

CLASSIC FILAMENTS LIMITED ANNUAL REPORT 2011-2012

CLASSIC FILAMENTS LIMITED

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that Annual General Meeting of the members of CLASSIC FILAMENTS LIMITED will be held on Friday, the 31st August, 2012 at 11.30 AM at the registered office of the company at M-14, Super Tex Towers, Opp. Kinnary Cinema, Ring Road, Surat -395002 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March, 2012 together with the reports of the directors' and auditors thereon.
2. To appoint a director in place of Mr. Radhamohan Mittal who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint auditors and fix their remuneration.

SPECIAL BUSINESS

4. To consider the following resolution as ORDINARY RESOLUTION and pass the same with or without modifications:

“RESOLVED THAT the Compliance Certificate pursuant to the provisions of Section 383A of the Companies Act, 1956 for the financial year ended on 31st March, 2012 obtained from Mr. Vishal Dewang, Company Secretary be and is hereby adopted.”

“RESOLVED FURTHER THAT Mr. Vishal Dewang, Company Secretary be and is hereby appointed to issue a Compliance Certificate for the financial year ending 31st March, 2012 or such other date as may be decided by the Board of Directors of the company upon such remuneration as may be determined by the directors of the company in consultation with the said appointee.”

By order of the Board
For CLASSIC FILAMENTS LIMITED

Place: Surat
Date: 03/08/2012

Subhash Patle
Director

NOTES:

- (a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL VOTE INSTEAD OF HIM. IN ORDER TO BE EFFECTIVE, THE PROXY MUST BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN 48 HOURS PRIOR TO THE MEETING.**
- (b) Members are requested to bring their copy of the Annual Report along with them, as copies of the report will not be distributed at the meeting.
- (c) Members desiring further information are requested to write to R M Mittal, Director of the company at its registered office on or before 20th August 2012.
- (d) Explanatory Statement pursuant to the provisions of Section 173 of the Companies Act, 1956 is enclosed on the items of Special Business.

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DIRECTORS' REPORT

To,
Members of
Classic Filaments Limited

Your directors present their annual report comprising of the audited statements of accounts for the year ended 31st March 2012 and the Reports of the auditors and directors thereon and a compliance certificate from a Practicing Company Secretary.

Financial Results	(Amount in Rupees)	
Particulars	2011-12	2010-11
Gross Income	2,10,332	NIL
Expenditure	1,99,365	1,13,132
Profit /(Loss) Before Income Tax	10,967	(1,13,132)
Less: Provision for Income Tax	2,033	NIL
Profit/(Loss) After Income Tax	8,934	(1,13,132)
Balance B/F from Previous Year	(96,75,121)	(95,61,989)
Carried to Balance Sheet	(96,66,187)	(96,75,121)

Your directors are to report that your company has not done any major business activity during the year and posted net profit Rs. **10,967** as compared to loss of Rs. 1,13,132 in the previous corresponding year under review. In view of the low profit, your directors do not recommend dividend during the year.

Directors and their responsibility statement

Mr. Radhamohan Mittal would retire by rotation and being eligible offers himself for re-appointment. As required by clause 49 of the Listing Agreement dealing with the Corporate Governance, a note is submitted on the directors seeking appointment or re-appointment.

As required by Section 217(2AA) of the Companies Act, 1956, your directors confirm that:

1. in the preparation of the annual accounts, the applicable accounting standards have been followed.
2. your directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the company as on 31st March, 2012 and the Profit and Loss Account for the year ended on that date.
3. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting the frauds and other irregularities.
4. the directors have prepared the annual accounts on a going concern basis.

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CORPORATE GOVERNANCE REPORT

As required by clause 49 of the Listing Agreement, corporate governance is enclosed as Annexure “A” to this report of the directors.

Particulars of employees

As there are no employees drawing the remuneration more than or equal to the prescribed remuneration under Section 217(2A) of the Companies Act, 1956, the company has no particulars to offer.

Particulars of energy conservation etc.

In the absence of any commercial activities during the year under review, the particulars required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable. There was no income or outgo in foreign currency.

Compliance Certificate

The Compliance Certificate obtained from Mr. Vishal Dewang, Practicing Company Secretary is attached hereto as required by amended Section 217 read with Section 383A of the Companies Act, 1956. You are requested to consider this certificate and also consider him for the next term.

Auditors

The Report of the Auditors is self-explanatory. M/s C.P.Jaria & Co.; Chartered Accountants will retire at the conclusion of this Annual General Meeting and being eligible for reappointment, offer themselves as such. Your directors recommend their re-appointment.

Acknowledgement

Your directors also wish to place on record the sincere efforts put in by all concerned who helped the company in one way or other.

For and on behalf of the Board

Place: Surat
Date: 03/08/2012

Manendra P. Singh Subhash G. Patle
D I R E C T O R S

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CORPORATE INFORMATION:

“Annexure A”

1. BOARD OF DIRECTORS

(a) Composition

The Board of directors has 4 members comprising of all Non-Executive Directors out of which one is independent director.

(b) and (c) Attendance of each director at the Board Meetings and Last AGM

6 Board Meetings were held during the financial year ended on 31st March, 2012. The attendance of each of the directors is given below:

Name of the Director	Category Directorship	Attendance Particulars		No. of Directorships and Committee memberships/chairmanship		
		Board Meetings	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
R M Mittal	NED	6	Y	NA	0	0
Rajiv Jain	NED	2	N	NA	0	0
Subhash Patle	NED	6	Y	NA	0	0
Manendra Singh	NED	6	Y	NA	0	0

(MD - Managing Director NED - Non-executive Director ND - Nominee Director)

(d) Number of Board Meetings held and the dates thereof

6 Board Meetings were held during the year in compliance with the minimum requirements of 4 Board Meetings. The dates on which the meetings were held are 08/04/2011, 08/07/2011, 02/08/2011, 08/10/2011, 07/01/2012, and 31/03/2012. None of the directors of the company was a member of more than ten committees or the Chairman of more than five committees across all companies in which he was a director.

2. AUDIT COMMITTEE

(a) Terms of Reference.

The terms of reference stipulated by the Board of Directors to the Audit Committee are, as contained in clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, as follows:

- (i) To investigate any activity within the company
- (ii) To seek information from the employees
- (iii) To obtain outside legal or professional advice
- (iv) To review adequacy of internal audit functions
- (v) To secure attendance of outsider/professional with relevant expertise, it considers necessary
- (vi) To discuss with the internal auditors any significant findings and follow-up thereon.

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(b) Composition, names of members and chairperson

The Audit Committee of 2 non-executive directors -members namely Shri Rajiv Jain and Shri R M Mittal was formed on 13th February, 2001 in compliance with the amendments made to the Companies Act, 1956. Shri Subhash Patle was added as member to the said committee from 20th April 2009. Mr. R M Mittal is now the Chairperson of the said audit committee.

There has been no change in the constitution of the members of the Audit Committee during the period under review except as stated above.

(d) Meetings and attendance during the period

Name of member of Audit Committee	Attendance Particulars
Shri Rajiv Jain	08/07/2011, 07/01/2012
Shri R M Mittal	08/04/2011, 08/07/2011, 02/08/2011, 07/01/2012, 31/03/2012
Shri Subhash Patle	08/04/2011, 08/07/2011, 02/08/2011, 07/01/2012, 31/03/2012

The committee has approved the final accounts as at 31st March 2012 at its meeting held on 3rd August 2012 after discussions with the Statutory Auditors of the company.

3. DETAILS OF REMUNERATION PAID TO DIRECTORS

(I) WHOLE TIME DIRECTOR

All elements of remuneration including the perquisites paid to Managing Director is Rs. Nil.

(II) NON-WHOLE TIME DIRECTORS

The company has not paid any amounts as sitting fees to any of the non-executive directors

4. SHARE HOLDERS' GRIEVANCES

Shri R M Mittal director of the company is appointed as Compliance Officer. No complaints were received from the Shareholders/Stock Exchanges/ SEBI/ Department of Company Affairs in terms of SEBI circular number 1.(96.97) dated 25/07/1996

There are no pending complaints or share transfers/transmission except where the transfers are involved in litigation/forfeiture etc.

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5A. GENERAL BODY MEETINGS

Location and time where the last three AGMs were held is as under

Location	Date	Time
Registered office of the company at 704, Trividh Chamber, Ring Road, SURAT - 395 002	30/09/2009	11.30 am
Registered office of the company at M-14, Super Tex Towers, Ring Road, Surat	31/08/2010	11.30 am
Registered office of the company at M-14, Super Tex Towers, Ring Road, Surat	30/09/2011	11.30 am

No Special Resolutions were put through Postal Ballot at the last AGM. At the ensuing Annual General Meeting there is no resolution required to be passed by the postal ballot.

5B. NOTES ON DIRECTORS SEEKING RE-APPOINTMENT

Shri Radhamohan Mittal retires by rotation and seeks re-appointment. Shri Radhamohan Mittal is the promoter director of the company; associated with the company since 1991. He continued to act as independent director now.

6. DISCLOSURES

- (a) Disclosures on materially significant related party transactions are: NIL.
- (b) There were no penalties, strictures imposed on the company by Stock Exchange/SEBI or any statutory Authority on any matter related to Capital Markets during the last three years.

7. MEANS OF COMMUNICATION

- (a) The company does not have the practice of sending Half Yearly Report to the members of the company to their household. Instead, the results of the company are published in Newspapers as required.
- (b) The company does not have any website on which Quarterly results are displayed nor the display of any official news release and/or presentation made to any institutional investors, analysts.

Newspapers in which normally results of the company are published are: None

- (c) Management Discussion & Analysis forms part of the Annual Report and is separately given as annexure.

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8. GENERAL SHAREHOLDER INFORMATION

- (a) AGM date time and venue:
31st August, 2012 at 11.30 a.m.
at Registered Office at M-14, Super Tex Tower, Opp. Kinnary Cinema
Ring Road, SURAT - 395 002
- (b) Financial Calendar: April to March. First Quarter's unaudited Results are normally published in newspapers in the last week of July. Half Yearly Result is normally declared in the last Week of October whereas the unaudited result for the third quarter is declared in last week of January. Results for the entire year is declared in the last week of May or last Week of June in case of Audited Results
- (c) Date of Book Closure: 27/08/2012 to 31/08/2012 (both days inclusive)
- (d) Dividend payment dates: Not recommended
- (e) Listing on Stock Exchange: Vadodara and Ahmedabad. Listing Fees are arrears for both the said stock exchanges.
- (f) Stock Code (Physical): Not traded on any stock exchange
- (g) Market Price Data, High low during each financial month: Not Applicable No Trading
- (h) Stock Performance in relation to Broad based indices such: No trading as BSE Sensex/Nifty etc.
- (i) Registrar and Transfer Agents: In house department
- (j) Share Transfer System: Investors' Grievance & Redressal Committee meets once or twice a month depending on volume of transfer
- (k) Distribution of Shareholding as on 31/03/2012: Please refer Annexure "A1"
- (l) Demat of Shares and Liquidity: Not applicable
- (m) Outstanding ADRs / GDRs etc.: Not applicable
- (n) Plant Location: Not Applicable
- (o) Address for correspondence: At above address

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Annexure A1

DISTRIBUTION OF SHAREHOLDING AS AT 31/03/2012

Particulars	Total Shares	Percentage (%)
Promoters and persons acting in concert	3390750	55.46
Mutual Fund	0	0
Financial Institution(s)	0	0
FIIS	0	0
Insurance Companies	0	0
Unit Trust of India	0	0
Foreign Company	0	0
NRIs / NRN / OCBs	202000	3.30
Banks	0	0
Bodies Corporate	400000	6.54
Indian Public	2120600	34.70
Clearing Members	0	0
Total	6113350	100.00

Distribution of Share Holding as of 31/03/2012

Distribution of Shares	No. of Shareholders	Percentage to Total No. of shareholders	No. of shares held	Percentage to Total Shares
1-500	153	42.86	61,900	1.01254
501-1000	177	49.58	155,600	2.54525
1001-2000	3	0.84	4,500	0.07361
2001-3000	2	0.56	6,000	0.09815
3001-4000	0	0	0	0
4001-5000	1	0.28	5,000	0.08179
5001-10000	1	0.28	10,000	0.16358
10001 & above	20	5.60	5,870,350	96.02510
Total	357	100.00	6,113,350	100.0000

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MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Disclaimer on forward looking statements

This report contains some forward looking statements which can be identified by the context to the words like 'plans' expects, believes, anticipates, will, may, intends, projects etc. All such statements depict the future, which may or may not happen or may prove wrong. These statements are based on certain assumptions about the company, product or other factors affecting the business or trade or policies of regulators and expectations may not realize.

The company and its management hereby disclaim its responsibility to publicly amend these statements and assume no responsibility for them.

Financial Review

During the year under review, the company has not done any major business activity.

Business Review

Your company has stopped all manufacturing activities. Your company has now planned to continue trading activities in Textile Goods in the current year.

Tax Contribution

In view of no manufacturing activities, the company could not contribute sizably to the government exchequer.

On behalf of the Board

Place: Surat
Date: 03/08/2012

Manendra P. Singh Subhash G. Patle
DIRECTORS

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CEO/CFO CERTIFICATION

To,

The Board of Directors
Classic Filaments Ltd
M-14, Super Tex Towers
Ring Road
Surat

I, Manendra Pratap Singh, CFO of the company do hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - (ii) These statements together present a true and fair view of the company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the audit committee
 - (i) Significant changes in the internal control 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) Instances of significant fraud of which we are become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system.

By order of the Board
For Classic Filaments Ltd

Manendra Pratap Singh
CFO
Date: 03/08/12
Place: Surat

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DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT

I, Manendra Pratap Singh, CFO of the Company hereby declare that all Board members and Senior Management personnel have affirmed compliance with the code on an annual basis.

FOR CLASSIC FILAMENTS LIMITED

Date: 03.08.2012

Place: Surat

**Manendra Pratap Singh
CFO**

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AUDITORS REPORT

To the Shareholders of M/s. CLASSIC FILAMENTS LTD.

We have audited the attached Balance Sheet of M/s. CLASSIC FILAMENTS LTD as at 31st March, 2012 and also the attached Profit and Loss Account of the Company for the year ended on that date annexed hereto, and we report that : -

1. As required by the Companies (Auditor's Report) Order, 2003 issued by Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the annexure, a statement on the matters specified in paragraph 4 & 5 of said order.
2. Further to our Comments in the Annexure referred to in paragraph 1 above.
 - 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 such books.
 - c. The Balance Sheet and the Profit and Loss Account referred to in this report are in agreement with the books of Accounts as submitted to us.
 - d. In our opinion, the Profit & Loss Account Balance Sheet and cash flow statement generally comply with the accounting standards referred to in Sub-Section 3(C) of sec-211 of Companies act, 1956.
 - e. In our opinion and based on the information and explanation given to us, none of the directors are disqualified as on 31.03.2012 from being appointed as the directors in terms of sec-274(1) (g) of the Companies Act, 1956.
 - f. In our opinion and to the best of our information and according to the explanation given to us the said accounts read together with accounting policies and Notes to the Accounts, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view subject to above : -
 - (i) In the case of the Balance Sheet of the state of affairs of the Company as 31st March,2012,
 - (ii) In the case of Profit & Loss Account of the profit of the Company for the ended on that date AND,
 - (iii) In the case of the cash flow statement, of the cash flow of the company for the year ended on that date.

For C.P.Jaria & Co
Chartered Accountants

(P.K.Jain)
M.No.112020
FRN.104058W
Place: Surat.
Date: 03/08/12

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ANNEXURE TO THE AUDITOR'S REPORT

of

M/s CLASSIC FILAMENTS LTD

1. (a) The company has maintained proper records showing full particulars including quantitative details and location of all its fixed assets.
(b) During the year the management has physically verified all the fixed assets and no material discrepancies have been noticed on such verification.
(c) During the year, the company has not disposed off substantial part of its fixed assets.
2. (a) As informed to us the inventory has been physically verified by the management during the year, In our opinion, the frequency of such verification is reasonable.
(b) In our opinion the procedure for physical verification of inventory followed by management are reasonable and adequate to the size of the company and nature of its business.
(c) The company has maintained proper records of inventory. The discrepancies noticed if any on physical verification between physical stocks and book records were not material in relation to the operations of the company and have been properly dealt with in the books of account.
3. (a) The company has not granted loans during the year to parties covered in the registered maintained under section 301 of the Companies Act, 1956.
(b)(i) The Company has not taken unsecured Loans from parties covered in registered maintained u/s 301 of the Act., The Company has given advances to parties covered in registered maintained u/s 301 of the Act.,
(ii) The rate of interest and other terms and conditions of such loans, in our opinion, prima-facie, not prejudicial to the interest of the company.
(iii) The repayment of principal amounts and interest during the year have been regular/as per stipulations.
(iv) There are no overdue amounts outstanding at the year end.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to the purchase of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.
5. As explained to us, during the year, any transaction required to be entered in the register maintained under section 301 of Companies Act, 1956 has been entered.
6. The company has not accepted deposits from the public and hence the provisions of Sec-58A & 58AA of the Companies Act, 1956, and the rules framed there under are not applicable. In company's case no order has been passed by the Company Law Board.
7. In our opinion and as informed to us, the company has an adequate internal audit system, commensurate with the size and nature of its business.
8. The central government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956.
9. (a) According to the information and explanations given to us and on basis of our examination of the books of accounts, the company has been generally regular in depositing undisputed statutory dues including Provident fund, Investor Education and protection fund, Employee's state insurance, Income Tax, sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and other statutory dues during

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the year with the appropriate authorities. As at 31.3.2012, there were no undisputed dues payable for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to us, there is no disputed dues in respect of Provident fund, Investor Education and protection fund, Employee's state insurance, Income Tax, sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and other statutory dues.

10. The Company does have accumulated losses as at the end of financial year. The company has not incurred cash losses during the financial year covered by our audit and incurred cash loss in the immediately preceding financial year.

11. Based on our audit procedure 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 the financial institution or bank during the year under consideration.

12. 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/nidhi/mutual benefit fund/ society.

14. According to the information and explanations given to us, the Company is dealing or trading in shares, securities, debentures and other investments.

15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank and financial institutions.

16. The company had not taken any fresh term loan during the year.

17. According to information and explanations given to us, funds raised on short term basis have, prima facie, not been used during the year for long term investments and vice versa.

18. The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956 during the year.

19. No Security is required to be created since the company has not issue any debentures.

20. The company has not raised any money by public issues during the year.

21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For C.P.Jaria & Co
Chartered accountants

(P.K.Jain)
Partner
M.No.112020
FRN.104058W
Place: Surat
Date: 03/08/12

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AUDITOR'S STATEMENT ON CASH FLOW STATEMENT

To,
The Members,
CLASSIC FILAMENTS LIMITED

We have audited the Cash Flow Statement of Classic Filaments Limited as at 31st March 2012. This financial statement is responsibility of the Company's Management. Our responsibility is to express an opinion on this financial statement based on our audit.

In our opinion and best of our information and according to the explanation give to us, the said Cash Flow Statement read together with the Significant Accounting Policies and other requirement thereon give the information required by the Listing Agreement entered into with the Stock Exchanges, in the manner so required, and present a true and fair view, in our conformity with the accounting principles generally accepted in India; in so far as it relates to the cash flow of the Company for the year ended on that date

For C.P.Jaria & Co
Chartered Accountants

Place: Surat
Date: 03.08.12

Pankaj Kumar Jain
Partner
M.No.112020
FRN.104058W

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AUDITOR'S REPORT ON CORPORATE GOVERNANCE

To,
The Members,
CLASSIC FILAMENTS LIMITED

We have examined the Compliance of conditions of Corporate Governance by Classic Filaments Limited, for the year ended March 31, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s)

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the 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.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no Investor Grievances were pending for a period of more than 30 day against the Company as per records maintained by the Shareholders/Investors Governance Committee of the Company.

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

For C.P.Jaria & Co
Chartered Accountants

Place: Surat
Date: 03.08.12

Pankaj Kumar Jain
Partner
M.No.112020
FRN.104058W

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CLASSIC FILAMENTS LTD			
BALANCE SHEET AS AT 31.3.2012			
PARTICULARS	NOTE	CURRENT YEAR	PRE. YEAR
<u>I. EQUITY AND LIABILITIES</u>			
(1) Shareholder's Fund			
(a) Share Capital	1	43,325,620	43,325,620
(b) Reserves and Surplus	2	5,054,547	5,045,613
(c) Money received against share warrants		0	0
(2) Share Application money pending allotment		0	0
(3) Non-current Liabilities			
(a) Long-Term Borrowings		0	0
(b) Deferred tax liabilities (Net)		0	0
(c) Other Long term liabilities		0	0
(d) Long term provisions		0	0
(4) Current Liabilities			
(a) Short Term borrowings		0	0
(b) Trade Payables	3	12,000	150,000
(c) Other current Borrowings		0	0
(d) Short-term Provisions	4	14,033	8,500
Total		<u>48,406,200</u>	<u>48,529,733</u>
<u>II. ASSETS</u>			
(1) Non-Current Assets			
(a) Fixed Asssets			
(i) Tangible Assets	5	467,208	467,208
(ii) Intangible Assets		0	0
(iii) Capital work-in-progress		0	0
(iv) Intangible assets under development		0	0
(b) Non-Current Investments	6	26,904,300	26,904,300
(c) Deferred tax Assets (Net)		0	0
(d) Long Term loans and advances	7	18,443,141	18,448,141
(e) Other non-current assets	8	278,644	278,644
(2) Current Assets			
(a) Current Investments		0	0
(b) Inventories		0	0
(c) Trade receivables	9	1,869,666	1,869,666
(d) Cash & Cash equivalents	10	417,237	535,770
(e) Short term loans & advances		0	0
(f) Other Current Assets	11	26,004	26,004
Total		<u>48,406,200</u>	<u>48,529,733</u>
AS PER OUR REPORT OF EVEN DATE FOR C.P.JARIA & CO CHARTERED ACCOUNTANTS		FOR CLASSIC FILAMENTS LTD	
(P.K.JAIN) PARTNER M.NO 112020 PLACE : SURAT DATE :03/08/12		DIRECTOR	
		DIRECTOR	

CLASSIC FILAMENTS LIMITED ANNUAL REPORT 2011-2012

CLASSIC FILAMENTS LTD			
PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31/3/2012			
PARTICULARS	NOTE	CURRENT YEAR	PRE YEAR
I. Revenue from operations	12	210,332	0
II. Other Income		0	0
III. Total Revenue (I+ II)		210,332	0
IV. Expenses			
Cost of Material Consumed		0	0
Purchase of Stock-in-trade		173,365	0
Changes in inventories of finished goods, work-in progress and stock-in trade		0	0
Employee benefit Expenses	13	0	0
Finance costs		0	0
Other expenses	14	26,000	113,132
IV.Total Expenses		199,365	113,132
V. Profit before exceptional and extraordinary items & Tax	(III-IV)	10,967	(113,132)
VI. Exceptional Items		0	0
VII. Profit before extraordinary items & Tax	(V-VI)	10,967	(113,132)
VIII. Extraordinary items		0	0
IX. Profit before tax	(VII_ VIII)	10,967	(113,132)
X. Tax Expenses			
(1) Current Tax		2,033	0
(2) Deferred Tax		0	0
XI. Profit(loss) from the period from continuing operations after tax	(VII-VIII)	8,934	(113,132)
XII. Profit(loss) from discontinuing operations		0	0
XIII. Tax expenses of discontinuing operations		0	0
XIV. Profit(loss) from discontinuing operations after tax	(XII-XIII)	0	0
XV. Profit(loss) for the period	(XI+XIV)	8,934	(113,132)
XVI. Earning per equity share			
(1) Basic		0.00	(0.02)
(2) Diluted		0.00	(0.02)
AS PER OUR REPORT OF EVEN DATE FOR C.P.JARIA & CO CHARTERED ACCOUNTANTS		FOR CLASSIC FILAMENTS LTD	
(P.K.JAIN) PARTNER M.NO.112020 PLACE : SURAT DATE : 03/08/12		DIRECTOR DIRECTOR	

CLASSIC FILAMENTS LIMITED ANNUAL REPORT 2011-2012

Classic Filaments Limited			
Cash Flow Statement for the year ended 31st March 2012			
	31-03-12	31-03-11	
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit/(loss) before tax and Extra Ordinary items	8,934	(113,132)	
Adjustments for			
Depreciation	-	-	
Interest Paid	-	-	
Interest/dividend	-	-	
Misc. Expenses Written off	-	-	
Operating Profit Before Working Capital Change	8,934	(113,132)	
Adjustments for			
Trade and other receivables	-	-	
Inventories	-	-	
Trade Payables	(132,467)	1,212,000	
Other receivables/Current Assets/Deferred Tax Assets	5,000	(148,000)	
Cash generated from operations	(118,533)	950,868	
Interest paid	-	-	
Direct Taxes paid	-	-	
Extra-Ordinary Items	-	-	
Net Cash from Operating Activities	(118,533)	950,868	
B CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets	-	-	
Sale of fixed Assets	-	-	
New Investments	-	(1,000,000)	
Sale of Investments	-	-	
Interest received	-	-	
Dividend received	-	-	
Net Cash used in investing activities	-	(1,000,000)	
C. CASH FLOW FROM FINANCIAL ACTIVITIES			
Proceeds from issue of share capital	-	-	
Proceeds from Long term borrowings	-	-	
Repayment of Financial Liability/Lease	-	-	
Dividend paid	-	-	
Net Cash used in financing activities	-	-	
Net increase/(decrease) in cash and cash equi.	(118,533)	(49,132)	
Cash & Cash equivalents as at 01/04/2011	535,770	584,902	
Cash & Cash equivalents as at 01/04/2012	417,237	535,770	
For C. P. JARIA & CO	For CLASSIC FILAMENTS LIMITED		
Chartered Accountants			
			Manendra Pratap Singh
Pankaj Jain			
Partner			
Membership No. 112020			Subhash Patle
FRN 104058W			
Place: Surat			Director
Date: 03/08/2012			

CLASSIC FILAMENTS LIMITED ANNUAL REPORT 2011-2012

CLASSIC FILAMENTS LTD			
NOTES TO BALANCE SHEET & PROFIT & LOSS STATEMENT			
PARTICULARS	CURRENT YEAR	PRE YEAR	
NOTE-1			
SHARE CAPITAL			
AUTHORISED SHARE CAPITAL			
7500000 EQUITY SHARES OF RS.10/-EACH	75,000,000	75,000,000	
	75,000,000	75,000,000	
ISSUED, SUBSCRIBED AND FULLY PAID UP			
3738966 EQUITY SHARES OF RS 10/- EACH	37,389,660	37,389,660	
ISSUED, SUBSCRIBED AND NOT FULLY PAID UP			
2374384 EQUITY SHARES OF RS 10/- EACH NOT FULLY PAID	5,935,960	5,935,960	
	43,325,620	43,325,620	
NOTE-1A			
RECONCILIATION OF SHARES OUTSTANDING			
	EQUITY (NUMBER)	PREFERENCE NUMBER	
SHARES OUTSTANDING AT THE BEGGINNING OF YEAR	6,113,350	0	
SHARES ISSUED DRING THE YEAR	0	0	
SHARES BOUGHT BACK DURING THE YEAR	0	0	
SHARES OUTSTANDING AT THE END OF YEAR	6,113,350	0	
NOTE-1B			
SHAREHOLDER HOLDING FOR THAN 5% SHARES	%	NO OF SHARES	NO OF SHARES
RADHAMOHAN MITTAL	6.66	407,050	407,050
RUCHIR MITTAL	7.08	433,350	433,350
CLASSIC INDUSTRIES LTD	8.18	500,000	500,000
REAL GOLD FINANCE LTD	13.09	800,000	800,000
ARVIND KUMAR BABULAL	6.32	386,600	386,600
RAINBOW RESOURCES LTD	6.54	400,000	400,000
<p>THE COMPANY HAS ONE CLASS OF EQUITY SHARES HAVING A PAR VALUE OF RS.10/- PER SHARE. EACH SHAREHOLDER IS ELIGIBLE FOR ONE VOTE PER SHARE HELD NO SHARES WERE BOUGHT BACK FOR LAST FIVE YEARS THERE IS NO UNPAID CALL ON SHARES FROM DIRECTORS AND OFFICERS</p>			
EQUITY SHARES OF RS.10/-WERE ALLOTTED UPON CONVERSION OF CCP OF RS 20/- ON 31.03.10			
NAME OF SHARE HOLDERS	NO OF SHARES		
Radha Mohan Mittal	90,750		
Classic Industries Ltd	400000		
Real Gold Finance Ltd	400000		
Brijraj Synthetics (I) Ltd	150000		
Ideal Fibers (I) Pvt Ltd	100000		
Reliable Polyester Pvt Ltd	150000		
	1,290,750		
NOTE-2			
RESERVES & SURPLUS			
A. CAPITAL REDEMPTION RESERVE			
OPENING BALANCE	0	0	
ADD:CURRENT YEAR TRANSFER	0	0	
LESS: WRITTEN BACK IN CURRENT YEAR	0	0	
CLOSING BALANCE	0	0	
B. SHARES PREMIUM ACCOUNT			
OPENING BALANCE	8,709,060	8,709,060	
ADD:PREMIUM CREDITED	0	0	
LESS: PREMIUM UTILIZED	0	0	
CLOSING BALANCE	8,709,060	8,709,060	
C. GENERAL RESERVES			
OPENING BALANCE	0	0	
ADD:CURRENT YEAR TRANSFER	0	0	
LESS: WRITTEN BACK IN CURRENT YEAR	0	0	
CLOSING BALANCE	0	0	
D. RESERVE FUND			
OPENING BALANCE	6,011,674	6,011,674	
ADD:CURRENT YEAR TRANSFER	0	0	
LESS: WRITTEN BACK IN CURRENT YEAR	0	0	
CLOSING BALANCE	6,011,674	6,011,674	

CLASSIC FILAMENTS LIMITED ANNUAL REPORT 2011-2012

E. PROFIT & LOSS A/C		
OPENING BALANCE	(9,675,121)	(9,561,989)
ADD:CURRENT YEAR PROFIT/(LOSS)	8,934	(113,132)
LESS: WRITTEN BACK IN CURRENT YEAR	0	0
CLOSING BALANCE	<u>(9,666,187)</u>	<u>(9,675,121)</u>
TOTAL	5,054,547	5,045,613
NOTE-3		
<u>TRADE PAYABLES</u>		
SUNDRY CREDITORS	12,000	150,000
	<u>12,000</u>	<u>150,000</u>
NOTE-4		
<u>SHORT TERM PROVISIONS</u>		
PROVISION FOR TAX	2,033	0
PROVISIONS FOR EXPENSES	12,000	8,500
	<u>14,033</u>	<u>8,500</u>
NOTE-6		
<u>NON-CURRENT INVESTMENTS (UNQUOTED)</u>		
620000 EQ. SHARES OF RELIABLE POLYSTER (P) Ltd	6,200,000	6,200,000
15380 Eq. SHARES OF CLASSIC INDUSTRIES LTD	153,800	153,800
750 Eq SHARES of DECCAN PLOY LTD	7,500	7,500
399300 Eq SHARES of REALGOLD FINANCE LTD	3,993,000	3,993,000
1075000 Eq SHARES of BRIRAJ SYN (P) Ltd	10,750,000	10,750,000
30000 eq shares of Khanna Finlease (P) Ltd	300,000	300,000
20000 eq shares of Padamawti Infracon (P) Ltd	1,000,000	1,000,000
SHARE INVESTMENTS IN TAINWALA		
FINANCIAL CONSULTANT (P) LTD	4,500,000	4,500,000
	<u>26,904,300</u>	<u>26,904,300</u>
ALL THE INVESTMENTS ARE STATED AT COST		
NOTE-7		
<u>LONG TERM LOANS & ADVANCES</u>		
<u>OTHER ADVANCES</u>		
UNSECURED	18,008,141	18,013,141
VADODRA STOCK EXCHANGE	435,000	435,000
	<u>18,443,141</u>	<u>18,448,141</u>
NOTE-8		
<u>OTHER NON-CURRENT ASSETS</u>		
PRELIMINARY EXPS NOT WRITTEN OFF	278,644	278,644
	<u>278,644</u>	<u>278,644</u>
NOTE-9		
<u>TRADE RECEIVABLES</u>		
EXCEEDING SIX MONTHS UNSECURED	1,869,666	1,869,666
	<u>1,869,666</u>	<u>1,869,666</u>
NOTE-10		
<u>CASH & CASH EQUIVALENTS</u>		
CASH IN HAND	412,067	534,650
BANK BALANCE IN CURRENT A/C WITH SCHEDULE BANK	5,170	1,120
	<u>417,237</u>	<u>535,770</u>
NOTE-11		
<u>OTHER CURRENT ASSETS</u>		
TDS RECEIVABLE	26,004	26,004
	<u>26,004</u>	<u>26,004</u>
NOTE-12		
<u>REVENUE FROM OPERATIONS</u>		
SALES OF TRADED GOODS	210,332	0
	<u>210,332</u>	<u>0</u>
NOTE-13		
<u>EMPLOYEE BENEFIT EXPENSES</u>		
SALARY	0	0
	<u>0</u>	<u>0</u>
NOTE-14		
<u>OTHER EXPENSES</u>		
LEGAL EXPS	7,800	99,055
AUDIT FEES	5,000	5,000
BANK CHARGES	950	930
OFFICE EXPS	12,250	8,147
	<u>26,000</u>	<u>113,132</u>

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NOTE-5 FIXED ASSETS :

STATEMENT OF DEPRECIATION FOR THE YEAR ENDED ON 31.03.2012 (AS PER THE COMPANIES ACT)

SR. NO.	PARTICULARS	GROSS BLOCK			DEPRICIATION			NET BLOCK	
		AS ON	ADD/DEL	TOTAL	AS ON	DURING	TOTAL	AS ON	AS ON
		01.04.11	DURING THE YEAR	31.03.12	01.04.11	THE YEAR	31.03.12	31.03.12	01.04.11
1	LAND	46331	0	46331	0	0	0	46331	46331
2	OFFICE EQUIPMENTS	123000	0	123000	109175	0	109175	13825	13825
3	PLANT & MACHINERY	5757620	0	5757620	5431040	0	5431040	326580	326580
4	FURNITURE & FIXTURE	152793	0	152793	129280	0	129280	23513	23513
5	VECHILES	270473	0	270473	222532	0	222532	47941	47941
6	COMPUTER	52500	0	52500	43482	0	43482	9018	9018
			0						
	TOTAL	6402717	0	6402717	5935509	0	5935509	467208	467208
	PREVIOUS YEAR	6402717	0	6402717	5935509	0	5935509	467208	467208

NO IMPAIRMENT/REVALATION WERE DONE IN LAST FIVE YEARS

CLASSIC FILAMENTS LIMITED ANNUAL REPORT 2011-2012

Note-15. SIGNIFICANT ACCOUNTING POLICIES:

1. GENERAL

The Financial Statements have generally been prepared on the historical cost convention. Accounting policies not specifically referred to otherwise are in consonance with generally accepted accounting principles.

2. BASIS OF ACCOUNTING

The company follows the mercantile system of accounting generally except otherwise stated herein below, if so.

3. FIXED ASSETS

Fixed assets are stated at cost of less accumulated depreciation. No Depreciation has been provided during the year under consideration.

4. INVESTMENTS

Investments are stated at cost.

5. INVENTORIES

The company is not having any type of inventory.

6. REVENUE AND EXPENDITURE RECOGNITION

Revenue is recognized and expenditure is accounted for on their accrual except insurance claim, claims in respect of material purchased and sold which are accounted for on cash basis.

7. DEFER TAX

The Deferred tax is recognized for all temporary differences subject to the consideration of prudence and at currently available rates. Deferred Tax assets are recognized only if there is virtual certainty that they will be realized.

8. FOREIGN CURRENCY TRANSACTION

There is no such transaction during the year.

9. CONTINGENT LIABILITIES

There is no any contingent liability.

10. TRADE RECEIVABLE AND PAYABLE

Balances of trade payable and receivable are subject to confirmation, reconciliation and consequential adjustments, if any.

11. RELATED PARTY TRANSACTIONS

There were no transaction between related concern/parties.

12. Employees Benefit Expenses

Particulars	Current Year	Previous Year
Salary Paid	Nil	Nil

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13. Details of Payment to Auditors

Particulars	Current Year	Previous Year
As Auditor	5000	5000

14. There is no amount due to Micro & Small Enterprises.

15. Figures of the previous year have been regrouped/re-cast wherever necessary.

CLASSIC FILAMENTS LIMITED ANNUAL REPORT 2011-2012

CLASSIC FILAMENTS LIMITED
Regd. Off: M-14, Super Tex Towers, Ring Road, Surat

Notice

Shareholders attending the Meeting in person or by proxy are requested to complete the attendance slip and hand it over at entrance of the meeting hall.

I hereby record my presence at the Annual General Meeting held on 31.08.12 at 11.30 a.m. at Registered Office of the Company.

Full Name of the Shareholder: _____

Folio No.: _____ Signature _____

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CLASSIC FILAMENTS LIMITED
Registered Office: M-14, Super Tex Towers, Ring Road, Surat

PROXY FORM

I / we _____ of _____ in the district of _____ being a member / members of the above named Company, hereby appoint _____ or falling him _____ of _____ district of _____ as my / our proxy to vote on my / our behalf at the Annual General Meeting of the Company, to be held on 31.08.12 at 11.30 a.m. and at any adjournment thereof.

Name:

Address:

Rs. 1/-
Revenue
Stamp

Signed this _____ day of _____ 2012