

CLASSIC ELECTRICALS LIMITED

ANNUAL REPORT 1999-2000.

DIRECTORS:

Mr. Vinod C. Ambani

Mr. Deepak S. Maheshwari

Mr. Chandrakant D. Shah

REGISTERED OFFICE :

Merchant Chamber, 3rd Floor,

41, New Marine Lines

BOMBAY - 400 020.

AUDITORS :

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

Chartered Accountants,

BOMBAY

BANKERS :

Bank of India.

Syndicate Bank.

CLASSIC ELECTRICALS LIMITED
DIRECTORS' REPORT TO THE MEMBERS

The Directors have pleasure in presenting their Fifteenth Annual Report together with the Audited Statement Accounts for the year ended 31st March, 2000.

<u>Financial Results</u>	<u>(Rs. in lacs)</u>	
	<u>1999-2000</u>	<u>1998-99</u>
Sales	197.76	159.50
Interest and other Income	12.07	23.25
	209.83	182.75
	=====	=====
Loss/Profit before providing for depr.	(27.18)	26.09
Deduct/Add Provision for Depreciation	4.46	4.56
Loss/Profit before Tax	(31.64)	21.53
Deduct Provision for Taxation	00.00	08.00
Loss/Profit after Tax	(31.64)	13.53
Balance of Profit brought forward	134.69	121.16
Balance carried to Balancesheet	103.05	134.69
	=====	=====

Dividend:

In view of the loss during the year under review, the directors are unable to recommend any Dividend for the year.

Operating Results:

The company has incurred a loss after providing for Tax Rs. 31.64 lacs against profit of Rs. 13.53 lacs in the previous year. Your company has already acquired Plant & Machinery for manufacturing of plastic molding powder and it is expected that the Plant will be commissioned shortly.

Auditors' Report:

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

Directorate:

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

Shri Chandrakant D. Shah was appointed as an additional Director of the Company and who holds the office untill the date of the ensuing Annual General Meetin and being eligible for the appoinment.

Particulars of Employees:

The Company did not employ anybody drawing remuneration of Rs. 6,00,000/- or more per annum or Rs. 50,000/- 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: 1.63 lacs

Auditors:

M/s. N.B.Purohit & 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

Anbani

Deepak M.

)
)
) Directors
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MUMBAI

Dated: 2nd September, 2000.

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

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

Telefax : (O) 206 15 33 (R) 805 52 10

Nilkanth Purohit

B.COM.(Hons);F.C.A.

AUDITORS' REPORT**To the Members of CLASSIC ELECTRICALS LTD.**

We have audited the attached Balance Sheet of Classic Electricals Limited as at 31st March, 2000 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 explanation 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, the Profit & Loss A/c. & Balance Sheet comply with accounting standard as referred to in the sub-section 3C of section 211 of the Companies Act, 1956.
- e) In our opinion and to the best of our information and according to the explanations given to us, 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, 2000 and
 - ii) in the case of the Profit & Loss Account of the Loss for the year ended on that date.

For N.B Purohit & Co.
Chartered Accountants

Nilkanth Purohit
N.B. Purohit
Proprietor

Bombay, 2nd September, 2000.

Nilkanth Purohit

B.COM.(Hons), F.C.A.

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ANNEXURE

ANNEXURE TO THE AUDITORS' REPORT REFERRED TO IN PARAGRAPH (1) OF AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF CLASSIC ELECTRICALS LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2000.

- 1) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. As explained to us, the physical verification of the fixed assets as at 31st March 2000 was conducted by the Management and there were no material discrepancies found on such verification.
- 2) None of the fixed assets have been revalued during the year.
- 3) The stocks of finished goods of the Company have been physically verified by the Management during the year.
- 4) In our opinion and according to information and explanations given to us, the procedures of physical verification of stocks followed by the Management are reasonable and adequate in relation to the size of the company and the nature of the business.
- 5) The discrepancies noticed on physical verification of stocks as compared to book records were not material.
- 6) In our opinion and on the basis of information & explanations given to us, the valuation of stocks is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the previous year.
- 7) The Company has not taken any loans from companies, firms or other parties listed in the registers maintained under Sec.301 or Sec.370(1B) of the Companies Act, 1956.
- 8) According to the information and explanations given to us, the company has not granted loans to company or other party listed in the register maintained under Section 301 of the Companies Act, 1956 or to the Company under the same management as defined under section 370(1B) of the companies Act, 1956.



Nilkanth Purohit

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- 9) In respect of loans or advances in the nature of loans given by the Company, parties have repaid the principal amounts as stipulated and have also been regular in the payment of interest where applicable. However, the company has given interest free loans to certain parties.
- 10) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to purchases of goods, plant and machinery, equipment and other assets and with regard to the sale of goods.
- 11) In our opinion and according to the information and explanations given to us the transaction of purchase of goods and materials and sales of goods and materials made in pursuance of contracts or arrangements falling under section 301 of the Companies Act, 1956 and aggregating during the period to Rs.50,000/= or more, in respect of each party, have been made at prices which are reasonable having regard to the specialised nature of items purchased, prevailing market prices for such goods, materials or prices at which transaction for similar goods and materials have been made with other parties.
- 12) As explained to us the Company has a regular procedure for determination of damaged finished goods and materials. The value of unserviceable or damaged goods determined is not material.
- 13) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposit from public during the year.
- 14) As explained to us, the Company is engaged only in trading activities during the year, and, as such, its operations do not generate scrap or by-products.
- 15) In our opinion, the Company has an Internal Audit system commensurate with its size and nature of its business.
- 16) We are informed that maintenance of cost records has not been prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 for any of the products.

