



Life line to Good Health
Asia's First Satellite TV Channel on Health

TANU HEALTH CARE LTD.
13th ANNUAL REPORT
2002 - 2003

TANU HEALTH CARE LTD.

BOARD OF DIRECTORS

SHRI GIRIRAJ KISHOR AGARWAL

CHAIRMAN & MANAGING DIRECTOR

SMT. TANU G. AGARWAL

DIRECTOR

AJIT GUPTA

DIRECTOR

O.P.AGRAWAL

DIRECTOR

AUDITORS

M/S. DURGESH KABRA & CO.

CHARTERED ACCOUNTANTS

3/301, YASHWANT SHOPPING CENTRE,

CARTER ROAD NO. 7,

BORIVALI – EAST.

MUMBAI – 400 066.

REGISTERED OFFICE

SHREE SAI MAHAL, OPP. POSTOFFICE,

PHATAK ROAD,

BHAYANDER – WEST.

MUMBAI – 401 101.

REGISTRAR AND TRANSFER AGENT

M/S. BIGSHARE SERVICES PVT. LTD.

E/2, ANSA INDUSTRIAL ESTATE,

SAKI-VIHAR ROAD, SAKI NAKA,

ANDHERI – EAST.

MUMBAI – 400 072.

BANKERS

HDFC BANK LTD.

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NOTICE

Notice is hereby given that the 13th Annual General meeting of the members of **TANU HEALTHCARE LIMITED** the company will be held on Tuesday 02nd September 2003, at Regd. Office of the company at Shree Sai Mahal, Opp. Post Office, Phatak Road, Bhayandar – West, Mumbai – 401101 at 11:00 a.m. to transact the following business.

ORDINARY BUSINESS

1. To consider and adopt the Audited accounts for the year ended on 31st, March 2003 and reports of Directors and Auditors thereon.
2. To appoint a Director in place of Smt Tanu Agrawal who retires by rotation and, being eligible, offers herself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting of the company at a remuneration to be fixed by the Board of Directors 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 Mr. Ajit Gupta, who was appointed as a Director of the company by the Board of Directors, under section 260 of the companies act, 1956, to hold office until the date of Annual General Meeting and in respect of whom the company has received notice in writing under section 257 of the Companies Act, 1956, proposing his candidature for the post of a Director, be and is hereby appointed as a Director of the Company."
5. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:
 "RESOLVED THAT Mr. O.P. Agrawal, who was appointed as a Director of the company by the Board of Directors, under section 260 of the Companies act, 1956, to hold office until the date of Annual General Meeting and in respect of whom the company has received notice in writing under Section 257 of the Companies Act, 1956, proposing his candidature for the post of a Director, be and is hereby appointed as a Director of the Company."
6. To consider and, if thought fit, to pass with or without modification(s) the following resolution AS SPECIAL RESOLUTION.
 "RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and 310 and other applicable provisions, if any, of the Companies Act, 1956 the Company hereby accords its approval to the appointment of Mr. Ajit Gupta as Managing Director of the Company for a period of 5 years with effect from 1st August 2003 and to the payment of remuneration, as set out in the Explanatory Statement attached to the notice convening this 13th annual General Meeting, with liberty to the Board of Directors to alter and vary such terms and conditions including remuneration so as not to exceed the limits specified in Part I, and Part II of Schedule XIII to the Companies, Act 1956 or any amendments thereto as may be agreed to by the Board of Directors and Mr. Ajit Gupta during the aforesaid period."
7. To consider and if thought fit, to pass the following resolution as SPECIAL RESOLUTION :
 "RESOLVED THAT pursuant to the guidelines issued by SEBI under the securities and Exchange Board of India (De-listing of Securities) Guidelines-2003, dated 17th February 2003 and other applicable approvals and procedures which may be applicable hereafter, governing the matter, the Company be and is hereby authorized to voluntarily apply for de-listing of its Equity Shares from the Ahmedabad Stock Exchange and Hyderabad Stock Exchange as such time as Board of Directors (whether acting through the board or any director or any person authorised by the Board) may, in their absolute discretion, consider appropriate and proper without giving an exit option to the shareholder of the regions where the aforesaid Stock Exchanges are situated and Board of Directors of the Company be and are hereby authorized to do all necessary acts in the pursuance with above matter."
8. To consider and if thought fit, to pass the following resolution as SPECIAL RESOLUTION :
 "RESOLVED THAT pursuant to section 17 of the Companies Act, 1956, the registered office of the company be changed from Shree Sai Mahal, Opp. Post Office, Phatak Road, Bhayandar – West, Mumbai – 401101, to B-103, Basera, Lokhandwala Complex, Andheri – West, Mumbai – 400 053., as it falls outside the local limits of present District but within the jurisdiction of existing Registrar of Companies."
9. To consider and if thought fit, to pass the following resolution as SPECIAL RESOLUTION :
 "RESOLVED THAT under section 17 of the Companies act, 1956, the Main Object clause of the Memorandum of association of the Company be and is hereby altered, so as to alter the objects by addition of following two clauses in the main object clause :

1 A. To carry on business of Broadcasting of Satellite Television Channels and to develop a complete television network and manufacturing, producing, reproducing, formulating, processing, designing, refining, finishing, recovering, extracting, buying, selling, exporting, importing, transporting, transmitting, distributing, consulting, hiring, renting, mixing, editing, dubbing, sound recording, shooting or otherwise dealing trading rights in all kinds of motion pictures, still pictures, various kind of programmes, software contents, entertainment media, multilingual films, T.V.Serials, advertisement films, print media, music albums, audio, micro processor based system, digital product, communication equipment, process control equipment, instrumentation, electronic equipment, wireless transmitting and receiving sets, televisions, radios, broadcasting and receiving sets, tapes, wire records, sound recordings, processing and reproducing apparatus, records changers, cassettes, dicks, rolls, devices, accessories, appliances, materials and requisite of every kind whereby sound or vision is recorded, amplified, produced, reproduced, transmitted or received.

1B. To carry on business both manufacturing, developing, training, preparing, innovating, improving, selling, trading, marketing, operating, buying, exporting, importing, acting as agents and/ or otherwise dealing in all sorts and kinds of television software, computers, micro processor based systems, electronic machinery's appliances, equipment, peripherals, software, hardware, logic controllers, monitors, digital electronic and electrical equipment including raw materials, instruments, compounds, devices, gadgets, components, accessories, spare parts and all systems, methods, technique, processes, developer, provider of any other services related in the field of electronic media, print media, cable distribution services.

10. To consider and if thought fit, to pass the following resolution as SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to section 16(1) and section 94(1)(a) of the Companies Act, 1956 and Article 4 of the Article of Association of the Company that Clause V of the Memorandum of Association of the Company be and is hereby altered by increasing the authorised Share Capital of the Company to Rs.40 Crores by creation of 2.5 Crores further equity Shares of Rs.10/-each.

11. To consider and if thought fit, to pass the following resolution as SPECIAL RESOLUTION :

"RESOLVED THAT in accordance with the provisions of section 81 (1A) and all other applicable provisions, if any, of the companies Act 1956 (including any statutory modification thereof), the relevant provisions of the Memorandum and Articles of Association of the Company and subject to the approvals, consent, permissions and sanctions as may be necessary of the Government of India, Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI) and all other concerned authorities/bodies, if any, and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or supposed by any of them while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board") if it thinks fit in the interest of the Company, the consent of the members be and is hereby accorded to Board to issue, offer and allot Equity Shares at par or premium and / or fully or partly convertible debentures, all or any of the aforesaid with or without detachable or non-detachable warrants and / or warrants of any nature and / or secured premium notes and / or floating rate notes / Bonds and / or any other financial instruments of whatsoever nature (hereinafter for brevity's sake referred to as "securities") as the Board at its sole discretion may at any time or times hereafter decide which securities were issued or allotted would ultimately result in an increase in the paid up equity share capital of the company to Rs. 40.00 Crores (Rupees Forty Crores Only) to the Members, Employees, Non Resident Indians, Overseas Corporate Bodies (OCBS) , Foreign Institutions, Organisations, whether incorporated or not, bodies, corporates and any other persons, whether through public issue, right issue, private placement, exchange or securities conversion of loans or otherwise and / or by any one or more of a combination of the above modes / methods or otherwise and in one or more trenches with or without voting rights in general meeting / class meeting of the Company as may be permitted under the three prevailing laws, at such price or prices or in such manner as the Board may in its absolute discretion think fit, on such terms and conditions including the number of securities to be issued face value, rate of interest / dividend redemption period, manner of redemption, amount of premium on redemption, the number of equity shares to be allotted on conversion / redemption / extinguishment of debts, exercise of rights attached with warrants the ratio of exchange of shares and / or warrants and / or other financial instrument, period of conversion, fixing of record date or book closure and related or incidental matters.

"RESOLVED FURTHER THAT such of the above said securities to be issued as are not subscribed may be disposed off by the Board / Committee thereof, to such persons and in such manner and on such terms the Board or Committee say in its absolute discretion think beneficial to the Company including offering or placing them with Banks / Financial institution / Investments institution / Mutual Funds / Foreign Institutional investor or such other persons or otherwise as the Board may in it's absolute discretion decide.

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or Managing or whole time Director / s or any officer or officers of the Company to give effect of the aforesaid resolution."

REGISTERED OFFICE

Shree Sai Mahal, Phatak Road,
Bhayander (w), Mumbai - 401101

DATED : 31st July,03

BY ORDER OF THE BOARD

G. K. Agarwal
Chairman

NOTES:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- 2) Printed copies of the balance sheets, profit and loss account, Director's Report, the Auditor's Report and every other document required by the law to be annexed or attached to the Balance sheet for the period ended 31st March, 2003 are enclosed herewith.
- 3) Proxies in order to be effective, must be deposited duly stamped and signed at the Registered Office of the Company not less than 48 hours before the meeting.
- 4) All documents, referred to in the notice and accompanying Explanatory Statement are open for inspection at the Registered Office of the Company during Company's Business hours on any working day from Monday to Friday from the date of Annual General Meeting.
- 5) Members desirous of obtaining any information in respect of to the accounts of the company are requested to send their queries in writing to the company at the Registered Office, so as to reach at least seven days before the date of the meeting.
- 6) Members are requested to intimate about the change of address and send shares for the transfer to our Share transfer Agent **BIGSHARE SERVICES PRIVATE LIMITED, E/2/3 ANSA INDUSTRIAL ESTATE, SAKI VIHAR ROAD SAKI NAKA, ANDHERI - (EAST), MUMBAI - 400 072.**
- 7) Share transfers Book will be remained closed from 01st September 2003 to 2nd September 2003 (Both days inclusive).

EXPLANATORY STATEMENTS PURSUANTS TO THE PROVISIONS OF THE SECTION 173(2) OF THE COMPANIES ACT, 1956.**ITEM NO. 4 & 5**

Shri Ajit Gupta and Shri. O.P.Agrawal are appointed as Additional Directors of the Company on 23rd July 2003. They hold office up to the date of Annual General Meeting of the Company. Board recommends to appoint them as Directors of the company. Resolution for their appointments are accordingly commended to your acceptance.

The Company has received notice in writing from some of the members of the Company pursuant Section 257 of the Companies Act 1956 signifying their intention to appoint them as Director . The details of their qualifications and experience are given below :

Ajit Gupta : A well-known broadcaster who has served in several Government and private sector organizations such as ISRO, NCERT, Directorate of Film Festivals, ZEE TV, CMM, AASTHA. He has graduated from University of Delhi in Economics, and did professional courses from National School of Drama, BBC London.

O.P. Agrawal : A qualified Chartered Accountant and Company Secretary with more than two decades experience in Finance, Accounts and Administration and various aspects of business.

Shri Ajit Gupta, and Shri O.P.Agrawal the Directors are deemed to be interested or concerned in the said resolution individually to the extent of their appointment.

ITEM NO. 6

Presently Shri Ajit Gupta is working as Director of the Company and devoting their time for progress of the Company. His services are to be utilised for new business of media. It is decided to appoint him as Managing Director of the Company. The Board of Directors has appointed Shri.Ajit Gupta as Managing Director of a Company for a period of five years from 1st August 2003 in the Board meeting held on 23rd July 2003.

Terms and Conditions of Managing Director are as under :

- I. Salary of Rs. 1,00,000/- per month including dearness allowance.
- II. House Rent Allowance @ 60% of salary including dearness allowance.
- III. A Commission @ 1% of the net profits of the Company subject to the ceiling prescribed under part II of Clause I Schedule XIII (as amended) of the Companies Act, 1956.
- IV. The Company's contribution towards Provident Fund as per the Company's Rules but not exceeding 12% of the salary as laid down in the Income Tax Rules, 1962.
- V. Privilege Leave on fully pay and allowance as per the Rules of the Company but not exceeding 1 month's leave for every 11 months of service completed.
- VI. Gratuity not exceeding half month's salary for each completed year of service.

PERQUISITES :

Mr. Ajit Gupta shall be entitled to the following perquisites as Managing Director of the Company. However, the perquisites shall be counted for fulfilling the conditions mentioned in clause I of Part II of Schedule XIII of the Companies Act, 1956.

- a. Reimbursement of medical expenses actually incurred for self and family subject to a ceiling of one month's salary in any year or three month's salary in a block of three years.
- b. Leave Travel Concession for self and family once in a year in accordance with the Rules of the Company.
- c. Fees of clubs and credit / debit cards for official use only.
- d. Personal accident insurance, premium whereof shall not exceed Rs. 10,000/- per annum.
- e. For the purpose of computing the aforesaid ceiling, perquisites would be valued as per the Income Tax Rules, 1962, whenever applicable. Provision for use of Company's car for official duties and cellular phone & telephone at residence (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of computing the aforesaid ceiling."

ITEM NO. 7

The Company's shares are presently listed on the Stock Exchange, Ahmedabad and the Stock Exchange, Hyderabad.

SEBI through its guidelines known as Securities And Exchange Board of India (Delisting of Securities) Guidelines - 2003, dated 17th February 2003 has permitted to Companies to voluntarily delist its Share from Stock Exchange where shares are listed for period of more than 3 years provided, inter-alia, the Company is authorised by the Shareholders for making such an application for de-listing through Special Resolution. The Board of Directors has decided to take steps to have the Equity Share of the Company de-listed from the Stock Exchange, Ahmedabad and the Stock Exchange, Hyderabad. As the trading activity of the Company's Equity Shares is insignificant or nil.

The Board of Directors of your Company recommend of passing of the resolution set out under item NO. 8 as Special Resolution.

None of the Directors of the Company are interested or concerned in the Resolution.

ITEM NO. 8

As substantial activities of the company will take place in the area of Andheri and around, it will be convenient and economical to manage the operations of the Company to Andheri (West) and therefore, it is proposed to shift the Registered Office of the Company by passing a special resolution pursuant to Section 17A of the Companies Act 1956.

None of the Directors of the Company interested and concerned in the Resolution.

ITEM NO. 9

The Company has been doing well in its present activities, but because of the competition future is not much favorable to the Company. The proposed business of Media Entertainment has Viable Scope for the Company and that can be carried on conveniently and advantageously in place of present business. In order, to change object Clause of the Memorandum of Association, this special resolution is proposed to pursuant to Section 17 of the Companies Act, 1956.

None of the Directors of the Company interested and concerned in the Resolution.

ITEM NO. 10

Given the Change in object of the Company, it has become necessary to increase the authorised Share capital of the Company from the existing Rs. 15 Crore divided into 1.5 Crore Equity Shares of Rs. 10/- each to Rs. 40 Crore divided into Rs. 4 Crore Shares of Rs. 10/- each. Such increase in the authorised Share Capital is authorized by Clause V of the Memorandum of Association of the Company. Pursuant to section 16(1) and Section 94 of the Companies Act, 1956, this resolution is being proposed as Special Resolution.

None of the Directors of the Company are interested or concerned in the Resolution.

ITEM NO. 11

Since the Company is entering into the Media & Entertainment business by starting a niche Television Channel dedicated to health focussing on Mind, Body, Beauty and Soul. This requires huge investment in various equipment, building studios and Satellite uplinking cost.

To part finance the cost of project it shall be requiring to raise funds from public / institutional investors etc. Hence this special resolution is proposed pursuant to Section 81 (1-A) and other relevant provisions of Companies Act.

REGISTERED OFFICE

Shree Sai Mahal, Phatak Road,
Bhayander (w), Mumbai - 401101

BY ORDER OF THE BOARD

G. K. Agarwal
Chairman

DATED : 31st July,03

DIRECTORS' REPORT

To The Members,

Your Directors present their 13th Annual Report with Audited Statement of Accounts for the year ended on March 31, 2003.

Financial Results :

PARTICULARS	(Rs. In lakhs)	
	YEAR ENDED 31.03.2003	YEAR ENDED 31.03.2002
Income	3949.40	960.41
Profit before dep. & Int.	20.22	13.49
Depreciation	9.26	9.91
Interest	—	—
Profit after depreciation	10.96	3.58
Provision for tax (Deferred tax)	2.06	0.61
Profit after tax	8.90	2.97
Balance brought forward	(6.87)	(9.84)
Balance carried to Balance Sheet	2.03	(6.87)

OPERATIONS & FUTURE OUTLOOK

During the year Company's total income is Rs. 3949.40 lakhs as compared to Rs. 960.41 lakhs in the previous year, thereby registering an increase of 311% and net profit is surged by 139%.

The Company is continuing its efforts to improve its performance and in that endeavor have decided to enter in the electronic media and entertainment business relating to a niche Television Channel dedicated to health, focussing on mind, body, beauty and soul. Necessary steps are being taken to start the channel business at the earliest possible and has entered into tripartite agreement with VSNL and Thaicom, Thailand for hiring of Satellite frequency on Digital TV Channel Service Agreement.

Also an application for approval/permission for uplinking of TV Channel has been made to the Ministry of Information & Broadcasting, New Delhi.

AUDITORS

M/S Durgesh Kabra & Company, Chartered Accountants retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment as auditors of the Company.

AUDITORS' REPORT

Auditors Comment in their report vide Para 3 (iv) read with notes to accounts are self explanatory.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) That in the preparation of the accounts for the financial year ended 31st March 2003 the applicable accounting standards have been followed along with proper explanation relating to material departures :
- (ii) That the Directors have been selected such accounting policies and applied them consistently and made judgements 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 and of the profit or loss of the Company for the year under review :
- (iii) That the Directors have taken proper and sufficient care for the maintenance of proper accounting record 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;
- (iv) That the Directors have prepared the accounts for the financial year ended 31st March on a going concern basis.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Smt. Tanu Agarwal retire by rotation at the ensuing Annual General Meeting & being eligible offer herself for re-appointment.

During the year Shri Bankelal Agrawal and Shri Shailendra Dixit have resigned from the Board w.e.f. 23rd July 2003. The board puts on record appreciation of their services rendered during the period.

Shri G. K. Agrawal resigned as Managing Director w.e.f. 1st August 2003. However, he continues to be Director and Chairman.

Shri Ajit Gupta was appointed as additional Director w.e.f. 23rd July 2003 and as Managing Director w.e.f. 1st Aug 2003.

Shri O.P. Agrawal was appointed as additional Director w.e.f. 23rd July 2003.

Brief resume of the directors to be appointed or re-appointed is given in the explanatory statement to the notice of Annual General Meeting.

REPORT ON CORPORATE GOVERNANCE

As per clause 49 of the Listing Agreement with the Stock Exchange, it is applicable to our Company from the Financial Year 2002-2003. Accordingly Corporate Governance Report and Auditors Certificate regarding compliance or conditions of Corporate Governance are made a part of the Annual Report.

PUBLIC DEPOSITS

Your Company has not accepted any fixed deposits within the meaning of section 58A of the Companies Act, 1956 from public and the rules made thereunder during the year.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The particulars under the companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, on conservation of energy and technology absorption are not applicable. During the year, under the review there is no out flow of foreign Exchange.

PARTICULARS OF EMPLOYEES

The information required under section 217(2A) of the Companies Act 1956, read with the Companies (particulars of employees) Rules 1975, forms a part of this report – are applicable.

LISTING OF SHARES

Equity shares of your Company are listed at Mumbai Stock Exchange, Ahmedabad, Hyderabad Stock Exchanges. Listing fees of BSE is paid regularly. It has now been decided to apply for delisting of shares from Ahmedabad and Hyderabad Stock Exchanges.

ACKNOWLEDGEMENT

The Board of Directors wish to express their sincere thanks to Bankers, Shareholders, Clients, Customers, Suppliers and employees of Company for extending continuing their support during the year.

FOR & ON BEHALF OF THE BOARD

MUMBAI
31st JULY 2003

G. K. AGARWAL
CHAIRMAN