

CLASSIC ELECTRICALS LIMITED

ANNUAL REPORT 2016 - 2017

DIRECTORS

RAJESH HIRJI SHAH	Managing Director
DHANESH VIPIN PARIKH	Director
SUNIL HIRJI SHAH	Director & CFO(KMP)
JULIE MEHUL SHAH	Director

AUDITORS

A. C. MODI & ASSOCIATES
Chartered Accountants

BANKERS

Bank of India

REGISTERED OFFICE

1301, 13th Floor, Peninsula Business Park, Tower B,
Senapati Bapat Marg, Lower Parel (West), Mumbai 400013.
Tel : 022 30036565 | Fax : 022 30036564
Email : info.roc7412@gmail.com

CLASSIC ELECTRICALS LIMITED

NOTICE

NOTICE is hereby given that the Annual General Meeting of the members of **CLASSIC ELECTRICALS LIMITED** will be held on Friday, 29th September, 2017 at 12:00 Noon at 1301, 13th Floor, Peninsula Business Park, Tower B, Senapati Bapat Marg, Lower Parel (West), Mumbai 400013, to transact following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2017 and Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajesh Hirji Shah (DIN : 00475776) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint auditors and fix their remuneration and in this regard 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 Section 139, 142 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. N. B. Purohit & Co., Chartered Accountants, Mumbai, having ICAI Firm Registration No. 108241W, be and is hereby appointed as the Statutory Auditors of the Company to hold the office for the period of five years from the conclusion of this Annual General Meeting ("AGM") till the conclusion of Annual General Meeting of the Company to be held in the calendar year 2022 (subject to ratification of their appointment at every AGM, if so required under the act) at such remuneration plus applicable taxes and reimbursement of out of pocket expenses, as may be mutually agreed between the Board of Directors of the Company and the Auditors".

BY ORDER OF THE BOARD

G H Shah, Chairman

DIRECTORS

Registered Office:

1301, 13th Floor, Peninsula Business Park,
Tower B, Senapati Bapat Marg, Lower Parel (West),
Mumbai 400013.

Date: 24th August, 2017.

NOTES:

1. The relative explanatory statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item No. 3 of the notice annexed hereto. The relevant particulars as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and secretarial standards on general meetings issued by the Institute of Company Secretaries of India, of the Directors seeking appointment/re-appointment at the Annual General Meeting are annexed and forms integral part of the notice.
2. A member entitled to attend and vote at the Annual General Meeting (the meeting) is entitled to appoint a proxy to attend and vote on a poll to vote instead of himself and the proxy need not be a member of the company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty eight hours before the commencement of the meeting.
3. A person can act as a proxy on behalf of the members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. Members are requested to bring their attendance slip alongwith their copy of Annual Report to the Meeting.
6. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
7. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Members desirous of obtaining any information on the Accounts and Operations of the Company are requested to write at least one week before the meeting so that the same could be compiled in advance.
9. Members are also requested to notify changes in their registered addresses, if any. Members who have not registered their email addresses so far are requested to register their email address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
10. The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2017 to 29th September, 2017 (both days inclusive) for the purpose of Annual General Meeting.
11. All documents referred to in the notice are open for inspection at the registered office of the Company between 10.30 A. M. and 1.00 P.M. on all working days up to the date of the Meeting.

ANNEXURE I TO THE ITEM NO. 2 OF THE NOTICE

Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India, following information is furnished about the Directors proposed to be appointed / re-appointed.

ITEM 2 : Mr. Rajesh Hirji Shah (DIN : 00475776)

Name of the Director	Mr. Rajesh Hirji Shah (DIN : 00475776)
Date of Birth / Age	22/03/1973, 44 Years
Date of First Appointment on the Board	25 th November, 2014
Relationship with other Directors	Brother of Mr. Sunil Hirji Shah
Expertise in specific functional areas and Brief Profile	Business Management
Qualification	Graduate
Experience	More than 15 years of experience in Business leadership, Management, Strategic Planning, and Business Development.
Board Membership of other Companies as on March 31, 2017.	19 (List Enclosed herewith)
Chairperson / Member of the Committee of the Board of Directors of the Company as on March 31, 2017.	Nil
Shareholding in the Company (as on 31/03/2017).	Nil
No. of Board Meetings attended during the last financial year (2016-2017)	Four
Terms and Conditions of appointment or re-appointment	Appointed as the Director, Liable to retire by rotation.

Except Mr. Rajesh Hirji Shah, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 2.

Board Membership of Mr. Rajesh Hirji Shah in other Companies as on March 31, 2017 :

Sr. No.	CIN	Company Name
1	U67120MH1981PLC024032	HIGHWAY FINANCE AND HOLDING (BOMBAY) LIMITED
2	U45200MH2004PTC148434	THIRDWAVE CONSTRUCTIONS PRIVATE LIMITED
3	U74900MH2010PTC209527	ANCHOR MOTION PICTURES PRIVATE LIMITED
4	U27100MH1981PTC024085	BASUSHREE DIE CASTINGS PVT LTD
5	U45208MH2010PTC203696	ANCHOR LANDSCAPES PRIVATE LIMITED
6	U31200MH1994PTC078602	RIDER SWITCHES PRIVATE LIMITED
7	U45400MH2009PTC192467	ANCHOR EARTH PRIVATE LIMITED
8	U70200MH2008PTC182999	DEMAG REAL ESTATES PRIVATE LIMITED
9	U70100MH2008PTC185765	EUREKA EARTH DEVELOPERS PRIVATE LIMITED.
10	U67120MH2006PTC159333	OLIVE HOLDINGS PRIVATE LIMITED
11	U31500TN1986PLC012211	KALPANA LAMPS AND COMPONENTS LIMITED
12	U27200MH1996PTC102270	KYORI METALS PRIVATE LIMITED
13	U67120MH1995PTC094447	PRATUL SHARE CUSTODIAN PRIVATE LIMITED
14	U65990MH1993PTC073020	PILEATED FINVEST PRIVATE LIMITED
15	U24139MH1993PTC072847	SCOTT REMEDIES PVT LTD
16	U92110MH1995PTC091429	PURNIMA FILMS PRIVATE LIMITED
17	U51900MH1995PTC089457	BARINDRA OVERSEAS PRIVATE LIMITED
18	U32109MH1993PTC075273	PATARMIGAN ELECTRONICS PRIVATE LIMITED
19	U27200MH1995PTC088157	ARING STEELS PRIVATE LIMITED
20	L25209MH1985PLC036049	CLASSIC ELECTRICALS LIMITED

ANNEXURE II TO THE ITEM NO. 3 OF THE NOTICE

Explanatory Statement : As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 3 of the accompanying notice.

ITEM 3 :

Pursuant to Section 139(1) of the Companies Act, 2013, M/s. A. C. Modi & Associates, Chartered Accountants, Mumbai (ICAI Firm Registration No. 116555W) were appointed as Auditors of the Company and have completed their tenure as Statutory Auditors. Pursuant to Section 139(2)(b) an audit firm which has completed its tenure shall not be eligible for re-appointment as auditors in the same company for five years from the completion of such tenure.

The Board of Directors in their meeting held on 24th August, 2017, subject to approval of the members, appointed M/s. N. B. Purohit & Co., Chartered Accountants, Mumbai (Registration No. 108241W) as Statutory Auditors of the company to hold the office from the conclusion of this Annual General Meeting held on 30th September, 2017 till the conclusion of Annual General to be held in the calendar year 2022 for conducting statutory audit for the financial years from 2017-18 to 2021-22. Further pursuant to Section 139(1) of the Companies Act, 2013, the members of the company are required to ratify their re-appointment as Statutory Auditors of the company at every subsequent Annual General Meeting.

M/s. N. B. Purohit & Co. have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 144 of the Act.

None of the Directors or key managerial personnel of the Company or their relatives is, in any way concerned or interested in the resolution set out at Item No. 3 of the notice.

The Board commends the ordinary resolution set out at Item No. 3 of the notice for the approval of the members.

BY ORDER OF THE BOARD

G H Shah D. K. Kishor

DIRECTORS

Registered Office:

1301, 13th Floor, Peninsula Business Park,
Tower B, Senapati Bapat Marg, Lower Parel (West),
Mumbai 400013.

Date: 24th August, 2017.

DIRECTORS' REPORT

TO THE MEMBERS OF CLASSIC ELECTRICALS LIMITED

Your directors are pleased to present the Annual Report and the Company's Audited Financial Statement for the financial year ended March 31, 2017.

FINANCIAL RESULTS

The Company's financial performance for the year ended March 31, 2017 is summarized below:

	(Rupees in Lakhs)	
	2016-17	2015-16
Total income	42.61	41.49
Profit/ (Loss) before Depreciation & Tax	14.97	25.47
Depreciation	7.29	7.68
Profit/(Loss) after depreciation Carried to balance sheet	7.68	17.79
Tax Expenses		
- Current Tax	2.46	5.10
- Deferred Tax	(2.26)	(1.71)
Net Profit after Tax carried Forward	7.48	14.40

RESULTS OF OPERATIONS AND STATE OF AFFAIRS OF THE COMPANY

The Company has earned profit of 7.48 Lakhs for the year ended 31st March, 2017 against profit of Rs. 14.40 Lakhs in the previous year.

There are no material changes and commitments have occurred after the close of the financial year till the date of this report, which affect the financial position of the Company.

DIVIDEND AND TRANSFER TO RESERVE

In order to conserve the financial resources for the long term needs of the Company the Directors do not recommend any dividend and no amount is transferred to Reserves for the financial year 2016-17.

DEPOSITS:

During the year under review, the Company has not accepted any deposits within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force), hence there is no details to disclose as required under Rule 8(5)(v) and (vi) of the Companies (Accounts) Rules, 2014.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements / transactions entered by the Company during the financial year with related parties were in ordinary course of business and on arm's length basis and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus, disclosure in Form AOC - 2 under Rule 8(2) of the Companies (Accounts) Rules, 2014 is not required.

Your Directors draw attention of the members to Note 27 to the financial statement which sets out related party disclosures in accordance with the Accounting Standard 18, issued by the Institute of Chartered Accountants of India.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Section 135 of the Companies Act, 2013 and rules framed thereunder, relating to Corporate Social Responsibility (CSR) is not applicable to this Company.

RISK MANAGEMENT

The Risk Management Policy has been framed, implemented and monitored. Major risk identified by the businesses and functions are systematically monitored through mitigating actions on continuing basis.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate financial control with reference to financial statements. During the year such controls were tested and no reportable material weaknesses in the designed operations were observed.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Retirement by Rotation and Subsequent Re-Appointment And Key Managerial Personnel:
Mr. Rajesh Hirji Shah, Non-Executive Director, is liable to retire by rotation at the ensuing AGM pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of your Company and being eligible have offered himself for re-appointment. Appropriate resolutions for his re-appointment is being placed for your approval at the ensuing AGM. The brief resume of the Directors and other related information has been detailed in the Notice convening the AGM of your Company. Your Directors recommend his re-appointment as Non-Executive Director of your Company.

The Independent Directors of your Company namely Mr. Sunil Hirji Shah and Mr. Dhanesh Vipin Parikh, holds office upto 31st March, 2020 and are not liable to retire by rotation.

Mr. Rajesh Hirji Shah, Managing Director and Mr. Sunil Hirji Shah, CFO are the Key Managerial Personnel of your Company in accordance with the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

Declaration of Independence:

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16(1)(b) of Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force).

Evaluation of Board's Performance:

Pursuant to the provisions of the Companies Act, 2013 read with the Rules issued there under and the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force), the process for evaluation of the annual performance of the Directors / Board / Committees was carried out.

The Company has devised a policy for performance in relation to Independent Directors, Board, Committees which includes criteria for performance evaluation of the Non-Executive and Executive Directors.

The detailed programs for familiarization of Independent Directors with the Company, their roles, rights and responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company are being shared and discussed.

In a separate meeting of Independent Directors', performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the view of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors at which the performance of the Board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board excluding the independent directors being evaluated.

Directors' Responsibility Statement:

Your Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards read with requirements set out under Schedule III to the Act have been followed and there are no material departures from the same;
- b) the Directors have 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 as at March 31, 2017 and of the profit and loss of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 - d) the Directors have prepared the annual accounts on a going concern basis.
 - e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.
 - f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

CONSTITUTION OF COMMITTEES

Audit Committee:

The Company has constituted the Audit Committee which comprises of Independent Directors viz. Mr. Dhanesh Vipin Parikh and Mr. Sunil Hirji Shah and Mrs. Julie Mehul Shah as other members. All the recommendations made by the Audit Committee were accepted by the Board.

Nomination & Remuneration Committee:

The Company has constituted the Nomination & Remuneration Committee of the Board is constituted to formulate and recommend to the Board from time to time, a compensation structure for Managing Directors / Whole-time Directors and Managerial Personnel of the Company.

The nomination and Remuneration Committee comprises Independent Directors viz. Mr. Dhanesh Vipin Parikh and Mr. Sunil Hirji Shah and Mrs. Julie Mehul Shah as other members.

Stakeholders Relationship Committee:

The Company has constituted stakeholders Committee comprises of three Directors namely Mr. Dhanesh Vipin Parikh and Mr. Sunil Hirji Shah and Mrs. Julie Mehul Shah as other members.

Remuneration and Nomination Policy:

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members.

AUDITORS AND AUDITORS REPORT

Statutory Auditors:

M/s. A. C. MODI & ASSOCIATES, Chartered Accountants, Mumbai hold the office till the conclusion of the ensuing Annual General Meeting of the Company. The Board has recommended the appointment of M/s. N. B. Purohit & Co., Chartered Accountants, Mumbai, as Statutory Auditors of the Company in their place, for a term of 5 consecutive years from the conclusion of the ensuing Annual General Meeting of the Company scheduled to be held in the