

# Classic Global Finance and Capital Limited



ANNUAL REPORT  
For the Financial Year 2013-2014

## COMPANY INFORMATION

### BOARD OF DIRECTORS

Mr. Vinod Kumar Garg  
Executive Director (Whole-time Director)

Mr. Ranjeet Kumar  
Non Independent Director (Non-executive Director)

Mr. Jai Kumar  
Independent Director (Non-executive Director)

Mr. Virender Singh Rana  
Independent Director (Non-executive Director)

### BANKERS

Oriental Bank of Commerce

### STATUTORY AUDITORS

M/s Sanjay Chirana & Associates

Chartered Accountants  
B - 121, 2<sup>nd</sup> Floor, Jhilmil Colony,  
Delhi - 110092 Email: [casikhajain2011@gmail.com](mailto:casikhajain2011@gmail.com)

### CORPORATE IDENTIFICATION NUMBER (CIN)

L65921PB1995PLC015573

### REGISTERED OFFICE

Mall Palaza Building, Fountain Chowk  
Ludhiana, Punjab - 141001

Website: [www.classicgfcl.com](http://www.classicgfcl.com)  
Email: [classicglobalfin@yahoo.com](mailto:classicglobalfin@yahoo.com)

### REGISTER AND TRANSFER AGENT

MAS Services Limited

T-34, 2nd Floor,  
Okhla Industrial Area, Phase -II  
New Delhi - 110020  
Tel.: 011-26387281-82-83  
Fax No. - +91-11-2638 7384  
Email: [mas\\_serv@yahoo.com](mailto:mas_serv@yahoo.com)

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## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the members of Classic Global Finance and Capital Limited will be held at Mall Palaza Building Fountain Chowk Ludhiana Punjab on Friday, 20<sup>th</sup> June, 2014 at 11:30 A.M. to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2014 including Audited Balance Sheet as at 31<sup>st</sup> March, 2014 and the Statement of Profit and Loss Account, Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditor's thereon.

2. To appoint M/s. Sanjay Chirana & Associates, Chartered Accountants as statutory auditors of the Company and fix their remuneration.

“RESOLVED THAT M/s. Sanjay Chirana & Associates (Firm Registration number 325710E) be and is hereby re-appointed as Auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the Company at remuneration to be decided by Audit committee / Board of Directors in consultation with the Auditors.”

### SPECIAL BUSINESS

3. To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:

“RESOLVED THAT Mr. Ranjeet Kumar, who was co-opted as Additional Director on the board of the company with effect from 20<sup>th</sup> December, 2013 and who ceases to hold the office at this Annual General Meeting and in respect of whom a notice under section 160 of the Companies Act, 2013 has been received from a member along with requisite deposit proposing his candidature for the office of a Director on the Board of the Company, be and is hereby appointed as a director on the Board, liable to retire by rotation.”

4. To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:

“RESOLVED THAT Mr. Jai Kumar who was co-opted as Additional Director on the board of the company with effect from 20<sup>th</sup> December, 2013 and who ceases to hold the office at this Annual General Meeting and in respect of whom a notice under section 160 of the Companies Act, 2013 has been received from a member along with requisite deposit proposing his candidature for the office of a

Director on the Board of the Company, be and is hereby appointed as a director on the Board.”

5. To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:

“RESOLVED THAT Mr. Virender Singh Rana who was co-opted as Additional Director on the board of the company with effect from 20<sup>th</sup> December, 2013 and who ceases to hold the office at this Annual General Meeting and in respect of whom a notice under section 160 of the Companies Act, 2013 has been received from a member along with requisite deposit proposing his candidature for the office of a Director on the Board of the Company, be and is hereby appointed as a director on the Board.”

6. To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:

Appointment of Mr. Vinod Kumar Gargas Whole Time Director

“RESOLVED THAT pursuant to the provisions of Section 197 and 203 of the Companies Act, 2013 and other provision if applicable read with Schedule V of the Act, the appointment of Mr. Vinod Kumar Garg as Whole time Director of the Company w.e.f 20.12.2013 for a period of five (05) Years on the remuneration and terms and conditions as given below, be and is hereby approved, confirmed and ratified:-

a. Remuneration

Rs. 20,000/- p.m. (Rupees Twenty Thousand Only) with such annual increments/increase as may be decided by the Board of Directors from time to time.

b. Perquisites

Free use of the Company's car for Company's work along with driver. Telephone, telefax and other communication facilities at Company's cost for official purpose.

Subject to any statutory ceiling/s, the appointee may be given any other allowances, perquisites, benefits and facilities as the Remuneration Committee/Board of Directors from time to time may decide.

c. Valuation of perquisites

Perquisites/allowances shall be valued as per the Income Tax rules, wherever applicable, and in the absence of any such rules, shall be valued at actual cost.

d. Minimum remuneration

In the event of loss or inadequacy of profits in any financial year during the tenure of the appointment, the appointee shall subject to the approval of the Central Government, if required, be paid remuneration by way of salaries and perquisites as set out above, as minimum remuneration, subject to restrictions, if any, set out in Schedule V to the Companies Act, 2013 from time to time.

e. Other Terms

The terms and conditions of the said appointment may be altered and varied from time to time by the Board of Directors as it may, in its discretion, deem fit within the maximum amount payable to the appointee in accordance with the provisions of the said Act or any amendments made therein or with the provisions of the said Act or any amendments made therein or with the approval of the Central government, if required.

RESOLVED FURTHER THAT Any one of the Directors of the Company be and is hereby authorized to do all such acts and deeds, matters or things as may be deemed necessary, appropriate, expedient or desirable to give effect to above resolution or otherwise considered by it in the best interest of the Company.”

7. To consider and if thought fit , to pass with or without modification, the following resolution as Ordinary Resolution:

“RESOLVED THAT shifting of Corporate Office of the Company from Mall Palaza, Building Fountain Chowk, Ludhiana, Punjab to SCF No. 10, BSF Colony Market Opp. HMV College, Jalandhar, and Punjab - 144008 w.e.f. 20<sup>th</sup> July, 2014”

Dated: 19/05/2014  
Place: Ludhiana

For and on behalf of board of  
Classic Global Finance and Capital Limited

Sd/  
Vinod Kumar Garg  
Director  
DIN No:00504829

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the company. Proxy Form in order to be effective must be received at the Registered Office of the Company not less than 48 Hours before the Commencement Of the meeting. The blank copy proxy form is enclosed herewith.
2. The share transfer books and Members Register of the Company will remain closed from 18<sup>th</sup> June, 2014 to 20<sup>th</sup> June, 2014 (both days inclusive).
3. Any member of the company on demand shall be entitled to be furnished free of cost, a copy of the Balance sheet of the company and of every document required by the law to be annexed thereto including the Profit and loss account and the director's report. Copies of these documents will also be kept open for 21 days before the date of the meeting.
4. Members are requested to bring their copies of Annual Report along with them, as copies of the report will not be distributed at the meeting.
5. Members/proxies are requested to bring their attendance slips sent herewith duly filled in for attending the meeting.
6. Any queries regarding the Annual Accounts or otherwise must be sent to Registered Office of the Company at least 10 days before the date of meeting.

Dated: 19/05/2014  
Place: Ludhiana

For and on behalf of board of  
Classic Global Finance and Capital Limited

Sd/  
Vinod Kumar Garg  
Director  
DIN No: 00504829

## ANNEXURE TO THE NOTICE

### Explanatory statement pursuant to Section 102 of the Companies Act, 2013

#### ITEM NO.3

Mr. Ranjeet Kumar, who was appointed as an Additional Director of the Company with effect from 20<sup>th</sup> December, 2013, in terms of Section 260 of the Companies Act, 1956, he holds office until the date of the Annual General Meeting of the Company. The Company has received notice under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Ranjeet Kumar for the office of the Director under the provisions of Section 160 of the Companies Act, 2013.

Mr. Ranjeet Kumar is an eminent Professional and brings rich and varied experience to the Board. The Board of Directors recommends the resolution set out in Item no. 3 of the Notice for approval of the Members.

The Board recommends these resolutions for your approval.

Mr. Ranjeet Kumar is interested in these resolutions to the extent of his appointment.

None of the remaining Directors and their relatives is concerned or interested in the proposed resolutions.

#### ITEM NO. 4

Mr. Jai Kumar, who was appointed as an Additional Director of the Company with effect from 20<sup>th</sup> December, 2013, in terms of Section 260 of the Companies Act, 1956, he holds office until the date of the Annual General Meeting of the Company. The Company has received notice under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Jai Kumar for the office of the Director under the provisions of Section 160 of the Companies Act, 2013.

Mr. Jai Kumar is an eminent Professional and brings rich and varied experience to the Board. The Board of Directors recommends the resolution set out in Item no. 4 of the Notice for approval of the Members.

The Board recommends these resolutions for your approval.

Mr. Jai Kumar is interested in these resolutions to the extent of his appointment.

None of the remaining Directors and their relatives is concerned or interested in the proposed resolutions.



ITEM NO.5

Mr. Virender Singh Rana, who was appointed as an Additional Director of the Company with effect from 20<sup>th</sup> December, 2013, in terms of Section 260 of the Companies Act, 1956, he holds office until the date of the Annual General Meeting of the Company. The Company has received notice under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Virender Singh Rana for the office of the Director under the provisions of Section 160 of the Companies Act, 2013.

Mr. Virender Singh Rana is an eminent Professional and brings rich and varied experience to the Board. The Board of Directors recommends the resolution set out in Item no. 5 of the Notice for approval of the Members.

The Board recommends these resolutions for your approval.

Mr. Virender Singh Rana is interested in these resolutions to the extent of his appointment.

None of the remaining Directors and their relatives is concerned or interested in the proposed resolutions.

ITEM NO.6

Appointment of Mr. Vinod Kumar Garg as Whole Time Director

Mr. Vinod Kumar Garg was appointed as Whole time Director with effect from 20.12.2013, subject to the approval of Members at the ensuing Annual General Meeting and subject to the approval of the Central Government, if any, for a period of five(05) years.

The Board recommends these resolutions for your approval.

Mr. Vinod Kumar Garg is interested in these resolutions to the extent of his appointment.

None of the remaining Directors and their relatives is concerned or interested in the proposed resolutions.

ITEM NO.7

SHIFTING OF CORPORATE OFFICE OF THE COMPANY

Corporate Office of the Company shifted from Mall Palaza, Building Fountain Chowk, Ludhiana, Punjab to SCF No. 10, BSF Colony Market Opp. HVM College, Jalandhar, and Punjab – 144008 w.e.f. 20<sup>th</sup> July, 2014.

Dated: 19/05/2014  
Place: Ludhiana

For and on behalf of board of  
Classic Global Finance and Capital Limited

Sd/  
Vinod Kumar Garg  
Director  
DIN No: 00504829

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have great pleasure in presenting the Annual Report together with the Audited Accounts of the Company for the year ended at 31<sup>st</sup> March, 2014.

FINANCIAL RESULTS

The summarized performance of the Company for the years 2013-14 and 2012-13 is given below:

(Rupees in Lacs)

| Particulars               | For Financial Year Ended |                  |
|---------------------------|--------------------------|------------------|
|                           | 31st March, 2014         | 31st March, 2013 |
| Total Income              | 41.92                    | 3.00             |
| Total Expenditure         | 39.95                    | 2.77             |
| Profit before Tax         | 1.97                     | 0.23             |
| Less: Tax Expense         | 0.53                     | (0.02)           |
| Profit / (Loss) After Tax | 1.45                     | 0.26             |

DIRECTORS

Mr. Ranjeet Kumar, Mr. Jai Kumar and Mr. Virender Singh Rana who were opted as Additional Director on the board of the company with effect from 20<sup>th</sup> December, 2013 and who ceases to hold the office at this Annual General Meeting and in respect of whom a notice under section 160 of the Companies Act, 2013 has been received from a member along with requisite deposit proposing his candidature for the office of a Director on the Board of the Company, be and is hereby appointed as a director on the Board, liable to retire by rotation.

DIVIDEND

In consideration of future prospects of the Company, Your Board of Directors has decided to plough back the profits into the business operations of the Company.

PUBLIC DEPOSIT

The Company has not accepted any deposits during the year under review.

AUDITORS

The Auditors M/s. Sanjay Chirana & Associates., Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

### AUDITOR'S REPORT

The observation made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence, do not call for any further comments under Section 217 of the Companies Act, 1956.

### INDUSTRIAL RELATIONS

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

### SUBSIDIARY COMPANIES

The Company does not have any subsidiary.

### CONSOLIDATED FINANCIAL STATEMENTS

Since there is no subsidiary of the Company at present, hence no consolidated financial statements have been prepared.

### DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956 the Directors confirm:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and of the Profit or Loss of the company for the year under the review.
- c) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, in 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.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

The provisions of Section 217(1) (e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are not applicable to the Company. Therefore, the information relating to conservation of energy or technology absorption etc. is not given. There has been no foreign exchange earnings and outgo during the year under Report.

PARTICULARS OF EMPLOYEES

The provisions of section 217(2A) of the Companies Act, 1956 are not applicable as no Employee was in receipt of remuneration to the extent laid down therein

PERSONNEL

The Management-Employees relations remained very cordial throughout the year. Your Directors wish to place on record their appreciation of sincere and devoted services rendered by all the workers and staff at all levels.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS

The Corporate Governance and Management Discussion & Analysis Report, which form an integral part of this Report, are set out as separate Annexure, together with the Certificate from the auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

ACKNOWLEDGEMENTS

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous co-operation and assistance.

By Order of the Board

Classic Global Finance and Capital Limited

Sd/-Sd/-

Date: 19th May, 2014

Vinod Kumar Garg Ranjeet Kumar

Place: Ludhiana

Director Director

DIN No:00504829 DIN No: 05243913

## CORPORATE GOVERNANCE

### 1. PHILOSOPHY

The Company's philosophy on Corporate Governance has been developed with a tradition of fair and transparent governance even before they were mandated by the legislation. Transparency, integrity, professionalism and accountability - based values form the basis of the Company's philosophy for Corporate Governance. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations. Your company has fulfilled all the existing guidelines under Clause 49 of the listing agreement.

### 2. BOARD OF DIRECTORS

The details of the composition of the Board, number of Directorships & Committee positions held by each of the Directors as on 31<sup>st</sup> March, 2014 are given hereunder

| Name                | Category of Directorship                  | Number of Directorships in other Public / Private Companies Board |
|---------------------|---|---|
| Vinod Kumar Garg    | Whole Time Director<br>Executive Director | 05  |
| Ranjeet Kumar       | Director<br>Non-executive Director        | 01  |
| Virender Singh Rana | Director<br>Non-executive Director        | 03  |
| Jai Kumar           | Director<br>Non-executive Director        | 01  |

According to Clause 49 of the Listing Agreement with stock exchanges, an independent director is a person who is not an officer or employee of the company or its subsidiaries. The Listing Agreement also states that the person should not have a material pecuniary relationship or transactions with the company, which in the opinion of the Board, would interfere in exercising independent judgment and carrying out the responsibilities of a director.

The Companies Act, 2013, has also provided a definition of independence.

**BOARD MEETING**

During the year under review, Twelve[12] Board Meetings were held on the following dates: 13.04.2013, 12.07.2013, 02.09.2013, 03.09.2013, 14.11.2014, 05.12.2013, 20.12.2013, 24.12.2014, 01.01.2014,18.01.2014, 13.02.2014 and 31.03.2014.

During the financial year 2013-14, Twelve Board Meetings of the Board of Directors were held on the following dates:

**DIRECTORS' ATTENDANCE RECORD AND DIRECTORSHIPS HELD**

The following table gives details of the Directors' Attendance Record at the Board Meetings.

| Name                 | Category            | No. of Meetings Attended | No. of Membership In Boards of Other Companies | Attendance of each Director At last AGM | No of membership committee in other Limited Companies* | Chairmanship committee in other Limited Companies |
|----------------------|---------------------|--------------------------|--|---|--|---|
| Guru Charan Singh**  | Director            | 3                        | NIL  | No                                      | NIL  | Nil   |
| Amrik Singh**        | Director            | 7                        | 01   | Yes                                     | Nil  | Nil   |
| Gagan Deep Singh**   | Director            | 7                        | NIL  | Yes                                     | NIL  | Nil   |
| Vinod Kumar Garg***  | Whole Time Director | 8                        | 05   | Yes                                     | 2  | 2   |
| Ranjeet Kumar#       | Director            | 4                        | 01   | No                                      | 1  | 1   |
| Virender Singh Rana# | Director            | 5                        | 03   | No                                      | 2  | 2   |
| Jai Kumar#           | Director            | 5                        | 01   | No                                      | 1  | Nil   |

\* Membership / Chairman of only Audit Committee and Shareholders' / Grievance Committee in public limited companies have been considered.

\*\* Mr. Guru Charan Singh was resigned from the board w.e.f 03.09.2013 and Mr. Amrik Singh and Mr. Gagan Deep Singh resigned from the Board w.e.f 01.01.2014.

\*\*\* Mr. Vinod Kumar Garg was appointed on 02.09.2013 as an additional director and the same was regularized in the last annual general meeting of the Company on 30.09.2013. Thereafter, the Board was decided to appoint Mr. Vinod Kumar Garg as Whole-time Director w.e.f 20.12.2013 subject to the approval of shareholders in ensuing annual general meeting.

# Mr. Ranjeet Kumar, Mr. Virender Singh Rana and Mr. Jai Kumar was appointed on 20.12.2013 as additional Director of the Company and hence has not attended last year annual general meeting.

### 3. Materially significant related party transactions

Related Parties and transactions with them as required under Accounting Standard 18 (AS-18) are furnished in the Notes to the Accounts attached with the financial statements for the year ended March 31, 2014

### 4. COMMITTEES OF THE BOARD

#### (a) Audit Committee

The Board has constituted the Audit Committee, and the Shareholders'/Investors' Grievance Committee. The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference for the committees. Recommendations/decisions of the committee are submitted to the Board for approval. The quorum for meetings is either two members or one third of the members of the committees, whichever is higher.

#### Terms of Reference

Apart from all the matters provided in clause 49 of the listing agreement and section 177 of the Companies Act 2013, the Audit committee reviews reports of the internal auditor, meets statutory auditors and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the company.

#### Composition

The Audit Committee of the Company consist three Directors out of which two were Independent Director of the Company. All the Directors have good knowledge of Finance, Accounts and Company Law.

During the year under review, the committee further re-constituted and at present, the Committee consists of three Directors out of which two are Independent Directors, Mr. Jai Kumar, Mr. Ranjeet Kumar and Mr. Virender Singh Rana. Mr. Jai Kumar has been designated as chairman of the committee

The Company Secretary of the Company is the Secretary of the Committee.

The committee met Six (06) times during the financial year ended March 31<sup>st</sup> 2014.



The attendance record of the members at the meeting were as follows

| Director  | Position Held in Committee | No of Meetings Held | Attended |
|---|----------------------------|---------------------|----------|
| Gagan Deep Singh<br>(Resigned on 01.01.2014)          | Chairman                   | 6                   | 4        |
| Guru Charan Singh<br>(Resigned on 03.09.2013)         | Member                     | 6                   | 2        |
| Amrik Singh<br>(Resigned on 01.01.2014)               | Member                     | 6                   | 3        |
| Mr. Jai Kumar<br>(Appointed on 20.12.2013)            | Chairman                   | 6                   | 2        |
| Mr. Ranjeet Kumar<br>(Appointed on 20.12.2013)        | Member                     | 6                   | 2        |
| Mr. Virender Singh Rana<br>(Appointed on 20.12..2013) | Member                     | 6                   | 2        |

No sitting fee was paid during the year for attending meetings of Audit Committee.

#### Role of Audit Committee

The terms of reference of the Audit Committee are given below:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. Oversight 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.
6. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
7. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
8. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;

- Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and
  - Qualifications in the draft audit report
9. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
10. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
11. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
12. Reviewing the adequacy of internal audit function, if any, 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.
13. Discussion with internal auditors any significant findings and follow up there on.
14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
17. To review the functioning of the Whistle Blower mechanism, in case if the same is existing.
18. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
19. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.
20. Mandatorily reviews the following information:
- Management discussion and analysis of financial condition and results of operations;
  - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - Internal audit reports relating to internal control weaknesses; and
  - The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee
21. Review the Financial Statements of its Subsidiary company, if any.

22. Review the composition of the Board of Directors of its Subsidiary company, if any.

23. Review the use/application of funds raised through an issue (public issues, right issues, preferential issues etc) on a quarterly basis as a part of the quarterly declaration of financial results. Further, review on annual basis statements prepared by the Company for funds utilized for purposes other than those stated in the offer document.

In addition, to carry out such other functions/powers as may be delegated by the Board to the Committee from time to time.

**(b) Shareholders/ Investors' Grievance Committee**

Our Company has constituted a shareholder / investors grievance committee ("Shareholders / Investors Grievance Committee") to redress the complaints of the shareholders.

During the year under review, the Shareholders/Investors Grievance committee re-constituted and at present, the Committee consists of three Directors out of which two were Independent Directors of the Company, Mr. Jai Kumar, Mr. Ranjeet Kumar and Mr. Virender Singh Rana. Mr. Virender Singh Rana has been designated as chairman of the committee

The committee met Six (06) times during the financial year ended March 31<sup>st</sup> 2014.

The attendance record of the members at the meeting were as follows

| Director  | Position held in Committee | No of Meetings held | Attended |
|---|----------------------------|---------------------|----------|
| Guru Charan Singh<br>(upto 02.09.2013)          | Chairman*                  | 6                   | 2        |
| Gagan Deep Singh<br>(upto 20.12.2013)           | Member                     | 6                   | 4        |
| Amrik Singh<br>(upto 20.12.2013)                | Member                     | 6                   | 4        |
| Mr. Virender Singh<br>Rana<br>(From 20.12.2013) | Chairman**                 | 6                   | 2        |
| Mr. Ranjeet Kumar<br>(From 20.12.2013)          | Member                     | 6                   | 2        |
| Mr. Jai Kumar<br>(From 20.12.2013)              | Member                     | 6                   | 2        |

\* Mr. Guru Charan Singh holds the chair upto 02.09.2013.

\*\*Mr. Virender Singh Rana holds the chair from 20.12.2013.

No sitting fees were paid during the year for attending meetings of Share Transfer & Shareholders' Grievance Committee. No investor grievance was received during the year.

### Role of Shareholders/Investors Grievance Committee

The Shareholders / Investors Grievance Committee of our Board look into:

- The redressal of investors complaints viz. non-receipt of annual report, dividend payments etc.
- Matters related to share transfer, issue of duplicate share certificate, dematerializations.
- Also delegates powers to the executives of our Company to process transfers etc.

The status on various complaints received / replied is reported to the Board of Directors as an Agenda item.

### 5. Management Discussion and Analysis Report

The Management Discussion and Analysis Report have been included in this Annual Report and include discussion on the matters specified in the Clause 49 of the listing agreement.

### 6. Shareholders

#### Communication to Shareholders

The quarterly, half yearly and annual results are published.

#### Compliance Officer

Ms. Meenu Jain is the Compliance Officer of the Company. She can be contacted for any investors' related matter relating to the Company.

#### General Body Meetings

##### Annual General Meetings

Details of last three Annual General Meetings were held as per the details given below

| Year      | Venue   | Date & Time                                       |
|-----------|---|---|
| 2012-2013 | Mall Palaza Building<br>Fountain Chowk,<br>Ludhiana, Punjab -<br>141001 | 30 <sup>th</sup> September, 2013 at<br>11.30 A.M. |
| 2011-2012 | Mall Palaza Building<br>Fountain Chowk,<br>Ludhiana, Punjab -<br>141001 | 29 <sup>th</sup> September, 2012 at<br>11.00 A.M. |

|            |   |   |
|------------|---|---|
| 2010 -2011 | Mall Palaza Building<br>Fountain Chowk,<br>Ludhiana, Punjab -<br>141001 | 30 <sup>th</sup> September, 2011 at<br>11.00 A.M. |
|------------|---|---|

### Extra Ordinary General Meetings

During the year under review, one (01) Extra-ordinary General Meeting was held on 01.01.2014.(Alteration in Article of Association)

## 7. DISCLOSURES

### 7.1 Related Party Transaction

The Company has no material significant transactions with its related parties which may have a potential conflict with the interest of the Company at large. The details of transactions with the Company and related parties are given for information under notes to Accounts.

### 7.2 Statutory Compliance, Penalties and Strictures

The Company has complied with the requirements of the Stock Exchanges / SEBI /and Statutory Authorities to the extent applicable, and accordingly no penalties have been levied or strictures have been imposed on the Company on any matter related to capital markets during the last three years.

### 7.3 Whistle Blower Policy

The Company has framed a Code of Conduct for Directors and Senior Management. At present, the Company does not have any formal Whistle Blower Policy. The Directors of the Company affirms that no personnel have been denied access to the Audit Committee.

### 7.4 Reconciliation of Share Capital Audit

In line with the requirements stipulated by Securities and Exchange Board of India (SEBI), Reconciliation of Share Capital Audit is carried out on a quarterly basis by a Practicing Company Secretary to confirm that the aggregate number of equity shares of the Company held in National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and in physical form tally with the total number of issued, paid-up, listed and admitted capital of the Company.

### 7.5 Non-Mandatory Requirements

The Company does not comply with the non-mandatory requirements.

## 8. MEANS OF COMMUNICATION

All material information about the company is promptly submitted to the designated stock exchange i.e. Delhi Stock Exchange Limited and Ludhiana Stock Exchange Limited where the Company's shares are listed and Quarterly, Half-Yearly and Annual Financial Results are being sent to the exchange for the information of the shareholders and published in the Newspapers.

The financial results are also displayed on the Company's website i.e. [www.classicgfcl.com](http://www.classicgfcl.com)

**9. GENERAL SHAREHOLDERS INFORMATION**

The following information would be useful to our shareholders

| ANNUAL GENERAL MEETING |   |
|------------------------|---|
| Date                   | 20 <sup>th</sup> June, 2014                                     |
| Venue                  | Mall Palaza Building, Fountain Chowk, Ludhiana, Punjab - 141001 |
| Time                   | 11:30 A.M.  |
| FINANCIAL CALENDAR*    |   |
| Financial Year         | 1 <sup>st</sup> April 2013 - 31 <sup>st</sup> March 2014        |
| DATE OF BOOK CLOSURE   | 18 <sup>th</sup> June 2014 – 20 <sup>th</sup> June 2014         |

**MARKET PRICE DATA**

Since the equity shares are listed on the Delhi Stock Exchange Limited and Ludhiana Stock Exchange Limited, the market price of the Company's equity shares are not available.

**LISTING AT STOCK EXCHANGE**

| NAME AND ADDRESS OF STOCK EXCHANGES  |
|--|
| The Delhi Stock Exchange Limited<br>DSE House, 3/1 Asaf Ali Road, New Delhi - 110002 |
| Ludhiana Stock Exchange Limited<br>Feroze Gandhi Market, Ludhiana, Punjab – 141001   |

The ISIN number allotted to the company for demat of shares are as under.

NSDL: INE854P01010

CDSL: INE854P01010

During the year under review, Your Company has applied for listing of its equity shares on the platform of BSE Limited.

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\* The tentative dates for declaration of quarterly unaudited results will be by 14<sup>th</sup> August, 2014; 14<sup>th</sup> November, 2014; 14<sup>th</sup> February, 2015 and 30<sup>th</sup> May, 2015.

**SHAREHOLDERS COMPLAINTS**

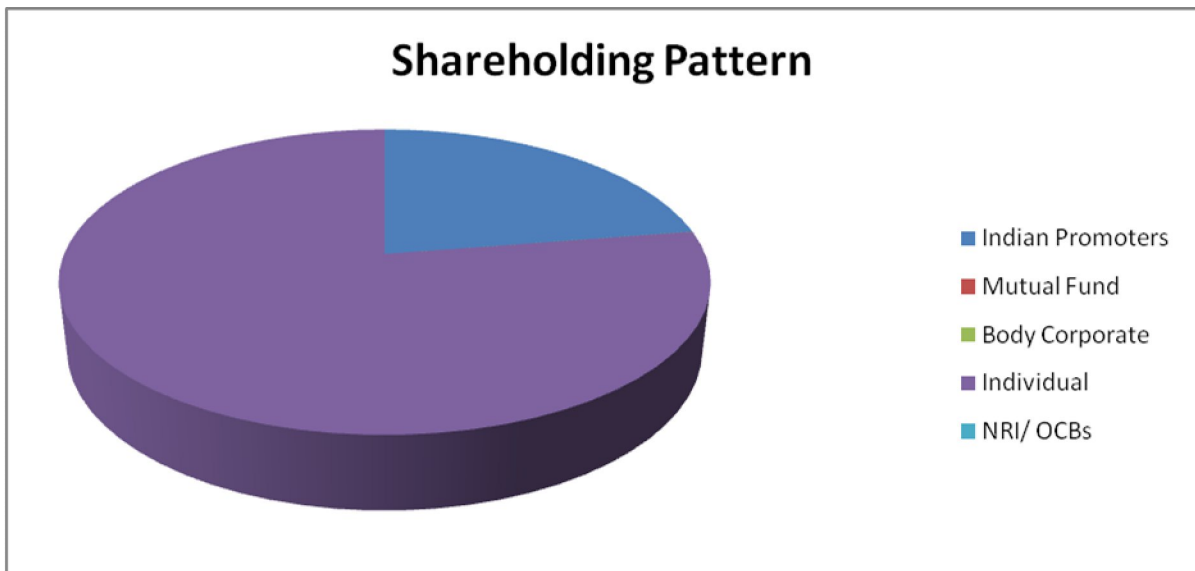
Company has not received any complaint during the financial year 2013-14. There is no complaint pending.

**DETAILS OF NON COMPLIANCE**

There has been no instance of Non Compliance with any Legal requirement, nor have there been any strictures imposed by any stock Exchange, SEBI or any matter relating to that.

**CATEGORIES OF SHAREHOLDING AS AT 31.03.2014**

| CATEGORY         | NO OF SHARES | PERCENTAGE OF (%) |
|------------------|--------------|-------------------|
| Indian Promoters | 791100       | 22.50             |
| Mutual Fund      | 0            | 0                 |
| Body Corporate   | 400          | 0.01              |
| Individual       | 2723800      | 77.49             |
| NRI/ OCBs        | 0            | 0                 |
| Total            | 3515300      | 100               |

**10. CODE OF CONDUCT**

The Company has adopted a Code of Conduct for all Board Members and Senior Management of the Company. All Board Members and Senior Management personnel have affirmed compliance with the Code on annual basis and Certificate to the Board of Director contains a declaration to this effect.

11. SHARE REGISTRAR AND TRANSFER AGENTS

MAS Services Limited

T-34, 2nd Floor,  
Okhla Industrial Area, Phase -II  
New Delhi - 110020  
Tel.: 011-26387281-82-83  
Fax No. - +91-11-2638 7384

12. COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Meenu Jain

Mall Plaza Building, Fountain Chowk  
Ludhiana, Punjab - 141001  
Website: [www.classicgfcl.com](http://www.classicgfcl.com)  
Email: [classicglobalfin@yahoo.com](mailto:classicglobalfin@yahoo.com)

Address for Correspondence

Classic Global Finance & Capital Limited

Regd. Office: Mall Palaza Building Fountain Chowk  
Ludhiana, Punjab  
Website: [www.classicgfcl.com](http://www.classicgfcl.com)  
Email: [classicglobalfin@yahoo.com](mailto:classicglobalfin@yahoo.com)

Date: 19/05/2014  
Place: Ludhiana

By Order of the Board  
For Classic Global Finance and Capital Ltd  
Sd/-  
Vinod Kumar Garg  
Director  
00504829



DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, this is to confirm that all the Members of the Board have affirmed compliance with the Code of Conduct for the year ended 31st March, 2014.

For Classic Global Finance and Capital Ltd  
Sd-  
Vinod Kumar Garg  
Director  
00504829

Dated: 19/05/2014  
Place: Ludhiana

CEO / CFO CERTIFICATE

I, Vinod Kumar Garg, Director certify to the Board that:

a) I have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2014 and that to the best of my 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 affairs and are in compliance with existing Accounting Standards, applicable laws and regulations

b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

d) I have indicated to the Auditors and the Audit Committee:

- i. significant changes in internal control over financial reporting during the year;
- ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- iii. there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Classic Global Finance and Capital Ltd

Sd-

Vinod Kumar Garg

Director

00504829

Dated: 19/05/2014

Place: Ludhiana

AUDITORS' COMPLIANCE CERTIFICATE

The Members of Classic Global Finance and Capital Limited

We have examined the compliance of the conditions of Corporate Governance procedures implemented by CLASSIC GLOBAL FINANCE AND CAPITAL LIMITED for the year ended on March 31<sup>st</sup>2014, as stipulated in Clause 49 of the Listing Agreement entered into with the Delhi Stock Exchange Limited and The Ludhiana Stock Exchange Limited.

The Compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

There were no valid investor grievance matters against the Company remaining pending as on 31<sup>st</sup>March, 2014.

We further 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.

M/s Sanjay Chirana & Associates  
Chartered Accountants

Sd/-  
CA. Shikha Jain  
Partner  
M No. 525176  
FRN: 325710E

Place: New Delhi  
Date: 19/05/2014

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Industry Structure, Developments, Opportunities and threats

The Securities business is at boom now. Classic Global Finance & Capital Limited, a stock broking company provides a gamut of products and services including securities and commodities broking, research, distribution of financial products including mutual funds, IPO, insurance and bonds, investment planning, wealth management and merchant banking to a substantial and diversified clientele that includes individuals, corporations and financial institutions.

Our goal is to create wealth for our retail and corporate customers through sound financial advice and appropriate investment strategies. The Company's strategy is to attract and retain customers by focusing on a number of areas within the financial services industry retail brokerage, distribution of financial products, support services for sub-brokers.

### Segment-wise

Revenue of the Company is generated from only one source namely Interest. Income of the company has been at Rs. 4,031,193 and current year Profit is Rs. 144,602.95.

### Risk and Concerns

Stock market volatility and other industry risks could adversely affect our business. Any sustained downturn in general economic conditions or Indian equity markets and severe market fluctuations would likely result in reduced client trading volume and net revenues and will have a material adverse effect on our profitability. The operations of your company are subject to general business risks and competition in the industry, which can effect the growth of the company.

### Internal control and their adequacy

The company has adequate internal control systems and procedures commensurate with the size and nature of business. The Company has proper system of disposal of assets of the company. Significant financial, managerial and operating information is accurate, reliable and is provided timely. All internal policies and statutory guidelines are complied with.

Material development in Human Resources and Industrial Relation front, including no. of people employed.

Industrial relations remained cordial and harmonious during the year under review and there was no working day loss due to any adverse activities.

Cautionary statement

Statement in the management discussion and analysis describing the company's objectives, estimates, projections and expectation may be forward looking statements within the meaning of applicable laws and regulations. Actual results could differ materially due to economic conditions effecting demand, supply, prices, change in government policies, tax laws and other incidental factors.

By Order of the Board  
For Classic Global Finance and Capital Limited  
Sd/-  
Vinod Kumar Garg  
Director  
00504829

Dated: 19/05/2014  
Place: Ludhiana



## Sanjay Chirana & Associates Chartered Accountants

### INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CLASSIC GLOBAL FINANCE & CAPITAL LIMITED

#### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of "CLASSIC GLOBAL FINANCE & CAPITAL LIMITED", which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date;
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

M/s Sanjay Chirana & Associates  
Chartered Accountants

Sd/-  
CA. Shikha Jain  
Partner

M No. 525176  
FRN: 325710E

Place: New Delhi  
Date: 19/05/2014



Annexure referred to Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.  
  
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As per expiated to us the company does not have not any inventory. So clause (b), and (c) are not applicable.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.  
  
(e) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct anyweaknesses in the internal controls has been noticed.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.  
  
b)As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not

exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.

6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act for the company.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2014 for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company have accumulated losses less than the 50% of the net worth of the company at the end of the year and has not incurred any cash losses during the current year and immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have

been maintained in this regard & further investments specified are held in their own name.

15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31<sup>st</sup> March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

M/s Sanjay Chirana & Associates  
Chartered Accountants

Sd/-  
CA. Shikha Jain  
Partner  
M No. 525176  
FRN: 325710E

Place: New Delhi  
Date: 19/05/2014

## CLASSIC GLOBAL FINANCE &amp; CAPITAL LTD

Mall Palaza, Fountain Chowk, Ludhiana, Punjab-141001

CIN: L65921PB1995PLC015573

Balance Sheet as at 31st March, 2014

in ₹

| Particulars  | Note No. |               | Current Year<br>2014 | Previous Year<br>2013 |
|--|----------|---------------|----------------------|-----------------------|
| <b>I. EQUITY AND LIABILITIES</b>                     |          |               |                      |                       |
| <b>(1) SHAREHOLDER'S FUNDS</b>                       |          |               |                      |                       |
| (a) Share Capital                                    | 1        |               | 35,153,000.00        | 35,153,000.00         |
| (b) Reserves and Surplus                             | 2        |               | (9,633,211.66)       | (9,791,634.61)        |
| (c) Money received against share warrants            |          |               | -                    | -                     |
| <b>(2) SHARE APPLICATION MONEY PENDING ALLOTMENT</b> |          |               |                      |                       |
|  |          |               | -                    | -                     |
| <b>(3) NON-CURRENT LIABILITIES</b>                   |          |               |                      |                       |
| (a) Long-term borrowings                             | 3        | -             |                      |                       |
| (b) Deferred tax liabilities (Net)                   | 4        | -             |                      |                       |
| (c) Other Long term liabilities                      | 5        | -             |                      |                       |
| (d) Long term provisions                             | 6        | -             | -                    | -                     |
| <b>(4) CURRENT LIABILITIES</b>                       |          |               |                      |                       |
| (a) Short-term borrowings                            | 7        | 13,735,000.00 |                      | -                     |
| (b) Trade payables                                   | 8        | 165,780.00    |                      | -                     |
| (c) Other current liabilities                        | 9        | 989,665.00    |                      | 11,000.00             |
| (d) Short-term provisions                            | 10       | 265,464.50    | 15,155,909.50        | 208,325.50            |
| <b>TOTAL</b>   |          |               | <b>40,675,697.84</b> | <b>25,580,690.89</b>  |
| <b>II. Assets</b>                                    |          |               |                      |                       |
| <b>(1) NON-CURRENT ASSETS</b>                        |          |               |                      |                       |
| (a) Fixed Assets                                     |          |               |                      |                       |
| (i) Tangible assets                                  | 11       | 154,261.64    |                      |                       |
| Less; Depreciation                                   |          | 11,889.05     |                      |                       |
| Net Block  |          | 142,372.56    | 142,372.56           | 31,911.63             |
| (ii) Intangible assets                               |          | -             | -                    | -                     |
| (iii) Capital work-in-progress                       |          | -             | -                    | -                     |
| (iv) Intangible assets under development             |          | -             | -                    | -                     |

|                                   |    |               |                      |                      |
|-----------------------------------|----|---------------|----------------------|----------------------|
| (b) Non-current investments       | 12 | 7,500,000.00  |                      | 2,200,000.00         |
| (c) Deferred tax assets (net)     | 13 | 13,513.00     |                      | 9,413.00             |
| (d) Long term loans and advances  | 14 | 5,000,000.00  |                      | 22,540,602.00        |
| (e) Other non-current assets      | 15 | 844,116.50    | 13,357,629.50        | -                    |
| <b>(2) CURRENT ASSETS</b>         |    |               |                      |                      |
| (a) Current investments           | 16 | -             |                      | -                    |
| (b) Inventories                   | 17 | -             |                      | -                    |
| (c) Trade receivables             | 18 | 717,800.00    |                      | -                    |
| (d) Cash and cash equivalents     | 19 | 350,310.78    |                      | 511,059.26           |
| (e) Short-term loans and advances | 20 | 25,678,876.80 |                      | -                    |
| (f) Other current assets          | 21 | 428,708.20    | 27,175,695.78        | 287,705.00           |
| <b>TOTAL</b>                      |    |               | <b>40,675,697.84</b> | <b>25,580,690.89</b> |

**NOTES TO ACCOUNTS**

29

**Notes referred to above and notes attached there to form an integral part of the Balance Sheet.**

M/s Sanjay Chirana & Associates

Chartered Accountants

**Sd/-**

CA. Shikha Jain  
Partner

M No. 525176  
FRN: 325710E

Place : New Delhi  
Date : 19/05/2014

**CLASSIC GLOBAL FINANCE & CAPITAL LTD**

**Sd/-**  
Vinod Kumar Garg

(Director)  
DIN: 00504829

**Sd/-**  
Ranjeet Kumar

(Director)  
DIN: 05243913

**Sd/-**  
Meenu Jain

Company Secretary

## CLASSIC GLOBAL FINANCE &amp; CAPITAL LTD

Mall Palaza, Fountain Chowk, Ludhiana, Punjab-141001

Profit &amp; Loss Statement for the year ended 31st March, 2014

in ₹

| Particulars   | Note No. | Figures as at the end of the current reporting period | Figures as at the end of the current reporting period |
|---|----------|---|---|
|   |          | 2014  | 2013  |
| <b>INCOME</b>   |          |   |   |
| I. Revenue form Operation   | 22       | 4,051,193.00  | 221,026.00  |
| II. Other Income  |          | 161,347.00  | 79,006.00   |
| <b>III. TOTAL REVENUE ( I+II)</b>                                     |          | <b>4,212,540.00</b>                                   | <b>300,032.00</b>                                     |
| <b>IV. EXPENSES</b>   |          |   |   |
| Cost of Materials consumed  | 23       | 256,980.00  | -   |
| Purchases of Stock in Trade   |          | -   | -   |
| Changes in Inventories of Finished Goods/ WIP/ Raw Material           | 24       | -   | -   |
| Employee Benefits Expenses  | 25       | 1,867,820.00  | 120,000.00  |
| Finance Cost  | 26       | 821.00  | 449.00  |
| Depreciation & Amortisation Expenses                                  | 27       | 11,889.05   | 5,156.13  |
| Other Expenses  | 28       | 1,857,631.00  | 151,144.00  |
| <b>TOTAL EXPENSES</b>   |          | <b>3,995,141.05</b>                                   | <b>276,749.13</b>                                     |
| <b>V. PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS &amp; TAX</b> | (III-IV) | <b>217,398.95</b>                                     | <b>23,282.87</b>                                      |
| VI. Exceptional Items   |          | -   | -   |
| <b>VII. PROFIT BEFORE EXTRA ORDINARY ITEM (V-VI)</b>                  |          | <b>217,398.95</b>                                     | <b>23,282.87</b>                                      |
| VIII. Extraordinary Items   |          | -   | -   |
| <b>IX. Profit before Tax (VII-VIII)</b>                               |          | <b>217,398.95</b>                                     | <b>23,282.87</b>                                      |
| <b>X. Tax Expense:</b>  |          |   |   |
| Current Tax   |          | 63,076.00   | 6,529.00  |
| Deferred Tax Liability/(Asset)  |          | (4,100.00)  | (9,413.00)  |
| <b>XI. PROFIT/(LOSS) FROM THE OPERATION</b>                           | (IX-X)   | <b>158,422.95</b>                                     | <b>26,166.87</b>                                      |
| <b>DISCOUNTING OPERATION</b>  |          |   |   |
| XII. Profit(Loss) from the Discontinuing Operations.(Before Tax)      |          | -   | -   |
| XII. Tax Expenses of Discontinuing Operation                          |          | -   | -   |
| XIV. Profit(Loss) balance transferred to Balance Sheet (XII-XIII)     |          | -   | -   |
| <b>XV. Profit( Loss) for the Period (XI+XIV)</b>                      |          | <b>158,422.95</b>                                     | <b>26,166.87</b>                                      |
| <b>EARNING PER SHARE</b>  |          |   |   |
| <b>Basic</b>  |          | 0.045   | 0.007   |
| <b>Diluted</b>  |          | 0.045   | 0.007   |

M/s Sanjay Chirana &amp; Associates

Chartered Accountants

Sd/-

CA. Shikha Jain

Partner

M No. 525176

FRN: 325710E

For and on behalf of the Board

CLASSIC GLOBAL FINANCE &amp; CAPITAL LTD

Sd/-

Vinod Kumar Garg

(Director)

DIN: 00504829

Sd/-

Ranjeet Kumar

(Director)

DIN: 05243913

Place : New Delhi  
Date : 19/05/2014

Sd/-  
Meenu jain  
Company Secretary

**CLASSIC GLOBAL FINANCE & CAPITAL LTD**  
**Mall Palaza, Fountain Chowk, Ludhiana, Punjab-141001**

**Notes forming part of the financial statements**

**Note 1 Share capital**

| Particulars                                    | As at 31 March, 2014 |                      | As at 31 March, 2013 |                      |
|--|----------------------|----------------------|----------------------|----------------------|
|  | Number of shares     | Amount (₹)           | Number of shares     | Amount (₹)           |
| (a) Authorised                                 |                      |                      |                      |                      |
| Equity shares of Rs 10 each with voting rights | 4,000,000            | 40,000,000.00        | 4,000,000            | 40,000,000.00        |
| (b) Issued                                     |                      |                      |                      |                      |
| Equity shares of Rs 10 each with voting rights | 3,515,300            | 35,153,000.00        | 3,515,300            | 35,153,000.00        |
| (c) Subscribed and fully paid up               |                      |                      |                      |                      |
| Equity shares of Rs 10 each with voting rights | 3,515,300            | 35,153,000.00        | 3,515,300            | 35,153,000.00        |
| <b>Total</b>                                   | <b>3,515,300</b>     | <b>35,153,000.00</b> | <b>3,515,300</b>     | <b>35,153,000.00</b> |

**Notes:**

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

| Particulars                      | Opening Balance | Fresh issue | Bonus | ESOP | Conversion | Buy back | Other changes (give details) | Closing Balance |
|----------------------------------|-----------------|-------------|-------|------|------------|----------|------------------------------|-----------------|
| Equity shares with voting rights |                 |             |       |      |            |          |                              |                 |
| Year ended 31 March, 2013        |                 |             |       |      |            |          |                              |                 |
| - Number of shares               |                 | -           | -     | -    | -          | -        | -                            | 3,515,300       |
| - Amount (Rs)                    | 3,515,300       | -           | -     | -    | -          | -        | -                            | 35,153,000.00   |
|                                  | 35,153,000.00   |             |       |      |            |          |                              | 35,153,000.00   |
| Year ended 31 March, 2014        |                 |             |       |      |            |          |                              |                 |
| - Number of shares               |                 | -           | -     | -    | -          | -        | -                            | 3,515,300       |
| - Amount (Rs)                    | 3,515,300       | -           | -     | -    | -          | -        | -                            | 35,153,000.00   |
|                                  | 35,153,000.00   |             |       |      |            |          |                              | 35,153,000.00   |

(ii) Details of shares held by each shareholder holding more than 5% shares:

| Name of shareholder              | As at 31 March, 2014                       |            | As at 31 March, 2013                       |            |
|----------------------------------|--|------------|--|------------|
|                                  | Number of shares held and their percentage |            | Number of shares held and their percentage |            |
| Equity shares with voting rights | No. of Shares                              | Percentage | No. of Shares                              | Percentage |
| Argon Marketing Private Limited  | 691100                                     | 19.66%     | 691100                                     | 19.66%     |



## CLASSIC GLOBAL FINANCE &amp; CAPITAL LIMITED

CIN: L65921PB1995PLC015573

## Schedule - 11 : Tangible Assets

| Assets               | Dep. Rate | W.D.V As at 31-Mar-13 | Additions         | Deletions | Total As on 31-Mar-14 | Depreciation     | W.D.V As On 31-Mar-14 | W.D.V As on 31-Mar-13 |
|----------------------|-----------|-----------------------|-------------------|-----------|-----------------------|------------------|-----------------------|-----------------------|
| Air Conditioner      | 13.91%    | 6,768.56              | 21,000.00         | -         | 27,768.56             | 2,398.06         | 25,370.50             | 6,768.56              |
| Electric Fittings    | 13.91%    | 1,060.22              | 2,500.00          | -         | 3,560.22              | 311.35           | 3,248.87              | 1,060.22              |
| Fans                 | 13.91%    | 325.95                | 1,150.00          | -         | 1,475.95              | 112.83           | 1,363.12              | 325.95                |
| Furniture & Fixtures | 13.91%    | 16,100.21             | 33,000.00         | -         | 49,100.21             | 4,528.40         | 44,571.81             | 16,100.21             |
| Mobile Phones        | 13.91%    | 1,867.39              | 3,500.00          | -         | 5,367.39              | 474.50           | 4,892.89              | 1,867.39              |
| Office Equipment     | 13.91%    | 4,484.78              | 7,500.00          | -         | 11,984.78             | 1,144.03         | 10,840.72             | 4,484.78              |
| Sign Board           | 13.91%    | 1,304.53              | 4,500.00          | -         | 5,804.53              | 493.58           | 5,310.95              | 1,304.53              |
| Computer             | 40.00%    | -                     | 49,200.00         | -         | 49,200.00             | 2,426.30         | 46,773.70             | -                     |
| <b>TOTAL</b>         |           | <b>31,911.64</b>      | <b>122,350.00</b> | <b>-</b>  | <b>154,261.64</b>     | <b>11,889.05</b> | <b>142,372.56</b>     | <b>31,911.63</b>      |
| <i>Previous Year</i> |           | 37,067.80             | -                 | -         | 37,067.80             | 5,156.13         | 31,911.63             | 37,067.78             |

## SCHEDULE OF DEPRECIATION AS PER INCOME TAX ACT 1961 FOR THE A/Y 2014-15

in ₹

| S.No. | Name of the Assets  | Rate | W.D.V. as at 01-04-2013 | Addition (More than 180 Days) | Addition (Less than 180 Days) | Sale during the year | Gross Total       | Depreciation for the year | W.D.V. as on 31-03-2014 |
|-------|---------------------|------|-------------------------|-------------------------------|-------------------------------|----------------------|-------------------|---------------------------|-------------------------|
| 1     | Plant & Machinery   | 15%  | 5,856.45                | 33,000.00                     | 7,150.00                      | -                    | 46,006.45         | 6,365.00                  | 39,641.45               |
| 2     | Furniture & Fixture | 10%  | 56,517.21               | 33,000.00                     | -                             | -                    | 89,517.21         | 8,952.00                  | 80,565.21               |
| 3     | Computers           | 40%  | -                       | -                             | 49,200.00                     | -                    | 49,200.00         | 9,840.00                  | 39,360.00               |
|       | <b>TOTAL</b>        |      | <b>62,373.66</b>        | <b>66,000.00</b>              | <b>56,350.00</b>              | <b>-</b>             | <b>184,723.66</b> | <b>25,157.00</b>          | <b>159,566.66</b>       |

**CLASSIC GLOBAL FINANCE & CAPITAL LTD**  
Mall Palaza, Fountain Chowk, Ludhiana, Punjab-141001  
CIN: L65921PB1995PLC015573

**Note : 2 Reserve & Surplus**

| Sr. No | Particulars                       | As at 31.03.2014 | As at 31.03.2013 |
|--------|-----------------------------------|------------------|------------------|
| 1      | Capital Reserve                   | -                | -                |
| 2      | Capital Redemption Reserve        | -                | -                |
| 3      | Securities Premium reserve        | -                | -                |
| 4      | Debenture Redemption Reserve      | -                | -                |
| 5      | Revaluation Reserve               | -                | -                |
| 6      | Shares Option Outstanding Account | -                | -                |
| 7      | Other Reserve (General Reserve)   | -                | -                |
| 8      | Surplus (Profit & Loss Account)   | -                | -                |
|        | Op. Balance of Profits & Loss A/C | (9,791,634.61)   | (9,817,801.48)   |
|        | Current Year Profit & Loss A/C    | 158,422.95       | 26,166.87        |
|        |                                   | (9,633,211.66)   | (9,791,634.61)   |
|        | <b>Total</b>                      | (9,633,211.66)   | (9,791,634.61)   |

**Note : 3 Long Term Borrowings**

| Sr. No | Particulars                                      | As at 31.03.2014 | As at 31.03.2013 |
|--------|--|------------------|------------------|
| 1      | Bonds / Debentures                               | -                | -                |
| 2      | <b>Term Loan</b>                                 |                  |                  |
|        | - From Bank                                      | -                | -                |
|        | - From Other Parties                             | -                | -                |
| 3      | Deferred Payment Liabilities                     | -                | -                |
| 4      | Deposit  | -                | -                |
| 5      | Loans & Advances From Related Parties            | -                | -                |
| 6      | Long Term Maturities of Finance lease obligation | -                | -                |
| 7      | Loans From Directors                             | -                | -                |
| 8      | <b>Other Loans</b>                               | -                | -                |
|        | <b>Total</b>                                     | -                | -                |

**Note : 4 Defferred Tax Liabilities (Net)**

| Sr. No | Particulars             | As at 31.03.2014 | As at 31.03.2013 |
|--------|-------------------------|------------------|------------------|
| 1      | Defferred Tax Liability | -                | -                |
|        | <b>Total</b>            | -                | -                |

**Note : 5 Other Long Term Liabilities**

| Sr. No | Particulars     | As at 31.03.2014 | As at 31.03.2013 |
|--------|-----------------|------------------|------------------|
| 1      | Trade Creditors | -                | -                |
| 2      | Others          | -                | -                |
|        | <b>Total</b>    | -                | -                |

**Note : 6 Long Term Provisions**

| Sr. No | Particulars                       | As at 31.03.2014 | As at 31.03.2013 |
|--------|-----------------------------------|------------------|------------------|
| 1      | Provision from Employment Benefit | -                | -                |
| 2      | Other                             | -                | -                |
|        | <b>Total</b>                      | -                | -                |

**Note : 7 Short Term Borrowings**

| Sr. No | Particulars                            | As at 31.03.2014     | As at 31.03.2013 |
|--------|--|----------------------|------------------|
| 1      | <b><u>Loan Repayable on Demand</u></b> |                      |                  |
|        | - From Bank                            | -                    | -                |
|        | - From Other Parties                   | 13,735,000.00        | -                |
| 2      | Loans & Advances From Related Parties  | -                    | -                |
| 3      | Deposits                               | -                    | -                |
| 4      | Others                                 | -                    | -                |
|        | <b>Total</b>                           | <b>13,735,000.00</b> | -                |

**Note : 8 Trades Payable**

| Sr. No | Particulars    | As at 31.03.2014  | As at 31.03.2013 |
|--------|----------------|-------------------|------------------|
| 1      | Trade Payables | 165,780.00        | -                |
|        | <b>Total</b>   | <b>165,780.00</b> | -                |

**Note : 9 Other Current Liabilities**

| Sr. No | Particulars            | As at 31.03.2014  | As at 31.03.2013 |
|--------|------------------------|-------------------|------------------|
| 1      | Audit Fees Payable     | 22,000.00         | 11,000.00        |
| 2      | Other Expenses Payable | 722,415.00        | -                |
| 3      | Salary Payable         | 245,250.00        | -                |
|        | <b>Total</b>           | <b>989,665.00</b> | <b>11,000.00</b> |

**Note : 10 Short Term Provisions**

| Sr. No | Particulars                               | As at 31.03.2014  | As at 31.03.2013  |
|--------|---|-------------------|-------------------|
| 1      | <u>Provision From Employees Benefit</u>   | -                 | -                 |
| 2      | <u>Others</u><br>Provision For Income Tax | 265,464.50        | 208,325.50        |
|        | <b>Total</b>                              | <b>265,464.50</b> | <b>208,325.50</b> |

**Note : 12 Non Current Investment**

| Sr. No | Particulars                                  | As at 31.03.2014    | As at 31.03.2013    |
|--------|--|---------------------|---------------------|
| 1      | <b>Investment in Property</b>                | -                   | -                   |
| 2      | <b>Investment in Equity Instrument</b>       |                     |                     |
|        | Investment in OPC Technologi Japan Pvt Ltd   | -                   | 200,000.00          |
|        | Investment in Silver Oak Celebration Pvt Ltd | -                   | 2,000,000.00        |
|        | Investment in Greenvalue Agrofarms Ltd       | 7,500,000.00        | -                   |
| 3      | <b>Other Investment</b>                      |                     |                     |
|        | Investments (Non-Current)                    | -                   | -                   |
| 4      | <b>Investment in Mutual Fund</b>             | -                   | -                   |
| 5      | <b>Investment in Partnership Firm</b>        | -                   | -                   |
|        | <b>Total</b>                                 | <b>7,500,000.00</b> | <b>2,200,000.00</b> |

**Note : 13 Deferred Tax Assets (Net)**

| Sr. No | Particulars  | As at 31.03.2014 | As at 31.03.2013 |
|--------|--------------|------------------|------------------|
|        | Deffred Tax  | 13,513.00        | 9,413.00         |
|        | <b>Total</b> | <b>13,513.00</b> | <b>9,413.00</b>  |

**Note : 14 Long Term Loans and Advances**

| Sr. No | Particulars                     | As at 31.03.2014    | As at 31.03.2013     |
|--------|---------------------------------|---------------------|----------------------|
| I)     | <b>Capital Assets</b>           |                     |                      |
|        | a) Secured, Considered Good :   | -                   | -                    |
|        | b) Unsecured, Considered Good : | -                   | -                    |
|        | c) Doubtful                     | -                   | -                    |
| II)    | <b>Security Deposit</b>         |                     |                      |
|        | a) Secured, Considered Good :   | -                   | -                    |
|        | b) Unsecured, Considered Good : | -                   | -                    |
|        | c) Doubtful                     | -                   | -                    |
| III)   | Loans & Advances to Parties     | 5,000,000.00        | 20,756,460.00        |
| IV)    | Other Loans & Advances          | -                   | 1,784,142.00         |
|        | <b>Total</b>                    | <b>5,000,000.00</b> | <b>22,540,602.00</b> |

**Note : 15 Other Non Current Assets**

| Sr. No | Particulars                     | As at 31.03.2014  | As at 31.03.2013 |
|--------|---------------------------------|-------------------|------------------|
| 1      | Long Term Trade Receivables     |                   |                  |
|        | a) Secured, Considered Good :   | -                 | -                |
|        | b) Unsecured, Considered Good : | -                 | -                |
|        | c) Doubtful                     | -                 | -                |
| 2      | Others                          |                   |                  |
|        | Security Deposit                | 561,800.00        |                  |
|        | Preliminary Expenses            | 282,316.50        |                  |
|        | <b>Total</b>                    | <b>844,116.50</b> | <b>-</b>         |

**Note :16 Current Investment**

| Sr. No | Particulars                      | As at 31.03.2014 | As at 31.03.2013 |
|--------|----------------------------------|------------------|------------------|
| 1      | Investment in Equity             | -                | -                |
| 2      | Investment in Preference Shares  | -                | -                |
| 3      | Investment in Govt Securities    | -                | -                |
| 4      | Investment in debentures & Bonds | -                | -                |
| 5      | Investment in Mutual Fund        | -                | -                |
| 6      | Investment in Partnership Firm   | -                | -                |
| 7      | Others                           | -                | -                |
|        | <b>Total</b>                     | <b>-</b>         | <b>-</b>         |

**Note : 17 Inventories**

| Sr. No | Particulars                | As at 31.03.2014 | As at 31.03.2013 |
|--------|----------------------------|------------------|------------------|
| 1      | Raw Material               | -                | -                |
| 2      | Work-in-Progress           | -                | -                |
| 3      | Finished Goods             | -                | -                |
| 4      | Stock-in-Trade             | -                | -                |
| 5      | Stores & Spares            | -                | -                |
| 6      | Loose Tools                | -                | -                |
| 7      | Other (Specify the nature) | -                | -                |
| 8      | Goods-in-transit           | -                | -                |
|        | <b>Total</b>               | <b>-</b>         | <b>-</b>         |

**Note : 18 Trade Receivables**

| Sr. No | Particulars                                 | As at 31.03.2014  | As at 31.03.2013 |
|--------|---|-------------------|------------------|
| 1      | <b>Outstanding for more than six months</b> |                   |                  |
|        | a) Secured, Considered Good :               | -                 | -                |
|        | b) Unsecured, Considered Good :             | -                 | -                |
|        | c) Doubtful                                 | -                 | -                |
| 2      | <b>Others</b>                               |                   |                  |
|        | a) Secured, Considered Good :               | -                 | -                |
|        | b) Unsecured, Considered Good :             | 717,800.00        | -                |
|        | c) Doubtful                                 | -                 | -                |
|        | <b>Total</b>                                | <b>717,800.00</b> | <b>-</b>         |

**Note : 19 Cash & Cash Equivalent**

| Sr. No | Particulars                              | As at 31.03.2014  | As at 31.03.2013  |
|--------|--|-------------------|-------------------|
| 1      | <b>Cash-in-Hand</b>                      |                   |                   |
|        | Cash Balance                             | 160,809.72        | 482,524.20        |
|        | <b>Sub Total (A)</b>                     | 160,809.72        | 482,524.20        |
| 2      | <b>Bank Balance</b>                      |                   |                   |
|        | <b>Bank Balance (With Schedule Bank)</b> |                   |                   |
| (i)    | Balance With Scheduled Banks             | 184,292.96        | 23,326.00         |
| (ii)   | Balance With Scheduled Banks             | 5,208.10          | 5,209.06          |
|        | <b>Sub Total (B)</b>                     | 189,501.06        | 28,535.06         |
|        | <b>Total [ A + B ]</b>                   | <b>350,310.78</b> | <b>511,059.26</b> |

**Note :20 Short Terms Loans and Advances**

| Sr. No | Particulars                                      | As at 31.03.2014     | As at 31.03.2013 |
|--------|--|----------------------|------------------|
| 1      | <b>Loans &amp; Advances from related parties</b> |                      |                  |
|        | a) Secured, Considered Good :                    | -                    | -                |
|        | b) Unsecured, Considered Good :                  | -                    | -                |
|        | c) Doubtful                                      | -                    | -                |
| 2      | <b>Others</b>                                    |                      |                  |
|        | Loans & Advances                                 | 25,678,876.80        | -                |
|        | <b>Total</b>                                     | <b>25,678,876.80</b> | <b>-</b>         |

**Note : 21 Other Current Assets**

| Sr. No | Particulars                    | As at 31.03.2014  | As at 31.03.2013  |
|--------|--------------------------------|-------------------|-------------------|
| 1      | TDS Receivable(A.Y. 2014-2015) | 144,986.20        | -                 |
| 2      | TDS                            | 283,722.00        | 287,705.00        |
|        | <b>Total</b>                   | <b>428,708.20</b> | <b>287,705.00</b> |

**CLASSIC GLOBAL FINANCE & CAPITAL LTD**  
Mall Plaza, Fountain Chowk, Ludhiana, Punjab-141001

**Note : 22 Revenue from Operation**

| Sr. No | Particulars            | As at 31.03.2014    | As at 31.03.2013  |
|--------|------------------------|---------------------|-------------------|
| 1      | Revenue from Operation | 4,051,193.00        | 221,026.00        |
|        | <b>Total</b>           | <b>4,051,193.00</b> | <b>221,026.00</b> |

**Note : 23 Cost of Material Consumed**

| Sr. No | Particulars  | As at 31.03.2014  | As at 31.03.2013 |
|--------|--------------|-------------------|------------------|
| 1      | Purchases    | 256,980.00        | -                |
|        | <b>Total</b> | <b>256,980.00</b> | <b>-</b>         |

**Note : 24 Change in Inventories**

| Sr. No | Particulars   | As at 31.03.2014 | As at 31.03.2013 |
|--------|---------------|------------------|------------------|
| 1      | Closing Stock | -                | -                |
| 2      | Opening Stock | -                | -                |
|        | <b>Total</b>  | <b>-</b>         | <b>-</b>         |

**Note : 25 Employment Benefit Expenses**

| Sr. No | Particulars            | As at 31.03.2014    | As at 31.03.2013  |
|--------|------------------------|---------------------|-------------------|
| 1      | Salary                 | 1,415,225.00        | 120,000.00        |
| 2      | Staff welfare expenses | 452,595.00          | -                 |
|        | <b>Total</b>           | <b>1,867,820.00</b> | <b>120,000.00</b> |

**Note :26 Financial Cost**

| Sr. No | Particulars   | As at 31.03.2014 | As at 31.03.2013 |
|--------|---------------|------------------|------------------|
| 1      | Bank Expenses | 821.00           | 449.00           |
|        | <b>Total</b>  | <b>821.00</b>    | <b>449.00</b>    |

**Note : 27 Depreciation & Amortised Cost**

| Sr. No | Particulars  | As at 31.03.2014 | As at 31.03.2013 |
|--------|--------------|------------------|------------------|
| 1      | Depreciation | 11,889.05        | 5,156.13         |
|        | <b>Total</b> | <b>11,889.05</b> | <b>5,156.13</b>  |

**Note : 28 Other Expenses**

| Sr. No | Particulars                      | As at 31.03.2014 | As at 31.03.2013 |
|--------|----------------------------------|------------------|------------------|
| 1      | Advertisement Charges            | 323,130.00       | -                |
| 2      | Audit Fees                       | 11,000.00        | 11,000.00        |
| 3      | Business Promotion Expenses      | 577,483.00       | -                |
| 4      | Travelling & Conveyance Expenses | 325,689.00       | -                |

## Annual Report 2013-2014

|                        |                               |                     |                   |
|------------------------|-------------------------------|---------------------|-------------------|
| 5                      | Computer Repair & Maintenance | 10,250.00           |                   |
| 6                      | Filing Fees                   | 60,957.00           | 4,000.00          |
| 7                      | Preliminary Expenses W/O      | 94,105.00           | -                 |
| 8                      | Office Exp.                   | 56,110.00           | 6,000.00          |
| 9                      | Market Making Charges         | 8,427.00            |                   |
| 10                     | Professional Charges          | 176,165.00          |                   |
| 11                     | Postage and Courier Expenses  | 10,254.00           | -                 |
| 12                     | Printing & Stationary         | 58,641.00           | 10,144.00         |
| 13                     | Telephone & Web Expenses      | 25,420.00           | -                 |
| 14                     | Rent Paid                     | 120,000.00          | 120,000.00        |
| <b>Total [ A + B ]</b> |                               | <b>1,857,631.00</b> | <b>151,144.00</b> |



**CLASSIC GLOBAL FINANCE & CAPITAL LTD**

CIN: L65921PB1995PLC015573

Notes Forming Part of the Balance Sheet

**Note : 29 SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS**

**1- SIGNIFICANT ACCOUNTING POLICIES**

**1.1 Basis of Accounting**

The financial statements are prepared under the historical cost convention on the concept of a going concern, in accordance with the Generally Accepted Accounting Principles and mandatory Accounting Standards as notified under the Companies (Accounting Standards) Rules, 2006 and as per the provisions and presentational requirements of the Companies Act, 1956.

**1.2 Changes in Accounting policies**

The accounting policies adopted are consistent with those of previous financial year. The management assures that there has been no change in accounting policies as compared to that of previous year which would have any significant effect on these financials.

**1.3 Recognition of Income**

Export Sales represents invoiced Value of goods Sold. Other Income is recognized and accounted for on accrual basis unless otherwise stated.

**1.4 Tangible Fixed Assets**

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed

assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

**1.5 Taxes on Income**

Current tax is determined and provided for on the amount of taxable income at the applicable rates for the relevant financial year. Deferred Tax Assets and Liabilities (DTA/ DTL) are recognized, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. The DTA is recognized only to the extent that there is reasonable certainty of sufficient future profits against which such DTA can be realized.

**1.6 Contingent Liability**

The contingent liabilities, if any, are disclosed in the Notes to Accounts. Provision is made in the accounts, if it becomes probable that there will be outflow of resources for settling the obligation.

**1.7 Events occurring after the balance sheet date**

Adjustments to assets and liabilities are made for events occurring after the balance sheet date to provide additional information materially affecting the determination of the amounts of assets or liabilities relating to conditions existing at the balance sheet date.

**1.8 Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year/ period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year/ period.

**1.9 Use of estimates**

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting year. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

**1.10 Foreign Currency Transaction**

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction. Monetary items denominated in foreign currencies at the yearend are translated at the rate ruling at the yearend rate.

**2- NOTES TO THE ACCOUNTS**

**2.1** The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

**2.2** All the investments made by the company are valued at Cost .

## Annual Report 2013-2014

- 2.3 Managerial Remuneration: Nil
- 2.4 The inventories of the company are valued as per cost price and market price whichever is less.
- 2.5 Differed tax arising on account of timing difference and which are capable of reversal in one or more subsequent periods is recognized using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are recognized unless there is virtual certainty with respect to the reversal of the same in future years.
- 2.6 The revised Schedule VI as notified under the companies Act, 1956, has become applicable to the company for the presentation of its financial statements for the year ending March 31, 2013. The adaptation of the revised Schedule VI requirements has significantly modified the presentation and disclosures which have been complied with in these financial statements Previous year figures have been reclassified in accordance with current year requirements.
- 2.7 All schedules annexed to and form integral part of the Balance Sheet and Profit & Loss Account.
- 2.8 Minimum Alternative Tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.
- 2.9 Value of Import on CIF Basis Nil
- 2.1 Earnings in Foreign Exchange (FOB Value) Nil
- 2.11 Expenditure in Foreign Currency Nil
- 2.12 The Company has no employee to whom the provisions of section 217 (2A) of the Companies Act, 1956 are applicable.

2.13 *Earning Per Share:*

| Particulars  | As at 31st March 2014 |
|--|-----------------------|
| Net profit after tax available for Equity Shareholders (Rs.) (A) | 158,422.95            |
| Weighted Avg. Number Equity Shares outstanding (Nos.) (B)        | 3,515,300             |
| Dilutive potential Equity Shares (Nos.)                          | -                     |
| Dilutive shares outstanding (Nos.) (C)                           | 3,515,300             |
| Nominal value per Equity Shares (Rs./ Share)                     | 10                    |
| Basic Earnings per share (Rs./ Share) (A) / (B)                  | 0.045                 |
| Diluted Earnings per share (Rs./ Share) (A) / (C)                | 0.045                 |

**As per our report of even date attached.**

M/s Sanjay Chirana & Associates  
Chartered Accountants

Sd/-  
CA. Shikha Jain  
Partner  
M No. 525176  
FRN: 325710E

CLASSIC GLOBAL FINANCE & CAPITAL LTD

Sd/-  
Vinod Kumar Garg  
(Director)  
DIN: 00504829

Sd/-  
Ranjeet Kumar  
(Director)  
DIN: 05243913

Place : New Delhi  
Date : 19/05/2014

Sd/-  
Meenu Jain  
Company Secretary

**CLASSIC GLOBAL FINANCE & CAPITAL LTD**  
**CIN: L65921PB1995PLC015573**

**Cash Flow Statement For the Year Ending 31-March-2014**

| Particulars  | Amounts Rs.           |                       |
|--|-----------------------|-----------------------|
|  | As at 31st March 2014 | As At 31st March 2013 |
| <b><u>(A) CASH FLOW FROM OPERATING ACTIVITIES:-</u></b>  |                       |                       |
| 1. Net profit before tax                                 | 217,398.95            | 23,282.87             |
| <b>2. Adjustment for:</b>                                |                       |                       |
| <u>Add:</u> Depreciation & Amortisation Expenses         | 105,994.57            | 5,156.13              |
| <b>Operating Profit before Working capital changes</b>   | <b>323,393.52</b>     | <b>28,439.00</b>      |
| <b>3. Working Capital Changes:</b>                       |                       |                       |
| Decrease (Increase) in Trade & Other Receivables         | (717,800.00)          | -                     |
| Decrease (Increase) in Inventories                       | -                     | -                     |
| Decrease (Increase) in Short Term Provision              | -                     | -                     |
| Decrease (Increase) in Preliminary Expenditure           | (376,422.00)          | -                     |
| Increase (Decrease) in Trade & Other Payables            | 165,780.00            | -                     |
| Increase (Decrease) in Other Current Liabilities         | 978,665.00            | -                     |
| (Increase) / Decrease in Other Current Assets            | (702,803.20)          | (12,863.00)           |
| Increase (Decrease) in Other Liabilities                 | -                     | (30.00)               |
| <b>Net Changes in Working Capital</b>                    | <b>(652,580.20)</b>   | <b>(12,893.00)</b>    |
| <b><u>Cash Generated from Operations</u></b>             | <b>(329,186.68)</b>   | <b>15,546.00</b>      |
| <b>Adjustment of Taxes</b>                               | <b>5,937.00</b>       | <b>-</b>              |
| <b>Net Cash Flow from Operating Activities (A)</b>       | <b>(335,123.68)</b>   | <b>15,546.00</b>      |
| <b><u>(B.) CASH FLOW FROM INVESTING ACTIVITIES :</u></b> |                       |                       |
| Purchase of Fixed Assets                                 | (122,350.00)          | -                     |
| (Increase) Decrease in Other Non Current Assets          | -                     | -                     |
| (Increase) Decrease in Long Term Loans & Advances        | 17,540,602.00         | (5,796,336.00)        |
| (Increase) Decrease in Short Terms Loans & Advances      | (25,678,876.80)       | -                     |
| Decrease (Increase) in Current Investments               |                       |                       |

## Annual Report 2013-2014

|  |                        |                       |
|--|------------------------|-----------------------|
| Decrease (Increase) in Non Current Investments   | -                      | -                     |
|  | (5,300,000.00)         | 6,950,000.00          |
| <b>Net Cash Flow from Investing Activities (B)</b>   | <b>(13,560,624.80)</b> | <b>1,153,664.00</b>   |
| <b><u>(C.) CASH FLOW FROM FINANCING ACTIVITIES :</u></b>   |                        |                       |
| Issue of share capital   | -                      | -                     |
| Increase (Decrease) in Short Term Borrowing  | 13,735,000.00          | -                     |
| Proceeds from/(Refund) Share Application Money   | -                      | (1,050,000.00)        |
| <b>Net Cash Flow from Financing Activities (C)</b>   | <b>13,735,000.00</b>   | <b>(1,050,000.00)</b> |
| <b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents (A-B+C)</b>  | <b>(160,748.48)</b>    | <b>119,210.00</b>     |
| <b>Cash and cash equivalents at the beginning of the year / Period</b>   | <b>511,059.26</b>      | <b>391,849.26</b>     |
| <b>Cash and cash equivalents at the end of the year/ Period</b>  | <b>350,310.78</b>      | <b>511,059.26</b>     |
| <b>* Note: The above Cash Flow Statement has been prepared under "Indirect Method" as set out in the Accounting Standard (AS) – 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.</b> |                        |                       |

**As per our report of even date**  
M/s Sanjay Chirana & Associates  
Chartered Accountants

Sd/-  
CA. Shikha Jain  
  
Partner  
M No. 525176  
  
FRN: 325710E

Place : New Delhi  
Date : 19/05/2014

### CLASSIC GLOBAL FINANCE & CAPITAL LTD

|  |  |
|--|--|
| Sd/-<br>Vinod Kumar<br>Garg<br>(Director)<br><br>DIN: 00504829 | Sd/-<br>Ranjeet<br>Kumar<br>(Director)<br>DIN:<br>05243913 |
|--|--|

Sd/-  
Meenu Jain  
Company Secretary

CLASSIC GLOBAL FINANCE AND CAPITAL LIMITED  
Regd. Office: Mall Palaza Building, Fountain Chowk, Ludhiana, Punjab

ATTENDANCE SLIP

(Please complete this attendance slip and hand it over at the entrance of the hall)

I hereby record my presence at the Annual General Meeting of the Company on 20<sup>th</sup> June, 2014.

Full Name of the Shareholder in Block Letters:

.....

Folio No./ DP ID Client ID: .....

No. of Shares held: .....

Name of Proxy (if any):

.....

(In Block Letters)

Member's Signature

Signature of Proxy

Strike out whichever is not applicable.

.....

.....

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CLASSIC GLOBAL FINANCE AND CAPITAL LIMITED  
 Regd. Office: Mall Palaza Building, Fountain Chowk, Ludhiana, Punjab

|                        |        |
|------------------------|--------|
| Name of the Member(s): |        |
| Registered address:    |        |
| Folio No./Client Id::  | DP ID: |
| E-mail Id:             |        |

I/We, being the member(s) of..... Shares of the above named Company, hereby appoint:

|                    |             |
|--------------------|-------------|
| Name :             | Address :   |
| E-mail Id :        | Signature : |
| or failing him/her |             |
| Name :             | Address :   |
| E-mail Id :        | Signature : |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Friday, 20<sup>th</sup> June, 2014 at 11:30 A.M. at the Registered Office of the Company at Mall Palaza Building, Fountain Chowk, Ludhiana, Punjab

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014.



Signature of Shareholder

Signature of Proxy holder(s)