



***9th***  
***Annual Report***  
***2002 - 2003***

***Board of Directors***

**VED PRAKASH NARULA**

(Chairman)

**B. S. GOYAL**

(Director)

**MAMTA NARULA**

(Director)

**RAJESH KUMAR NARULA**

(Director)

**JITENDRA JAISWAL**

(Director)

**ARVIND KUMAR**

(Company Secretary)

***Auditors***

**A. KATHPALIA & CO.**

Chartered Accountants

***Bankers***

**CANARA BANK**

**ABN AMRO**

**CORPORATION BANK**

***Registered Office***

2/100, Scheme 10B, R.H.B. Colony

Alwar, Rajasthan

***Register and Transfer Agent***

Beetal Financial & Computer Services (P) Ltd.

321-S, Chirag Delhi, New Delhi-110017

**NOTICE**

Notice is hereby given that 9<sup>th</sup> Annual General Meeting of the Members of the Company will be held on Friday, the 26<sup>th</sup> day of September 2003, at 10.00 A.M. at Registered office at 2/100 Scheme 10 B, Near Partap Palton, R.H.B. Colony, Alwar-301001 (Rajasthan) to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2003 and Profit & Loss Account for the period ended on the date along with the Auditors' Report and Director' Report thereon.
2. To appoint Mr. Virender Kumar as a Director of the Company in place of Mr. Jitendra Jaiswal, who retires by rotation and expressed his desire not to offer himself for reappointment. The Company has, pursuant to Section 257 of the Companies Act, 1956, received a notice in writing from a member of the Company proposing the candidature of Mr. Virender Kumar for the office of Director in the vacancy being caused by the retirement of Mr. Jitendra Jaiswal.
3. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and for the purpose to consider and thought fit, to pass, with or without modifications, the following resolution as a Special Resolution :-

**"RESOLVED THAT** pursuant to the provision of Section 224 A and other applicable provisions, if any, of the Companies Act, 1956 M/s A. KATHPALIA & CO., Chartered Accountants, be and are hereby appointed as Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be decided by the Board of Directors of the Company, in addition to reimbursement of all out of pocket expenses in connection with the audit of the Company"

**SPECIAL BUSINESS**

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution.  
**"RESOLVED THAT** Shri Rajesh Kumar Narula, who was appointed as an Additional Director by the Board Of Directors of the Company and who, as per the provision of section 260 of the Companies Act, 1956 hold office up to the date of this Annual General Meeting and in respect of whom the Company has, pursuant to Section 257 of the Companies Act, 1956, received a notice from a member in writing proposing the candidature of Shri Rajesh Kumar Narula for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation".
5. To consider and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution.  
**"RESOLVED THAT** Ms. Mamta Narula, who was appointed as an Additional Director by the Board Of Directors of the

Company and who, as per the provision of section 260 of the Companies Act, 1956 hold office up to the date of this Annual General Meeting and in respect of whom the Company has, pursuant to Section 257 of the Companies Act, 1956, received a notice from a member in writing proposing the candidature of Ms. Mamta Narula for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation".

**By the order of the Board of Directors  
For ACE INDIA LIMITED**

**Place: - New Delhi**

**Date: - 22/8/2003**

**Arvind Kumar  
(Company Secretary)**

**Notes**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED TO THE REGISTERED OFFICE OF THE COMPANY AT LEAST FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Book will remain closed from 16<sup>th</sup> September, 2003 to 26<sup>th</sup> September, 2003 (both days inclusive).
3. Members holding shares in more than one folio in identical order of name are requested to write to R&TA enclosing their shares certificates for consolidation of their holdings in one folio to facilitate better services.
4. Members seeking any information with regards to accounts or operations are requested to write to the Company at an early date so as to enable the management to keep the information ready.
5. Members/ proxies should bring the attendance slip duly filled in for attending the meeting.
6. The Explanatory Statement pursuant to the provisions of Section 173 (2) of the Companies Act, 1956, setting out material facts in respect of the business under item no. 4 and 5 is annexed hereto.
7. The Members are requested to notify the change in their addresses, if any, to the Registrar and Transfer Agent, M/s Beetal Financial & Computer Services Private Limited, 321 S, Chirag Delhi, Near Shahid Bhagat Singh College, New Delhi-110017.

**By the order of the Board of Directors  
For ACE INDIA LIMITED**

**Place: - New Delhi**

**Date: - 22/8/2003**

**Arvind Kumar  
(Company Secretary)**

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**Ace India Limited****EXPLANATORY STATEMENT PURSUANT TO SECTION, 173  
OF THE COMPANIES ACT, 1956****ITEM NO. 4.**

Shri Rajesh Kumar Narula was appointed as an Additional Director by the Board of Directors of the Company. In terms of Section 260 of the Companies Act, 1956, Shri Rajesh Kumar Narula shall hold office up to the date of the Annual General Meeting of the Company. The Company has received valid notice from a member of the Company under section 257 of the Companies Act, 1956, proposing the candidature of Shri Rajesh Kumar Narula for the office of Director.

In view of background and valuable experience of Shri Rajesh Kumar Narula, it will be in the interest of the Company that Shri Rajesh Kumar Narula continues as a Director of the Company.

Yours directors command the resolution for approval to the Members.

Shri Rajesh Kumar Narula is interested in the resolution as it relates to his appointment.

None of the other Directors of the Company is in any way concerned or interested in the resolution.

**ITEM NO. 5**

Ms. Mamta Narula was appointed as an Additional Director by the Board of Directors of the Company. In terms of Section 260 of the Companies Act, 1956, Ms. Mamta Narula shall hold office up to the date of the Annual General Meeting of the Company. The Company has received valid notice from a member of the Company under section 257 of the Companies Act, 1956, proposing the candidature of Ms Mamta Narula for the office of Director.

In view of background and valuable experience of Ms. Mamta Narula, it will be in the interest of the Company that Ms. Mamta Narula continues as a Director of the Company

Yours directors command the resolution for approval to the Members.

Ms. Mamta Narula is interested in the resolution as it relates to her appointment.

None of the other Directors of the Company is in any way concerned or interested in the resolution.

**By the order of the Board of Directors  
For ACE INDIA LIMITED**

Place: - New Delhi

Arvind Kumar

Date: - 22/8/2003

(Company Secretary)

**LISTING AT STOCK EXCHANGES**

The Company's Equity Shares are listed on the following three Stock Exchanges in India

1. The Delhi Stock Exchange Association Ltd.  
3/1 Asaf Ali Road Delhi-110002
2. The Stock Exchange, Mumbai  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort Mumbai-400001
3. Madras Stock Exchange  
Exchange Building, Post box No. 183,  
11, Second line Beach, Chennai-600001

The Company has paid the Annual Listing fees to the Stock Exchanges for the financial year 2002-2003

**DIRECTORS' REPORT****To the Members**

Yours Directors present Ninth Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2003.

**Financial Results**

	31.03.2003	31.03.2002
	Amount	Amount
	(Rs. in Lacs)	(Rs in Lacs)
Gross Income	20.66	23.38
Profit/Loss	1.1	(3.79)

**DIVIDEND**

In view of the inadequate profit your Directors are unable to recommend dividend.

**OPERATIONAL REVIEW**

During the year under review your company earned a profit of Rs. 1.1 lacs as against loss of Rs. 3.79 in last year by reducing its personnel cost. Efforts were made to recover money advanced by the company.

Your Company entered into the more promising field of media and entertainment business during the year by deploying the funds for intended to acquiring the Bangli picture "Sanghat" as well as "Tum Hi Na The" and also production of Music Video Album Titled as 'Teri Galio Me'.

Your Company during the last quarter of the financial year completely reshaped its business structure and model after acquisition

**FUTURE OUTLOOK**

Your Company is aspiring to grow a big contest development player in multilingual and vast spectrum of entertainment medium, be it television, feature film, Music Album, in view of enormous potential and vacuum control requirement due to availability and presence of innumerable channels and delivery models.

**BUSINESS STRATEGY**

To meet all its clients' need, the Company strives to offer a comprehensive range of services by continuous evaluating new and emerging technologies. As a full service provider, the Company believes that it can increase its revenues from existing clients as well as attract new clients and markets.

Entertainment events are turning out to be as big market and Company plans to be a major player in this segment as well. Company plans to be a multilingual, multipurpose, multi-medium content provider at a lowest cost structure with major emphasis on quality.

**FIXED DEPOSIT**

There are no fixed deposits accepted by the Company.

**DIRECTORS**

During the year Mr. Nariender Jaiswal and Nitin Jain resign from the post of directorship. Your directors place on record their appreciation for the valuable services rendered during their tenure as director of the Company.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors confirm

- 1) that in the preparation of the Annual Accounts, the Applicable accounting Standards have been followed.
- 2) that the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial year ended 31<sup>st</sup> March, 2003 and of the profits of the Company for that year
- 3) that the Director had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities
- 4) that the Directors have prepared the annual accounts on a going concern basis

**AUDITORS**

M/s A. KATHPALIA & CO. Auditors of the Company retire at the forth coming Annual General Meeting and are eligible for re-appointment.

**AUDITORS' REPORT**

The notes to the accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

**BAD DEBTS**

During the year board written off as a bad debt Rs 53.66 lacs on 30.09.2002 and Rs. 54.05 lacs on 31.12.2002. But on account of continuous efforts and legal action some of the above amounts were recovered and the balance was promised to pay except Rs. 3.41 lacs.

In the view of management, the amount Rs. 341300.00 seems to be bad debts during the year under review.

**PERSONNEL**

The Management-employee relations remained very cordial and friendly throughout the year.

**CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO**

The disclosure to be made pursuant to the provision of Sub Section (1) (e) of Section 217 of the Companies Act, 1956, read with Companies (Disclosure of particulars in the report of B.O.D. Rules, 1988, ) are set out in the annexure included in this report.

**PARTICULARS OF EMPLOYEES**

No Particulars of employee are given as required under the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of employees) rule, 1975 as amended as no employee has drawn the salary as prescribed in the said Section.

**INTERNAL CONTROL SYSTEM**

The Company maintains a system of internal control, including suitable monitoring procedures. The internal audit department regularly conducts a review to assess the financial and operating control at various locations of the Company. Any significant issue is required to be brought to the attention of the Audit Committee of the Board. The Statutory Auditor and the head of internal Audit are invited to attend the Audit Committee Meeting.

**ACKNOWLEDGEMENT**

Yours Directors would like to express their thanks for the cooperation, assistance, support and guidance extended by the Bankers, central and state government, local Authorities and other regulatory authorities. The Board place on record its appreciation for the valuable patronage, co-operation and goodwill received by it from clients, business associates and our most valued shareholders. Yours Directors also express their appreciation for the developed contribution made by the employee and the workers to the successful operations of the Company during the year

By the order of the Board of Directors  
For ACE INDIA LIMITED

V. P. Narula  
(Director)

Place: - New Delhi

Date: - 22/8/2003