

CLASSIC ELECTRICALS LIMITED

ANNUAL REPORT 2003-2004.

DIRECTORS:

Mr. Vinod C. Ambani

Mr. Chandrakant D. Shah

Mr. Kirti B. Visaria
(upto 5.4.2004)

Mr. Sagar R. Jetly
(Appointed as additional
Director w.e.f. 5.4.2004)

REGISTERED OFFICE :

Merchant Chamber, 3rd Floor,

41, New Marine Lines

MUMBAI - 400 020.

AUDITORS :

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

Chartered Accountants,

MUMBAI

BANKERS :

Bank of India.

Syndicate Bank.

CLASSIC ELECTRICALS LTD.

NOTICE

NOTICE is hereby given that the Nineteenth Annual General Meeting of the members of Classic Electricals Ltd. will be held at the Registered Office of the Company at Merchant Chambers, 3rd. floor, East Wing, 41, New Marine Lines, MUMBAI- 400 020, on Tuesday the 30th September, 2004, at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2004 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 Chandrakant D. Shah who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS:-

4. To Appoint a Director in place of Shri Sagar R. Jetly who was appointed as an additional Director of the Company 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 and in respect of whom Notice has been received from the Member of the Company notifying his intention of proposing his name for appointment as Director liable to retire by rotation at the Annual General Meeting. Shri Sagar R. Jetly being eligible offers himself for appointment.
5. To consider and if thought fit to pass with or without modifications 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 1.10.2003 to 30.9.2008 on a salary of Rs. 10,000 per month in the grade of Rs. 10,000-1,000-15,000 p.m. with the power to Board of Directors to grant such increments as may be deemed fit at its own discretion.

"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.

Vinod C. Ambani
Chandrakant D. Shah
(Director)

Registered Office:-

Merchant Chamber, 3rd.flr.
41, New Marine Lines, MUMBAI 400 020.

MUMBAI. Dated 2nd September, 2004.

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 is annexed.
- 3) The Register of Members and the transfer books of the Company remained closed from 23th September, 2004 to 30th September, 2004 (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

Shri Sagar R. Jetly has been 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 pursuant to section 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 recommends his appointment as a Director. Shri Sagar R. Jetly 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 by the Board of Directors for a period of 5 years with effect from 1.10.2003 subject to the approval of the Company in General Meeting. Mr. Vinod C. Ambani was earlier holding the position of wholetime Director of Company for a period of five years from 1.6.1998 to 31.5.2003. 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.

CLASSIC ELECTRICALS LIMITED**DIRECTORS' REPORT TO THE MEMBERS**

The Directors have pleasure in presenting their Nineteenth Annual Report together with the Audited Statement Accounts for the year ended 31st March, 2004.

Financial Results	(Rs. in lacs)	
	2003-2004	2002-03
Sales	51.67	122.36
Interest and other Income	48.42	152.63
	100.09	274.99
Profit before Interest & Depreciation	56.55	152.32
Less: Interest	25.42	25.54
Profit/(Loss) before Depreciation	31.13	126.78
Less: Depreciation	70.15	69.63
Profit/(Loss) before taxation	(39.02)	57.15
Provision for taxation	0.00	5.00
Deferred tax liability	12.70	3.88
	(26.32)	48.49
Add: Income Tax of earlier year	0.00	4.99
Net Profit/(Loss) for the year carried to Balance sheet	(26.32)	53.48

Dividend:

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

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 Chandrakant D. Shah retires by rotation and is being eligible offers him self for reappointment.

Shri Sagar R. Jetly has been appointed as additional Director of the company during the year. He holds the office of the Director until the date of ensuing general meeting.

Shri Kirti B. Visaria resigned as Director of the Company during the year under report.

Mr. Vinod C. Ambani was appointed as whole time director of the company with effect from 1.10.2003. The necessary resolution for approval of members for the appointment and payment of remuneration to Vinod C. Ambani as whole time director is proposed in the notice convening the annual general meeting.

Particulars of Employees:

The Company did not employ anybody drawing remuneration of Rs. 24,00,000/- or more per annum or Rs. 200,000/- 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: Rs. 3.69 lacs

Public Deposits:

The Company has not accepted any Fixed Deposits within the meaning of section 58A of the companies act, 1956.

Directors' responsibility statement:

Pursuant to the provision of Sub-Section (2AA) of section 217 of the companies Act, 1956 your directors confirm:

i) That in the preparation of the annual accounts for the year ended 31st March, 2004, the applicable accounting standards had been followed with no material departures;

ii) That the Directors had selected such accounting policies and 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 ended 31st March, 2004 and of the profit of the Company for that period;

iii) That the Directors had taken proper and sufficient care 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) That the Directors had prepared the annual accounts as on 31st March, 2004 on a going concern basis.

Compliance certificate:

A compliance certificate from D. Kothari & Associates. Company Secretaries, that the company has complied with all the provisions of the Companies Act, 1956, pursuant to section 383A of the Companies Act, 1956 as amended is attached herewith and forms part of this report.

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

Vinod C. Ambani)
Chandrakant D. Shah) Directors

MUMBAI

Dated: 2nd September, 2004.

D.KOTHARI AND ASSOCIATES

Company Secretaries

701, EMP-09, Evershine Millennium Paradise, Thakur Village,
Kandivali (East), Mumbai -400 101
Tel: (022) 28878674, e-mail: dhanraj1965@vsnl.net

COMPLIANCE CERTIFICATE

(Under sub-section (1) of Section 383 A of the Companies Act, 1956)

To,
The Members
Classic Electricals Limited

We have examined the registers, records, books and papers of CLASSIC ELECTRICALS LIMITED (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2004. In our opinion and to the best of our information and according to the examinations carried out by me/us and explanations furnished to me/us by the company, its officers and agents, We certify that in respect of the aforesaid financial year:

- 1 the company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
- 2 the company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder, except documents mentioned therein.
- 3 the company is a public limited company and has the minimum prescribed paid-up capital.
- 4 the Board of Directors duly met 7 times on 30.04.2003, 31.07.2003, 02.09.2003, 01.10.2003, 31.10.2003, 31.01.2004, and 30.03.2004 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed.
- 5 the company has closed its Register of Members during the financial year under review from 23.09.2003 to 30.09.2003.
- 6 the Annual General Meeting for the financial year ended on 31st March 2003 was held on 30th September, 2003 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
- 7 no Extra ordinary meeting was held during the financial year under review.
- 8 the company has not advanced any loans to its directors during the year under review.
- 9 during the year the company has not entered into any contracts within the meaning of section 297 of the Act.
- 10 During the year, there was no transaction under the provisions of section 301 of the Act.
- 11 as there were no instances falling within the purview of section 314 of the Companies Act, the Company has not obtain any approvals from the Board of Directors, Members or Central Government, as the case may be.
- 12 the company has not issued any duplicate share certificates during the financial year.



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Company Secretaries

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- 13 the Company has :
- (i) delivered all the certificates on lodgment of transfer of securities in accordance with the provisions of the Act;
 - (ii) not deposited any amount in a separate bank account as no dividend was declared during the financial year.
 - (iii) not posted warrants to the members of the company as no dividend was declared during the financial year.
 - (iv) no unpaid dividend, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid and as are required to be transferred to Investor Education and Protection Fund.
 - (v) duly complied with the requirements of section 217 of the Act.
- 14 the Board of Directors of the company is duly constituted.
- 15 the company has complied the provisions of the Act, regarding appointment of Whole-time Director.
- 16 the company has not appointed any sole-selling agents during the financial year.
- 17 the company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act, during the year under review.
- 18 the directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
- 19 the company has not issued any shares/debentures/other securities during the financial year.
- 20 the company has not bought back any shares during the financial year.
- 21 the company has not issued any redeemable preference shares/debentures during the financial year and there is no redemption of preference shares..
- 22 there were no transaction necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
- 23 the company has not accepted deposits within the meaning of section 58A of the Companies Act, 1956 during the financial year.
- 24 the company has complied with the provisions of section 293(1)(d) of the Act.
- 25 During the financial year under review the company has not given any loans or made investments, or given guarantees or provided securities to other bodies corporate in compliance of the provisions of the Act.
- 26 the company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one State of another during the year under scrutiny.
- 27 the company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.



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- 28 the company has not altered the provisions of the memorandum with respect of name of the company during the year under scrutiny.
- 29 the company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
- 30 the company has not altered its articles of association during the financial year.
- 31 there was no prosecution initiated against or show cause notice received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
- 32 the company has not received any money as security from its employees during the financial year as per provisions of section 417 (1) of the Act.
- 33 the company was not required to deposit both employers and employees contribution towards Provident Fund as required under section 418 of the Act during the financial year.

For D.Kothari And Associates

Company Secretaries



Dhanraj Kothari

Proprietor

Place: Mumbai

Date: 2nd September, 2004

