

CLASSIC LEASING & FINANCE LIMITED

16-A, EVEREST HOUSE

46-C, J.L.NEHRU ROAD

KOLKATA 700 071

DIRECTORS' REPORT

To The Members

The Directors have pleasure in submitting the 26th Annual Report together with the Audited Accounts for the year ended 31st March'2009

FINANCIAL RESULTS

	Current Year 31st March,2009 (Rs. in'000)	Previous Year 31st March,2008 (Rs.in'000)
Total Income	2239	2289
Depreciation and Tax	170	170
Profit Before Tax	12	6
Provision for Tax	4	4
Deferred Tax Liability	(34)	(3)
Profit/(Loss)after Tax	36	(1)
Add: Balance in Profit & Loss Account Brought forward	118	119
Appropriation		
Proposed Dividend	Nil	Nil
Corporate dividend Tax	Nil	Nil
Balance carried forward	<u>155</u>	<u>118</u>

DIVIDEND

In view of the insufficient profit the directors does not recommend any payment of dividend for the financial year ended 31st March'2009

AUDITORS' REPORT

With reference to the observation made by the Auditors in their report, the Directors wish to state that the notes forming part of the Company's accounts are self explanatory and hence do not require any further explanation.

AUDITORS

The Auditors, M/S Dilip Mukharjee & Co., Chartered Accountants, at the ensuing Annual general Meeting and being eligible offer themselves for appointment.

PERSONEL

During the year under review none of the employees was in receipt of remuneration of Rs.120000/- per annum when employed throughout the year of Rs.10000/- per month when employed for the part of the year and therefore the provisions of Section 217 (2A) of the Companies Act,1956 read with Companies (Particulars of employees) Rules 1975 as amended are not attracted.

CLASSIC LEASING & FINANCE LTD

CLASSIC LEASING & FINANCE LTD

[Signature]
Director

[Signature]
Director

Contd2

CLASSIC LEASING & FINANCE LIMITED
16-A, EVEREST HOUSE
46-C, J.L.NEHRU ROAD
KOLKATA 700 071

DIRECTORS RESPONSIBILITY STATEMENT

In terms of section 217(2AA) of the companies Act, 1956 the director hereby confirm that:

- 1) In the preparation of the annual accounts, the applicable accounting standards has been followed along with proper explanation relating to material departure,
- ii) 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 and of the loss of the company for that period:
- iii) 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) Directors had prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

The Directors place on record sincerer appreciation of the valuable contribution made by the employees at all levels towards the growth and performance of the company. The Directors would like to express their grateful appreciation for the assistance and co-operation received from the various Departments of the Central & State government and the Banks.

Place : Kolkata

Date 21/08/09

For and on behalf of the Board
for Classic Leasing & Finance Ltd

Director
for Classic Leasing & Finance Ltd

Director

AUDITORS' REPORT

To the members of **M/s CLASSIC LEASING & FINANCE LIMITED**

We have audited the attached Balance Sheet of M/s CLASSIC LEASING & FINANCE PVT LTD. as at 31st March 2009 and also the Profit & Loss account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of subsection (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matter specified in paragraphs 4 and 5 of the said order.

We further state and report that:

- i) 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;
- ii) 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.
- iii) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
- iv) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of The Companies Act, 1956;

Continue.....2

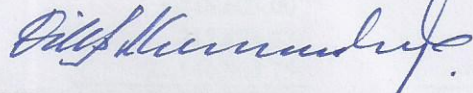


- v) On the basis of written representations received from the directors, as on 31st March 2009, and taken on record by the Board of Directors, we report that none of directors is disqualified as on 31st March 2009 from being appointed as a director in terms of Clause (g) of Sub-section (1) of section 274 of the Companies Act, 1956;
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so and give a true and fair view in conformity with the accounting principles generally accepted in India.
- a) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2009

And

- b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date.

**For Dilip Mukharjee & Co
Chartered Accountants,**



(DILIPKUMARMUKHOPADHYAY)

PROPRITOR

M.No. 050680

Place: KOLKATA
Date: 25/08/09



CLASSIC LEASING & FINANCE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2009

		AS ON 31ST MARCH 2009 <u>Amount</u>	AS ON 31ST MARCH 2008 <u>Amount</u>
<u>SOURCES OF FUNDS :</u>			
SHAREHOLDERS FUND			
Share Capital	1	30,002,000.00	30,002,000.00
Reserve & Surplus	2	155,021.44	118,195.47
Deffered Tax Liability		420,385.88	454,387.00
		30,577,407.32	30,574,582.47
<u>APPLICATION OF FUNDS :</u>			
FIXED ASSETS			
Gross Block	3	5,330,491.31	5,330,491.31
Less: Depreciation		3,591,790.31	3,425,594.31
Net Block		1,738,701.00	1,904,897.00
INVESTMENTS	4	62,500.00	62,500.00
CURRENT ASSETS LOANS & ADVANCES			
(a) Inventories	5	1,775,976.00	1,775,976.00
(b) Sundry Debtors	6	5,718,603.00	5,809,753.00
(c) Cash & Bank Balances	7	217,874.82	790,653.72
(d) Loans & Advances	8	22,146,868.75	21,414,574.75
		29,859,322.57	29,790,957.47
Less :			
CURRENT LIABILITIES & PROVISIONS	9	1,083,116.25	1,183,772.00
NET CURRENT ASSETS		28,776,206.32	28,607,185.47
		30,577,407.32	30,574,582.47
Significant Accounting Policies & Notes of Account	12		

Signed in terms of our report of even date attached
For **DILIP MUKHARJEE & CO.**
Chartered Accountants

Dilip Kumar Mukhopadhyay

DILIP KUMAR MUKHOPADHYAY
Proprietor

Membership no. 050680

Place : **KOLKATA**

Dated : **25/08/09**



Classic Leasing & Finance Ltd.

[Signature]
Director

Classic Leasing & Finance Ltd.

[Signature]
Director

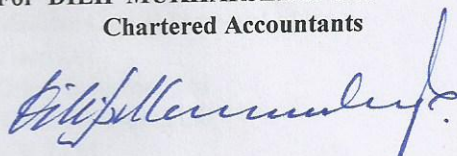
CLASSIC LEASING & FINANCE LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

SCHEDULE	CURRENT YEAR	PREVIOUS YEAR
	<u>Amount</u>	<u>Amount</u>
<u>INCOME</u>		
Finance Charges	14,850.00	-
Other Income	448,632.70	513,208.34
Closing Stock	1,775,976.00	1,775,976.00
	2,239,458.70	2,289,184.34
 <u>EXPENDITURE</u>		
Opening Stock	1,775,976.00	1,770,276.00
Purchase	-	5,700.00
Administrative & Other Expenses	285,122.85	340,624.68
Depreciation	166,196.00	166,196.00
	2,227,294.85	2,282,796.68
Profit / (Loss) before Taxation	12,163.85	6,387.66
Less: Provision For Taxation		
Current Tax	3,758.00	4,327.00
Deferred Tax	(34,001.12)	(3,333.00)
Fringe Benefit Tax	5,581.00	6,026.00
Profit / (Loss) After Tax	36,825.97	(632.34)
Add: Brought Forward from Previous Year	118,195.47	118,827.81
	155,021.44	118,195.47
 Besic & diluted EPS	 0.00	 (0.00)
Face Value of Shares	10.00	10.00

Significant Accounting Policies & Notes of Account 12

Signed in terms of our report of even date attached
For **DILIP MUKHARJEE & CO.**
Chartered Accountants



DILIP KUMAR MUKHOPADHYAY
Proprietor

Membership no. 050680

Place : KOLKATA

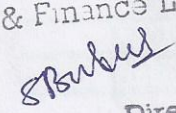
Dated : 25/03/09



Classic Leasing & Finance Ltd.


Director

Classic Leasing & Finance Ltd.


Director

CLASSIC LEASING & FINANCE LIMITED

SCHEDULE : 1

EQUITY SHARE CAPITAL

AUTHORISED

35,00,000 Equity shares of Rs. 10/- each.

31ST MARCH 2009

Amount

31ST MARCH 2008

Amount

35,000,000.00

35,000,000.00

ISSUED, SUBSCRIBED & PAID UP CAPITAL

30,00,200 Equity Shares of Rs.10/- each.

(P.Y. 30,00,200 fully paid up)

30,002,000.00

30,002,000.00

30,002,000.00

30,002,000.00

SCHEDULE : 2

RESERVE & SURPLUS

Profit and Loss Account

(Surplus as per annexed Account)

155,021.44

118,195.47

155,021.44

118,195.47

SCHEDULE : 4

INVESTMENT (AT COST)

Long Term

Shares & Debentures (Quoted)

Qty / F.V.

Pertech Computers Ltd

300 / 10

18,000.00

18,000.00

Century Enka Ltd

50 / 10

11,000.00

11,000.00

Alfa Transformer Ltd

900 / 10

13,500.00

13,500.00

Warner Multimedia Ltd

600 / 10

9,000.00

9,000.00

Orind Exports Ltd

1100 / 10

11,000.00

11,000.00

Total

62,500.00

62,500.00

(Market Value of Quoted Investment Rs. 65441/-)

SCHEDULE : 5

INVENTORIES

(As taken, as Valued and certified by the management)

QUOTED SHARE

Qty

CURRENT YEAR

PREVIOUS YEAR

Mefcom Capital Markets Ltd

2,400

30,800.00

30,800.00

Tisco Ltd

90

14,790.00

14,790.00

Orkay Industries Ltd

5,000

5,000.00

5,000.00

KHSL Industries Ltd

300

105.00

105.00

ICICI Ltd

50

8,795.00

8,795.00

State Bank of India

50

10,012.50

10,012.50

Maxworth Orchards (India) Ltd

500

375.00

375.00

I T C Ltd

50

2,597.50

2,597.50

AMI Computers (I) Ltd

300

501.00

501.00

Hifunda.com Ltd

3,000

3,000.00

3,000.00

Total (A)

11,740

75,976.00

75,976.00

UNQUOTED SHARES

Bothra Automotives Pvt Ltd

50,000

500,000.00

500,000.00

Bedbyas Commodities Pvt Ltd

70,000

700,000.00

700,000.00

Rajmahal Credit Capital Pvt Ltd

50,000

500,000.00

500,000.00

Total (B)

170,000

1,700,000.00

1,700,000.00

Total (A + B)

181,740

1,775,976.00

1,775,976.00

Classic Leasing & Finance Ltd.

[Signature]
Director

Classic Leasing & Finance Ltd.

[Signature]
Director



CLASSIC LEASING & FINANCE LIMITED

SCHEDULE : 3

FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRICIATION			NET BLOCK		
	As on 01.04.2008	Addition	Deduction	As on 31.03.2009	As on 01.04.08	During the Period	Adjust- ments	As on 31.03.2009	As on 31.03.2009	As on 31.03.2008
FURNITURE & FIXTURE	6500.00			6500.00	5045.00	412.00		5457.00	1043.00	1455.00
MOTOR CARS	3438073.00			3438073.00	2551773.00	76200.00		2627973.00	810100.00	886300.00
COMPUTER	1322579.00			1322579.00	729262.00	62820.00		792082.00	530497.00	593317.00
SOFTWARE	325000.00			325000.00	16865.00	15440.00		32305.00	292695.00	308135.00
EQUIPMENTS	150339.31			150339.31	85622.31	7140.00		92762.31	57577.00	64717.00
AIR CONDITIONERS	45000.00			45000.00	24239.00	2140.00		26379.00	18621.00	20761.00
CELLULAR PHONE	43000.00			43000.00	12788.00	2044.00		14832.00	28168.00	30212.00
Grand Total	5330491.31	0.00	0.00	5330491.31	3425594.31	166196.00		3591790.31	1738701.00	1904897.00
Previous Year	5330491.31	0.00	0.00	5330491.31	3259398.31	166196.00		3425594.31	1904897.00	2071093.00



Classic Leasing & Finance Ltd.

Director

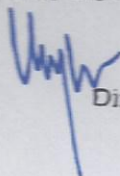
Classic Leasing & Finance Ltd.

[Signature]
Director

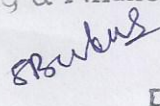
CLASSIC LEASING & FINANCE LIMITED

	31ST MARCH 2009	31ST MARCH 2008
	<u>Amount</u>	<u>Amount</u>
<u>SCHEDULE : 6</u>		
SUNDRY DEBTORS		
Hire Purchase Debtors (Outstanding for more than six months)	5,514,878.00	5,606,028.00
Old Outstanding	203,725.00	203,725.00
	5,718,603.00	5,809,753.00
<u>SCHEDULE : 7</u>		
<u>CASH & BANK BALANCES</u>		
Cash in Hand (As Certified by the Management)	178,015.18	756,191.18
Balance with Scheduled Banks in Current Account	39,859.64	34,462.54
	217,874.82	790,653.72
<u>SCHEDULE : 8</u>		
<u>LOANS & ADVANCES</u>		
<u>Loans(Unsecured)</u>		
Loans to Bodies Corporate (Considerd Goods)	14,853,975.00	14,453,975.00
Others	500,000.00	500,000.00
	15,353,975.00	14,953,975.00
<u>Advances</u>		
Advances (Recoverable in Cash or in Kind for or Value to be received)	4,074,484.00	3,787,922.00
Advance Income Tax TDS	1,633,692.00	
	1,084,717.75	2,672,677.75
	22,146,868.75	21,414,574.75
<u>SCHEDULE : 9</u>		
<u>CURRENT LIABILITIES & PROVISIONS</u>		
<u>Current Liabilities</u>		
<u>Sundry Creditors</u>		
For Expenses	389,778.25	493,425.00
	389,778.25	493,425.00
<u>Provisions</u>		
For Income Tax	681,731.00	684,321.00
For Fringe Benefit Tax	11,607.00	6,026.00
	693,338.00	690,347.00
	1,083,116.25	1,183,772.00
<u>SCHEDULE : 10</u>		
<u>Other Income</u>		
Dividend Income	3,939.00	3,173.40
Commisssion received (TDS Rs. 45732/- P.Y Rs. 117716/-)	444,693.70	444,000.00
Misc Receipts	-	66,034.94
Total	448,632.70	513,208.34

Classic Leasing & Finance Ltd.


Director

Classic Leasing & Finance Ltd.


Director



CLASSIC LEASING & FINANCE LIMITED

AS ON
31ST MARCH 2009

AS ON
31ST MARCH 2008

Amount

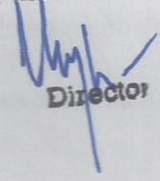
Amount

SCHEDULE : 11

ADMINISTRATIVE & OTHER EXP

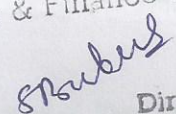
Advertisement Expenses	1,500.00	1,000.00
Audit Fees	11,361.00	11,571.00
Bank Charges	282.00	1,089.00
Business Promotion Expenses	7,500.00	29,294.84
Books & Periodicals	278.00	155.00
Data Processing Fee	2,500.00	1,350.00
Demate Charges	19,490.00	20,112.17
Discount allowed	-	33,572.00
General Expenses	5,875.00	1,625.00
Printing & Stationery	1,587.00	1,966.25
Postage & Telegram	580.00	738.00
Legal & Professional Fees	3,650.00	8,200.00
Rates & Taxes	-	4,600.00
Rent Paid	60,000.00	60,000.00
Repairs & Maintainance	3,500.00	840.00
Salary & Bonus	130,000.00	120,000.00
Share Transfer Agents Fees	20,413.85	17,309.00
Staff Welfare Expenses	2,559.00	5,168.00
Sundry Balance W/o	10,000.00	-
Telephone Expenses	2,458.00	20,854.42
Travelling & Conveyance	1,589.00	1,180.00
Total	285,122.85	340,624.68

Classic Leasing & Finance Ltd.


Director



Classic Leasing & Finance Ltd.


Director

NOTES ON ACCOUNT FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

1. SIGNIFICANT ACCOUNTING POLICIES :

- i) Hire Charges arising out of Hire Purchase contract are apportioned over the terms of the contract in equal proportion except hire charges arising out of non performing hire purchase assets which are accounted for in accordance with the Income recognition norms as prescribed by the Reserve Bank of India.
 - ii) Dividend Income is accounted for on cash basis.
 - iii) The Company provides for all expenses on accrual basis except insurance charges which is accounted for on cash basis.
 - iv) Fixed Assets are stated at cost less accumulated depreciation.
 - v) Depreciation on Fixed Assets is provided on Straight Line Method on prorata basis at the rates prescribed in Schedule XIV to the Companies Act, 1956.
 - vi) Investments are stated at cost inclusive of brokerage but does not include stamp duty which is charged to revenue.
 - vii) Stock-in-trade includes quoted and unquoted equity shares of Joint Stock Companies. Quoted shares are valued at cost or Market price whichever ever is lower and unquoted shares are valued at cost.
2. Contingent Liability in respect of disputed Income Tax demands of Rs. 289502/-, 187717/- & 392808/- for the Assessment Year 2001-02, 2002-03 & 2003-04 respectively has not been provided for in the Books of Accounts.
 3. As required by Notification No. DFC. 119/DG (Spt.) 98 Dated January 31, 1998 issued by Reserve Bank of India relating to prudential norms, no provision has been made in the Books of Accounts on non performing hire purchase assets and loans and advances. As per the management they are unable to calculate the quantum of provision required after considering the value of security (i.e hired asset) to which the company has valid recourse. Certain unquoted equity shares has also not been valued in accordance with the above notification.
 4. The Company had made an application before settlement commission under Sec. 245 C (1) of the Income Tax Act, 1961 which has been accepted for further processing, However the final order is still pending.
 5. Due to depressed market condition which is a temporary phenomenon in the opinion of the management, the company has not provided diminution in the value of long term trade Investment.
 6. In opinion of the management, the current assets, loans and advances other than N P A 's have the value at which these are stated in the Balance Sheet and are considered good.
 7. No provision of gratuity has been made in the books of account.
 8. The Company has no reportable business and geographical segment for which segment reporting is required to be disclosed as per Accounting Standard - 17.
 9. Deferred Tax Liability arises due to difference in written down value of fixed assets between books of account and Income Tax Act.

Deferred Tax Liability upto 2008	454387
For the year	34001
	420386

10. Previous Year figures have been regrouped and / or rearranged wherever considered necessary.

Classic Leasing & Finance Ltd.

[Signature]
Director

Classic Leasing & Finance Ltd.

[Signature]
Director

