

CLASSIC LEASING & FINANCE LIMITED



ANNUAL REPORT

2010-11

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ANNUAL GENERAL MEETING

Day : Friday

Date : 30th September, 2011

Time : 10am

Venue : 16A Everest House, 46C, JL Neheru Road, Kolkata 700071

CLASSIC LEASING & FINANCE LIMITED

BOARD OF DIRECTORS

Chairman & Director

Vijay Bothra

Directors

Prashant Bothra

Mr. Sanjay Kumar Bubna

Mr. Sanjay Agarwala

AUDITORS

Dilip Mukherjee & Co.

REGISTRAR & TRANSFER AGENT

R & D Infotech Pvt. Ltd.

22/4, Nakuleshwar Bhattacharjee Lane

Kolkata-700 026

e-mail: rd.infotech@vsnl.net

BANKER

Oriental Bank of Commerce

CLASSIC LEASING & FINANCE LIMITED

NOTICE

CLASSIC LEASING & FINANCE LIMITED (CIN: L65921WB1984PLC037347) will be held on Friday, 30th day of September, 2011 at 10a.m. at 16A, Everest House, 46C, J. L. Nehru Road, Kolkata-700071, West Bengal, to transact the following business :

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2011, the Profit & Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Prashant Bothra, who retires by rotation and being eligible, offers themselves for reappointment.
3. To re-appoint Dilip Mukherjee & Co. as the Auditor of the Company and to authorise the Board of Directors to fix their remuneration.

Registered office:
16A, Everest House,
46C, J. L. Nehru Road,
Kolkata- 700071

Date: - 25.08.2011

For & on Behalf of the Board

Sd/-
Vijay Bothra
Managing Director

Notes:

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy instead of him/her to attend and vote on a poll and such proxy need to be a member of the Company. Proxies in order to be effective must be reached at the registered office of the Company not less than forty eight hours before the commencement of the meeting.
2. Shareholders are requested to immediately notify the Company of any change in their address.
3. The Company has already notified closure of Register of Members and Share Transfer Books from Tuesday, 20th September to Wednesday, September 28, 2011 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
4. No person shall be entitled to attend or vote at the meeting as a duly authorized representative of anybody corporate which is a shareholder of the Company, unless a certified copy of the resolution appointing him/ her as duly authorized representative has been deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.
5. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its registrars and Transfer Agents cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the depository Participant of the members.
6. Members holding shares in the electronic form are requested to intimate immediately any changes in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change of address immediately to the Company / Registrars and Transfer Agents, M/s. R & D Infotech Private Limited.
7. Members desiring any information with regard to Accounts/ Reports are requested to submit their queries addressed to the Company Secretary at least ten days in advance of the meeting so that the information called for can be made available at the meeting.

Registered office:
16A, Everest House,
46C, J. L. Nehru Road,
Kolkata- 700071

Date: - 25.08.2011

For & on Behalf of the Board

Sd/-
Vijay Bothra
Managing Director

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 Annual Report together with the Audited Accounts for the year ended 31st March'2011.

FINANCIAL RESULTS	Current Year 31st March, 2011 (Rs.)	Previous Year 31st March, 2010 (Rs.)
Total Income	2246327.00	2244190.63
Depreciation and Tax	89996.00	166196.00
Profit Before Tax	17737.00	16070.22
Provision for Tax	4281.00	4966.00
Deferred Tax Liability	(43799.00)	(40206.33)
Fringe Benefit Tax	-	5581.00
Profit/(Loss)after Tax	57255.00	51310.55
Add: Balance in Profit & Loss Account Brought forward	206331.99	155021.44
Appropriation		
Proposed Dividend	Nil	Nil
Corporate dividend Tax	Nil	Nil
Balance carried forward	<u>263586.99</u>	<u>206331.99</u>

DIVIDEND

In view of the insufficient profit the directors does not recommend any payment of dividend for the financial year ended 31st March'2011.

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.

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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 confirms 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 sincere 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: 25.08.2011

For and on behalf of the Board
Sd/-
Vijay Bothra
Managing Director

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Non Banking Financial Companies (NBFCs) have become an integral part India's financial system. In recent times, NBFC's have emerged as lenders to both companies and individuals. When it comes to lending, NBFCs are generally regarded to be complementary to banks and are often able to offer better services and products to their customers.

Inspite of strong competition faced by the NBFCs, the inner strength of NBFCs viz local knowledge, credit appraisal skill, well trained collection machinery, close monitoring of borrowers and personalized attention to each client, are catering to the needs of small and medium enterprises in the rural and semi urban areas. NBFC's are playing significant role in financing the road transport and infrastructure and have reached the gross root level through Micro finance.

FINANCIAL

The financial performance of the Company for the financial year ended March 31, 2011 is given as under:-

PERFORMANCE	Year ended 31-3-2011 (`in Lacs)	Year ended 31-3-2010 (`in Lacs)
Gross Income	22.46	22.44
Expenditure	21.38	20.61
Profit/ (Loss) for the year	1.08	1.83
Less:- Depreciation	0.89	1.70
Less:- Provision for Tax	(0.40)	0.35
Profit/(Loss) for the year	0.57	0.51
Balance brought forward from the Prev. Year	2.06	1.55

INFORMATION TECNOLOGY

Our company will look into upgradation of its technology both in terms of hardware and software. This also helped installing a good management information system for the management to get timely information for decision making.

OPPORTUNITIES AND THREATS

Your Company being an investment Company seeks opportunities in the capital market. The volatility in the stock indices in the financial year under report represents both an opportunity and challenge for the Company.

Capital market activities in which most of our activities depend on is also influenced by global events and hence there is an amount of uncertainty in the near term outlook of the market.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Internal Control measures and systems are established to ensure the correctness of the transactions and safe guarding of the assets. The control systems set on place are checked and further supplemented by MIS which provided for planned expenditure and information on disposal and acquisition of assets.

HUMAN RESOURCES

Your Company continues to lay great stress on its most valuable resource - people. Continuous training, both on the job and in an academic setting, is a critical input to ensure that employees at all levels are fully equipped to deliver a wide variety of products and services to the customer of the company.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report describing our Company's objectives, expectations or predictions may be forward looking within the meaning of applicable regulations and other legislations. Actual results may differ materially from those expressed in the statement. Important factors that could influence Company's operations include global and domestic financial market conditions affecting the interest rates, availability of resources for the financial sector, market for lending, changes in regulatory directions issued by the Government, tax laws, economic situation and other relevant factors.

For and on behalf of the Board

Sd/-
Mr. Vijay Bothra
(Managing Director)

Sd/-
Mr. Prashant Bothra
(Director)

REPORT ON CORPORATE GOVERNANCE
(Pursuant to Clause 49 of the Listing Agreement)

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2011.

1. Company's philosophy on Code of Governance

The Company places a strong emphasis on transparency, empowerment, accountability and integrity with the objective to continuously enhance value for all its stakeholders.

The Company is in compliance with the requirements of the revised guidelines on corporate governance stipulated under Clause 49 of the Listing Agreement with the Stock Exchange.

II. Board of Directors

- (i) The composition of the Board is in conformity with Clause 49 of the Listing Agreement with the Stock Exchange.
- (ii) The Company has a Non-Executive Chairman and the number of Independent Directors is half the numbers of the total number of Directors.
- (iii) None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in Clause 49, across all companies in which he is a Director.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year ended 31st March, 2011 and the number of Directorships and Committee Chairmanships / Memberships held by the in other companies is given below. Other directorships do not include alternate directorships, directorships of private limited companies and of companies incorporated outside India. Chairmanship/Membership of Board Committees include only Audit and Shareholders'/Investors' Grievance Committee.

Name	Category	No of Board Meetings attended during the year 2010-11	Whether attended last AGM	No of other Directorships and Committee <u>Members/Chairmanships held</u>	
				Other Director - ships	Other Committee Memberships
Mr. Vijay Bothra	NED & Chairman	5	YES	8	
Mr. Sanjay Bubna	NED & ID	5	YES	3	
Mr. Prashant Bothra	NED	5	YES	8	

NED: Non-Executive Director, ID: Independent Director,
Mr. Sanjay Bubna has been appointed as Director w.e.f. 27th June, 2005

- (iv) during the year ended March 31, 2011 five meetings of the Board of Directors were held on 30th June, 2010, 30th October, 2010, 26th November 2010, 31st January, 2011 and 30th March 2011

Audit Committee

- (i) The Board constituted and Audit Committee in accordance with the requirements of Section 292A of the Companies Act, 1956, its terms of reference were in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchange. Statutory Auditors were regular invitees of the Committee Meetings.
- (ii) The terms of reference of the Audit Committee are broadly as under :
- a. Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
 - b. Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
 - c. Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
 - Changes in accounting policies and practices.
 - Major accounting entries based on exercise of judgment by management.
 - Qualifications in draft audit report
 - Significant adjustments arising out of audit.
 - The going concern assumption
 - Compliance with accounting standards
 - Compliance with stock exchange and legal requirements concerning financial statements.
 - Any related party transactions i.e transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.
 - d. Reviewing the management, external and internal auditors, the adequacy of internal control systems.
 - e. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

entered into with the Stock Exchanges. This Committee redressed of the shareholders' and investors' grievances like delay in the transfer of shares, non-receipt of the Annual Report, etc: and approves the sub-division, transmission, issue of duplicate shares etc.

- (ii) The Shareholders'/Investors' Grievance Committee comprised of two Non-Executive Directors. Mr. Sanjay Bubna being elected as the Chairman.

During the year 2010-11, five meetings of the Shareholders'/Investors' Grievance Committee were held respectively on 25th June, 2010, 35th September,2010, 24th December,2010, 29th January,2011 & 25th March,2011.

Attendance of Directors at Shareholders'/Investors' Committee Meetings held during the year 2010-11 are as follows:

Name	Designation	No.of Committee Meetings attended
Mr. Sanjay Bubna	Chairman	5
Mr.Prashant Bothra	Member	5

Mr. Sanjay Bubna is the Compliance Officer.

- (iii) Redressed of Shareholders'/Investors' Grievances :

No. of Shareholders' complaints received during the year 2009-10	0
No. of complaints resolved to the satisfaction of Shareholders as on 31 st March, 2011	0
No. of pending complaints as on 31 st March, 2011	0

VI. **Share Transfer Committee**

- (i) The Board constituted a share Transfer Committee in accordance with the requirements of Clause 49 of the Listing Agreement entered into with the Stock Exchanges. This Committee approves the transfer of shares and also approves the sub-division, transmission, issue of duplicate shares etc.
- (ii) The Committee comprised of two Non-Executive Directors. Shri Sanjay Bubna being the Chairman.

During the year 2010-11, five meetings of the Shareholders'/Investors' Committee Meetings held during the year 2010-11 are as follows:

Name	Designation	No.of Committee Meetings attended
Mr.Sanjay Bubna	Chairman	5
Mr.Prashant Bothra	Member	5

Mr.Sanjay Bubna is the Compliance Officer.

VII. General Body Meetings

(i) Particulars of the last three AGMs

Financial Year	Date	Location	Time
2007-08	30.09.08	16A, Everest House, 46C, Jawaharlal Nehru Road, Kolkata-700071	10.00 a.m
2008-09	30.09.09	16A, Everest House, 46C, Jawaharlal Nehru Road, Kolkata-700071	10.00 a.m
2009-10	30.09.10	16A, Everest House, 46C, Jawaharlal Nehru Road, Kolkata-700071	10.00 a.m

(v) **Special Resolutions** :

No Special Resolution was passed at the above AGM's.

No Special Resolution was required to be put through postal ballot at the above-mentioned AGMs. Besides, no resolution is required to be put through postal ballot at the ensuing AGM.

VIII. Disclosures

(i) **Disclosures on materially significant related party transactions that may not be prejudicial to the interest of the company at all.**

Separately disclosed in Notes to Accounts in this Annual Report.

(ii) **Details of non-compliance by the Company, penalties imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years : Nil**

(iii) The Board of Directors has decided to defer the implementation of Whistle Blower Policy since the same is non-mandatory under Clause 49 of the Listing Agreement. No employee is denied access to the Audit Committee.

(iv) The Company has complied with all the mandatory requirements of Clause 49 as detailed herein.

IX. Means of Communication

The quarterly, half yearly and the annual financial results are normally published in the Economic Times, Kolkata(English) and Kalantar (Bengali) Management Discussion and Analysis Report forms part of this Annual Report to the Shareholders of the Company. The Company is yet to develop a website.

X General Shareholder Information:

(i) Annual General Meeting:

Date : 30th September, 2011
 Time : 10.00 a.m.
 Venue : “16A “, Everest House, 46C Jawaharlal Nehru Road, Kolkata – 700 071

(ii) Financial calender 2010-11

The Financial Year of the Company is April to March. Publication of Results for the year 2010-11 will be as follows (tentative):-

First quarter ending June 30, 2010 (Unaudited)	4 th Week of July, 2010
Half year ending September 30, 2010 (Unaudited)	4 th Week of October, 2010
Third Quarter ending December 31, 2010 (Unaudited)	4 th Week of January, 2011
Year ending March 31, 2011 (Audited)	4 th Week of June, 2011

(iii) Date of Book Closure:

From 20th September 2011 to 28th September, 2011 (both days inclusive)

(iv) Dividend Payment date:

The Directors have not recommended any Dividend for the year ended 31st March, 2011.

(v) Listing on Stock Exchanges:

The Company’s Equity Shares are listed at:

	Name of Stock Exchanges	Stock Code
1	The Calcutta Stock Exchange Association Ltd. 7, Lyons Range, Kolkata – 700 001	013099

(vi) Market Price Data :

Monthly high and low quotations of shares traded on the Stock Exchanges at Calcutta Stock Exchange (Regional Exchange)

Month	CSE	
	High	Low
April 2010	No Quotations	
May 2010	No Quotations	
June 2010	No Quotations	
July 2010	No Quotations	
August 2010	No Quotations	
September 2010	No Quotations	
October 2010	No Quotations	
November 2010	No Quotations	
December 2010	No Quotations	
January 2011	No Quotations	
February 2011	No Quotations	
March 2011	No Quotations	

(vii) Registrar and Transfer Agents

Name and Address : R & D Infotech Pvt. Ltd.
1st Floor, 7A, Beltala Road
Kolkata – 700 026
Phone No. : 91 33 2419-2641 & 42
Fax No : 91 33 2476-1657
Email : rd.infotech@vsnl.net
Website : www.rdinfotech.org

The Shareholders holding shares in the electronic form should address their correspondence to their respective depository participants.

(viii) Share Transfer System :

About 2.30% of shares of the Company are held in electronic form. Transfer of these shares is done through the depositories with no involvement of the Company. Regarding transfer of shares in physical form, the transfer documents are processed by the Company's Registrar and Transfer Agents (RTA) at the above mentioned address normally within 15 days from the date of receipt and the share Certificates returned duly transferred in favour of transferees, if the documents are complete in all respects. Share Transfers under objections are returned immediately. The Share Transfer Committee of the Board of Directors considers the transfer upto 5000 shares are processed by the Company's RTA.

(xi) Shareholding as on 31st march, 2011

(a) Distribution of shareholding:

RANGE IN NO. OF SHARES	RANGE IN VALUE OF SHARES	NUM. OF SHARE HOLDERS	% OF TOTAL HOLDINGS	NUM OF SHARES	% OF TOTAL HOLDING
UPTO 500	Upto 5000	184	40.529%	23300	0.78%
501 to 1000	5001 to 10000	195	42.952%	187700	6.26%
1001 to 2000	10001 to 20000	7	1.542%	11300	0.38%
2001 to 3000	20001 to 30000	7	1.542%	19700	0.66%
3001 to 4000	30001 to 40000	0	0.000%	0	0.00%
4001 to 5000	40001 to 50000	2	0.441%	9500	0.32%
5001 to 10000	50001 to 100000	8	1.762%	61400	2.05%
10001 to 50000	100001 to 500000	39	8.590%	992300	33.07%
50001 to 100000	500001 to 1000000	8	1.762%	599900	20.00%
100001 and above	1000001 and above	4	0.881%	1095100	36.50%
GRAND	TOTAL	454	100.00%	3000200	100.00%

(b) Category of Shareholders

Category	No.of Shares	% of Shareholding
Promoters	1648700	54.953%
Mutual Fund & Unit Trust of India	0	0.000%
Banks, Financial Institutions & Insurance Companies	0	0.000%
Foreign Holding	0	0.000%
Others	1351500	45.047%
Total		100.00

(x) Dematerialization of Shares and liquidity.

The shares of the Company are traded in dematerialized form with both the depositories, viz National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL.)As on March 31, 2011, 68872 shares of the Company, comprising 2.30 % of the share capital, had been dematerialized.

The Company's shares are traded on the Calcutta Stock Exchange Ltd.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company is **INE 949C01016**

(xi) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity - Not applicable.

(xii) Plant Location: N.A.

(xiii) Address for correspondence:

CLASSIC LEASING & FINANCE LTD

16-A, Everest House,

46-C, Chowringhee Road

Kolkata – 700 071

Telephone No. 91 33 2288-3104; Fax No. 91 33 2288-3105

Email: classicleasing@yahoo.com

DECLARATION PURSUANT TO CLAUSE 49 1 (D) (ii) OF THE LISTING AGREEMENT

In accordance with Clause 49 1(D) (ii) of the Listing Agreement with the Stock Exchanges, I hereby declare that the Directors and Senior Management of the Company have affirmed compliance with the Code of Conduct as applicable to them for the year ended March 31, 2011.

Place: Kolkata
Date: 25.08.2011

Sd/-
Vijay Bothra
Chairman, Director

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of Classic Leasing & Finance Limited

We have examined the compliance of the conditions of corporate governance by Classic Leasing & Finance Limited ("the Company") for the year ended on March 31, 2011, as stipulated in clause 49 of the listing agreements of the said company with relevant stock exchanges.

The compliance of the conditions of corporate governance is the responsibility of the management.

Our examination has been limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned listing agreements.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: - Kolkata

FOR RBM & ASSOCIATES
COMPANY SECRETARIES

Date: - 25.08.2011

Sd/-
Radhaballav Mandal
C.P.NO.: 8659

CEO/ CFO CERTIFICATION

To the Board of Directors
Classic Leasing & Finance Limited

- a) We have reviewed the financial statements and cash flow statement of Classic Leasing & Finance Limited for the year ended March 31, 2011 and to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affair and are in compliance with existing Accounting Standards, applicable laws and regulations, other than the accounting treatment in respect of court approved Scheme(s) of Arrangement which have been explained in the relevant notes to the Accounts.

- b) To the best of our knowledge and belief, no transactions are entered into by the Company during the year ended March 31, 2011, which are fraudulent, illegal or violative of the Company's Code of Conduct.

- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design and operations of such internal controls, if any, of which we are aware and steps that have been taken to rectify these deficiencies.

- d) We have indicated to the Auditors and the Audit Committee:
 - i) Significant changes in the internal control over financial reporting during the year;
 - ii) Significant changes in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata
Date: 25.08.2011

Vijay Bothra
Managing Director

Sanjay Kumar Bubna
Chief Financial Officer

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 LIMITED, as at 31st March 2011 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;

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- v) On the basis of written representations received from the directors, as on 31st March 2011, and taken on record by the Board of Directors, we report that none of directors is disqualified as on 31st March 2011 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, 2011

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**

**(DILIP KUMAR MUKHOPADHYAY)
PROPRITOR
M.No. 050680**

Place: Kolkata
Date: 25/08/2011

CLASSIC LEASING & FINANCE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2011

	SCHEDULE	AS ON 31ST MARCH 2011 <u>Amount</u>	AS ON 31ST MARCH 2010 <u>Amount</u>
<u>SOURCES OF FUNDS :</u>			
SHAREHOLDERS FUND			
Share Capital	1	30,002,000.00	30,002,000.00
Reserve & Surplus	2	263,586.99	206,331.99
Deffered Tax Liability		336,380.55	380,179.55
		30,601,967.54	30,588,511.54
<u>APPLICATION OF FUNDS :</u>			
FIXED ASSETS			
Gross Block	3	4,596,591.31	5,330,491.31
Less: Depreciation		3,847,982.31	3,757,986.31
Net Block		748,609.00	1,572,505.00
INVESTMENTS			
	4	9,326,250.00	62,500.00
CURRENT ASSETS LOANS & ADVANCES			
(a) Inventories	5	1,775,976.00	1,775,976.00
(b) Sundry Debtors	6	4,027,289.00	5,573,395.00
(c) Cash & Bank Balances	7	256,253.79	75,533.85
(d) Loans & Advances	8	15,896,234.75	23,114,084.75
Less :		21,955,753.54	30,538,989.60
CURRENT LIABILITIES & PROVISIONS	9	1,588,645.00	1,585,483.06
NET CURRENT ASSETS		20,367,108.54	28,953,506.54
MISCELLANEOUS EXPENDITURE			
(to the extent not Written off or adjusted)	10		
Preliminary Expenses		160,000.00	-
		30,601,967.54	30,588,511.54
Significant Accounting Policies & Notes of Account	13		

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

For and on behalf of the Board

Vijay Bothra
Managing Director

Sanjay Kumar Bubna
Director

DILIP KUMAR MUKHOPADHYAY
Proprietor
Membership no. 050680

Place : Kolkata

Dated : 25/08/2011

CLASSIC LEASING & FINANCE LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	SCHEDULE	CURRENT YEAR <u>Amount</u>	PREVIOUS YEAR <u>Amount</u>
<u>INCOME</u>			
Finance Charges		66,232.00	-
Profit from Share Dealing		199,019.00	-
Other Income	11	205,100.00	468,214.63
Closing Stock		1,775,976.00	1,775,976.00
		2,246,327.00	2,244,190.63
 <u>EXPENDITURE</u>			
Opening Stock		1,775,976.00	1,775,976.00
Administrative & Other Expenses	12	362,618.00	285,948.41
Depreciation		89,996.00	166,196.00
		2,228,590.00	2,228,120.41
Profit / (Loss) before Taxation		17,737.00	16,070.22
Less: Provision For Taxation			
Current Tax		4,281.00	4,966.00
Deferred Tax		(43,799.00)	(40,206.33)
Profit / (Loss) After Tax		57,255.00	51,310.55
Add: Brought Forward from Previous Year		206,331.99	155,021.44
		263,586.99	206,331.99
Basic & diluted EPS		0.00	0.00
Face Value of Shares		10.00	10.00

Significant Accounting Policies & Notes of Account 13

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

For and on behalf of the Board

Vijay Bothra
Managing Director

Sanjay Kumar Bubna
Director

DILIP KUMAR MUKHOPADHYAY
Proprietor
Membership no. 050680

Place : Kolkata

Dated : 25/08/2011

CLASSIC LEASING & FINANCE LIMITED

<u>SCHEDULE : 1</u>	<u>31ST MARCH 2011</u>	<u>31ST MARCH 2010</u>	
<u>EQUITY SHARE CAPITAL</u>	<u>Amount</u>	<u>Amount</u>	
AUTHORISED			
35,00,000 Equity shares of Rs. 10/- each.	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)	263,586.99	206,331.99	
	263,586.99	206,331.99	
SCHEDULE : 4			
INVESTMENT (AT COST)			
Shares & Debentures (Quoted)	62,500.00	62,500.00	
Shares & Debentures (Unquoted)	9,263,750.00	-	
Total	9,326,250.00	62,500.00	
(Market Value of Quoted Investment Rs. 68752/-)			
SCHEDULE : 5			
INVENTORIES			
(As taken, as Valued and certified by the management)			
QUOTED SHARE	<u>Qty</u>	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
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 LIMITED

SCHEDULE : 3

FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	As on 01.04.2010	Addition	Deduction	As on 31.03.2011	As on 01.04.10	During the Period	Adjust- ments	As on 31.03.2011	As on 31.03.2011	As on 31.03.2010
FURNITURE & FIXTURE	6,500.00			6,500.00	5,869.00	412.00		6,281.00	219.00	1,043.00
MOTOR CARS	3,438,073.00		733,900.00	2,704,173.00	2,704,173.00	-		2,704,173.00	-	810,100.00
COMPUTER	1,322,579.00			1,322,579.00	854,902.00	62,820.00		917,722.00	404,857.00	530,497.00
SOFTWARE	325,000.00			325,000.00	47,745.00	15,440.00		63,185.00	261,815.00	292,695.00
EQUIPMENTS	150,339.31			150,339.31	99,902.31	7,140.00		107,042.31	43,297.00	57,577.00
AIR CONDITIONERS	45,000.00			45,000.00	28,519.00	2,140.00		30,659.00	14,341.00	18,621.00
CELLULAR PHONE	43,000.00			43,000.00	16,876.00	2,044.00		18,920.00	24,080.00	28,168.00
Grand Total	5,330,491.31	-	733,900.00	4,596,591.31	3,757,986.31	89,996.00		3,847,982.31	748,609.00	1,738,701.00

CLASSIC LEASING & FINANCE LIMITED

	<u>31ST MARCH 2011</u>	<u>31ST MARCH 2010</u>
	<u>Amount</u>	<u>Amount</u>
<u>SCHEDULE : 6</u>		
<u>SUNDRY DEBTORS</u>		
Hire Purchase Debtors (Outstanding for more) than six months	3,624,545.00	5,369,670.00
Others	199,019.00	
Old Outstanding	203,725.00	203,725.00
	<u>4,027,289.00</u>	<u>5,573,395.00</u>
<u>SCHEDULE : 7</u>		
<u>CASH & BANK BALANCES</u>		
Cash in Hand (As Certified by the Management)	109,007.18	26,925.18
Balance with Scheduled Banks in Current Account	147,246.61	48,608.67
	<u>256,253.79</u>	<u>75,533.85</u>
<u>SCHEDULE : 8</u>		
<u>LOANS & ADVANCES</u>		
<u>Loans(Unsecured)</u>		
Loans to Bodies Corporate (Considerd Goods)	2,003,975.00	14,793,975.00
Others	500,000.00	500,000.00
	<u>2,503,975.00</u>	<u>15,293,975.00</u>
<u>Advances</u>		
Advances (Recoverable in Cash or in Kind for or Value to be received)	2,654,000.00	5,095,000.00
Share Application	9,100,000.00	
Advance Income Tax	877,302.00	1,633,692.00
TDS	760,957.75	1,091,417.75
	<u>15,896,234.75</u>	<u>23,114,084.75</u>
<u>SCHEDULE : 9</u>		
<u>CURRENT LIABILITIES & PROVISIONS</u>		
<u>Current Liabilities</u>		
<u>Sundry Creditors</u>		
Security Deposit	585,000.00	585,000.00
Other Liabilities	750,000.00	
For Expenses	221,596.00	316,595.06
	<u>1,556,596.00</u>	<u>901,595.06</u>
<u>Provisions</u>		
For Income Tax	32,049.00	678,307.00
For Fringe Benefit Tax	-	5,581.00
	<u>32,049.00</u>	<u>683,888.00</u>
	<u>1,588,645.00</u>	<u>1,585,483.06</u>
<u>SCHEDULE : 10</u>		
<u>MISCELLANEOUS EXPENDITURE</u>		
(to the extent not W/off or adjusted)		
Preliminary Expenses	200,000.00	-
Less : W/off during the year	40,000.00	-
	<u>160,000.00</u>	<u>-</u>
<u>SCHEDULE : 11</u>		
<u>Other Income</u>		
Profit on sale of Fixed Asset	25,100.00	
Amminity Charges Received	180,000.00	127,400.00
Total	<u>205,100.00</u>	<u>468,214.63</u>

Classic Leasing & Finance Limited

	AS ON 31ST MARCH 2011 <u>Amount</u>	AS ON 31ST MARCH 2010 <u>Amount</u>
SCHEDULE : 12		
ADMINISTRATIVE & OTHER EXP		
Advertisement Expenses	1,500.00	1,500.00
Audit Fees	5,500.00	5,500.00
Bank Charges	337.00	631.00
Business Promotion Expenses	2,000.00	7,500.00
Books & Periodicats	525.00	278.00
Demate Charges	13,236.00	13,264.00
General Expenses	5,920.00	5,875.00
Printing & Stationery	10,258.00	2,587.00
Postage & Telegram	3,689.00	1,580.00
Legal & Professional Fees	15,000.00	6,890.00
Rent Paid	-	60,000.00
Repairs & Maintainance	-	5,580.00
Salary & Bonus	210,000.00	130,000.00
Share Transfer Agents Fees	31,116.00	22,729.41
Staff Welfare Expenses	6,250.00	3,590.00
Sundry Balance W/o	-	10,114.00
Telephone Expenses	12,000.00	5,585.00
Misc Expenses W/o	40,000.00	-
Travelling &Conveyance	5,287.00	2,745.00
Total	<u>362,618.00</u>	<u>285,948.41</u>

CLASSIC LEASING & FINANCE LTD.

SCHEDULE : 13

NOTES ON ACCOUNT FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

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 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.

Diferred Tax Liability upto 2010	380180
For the year	<u>43799</u>
	<u>336381</u>
 10. Previous Year figures have been regrouped and / or rearranged wherever considered necessary.

Place : Kolkata

For and on behalf of the Board

Date : 25/08/2011

Vijay Bothra
Managing Director

Sanjay Kumar Bubna
Director

CLASSIC LEASING & FINANCE LTD.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

i) REGISTRATION DETAILS

Registration No. :	37347
State Code :	21
Balance Sheet Date :	31.03.2011

ii) CAPITAL RAISED DURING THE YEAR (AMOUNT IN THOUSANDS)

Public Issue	NIL
Right Issue	NIL
Bonus Issue	NIL
Private Placement	NIL

iii) POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN THOUSANDS)

Total Assets	30,601.97
Total Liabilities	30,601.97

Sources of Funds

Paid up Capital	30,002.00
Reserve & Surplus	263.59
Secured Loans	NIL
Unsecured Loans	NIL

Application of Funds.

Net Fixed Assets	748.61
Investments	9,326.25
Net Current Assets	20,367.11
Miscellaneous Expenditure	160.00

iv) PERFORMANCE OF COMPANY (AMOUNT IN THOUSANDS)

Total Turnover	2,246.33
Total Expenditure	2,228.59
Profit / (Loss) before Tax	17.74
Profit / (Loss) after Tax	57.26
Earning Per Share (in Rs.)	0.02
Dividend Rate	NIL

v) GENERIC NAME OF PRINCIPAL PRODUCTS / SERVICES OF COMPANY

I T C CODE	N. A.
PRODUCT CODE	N. A.

Place : Kolkata

Date : 25/08/2011

For and on behalf of the Board

Vijay Bothra
Managing Director

Sanjay Kumar Bubna
Director

Classic Leasing & Finance Limited

Cash Flow Statement for the year ended 31st March , 2011

	Amount (Rs.)
	2010-11
CASH FLOW FROM OPERATING ACTIVITIES	
Net Profit before tax	17,737.00
Adjustments for :	
Add : Depreciation	89,996.00
Less : Profit on Sale of Fixed Assets	(25,100.00)
Less : Preliminary Expenses Written Off	40,000.00
Operating Profit before Working Capital Changes	122,633.00
Adjustments for :	
Decrease in Trade & Other Receivables	7,677,106.00
Increase in Trade Payables	655,000.94
Cash Generated from Operations	8,454,739.94
Direct Taxes	430,730.00
Preliminary Expenses	(200,000.00)
Net Cash generated from / (used in) Operating Activities [A]	8,685,469.94
CASH FLOW FROM INVESTING ACTIVITIES	
Sale of Fixed Assets	759,000.00
Investment in Shares & Debentures	(9,263,750.00)
Net Cash Flow used in Investing Activities [B]	(8,504,750.00)
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS [A +B]	180,719.94
Opening Cash & Cash Equivalents	75,533.85
Closing Cash & Cash Equivalents	256,253.79
DILIP MUKHARJEE & CO.	For and on behalf of the Board
Chartered Accountants	Vijay Bothra
	Managing Director
Dilip Kumar Mukhopadhyay	Sanjay Kumar Bubna
PROPRIETOR	Director
Membership No.050680	
Kolkata,	
Dated:- 25th August 2011	



ATTENDANCE SLIP
CLASSIC LEASING & FINANCE LIMITED
Registered Office: 16a Everest House, 46C JL Neheru Road, Kolkata – 700 071

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL
Joint shareholders may obtain additional Slip at the venue of the meeting

DP Id*		Master Folio No.	
Client Id*		No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the ANNUAL GENERAL MEETING of the Company held on Friday, September 30, 2011 at 10.00 am at 16a Everest House, 46C JL Neheru Road, Kolkata – 700 071

Signature of the Shareholder/ Proxy

Applicable for investors holding shares in electronic form.



PROXY FORM
CLASSIC LEASING & FINANCE LIMITED
Registered Office: 16a Everest House, 46C JL Neheru Road, Kolkata – 700 071

DP Id*		Master Folio No.	
Client Id*			

I/ Weofbeing a member / members of Classic Leasing & Finance Limited hereby appointof.....or failinghim.....of.....as my / our proxy to vote for me/ us and on my / our behalf at the Annual General Meeting of the Company to be held on Friday, September 30, 2011 at 10.00 am and at any adjournment thereof.

** I wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
1. Adoption of Accounts, Reports of the Board of Directors and Auditors		
2. Re – appointment of the following Directors retiring by rotation:		
a) Prashant Bothra		
3. Appointment of Auditors		

Signed thisday of2011

Signature

Affix a 15
paise
Revenue
Stamp

*Applicable for investors holding shares in electronic form.
Please see the instructions overleaf