



ACE
India Limited

Education for Success

SUCCESS

ANNUAL REPORT

2009-10

From the Chairman desk

Dear Shareholder's,

May I first and foremost thank you for the confidence you have placed in me.

Ladies and Gentlemen, I look forward to assuming my new mission to take the helm of our Company in the education sector which is proven for having a lot of potentials to grow. I firmly believe that our key strength's vast experience & in-depth knowledge of our new management team in the education sector and the vast range of courses offered by us to meet the needs of every age group are our competitive advantages over the other players in the field of education.

It is up to us to add force and make use of these competitive advantages to permit us to stand apart from our competitors and provide sustainable & profitable growth.

It is true that world is rapidly changing, and the change is also a driver for new opportunities. Emergence of knowledge economy, invitation of private sector with the public sector by the Government, Increasing per capita income and purchasing power are the result of continuous changes, which gives us lots of opportunities to explore our business in to all the levels of education.

I know that any new leader has always been seen as a person of change. But I assure that we are moving in the right direction that will open the door to huge potential for development for many years. It would be my job to accelerate the implementation of decision, to provide uncompromising quality, to make our system more disciplined & flexible, to keep our eyes open firmly on continuing changing world.

I am very confident in accepting my new responsibilities. I am certain that, we will succeed in making the AEE position as the world's leading company in the field of education.

Sincerely,

Sushil Aggarwal
Chairman

ABOUT US

We are an upcoming group in the Education Sector serving not just across the length and breadth of India but worldwide. The Company with an eye on expansion, has aid various plans focusing into different avenues on Education, which is a high - growth industry erving a demographic explosion where millions of children seek learning opportunities and providing employment to the unemployed.

The Company is in the process of setting up various management institutes for providing Entrepreneurial Development Programmes and other vocational courses across the globe.



OUR VISION



We firmly believe that historically education has been - and remains today - one of the primary factors that enable individuals to improve their prospects in life. We also believe that to remain competitive in an increasingly global economy, countries will need to foster a broadly educated society, not just a small educated society, not just a small educated elite.

With this in mind, our principal focus is to provide access to high quality educational products and services to our students in order for them to maximize the benefit of their educational.

BUSINESS SEGMENTS



K-12 EDUCATION

The ACE India K-12 Programme proposes to offer complete solutions for enabling leap transitions that would take schools well into the knowledge era. The approach of the programme is, one of assuming end to end responsibility by taking on ownership of the school that takes on the ACE India K-12 Programme. The scope of the programme is comprehensive and encompasses all facets of the schools structure and functions.

HIGHER & VOCATIONAL EDUCATION



Our company proposes to be one of the largest for-profit post-secondary education companies in India, serving the large and growing segment of the population seeking to acquire career-oriented education for traditional students as well as working adults. We would offer a variety of diploma, bachelors and master's degrees in collaboration with a leading foreign education provider. Our training program areas would include:

- Healthcare
- Business & Management
- Arts and Sciences
- Education
- Engineering



ICT SOLUTIONS

Under the ICT Solutions projects, the Company proposes to set up and maintain IT infrastructure and provide computer-aided learning in government schools situated across India. It proposes to execute ICT Solution projects with Government bodies in various States. In relation to its ICT Solution business, the Company would enter into a long-term (usually 3-6 years) contract with the Government schools, wherein it agrees to provide the entire IT Solution for the schools/institutes earmarked by the contract.

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CORPORATE INFORMATION

Board of Directors

| | | |
|---------------------|--------------------|-----------------------|
| Mr. Sushil Aggarwal | Mr. Gajanand Gupta | Mr. Yamuna Dhar Pande |
| Mr. C. P. Batra | Mr. V. P. Narula | Mr. B. S. Goyal |

Company Secretary

Ms. Sandhya Gupta

Auditors

PVRN & Associates
2936/43, Beadon Pura Saraswati Marg,
Karol Bagh, New Delhi-110005

Bankers

Canara Bank

Registrar & Transfer Agent

Beetal Financial & Computer Services Private Limited
Beetal House, 3rd Floor, 99, Madangir
Behind Local Shopping Centre,
Near Baba Harsukh Das Mandir,
New Delhi-110062

Listing

The Bombay Stock Exchange Limited

Annual General Meeting

Date : June 14, 2010
Time : 10 A.M.
Day : Monday
Venue : Hindi Bhawan, 11, Vishnu Digambar Marg,
New Delhi-110002

Registered Office

10178/304A, Ravindera Plaza
Abdul Aziz Road, Karol Bagh,
New Delhi-110005

NOTICE

Notice is hereby given that the **16th Annual General Meeting** of Ace India Limited will be held on Monday, June 14, 2010 at 10.00 A.M. at Hindi Bhawan, 11, Vishnu Digambar Marg, New Delhi-110002, to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended March 31, 2010 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a director in place of Mr. V.P. Narula, who retires from office by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s PVRN & Co., the Retiring Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

Special Business

4. **To consider and if though fit, to pass, with or without any modification(s) as may deem fit the following, as a Special Resolution:-**

“RESOLVED THAT pursuant to the provisions of Section 81(1A) of the Companies Act, 1956 (hereinafter referred to as “the Act”) and other applicable provisions of the Act, if any, and subject to the provisions of the Memorandum & Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 and other applicable regulations and guidelines issued by the Securities and Exchange Board of India (“SEBI”), the Foreign Exchange Management Act, 1999, and other applicable provisions, if any, and subject to such consents and approvals as may be required and subject further to such conditions and modifications as may be prescribed in granting such consents, approvals and subject to such conditions as may be imposed by the SEBI, the Reserve Bank of India (“RBI”), Government of India (“GOI”), or any other relevant authority and clarifications thereon issued from time to time, if any, and subject to all such statutory, regulatory and government approvals, permissions or sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions or

sanctions, and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which expression shall be deemed to include any Committee constituted/to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution); the consent of the members of the Company be and is hereby accorded to the Board to create, offer, issue and allot in one or more tranches, equity shares, debentures, bonds, instrument which are fully or partly convertible into Equity Shares, warrants or any other instruments whether in Indian Rupee or any foreign currency (hereinafter collectively referred to as “Securities”), secured or unsecured, to any person, whether or not the Members of the Company, including the Promoters of the Company, their Friends, Relatives and Associates, Business Associates, Employees (including Directors and Workers) of the Company and its Group Companies, Corporate Bodies, Mutual Funds, Financial Institutions, Banks, Foreign Institutional Investors, Non-Resident Indians, Foreign Nationals, Insurance Companies, Pension Funds, Portfolio Managers etc., by way of public issue, right issue, issue of Foreign Currency Convertible Bonds (FCCB), Global Depository Receipts (GDR), American Depository Receipts (ADR), reservation on competitive basis or firm allotment basis, private placement, preferential allotment basis or a combination thereof at such price or prices so that the total amount raised through the aforesaid Securities should not exceed USD 50 Million including premium on such terms and conditions or in such manner as the Board may in its absolute discretion think fit, in consultation with the Lead Managers, Advisors and/or such other persons and on such terms and conditions including the ratio in which such Securities may be offered, issued and allotted to the existing shareholders, the numbers of Securities to be issued, face value of the Securities, rate of interest, premium, number of equity shares to be allotted on conversion, exercise of rights attached with warrants, ratio of exchange of shares and/or warrants and/or any other financial instruments, period of conversion, fixing of record date or book closure and other related or incidental matters.

RESOLVED FURTHER THAT in case of any Equity Linked Securities Issue/Offer, the Board be authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any such Securities referred to above or as may be in accordance with the terms of the offer, all such shares would rank pari-passu inter-se with the then existing Equity Shares of the Company in all respects.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorised to determine the form, terms and timing of the issue(s) including the class of investors to whom the Securities are to be allotted, number of Securities to be allotted, issue price, face value, premium amount on issue/conversion of securities/exercise of warrants/redemption of Securities, rate of interest, redemption period, listings on one or more stock exchanges in India and/or abroad as the Board in its absolute discretion deems fit and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues in India and/or abroad, to do all acts, deeds, matters and things and to settle any questions or difficulties that may arise in regard to the issue(s).

RESOLVED FURTHER THAT the Board of Directors or Committee thereof be and is hereby authorised to fix differential pricing on different mode of issue.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board and the Committee thereof be and is hereby authorised on behalf of the Company to do all or any of such acts, deeds, matters and things as it may in its discretion deem necessary or desirable for such purpose including but without limitation to enter into under-writing, marketing, depository, custodian and any other arrangements or agreements and to remunerate all other agencies by way of commission, Brokerage, fees or the like and to settle such questions, difficulties or doubts that may arise in regard to any such issue or allotment as it may in its discretion deem fit.

RESOLVED FURTHER THAT in case of any over subscription of the issue, the Board be and is hereby authorised to retain such of the amount and issue and allot Securities, as may be permitted in accordance with applicable laws, rules and provisions in consultation with the Stock Exchange.

RESOLVED FURTHER THAT the Board be entitled to vary, modify, alter any of the foregoing terms and conditions to confirm with those as may be approved by SEBI, RBI or any other appropriate authorities and department.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorised to do all things necessary for the purpose of giving effect to the issue and allotment of said Securities/Equity Shares and to take such action or give such directions as may be necessary or desirable and to accept any modifications in the proposal and

terms of the issue including the price of the Equity Shares to be so issued or to be issued against or conversion of such Securities or the ratio or number in which the New Equity Shares or Securities are to be offered which may result in a change in the total amount of the issue as may be considered necessary by the Board or as may be prescribed in granting approvals to the issue and which may be acceptable to the Board and to decide the Basis of Allotment and to settle any question that may arise in regard to the issue and allotment of new equity shares or securities or on conversion of the said securities into shares or on issue of shares against such securities.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all necessary actions to give effect to this resolution and to delegate to a Committee of Directors or any one of the Director, all or any of its powers and authorities vested in it in terms of this resolution as may be permitted by law."

5. **To consider and if thought fit, to pass, with or without modification(s) as may deem fit the following Resolution as an Ordinary Resolution**

"RESOLVED THAT pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactments thereof), the consent of the shareholders of the Company be and is hereby accorded to authorize the Board of Directors of the Company, to borrow, for the purposes of the Company's business, any sum or sums of money from time to time at its discretion in accordance with the Memorandum and Articles of Association of the Company notwithstanding that such sum or sums of money together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from time to time from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose, provided the aggregate of all sums borrowed by the Board from time to time and remaining outstanding shall not exceed, at any point of time, Rs.400 Crores (Rupees Four Hundred Crores only).

RESOLVED FURTHER THAT the Board be and is hereby authorised to negotiate and finalise all the terms and conditions of all such moneys to be borrowed from time to time as to interest, repayment, securities, etc. as it may consider fit in the interest of the Company and to execute all agreements, deeds, undertakings, etc. and to do all such acts, deeds, matters and things

as it may, in its absolute discretion deem fit, necessary, desirable or expedient for giving effect to this Resolution."

6. **To consider and if thought fit, to pass, with or without any modification(s) as may deem fit the following, as an Ordinary Resolution :-**

"RESOLVED THAT pursuant to the provisions of section 293(1) (a) and other applicable provisions, if any, of the Companies Act, 1956 and the Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to the Board of Directors to mortgage and/or charge/hypothecate any of its movable and/or immovable properties wherever situated, both present and future, or the whole, or substantially the whole, of the undertaking or undertakings of the Company on such terms and in such manner as the Board may think fit, together with power to take over the management of the business or concern of the Company in certain event(s), for securing any loan obtained/to be obtained from, or securities issued/to be issued to, Bank(s), Financial or other institution(s), Mutual Fund(s), Non-Resident Indian(NRIs), Overseas, Corporate Bodies (OCBs), Foreign Institutional Investor(FIIs) or any other person(s), body(ies) corporate, etc., whether shareholder of the Company or not (hereinafter collectively referred to as "lenders), for an amount not exceeding Rs. 400 Crores (Rupees Four Hundred Crores), together with interests, compound/additional interest, commitment charges, costs, expenses and all other monies payable by the Company to the concerned lenders.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and to sign all such documents as may be necessary, expedient and incidental thereto given effect to this resolution."

7. **To consider and if thought fit, to pass, with or without any modification(s) as may deem fit the following, as an Ordinary Resolution:-**

"RESOLVED THAT Mr. Yamuna Dhar Pande, who was appointed as an additional director by the Board of Directors of the Company on April 10, 2010 pursuant to Section 260 and other applicable provisions of the Companies Act, 1956 and Articles of Association of the Company to hold the office up to this Annual General Meeting and in respect of whom the company has received notice in writing from the member as required under section 257 of the Companies Act, 1956

proposing his candidature for the office of the Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

8. **To consider and if thought fit, to pass, with or without any modification(s) as may deem fit the following, as an Ordinary Resolution:-**

"RESOLVED THAT Mr. Chander Prakash Batra, who was appointed as an additional director by the Board of Directors of the Company on April 10, 2010 pursuant to Section 260 and other applicable provisions of the Companies Act, 1956 and Articles of Association of the Company to hold the office up to this Annual General Meeting and in respect of whom the company has received notice in writing from the member as required under section 257 of the Companies Act, 1956 proposing his candidature for the office of the Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

9. **To consider and if thought fit, to pass, with or without any modification(s) as may deem fit the following, as a Special Resolution:-**

"RESOLVED THAT pursuant to provisions of Section 31 or any other applicable provisions, if any, of the Companies Act, 1956, the consent of the members be and is hereby accorded to alter the Articles of Association of the Company by substituting following new Article 87(1) in place of existing Article 87(1) of the Articles of Association of the Company:-

"87(1) The sitting fees payable to a Director for attending a meeting of Board or a Committee of the Board shall be decided by the Board of Directors, from time to time, within the maximum limits of such fees as prescribed under the provisions of Section 310 of the Companies Act, 1956 read with rules framed there under."

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized to file e-Form 23 along with necessary documents required to attached thereto with the Registrar of Companies, NCT of Delhi & Haryana and to do any other acts, things and deeds which is required to give effect to the above resolution."

By order of the Board of Directors

Place : New Delhi
Dated : May 05, 2010

Sd/-
Sandhya Gupta
Company Secretary