involved during the year and the year end balance of such loan aggregate to Rs 1,50,00,000/- and Rs 1,50,00,000/- respectively.
 - (b) Except for the fact that this loan is interest free , in our opinion and according to the information and explanations given to us, the other terms and conditions of loan given are not prima facie prejudicial to the interest of the Company.
 - (c) No stipulations for repayments have been prescribed and as such no comments regarding receipt of principal amount are being made.
 - (d) As no stipulations for repayments have been prescribed, the clause regarding overdue amount is not applicable.
 - (e) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories (share and securities) & fixed assets and payment for expenses & for sale of Shares and securities. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5.
 - a) Based on the audit procedures applied by us and according to the information and explanations provided by the

Comfort Intech Limited

Annual Report 2013 - 2014

management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

- b) In our opinion and according to the information and explanations given to us, these contracts or arrangement have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time, where no similar transactions were taken place during the year with other parties, we are unable to comment whether the same is on prevailing market prices or not.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.
9. (a) According to the records of the company, undisputed statutory dues including Income-tax, Service Tax, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2014 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there are no amounts payable in respect of income tax, wealth tax, service tax, which have not been deposited on account of any disputes.
10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to bank.
12. According to the information and explanations given to us, the Company has maintained adequate documents and records in respect of loans and advances granted on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund / society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in its own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. The company has not obtained any term loan during the year. Accordingly this clause is not applicable to the company.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.



19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For **Bansal Bansal and Co.**
Chartered Accountants
FRN: 100986W

Sd/-

Manoj Agrawal
Partner
Membership No. :107624

Place: Mumbai
Date: 30th May, 2014

Comfort Intech Limited

Annual Report 2013 - 2014

BALANCE SHEET AS AT MARCH 31, 2014

Particulars	Note No.	(Amount in INR)	
		As at March 31, 2014	As at March 31, 2013
I Equity & Liabilities			
1. Shareholders' funds			
(a) Share Capital	2	319,954,810	319,954,810
(b) Reserves and Surplus	3	<u>549,652,627</u>	<u>584,679,582</u>
(c) Money received against share warrants		-	-
		869,607,437	904,634,392
2. Share application money pending allotment			
		-	-
3. Non - Current Liabilities			
(a) Long -Term Borrowings		-	-
(b) Deferred Tax Liabilities (Net)	4	670,784	705,906
(c) Other Long - Term Liabilities		-	-
(d) Long - Term Provisions		<u>-</u>	<u>-</u>
		670,784	705,906
4. Current Liabilities			
(a) Short - Term Borrowings	5	138,596,511	187,189,511
(b) Trade Payables	6	121,500	45,000
(c) Other Current Liabilities	7	11,021,181	2,203,437
(d) Short - Term Provisions	8	<u>49,863,370</u>	<u>20,261,902</u>
		199,602,562	209,699,850
TOTAL		<u>1,069,880,783</u>	<u>1,115,040,147</u>
II Assets			
1. Non - Current Assets			
(a) Fixed Assets	9		
(i) Tangible Assets		8,298,218	9,151,863
(ii) Intangible Assets		-	-
(iii) Capital Work-in-Progress		-	-
(b) Non - Current Investments	10	162,819,807	98,826,043
(c) Long - Term Loans and Advances	11	31,798,134	104,455,589
(d) Other Non - Current Assets	12	<u>613,642</u>	<u>1,257,911</u>
		203,529,802	213,691,407
2. Current Assets			
(a) Inventories	13	79,732,391	114,898,167
(b) Trade Receivables	14	1,712,861	277,979
(c) Cash and Bank Balances	15	126,421,311	110,434,477
(d) Short - Term Loans and Advances	16	657,204,983	672,557,958
(e) Other Current Assets	17	<u>1,279,434</u>	<u>3,180,157</u>
		866,350,981	901,348,739
TOTAL		<u>1,069,880,783</u>	<u>1,115,040,146</u>
Significant Accounting Policies	1		

As per our report of even date
For Bansal Bansal & Co.
 Chartered Accountants
FRN : 100986W

Sd/-
Manoj Agrawal
 Partner
 M. No. 107624
 Place : Mumbai
 Date : 30th May 2014

For & on behalf of the Board

Sd/-
Anil Agrawal
 Managing Director

Sd/-
Bharat N. Shiroya
 Executive Director

Sd/-
Ramadevi Gundeti
 Company Secretary



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

		(Amount in INR)	
Particulars	Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
I	Revenue from Operations	18 115,411,211	141,983,882
II	Other Income	19 <u>114,785</u>	<u>672,950</u>
III	Total Revenue (I + II)	115,525,996	142,656,833
IV	Expenses		
	Purchases	20 12,460,303	71,029,627
	Changes in Inventories of Stock-in-trade	21 35,165,776	(6,432,295)
	Employee Benefits Expenses	22 7,660,359	5,983,160
	Finance Costs	23 23,446,953	28,196,196
	Depreciation and Amortization Expense	9 1,051,195	1,009,602
	Other Expenses	24 <u>67,558,003</u>	<u>17,714,831</u>
	Total Expenses	<u>147,342,588</u>	<u>117,501,121</u>
V	Profit before Tax (III-IV)	<u>(31,816,592)</u>	<u>25,155,712</u>
VI	Exceptional Items	-	-
VII	Profit before Extraordinary Items and Tax (V-VI)	<u>(31,816,592)</u>	<u>25,155,712</u>
VIII	Extraordinary Items	-	-
IX	Profit Before Tax (VII-VIII)	<u>(31,816,592)</u>	<u>25,155,712</u>
X	Tax Expense:		
	(a) Current Tax	3,286,000	8,096,700
	(b) Deferred Tax	(35,122)	(179,805)
	(c) Income Tax of Earlier years written off (Back)	(40,516)	(17,233)
		<u>3,210,362</u>	<u>7,899,662</u>
XI	Profit for the Period from Continuing Operations (IX - X)	<u>(35,026,955)</u>	<u>17,256,050</u>
XII	Profit/(Loss) for the Period from Discontinuing Operations	-	-
XIII	Tax Expense of Discontinuing Operations	-	-
XIV	Profit/(Loss) from Discontinuing Operations (After Tax) (XII-XIII)	-	-
XV	Profit for the Period (XI + XIV)	<u>(35,026,955)</u>	17,256,050
XVI	Earnings Per Equity Share (Face Value Rs. 1/- Per Share):	25	
	Basic & Diluted (Rs.)	-	0.05
	Significant Accounting Policies	1	

As per our report of even date
For Bansal Bansal & Co.
 Chartered Accountants
 FRN : 100986W

Sd/-
Manoj Agrawal
 Partner
 M. No. 107624
 Place : Mumbai
 Date : 30th May 2014

For & on behalf of the Board

Sd/-
Anil Agrawal
 Managing Director

Sd/-
Bharat N. Shiroya
 Executive Director

Sd/-
Ramadevi Gundeti
 Company Secretary

Comfort Intech Limited

Annual Report 2013 - 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in INR)

	Year ended 31st March, 2014	Year ended 31st March, 2013
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax for the year	(31,816,592)	25,155,712
Adjustments for :		
Interest Paid	23,446,953	28,196,196
Depreciation	1,051,195	1,009,602
Provision for Advances	41,898,400	86,178
Baddebts Written Off	11,960,800	2,643,078
Rent Received	(1,603,500)	(379,162)
Misc. Expenses w/off	<u>644,269</u>	<u>739,854</u>
Operating Profit before Working Capital change	45,581,525	57,451,458
Adjustments for :		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	35,165,776	(6,432,295)
Trade receivables	(1,434,882)	(265,091)
Short-term loans and advances	3,062,002	52,330,385
Long-term loans and advances	72,657,456	(15,000,000)
Other current assets	1,900,723	(706,174)
Other non-current assets	<u>-</u>	<u>-</u>
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	76,500	(10,435)
Other current liabilities	8,817,744	(692,380)
Other long-term liabilities	-	-
Short-term provisions	-	-
Long-term provisions	- 8,894,244	- (702,815)
Cash Generated From Operations	165,826,843	86,675,468
Income Tax paid	<u>7,726,011</u>	<u>5,663,626</u>
NET CASH FROM OPERATING ACTIVITIES Total (A)	158,100,831	81,011,842
CASH FLOW FROM INVESTING ACTIVITIES		
Investments (Purchased)/Sold	(63,993,764)	(23,632,000)
Fixed Assets (Purchased)/Sold	(197,550)	23,355,060
Rent Received	<u>1,603,500</u>	<u>379,162</u>
NET CASH USED IN INVESTING ACTIVITIES Total (B)	(62,587,814)	102,222

**CASH FLOW FROM FINANCING ACTIVITIES**

Proceeds from issuance of Equity Capital	-	-
Dividend Paid (including Dividend Tax)	(7,486,232)	(7,436,801)
Loan taken / (Repaid) in Secured Loan	(48,592,999)	(57,574,996)
Interest paid	(23,446,953)	(28,196,196)
NET CASH FROM FINANCING ACTIVITIES Total (C)	<u>(79,526,183)</u>	<u>(93,207,993)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents Total (A+B+C)	15,986,834	(12,093,929)
Cash and Cash Equivalents -- Opening Balance	110,434,478	122,528,407
Cash and Cash Equivalents -- Closing Balance	<u>126,421,312</u>	<u>110,434,478</u>
	<u>0</u>	<u>0</u>

Note: Previous year's figures have been regrouped/ rearranged wherever considered necessary.

As per our report of even date
For Bansal Bansal & Co.
Chartered Accountants
FRN : 100986W

Sd/-
Manoj Agrawal
Partner
M. No. 107624
Place : Mumbai
Date : 30th May 2014

For & on behalf of the Board

Sd/-
Anil Agrawal
Managing Director

Sd/-
Bharat N. Shiroya
Executive Director

Sd/-
Ramadevi Gundeti
Company Secretary

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

NOTE -'1'

SIGNIFICANT ACCOUNTING POLICIES:

A. The financial accounts are prepared under the accrual method, unless otherwise stated, and at historical cost.

B. Use of Estimates

The preparation of financial statements in conformity with generally accepted principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

C. Accounting of Income/Expenditure

All income and expenditure items having a material bearing on the financial statements are recognised on accrual basis except in the case of dividend income & interest receivable from / payable to government on tax refunds / late payment of taxes, duties / levies which are accounted for on cash basis.

As per prudential norms prescribed by Reserve Bank of India, interest income has been recognized only on standard advances given by the Company.

D. Investments:

Investments in Shares / Mutual Funds are stated at cost.

E. Stock in Trade:

i) Closing stock in case of quoted shares has been valued at cost or market value whichever is lower. Wherever quotations are not available as on 31 March 2014, inventory has been valued at last traded price or at cost whichever is lower. Wherever quotations are not available due to scrip has been suspended / delisted for a considerable period of time by stock exchanges has been valued at nil rate.

ii) Closing stock of properties acquired in satisfaction of loan claimed has been valued at cost to the company.

F. Fixed Assets/Depreciation

i) Fixed assets are shown at historical cost inclusive of incidental expenses less accumulated depreciation.

ii) Depreciation on fixed assets is provided on Straight Line Method at the rates prescribed under Schedule XIV of the Companies Act, 1956.

iii) Depreciation on Fixed Assets added or sold during the year, is provided on pro-rata basis with reference to the date of addition/deletion.

G. Taxation:

Provision for income tax has been made in accordance with normal provisions of Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using tax rates and laws that have been substantively enacted as of the balance sheet date.

H. Foreign Exchange Transactions:

Foreign Currency transactions are accounted for at the exchange rates prevailing at the time of recognition of income/ expenditure and difference if any, resulting in income or expenses dealt with in profit & loss account under the head Foreign Exchange Fluctuation Gain.

Foreign currency monetary items are reported using the closing rates. Exchange difference arising on reporting them at closing rate i.e. at the rate different from those at which they were initially recorded are recognized as income or expenses as the case may be.

I. Retirement Benefits :

No provision has been made for Gratuity and Leave encashment as the same is accounted for on Payment basis.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

J. Impairment of assets

The carrying amounts of assets are viewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

K. Earnings per share

In determining earning per share, the Company considers the net profit after tax and includes the post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of shares that could have been issued on the conversion of all diluted potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value (i.e. the average market value of the shares outstanding). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. The number of shares and potentially dilutive equity shares adjusted for any stock splits and issues of bonus shares effected prior to the approval of the financial statements by the Board of Directors.

L. Preliminary Expenses

Preliminary expenses are amortised over a period of five years.

Note 2 - Share Capital

Particulars	(Amount in INR)	
	As at March 31, 2014	As at March 31, 2013
Authorised :		
40,00,00,000 Equity Shares (Previous Year 40,00,00,000) of Rs. 1/- each	400,000,000	400,000,000
TOTAL	<u>400,000,000</u>	<u>400,000,000</u>
Issued, Subscribed and Paid-up :		
31,99,38,080 Equity Shares (Previous Year 31,99,38,080) of Rs. 1/- each	319,938,080	319,938,080
Forfeited Shares	16,730	16,730
TOTAL	<u>319,954,810</u>	<u>319,954,810</u>
(a) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period		
Number of shares at the beginning of the year	319,938,080	319,938,080
Add: Number of Shares allotted fully paid up during the year		
Less: Number of Shares bought back during the year		
Number of shares outstanding as at the end of the year	<u>319,938,080</u>	<u>319,938,080</u>
(b) Terms / Rights attached to Equity Shares.		
i) The Company has only one class of Equity Shares having a par value of Rs. 1/- per share. Each holder of Equity Share is entitled to one vote per share.		

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

- ii) The Company declares and pays dividend in Indian Rupees. During the year ended 31st March 2014, no dividend has been declared by the Company (P.Y. 31st March, 2013 was Rs. 63,98,762/-).
- iii) In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity shares held by the shareholders.
- (c) The details of shareholders holding more than 5% shares.

Name of the Shareholders	As at March 31, 2014		As at March 31, 2013	
	Nos. of Shares	% held	Nos. of Shares	% held
Luharuka Investment and Consultants Pvt Ltd	77484224	24.22%	76651453	23.96%
Luharuka Exports Private Limited	77305444	24.16%	75847821	23.71%

Note 3 - Reserves & Surplus

Particulars	(Amount in INR)	
	As at March 31, 2014	As at March 31, 2013
(i) Special Reserve		
As per last Balance Sheet	24,917,716	21,466,506
Add: Transferred from Profit and Loss Account	-	3,451,210
Less: Transferred to Profit and Loss Account	-	-
	<u>24,917,716</u>	<u>24,917,716</u>
(ii) Share Premium		
As per last Balance Sheet	522,567,120	522,567,120
Add: On Issue on Shares	-	-
	<u>522,567,120</u>	<u>522,567,120</u>
(iii) Surplus in the Profit & Loss Account		
As per last Balance Sheet	37,194,745	30,876,136
Add: Profit for the year	(35,026,955)	17,256,050
Amount available for appropriations	2,167,791	48,132,187
Less: Appropriations		
Transferred to Special reserve	-	(3,451,210)
Proposed dividend on Equity Shares	-	(6,398,762)
[Dividend per share Re Nil/- (Previous year Re. 0.02/-)]		
Tax on Dividend	-	(1,087,470)
	<u>-</u>	<u>(10,937,442)</u>
TOTAL	<u>549,652,627</u>	<u>584,679,582</u>

Note 4 - Deffered Tax Liabilities

Particulars	(Amount in INR)	
	As at March 31, 2014	As at March 31, 2013
Deffered Tax Liabilities	705,906	885,711
Add / Less: During the Year	(35,122)	(179,805)
TOTAL	<u>670,784</u>	<u>705,906</u>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Note 5 - Short Term Borrowings

Particulars	As at March 31, 2014	(Amount in INR) As at March 31, 2013
(a) Loans repayable on demand		
From banks		
Secured (against Fixed Deposits)	37,409,389	10,584,306
Unsecured	-	-
	<u>37,409,389</u>	10,584,306
(b) Loans and advances from Others		
Secured *	101,187,122	151,605,205
Unsecured	-	25,000,000
	<u>101,187,122</u>	176,605,205
	<u>138,596,511</u>	<u>187,189,511</u>

* Secured against shares

Note 6 - Trade Payables

(a) Current payables (including acceptances) outstanding for less than 12 months	121,500	45,000
	<u>121,500</u>	45,000
(b) Detailed note on debts due by the following persons :		
(i) Directors and other officers	-	-
(ii) Firms in which any director is a partner	-	-
(iii) Private companies in which director is a member/director	-	-
TOTAL	-	-

Note 7 - Other Current Liabilities

Security Deposits from Tenants	8,688,643	60,982
Outstanding Liabilities for Expenses	1,781,868	1,591,785
Margin bill Discounting Deposit	45,720	45,720
Other Payables	504,950	504,950
TOTAL	<u>11,021,181</u>	<u>2,203,437</u>

Note 8 - Short-Term Provisions

Contingent provision for Standard Advances	549,700	1,502,780
Contingent provision for Sub-Standard Advances	45,427,670	1,289,840
Provision for doubtful debts	600,000	1,886,350
Provision for Taxation	3,286,000	8,096,700
Provision for Proposed Dividend	-	6,398,762
Provision for Tax on Proposed Dividend	-	1,087,470
TOTAL	<u>49,863,370</u>	<u>20,261,902</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Note - 9 :- Fixed assets

(Amount in INR)

A. Tangible assets: Own Assets	Gross block				Accumulated depreciation and impairment			Net block		
Particulars	Balance as at 1 April, 2013	Additions	Disposals	Balance as at 31 March, 2014	Balance as at 1 April, 2013	Depreciation / amortisation expense for the year	Other adjustments	Balance as at 31 March, 2014	Balance as at 31 March, 2014	Balance as at 31 March, 2013
	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)
(a) Office Premises	771,090	-	-	771,090	222,550	12,569	-	235,119	535,971	548,540
(b) Furniture and Fixtures	6,148,956	-	-	6,148,956	2,471,576	389,229	-	2,860,805	3,288,151	3,677,380
(c) Vehicles	4,780,363	-	-	4,780,363	1,177,520	454,135	-	1,631,655	3,148,708	3,602,843
(d) Office Equipments	1,370,368	197,550	20,390	1,547,528	466,007	83,342	20,390	528,959	1,018,569	904,361
(e) Computers & Software	690,440	-	-	690,440	271,701	111,920	-	383,621	306,819	418,739
Total	13,761,217	197,550	20,390	13,938,377	4,609,354	1,051,195	20,390	5,640,159	8,298,218	9,151,863
Previous year	37,213,982	589,999	24,042,764	13,761,217	3,697,457	1,009,602	97,705	4,609,354	9,151,863	33,516,525

Note - 10 :- Non- Current Investments

(Amount in INR)

Particulars	Nos.	Cost As on 31.03.2014	FMV As on 31.03.2014	Nos.	Cost As on 31.03.2013	FMV As on 31.03.2013
In Equity Shares of Associate Companies - Unquoted Fully paid-up						
Comfort Securities Ltd. (F.V. Rs. 10/- each)	5,750,000	56,000,000	NA	5,750,000	56,000,000	NA
Lemonade Share & Securities Pvt. Ltd. (F.V. Rs. 10/- each)	220,000	22,000,000	NA	220,000	22,000,000	-
Liquors India Limited (F.V. Rs. 10/- each)	200,000	54,600,000	NA	-	-	-
In Equity Shares of Others- Unquoted Fully paid-up						
The Malad Sahkari Bank Ltd (F.V. Rs. 10/- each)	100	1,000	NA	100	1,000	NA
Total [A]	6,170,100	132,601,000	-	5,970,100	78,001,000	-
In Equity Shares of Others- Quoted Fully paid-up						
Syncom Formulation (I) Ltd (F.V. Re. 1/- each)	5,365,855	2,419,364	31,121,959	186,453	5,568,043	14,151,783
Comfort Commtrade Ltd. (F.V. Rs. 10/- each)	1,200,000	13,625,000	29,700,000	1,200,000	13,625,000	29,700,000
Himachal Futuristic Communications Ltd (F.V. Re. 1/- each)	1,590,000	12,640,443	13,022,100	-	-	-
Total [B]	8,155,855	28,684,807	73,844,059	1,386,453	19,193,043	43,851,783
In Equity Shares of Subsidiary Companies - Unquoted Fully paid-up						
Luharuka Tradelink Pvt. Ltd. (F.V. Rs. 10/- each)	-	-	NA	9,800	98,000	NA
Total [C]	-	-	-	9,800	98,000	-
In Equity Shares of Subsidiary Companies - Unquoted Fully paid-up						
Finsolution Services FZE of 1,00,000 AED	-	1,534,000	NA	-	1,534,000	-
Total [D]	-	1,534,000	-	-	1,534,000	-
TOTAL [A+B+C+D]	14,325,955	162,819,807	73,844,059	7,366,353	98,826,043	43,851,783

Notes

	Current Year	Previous Year
1. Aggregate amount of Quoted Investment	28,684,807	19,193,043
2. Aggregate Market Value of Quoted Investment	73,844,059	43,851,783
3. Aggregate amount of Un-Quoted Investment	134,135,000	78,001,000



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

	(Amount in INR)	
Particulars	As at March 31, 2014	As at March 31, 2013
Note 11 - Long - Term Loans & Advances		
Capital Advances	31,798,134	89,455,589
Loan to Subsidiary	-	15,000,000
	31,798,134	104,455,589
Note 12 - Other Non-Current Assets		
<i>Miscellaneous Expenditure to the extent not w/off</i>		
Preliminary Expenses	157,365	346,946
Right Issue Expenses (2009-10)	1,100,546	1,650,820
Add: During the year	-	-
Less: W/off during the year	(644,269)	(739,854)
	613,642	1,257,911
TOTAL	613,642	1,257,911
Note 13 - Inventories		
(a) Stock-in-trade (Shares) (Valued at lower of cost or Market Value)	23,287,332	58,453,108
(b) Stock-in-trade (Properties acquired in satisfaction of claims) (Valued at cost to the Company)	56,445,059	56,445,059
TOTAL	79,732,391	114,898,167
Note 14 - Trade Receivables		
(a) (i) Due for a period exceeding six months		
- Unsecured, considered good	8,883	8,883
- Doubtful	-	-
Less: Provision for Doubtful Debts	-	-
	8,883	8,883
(ii) Others		
- Unsecured, considered good	1,703,978	269,096
- Doubtful	-	-
Less: Provision for Doubtful Debts	1,703,978	269,096
	1,703,978	269,096
TOTAL	1,712,861	277,979
(b) Detailed note on debts due by the following persons :		
(i) Directors and other officers	-	-
(ii) Firms in which any director is a partner	-	-
(iii) Private companies in which director is a member/director	1,202,397	268,879
TOTAL	1,202,397	268,879

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Amount in INR)

Particulars	As at March 31, 2014	As at March 31, 2013	
Note 15 - Cash & Bank Balances			
Cash & Bank Balances			
(i) Balances with Banks :			
- Current Accounts	274,123		2,652,834
- Deposit Accounts (Under lien with Banks)	95,144,830	95,418,953	106,768,401
(ii) Cash-in-hand		414,858	13,242
(iii) Cheques & Drafts in-hand		30,587,500	1,000,000
TOTAL	<u>126,421,311</u>		<u>110,434,477</u>
Note : Fixed Deposits with Banks include deposits of Rs. 3.57 Crores (Previous Year Rs. 1.13 Crores) with maturity of more than 12 months.			
Note 16 - Short Term Loans & Advances			
(i) (Security deposits)			
Secured, considered good	11,000		11,000
Unsecured, considered good	-		
Doubtful	-	11,000	11,000
(ii) (Advances recoverable in cash or in kind for value to be received)			
i) Advances Considered good & in respect of which Company is fully secured	599,342,960		583,043,726
ii) Advances Considered good for which Company holds no Security others than personal security	40,819,171	640,162,131	18,067,704
iii) Sub-Standard Advances in respect of which Company is fully secured			
Secured, considered good	3,195,350		6,290,648
Unsecured, considered good	-		5,747,935
Doubtful (Secured)	2,000,000	5,195,350	3,772,700
(iii) Prepaid Expenses		18,025	84,229
(iv) Share Application Money Given		-	43,400,000
(v) Other Advances		268,133	259,500
(vi) Advance income tax , TDS & STT - Unsecured, considered good		11,550,344	11,880,517
TOTAL	<u>657,204,983</u>		<u>672,557,958</u>
Note 17 - Other Current Assets			
FDR Interest Receivable		1,279,434	3,180,157
		<u>1,279,434</u>	<u>3,180,157</u>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Note 18 - Revenue from Operations

	(Amount in INR)	
Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Sales of Shares	4,213,470	10,545,202
Profit from F&O trading & Non-delivery transaction	<u>(10,729)</u>	<u>(2,518,106)</u>
Professional Fees received	200,000	-
Interest Received	105,126,047	131,388,226
Income from Mutual Fund	-	90,102
Dividend Received	782,134	1,538,345
Rent Received	1,603,500	379,162
Long Term Capital Gain on Shares	2,811,038	-
Loan Processing Fees	685,750	560,952
TOTAL	<u>115,411,211</u>	<u>141,983,882</u>

Note 19 - Other Income

Misc Income	114,785	560,404
Commission / Brokerage Received	-	75,816
Interest received on IT Refund	-	36,730
	<u>114,785</u>	<u>672,950</u>

Note 20 - Purchases

Purchases of Shares	12,460,303	14,584,568
Properties acquired in satisfaction of claims	-	32,500,000
Conversion of Fixed Asset into Stock in trade	-	23,945,059
TOTAL	<u>12,460,303</u>	<u>71,029,627</u>

Note 21 - Changes in Inventories of Stock-in-trade

Inventories at the end of the year		
Shares	23,287,332	58,453,108
Properties (including transfer form Fixed Asset)	56,445,059	56,445,059
Inventories at the beginning of the year		
Shares	58,453,108	108,465,872
Properties (including transfer form Fixed Asset)	56,445,059	-
Net (Increase) / Decrease in Inventories	<u>35,165,776</u>	<u>(6,432,295)</u>

Note 22 - Employment Benefit Expenses

Salaries , Bonus & Allowances	7,397,154	5,735,494
Staff Welfare Expenses	263,205	247,666
TOTAL	<u>7,660,359</u>	<u>5,983,160</u>

Note 23 - Financial Costs

Interest Expenses	23,446,953	28,196,196
TOTAL	<u>23,446,953</u>	<u>28,196,196</u>

Comfort Intech Limited

Annual Report 2013 - 2014

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Note 24 - Other Expenses

(Amount in INR)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Advertisement Expenses	345,895	149,877
Annual Listing Fees	110,428	112,961
Bad debts W/off	11,960,800	2,643,078
Charities & Donation	25,000	50,000
Custodial Fees	106,180	112,360
Demat & Share trf Expenses	87,172	119,697
Commission Paid	-	300,000
Electricity Expenses	1,256,821	1,036,392
Legal & Professional Fees	3,347,762	3,842,466
Insurance Expenses	59,301	86,608
Motor Car Expenses	434,243	599,744
Rates & Taxes (Professional Tax)	2,500	2,500
Payments to Auditors :		
- Audit fees	100,000	105,408
- Tax Audit fees	-	-
- For Other Services	-	-
- For Reimbursement of Expenses	100,000	105,408
Repair & Maintenance to Building	-	-
Repair & Maintenance to Other Assets	265,003	350,811
Rent Expense	960,000	960,000
Securities Transaction Tax	40,868	107,986
Sundry Balance w/off	-	3,255
Telephone , Telex and Postage	722,442	625,473
Travelling Expenses	3,182,724	3,362,172
Provision for Standard, Sub-Standard & Doubtful Advances	41,898,400	86,178
Printing & Stationery	97,577	272,603
Preliminary Expenses W/off	93,996	189,581
Right Issue Expenses W/off	550,273	550,273
Other Expenses	1,910,618	2,045,409
TOTAL	<u>67,558,003</u>	<u>17,714,831</u>

A sum of Rs. NIL (Previous Year Rs. 90248/-) (Net Debit) is included under other expenses representing net prior period items.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Note 25 - Earnings Per Equity Share

Particulars	(Amount in INR)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
(a) Net profit after tax attributable to equity shareholders for		
Basic EPS	(35,026,955)	17,256,050
Add/Less: Adjustment relating to potential equity shares		-
Net profit after tax attributable to equity shareholders for	(35,026,955)	17,256,050
Diluted EPS		
(b) Weighted average no. of equity shares outstanding during the year		
For Basic EPS	319,938,080	319,938,080
(c) Face Value per Equity Share (Rs.)	1.00	1.00
Basic EPS	-	0.05

Note 26 - Amounts due to Micro, Small and Medium Enterprises:

Under the Micro, Small and Medium Enterprises Development Act, 2006 certain disclosures are required to be made related to micro, small and medium enterprise. The company does not have any transactions with such entities.

27. Contingent liabilities & Commitments:

Particulars	2013-2014 (Rs.)	2012-2013 (Rs.)
Claims against the Company / Disputed Liabilities, not acknowledged as Debt	22,52,550	22,52,550

28. Profit / loss from F&O and Non Delivery transactions are accounted on net of brokerage paid.

29. Advances recoverable in cash or in kind or for value to be received in respect of which company is fully secured includes:-

Particulars	2013-2014 (Rs.)	2012-2013 (Rs.)
Secured against Immovable Property	4,95,61,497	9,15,93,002
Secured against Shares	55,49,76,813	50,15,14,072

30. Foreign Currency Transactions:

Particulars	2013-2014 (Rs.)	2012-2013 (Rs.)
Outgo:		
Travelling Expenses	Nil	1,88,243
Earnings:		Nil

31. Balances of the Sundry Debtors, Loans and Advances and Sundry Creditors are subject to confirmation and resultant reconciliation, if any.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

32. There are no dues to Micro and Small Enterprises as at 31st March, 2014. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

33. In accordance with Accounting standard 'AS-18' relating to Related Party Disclosures, information pertinent to related party transaction is given as under:-

Parties Where Control Exists: Finsolution Services FZE – Wholly owned Subsidiary

Parties with whom transaction have taken place.

A. Name of the related parties & description of relationship

- a) Key Managerial Personnel and their enterprises : Shri. Bharat Shiroya (Executive Director)
Smt. Annu Agrawal (Director)
Shri Anil Agrawal (Managing Director)
Anil Agrawal –HUF
(HUF of Mr. Anil Agrawal, Managing Director)
Shri Jugal Thacker (Director)
Shri Janak Mehta (Director)
Shri Anilkumar Nevatia (Director)
- b) Relative of Key Managerial Personnel : M/s Luharuka Travels & M/s Luharuka Enterprises
(Proprietorship concerns of Mr. Pradeep Agrawal, brother of Managing Director i.e. Anil Agrawal)
Shri Ankur Agrawal (son of Managing Director i.e. Anil Agrawal)
- c) Associates : Comfort Securities Ltd
Comfort Fincap Ltd.
Comfort Commotrade Ltd.
Comfort Capital Pvt. Ltd.
Luharuka Dealers Pvt. Ltd.
Luharuka Investment & Consultants Pvt. Ltd.
Luharuka Exports Pvt. Ltd.
Lemonade Share & Securities Pvt. Ltd.
Luharuka Tradelink Pvt Ltd
Liquors India Ltd.
- d) Subsidiary : Finsolution Services FZE

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

B. Transactions during the year with related parties:

Sr. No.	Particulars	Key Managerial Personnel	Relatives of Key Managerial Personnel	Associates	Subsidiary
A	Equity Contribution	-	-	-	-
		-	-	(2,20,00,000)	(16,32,000)
	- Lemonade Share & Securities Pvt. Ltd.	-	-	(2,20,00,000)	-
	- Luharuka Tradelink Pvt. Ltd.	-	-	-	(98,000)
	- Finsolution Services FZE	-	-	-	(15,34,000)
B	Share Application Money paid pending allotment	-	-	(4,34,00,000)	-
	- Comfort Capital Pvt. Ltd.	-	-	(1,22,00,000)	-
	- Liquors India Ltd.	-	-	(3,12,00,000)	-
C	Share Application Money refund			1,22,00,000	
	- Comfort Capital Pvt. Ltd.	-	-	1,22,00,000	-
D	i) Loan Given				(1,50,00,000)
	- Luharuka Tradelink Pvt Ltd	-	-	-	(1,50,00,000)
	ii) Loan Received Back				1,50,00,000
	- Luharuka Tradelink Pvt Ltd	-	-	-	1,50,00,000
E	Expenditure:				
	Brokerage Paid			2,090	-
				(67,422)	-
	- Comfort Securities Ltd			2,090	-
				(67,422)	-
	Demat Charges Paid			10,441	-
				(18,296)	-
	- Comfort Securities Ltd			10,441	-
				(18,296)	-
	Office Rent Paid	9,60,000	-	-	-
		(9,60,000)	-	-	-
	- Anil Agrawal HUF	4,80,000	-	-	-
		(4,80,000)	-	-	-
	- Smt. Annu Agrawal	4,80,000	-	-	-
		(4,80,000)	-	-	-
	Directors Remuneration	23,50,167	5,00,000	-	-
		(17,49,520)	-	-	-
	- Shri Anil Agrawal	14,25,000	-	-	-
		(8,93,712)	-	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Sr. No.	Particulars	Key Managerial Personnel	Relatives of Key Managerial Personnel	Associates	Subsidiary
	- Shri Bharat Shiroya	9,25,167 (8,55,808)	- -	- -	- -
	- Shri Ankur Agrawal	- -	5,00,000 -	- -	- -
	Travelling Expenses	- -	4,000 (10,74,965)	- -	- -
	- Mr. Pradeep Agrawal	- -	4,000 (10,74,965)	- -	- -
	Reimbursements Made	- -	- -	86,775 -	- -
	- Comfort Fincap Ltd.	- -	- -	1,775 -	- -
	- Luharuka Dealers Pvt Ltd	- -	- -	85,000 -	- -

Figure in bracket relates to previous year.

34. In accordance with Accounting standard AS -22 relating to "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has recognized a net deferred tax asset of Rs. 35,122/- as on 31ST March, 2014. (Previous Year Rs. 1,79,805/-).

A	LIABILITY	Current Year	Previous Year
	WDV as per companies Act : Rs. 82,98,218 WDV as per Income Tax Act : Rs. 62,30,768	6,70,784	7,05,906
B	ASSETS	Nil	Nil
	Net Deferred Tax Liability (A-B)	6,70,784	7,05,906

35. During the fiscal year 2013-2014, the Company had sold shares of its subsidiary company i.e. Luharuka Tradelink Pvt. Ltd. And hence Luharuka Tradelink Pvt. Ltd. is no longer the subsidiary of our company.
36. The Previous year figures have been regrouped / rearranged / reclassified wherever necessary. Amounts and other disclosures for the preceding financial year are included as an integral part of current year's financial statements.

37. Segment Reporting

In the opinion of the Management, the Company is operating in a single segment only as per the provisions of the accounting standard AS-17, issued by the Institute of Chartered Accountants Of India.

As per our report of even date
For Bansal Bansal & Co.
Chartered Accountants
FRN : 100986W

Sd/-
Manoj Agrawal
Partner
M. No. 107624
Place : Mumbai
Date : 30th May 2014

For & on behalf of the Board

Sd/-
Anil Agrawal
Managing Director

Sd/-
Bharat N. Shiroya
Executive Director

Sd/-
Ramadevi Gundeti
Company Secretary

Comfort Intech Limited

Annual Report 2013 - 2014

Long Term Investment:

1) Quoted:		
i) Share: (a) Equity.....	286.85	191.93
(b) Preference.....	-	-
ii) Debentures and Bonds.....	-	-
iii) Units of mutual funds.....	-	-
iv) Government Securities.....	-	-
v) Others – Trade able Warrants	-	-
1) Unquoted:		
i) Shares: (a) Equity	1341.35	796.33
(b) Preference	-	-
ii) Debentures and Bonds.....	-	-
iii) Units of mutual funds	-	-
iv) Government Securities.....	-	-
v) Others---Application Money.....	-	-
TOTAL.....	<u>2425.52</u>	<u>2137.24</u>

(6). Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances (including other current Assets(Amount Net of provisions))

	2013-14			2012-13		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1) Related parties	-	-	-	-	-	-
a) Subsidiaries	-	-	-	-	-	-
b) Companies in the same group	-	-	-	-	-	-
c) Other related parties.....	-	-	-	-	-	-
2) Other than related parties.....	-	-	-	-	-	-
Total	<u>6045.38</u>	<u>408.19</u>	<u>6453.57</u>	<u>5931.07</u>	<u>238.16</u>	<u>6169.23</u>

(7). Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and Unquoted):

Category	2013-2014		2012-13	
	Market value/ break up or fair value or NAV	Book Value (Net of provisions)	Market value/ break up or fair value or NAV	Book value (Net of Provisions)
1. Related parties				
a. Subsidiaries	15.34	15.34	16.32	16.32
b. Companies in the same group	1326.01	1326.01	780.01	780.01
c. Other related parties.....	-	-	-	-
2. Other than related parties.....	1568.66	1084.17	1587.50	1340.91
TOTAL	<u>2910.01</u>	<u>2425.52</u>	<u>2383.83</u>	<u>2137.24</u>

(8). Other information

	2013-14	2012-13
i) Gross Non-Performing Assets		
(a) Related parties.....	-	=
(b) Other than related parties	30.00	37.73
ii) Net Non-Performing Assets		
(a) Related parties.....	-	-
Other than related parties.....	30.00	37.73
iii) Assets acquired in satisfaction of debt.....	-	=

For & on behalf of the Board

Sd/-
Anil Agrawal
Chairman & Managing Director

Sd/-
Bharat N. Shiroya
Executive Director

Sd/-
Ramadevi Gundeti
Company Secretary



Scheduled to the Balance Sheet of Non-Banking Financial Company as required by Reserve Bank of India as per their Circular No. RBI/2008-09/116 DNBS (PD) CC. No. 125/03.05.002/2008-09, Guide lines for NBFC-ND-SI as regards capital adequacy, liquidity and disclosure norms:

Capital Risk Adequacy Ratio (CRAR) :

Items	2013-2014	2012-2013
i) CRAR (%)	93.02	91.47
ii) CRAR – Tier I Capital (%)	92.95	91.32
iii) CRAR – Tier II Capital (%)	0.06	0.15

Exposures :

Exposure to Real Estate Sector

Category	2013-2014	2012-2013
A) DIRECT EXPOSURE		
(i) Residential Mortgages		
Lending secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to Rs 15 lac may be shown separately)	46,597,210	40,815,722
(ii) Commercial Real Estate		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	2,964,287	50,177,280
(iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures		
a. Residential	Nil	Nil
b. Commercial Real Estate	Nil	Nil
B) INDIRECT EXPOSURE		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	Nil	Nil

Asset Liability Management:

Maturity pattern of certain items of assets and liabilities

(Rs. In lacs)

	1 day to 30/31 days (1 month)	Over 1 month to 2 months	Over 2 months up to 3 months	Over 3 months up to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from Banks	374.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	374.09
Market Borrowings	0.00	0.00	0.00	1011.87	0.00	0.00	0.00	0.00	1011.87
Assets									
Advances	238.43	50.13	565.12	931.09	4663.11	5.70	0.00	0.00	6453.57
Investments	731.35	0.00	0.00	0.00	80.00	140.10	0.00	0.00	951.45

Comfort Intech Limited

Annual Report 2013 - 2014





Independent Auditor's Report

To the Board of Directors of Comfort Intech Limited Report on the Financial Statements

We have audited the accompanying Consolidated financial statements of Comfort Intech Limited ("the Company"), which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated cash flows of the Company in accordance with the Accounting Principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). 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 ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 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 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 qualified audit opinion.

Basis for Qualified Opinion

1. Contravention of Accounting Standard 15 on Accounting for retirement benefits of employees.

As stated in Note 1 (l) of Significant Accounting Policies followed by the company the Company is not making any provision for Gratuity and leave encashment as the same is accounted for on payment basis. This is in Contravention of Accounting Standard 15 on Accounting for retirement benefits of employees.

2. *In respect of advance of Rs. 3,17,98,134/- outstanding as on 31/03/2014 (advance given to Mr Amit Dahanukar) is shown as capital advance for purchase of property. In absence of proper documents for the advance given, in our opinion this amount should be treated as loss asset and 100% provision for loss asset amounting to Rs.3,17,98,134/- should be made instead of 10% made by the company.*
3. *Amount outstanding as on 31/03/2014 with M/s Pawankumar Sanwarmal Rs.42,02,83,250/- is classified by the company as substandard Asset. Out of this amount interest cheque of Rs.2,09,87,500/- appears in reconciliation as on date. This is in contradiction to Income Recognition and Asset Classification Norms prescribed by RBI in respect of NBFCs hence this amount of Rs.2,09,87,500/- should be reversed.*

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matters described in the Basis for Qualified Opinion Paragraph*, the aforesaid 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 Company as at March 31, 2014;
- b) in the case of the Consolidated Profit and Loss Account, of the Loss for the year ended on that date; and
- c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw your attention to :

There was a violation of RBI Guidelines on exposure norms in the case of Shri. Pawan Kumar Sawarmal where the exposure was Rs.42,02,83,250/- as on 31st March 2014. The owned fund of the company as on 31st March 2013 stood at Rs.90.34 crore. Therefore the single and group exposure limits of 15% and 25% worked out to Rs.13.55 crore and Rs.22.59 crore.

Our opinion is not qualified in respect of this matter.

Other Matters

We did not audit the financial statements of the subsidiaries, whose financial statements reflect total assets of Rs. 149.69 Lacs as at 31 March 2014, total revenue of Rs. 76.29 Lacs and the net profit for the year of Rs. 27.05 Lacs and total cash inflow of Rs. 14.38 Lacs for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of other matters.

For **Bansal Bansal and Co.**

Chartered Accountants

FRN: 100986W

Manoj Agrawal

Partner

Membership No. :107624

Place: Mumbai

Date: 30th May, 2014

Comfort Intech Limited

Annual Report 2013 - 2014

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2014

Particulars	Note No.	(Amount in INR)	
		As at March 31, 2014	As at March 31, 2013
I Equity & Liabilities			
1. Shareholders' funds			
(a) Share Capital	2	319,954,810	319,954,810
(b) Reserves and Surplus	3	563,038,684	594,162,947
(c) Money received against share warrants		-	-
		882,993,494	914,117,757
2. Share application money pending allotment		-	800,000
3. Minority Interest		-	2,018
4. Non - Current Liabilities			
(a) Long -Term Borrowings		-	-
(b) Deferred Tax Liabilities (Net)	4	670,784	705,906
(c) Other Long - Term Liabilities		-	-
(d) Long - Term Provisions		-	-
		670,784	705,906
5. Current Liabilities			
(a) Short - Term Borrowings	5	138,596,511	187,189,511
(b) Trade Payables	6	121,500	45,000
(c) Other Current Liabilities	7	11,069,976	2,235,273
(d) Short - Term Provisions	8	49,863,370	20,271,901
		199,651,357	209,741,685
TOTAL		1,083,315,635	1,125,367,366
II Assets			
1. Non - Current Assets			
(a) Fixed Assets	9		
(i) Tangible Assets		8,298,218	9,151,863
(ii) Intangible Assets		-	-
(iii) Capital Work-in-Progress		-	-
(b) Non - Current Investments	10	161,285,807	97,194,043
(c) Long - Term Loans and Advances	11	31,798,134	89,455,589
(d) Other Non - Current Assets	12	613,642	1,257,911
		201,995,802	197,059,407
2. Current Assets			
(a) Inventories	13	79,732,391	130,747,153
(b) Trade Receivables	14	1,712,861	277,979
(c) Cash and Bank Balances	15	131,557,455	121,534,503
(d) Short - Term Loans and Advances	16	667,037,691	672,562,958
(e) Other Current Assets	17	1,279,434	3,185,365
		881,319,833	928,307,959
TOTAL		1,083,315,635	1,125,367,366
Significant Accounting Policies	1		

As per our report of even date

For Bansal Bansal & Co.

Chartered Accountants

FRN : 100986W

Sd/-

Manoj Agrawal

Partner

M. No. 107624

Place : Mumbai

Date : 30th May 2014

For & on behalf of the Board

Sd/-

Anil Agrawal
Managing Director

Sd/-

Bharat N. Shiroya
Executive Director

Sd/-

Ramadevi Gundeti
Company Secretary



CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

(Amount in INR)

Particulars	Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
I Revenue from Operations	18	123,040,225	152,772,074
II Other Income	19	114,785	1,052,112
III Total Revenue (I + II)		123,155,010	153,824,187
IV Expenses			
Purchases	20	12,460,303	86,878,613
Changes in Inventories of Stock-in-trade	21	35,165,776	(22,281,281)
Employee Benefits Expenses	22	7,660,359	5,983,160
Finance Costs	23	23,446,953	28,196,196
Depreciation and Amortization Expense	9	1,051,195	1,009,602
Other Expenses	24	72,482,036	19,612,584
Total Expenses		<u>152,266,622</u>	<u>119,398,874</u>
V Profit before Tax (III-IV)		<u>(29,111,612)</u>	34,425,313
VI Exceptional Items		-	-
VII Profit before Extraordinary Items and Tax (V-VI)		<u>(29,111,612)</u>	34,425,313
VIII Extraordinary Items		-	-
IX Profit Before Tax (VII-VIII)		<u>(29,111,612)</u>	34,425,313
X Tax Expense:			
(a) Current Tax		3,286,000	8,106,700
(b) Deferred Tax		(35,122)	(179,805)
(c) Income Tax of Earlier years written off (Back)		<u>(40,516)</u>	<u>(17,233)</u>
		<u>3,210,362</u>	7,909,662
XI Profit for the Period (before adjustment for Minority Interest (IX - X))		<u>(32,321,974)</u>	<u>26,515,651</u>
XII Add : Share of (Profit)/Loss transferred (to)/from Minority Interest		-	(447)
XIII Profit for the Period (after adjustment for Minority Interest (XI - XII))		<u>(32,321,974)</u>	<u>26,515,204</u>
XIV Earnings Per Equity Share (Face Value Rs. 1/- Per Share):	25		
Basic & Diluted (Rs.)		-	0.08
Significant Accounting Policies	1		

As per our report of even date
For Bansal Bansal & Co.
 Chartered Accountants
FRN : 100986W

Sd/-
Manoj Agrawal
 Partner
 M. No. 107624
 Place : Mumbai
 Date : 30th May 2014

For & on behalf of the Board

Sd/-
Anil Agrawal
 Managing Director

Sd/-
Bharat N. Shiroya
 Executive Director

Sd/-
Ramadevi Gundeti
 Company Secretary

Comfort Intech Limited

Annual Report 2013 - 2014

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31st March, 2014	(Amount in INR) Year ended 31st March, 2013
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax for the year	(29,111,611)	34,425,312
Adjustments for :		
Interest Paid	23,446,953	28,196,196
Depreciation	1,051,195	1,009,602
Provision for Advances	41,898,400	86,178
Baddebts Written Off	11,960,800	2,643,078
Rent Received	(1,603,500)	(379,162)
Misc. Expenses w/off	644,269	759,624
Operating Profit before Working Capital change	48,286,506	66,740,829
Adjustments for :		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	35,165,776	(22,281,281)
Trade receivables	(1,434,882)	(265,091)
Short-term loans and advances	(6,846,985)	52,330,385
Long-term loans and advances	72,657,456	(15,000,000)
Other current assets	1,900,723	(710,798)
Other non-current assets	-	-
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	95,706	15,019,154
Other current liabilities	10,038,662	(469,445)
Other long-term liabilities	-	-
Short-term provisions	-	-
Long-term provisions	-	-
Cash Generated From Operations	159,862,961	95,363,752
Income Tax paid	7,726,012	5,669,025
NET CASH FROM OPERATING ACTIVITIES Total (A)	152,136,949	89,694,727
CASH FLOW FROM INVESTING ACTIVITIES		
Investments (Purchased)/Sold	(63,993,764)	(23,632,000)
Fixed Assets (Purchased)/Sold	(197,550)	23,355,060
Rent Received	1,603,500	379,162
NET CASH USED IN INVESTING ACTIVITIES Total (B)	(62,587,814)	102,222
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of Equity Capital	-	1,534,000
Dividend Paid (including Dividend Tax)	(7,486,232)	(7,436,801)
Loan taken / (Repaid) in Secured Loan	(48,592,999)	(57,574,996)
Share Application money paid pending allotment	-	800,000
Interest paid	(23,446,953)	(28,196,196)
NET CASH FROM FINANCING ACTIVITIES Total (C)	(79,526,183)	(90,873,993)
Net Increase/(Decrease) in Cash and Cash Equivalents Total (A+B+C)	10,022,951	(1,077,043)
Cash and Cash Equivalents -- Opening Balance	121,534,504	122,611,547
Cash and Cash Equivalents -- Closing Balance	131,557,455	121,534,504
	(0)	0

Note: Previous year's figures have been regrouped/rearranged wherever considered necessary.

As per our report of even date

For Bansal Bansal & Co.

Chartered Accountants

FRN : 100986W

Sd/-

Manoj Agrawal

Partner

M. No. 107624

Place : Mumbai

Date : 30th May 2014

For & on behalf of the Board

Sd/-

Anil Agrawal
Managing Director

Sd/-

Bharat N. Shiroya
Executive Director

Sd/-

Ramadevi Gundeti
Company Secretary



Consolidated Notes to financial statements for the year ended March 31, 2014

NOTE -'1'

SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS:

The consolidated financial statements relate to Comfort Intech Limited ('the Company') and its Wholly owned subsidiary. The consolidated financial statements have been prepared on the following basis:

- A. The financial statements of the Company and its wholly subsidiary company are combined on a 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 transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements"
 - i. In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the exchange translation reserve.
 - ii. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements
- B. Investments other than in subsidiaries and associates 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.

Note 2 - Share Capital

Particulars	As at March 31, 2014	(Amount in INR) As at March 31, 2013
Authorised :		
40,00,00,000 Equity Shares (Previous Year 40,00,00,000) of Rs. 1/- each	400,000,000	400,000,000
TOTAL	<u>400,000,000</u>	<u>400,000,000</u>
Issued, Subscribed and Paid-up :		
31,99,38,080 Equity Shares (Previous Year 31,99,38,080) of Rs. 1/- each	319,938,080	319,938,080
Forfeited Shares	16,730	16,730
TOTAL	<u>319,954,810</u>	<u>319,954,810</u>
(a) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period		
Number of shares at the beginning of the year	319,938,080	319,938,080
Add: Number of Shares allotted fully paid up during the year	-	-
Less: Number of Shares bought back during the year	-	-
Number of shares outstanding as at the end of the year	<u>319,938,080</u>	<u>319,938,080</u>
(b) Terms / Rights attached to Equity Shares.		
i) The Company has only one class of Equity Shares having a par value of Rs. 1/- per share. Each holder of Equity Share is entitled to one vote per share.		

Notes on Consolidated financial statements for the year ended March 31, 2014

- ii) The Company declares and pays dividend in Indian Rupees. During the year ended 31st March 2014, no dividend has been declared by the Company (P.Y. 31st March, 2013 was Rs. 63,98,762/-).
- iii) In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity shares held by the shareholders.
- (c) **The details of shareholders holding more than 5% shares.**

Name of the Shareholders	As at March 31, 2014		As at March 31, 2013	
	Nos. of Shares	% held	Nos. of Shares	% held
Luharuka Investment and Consultants Pvt Ltd	77484224	24.22%	76651453	23.96%
Luharuka Exports Private Limited	77305444	24.16%	75847821	23.71%

Note 3 - Reserves & Surplus

Particulars	(Amount in INR)	
	As at March 31, 2014	As at March 31, 2013
(i) Special Reserve		
As per last Balance Sheet	24,916,825	21,466,506
Add: Transferred from Profit and Loss Account	-	3,450,319
Less: Transferred to Profit and Loss Account	-	-
	<u>24,916,825</u>	<u>24,916,825</u>
(ii) Share Premium		
As per last Balance Sheet	522,567,120	522,567,120
Add: On Issue on Shares	-	-
	<u>522,567,120</u>	<u>522,567,120</u>
(iii) Surplus in the Profit & Loss Account		
As per last Balance Sheet	46,456,108	30,877,008
Less : Profit of the subsidiary company	(23,208)	
Add: Profit for the year	(32,321,974)	26,515,651
Amount available for appropriations	<u>14,110,927</u>	<u>57,392,658</u>
Less: Appropriations		
Transferred to Special reserve	-	(3,450,319)
Proposed dividend on Equity Shares	-	(6,398,762)
[Dividend per share Re 0/- (Previous year Re. 0.02/-)]		
Tax on Dividend	-	(1,087,470)
	-	<u>(10,936,550)</u>
	<u>14,110,927</u>	<u>46,456,108</u>
(iv) Foreign Exchange Translation Reserve	<u>1,443,812</u>	<u>222,894</u>
TOTAL	<u><u>563,038,684</u></u>	<u><u>594,162,947</u></u>

Note 4 - Deffered Tax Liabilities

Deffered Tax Liabilities	705,906	885,711
Add / Less: During the Year	(35,122)	(179,805)
	<u>670,784</u>	<u>705,906</u>



Notes on Consolidated financial statements for the year ended March 31, 2014

Note 5 - Short Term Borrowings

Particulars	As at March 31, 2014	(Amount in INR) As at March 31, 2013
(a) Loans repayable on demand		
From banks		
Secured (against Fixed Deposits)	37,409,389	10,584,306
Unsecured	-	-
	<u>37,409,389</u>	10,584,306
(b) Loans and advances from Others		
Secured *	101,187,122	151,605,205
Unsecured	-	25,000,000
	<u>101,187,122</u>	176,605,205
	<u>138,596,511</u>	<u>187,189,511</u>
* Secured against shares		

Note 6 - Trade Payables

Current payables (including acceptances) outstanding for less than 12 months	121,500	45,000
	<u>121,500</u>	<u>45,000</u>

Note 7 - Other Current Liabilities

Security Deposits from Tenants	8,688,643	60,982
Outstanding Liabilities for Expenses	1,830,663	1,623,621
Margin bill Discounting Deposit	45,720	45,720
Other Payables	504,950	504,950
TOTAL	<u>11,069,976</u>	<u>2,235,273</u>

Note 8 - Short-Term Provisions

Contingent provision for Standard Advances	549,700	1,502,780
Contingent provision for Sub-Standard Advances	45,427,670	1,289,840
Provision for doubtful debts	600,000	1,886,350
Provision for Taxation	3,286,000	8,106,700
Provision for Proposed Dividend	-	6,398,762
Provision for Tax on Proposed Dividend	-	1,087,470
TOTAL	<u>49,863,370</u>	<u>20,271,901</u>

Notes on Consolidated financial statements for the year ended March 31, 2014

Note - 9 :- Fixed assets

(Amount in INR)

A.	Tangible assets : Own Assets	Gross block				Accumulated depreciation and impairment				Net block	
		Balance as at 1 April, 2013	Additions	Disposals	Balance as at 31 March, 2014	Balance as at 1 April, 2013	Depreciation / amortisation expense for the year	Other adjustments	Balance as at 31 March, 2014	Balance as at 31 March, 2014	Balance as at 31 March, 2013
		(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)
	(a) Office Premises	771,090	-	-	771,090	222,550	12,569	-	235,119	535,971	548,540
	(b) Furniture and Fixtures	6,148,956	-	-	6,148,956	2,471,576	389,229	-	2,860,805	3,288,151	3,677,380
	(c) Vehicles	4,780,363	-	-	4,780,363	1,177,520	454,135	-	1,631,655	3,148,708	3,602,843
	(d) Office Equipments	1,370,368	197,550	20,390	1,547,528	466,007	83,342	20,390	528,959	1,018,569	904,361
	(e) Computers & Software	690,440	-	-	690,440	271,701	111,920	-	383,621	306,819	418,739
	Total	13,761,217	197,550	20,390	13,938,377	4,609,354	1,051,195	20,390	5,640,159	8,298,218	9,151,863
	Previous year	37,213,982	589,999	24,042,764	13,761,217	3,697,457	1,009,602	97,705	4,609,354	9,151,863	33,516,525

Note - 10 :- Non Current Investments

(Amount in INR)

Particulars	Nos.	Cost As on 31.03.2014	FMV As on 31.03.2014	Nos.	Cost As on 31.03.2013	FMV As on 31.03.2013
In Equity Shares of Associate Companies - Unquoted Fully paid-up						
Comfort Securities Ltd. (F.V. Rs. 10/- each)	5,750,000	56,000,000	NA	5,750,000	56,000,000	NA
Lemonade Share & Securities Pvt. Ltd. (F.V. Rs. 10/- each)	220,000	22,000,000	NA	220,000	22,000,000	NA
Liquors India Limited	200,000	54,600,000	NA			
In Equity Shares of Others- Unquoted Fully paid-up						
The Malad Sahkari Bank Ltd (F.V. Rs. 10/- each)	100	1,000	NA	100	1,000	NA
Total [A]	6,170,100	132,601,000	-	5,970,100	78,001,000	-
In Equity Shares of Others- Quoted Fully paid-up						
Syncom Formulation (I) Ltd (F.V. Rs. 10/- each)	5,365,855	2,419,364	31,121,959	186,453	5,568,043	14,151,783
Comfort Commtrade Ltd. (F.V. Rs. 10/- each)	1,200,000	13,625,000	29,700,000	1,200,000	13,625,000	29,700,000
Himachal Futuristic Communications Ltd (F.V. Re. 1/- each)	1,590,000	12,640,443	13,022,100	-	-	-
Total [B]	8,155,855	28,684,807	73,844,059	1,386,453	19,193,043	43,851,783
TOTAL [A+B]	14,325,955	161,285,807	73,844,059	7,356,553	97,194,043	43,851,783
Notes		Current Year	Previous Year			
1. Aggregate amount of Quoted Investment		28,684,807	19,193,043			
2. Aggregate Market Value of Quoted Investment		73,844,059	43,851,783			
3. Aggregate amount of Un-Quoted Investment		132,601,000	78,001,000			



Notes on Consolidated financial statements for the year ended March 31, 2014

Note 11 - Long - Term Loans & Advances

Particulars	As at March 31, 2014	(Amount in INR) As at March 31, 2013
Capital Advances	31,798,134	89,455,589
	<u>31,798,134</u>	<u>89,455,589</u>

Note 12 - Other Non-Current Assets

Particulars	As at March 31, 2014	As at March 31, 2013
Miscellaneous Expenditure to the extent not w/off		
Preliminary Expenses	157,365	366,716
Right Issue Expenses (2009-10)	1,100,546	1,650,820
Add: During the year	-	-
Less: W/off during the year	<u>(644,269)</u>	<u>(759,624)</u>
	<u>613,642</u>	1,257,911
TOTAL	<u>613,642</u>	<u>1,257,911</u>

Note 13 - Inventories

(a) Stock-in-trade (Shares) (Valued at lower of cost or Market Value)	23,287,332	58,453,108
(b) Stock-in-trade (Properties acquired in satisfaction of claims) (Valued at cost to the Company)	56,445,059	72,294,045
TOTAL	<u>79,732,391</u>	<u>130,747,153</u>

Note 14 - Trade Receivables

(a) (i) Due for a period exceeding six months		
- Unsecured, considered good	8,883	8,883
- Doubtful	-	-
Less: Provision for Doubtful Debts	<u>-</u>	<u>-</u>
	<u>8,883</u>	8,883
(ii) Others		
- Unsecured, considered good	1,703,978	269,096
- Doubtful	-	-
Less: Provision for Doubtful Debts	<u>-</u>	<u>-</u>
	<u>1,703,978</u>	269,096
TOTAL	<u>1,712,861</u>	<u>277,979</u>
(b) Detailed note on debts due by the following persons :		
(i) Directors and other officers	-	-
(ii) Firms in which any director is a partner	-	-
(iii) Private companies in which director is a member/director	1,202,397	268,879
TOTAL	<u>1,202,397</u>	<u>268,879</u>

Notes on Consolidated financial statements for the year ended March 31, 2014

Note 15 - Cash & Bank Balances

Particulars	(Amount in INR)	
	As at March 31, 2014	As at March 31, 2013
Cash & Bank Balances		
(i) Balances with Banks :		
- Current Accounts	<u>1,343,992</u>	10,003,654
- Deposit Accounts (Under lien with Banks)	<u>99,211,105</u>	110,517,026
(ii) Cash-in-hand	<u>414,858</u>	13,823
(iii) Cheques & Drafts in-hand	<u>30,587,500</u>	1,000,000
TOTAL	<u>131,557,455</u>	<u>121,534,503</u>

Note : Fixed Deposits with Banks include deposits of Rs. 3.57 Crores (Previous Year Rs. 1.13 Crores) with maturity of more than 12 months.

Note 16 - Short Term Loans & Advances

Particulars	(Amount in INR)	
	As at March 31, 2014	As at March 31, 2013
(i) Security deposits		
Secured, considered good	<u>11,000</u>	11,000
Unsecured, considered good	-	-
Doubtful	<u>-</u>	<u>11,000</u>
(ii) Advances recoverable in cash or in kind for value to be received		
i) Advances Considered good & in respect of which Company is fully secured	<u>599,342,960</u>	583,043,726
ii) Advances Considered good for which Company holds no Security others than personal security	<u>40,819,171</u>	<u>18,067,704</u>
iii) Sub-Standard Advances in respect of which Company is fully secured		
Secured, considered good	<u>3,195,350</u>	6,290,648
Unsecured, considered good	-	5,747,935
Doubtful (Secured)	<u>2,000,000</u>	<u>3,772,700</u>
(iii) Prepaid Expenses	<u>18,025</u>	84,229
(iv) Share Application Money Given	-	43,400,000
(v) Other Advances	<u>10,100,841</u>	259,500
(vi) Advance income tax, TDS & STT - Unsecured, considered good	<u>11,550,344</u>	11,885,517
TOTAL	<u>667,037,691</u>	<u>672,562,958</u>

Note 17 - Other Current Assets

Particulars	(Amount in INR)	
	As at March 31, 2014	As at March 31, 2013
FDR Interest Receivable	<u>1,279,434</u>	3,185,365
	<u>1,279,434</u>	<u>3,185,365</u>



Notes on Consolidated financial statements for the year ended March 31, 2014

Note 18 - Revenue from Operations

Particulars	(Amount in INR)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
Sales of Shares	4,213,470	10,545,202
Profit from F&O trading & Non-delivery transaction	(10,729) 4,202,742	(2,518,106) 8,027,095
Professional Fees received	200,000	50,000
Management Consultancy Fees received	7,629,014	11,112,730
Interest Received	105,126,047	131,392,850
Income from Mutual Fund	-	90,102
Dividend Received	782,134	1,538,345
Long Term Capital Gain on Shares	2,811,038	-
Rent Received	1,603,500	-
Loan Processing Fees	685,750	560,952
TOTAL	<u>123,040,225</u>	<u>152,772,074</u>

Note 19 - Other Income

Particulars	(Amount in INR)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
Misc Income	114,785	560,404
Rent Received	-	379,162
Commission / Brokerage Received	-	75,816
Interest received on IT Refund	-	36,730
	<u>114,785</u>	<u>1,052,112</u>

Note 20 - Purchases

Particulars	(Amount in INR)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
Purchases of Shares	12,460,303	14,584,568
Properties acquired in satisfaction of claims	-	48,348,986
Conversion of Fixed Asset into Stock in trade	-	23,945,059
TOTAL	<u>12,460,303</u>	<u>86,878,613</u>

Note 21 - Changes in Inventories of Stock-in-trade

Particulars	(Amount in INR)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
Inventories at the end of the year		
Shares	23,287,332	58,453,108
Properties (including transfer form Fixed Asset)	72,294,045	72,294,045
Inventories at the beginning of the year		
Shares	58,453,108	108,465,872
Properties (including transfer form Fixed Asset)	72,294,045	-
Net (Increase) / Decrease in Inventories	<u>35,165,776</u>	<u>(22,281,281)</u>

Comfort Intech Limited

Annual Report 2013 - 2014

Notes on Consolidated financial statements for the year ended March 31, 2014

Note 22 - Employment Benefit Expenses

Particulars	For the year ended March 31, 2014	(Amount in INR)
		For the year ended March 31, 2013
Salaries , Bonus & Allowances	7,397,154	5,735,494
Staff Welfare Expenses	263,205	247,666
TOTAL	7,660,359	5,983,160

Note 23 - Financial Costs

Particulars	For the year ended March 31, 2014	(Amount in INR)
		For the year ended March 31, 2013
Interest Expenses	23,446,953	28,196,196
TOTAL	23,446,953	28,196,196

Note 24 - Other Expenses

Particulars	For the year ended March 31, 2014	(Amount in INR)
		For the year ended March 31, 2013
Advertisement Expenses	345,895	149,877
Annual Listing Fees	110,428	112,961
Bad debts W/off	11,960,800	2,643,078
Bank Charges	-	61,458
Charities & Donation	25,000	50,000
Custodial Fees	106,180	112,360
Demat & Share trf Expenses	87,172	119,697
Commission Paid	-	300,000
Electricity Expenses	1,256,821	1,036,392
Motor Car Expenses	434,243	-
Legal & Professional Fees	3,347,762	3,847,874
Insurance Expenses	59,301	86,608
Rates & Taxes (Professional Tax)	2,500	2,500
Payments to Auditors :		
- Audit fees	100,000	130,973
- Tax Audit fees	-	-
- For Other Services	-	-
- For Reimbursement of Expenses	-	130,973
Repair & Maintenance to Building	-	-
Repair & Maintenance to Other Assets	265,003	350,811
Rent , Rates & Taxes	960,000	1,415,310
Securities Transaction Tax	40,868	107,986
Sundry Balance w/off	-	3,255
Telephone , Telex and Postage	722,442	625,473
Travelling Expenses	4,033,446	4,074,797
Provision for Standard, Sub-Standard & Doubtful Advances	41,898,400	86,178
Printing & Stationery	97,577	272,603
Preliminary Expenses W/off	93,996	209,351
Right Issue Expenses W/off	550,273	550,273
Other Expenses	5,983,929	3,262,770
TOTAL	72,482,036	19,612,584

A sum of Rs. NIL (Previous Year Rs. 90248/-) (Net Debit) is included under other expenses representing net prior period items.



Notes on Consolidated financial statements for the year ended March 31, 2014

Note 25 - Earnings Per Equity Share

Particulars	(Amount in INR)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
(a) Net profit after tax attributable to equity shareholders for Basic EPS	<u>(32,321,974)</u>	26,515,204
Add/Less: Adjustment relating to potential equity shares		
Net profit after tax attributable to equity shareholders for Diluted EPS	<u>(32,321,974)</u>	26,515,204
(b) Weighted average no. of equity shares outstanding during the year		
For Basic EPS	319,938,080	319,938,080
(c) Face Value per Equity Share (Rs.)	1.00	1.00
Basic EPS	-	0.08

Note 26 - Amounts due to Micro, Small and Medium Enterprises:

Under the Micro, Small and Medium Enterprises Development Act, 2006 certain disclosures are required to be made related to micro, small and medium enterprise. The company does not have any transactions with such entities.

Comfort Intech Limited

Annual Report 2013 - 2014

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO COMPANY'S INTEREST IN SUBSIDIARY COMPANY

1	Name of the Subsidiary	Finsolution Services FZE
2	Financial year ended	31st March, 2014
3	Holding Company's Interest	100% in Equity Share Capital
4	Share held by the holding company in the subsidiary	1,00,000 Shares of AED 1 each
5	The net aggregate of profits or losses for the above financial year of the subsidiary so far as it concerns the members of the holding company a. Dealt with or provided for in the accounts of the holding Company b. Not dealt with or provided for in the accounts of the holding Company	₹ 27.05 Lacs Not Applicable
6	The net aggregate of profits or losses for the previous financial year of the subsidiary so far as it concerns the members of the holding company a. Dealt with or provided for in the accounts of the holding Company b. Not dealt with or provided for in the accounts of the holding Company	₹ 92.37 Lacs Not Applicable

Details pertaining to Subsidiary companies as per the requirement of Para (IV) of the directions under Section 212 (8) of the Companies Act, 1956, issued by the Ministry of Corporate Affairs vide General Circular No. 2/2011 dated February 8, 2011

(Currency in AED)

Sr. No.	Particulars	Finsolution Services FZE 2014	Finsolution Services FZE 2013
1	Share Capital	100000	100000
2	Share Capital pending allotment	--	--
3	Reserve and Surplus	817305	643125
4	Total Assets	920305	745125
5	Total Liabilities	3000	2000
6	Investments (Excluding subsidiaries)	--	--
7	Turnover	491250	773700
8	Profit/(Loss) before tax	174180	643125
9	Provision for tax (including deferred tax)	NA	NA
10	Profit/(Loss) after tax	174180	643125
11	Proposed Dividend	--	--



COMFORT INTECH LIMITED

CIN : L65921DD1994PLC001678

Registered Office : 106, Avkar, Algani Nagar, Kalaria, Daman – 396210 (U.T)
Corporate Office : A-301, Hetal Arch, S V Road, Malad (W), Mumbai – 400064
Ph.No. 022-28449765; Fax : 022-28892527
Email : info@comfortintech.com; Website : www.comfortintech.com

ATTENDANCE SLIP

TWENTIETH ANNUAL GENERAL MEETING

(To be handed over at the entrance of the Meeting hall)

I hereby record my presence at the TWENTIETH ANNUAL GENERAL MEETING of the Company being held on Saturday, 20th September, 2014 at 4.30 P.M. at Cidade De Daman (Hotel Sea View Pvt. Ltd), Devka Beach, Nani Daman - 396 210 (U.T.)

Full name of the Member (in BLOCK LETTERS) _____

DP ID: _____ Client ID: _____ Folio No. _____ No.of Shares held _____

Full name of Proxy (in BLOCK LETTERS) _____

Member's/Proxy Signature _____

1. Only Member / Proxy holder can attend the Meeting.
2. Member / Proxy holder should bring his / her copy of the Annual report for reference at the meeting.

PROXY FORM

(Pursuant to Section 105(6) of Companies Act, 2013 and rule 19(3) of Companies (Management and Administration) Rules, 2014)

COMFORT INTECH LIMITED

CIN : L65921DD1994PLC001678

Registered Office : 106, Avkar, Algani Nagar, Kalaria, Daman – 396210 (U.T)
Corporate Office : A-301, Hetal Arch, S V Road, Malad (W), Mumbai – 400064
Ph.No. 022-28449765; Fax : 022-28892527
Email : info@comfortintech.com; Website : www.comfortintech.com

TWENTIETH ANNUAL GENERAL MEETING

Name of the Member : _____

Registered Office : _____

Email : _____

DP ID: _____ Client ID: _____ Folio No. _____ No.of Shares held _____

I/We, being the member(s) of _____ Shares of Comfort Intech Limited, hereby appoint

1. Name: _____

E-mail Id : _____

Address : _____

Signature : _____

Or failing him

2. Name: _____

E-mail Id : _____

Address : _____

Signature : _____

As my /our proxy to vote for me / us on my / our behalf at the Twentieth Annual General Meeting of the company to be held on Saturday, 20th September 2014 at 4.30 P.M. at Cidade Daman (Hotel Seaview Pvt. Ltd), Devka Beach, Nani Daman – 396210 (U.T of DAMAN and DIU) or at any adjournment thereof in respect of such resolution as are indicated below:

Resolution No.	Resolution	Optional	
		For	Against
Ordinary Business			
1	To consider, approve and adopt (a) the Audited Financial Statement of the Company for the financial year ended 31 st March 2014 together with the Directors Report and Auditor's Report thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended 31 st March 2014		
2	To appoint a Director in place of Mrs. Annu Agrawal who retires by rotation at this AGM and being eligible, offers herself for re-appointment.		
3	To re-appoint M/s. Bansal Bansal & Co., Chartered Accountants as Auditors and fix their remuneration		
Special Business			
4	Appointment of Mr. Anilkumar S Nevatia as an Independent Director		
5	Appointment of Mr. Janak Mehta as an Independent Director		
6	Appointment of Mr. Jugal C Thacker as an Independent Director		
7	Appointment and remuneration of Mr. Bharat Shiroya, who was appointed as Executive Director of the Company		
8	Appointment and remuneration of Mr. Anil B Agrawal, who was appointed as Managing Director of the Company		
9	Increase in Borrowing limits of the Company		

Signed this _____ day of _____ 2014

Signature of Member.....

Signature of Proxy holder(s).....

Affix
Rupees
One
revenue
Stamp

Notes :

1. This Proxy form in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. For the resolutions, Explanatory Statement and Notes, please refer to the notice of 20th Annual General Meeting.
3. It is optional to put "X" in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entered to vote in the manner as he / she think appropriate.
4. Those Members who have Multiple folios with different joint holders may use copies of this attendance slip / proxy.

Book - Post

To,



If undelivered Please return to:

COMFORT INTECH LIMITED

A-301, 3rd Floor, Hetal Arch, S. V. Road, Malad (West),
Mumbai - 400 064.

Tel.: 91-22-28449765/66

ORIENT