

ACME RESOURCES LIMITED

23rd Annual Report 2007 - 2008

BOARD OF DIRECTORS

SRI PRABHAT KUMAR JAIN, *Managing Director*

SRI CHANDRA PRAKASH AGARWAL

SRI KULDEEP SALUJA

SRI SARAD SALUJA

SRI SANDEEP DEY

SRI LAXMI NARAIN KESARWANI

SECRETARY

SRI AMITAVA DAS

AUDITORS

H. R. AGARWAL & ASSOCIATES

Chartered Accountants

BANKERS

CANARA BANK

HDFC BANK LTD.

THE HONGKONG & SHANGHAI BANKING CORPN. LTD.

REGISTERED OFFICE

1, CROOKED LANE

ROOM NO. 107

KOLKATA - 700 069

Phone : (033) 2243-7480

Fax : (91-33) 2243-7481

E-mail : info@acmeresources.net

Website : www.acmeresources.net

NOTICE

NOTICE is hereby given that the Twenty-third Annual General Meeting of the Members of **ACME RESOURCES LIMITED** will be held at the registered office of the Company at 1, Crooked Lane, Room No. 107, Kolkata - 700 069 on Saturday, 27th September, 2008 at 1.00 p.m. to transact the following business :-

GENERAL BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2008 and Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Sandeep Dey, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. H. R. Agarwal & Associates, Chartered Accountants, the retiring Auditors of the Company, as Auditors, who shall hold office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT Sri Sarad Saluja, who was appointed as Additional Director at the meeting of the Board of Directors of the Company held on 1st December, 2007 and who holds office in terms of Section 260 of the Companies Act, 1956 up to the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice from a member under Section 257 of the Companies Act, 1956 signifying his intention to propose Sri Sarad Saluja as a candidate for the office of the Director of the Company, 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, the following Resolutions as Ordinary Resolution :-

"RESOLVED THAT Sri Laxmi Narain Kesarwani, who was appointed as Additional Director at the meeting of the Board of Directors of the Company held on 1st April 2008 and who holds office in terms of Section 260 of the Companies Act, 1956 up to the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice from a member under Section 257 of the Companies Act, 1956 signifying his intention to propose Sri Laxmi Narain Kesarwani as a candidate for the office of the Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

Registered Office :

1, Crooked Lane, Room No. 107,
Kolkata - 700 069

Dated : 30th June, 2008

By order of the Board
For Acme Resources Limited

AMITAVA DAS
Company Secretary

NOTES :

1. A Member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a Member of the Company. Proxies in order to be effective, must be received at the Registered Office of the Company at 1, Crooked Lane, Room No. 107, Kolkata - 700 069, not less than forty-eight hours before the commencement of the Annual General Meeting.
2. Members/proxies should bring duly filled Attendance Slips along with copy of the Annual Report & Accounts to the Annual General Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 23rd September 2008 to Saturday, 27th September 2008 (both days inclusive).
4. The Register of Directors Shareholding maintained under Section 307 of the Companies Act, 1956 would be available for inspection by the members at the Annual General Meeting.
5. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the meeting is annexed hereto.
6. Members are requested to notify immediately any change in their addresses to the Registrar and Share Transfer Agent, Maheshwari Datamatics Private Limited of 6, Mangoe Lane, 2nd Floor, and Kolkata - 700 001.
7. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
8. Additional information to be provided under Clause 49 of the Listing Agreement pertaining to the Directors being appointed/re-appointed, Members are requested to kindly refer Part - b of Para 8 of the Report on Corporate Governance forming part of this Annual Report.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 4

Sri Sarad Saluja was appointed as an Additional Director of the Company by the Board of Directors with effect from 1st December, 2007 under Section 260 of the Companies Act, 1956 to hold office until the conclusion of the ensuing Annual General Meeting. The Company has received a notice from members signifying their intention to propose Sri Sarad Saluja as a candidate for the office of Director of the Company under section 257 of the Companies Act, 1956 along with requisite deposit of Rs. 500/-. It is proposed that Sri Sarad Saluja will be liable to retire by rotation.

None of the Directors, except Sri Sarad Saluja is, in any way, concerned or interested in the aforesaid resolutions.

Item No. 5

Sri Laxmi Narain Kesarwani was appointed as an Additional Director of the Company by the Board of Directors with effect from 1st April, 2008 under Section 260 of the Companies Act, 1956 to hold office until the conclusion of the ensuing Annual General Meeting. The Company has received a notice from members signifying his intention to propose Sri Laxmi Narain Kesarwani as a candidate for the office of Director of the Company under section 257 of the Companies Act, 1956 along with requisite deposit of Rs. 500/-. It is proposed that Sri Laxmi Narain Kesarwani will be liable to retire by rotation.

None of the Directors, except Sri Laxmi Narain Kesarwani is, in any way, concerned or interested in the aforesaid resolutions.

Registered Office :
1, Crooked Lane, Room No. 107,
Kolkata - 700 069

Dated : 30th June, 2008

By order of the Board
For Acme Resources Limited
AMITAVA DAS
Company Secretary

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Twenty-third Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2008.

1. FINANCIAL HIGHLIGHTS

The working results of the Company for the year under review are given below :

Turnover and Other Income	Year ended 31.03.2008 (Rs.)	Year ended 31.03.2007 (Rs.)
Profit/(Loss) Before Tax	2,79,03,752.62	99,21,752.70
Provision for Taxation - Current Tax	95,00,000.00	41,50,000.00
- Fringe Benefit Tax	554.00	1,979.00
- Deferred Tax	—	—
Profit/(Loss) After Tax	1,84,03,198.62	57,69,773.70
Less : Transfer to Statutory Reserve	40,00,000.00	12,47,134.00
Balance brought forward from previous year	(5,05,790.80)	(50,28,430.50)
Balance carried to Balance Sheet	1,38,97,407.82	(5,05,790.80)

2. DIVIDEND

To conserve the resources of the Company for future expansion, the Board have decided not to recommend any dividend for the year under review.

3. PERFORMANCE REVIEW

The performance of the Company during the current year has shown significant growth in comparison to previous year due to bullishness of Stock Market at the commencement of Financial year under review. Your Directors are making all efforts to further improve the performance of the Company further in future.

4. FIXED DEPOSITS

During the year under review, your Company has not accepted any deposits within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the Rules made there under.

5. DIRECTORS

(i) Re-appointment :

As per the provisions of the Article of Association of the Company, Shri Sandeep Dey retires by rotation and being eligible offers himself for re-appointment. The Board recommends his re-appointment for consideration of the shareholders.

(ii) Appointment :

Shri Sarad Saluja and Shri Laxmi Narain Kesharwani who were appointed as Additional Directors of the Company by the Board of Directors, with effect from 1st December, 2007 and 1st April 2008 respectively, under Section 260 of the Companies Act, 1956 to hold office until the conclusion of the convened Annual General Meeting are proposed to be regularised as Directors of the Company at the convened Annual General Meeting, if the required consent of shareholders will be obtained thereto.

(iii) Resignation :

Sri Jitendra Tiwari resigned from the Company w.e.f 30th April 2008.

6. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, it is hereby confirmed :

- a. That in the preparation of the accounts for the financial year ended 31st March, 2008, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- b. That 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 at the end of the financial year and of the profit of the Company for the year under review;
- c. That 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 fraud and other irregularities;
- d. That the Directors have prepared the annual accounts for the financial year ended 31st March 2008 on a going concern basis.

7. AUDITORS' REPORT

The Notes on Accounts as per Part – B of Schedule – "N" referred into Auditor's Report are self-explanatory and hence do not require any further clarifications.

8. AUDITORS

M/s. H. R. Agarwal & Associates, Chartered Accountants., Auditors of the Company, retire at the conclusion of the forthcoming Annual General Meeting and have consented to continue in office, if appointed. They have confirmed that their appointment, if made, will be in accordance with the limits specified in Section 224(1B) of the Companies Act, 1956.

9. EMPLOYEES

None of the employees were in receipt of remuneration in excess of the limits specified under Section 217(2A) of the Companies Act, 1956 read along with Companies (Particulars of Employees) Rules, 1975.

10. STATUTORY INFORMATION

The Company being basically in the financial sector, requirement regarding the disclosure of particulars of conservation of energy and technology absorption prescribed by the rules is not applicable.

11. FOREIGN EXCHANGE

The Company had no foreign exchange inflow or outflow during the year under review.

12. CORPORATE GOVERNANCE

As per the Listing Agreement with the Stock Exchanges, the Company has implemented the Code on Corporate Governance. The Corporate Governance compliance certificate obtained from the Auditors of the Company is attached to this report.

The Management Discussion and Analysis Report and the Report on Corporate Governance are given in the annexure attached to this report. The Board members and senior management personnel have confirmed compliance with the Code of Conduct of the Company.

13. EMPLOYER EMPLOYEE RELATIONSHIP

The Company has maintained a cordial relationship with its employees, which resulted in smooth flow of business operations during the year under review.

14. ACKNOWLEDGEMENTS

Your Directors acknowledge the support and owe a debt of gratitude to the Shareholders, Investors & Bankers. Your Directors are also thankful to its clients for their continued faith and support reposed in them. Last but not the least, your Directors' place on record their sense of appreciation for the valuable contribution made by the employees of the Company.

Registered Office :

1, Crooked Lane

Room No. 107

Kolkata - 700 069

Dated : 30th June, 2008

On behalf of the Board of Directors

For Acme Resources Limited

Sandeep Dey
Director

Prabhat Kumar Jain
Managing Director

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance :

1. CORPORATE GOVERNANCE

Effective Corporate Governance has always been an integral part of the Company's business philosophy. The Company lays lot of importance to issues of Corporate Governance in order to bring in transparency and to increase the stakeholders' wealth. It is the firm belief of the Company that good corporate governance should be an internally driven need and not only compliance of the statutory requirements.

2. BOARD OF DIRECTORS

(a) Composition of the Board

The Composition of the Board of Directors of the Company consists of qualified executive and non-executive directors. The Board is broad based and comprises of persons who have excelled in their respective areas having good standing.

The composition of the Board of Directors during the financial year ending 31.03.2008 was as follows :

Sr. No.	Name of Director	Executive/ Non Executive	No. of other		
			Directorships*	Committee**	
				Chairman	Member
1	Sri Prabhat Kumar Jain - <i>Managing Director</i>	Executive	3	—	—
2	Sri Sandeep Dey	Non Executive	5	1	1
3	Sri Chandra Prakash Agarwal	Non Executive	—	—	—
4	Sri Jitendra Tiwari	Non Executive	—	—	—
5	Sri Kuldeep Saluja	Non Executive	—	—	—
6	Sri Sarad Saluja +	Non Executive	—	—	—
7	Sri Laxmi Narain Kesarwani ++	Non Executive	—	—	—

+ appointed as additional director on 01.12.2007

++ appointed as additional director on 01.04.2008

+Excluding Directorship held in Private Limited / Foreign Companies and companies incorporated under section 25 of the Companies Act, 1956.

(b) Changes in the composition of the Board of Directors since the last Annual General Meeting.

Sri Jitendra Tiwari resigned from the Company w.e.f 30th April, 2008. The Board recorded the appreciation for the services provided by him.

Sri Laxmi Narain Kesarwani and Sri Sarad Saluja were appointed as Additional Director of the Company with effect from 1st April, 2008 and 1st December, 2007 respectively. Their inclusion in the Board of Directors of the Company will bring in lot of experience along with knowledge, which will enhance the performance of the Company.

(c) Details of sitting fees, remuneration etc. paid to Directors

Mr. Prabhat Kumar Jain, Managing Director was paid total remuneration of Rs. 1,20,000 (Rupees One Lakh And Twenty Thousand Only) during the Financial Year 2007-08. No sitting fee was paid to any director during the year.

(d) Board Meetings held in the Financial Year 2007-2008 and attendance of Directors

The Board meets at least once in a quarter to consider amongst other business, the quarterly performance of the Company and financial results. During the year under review, 9 (Nine) Board Meetings were held on 3rd April, 2007, 12th April, 2007, 30th June, 2007, 12th July, 2007, 31st July, 2007, 8th August, 2007, 31st October, 2007, 1st December, 2007 and 31st January, 2008.

Attendance of each director at the Board of Directors meetings and the last Annual General Meeting:

Directors	No. of Meetings		Attendance at last AGM - Held on 29th Sept., 2007
	Held	Attended	
Sri Prabhat Kumar Jain - Managing Director	9	8	Yes
Sri Sandeep Dey	9	6	Yes
Sri Chandra Prakash Agarwal	9	7	Yes
Sri Jitendra Tiwari *	9	6	Yes
Sri Kuldeep Saluja **	4	3	NA
Sri Sharad Saluja **	2	2	NA
Sri Laxmi Narain Kesarwani **	NA	NA	NA

** Details provided from the date of appointment.

* Details provided upto the effective date of resignation.

3. DIRECTORS INTEREST IN THE COMPANY

No director is related to any other director of the Company.

None of the directors received any loan and advances from the Company during the year.

4. COMMITTEES OF DIRECTORS

In accordance with requirements of the Listing Agreement with the Stock Exchanges on Corporate Governance, following 2 committees were operational during the year :

(a) Audit Committee

(b) Share Transfer and Investors' Grievance Committee

a. Audit Committee

The present Audit Committee of the Board of Directors fulfills the requirements of section 292A of the Companies Act, 1956 as well as the Listing Agreement. The Audit Committee of the Company consists of 3 directors. During the Financial Year 2007-2008 the Audit Committee met 4 times on 30th June 2007, 31st July 2007, 31st October 2007 and 31st January 2008.

ACME RESOURCES LIMITED

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The composition of the Audit Committee and the attendance of each director at this meeting were as follows :

Sr. No.	Members of Audit Committee	No. of meetings attended
1	Sri Sandeep Dey - Chairman	4
2	Sri Chandra Prakash Agarwal	4
3	Sri Jitendra Tiwari	4

Audit Committee is responsible for reviewing with the management, the annual financial statement before submission to the Board. The main function of Audit Committee is to supervise the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct.

b. Share Transfer and Investors' Grievance Committee

The Company has set up its **Shareholders' / Investors' Grievance Committee** in 2001. The Committee deals with the various matters relating to :

- ★ transfer / transmission of shares / debentures,
- ★ issue of duplicate share certificate,
- ★ review of shares dematerialised and all other related matters,
- ★ monitors expeditious redressal of investors' grievances,
- ★ all other matters related to shares / debentures.

There was no meeting of the Share Transfer and Investors' Grievance Committee in the year under review since all the Share Transfers were in electronic mode and there was no physical share transfer. The composition of the Committee as at 31st March, 2008 is as under :

S. No.	Members of Share Transfer and Investors Grievances Committee
1	Sri Sandeep Dey – Chairman
2	Sri Chandra Prakash Agarwal
3	Sri Jitendra Tiwari

As required by the Listing agreement with the Stock Exchanges, Sri Amitava Das, Company Secretary, has been designated as 'Compliance Officer' to monitor the shares transfer process.

The status of investors' queries/complaints/grievances received during the year is as under :

No. of investors queries / complaints received during the year ended 31st March, 2008	Pending at the end of the year	No. of pending share transfers
NIL	NIL	NIL

REMUNERATION COMMITTEE :

The Company has only one Managing Director on the Board, whose appointment and remuneration has been fixed by the Board and in terms of resolution passed by the members. In view of this, no Remuneration Committee was constituted.

5. ANNUAL GENERAL MEETING

Location and time, where last three AGMs were held :

Year	Date	Place	Time
2007	29-09-2007	1, Crooked Lane, 1st Floor, R. No. 107 Kolkata- 700 069	11.00 A.M.
2006	16-09-2006	1, Crooked Lane, 1st Floor, R. No. 107 Kolkata- 700 069	10.00 A.M.
2005	16-09-2005	1, Crooked Lane, 1st Floor, R. No. 107 Kolkata- 700 069	1.00 P.M.

Whether special resolution was put through postal ballot last year, details of voting pattern :

No special resolution were put through postal ballot last year, as the situation did not arise.

6. DISCLOSURES

(a) Disclosures on materially significant related party transactions :

There were no materially significant related party transactions during the year having conflict with the interests of the Company.

(b) Details of Non-Compliance by the Company, penalties and stricture imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities or any matter related to capital markets :

The Company has complied with all requirements of the listing agreement with the stock exchanges as well as regulations and guidelines of SEBI.

7. MEANS OF COMMUNICATION

The Board of Directors of the Company approves and takes on record un-audited financial results in the proforma prescribed by the stock exchange, within one month of the close of every quarter and announces forthwith the results to all the stock exchanges where the shares of the Company are listed. Shareholders are intimated through print media of quarterly financial results and performance besides significant matters, within time period stipulated from time to time by stock exchanges. The quarterly Un-Audited Financial Results and Audited Financial Results are published in a leading national newspaper and a vernacular language newspaper.

The Annual Report containing inter alia Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to Members and others entitled thereto.

8. GENERAL SHAREHOLDER'S INFORMATION

a. Annual General Meeting :

Date & Time	27th September, 2008 at 1.00 P.M.
Venue	1, Crooked Lane, Room No. 107, Kolkata - 700 069