

CLASSIC ELECTRICALS LIMITED

ANNUAL REPORT 1997-98..

MD	✓			BKC	✓
CS	NA			DPY	NA
RO	✓			DIV	NA
TRA	NA			AC	✓
AGM	✓	✓		SHH	✓
YE	✓	✓	✓		✓

DIRECTORS:

Mr. Vinod C. Ambani

Mr. Deepak S. Maheshwari

Mr. Hitesh D. Shah

REGISTERED OFFICE :

Krishna Chamber, 3rd Floor,

59, New Marine Lines

BOMBAY - 400 020.

AUDITORS :

M/s. N.B. Purohit & Co.

Chartered Accountants,

BOMBAY

BANKERS :

Bank of India,

The Tamilnad Mercantile Bank Ltd.

CLASSIC ELECTRICALS LTD.NOTICE

NOTICE is hereby given that the Thirteenth Annual General Meeting of the members of Classic Electricals Ltd. will be held at the Registered Office of the Company at Krishna Chambers, 3rd. floor, 59, New Marine Lines, BOMBAY- 400 020, on Wednesday the 30th. September 1998, at 4.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st. March 1998, and the Profit and Loss Account for the year ended on that date and the report of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Vinod C. Ambani who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and fix their remuneration.

4. To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution.

"RESOLVED THAT Mr. Hitesh D. Shah who was appointed as an additional Director of the Company with effect from 1st July, 1998 pursuant to the provision of section 260 of the Companies Act, 1956 and who hold the office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the company liable to retire by rotation."

5. To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution.

"RESOLVED THAT pursuant to the Provisions of Section 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, Mr. Vinod C. Ambani be & is hereby appointed as Whole Time Director of the Company for a period of Five (5) years from 1st. June 1998 on a salary of Rs. 7,000/- per month in the grade of Rs. 7,000 - 500 - 9,500 p.m.

"RESOLVED FURTHER THAT in case of absence or inadequacy of profits in any financial year of the company Mr. Vinod C. Ambani be paid the aforesaid remuneration as a minimum remuneration".

"RESOLVED FURTHER THAT Mr. Vinod C. Ambani be issued the letter recording the terms of appointment as per the draft placed before the meeting under the signature of one of the director of the company.

For and on behalf of the Board.

V. Ambani

CERTIFIED TRUE COPY. (Director)

For CLASSIC ELECTRICALS LTD

V. Ambani

Director/Sales Executive.

Registered Office:
Krishna Chamber, 3rd. floor,
59, New Marine Lines, BOMBAY 400 020.

Bombay, Dated 2nd September, 1998.

NOTES:

1) THE MEMBERS ARE ENTITLED TO ATTEND AND VOTE AND TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.

2) An explanatory statement as required under section 173(2) of the Companies Act, 1956 Annexed.

3) The Register of Members and the transfer books of the Company will remain closed from 16th September, 1998 to 30th September, 1998 (both days inclusive).

4) Members are requested to bring their copies of the Annual Report with them for the Annual General Meeting.

5) Members are also requested to notify the company immediately of the change, if any, in their registered addresses.

6) Documents referred to in the notice and explanatory statement are open for inspection during the working days between 11 a.m. to 2 p.m. at the registered office of the company.

EXPLANATORY STATEMENT PURSUANT TO PROVISION OF SECTION 173 (2) OF THE COMPANIES ACT, 1956.

In respect of item No. 4

Mr. Hitesh D. Shah was appointed as an additional Director of the Company by the Board and who holds the office up to the date of this Annual General Meeting. He is eligible for appointment as a Director and the Company has received a Notice in writing U/S 257 of the Companies Act, 1956 along with a deposit of Rs. 500/- from a member notifying his intention of proposing his name as a Director. In view of his wide knowledge and business experience it is in the interest of the company to appoint him as a Director, and accordingly the Board recommend his appointment as a Director. Mr. Hitesh D. Shah may be regarded as concerned and interested in the appointment. No other Director is concerned or interested in the said appointment.

In respect of item No. 5

Mr. Vinod C. Ambani was appointed as Whole Time Director of the Company in the meeting of the Board of Directors for a period of 5 years with effect from 1st June 1998 subject to the approval of the Company in General Meeting. He has wide knowledge & vast business experience in the management of the Company. In the opinion of the Directors it will be in the interest of the Company that Mr. Vinod C. Ambani be appointed as a Whole Time Director of the Company on payment of Remuneration to him as stated in the resolution including minimum remuneration. Mr. Vinod C. Ambani may be regarded as concerned and interested in the appointment. No other director is concerned or interested in the said appointment.

For and on behalf of the Board.

CERTIFIED TRUE COPY. *V. Ambani*

For CLASSIC B...

(Director)

Registered Office:

Krishna Chamber, 2nd Flr,

59, New Marine Lines, Bombay 400 020.

V. Ambani
Director / Sales Executive

CLASSIC ELECTRICALS LIMITED
DIRECTORS' REPORT TO THE MEMBERS

The Directors have pleasure in presenting their Thirteenth Annual Report together with the Audited Statement Accounts for the year ended 31st March, 1998.

<u>Financial Results</u>	<u>(Rs. in lacs)</u>	
	<u>1997-98</u>	<u>1996-97</u>
Sales	05.98	69.23
Interest and other income	42.87	37.52
	48.85	106.75
	=====	=====
Profit before providing for depreciation	36.79	35.98
Deduct provision for depreciation	5.03	7.20
Profit before tax	31.76	28.78
Deduct provision for taxation	12.25	12.50
Profit after Tax	19.51	16.28
Less: Adjustment of previous year	0.00	1.65
Net Profit	19.51	14.63
Balance of Profit brought forward	101.65	87.02
Balance carried to Balancesheet	121.16	101.65
	=====	=====

Dividend:

In view of the insufficient profit and to conserve the financial resources of the company the Directors do not recommend any dividend for the financial year ended 31st March, 1998.

Operating Results:

The company has earned profit after providing for Tax Rs. 19.51 lacs against profit of Rs. 14.63 lacs in the previous year mainly on account of Rent & Interest income. Your company is hopeful for starting of business of manufacturing of plastic moulding powder and trading in electrical parts, goods & other allied activities in the near future.

Auditors' Report:

The notes to the accounts referred to by the Auditors in their report is self explanatory and does not require any further comments.

Directorate:

Shri. Rasiklal L. Modi resigned as director of the Company effective from 1st October, 1997. Mr. Vinod K. Desai was appointed to fill the casual vacancy caused by the resignation of Mr. Rasiklal L. Modi. Mr. Vinod K. Desai also resigned on 15th April, 1998. Mr. Jadhavji L. Shah resigned as the director of the company with effect from 1st July, 1998. Mr. Hitesh D. Shah was appointed as an additional director of the Company effective from 1st July, 1998. Mr. Vinod K. Ambani was appointed as whole time director of the company with effect from 1st June 1998. The necessary resolution for appointment of directors for the appointment and payment of remuneration to Vinod K. Ambani as whole time director is proposed in the notice convening the annual general meeting.

Mr. Vinod C. Ambani retires by rotation and is being eligible offers him selves for reappointment.

Mr. Hitesh D. Shah who was appointed as additional Director hold office upto the date of ensuing annual General Meeting. The neccesary resolution for the approval of the Members for his appointment is proposed in the notice convening the annual general meeting.

Particulars of Employees:

The Company did not employ anybody drawing remuneration of Rs. 3,00,000/- or more per annum or Rs. 25,000/- or more per month and hence the question of providing information under section 217(2A) of the Companies Act, 1956 does not arise.

Disclosures of particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo:

Particulars regarding conservation of energy, technology absorption as required pursuant to Section 217 (1)(e) of the Companies Act, 1956 as amended are not given since the said section is not applicable to the company.

Foreign exchange earnings: Nil

Foreign exchange out go: Nil

Auditors:

M/s. N.B. Furphit & Co., Chartered Accountants, present Auditors of the Company retire at this Annual General Meeting and are eligible for re-appointment as Auditors of the Company. You are requested to appoint Auditors of the Company and fix their remuneration.

Appreciation:

Your Directors take this opportunity to place on record their appreciation for the support that the Company has received from The Bankers, Employees and Shareholders.

on behalf of the Board

Ambani

) Directors

MUMBAI

Dated: 2nd September, 1998.

Deepak M.)
CERTIFIED TRUE COPY.
For CLASSIC ELECTRICALS LTD

Ambani

Director/Sales Executive.

N. B. PUROHIT & CO.**CHARTERED ACCOUNTANTS**

4 Jahangir Mansion Office Complex,
Cinema Road, Behind Metro,
Bombay-400 020.

Tele Fax : 206 15 33

Vilkanth Purohit

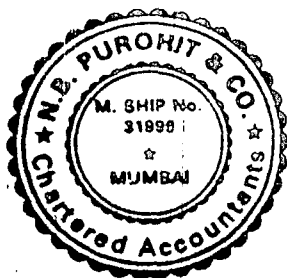
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AUDITORS' REPORT

To the Members of CLASSIC ELECTRICALS LTD.

We have audited the attached Balance Sheet of Classic Electricals Limited as at 31st March, 1998 and Profit and Loss Account for the year ended on that date annexed thereto and report that:

- 1) As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1988, issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in Paragraphs 4 and 5 of the said Order.
- 2) Further to our comments in the Annexure referred to in Paragraph (1) above, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books.
 - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
 - d) In our opinion and to the best of our information and according to the explanations given to us, subject to note 4(ii) regarding quantitative information in respect of Purchase, turnover, opening and closing stocks of goods not having been given for the reasons stated, the Accounts together with the Schedules annexed thereto read with Notes made thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view :
 - i) in the case of Balance Sheet of the state of affairs of the Company as at 31st March, 1998 and
 - ii) in the case of the Profit & Loss Account of the Profit for the year ended on that date.



**For N.B Purohit & Co.
Chartered Accountants**

Vilkanth Purohit
N.B. Purohit
proprietor

Bombay, 2nd September, 1998.