

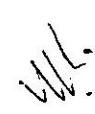






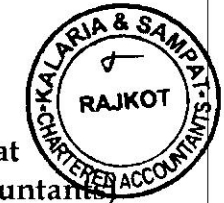
# **ACE SOFTWARE EXPORTS LTD.**

801, "Everest", Opp. Shashtri Maidan, Rajkot - 360 001 (Guj.)  
 Phone : 0281-2226097 Fax : 2232918 Email : investorinfo@acesoftex.com

CIN : L72200GJ1994PLC022781

Website: www.acesoftex.com

## FORM A

1	Name of Company	ACE SOFTWARE EXPORTS LIMITED
2	Annual Financial Statements for the year ended	31 <sup>st</sup> March. 2015
3	Type of Audit Observation	Un-Qualified
4	Frequency of observation	NIL
5	To be signed by-	
	CEO/Managing Director	 (Vikram B. Sanghani) 
	Audit Committee Chairman	 (Vimal L. Kalaria) 
	Chief Financial Officer	 (Jyotin B. Vasavada) 
	Auditor of the Company	 (Atul M. Kalaria) Partner of Kalaria & Sampat (Practicing Chartered Accountants) 

TWENTY FIRST ANNUAL REPORT 2014-2015



**Ace Software Exports Limited**

**Ace Software Exports Ltd.**

**ACE SOFTWARE EXPORTS LIMITED**

Reg. Off. 801, " Everest", Opp. Shashtri Maidan, Rajkot-360001 (Gujarat)  
Phone: 0281- 2226097, Fax: 02812232918, Email: Investorinfo@acesoftex.com  
CIN: L72200GJ1994PLC022781, Website: www.acesoftex.com

**CORPORATE INFORMATION**

**Board of Directors:**

**Vikram B. Sanghani**

Joint Managing Director

**Sanjay H. Dhamsania**

Joint Managing Director

**Dharmsibhai R. Vadaliya**

Independent Director

**Vimal L. Kalaria**

Independent Director

**Pratik C. Dadhania**

Independent Director

**Dhara S. Shah\***

Additional Director

**Jyotin B. Vasavada**

Chief Financial Officer

**CS Jayram K. Vachhani**

Company Secretary & Compliance Officer

**Statutory Auditors:**

**M/s. Kalaria & Sampat,**

Chartered Accountants,  
Rajkot

**Secretarial Auditor:**

**Ms. Hemali S. Patel**

Practicing Company Secretary  
Rajkot

**Consultant:**

**MJP Associates,**

Practicing Company Secretaries

**Internal Auditor:**

**Dipak Dave**

**Bankers**

**Bank of Baroda**

**HDFC Bank Ltd.**

**Axis Bank Ltd.**

**Registered Office:**

801 – Everest Commercial Complex,  
Opp. Shashtri Maidan,  
Rajkot – 360 001, Gujarat, India

\*Appointed w.e.f 29<sup>th</sup> September, 2014



# Ace Software Exports Ltd.

## ACE SOFTWARE EXPORTS LIMITED

Reg. Off. 801, "Everest", Opp. Shashtri Maidan, Rajkot-360001 (Gujarat)  
Phone: 0281-2226097, Fax: 02812232918, Email: Investorinfo@acesoftex.com  
CIN: L72200GJ1994PLC022781, Website: www.acesoftex.com

Notice is hereby given that the Twenty first Annual General Meeting of the members of Ace Software Exports Limited will be held on Saturday, September 26, 2015 at 11.00 a.m. at 801, Everest Commercial Complex, Opp. Shashtri Maidan, Rajkot-360001, Gujarat, to transact following businesses:

### Ordinary Business

- To consider and adopt:
  - the audited financial statement of the Company for the financial year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon; and
  - the audited consolidated financial statement of the Company for the financial year ended March 31, 2015.
- To appoint a Director in place of Vikram B. Sanghani (DIN: 00183818), who retires by rotation and, being eligible, seeks re-appointment.
- To appoint a Director in place of Sanjay H. Dhamsania (DIN: 00013892), who retires by rotation and, being eligible, seeks re-appointment.
- To appoint Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:  
"RESOLVED THAT M/s. Kalaria & Sampat, Chartered Accountants (Firm Reg. No. 104570W), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company.

### Special business:

#### 5. To appoint Ms. Dhara S Shah as an Independent Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013. Ms. Dhara S. Shah (DIN: 06983857), a non executive director appointed as an additional director on 29<sup>th</sup> September, 2014, who has submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Act and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years, with effect from 26<sup>th</sup> September, 2015 to 25<sup>th</sup> September, 2020.

#### 6. To revise remuneration of Shri Vikram B. Sanghani (DIN: 00183818), Joint Managing Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT, pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managing Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and in pursuance of recommendation of the Nomination & Remuneration Committee of the Board of Directors of the Company, approval of the Company be and is hereby accorded for the revision in remuneration of Shri Vikram B. Sanghani (DIN: 00183818), Jt Managing Director of the Company, with effect from 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2018, for three years, on the terms and conditions as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to increase remuneration upto 10% of overall remuneration at the beginning of every financial year and alter and vary the terms and conditions of the remuneration as it may deem fit and as may be acceptable to Shri Vikram B. Sanghani, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof."

RESOLVED FURTHER THAT notwithstanding anything to contrary herein contained where in any financial year during the current tenure of Shri Vikram B. Sanghani (DIN: 00183818), the Company has no profit or has inadequate profits, the Company will, subject to provisions of Schedule V to the Companies Act, 2013, pay remuneration by way of salary and allowances as specified in the Statement annexed to the Notice.

RESOLVED FURTHER THAT the Board or a Committee (Nomination and Remuneration Committee) thereof be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

#### 7. To revise remuneration of Shri Sanjay H. Dhamsania (DIN: 00013892), Joint Managing Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT, pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managing Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and in pursuance of recommendation of the Nomination & Remuneration Committee of the Board of Directors of the Company, approval of the Company be and is hereby accorded for the revision in remuneration of Shri Sanjay H. Dhamsania (DIN: 00013892), Jt Managing Director of the Company, with effect from 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2018, for three years, on the terms and conditions as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to increase remuneration upto 10% of overall remuneration at the beginning of every financial year and alter and vary the terms and conditions of the remuneration as it may deem fit and as may be acceptable to Shri Sanjay H. Dhamsania, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof."

RESOLVED FURTHER THAT notwithstanding anything to contrary herein contained where in any financial year during the current tenure of Shri Sanjay H. Dhamsania (DIN: 00013892), the Company has no profit or has inadequate profits, the Company will, subject to provisions of Schedule V to the Companies Act, 2013, pay remuneration by way of salary and allowances as specified in the Statement annexed to the Notice.

RESOLVED FURTHER THAT the Board or a Committee (Nomination and Remuneration Committee) thereof be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

By Order of the Board of Directors

Jayram K. Vachhani

Company Secretary & Compliance Officer

August 14, 2015

Reg. Off. 801, "Everest", Opp. Shashtri Maidan, Rajkot-360001 (Gujarat)

Phone: 0281-2226097, Fax: 0281-2232918,

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### Notes:

- The Statement pursuant to section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

- The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 21. The Company will also send communication relating to remote e-voting which *inter alia* would contain details about User ID and password along with a copy of this Notice to the members, separately.

- Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

- In terms of Section 152 of the Companies Act, 2013, Vikram B. Sanghani (DIN: 00183818) and Sanjay H. Dhamsania (DIN: 00013892), Directors, retire by rotation at the Meeting and being eligible, offer themselves for re-appointment. The Board of Directors of the Company commend their respective re-appointments.

- Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.

- In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

- Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

- The Company has notified closure of Register of Members and Share Transfer Books from Monday, September 21, 2015 to, Saturday, September 26, 2015 (both days inclusive).

- The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2006-07, from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 9, 2014 (date of last Annual General Meeting) on the website of the Company (www.acesoftex.com), as also on the website of the Ministry of Corporate Affairs.

Information in respect of such unclaimed dividend when due for transfer to the said Fund is given below;

Financial year	Date of Declaration of Dividend	Last date for claiming Ended unpaid Dividend
31.03.2008	25.09.2008	24.09.2015

- The shareholders who have not so far encashed the dividend warrant(s) are requested to seek issue of duplicate warrant(s) by writing to the company immediately. Shareholders are requested to note that no claims shall lie against the Company or the said fund in respect of any amounts which are unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such sums.

- Members who holds share in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Link Intime India Pvt. Ltd. for consolidation into a single folio.

- The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company /RTA

- Non-Resident Indian Members are requested to inform Link Intime India Pvt. Ltd. at its Ahmedabad Branch office situated at 303, Shopper's Plaza-V, Opp. Municipal Market, off, C. G. Road, Navrangpura, Ahmedabad-380 009, immediately of:

- Change in their residential status on return to India for permanent settlement.
- Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

- Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

- Members are further requested to send all their communication relating to the share registry work to the Share transfer and Registrar Agent of the Company M/s Link Intime India Pvt. Ltd. at its Ahmedabad Branch office situated at 303, Shopper's Plaza-V Opp. Municipal Market, off C. G. Road, Navrangpura, Ahmedabad-380 009.

- All the statutory registers under Companies Act, 2013 will be available for inspection by the members at the AGM.

- Members may also note that the notice of the 21<sup>st</sup> AGM and the Annual Report 2015 will be available on the Company's website, [www.acesoftex.com](http://www.acesoftex.com). The Physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical



- form in addition to e-communication, or have any other queries, may write to us at [investorinfo@acesoftware.com](mailto:investorinfo@acesoftware.com).
19. Members who hold shares in dematerialized form are requested to write their client id and DP id numbers and those who hold shares in physical form requested to write their folio number in Attendance Slip for attending the meeting.
  20. Members are advised to refer to the information provided in the Annual Report.
  21. **Information and other instructions relating to e-voting are as under:**  
Voting through electronic means
    - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
    - II. The facility for voting through ballot paper/polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
    - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
    - IV. The remote e-voting period commences on 23<sup>rd</sup> September, 2015 (9:00 am) and ends on 25<sup>th</sup> September, 2015 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19<sup>th</sup> September, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
    - V. The process and manner for remote e-voting are as under:
      - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
        - (i) Open email and open PDF file viz: "Acesoftware.e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
        - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
        - (iii) Click on Shareholder - **Login**
        - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
        - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
        - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
        - (vii) Select "EVEN" of ACE SOFTWARE EXPORTS LIMITED
        - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
        - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
        - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
        - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
        - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [rajan\\_bhimani@yahoo.co.in](mailto:rajan_bhimani@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
      - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
        - (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :  

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
        - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 19<sup>th</sup> September, 2015.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 19<sup>th</sup> September, 2015, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [RTA](mailto:RTA). However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990, or at 022-24994600, who will address the grievances with the electronic voting
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. CA Rajan Bhimani, Practising Chartered Accountant, has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" or "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.acesoftware.com](http://www.acesoftware.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

**EXPLANATORY STATEMENT**

As required by Section 173 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos 2,3 & 5 of the accompanying notice.

**Item No. 2 and 3.**

Pursuant to the provisions of Secretarial Standard on General Meetings and other applicable provisions of any other law, details of directors proposed to be re-appointed are as under;-

**Brief Resume of Shri Vikram B. Sanghani**

Mr. Sanghani has been leading the ACE group since 1992. He is one of the founder promoters of the Company and is associates with the Company since inception, he has through foresight and visionary approach, coupled with sound understanding of the Software industries & financial issues, has led the company to the path of growth. Prior to working with the Company, Mr. Sanghani worked at ICICI Ltd, where he was part of the Resources team. At ICICI, he dealt with Chase Manhattan, S G Warburg, and Bank of Tokyo, among many other leading international banks. Mr. Sanghani has spearheaded Ace's Indian operations, nurturing them from inception to the efficient and profitable businesses that they are today. He is also actively engaged in social and charitable activities and has executed exceptionally large projects, including a dam that provides clean water to 100,000 disadvantaged people. Mr. Sanghani has an MBA from the Bajaj Institute of Mumbai.

**Brief Resume of Shri Sanjay H. Dhamsania**

Shri Sanjay Dhamsania has been leading the ACE group since 1992. Mr. Dhamsania played a key role in setting up a production facility at Rajkot, India. He manages the Rajkot facility, and has one of the most experienced and talented pools of people in the organization. Additionally, he was instrumental in formulating ACE's key production system and processes, which later became part of the foundation of the conversion process. Mr. Dhamsania holds a Masters Degree in Computer Science from the US. Before returning to India, he worked in the US for two years in a Washington D.C firm. Because of his US experience, he has been able to integrate the requirements of US clients with local talent, to consistently meet quality and delivery standards.

Terms and conditions of appointed will be the same as provided in the Annual report 2013-14 of the company.

Both the directors are holding the directorship since the incorporation of the company.

No. of Board Meeting attended, Directorship held in other companies and Membership in the various committees are given in the Director's Report.

Holding of shares in the company:-

Vikram B. Sanghani (Individually): 5, 43,773 equity shares

Vikram B. Sanghani (Jointly/other capacity):- 7, 16,392 equity shares

Sanjay H. Dhamsania (Jointly/other capacity): 7, 86,190 equity shares

Board Commends ordinary resolution for the item no. 2 & 3 of the notice of AGM.

Except for Vikram B. Sanghani and Sanjay H. Dhamsania and their relatives, none of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolution at Item No.2 and 3 of the accompanying Notice

**Item No. 5**

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors have proposed that Ms. Dhara S. Shah, who was appointed as an additional director of the Company on 29th September 2014 and whose term as an additional director expiry at the ensuing Annual General Meeting and in whose favour notice has been received from a member proposing her as a candidate for the office of directors of the company, be appointed as an Independent Director.

**Brief Resume of Ms. Dhara S. Shah**

Ms. Dhara S. Shah holds a Bachelor's Degree in Commerce, degree of LL.B. She is practicing company secretary and Associates Member of ICSI. She has a wide experience of consultancy in the field of Companies Act, Listing Agreement and related compliances.

In the opinion of the Board, She fulfills the conditions specified in the Act and the Rules made thereunder for appointment as an Independent Director and She is independent of the management. In compliance with the provisions of Section 149 read with Schedule IV to the Act, the appointment of Ms. Dhara S. Shah, as an Independent Director for the term of 5 years from 26<sup>th</sup> September, 2015 to 25<sup>th</sup> September, 2020, is now being placed before the Members for their approval.

The terms and conditions of their respective appointments shall be open for inspection by the Members at the Registered Office during normal business hours on any working day of the Company.

Board Commends ordinary resolution for the item no. 5 of the notice of AGM.

Except Ms. Dhara Shah, None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolution at Item No.5 of the accompanying Notice.

**Item 6 & 7**

The Board of Directors of the Company and Nomination and Remuneration Committee, at the meeting held on 13<sup>th</sup> August, 2015 has, subject to the approval of members, revised remuneration of Shri Vikram B. Sanghani and Shri Sanjay H. Dhamsania, Joint Managing Directors for a period of 3 (Three) years effective from 1<sup>st</sup> April, 2015.

It is proposed to seek the members' approval for revised remuneration payable to Shri Vikram B. Sanghani and Shri Sanjay H. Dhamsania as Joint Managing Director in terms of the applicable provisions of the Act.

Broad particulars of the terms remuneration payable to Shri Vikram B. Sanghani and Shri Sanjay H. Dhamsania, which shall be construed as a Contract of employment as per section 190 of the Companies Act, 2013 and the written memorandum setting out the terms are as under:

- (a) Salary, Perquisites and allowances of Shri Vikram B. Sanghani and Shri Sanjay H. Dhamsania with effect from 1<sup>st</sup> April, 2015 for **Three Year**, subject to the revision/increase in remuneration by the Nomination and Remuneration Committee and Board of Directors upto 10% of overall remuneration at the beginning of every financial year, is as follows:
  1. Salary per month: Rs. 1,73,750/- per month till the tenure as specified in Schedule V of the Companies Act, 2013 and with the authority to the Board of Directors and Nomination and Remuneration Committee to increase the same upto 10% of overall remuneration at the beginning of every financial year and in accordance with the limits specified in Schedule V of the Companies Act, 2013.
  2. Perquisites: Medical reimbursement: upto Rs. 1250/- per month.



3. Commission:  
Such remuneration by way of commission, in addition to the salary and perquisites and allowance payable, calculated with reference to the net profits of the company in a particular financial year, as may be determined by the Board of Directors of the Company at the end of the each financial year, subject to the overall ceiling of 1.5% of the net profits of the Company.
4. Allowances/other perquisites: Petrol, travelling and any other allowances and perquisite as approved by the Nomination and Remuneration Committee and Board of Directors.
- (b) General:  
(i) The Managing Director will perform their respective duties as such with regard to all work of the Company and they will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board and the functions of the Whole-time Director will be under the overall authority of the Managing Director.  
The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Companies Act, 2013 with regard to duties of directors.  
The Managing Director shall adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel.  
The office of the Managing Director may be terminated by the Company or the concerned Director by giving the other 3 (three) months' prior notice in writing.  
Shri Vikram B. Sanghani and Shri Sanjay H. Dhamsania satisfy all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act. They are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013.  
Shri Vikram B. Sanghani and Shri Sanjay H. Dhamsania are interested in the resolutions set out respectively at Item Nos. 6 and 7 of the Notice, which pertain to their respective revised remuneration.  
The relatives of Shri Vikram B. Sanghani and Shri Sanjay H. Dhamsania may be deemed to be interested in the resolutions set out respectively at Item Nos. 6 and 7 of the Notice, to the extent of their shareholding interest, if any, in the Company.  
Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.  
The Board commends the Special Resolutions set out at Item Nos. 6 and 7 of the Notice for approval by the shareholders.

**THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE ACT.**

**I. General Information:**

- (1) *Nature of industry*  
The Company operates in the business of software Database Creation (e-Publishing).
- (2) *Date or expected date of commencement of commercial production*  
The Company was incorporated on 17<sup>th</sup> August, 1994 and Commencement of Business Certificate was granted on 23<sup>rd</sup> September, 1994. The Company had since commenced its business.
- (3) *In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.*  
Not applicable
- (4) *Financial performance based on given indicators (In Lacs)*

	FY 2014-15		FY 2013-14		FY 2012-13	
	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
Gross Revenue	662.54	689.19	553.25	584.92	446.95/-	476.85/-
Profit Before Tax	38.65	49.94	60.93	81.98	39.39/-	20.02/-
Profit For the period	38.65	47.47	60.88	78.99	39.32/-	20.71/-

- (5) *Foreign investments or collaborators, if any.*  
The Company has not entered into any material foreign collaboration and no direct capital investment has been made in the Company.

**II. Information about the appointee:**

- (1) *Background details*  
of Shri Vikram B. Sanghani and Shri Sanjay H. Dhamsania is given in the Brief Resume in note 2 and 3 of the explanatory statement.

- (2) *Past remuneration (last two years):*  
(Rs. in lakhs)

	Shri Vikram B. Sanghani		Shri Sanjay H. Dhamsania	
	2014-15	2013-14	2014-15	2013-14
Salary	19.05/-	17.85/-	19.05/-	17.85/-
Medical Reimbursement	0.15/-	0.15/-	0.15/-	0.15/-

- (3) *Recognition or awards*  
As given in the Brief Resume
- (4) *Job profile and his suitability*  
Shri Vikram B. Sanghani has been leading the ACE group since 1992. He is one of the founder promoters of the Company and is associates with the Company since inception, he has through foresight and visionary approach, coupled with sound understanding of the Software industries & financial issues, has led the company to the path of growth.  
Shri Sanjay Dhamsania has been leading the ACE group since 1992. Mr. Dhamsania played a key role in setting up a production facility at Rajkot, India. He manages the Rajkot facility, and has one of the most experienced and talented pools of people in the organization. Additionally, he was instrumental in formulating ACE's key production system and processes, which later became part of the foundation of the conversion process
- (5) *Remuneration proposed*  
Details of Remuneration proposed is as given in the statement pursuant to section 102.
- (6) *Comparative remuneration profile with respect to industry, size of the company:*  
Remuneration given and proposed is as per the industrial and geographical standard and It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- (7) *Pecuniary relationship with company:* Mr. Vikram B. Sanghani and Mr. Sanjay H. Dhamsania are promoters and KMP of the Company.

**III. Other information:**

- (1) *Reasons of loss or inadequate profits*  
Due to the competitive market, Company is unable to charge higher rate from customer which resulted into limited/inadequate profit.
- (2) *Steps taken or proposed to be taken for improvement*  
The Company has taken various initiatives to improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve volumes and reduce costs coupled with sale, service, marketing.
- (3) *Expected increase in productivity and profits in measurable terms.*  
Though the Company is witnessing a continued slowdown, in anticipation of revival of the overall economy in future, the aforesaid steps taken/ to be taken by the Company are expected to improve the Company's performance and profitability

By Order of the Board of Directors  
Jayram K. Vachhani  
Company Secretary & Compliance Officer  
August 14, 2015  
Reg. Off. 801, "Everest", Opp. Shashtri Maidan, Rajkot-360001 (Gujarat)  
Phone: 0281-2226097, Fax: 02812232918,  
Email: [Investorinfo@acesoftex.com](mailto:Investorinfo@acesoftex.com)  
CIN: L72200GJ1994PLC022781, Website: [www.acesoftex.com](http://www.acesoftex.com)



# Ace Software Exports Ltd.

## DIRECTORS' REPORT

Dear Members,

Your directors are pleased to present the twenty first Annual Report and the Company's audited financial statement for the financial year ended March 31, 2015.

### FINANCIAL PERFORMANCE

The Company's financial performance, for the year ended March 31, 2015 is summarized below;

Sr. No.	Particulars	Standalone		Consolidated	
		2014-15	2013-14	2014-15	2013-14
1.	Revenue from operation	5,91,51,279/-	4,69,52,467/-	5,91,69,079/-	4,69,70,967/-
2.	Other income	71,02,796/-	83,73,065/-	97,49,464/-	1,15,21,515/-
3.	Total Revenue	6,62,54,075/-	5,53,25,532/-	6,89,18,543/-	5,84,92,482/-
4.	Depreciation & Amortization	61,58,980/-	21,38,223/-	74,72,176/-	28,68,393/-
5.	Employee Benefit expenses	1,99,64,017/-	1,49,72,088/-	1,99,64,017/-	1,49,72,088/-
6.	Finance Cost	3,07,207/-	1,71,820/-	3,14,824/-	1,76,700/-
7.	Other expenses	3,59,59,050/-	3,19,50,224/-	3,61,73,056/-	3,22,77,214/-
8.	Profit/(loss) before tax (PBT)	38,64,821/-	60,93,177/-	49,94,470/-	81,98,087/-
9.	Taxation	(146)	5,341/-	2,36,152/-	2,72,885/-
10.	Profit/(loss) After Tax(PAT)	38,64,967/-	60,87,836/-	47,58,318/-	79,25,202/-

The highlights of the Company's Performance are as under:

Revenue from operations increased by 25.98% (Standalone)

Revenue from operations increased by 25.97% (Consolidated)

### TRANSFER TO RESERVES:

The Company has not transferred any sum to the General Reserves.

### DIVIDEND:

With a view to plough back profit of the year and in order to conserve resources for operational purposes, the board of directors of your company does not recommend any dividend for the year.

### MATERIAL CHANGES AND COMMITMENTS:

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:

No significant and material orders passed by the regulators or courts or tribunals impacting going concern status and Company's operations in future.

### FIXED DEPOSITS/DETAILS OF DEPOSIT

The Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date.

Accepted during the year

Nil

Remained unpaid or unclaimed as at the end of the year

Nil

Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved

N.A.

Details of Deposits which are not in compliance with the requirements of Chapter V of the Act

N.A.

### EXTRACTS OF ANNUAL RETURNS:

Pursuant to Section 134(3) (a) of Companies Act, 2013, extract of the annual return is appended as **Annexure-1** to the Board's Report.

### BOARD OF DIRECTORS AND MEETING:

Name of Directors Founder and Executive/Director	Designation	Age	Qualification	Other Directorship
Mr. Vikram Sanghani DIN: 00183818	Jt. Managing Director	52	MBA (Finance)	Ace Infoworld Pvt. Ltd. Ace Infoway Pvt. Ltd. Ace eEngineersonline Pvt. Ltd. Ace Computer Education Pvt. Ltd. Everest Office Owners Asso. Pvt. Ltd. Ace Riverside Pvt. Ltd.
Mr. Sanjay Dhamsania DIN: 00013892	Jt. Managing Director	53	MS (Computer Science)	Ace infoworld Pvt. Ltd. Ace Infoway Pvt. Ltd. Ace eEngineersonline Pvt. Ltd. Ace Computer Education Pvt. Ltd. Everest Office Owners Asso. Pvt. Ltd. Ace Riverside Pvt. Ltd.
Independent & Non Executive Director	Designation	Age	Qualification	Other Directorship
Mr. Pratik C. Dadhaniya DIN: 02931106	Director	43	Graduate in Architecture	-
Mr. Vimal L. Kalaria DIN : 00029395	Director	42	Post Graduate Diploma in Finance	-
Mr. Dharamibhai R. Vadalia DIN : 00015165	Director	63	Under Graduate	Dipak Agro Oil Mill Pvt. Ltd. Ace Infoworld Private Limited
Ms. Dhara S. Shah DIN: 06983857	Additional Director	26	B.Com, CS, LL.B	Mayur Floorings Limited Vishal Fabrics Limited

Six board meetings were held during the year ended on March 31, 2015. These were held on May 30, 2014, August 6, 2014, September 29, 2014, November 14, 2014, February 12, 2015 and March 12, 2015.

Name of Directors	Designation	No. of Meetings	
		Held	Attended
Vikram Bhupatbhai Sanghani	Jt. Managing Director	6	5
Sanjay Harilal Dhamsania	Jt. Managing Director	6	4
Vimal Kalaria	Independent Director	6	6
Dharamshi Vadalia	Independent Director	6	6
Pratik Dadhaniya	Independent Director	6	6
Dhara Shah*	Additional Director	6	3

\* Ms. Dhara Shah appointed as an additional director of the company on September 29, 2014.



Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder, the independent directors of the Company shall hold at least one meeting in a year, without the attendance of non independent directors and members of the Management. All the independent directors of the Company shall strive to be present at such meetings. The meeting shall review the performance of non independent directors and the Board as a whole; review the performance of the chairman of the Board, taking into account the views of the executive directors and non-executive directors; assess the quality, quantity and timeliness of flow of information between the Management and the board that is necessary for it to effectively and reasonably perform its duties.

Meeting of Independent Directors was held on March 12, 2015.

Terms and conditions of appointment of Independent directors uploaded on the website of the company. <http://acesoftex.com/uploads/IndependentDirector/Brief%20Profile%20and%20terms%20and%20conditions%20of%20appointment.pdf>

**COMMITTEE:**

**Audit committee:**

Audit Committee has been reconstituted as per the provision of section 177 of the Companies Act, 2013 and listing agreement.

The Audit Committee Meeting.

Four meetings were held during the year ended on March 31, 2015. These were held on May 29, 2014, August 5, 2014, November 13, 2014 and February 12, 2015.

Name	Designation	No. of Meetings	
		Held	Attended
Vimal Kalaria (Non-Executive Independent Director)	Chairman	4	4
Dharamshi Vadalia (Non-Executive Independent Director)	Member	4	4
Pratik Dadhania (Non-Executive Independent Director)	Member	4	4

**Nomination and Remuneration Committee (NRC) :**

NRC identifies persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carries out evaluation of every director's performance and works as per the policy formulated thereof.

Four meetings were held during the year ended on March 31, 2015. These were held on May 29, 2014, September 15, 2014, November 13, 2014 and February 12, 2015.

Name	Designation	No. of Meetings	
		Held	Attended
Vimal Kalaria (Non-Executive Independent Director)	Chairman	4	4
Dharamshi Vadalia (Non-Executive Independent Director)	Member	4	4
Pratik Dadhania (Non-Executive Independent Director)	Member	4	4

Details of Remuneration paid to executive directors, independent directors and KMPs during the year is given under the Annexure -1 (Extract of Annual Return)

**Stakeholders Relationship Committee**

Constituted for considering and resolving grievances of security holders and dissemination of information to shareholders

Four meetings were held during the year ended on March 31, 2015. These were held on April 28, 2014, July 23, 2014, October 18, 2014 and February 12, 2015.

Name	Designation	No. of Meetings	
		Held	Attended
Dharamshi Vadalia (Non-Executive Independent Director)	Chairman	4	4
Pratik Dadhania (Non-Executive Independent Director)	Member	4	4
Vikram Sanghani (Executive Director)	Member	4	4
Sanjay Dhamsania (Executive Director)	Member	4	4

**AUDITORS**

**STATUTORY AUDITOR**

Kalaria & Sampat, Chartered Accounts, Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

**SECRETARIAL AUDITOR**

Hemali S. Patel, Practicing Company Secretaries, was appointed to conduct the secretarial audit of the Company for the financial year 2014-15, as required under Section 204 of the Companies Act, 2013 and Rules thereunder.

The secretarial audit report for FY 2014-15 forms part of the Annual Report as **Annexure- 2** to the *Board's report*. The Auditors' Report does not contain any qualification, reservation or adverse remark.

**SUBSIDIARIES AND ASSOCIATES:**

During the year, the Board of Directors ('the Board') reviewed affairs of the subsidiaries. In accordance with section 129 (3) of the Companies Act, 2013, we have prepared consolidated financial statements of the company and all its subsidiaries, which form part of the Annual Report. Further, a statement of our subsidiaries containing the salient features of the financial statement of our subsidiaries in the prescribed format AOC-1 is appended to the consolidated financial statements and hence not repeated here for the sake of brevity.

**DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and other applicable provisions of the Listing Agreement.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

Nature of transaction	Name of person	Amount of Loan (In Rs.)	Purpose of loan
Loan	Shriji Enterprise@	10,00,000/-^	Business Purpose
Loan	Rajkot Computer Education LLP#	10,000/-*	Business Purpose
Loan	Jubilant Exim LLP#	10,000/-*	Business Purpose
Loan	Speedwell Engineers LLP#	10,000/-*	Business Purpose
Loan	Cosmos Services LLP#	10,000/-*	Business Purpose
Loan	Citizen Solutions LLP#	10,000/-*	Business Purpose
Loan	Aspire Exim LLP#	10,000/-*	Business Purpose

^ Re-paid Rs. 3, 00,000/- during the year.

\* Amount was repaid during the year

@ Being the third party, not covered under section 185 and 189 of the companies act, 2013

# Wholly Owned Subsidiary.





**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided here under.

**(A) Conservation of energy**

- the Steps taken or impact on conservation of energy  
Company is ever mindful of the need for energy conservation, not only as a method of cost reduction, but also because it is a global imperative. We have ensured that the following measures are institutionalized across all our facilities:
  - i. Optimal cooling of work areas and data centers.
  - ii. Switching off computers when not in use.
  - iii. Utilization of lights and stand alone air conditioners only when required.
  - iv. Minimal usage of AC s and lights during weekend.
- the steps taken by the company for utilizing alternate source of energy & Capital investment on energy conservation equipments  
At present, Company has not utilized any alternate source of energy and emphasize on the Conservation of energy and be frugal in utilizing the energy.
- Impact of these measures:  
Taking effective measurements in saving energy has significantly benefitted the company.

**(B) Technology absorption:-**

- the efforts made towards technology absorption, benefit derives & Research and Development
  - i. Company has made continues effort to develop technology for the better out puts and reduction of cost. With the change of time it is essential to be updated with the latest equipments and technology to serve our client better. Company consistently strives to absorb latest technology suitable to industry size and clients need. Company has not incurred any expenses for research and development.

**(c) Foreign exchange earnings and outgo :-**

Particulars	2014-15	2013-14
Foreign Exchange earning	(USD 9,49,946.42)(INR 5,85,50,495)	(USD 7,73,863.45)(INR 4,69,52,467)
Foreign Exchange Outgo	(USD 1,200)(INR 74,040)	(USD 3,533)(INR 2,48,583)

**RISK MANAGEMENT:**

The Company continues to use risk management frame work adopted by board in (a) Overseeing and approving the Company's enterprise wide risk management framework; and (b) Overseeing that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks. The Company's management systems, organizational structures, processes, standards, code of conduct that governs how the Company conducts the business and manages associated risks.

**INTERNAL FINANCIAL CONTROLS:**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Pursuant to section 135 of the Companies Act, 2013, every company having net worth of Rs. 500 crore or more, or turnover of Rs. 1000 crore or more or a net profit of Rs. 5 crore or more during any financial year shall constitute a Corporate Social Responsibility Committee. Our company has not triggered any of the above limits; hence, no committee in this regard has been constituted.

**DETAILS OF DIRECTORS/KMP WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR & LIABLE TO RETIRE BY ROTATION**

During the financial year 2014-15 following directors/KMPs were appointed or have resigned.

Name	Designation	Appointment/Resignation	Date of Appointment/Resignation
N. I. Thomas	Company Secretary & Compliance Officer	Resignation	02.06.2014
Jayram K. Vachhani	Company Secretary & Compliance Officer	Appointment	02.06.2014
Jyotin B. Vasavada	Chief Financial Officer	Appointment	02.06.2014
Dhara S. Shah	Woman Director (Additional Director-Non Executive)	Appointment	29.09.2014

**RETIRE BY ROTATION**

Pursuant to the provisions of section 152(6) of the Companies Act, 2013, Vikram Bhupatbhai Sanghani and Sanjay Harilal Dhamsania, Directors are liable to retire by rotation and being eligible offer themselves for re-appointment.

Further, Ms. Dhara S. Shah, additional director, appointed on 29.09.2014, whose tenure expires on the date of this Annual General Meeting and a notice in writing has been received from a member under section 160 of the Companies Act, 2013 proposing her candidature as an independent director of the company for the term of 5 years. She has furnished a declaration under section 149(6) of the Companies Act, 2013 and in the opinion of the Board she fulfils the conditions specified in the Act and rules made thereunder and is independent of the management.

Appointment is recommended by Nomination and Remuneration Committee.

**BOARD'S RESPONSIBILITY STATEMENT**

Pursuant to the requirement under section 134(5), of the Companies Act, 2013 with respect to Director's Responsibility Statements, it is hereby confirmed that -

- a) in the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have 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 as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.



**FORMAL ANNUAL EVALUATION & POLICY RELATING TO REMUNERATION FOR THE DIRECTORS, KEY MANGERIAL PERSONNEL AND OTHER EMPLOYEES**

Nomination and remuneration committee has laid down the standard procedure and method for evaluation of performance of each directors, key managerial personnel and members of the committees.

**Policy for Selection of Directors and determining Directors' independence**

**1. Introduction**

- 1.1 Ace Software Exports Limited (ASEL) believes that an enlightened and combination of youth with experience Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. Towards this, ASEL ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.
- 1.2 ASEL recognizes the importance of Independent Directors in achieving the effectiveness of the Board. ASEL aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

**2. Scope and Exclusion:**

- 2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

**3. Terms and References:**

In this Policy, the following terms shall have the following meanings:

- 3.1 **"Director"** means a director appointed to the Board of a company.
- 3.2 **"Nomination and Remuneration Committee"** means the committee constituted by ASEL's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement, whenever applicable.
- 3.3 **"Independent Director"** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49(II)(B) of the Equity Listing Agreement, whenever applicable.

**4. Policy:**

**4.1 Qualifications and criteria**

- 4.1.1 The Nomination and Remuneration Committee (NRC), and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's global operations.
- 4.1.2 In evaluating the suitability of individual Board members, the NRC may take into account factors, such as:
  - General understanding of the Company's business dynamics, global business and social perspective; Educational and professional background Standing in the profession;
  - Personal and professional ethics, integrity and values;
  - Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.
- 4.1.3 The proposed appointee shall also fulfill the following requirements:
  - Shall possess a Director Identification Number;
  - Shall not be disqualified under the Companies Act, 2013;
  - Shall give his written consent to act as a Director;
  - Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
  - Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;
  - Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
  - Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, Equity Listing Agreements and other relevant laws.
- 4.1.4 The NRC shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

**4.2 Criteria of Independence**

- 4.2.1 The NRC shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.
- 4.2.2 The criteria for appointment/re-appointment of independence is as laid down in Companies Act, 2013 and Clause 49 of the Equity Listing Agreement, whenever applicable.
- 4.2.3 The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

**4.3 Other directorships / committee memberships**

- 4.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NRC shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.
- 4.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.
- 4.3.3 A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.
- 4.3.4 A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds directorships.  
For the purpose of considering the limit of the Committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

**Remuneration Policy for Directors, Key Managerial Personnel and other employees**

**1. Introduction**

- 1.1 Ace Software Exports Limited (ASEL) recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:
  - 1.1.1 Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.
  - 1.1.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
  - 1.1.3 Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

**2. Scope and Exclusion:**

- 2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.



**3. Terms and References:**

In this Policy, the following terms shall have the following meanings:

- 3.1 **“Director”** means a director appointed to the Board of the Company.  
 3.2 **“Key Managerial Personnel”** means  
 (i) the Chief Executive Officer or the managing director or the manager;  
 (ii) the company secretary;  
 (iii) the whole-time director;  
 (iv) the Chief Financial Officer; and  
 (v) such other officer as may be prescribed under the Companies Act, 2013  
 3.3 **“Nomination and Remuneration Committee”** means the committee constituted by ASEL's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and applicable clause of the Equity Listing Agreement.

**4. Policy:**

**4.1 Remuneration to Executive Directors and Key Managerial Personnel**

- 4.1.1 The Board, on the recommendation of the Nomination and Remuneration Committee (NRC), shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.  
 4.1.2 The Board, on the recommendation of the NRC, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.  
 4.1.3 The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components:  
 (i) Basic Pay  
 (ii) Perquisites and Allowances  
 (iii) Stock Options  
 (iv) Commission (Applicable in case of Executive Directors)  
 (v) Retiral benefits  
 (vi) Annual Performance Bonus  
 4.1.4 The Annual Plan and Objectives for Executive Directors and Senior Executives (Executive Committee) shall be reviewed by the NRC and Annual Performance Bonus will be approved by the Committee based on the achievements against the Annual Plan and Objectives.

**4.2 Remuneration to Non-Executive Directors**

- 4.2.1 The Board, on the recommendation of the NRC, shall review and approve the remuneration payable to the Non- Executive Directors of the Company within the overall limits approved by the shareholders.  
 4.2.2 Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof.

**4.3 Remuneration to other employees**

- 4.3.1 Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

**PARTICULARS OF EMPLOYEES**

The table containing particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as **Annexure -3** to the *Board's report*.

There are no employees in the Company drawing remuneration who are in receipt of remuneration of Rs. 60 lakh or more, or employed for part of the year and in receipt of Rs. 5 lakh or more a month, under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Internal Complaints Committee (“ICC”) has been set up to redress the complaints received regarding sexual harassment. All employees are covered under this policy.

The following is the summary of the complaints received and disposed off during the financial Year 2014-15:

- a) No. of complaints received: NIL  
 b) No. of complaints disposed off: NIL

**VIGIL MECHANISM**

The Company has established a whistle blower policy and also established a mechanism for directors and employees to report their concerns. The same has been uploaded on the website of the company link to open the policy is [http://acesoftex.com/VIGIL\\_POLICY.pdf](http://acesoftex.com/VIGIL_POLICY.pdf)

**RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on an arm's length basis. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

The details of the related party transactions as required under Section 134(3)(h) of the Companies Act 2013, r/w Rule 8 of the Companies (Accounts) Rules, 2014, is attached as **Annexure - 4**.

**GENERAL INFORMATION**

AGM held during the financial year: 9<sup>th</sup> August, 2014

**Disclosure as per schedule V of the Companies Act, 2013**

- i) all elements of remuneration package is as given in the statement pursuant to section 102 of the notice of the AGM (item no. 6 and 7)  
 ii) Remuneration is decided by the Board on recommendation of the Nomination and Remuneration Committee and it is fixed component basis, details of the remuneration given in past is elaborated in the statement pursuant to section 102 of the notice of the AGM (item no. 6 and 7)  
 iii) Service contracts, notice period, Severance fees;(given in the statement pursuant to section 102 of the notice of the AGM (item no.6 and 7)  
 iv) Stock option: N.A.

**ACKNOWLEDGEMENT:**

Your Directors would like to express their appreciation for the assistance and co-operation received from the investors, banks, regulatory and governmental authorities. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff of the Company.

**For & on behalf of Board of Directors**

Sd/-  
**Vikram B. Sanghani**  
 Jt. Managing Director  
 DIN : 00183818

Sd/-  
**Pratik C. Dadhania**  
 Director  
 DIN: 02931106

Date: 13.08.2015  
 Place: Rajkot



# Ace Software Exports Ltd.

## ANNEXURE 1 EXTRACT OF ANNUAL RETURN

Form No. MGT-9

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### REGISTRATION AND OTHER DETAILS:

i) CIN	L72200GJ1994PLC022781
ii) Registration Date	17.08.1994
iii) Name of the Company	ACE SOFTWARE EXPORTS LIMITED
iv) Category/Sub- Category of the Company	Company Limited by Shares
v) Address of the Registered office and contact details	801 Everest Commercial Complex, Opp:Shastri Maidan, Rajkot- 360001 Tel: 0281-2226097 Fax: 02812232918, Email: Investorinfo@acesoftex.com
vi) Whether listed company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd., Unit No. 303, 3rd Floor, Shoppers Plaza V, Opp. Municipal Market, B/h. Shoppers Plaza, Off. C G Road,Ahmedabad,Gujarat,380009 Tel: 079-26465179, 30002684, 30002701, 30002685 Email Id: ahmedabad@linkintime.co.in Website : www.linkintime.co.in

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Computer programming, consultancy and related activities	620	89%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary /Associates	% of Shareholding	Applicable Section
1.	Ace Infoworld Private Limited	U72200GJ1996PTC061333	Subsidiary	98.62%	2(87)(ii)
2.	Ace Computer Education Private Limited	U72900GJ1990PTC014390	Associate	24.00%	2(6)
3.	Rajkot Computer Education LLP	-	Subsidiary#	100%*	2(87)(ii)
4.	Jubilant Exim LLP	-	Subsidiary#	100%*	2(87)(ii)
5.	Speedwell Engineers LLP	-	Subsidiary#	100%*	2(87)(ii)
6.	Cosmos Services LLP	-	Subsidiary#	100%*	2(87)(ii)
7.	Citizen Solutions LLP	-	Subsidiary#	100%*	2(87)(ii)
8.	Aspire Exim LLP	-	Subsidiary#	100%*	2(87)(ii)

\* Percentage shown is ownership interest and not shareholding.

Following entities are yet to commence business;

Rajkot Computer Education LLP, Jubilant Exim LLP, Speedwell Engineers LLP, Cosmos Services LLP, Citizen Solutions LLP, Aspire Exim LLP.

# As per the explanation of section 2(87) of the Companies Act, 2013, 'the expression "company" includes any body corporate'. Keeping that in mind, details of the LLP (Limited liability Partnership) are provide above.

However, neither clause (i) or (ii) of sub section (87) of section 2 is applicable to the LLPs as LLP does not have Board of Directors or share capital.

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
Individual/ HUF	29,52,145	0	29,52,145	63.08	29,67,105	0	29,67,105	63.40	0.32
Central Government	-	-	-	-	-	-	-	-	-
State Government(s)	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
Any other	-	-	-	-	-	-	-	-	-
(2) Foreign									
(a) Individuals (NRIs / Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b) Other Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-
(d) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
(e) Any other	-	-	-	-	-	-	-	-	-
Sub total A(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters	29,52,145	0	29,52,145	63.08	29,67,105	0	29,67,105	63.40	0.32
A=A(1)+A(2)									



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of total Shares	
<b>(B) Public shareholding</b>	-	-	-	-	-	-	-	-	-
(1) Institutions	-	-	-	-	-	-	-	-	-
(a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
(b) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
(c) Central Government	-	-	-	-	-	-	-	-	-
(d) State Government(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Any other	-	-	-	-	-	-	-	-	-
<b>Sub total B(1)</b>	-	-	-	-	-	-	-	-	-
<b>(2) Non-institutions</b>									
(a) Bodies Corporate	40,023	6,100	46,123	0.99	53,114	6,100	59,214	1.27	0.28
(b) Individuals									
(i) Individuals holding nominal share capital up to Rs. 1 lakh	8,46,005	3,87,407	12,33,412	26.35	8,00,801	3,80,407	11,81,208	25.24	-1.11
(ii) Individuals holding nominal share capital in excess of Rs 1 lakh	3,94,622	24,000	4,18,622	8.94	4,21,104	24,000	4,45,104	9.51	0.57
(c) Any other									
(i) Clearing Members	2,269	-	2,269	0.05	1,315	-	1,315	0.03	-0.02
(ii) Non Resident Indians	8,029	19,400	27,429	0.59	6,654	19,400	26,054	0.56	-0.03
<b>Sub total B(2)</b>	<b>12,90,948</b>	<b>4,36,907</b>	<b>17,27,855</b>	<b>36.92</b>	<b>12,82,988</b>	<b>4,29,907</b>	<b>17,12,895</b>	<b>36.60</b>	<b>-0.32</b>
<b>Total public shareholding total B=B(1)+B(2)</b>	<b>12,90,948</b>	<b>4,36,907</b>	<b>17,27,855</b>	<b>36.92</b>	<b>12,82,988</b>	<b>4,29,907</b>	<b>17,12,895</b>	<b>36.60</b>	<b>-0.32</b>
<b>Total (A+B)</b>	<b>42,43,093</b>	<b>4,36,907</b>	<b>46,80,000</b>	<b>100</b>	<b>42,50,093</b>	<b>4,29,907</b>	<b>46,80,000</b>	<b>100</b>	<b>-</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand total (A+B+C)</b>	<b>42,43,093</b>	<b>4,36,907</b>	<b>46,80,000</b>	<b>100</b>	<b>42,50,093</b>	<b>4,29,907</b>	<b>46,80,000</b>	<b>100</b>	<b>-</b>

(ii) Shareholding of Promoters

Sr. No.	Name of the shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding the during the year
		No of shares	% of total Shares of the Comapny	% of shares Pledged / encumbe red to total shares	No. of Shares	% of total Shares of the Comapny	% of Shares Pledged / encumbe red to total shares	
1	Vikram Bhupat Sanghani & Sanjay Harilal Dhamsania	59,652	1.27	-	74,612	1.59	-	0.32
2	Sanjay Harilal Dhamsania & Madhavi Sanjay Dhamsania	5,80,978	12.41	-	5,80,978	12.41	-	-
3	Vikram Bhupat Sanghani	5,73,773	12.26	-	5,43,773	11.62	-	(0.64)
4	Jay Bhupat Sanghani & Vikram Bhupat Sanghani & Bhupat C. Sanghani	3,18,049	6.80	-	3,18,049	6.80	-	-
5	Jamkuverben Harilal Dhamsania	4,05,850	8.67	-	4,05,850	8.67	-	-
6	Bhupat C. Sanghani & Jay Bhupat Sanghani & Vikram Bhupat Sanghani	2,10,031	4.49	-	2,10,031	4.49	-	-
7	Sanjay Harilal Dhamsania (HUF)	1,30,600	2.79	-	1,30,600	2.79	-	-
8	Harilal Thakershi Dhamsania (HUF)	88,400	1.89	-	88,400	1.89	-	-
9	Vikram B. Sanghani (HUF)	83,700	1.79	-	83,700	1.79	-	-
10	Pushpaben J. Kalaria	60,000	1.28	-	60,000	1.28	-	-
11	Harsha Rahul Kalaria	60,000	1.28	-	60,000	1.28	-	-
12	Khyati Shaunak Kalaria	60,000	1.28	-	60,000	1.28	-	-
13	Jayantibhai B. Kalaria (HUF)	50,000	1.07	-	50,000	1.07	-	-
14	Bina V. Sanghani	32,600	0.70	-	32,600	0.70	-	-
15	Jayantibhai B. Kalaria	30,000	0.64	-	30,000	0.64	-	-
16	Dev Vikrambhai Sanghani & Vikrambhai Bhupatbhai Sanghani	30,000	0.64	-	30,000	0.64	-	-
17	Rahul Jayantibhai Kalaria	68,656	1.47	-	68,656	1.47	-	-
18	Rahul J. Kalaria (HUF)	20,000	0.43	-	20,000	0.43	-	-
19	Shaunak Jayantibhai Kalaria (HUF)	20,000	0.43	-	20,000	0.43	-	-
20	Shaunak Jayantibhai Kalaria	63,756	1.36	-	63,756	1.36	-	-
21	Samishaben Ajaykumar Patel	3,100	0.07	-	3,100	0.07	-	-
22	Madhavi Sanjay Dhamsania	3,000	0.06	-	3,000	0.06	-	-
23	Sohel Vikrambhai Sanghani	-	-	-	30,000	0.64	-	0.64
	<b>TOTAL</b>	<b>29,52,145</b>	<b>63.08</b>		<b>29,67,105</b>	<b>63.40</b>		<b>0.32</b>

(iii) Change in Promoters' Shareholding

Name of the shareholder	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>Vikram Bhupatbhai Sanghani &amp; Sanjay Hari Lal Dhamania</b>				
At the beginning of the year	59,652	1.27	59,652	1.27
Increase in shares				
Date wise*				
30-06-2014	1000	0.021	60,652	1.29
12-09-2014	6760	0.144	67,412	1.44
30-09-2014	1300	0.028	68,712	1.47
10-10-2014	1600	0.014	70,312	1.50
28-11-2014	1594	0.034	71,906	1.54
27-03-2015	1000	0.021	72,906	1.56
31-03-2015	1706	0.036	74,612	1.59
At the end of the year			74,612	1.59
<b>Vikram Bhupat Sanghani #</b>				
At the beginning of the year	5,73,773	12.26	5,73,773	12.26
Decrease in shares				
Date wise				
22-11-2014	(30,000)	(0.64)	5,43,773	11.62
At the end of the year			5,43,773	11.62
<b>Sohel Vikrambhai Sanghani #</b>				
At the beginning of the year	-	-	-	-
Increase in shares				
Date wise				
22-11-2014	30,000	0.64	30,000	0.64
At the end of the year			30,000	0.64

\* Open market purchase  
# Inter se- promoter transfer

(iv) Shareholding pattern of top ten shareholders  
(other than directors, promoters and holders of ADRs)

Name of the shareholder	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1. PUSHPA DINKERRAI NAIK</b>				
At the beginning of the year	1,25,308	2.68	1,25,308	2.68
Increase/Decrease in shares				
Date wise	-	-	-	-
At the end of the year	-	-	1,25,308	2.68
<b>2. KAPIL CHOPRA</b>				
At the beginning of the year	45,000	0.96	45,000	0.96
Increase/Decrease in shares				
Date wise	-	-	-	-
At the end of the year	-	-	45,000	0.96
<b>3. GIRDHAR LAL SHARDA</b>				
At the beginning of the year	34,060	0.7278	34,060	0.73
Increase/Decrease in shares				
Date wise				
23-05-2014	870	0.019	34,930	0.75
30-05-2014	5701	0.12	40,631	0.87
06-06-2014	101	0.002	40,732	0.87
30-06-2014	4880	0.104	45,612	0.97
31-10-2014	(500)	(0.01)	45,112	0.96
07-11-2014	(246)	(0.005)	44,866	0.96
30-01-2015	(100)	(0.002)	44,766	0.96
13-02-2015	(250)	(0.005)	44,516	0.95
At the end of the year			44,516	0.95
<b>4. GIRDHARLAL GIRISH SHARDA HUF.</b>				
At the beginning of the year	29,281	0.63	29,281	0.63
Increase/Decrease in shares				
Date wise				
30-06-2014	1	0.00002	29,282	0.63
08-08-2014	718	0.015	30,000	0.64
At the end of the year			30,000	0.64

Name of the shareholder	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>5. ARWA UMESH</b>				
At the beginning of the year	29,900	0.64	29,900	0.64
Increase/Decrease in shares				
Date wise	-	-	-	-
At the end of the year	-	-	29,900	0.64
<b>6. GIRISH KUMAR SHARDA</b>				
At the beginning of the year	29,251	0.63	29,251	0.63
Increase/Decrease in shares				
Date wise				
30-05-2014	368	0.007	29,619	0.63
30-06-2014	1109	0.024	30,728	0.66
30-09-2014	(1)	0.00002	30,727	0.66
14-11-2014	(50)	0.001	30,677	0.66
21-11-2014	(771)	0.016	29,906	0.64
12-12-2014	(15)	0.0003	29,891	0.64
31-12-2014	(50)	0.001	29,841	0.64
09-01-2015	(500)	0.01	29,341	0.63
23-01-2015	(105)	0.002	29,236	0.62
06-02-2015	(50)	0.001	29,186	0.62
13-02-2015	(750)	0.016	28,436	0.61
13-03-2015	(50)	0.001	28,386	0.61
At the end of the year			28,386	0.61
<b>7. SARSWATI DEVI SHARDA</b>				
At the beginning of the year	25,121	0.54	25,121	0.54
Increase/Decrease in shares				
Date wise				
30-06-2014	304	0.006	25,425	0.54
At the end of the year			25,425	0.54
<b>8. ANU NARAYAN</b>				
At the beginning of the year	25,151	0.54	25,151	0.54
Increase/Decrease in shares				
Date wise	-	-	-	-
At the end of the year	-	-	25,151	0.54
<b>9. HEMANT P. SHAPARIA</b>				
At the beginning of the year	24,000	0.51	24,000	0.51
Increase/Decrease in shares				
Date wise	-	-	-	-
At the end of the year	-	-	24,000	0.51
<b>10. SANGEETHA S</b>				
At the beginning of the year	3950	0.084	3950	0.084
Increase/Decrease in shares				
Date wise				
23-01-2015	50	0.001	4000	0.085
30-01-2015	1670	0.036	5670	0.12
06-02-2015	3498	0.075	9168	0.20
13-02-2015	2100	0.045	11,268	0.24
20-02-2015	2000	0.043	13,268	0.28
27-02-2015	2550	0.054	15,818	0.34
At the end of the year			15,818	0.34

**(v) Shareholding of directors and key managerial personnel**

Name of the shareholder	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>Vikram Bhupat Sanghani - Director</b>				
At the beginning of the year	5,73,773	12.26	5,73,773	12.26
Increase/ Decrease in shares				
Date wise				
22-11-2014	(30,000)	(0.64)	5,43,773	11.62
At the end of the year			5,43,773	11.62
<b>Sanjay Harilal Dhamsania- Director</b>				
At the beginning of the year	5,80,978	12.41	5,80,978	12.41
Increase/ Decrease in shares				
Date wise	-	-	-	-
At the end of the year			5,80,978	12.41

Name of the shareholder	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>Dharamsibhai Ramjibhai Vadalia Director</b>				
At the beginning of the year	-	-	-	-
Increase/ Decrease in shares	-	-	-	-
Date wise	-	-	-	-
At the end of the year	-	-	-	-
<b>Vimal Laljibhai Kalaria -Director</b>				
At the beginning of the year	1000	0.021	1000	0.021
Increase/ Decrease in shares	-	-	-	-
Date wise	-	-	-	-
At the end of the year	-	-	1000	0.021
<b>Pratikumar Chandulal Dadhania- Director</b>				
At the beginning of the year	-	-	-	-
Increase/ Decrease in shares	-	-	-	-
Date wise	-	-	-	-
At the end of the year	-	-	-	-
<b>Dhara Sureshchandra Shah - Director</b>				
At the beginning of the year	-	-	-	-
Increase/ Decrease in shares	-	-	-	-
Date wise	-	-	-	-
At the end of the year	-	-	-	-
<b>Jyotin Bhadrakant Vasavada Chief Financial Officer</b>				
At the beginning of the year	-	-	-	-
Increase/ Decrease in shares	-	-	-	-
Date wise	-	-	-	-
At the end of the year	-	-	-	-
<b>Jayram Kanubhai Vachhani Company Secretary &amp; Compliance Officer</b>				
At the beginning of the year	-	-	-	-
Increase/ Decrease in shares	-	-	-	-
Date wise	-	-	-	-
At the end of the year	-	-	-	-

**V) INDEBTEDNESS (Indebtedness of the Company including interest outstanding/accrued but not due for payment.)**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	5,32,940#	0	0	5,32,940
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	5,32,940	0		5,32,940
Change in Indebtedness during them financial year				
* Addition		36,00,000/-@		36,00,000/-
* Reduction	5,32,940	36,00,000/-@		41,32,940/-
Net Change	(5,32,940)	0		(5,32,940)
Indebtedness at the end of the financial year	0	0		0
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				

# secured over the company's fixed deposit receipts.

@ Loan taken from Directors and re-paid during the year.

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Sr. No	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Vikram B. Sanghani (Joint Managing Director)	Sanjay H. Dhamsania (Joint Managing Director)	
1.	<b>Gross salary</b>			
	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	19,05,000/-	19,05,000/-	38,10,000/-
	Value of perquisites u/s 17(2) Income-tax Act, 1961	15,000/-	15,000/-	30,000/-
	Profits in lieu of salary under Section 17(3) Income-tax Act,1961			
	Stock option			
	Sweat equity			
	Commission as % of profit	1.5%	1.5%	
	Other			
	Total (A)	19,20,000/-	19,20,000/-	38,40,000/-
	Ceiling as per the Act			As per section 197 r.w. Schedule V of companies Act, 2013 Rs. 84,00,000/-*

\* Note: Remuneration is Approved through Special Resolution, So limit is doubled as per the provisions of scheduled V





**B. Remuneration to other directors**

Particulars of Remuneration	Name of Directors				(Amt. In Rs.)
	Vimal L. Kalaria	Pratik C. Dadhania	Dharamshibhai R. Vadalia	Dhara S. Shah	Total Amount
<b>Independent Directors</b>					
Fee for attending board/committee Meeting	15,000/-	15,000/-	15,000/-	7,500/-	52,500/-
Commission	-	-	-	-	-
Others, please specify	-	-	-	-	-
<b>Total (1)</b>	<b>15,000/-</b>	<b>15,000/-</b>	<b>15,000/-</b>	<b>7,500/-</b>	<b>52,500/-</b>
<b>Other Non-Executive Directors</b>					
· Fee for attending board committee meetings	-	-	-	-	-
· Commission	-	-	-	-	-
· Others, please specify	-	-	-	-	-
<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (B)=(1+2)</b>	<b>15000</b>	<b>15000</b>	<b>15000</b>	<b>7500</b>	<b>52500</b>
<b>Total Managerial Remuneration</b>	<b>15000*</b>	<b>15000*</b>	<b>15000*</b>	<b>7500#</b>	<b>52500</b>
<b>Overall Ceiling as per the Act</b>	As per Rule 4 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014				
	1,00,000/-				
	(Per Board Meeting)				
	Total Ceiling for Six Board Meeting is Rs. 6,00,000/-				

\* Note: Total sitting fees for attending 6 Board Meetings for the period of 01.04.2014 to 31.03.2015

# Note: Total sitting fees for attending 3 Board Meetings for the period of 29.09.2014 to 31.03.2015

**Remuneration to key managerial personnel other than MD / Manager / WTD**

Particulars of Remuneration	Key Managerial Personnel		(Amt in Rs.)
	Company Secretary	CFO	Total
<b>Gross salary</b>			
Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	1,68,970/-	4,97,145/-	6,66,115/-
Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-
Stock option	-	-	-
Sweat equity	-	-	-
Commission as % of profit	-	-	-
Others (Bonus)	-	-	-
Others, retiral benefits	-	-	-
<b>Total</b>	<b>1,68,970/-</b>	<b>4,97,145/-</b>	<b>6,66,115/-</b>

**Penalties / punishment / compounding of offences**

There were no penalties / punishment / compounding of offences for the year ending March 31, 2015.

**ANNEXURE -2 -SECRETARIAL AUDIT**

To,  
The Members,  
Ace Software Exports Limited, Rajkot  
I have conducted the secretarial audit of the compliance of applicable statutory provisions of Ace Software Exports Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of :

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment. (Not applicable to the Company during the Audit Period)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the Audit Period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and  
 (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period).

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified hence not applicable to the Company during the audit period).  
 (ii) The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

- vi. Other laws applicable specifically to the Company namely:

Software Technology Parks of India rules and regulations

I further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines including general laws.

I report further that, during the audit period, there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

Date: 31.07.2015

Place: Rajkot

CS Hemali Sureshbhai Patel

Mem No. A35714

CP No. 13758

**ANNEXURE 3 PARTICULARS OF EMPLOYEES**

- a) Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S r . No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2014-15 (' in Rs.)	% increase in Remuneration in the Financial Year 2014-15	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Vikram Bhupat Sanghani Jt. Managing Director	19,20,000/-	6.67%	5.92	The remuneration payable to the KMP is in accordance with the Industry and Geographical standards Revenue from operations increased by 25.98%
2	Sanjay Harilal Dhamsania Jt. Managing Director	19,20,000/-	6.67%	5.92	
3	Dharamsibhai Ramjibhai Vadalia Non Executive Director	15000/-	0.00%	0.046	The remuneration payable to the KMP is in accordance with the Industry and Geographical standards Revenue from operations increased by 25.98%
4	Vimal Laljibhai Kalaria Non Executive Director	15000/-	0.00%	0.046	
5	Pratikkumar Chandulal Dadhania Non Executive Director	15000/-	0.00%	0.046	
6	Dhara Sureshchandra Shah Non Executive Director	7500/-	#	#	
7	Jyoti Bhadrakant Vasavada Chief Financial Officer	4,97,145/-	@	@	
8	Jayram Kanubhai Vachhani Company Secretary & Compliance Officer	1,68,970/-	@	@	

# Details not given as Dhara S. Shah was a Director only for part of the financial year 2014-15 i.e. w.e.f September 29, 2014

@ Details not given as Jyoti Bhadrakant Vasavada (Chief Financial Officer) and Jayram Kanubhai Vachhani (Company Secretary & Compliance officer) appointed on 02.06.2014.

- i) The median remuneration of employees of the Company during the financial year was Rs.3, 24,120/-.  
 ii) In the financial year, there was decrease of 3.66% in the median remuneration of employees, due the employment of new employees;  
 iii) There were 46 permanent employees on the rolls of Company as on March 31, 2015;  
 iv) Relationship between average increase in remuneration and company performance:- The average increase in median remuneration was in line with the performance of the Company as Revenue from operations increased by 25.98% .  
 v) The remuneration payable to the KMP is in accordance with the Industry and Geographical standards.  
 vi) a) Variations in the market capitalization of the Company : The market capitalization as on March 31, 2015 (on the basis of last trading on security being March 25, 2015) was 4.02 crore (3.49 crore as on March 31, 2014)  
 b) Price Earnings ratio of the Company was 10.33 as at March 31, 2015 and was 5.73 as at March 31, 2014  
 c) Percent increase over/ decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year- The Company had come out with initial public offer (IPO) in 1996. The closing price of the Company's equity shares on the BSE as of March 31, 2015 was Rs. 8.58 representing a 14.2 % decrease over the IPO price.  
 vii) Average percentage decrease made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was 1.50 % whereas the increase in the managerial remuneration for the same financial year was 6.67%. The remuneration payable to the KMP is in accordance with the Industry and Geographical standards.



- viii) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- ix) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year Not Applicable; and
- x) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**ANNEXURE 4 PARTICULARS OF CONTRACTS / ARRANGEMENTS MADE WITH RELATED PARTIES**

*[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014 AOC-2]*

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in

Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

**Details of contracts or arrangements or transactions not at arm's length basis**

There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2015, which were not at arm's length basis.

**Details of material contracts or arrangement or transactions at arm's length basis**

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2015 are as follows:

Name of related party	Nature of relationship	Duration of contract	Salient terms	Amount (in 'Rs.)
<b>Nature of Contract</b>				
<b>Lease and Hire charges agreement</b>				
ACE INFOWAY PVT. LTD.	Common directors and shareholders	01.09.2014 on going@	The agreement shall be effective from Effective Date (01.09.2014) and shall be continue, unless otherwise terminated.	50,000/- per month Up to 31.03.2015 3,50,000/-
<b>Payment To Key Managerial Personnel / Relative</b>				
SOHEL VIKRAMBHAI SANGHANI	Relative of Key Managerial Personnel	01.02.2014- on going#	Appointment as Vice President (Business Development)	8,40,000/-

Note:

@ Transaction was approved by the members on 09.08.2014 at Annual General Meeting by passing special resolution in this regard.

# Necessary approval under section 188 of the companies act, 2013 has been taken in the board meeting of the company.

**For & on behalf of Board of Directors**

**Vikram B. Sanghani**  
Jt. Managing Director  
DIN : 00183818

**Pratik C. Dadhania**  
Director  
DIN: 02931106

Date: 13.08.2015  
Place: Rajkot



To,  
The Members,  
**ACE SOFTWARE EXPORTS LIMITED**  
**Report on the Financial Statements**

We have audited the accompanying standalone financial statements of **ACE SOFTWARE EXPORTS LIMITED** ("the Company"), which comprises the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We have conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015;
- in the case of the Statement of Profit and Loss, of the profits for the year ended on that date; and
- in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

- As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
- As required by section 143(3) of the Act, we further report that:
  - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts;
  - In our opinion, the aforesaid standalone financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015, from being appointed as a director under sub-section (2) of Section 164 of the Act.
  - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we report as under:
    - The Company does not have any pending litigations which would impact its financial position.
    - The Company did not have any long-term contracts including derivative contracts for which there requires commenting on any material foreseeable losses.
    - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Kalaria & Sampat,  
Chartered Accountants  
[Firm's Registration No.104570W]

Atul M. Kalaria  
Partner  
Membership No. 41432

Rajkot, Dated 29<sup>th</sup> May, 2015

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

**Statement on the Companies (Auditor's Report) Order, 2015**  
(Referred to in Paragraph 1 under the head "Report on other legal and regulatory requirements" of our report of even date), on the basis of such checks as we have considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- The Company's nature of operation is such that the inventories cannot be physically verified. Accordingly Clause 3(ii) of the Order is not applicable.
- The company has granted loan to six LLPs wholly owned subsidiaries covered in the register maintained under Sec 189 of the Companies Act, 2013. Maximum amount involved during the year was Rs. 60,000. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- The Company has not accepted any deposits from the Public covered under Section 73 to 76 of the Companies Act, 2013.
- The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of goods manufactured by the Company. According to the information and explanations given to me, The Companies (Cost Records & Audit) amendment Rules, 2014 is not applicable to the company.
- In respect of statutory dues;
  - According to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, ESIC, Income Tax, Wealth Tax, Sales Tax, Value Added Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues.

- According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, ESIC, Income Tax, Wealth Tax, Sales Tax, Value Added Tax, Service Tax, Customs Duty, Excise Duty and Cess were in arrears, as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they became payable.
- According to the information and explanations given to us, the amount required to be transferred to the Investor Education and protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder has been transferred to such fund within the proscribed time.
- In our opinion and according to the information and explanations given to us, the company has no accumulated losses and has not incurred cash losses during the financial year under audit or in the immediately preceding financial year.
- In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks.
- In our opinion, and according to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions. Accordingly, clause 3(x) of the Order is not applicable.
- In our opinion and according to the information and explanations given to us and on an overall examination, the company has not raised any term loan during the year. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.
- According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For Kalaria & Sampat,  
Chartered Accountants  
[Firm's Registration No.104570W]

Atul M. Kalaria  
Partner  
Membership No.41432

Rajkot, Dated 29<sup>th</sup> May, 2015



## Ace Software Exports Ltd.

### BALANCE SHEET AS AT 31ST MARCH, 2015

(in Rs.)

PARTICULARS	Note No.	31.03.2015	31.03.2014
<b>I. EQUITY AND LIABILITIES:</b>			
(1) Shareholder's Funds :			
(a) Share Capital	3	46,800,000	46,800,000
(b) Reserves & Surplus	4	109,032,475	105,167,508
		<b>155,832,475</b>	<b>151,967,508</b>
(2) Non-current Liabilities			
(a) Other Long Term Liabilities	5	-	241,336
(3) Current Liabilities			
(a) Short Term Borrowings	6	-	532,940
(b) Trade Payable	7	3,621,762	2,954,346
(c) Other Current Liabilities	8	8,831,796	2,235,248
(d) Short-Term Provisions	9	53,000	61,836
		<u>12,506,558</u>	<u>5,784,370</u>
<b>Total</b>		<b><u>168,339,033</u></b>	<b><u>157,993,214</u></b>
<b>II. ASSETS :</b>			
(1) Non-current Assets			
(a) Fixed Assets	10		
(i) Tangible Assets		15,891,217	18,212,573
(ii) Intangible Assets		2,588,613	1,656,781
(b) Non-current Investments	11	59,597,052	57,524,701
(c) Long-term Loans and Advances	12	44,029,656	35,785,656
(d) Other Non-Current Assets	13	3,489,595	3,220,837
		<b>125,596,133</b>	<b>116,400,548</b>
(2) Current Assets			
(a) Current Investments	14	543,610	12,580,949
(b) Inventories		9,179,875	4,114,468
(c) Trade Receivables	15	320,643	-
(d) Cash & Bank Balances	16	5,225,355	1,151,380
(e) Short-term Loans and Advances	17	27,473,417	23,745,869
		<u>42,742,900</u>	<u>41,592,666</u>
<b>Total</b>		<b><u>168,339,033</u></b>	<b><u>157,993,214</u></b>

See accompanying Statement on Significant accounting policies & Notes to Accounts

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

FOR KALARIA & SAMPAT,  
CHARTERED ACCOUNTANTS  
[Firm's Registration No.104570W]  
**Atul M. Kalaria**  
PARTNER  
Membership No. 41432  
RAJKOT, Dated 29th May, 2015

**VIKRAM B. SANGHANI**  
JT.MANAGING DIRECTOR

**VIMAL L. KALARIA**  
DIRECTOR

**JAYRAM K. VACHHANI**  
COMPANY SECRETARY

**JYOTIN B. VASAVADA**  
CHIEF FINANCIAL OFFICER

**PRATIK C. DADHANIA**  
DIRECTOR

### STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	Note No.	31.03.2015	31.03.2014
<b>1 INCOME</b>			
Revenue from operations	18	59,151,279	46,952,467
Other Income	19	7,102,796	8,373,065
<b>Total Revenue</b>		<b><u>66,254,075</u></b>	<b><u>55,325,532</u></b>
<b>2 Expenses</b>			
(a) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		(5,065,407)	(2,633,968)
(b) Employee benefit expense	20	19,964,017	14,972,088
(c) Finance Costs	21	307,207	171,820
(d) Depreciation and amortization expense	10	6,158,980	2,138,223
(e) Operating & Other expenses	22	41,024,457	34,584,192
<b>Total Expenses</b>		<b><u>62,389,254</u></b>	<b><u>49,232,355</u></b>
<b>3 Profit/(Loss) before tax</b>		<b><u>3,864,821</u></b>	<b><u>6,093,177</u></b>
<b>4 Tax expense:</b>			
(1) Current tax expenses for current year		190,000	303,720
Less : MAT credit entitlement		(190,000)	(298,379)
Net current tax		-	5,341
(2) Current tax expenses relating to prior year		(146)	-
<b>5 Profit/(Loss) for the period</b>		<b><u>3,864,967</u></b>	<b><u>6,087,836</u></b>
<b>6 Earning per equity share (Face value per share is Rs.10/-)</b>			
(1) Basic		0.83	1.30
(2) Diluted		0.83	1.30

See accompanying Statement on Significant accounting policies & Notes to Accounts

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

FOR KALARIA & SAMPAT,  
CHARTERED ACCOUNTANTS  
[Firm's Registration No.104570W]

**VIKRAM B. SANGHANI**  
JT.MANAGING DIRECTOR

**VIMAL L. KALARIA**  
DIRECTOR

**Atul M. Kalaria**  
PARTNER  
Membership No. 41432

**JAYRAM K. VACHHANI**  
COMPANY SECRETARY

**JYOTIN B. VASAVADA**  
CHIEF FINANCIAL OFFICER

**PRATIK C. DADHANIA**  
DIRECTOR

RAJKOT, Dated 29th May, 2015

## CASHFLOW STATEMENT FOR THE YEAR ENDED 31.03.2015

(in Rs.)

Particulars	31.03.2015	31.03.2014
<b>A. Cash flow from Operating Activities</b>		
Net profit before tax and extraordinary items	3,864,821	6,093,177
<b>Adjustments for :</b>		
Provision for Wealth Tax	53,000	57,000
Depreciation & other non cash charges	6,158,980	2,138,223
Provision for Gratuity Defined benefit Obligation Plan	-	(112,056)
Dividend Income	(2,758,748)	(3,786,756)
Surplus/loss on sale of Investments/Assets	(1,951,115)	(1,189,815)
Interest Income	(1,694,769)	(1,912,547)
Interest Expenses	156,262	135,600
<b>Operating Profit before working capital changes</b>	<b>3,828,431</b>	<b>1,422,826</b>
<b>Adjustments for :</b>		
Increase/(decrease) in current & non current liabilities	7,022,628	1,679,493
(Increase)/decrease in current & non current assets	(10,409,187)	(2,996,101)
Cash generated from Operations	441,872	106,218
Direct taxes paid (net of refunds)	(499,253)	(370,484)
<b>Cash flow before extra-ordinary items</b>	<b>(57,381)</b>	<b>(264,266)</b>
<b>Net cash generated/(used) in operating activities</b>	<b>(57,381)</b>	<b>(264,266)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of Fixed Assets and Advances given for Capital Asset	(12,869,456)	(15,918,156)
Sale/Purchase of Investments (Net)	11,916,103	7,893,579
Interest Received	1,694,769	1,912,547
Dividend Income	2,758,748	3,786,756
<b>Net cash generated/used in investing activities</b>	<b>3,500,164</b>	<b>(2,325,274)</b>
<b>C. Cash flow from financing activities</b>		
Short term Borrowings	(532,940)	(1,135,277)
Interest paid	(156,262)	(135,600)
<b>Net cash generated/used in financing activities</b>	<b>(689,202)</b>	<b>(1,270,877)</b>
<b>Net increase in cash and cash equivalent</b>	<b>2,753,581</b>	<b>(3,860,417)</b>
<b>Cash and cash equivalent as at 31.3.2014</b>	<b>519,848</b>	<b>4,380,265</b>
<b>Cash and cash equivalent as at 31.3.2015</b>	<b>3,273,429</b>	<b>519,848</b>

Note : The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 Cash Flow Statement issued by ICAI

## AS PER OUR REPORT OF EVEN DATE

FOR KALARIA & SAMPAT,  
CHARTERED ACCOUNTANTS  
[Firm's Registration No.104570W]

Atul M. Kalaria  
PARTNER  
Membership No. 41432

RAJKOT, Dated 29th May, 2015

## FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

VIKRAM B. SANGHANI  
JT.MANAGING DIRECTOR

VIMAL L. KALARIA  
DIRECTOR

JAYRAM K. VACHHANI      JYOTIN B. VASAVADA      PRATIK C. DADHANIA  
COMPANY SECRETARY      CHIEF FINANCIAL OFFICER      DIRECTOR

## AUDITORS REPORT

We have examined the above cash flow statement and the same is in accordance with the SEBI requirement and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet covered by our report of even date.

For KALARIA & SAMPAT  
Chartered Accountants

Atul M. Kalaria  
PARTNER  
Membership No. 41432



RAJKOT, Dated 29th May, 2015

# Ace Software Exports Ltd.

## Significant Accounting Policies

### 1. Company Overview:

Ace Software Exports Limited (ASEL or Company) was incorporated on August 17, 1994 under the provisions of the Companies Act, 1956. ASEL's shares are listed on Bombay Stock Exchange Ltd., Mumbai. ASEL is mainly engaged in the business of creation of Database.

#### Director's Information

Sr. No.	Name	Director Identification Number (DIN)
1	Vikram Bhupatbhai Sanghani	00183818
2	Sanjay Harilal Dhamsania	00013892
3	Dharamsibhai Ramjibhai Vadalia	00015165
4	Vimal Laljibhai Kalaria	00029395
5	Pratikkumar Chandulal Dadhanania	02931106
6	Dhara Sureshchandra Shah	06983857

### 2. Significant Accounting Policies

The financial statements have been prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standard specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 as applicable.

#### A) Revenue Recognition:

Revenue from the sale of software is recognized when the rendering of services under a contract is completed.

Dividend income is recognized when right to receive is established.

Profit/Loss on sale of investments is recognized on sale of investments.

Interest on deployment of surplus funds is recognized using the time-proportion method based on interest rates implicit in the transaction.

#### B) Expenditure:

Expenditure is accounted on accrual basis and provision is made for all known liabilities and losses. The company provides for leave encashment and Bonus in the year of payment.

#### C) Employee Benefits:

##### Short Term Employee Benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

##### Defined Contribution Plan

Company's contributions to employee's benefits fund are charged to statement of Profit & Loss for the year in which contribution for the same becomes due.

##### Defined Benefit Plan

Incremental expenditure on Gratuity for each year is arrived at as per actuarial valuation and is recognized and charged to The Statement of Profit and Loss in the year in which employee has rendered service.

#### D) Fixed Assets & Intangible assets:

Fixed assets are capitalized at acquisition cost including directly attributable cost of bringing the assets to their working condition for intended use.

Intangible asset which includes software which is capitalized as it is expected to provide future enduring economic benefits to the company. The capitalization cost includes all directly attributable costs to such intangible asset

#### E) Depreciation:

Depreciation has been provided on Straight Line Method as per the Schedule II to the Companies Act, 2013. As regards addition, depreciation has been provided on pro-rata basis from the date the assets are put to use during the financial year. In respect of asset sold or disposed off during the year, depreciation is provided till the date of sale/disposal of the assets.

#### F) Investments:

Investments are classified into non current investments and current investments.

Non current investments are carried at cost inclusive of all expenses incidental to their acquisition. A provision for diminution is made to recognize a decline, other than temporary, in the value of long term investments.

Current investments are stated at lower of cost or fair market value.

#### G) Inventories:

Inventories are valued only for final products at the rates contained in customer's pro-forma invoice, as the sale is assured under a contract.

#### H) Foreign Currency Transactions:

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at year end exchange rates. Exchange differences arising on settlement of transactions and translation of monetary items are recognized as income or expense in the year in which they arise.

Premium or discount on forward contracts is amortized over the life of such contract and is recognized as income or expense.

#### I) Provision for Current & Deferred Tax:

**Current Tax:** Provision is made for income tax on yearly basis, under the tax-payable method, based on tax liability, as computed after taking credit for allowances and exemptions.

**Deferred Tax:** Deferred tax liability or assets is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only to the extent that there is virtual certainty that sufficient taxable income will be available to realize these assets. All other deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

#### J) Impairment of Assets

At each balance sheet date, the management reviews the carrying amount of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of the useful life. The assets were last impaired on 31.03.2008 by decreasing the value of Assets by Rs. 71,00,000.

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

FOR KALARIA & SAMPAT,  
CHARTERED ACCOUNTANTS  
[Firm's Registration No.104570W]

VIKRAM B. SANGHANI  
JT.MANAGING DIRECTOR

VIMALL KALARIA  
DIRECTOR

Atul M. Kalaria  
PARTNER  
Membership No. 41432

JAYRAM K. VACHHANI  
COMPANY SECRETARY

JYOTIN B. VASAVADA  
CHIEF FINANCIAL OFFICER

PRATIK C. DADHANIA  
DIRECTOR

RAJKOT, Dated 29th May, 2015

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**3. Share Capital**

**3.1 Details relating to Authorised, Issued, Subscribed & Paid up Share Capital**

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
<b>I Authorised Share Capital:</b>		
60,00,000 Equity Shares of Rs.10/- each with voting rights	<b>60,000,000</b>	<b>60,000,000</b>
<b>II Issued, Subscribed &amp; Paid-up Share Capital:</b>		
46,80,000 Equity Shares of Rs.10/- each fully paid up with voting rights	<b>46,800,000</b>	<b>46,800,000</b>

**3.2 Reconciliation of the No. of Share Outstanding as on Balance Sheet Date**

Particulars	31.03.2015 & 31.03.2014	
	No. of shares	Rs.
(a) Shares outstanding as at the beginning of the year	4,680,000	46,800,000
(b) Shares issued during the year	-	-
(c) Shares bought-back during the year	-	-
(d) Shares outstanding as at the end of the year	4,680,000	46,800,000

**3.3** The Company has only one class of Equity shares of face value of Rs. 10 each carrying one voting right for each equity share held.

**3.4 Details of shareholders holding more than 5% ordinary equity shares as on Balance Sheet date**

Name of the shareholders	31.03.2015 & 31.03.2014	
	No. of shares	% to total
1 Sanjay Harilal Dhamsania & Madhavi Sanjay Dhamsania	580,978	12.41%
2 Vikram B. Sanghani	543,773	11.62%
3 Jay Bhupatbhai Sanghani, Vikram B. Sanghani & Bhupat C. Sanghani	318,049	6.80%
4 Jamkunverben Harilal Dhamsania	405,850	8.67%
<b>Total no. of shares of the company</b>	<b>1,848,650</b>	<b>39.50%</b>
	<b>4,680,000</b>	<b>100%</b>

**4. Reserves & Surplus**

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
<b>Capital Reserve</b>		
As per last Balance Sheet	675,261	675,261
<b>Capital Redemption Reserve</b>		
As per last Balance Sheet	10,200,000	10,200,000
<b>General Reserve</b>		
As per last Balance Sheet	3,047,798	3,047,798
<b>Surplus/(Deficit) in the Statement of Profit &amp; Loss</b>		
Opening Balance	91,244,449	85,268,669
Net Profit for the Current Year	3,864,967	6,087,836
Adjustment Consequent to Computation of Liability for Defined Benefit Plan as per Accounting Standard 15 - Employee Benefits (Revised)	-	(112,056)
Closing Balance	<b>95,109,416</b>	<b>91,244,449</b>
<b>TOTAL</b>	<b>109,032,475</b>	<b>105,167,508</b>

**5. Other Long-term Liabilities**

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
Trade Payables	-	63,036
Excess of Grativity benefits obligation over Fair Value of Plan Asset	-	178,300
<b>TOTAL</b>	<b>-</b>	<b>241,336</b>

**6. Short-term Borrowings**

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
<b>Loans repayable on demand (Secured) :</b>		
From Banks		
Bank of Baroda	-	532,940
(Secured over the Company's Fixed Deposite Receipt)		
<b>TOTAL</b>	<b>-</b>	<b>532,940</b>

**7. Trade Payables**

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
Trade Payables	3,621,762	2,954,346
(Secured over the Company's Fixed Deposite Receipt)		
<b>TOTAL</b>	<b>3,621,762</b>	<b>2,954,346</b>

**8. Other Current Liabilities**

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
Unclaimed dividends	109,543	202,129
<b>Other Payables :</b>		
Statutory Remittances	268,565	435,009
Security Deposits Received	-	106,000
Advance from Customers	5,721,106	-
Expenses payable	698,702	77,203
Employee Benefits	2,033,880	1,414,907
<b>TOTAL</b>	<b>8,831,796</b>	<b>2,235,248</b>



**9. Short-term Provisions**

Particulars	31.03.2015	31.03.2014
	Rs.	Rs.
<b>Others</b>		
Provision for tax		
Wealth Tax	53,000	57,000
Current Tax*	-	4,836
*Net of TDS Rs. 203,599 and Advance Tax Rs. 1,00,000 as at 31st March, 2015		
<b>TOTAL</b>	<b>53,000</b>	<b>61,836</b>

**10. FIXED ASSETS**

(in Rs.)

Particulars	Gross Block			Accumulated Depreciation			IMPAIRMENT		NET BLOCK		
	Balance as at 01.04.2014	Additions	Deduction	Balance as at 31.03.2015	Balance as at 01.04.2014	Depreciation charge for the year	Balance as at 31.03.2015	AS ON 31.03.2014	AS ON 31.03.2015	Balance as at 31.03.2014	Balance as at 31.03.2015
<b>(A) Tangible Assets :</b>											
Office & Residential Premises	12,421,868	1,097,239	-	13,519,107	2,931,095	275,231	3,206,326	-	-	9,490,773	10,312,781
Computers & Peripherals	33,519,286	1,534,106	-	35,053,392	28,618,426	2,504,391	31,122,817	1,700,000	1,700,000	3,200,860	2,230,575
Furniture & Fixtures	8,047,875	379,667	-	8,427,542	3,936,101	1,112,190	5,048,291	2,650,000	2,650,000	1,461,774	729,251
Office Equipments	7,661,924	557,815	-	8,219,739	3,013,251	1,469,439	4,482,690	2,750,000	2,750,000	1,898,673	987,049
Motor Car	5,325,322	-	-	5,325,322	3,164,829	528,932	3,693,761	-	-	2,160,493	1,631,561
<b>Total (A)</b>	<b>66,976,275</b>	<b>3,568,827</b>	<b>-</b>	<b>70,545,102</b>	<b>41,663,702</b>	<b>5,890,183</b>	<b>47,553,885</b>	<b>7,100,000</b>	<b>7,100,000</b>	<b>18,212,573</b>	<b>15,891,217</b>
<b>(B) Intangible Assets</b>											
Computer Software	2,442,201	1,200,629	-	3,642,830	785,420	268,797	1,054,217	-	-	1,656,781	2,588,613
<b>Total (B)</b>	<b>2,442,201</b>	<b>1,200,629</b>	<b>-</b>	<b>3,642,830</b>	<b>785,420</b>	<b>268,797</b>	<b>1,054,217</b>	<b>-</b>	<b>-</b>	<b>1,656,781</b>	<b>2,588,613</b>
<b>GRAND TOTAL [A+B]</b>	<b>69,418,476</b>	<b>4,769,456</b>	<b>-</b>	<b>74,187,932</b>	<b>42,449,122</b>	<b>6,158,980</b>	<b>48,608,102</b>	<b>7,100,000</b>	<b>7,100,000</b>	<b>19,869,354</b>	<b>18,479,830</b>

**10. FIXED ASSETS**

(in Rs.)

Particulars	Gross Block			Accumulated Depreciation			IMPAIRMENT		NET BLOCK		
	Balance as at 01.04.2013	Additions	Disposals	Balance as at 31.03.2014	Balance as at 01.04.2013	Depreciation charge for the year	Balance as at 31.03.2014	AS ON 31.03.2013	AS ON 31.03.2014	Balance as at 31.03.2013	Balance as at 31.03.2014
<b>(A) Tangible Assets :</b>											
Office & Residential Premises	11,903,479	518,389	-	12,421,868	2,734,805	196,290	2,931,095	-	-	9,168,674	9,490,773
Computers & Peripherals	32,307,930	1,211,356	-	33,519,286	27,731,256	887,170	28,618,426	1,700,000	1,700,000	2,876,674	3,200,860
Furniture & Fixtures	7,978,525	69,350	-	8,047,875	3,797,296	138,805	3,936,101	2,650,000	2,650,000	1,531,229	1,461,774
Office Equipments	7,371,889	290,035	-	7,661,924	2,912,347	100,904	3,013,251	2,750,000	2,750,000	1,709,542	1,898,673
Motor Car	5,325,322	-	-	5,325,322	2,716,005	448,824	3,164,829	-	-	2,609,317	2,160,493
<b>Total (A)</b>	<b>64,887,145</b>	<b>2,089,130</b>	<b>-</b>	<b>66,976,275</b>	<b>39,891,709</b>	<b>1,771,993</b>	<b>41,663,702</b>	<b>7,100,000</b>	<b>7,100,000</b>	<b>17,895,436</b>	<b>18,212,573</b>
<b>(B) Intangible Assets</b>											
Computer Software	2,099,357	342,844	-	2,442,201	419,190	366,230	785,420	-	-	1,680,167	1,656,781
<b>Total (B)</b>	<b>2,099,357</b>	<b>342,844</b>	<b>-</b>	<b>2,442,201</b>	<b>419,190</b>	<b>366,230</b>	<b>785,420</b>	<b>-</b>	<b>-</b>	<b>1,680,167</b>	<b>1,656,781</b>
<b>GRAND TOTAL [A+B]</b>	<b>66,986,502</b>	<b>2,431,974</b>	<b>-</b>	<b>69,418,476</b>	<b>40,310,899</b>	<b>2,138,223</b>	<b>42,449,122</b>	<b>7,100,000</b>	<b>7,100,000</b>	<b>19,575,603</b>	<b>19,869,354</b>

**11 Non-current Investments**

Particulars	31.03.2015	31.03.2014
	Rs.	Rs.
<b>Other Investments (Valued at cost unless otherwise stated)</b>		
<b>Investment property</b>		
Plot of land at Munjka Dist : Rajkot	6,524,006	6,375,331
Plot of land at Sitvan Dist : Rajkot	153,509	153,509
<b>Investment in Equity Instruments of Subsidiary Companies (Unquoted - fully paid up)</b>		
Ace Infoworld Private Limited 6,31,525 Equity Shares of Rs. 10 each	20,581,369	20,581,369
<b>of Other Entities (Unquoted - fully paid up)</b>		
Ace Computer Education Private Limited 240 Equity Shares of Rs. 100 each	1,262,000	1,262,000
Sanjay Oilcake Industries Private Limited (10 Equity Shares of Rs. 10 each	100	100
Rajkot Oilcake Private Limited 10 Equity Shares of Rs. 10 each	100	100
<b>Investment in Mutual Funds (Quoted)</b>		
1,85,024 (1,89,455) units of Franklin India - Prima (Dividend Reinvestment Plan)	6,271,278	6,058,688
3,06,200 (3,03,930) units of Franklin India - Bluechip Fund (Dividend Reinvestment Plan)	10,737,543	10,448,617
4,32,418 (4,53,315) units of Franklin India - Flexi Cap (Dividend Reinvestment Plan)	5,578,996	5,491,188
1,90,987 (1,66,364) units of DSP Black Rock Equity Fund - Regular Plan Growth	3,300,000	2,700,000
11,407 (10,031) units of HDFC Equity Fund - Growth	3,300,000	2,700,000
<b>Other Non-Current Investments Investment in Limited Liability Partnership (LLP)</b>		
Balance in Capital Account of Aspire Exim LLP	100,000	100,000
Balance in Current Account of Aspire Exim LLP	164,597	141,807
Balance in Capital Account of Citizen Solution LLP	100,000	100,000
Balance in Current Account of Citizen Solution LLP	143,288	123,601
Balance in Capital Account of Cosmos Services LLP	100,000	100,000
Balance in Current Account of Cosmos Services LLP	127,301	94,903
Balance in Capital Account of Jubilant Exip LLP	100,000	100,000
Balance in Current Account of Jubilant Exip LLP	127,004	108,547
Balance in Capital Account of Rajkot Computer Education LLP	496,960	496,960
Balance in Current Account of Rajkot Computer Education LLP	31,060	29,870
Balance in Capital Account of Speedwell Engineers LLP	100,000	100,000
Balance in Current Account of Speedwell Engineers LLP	297,941	258,111
	<b>59,597,052</b>	<b>57,524,701</b>
Aggregate amount of Quoted Investments	29,187,817	27,398,493
Aggregate market value of Quoted Investments	42,523,813	29,866,764
Aggregate amount of Unquoted Investments	30,409,235	30,126,208

**12. Long-term Loans & Advances**

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
<b>(Unsecured, considered good unless otherwise stated)</b>		
Capital Advances	42,998,182	34,898,182
Security Deposits	1,031,474	887,474
<b>TOTAL</b>	<b>44,029,656</b>	<b>35,785,656</b>

**12.1 Long-term Loans & advances include amounts due from :**

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
Firms in which any director is a partner Ace Software Exports	19,898,182	19,898,182
<b>TOTAL</b>	<b>19,898,182</b>	<b>19,898,182</b>

**13. Other Non-Current Assets**

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
Balances with banks	3,489,595	3,220,837
<b>TOTAL</b>	<b>3,489,595</b>	<b>3,220,837</b>

**14. Current Investment**

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
<b>Other Current Investments (At Lower of cost and fair value, unless otherwise stated)</b>		
<b>Investment in Equity Instruments (Quoted, fully paid up)</b>		
Delta Corp Ltd. (5,000) Equity Shares of Rs. 1 each	-	204,500
Indian Oil Corporation Ltd. (366) Equity Shares of Rs. 10 each	-	96,112
Indian Metals & Ferro Alloys Ltd. 100 (100) Equity Shares of Rs. 10 each	15,310	22,860
J.B.Chemicals and Pharmaceuticals Ltd. (2,000) Equity Shares of Rs. 2 each	-	122,200
B L Kashyap Ltd 5,000 (10,000) Equity Shares of Rs. 1 each	28,300	56,600
<b>Investment in Mutual Funds (Quoted, fully paid up)</b>		
49,602 (12,00,484) units of HDFC CMF (Treasury Advantage Plan)	500,000	12,078,677
	<b>543,610</b>	<b>12,580,949</b>
Aggregate amount of Quoted Investments	543,610	12,580,949
Aggregate market value of Quoted Investments	583,810	13,023,591
Aggregate Provision for Diminution in value of other current investments	336,625	329,075

**15. Trade Receivables**

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
Other Trade Receivables (Unsecured, considered good)	320,643	-
<b>TOTAL</b>	<b>320,643</b>	<b>-</b>

**16. Cash & Bank Balance**

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
<b>Cash &amp; Cash Equivalents</b>		
Cash on Hand	108,949	118,094
Balances with Banks	3,164,480	401,755
	3,273,429	519,848
<b>Other Bank Balances</b>		
Balance with Bank in Term Deposit Account	1,842,383	429,403
Unclaimed Dividend Accounts	109,543	202,129
	1,951,926	631,532
<b>TOTAL</b>	<b>5,225,355</b>	<b>1,151,380</b>

**17. Short-term Loans & Advances (Unsecured considered good)**

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
Loans & Advances to Employees	98,684	161,276
Pre-paid Expenses	77,511	102,940
Balances With Government Authorities	8,115,047	5,110,217
Other Short-term Loans & Advances	19,182,175	18,371,436
<b>TOTAL</b>	<b>27,473,417</b>	<b>23,745,869</b>

**18. Revenue from Operations**

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
Revenue from sale of Software	59,151,279	46,952,467
<b>TOTAL</b>	<b>59,151,279</b>	<b>46,952,467</b>

**19. Other Income**

Particulars	31.03.2015	31.03.2014
	Rs.	Rs.
<b>Interest Income</b>		
Interest from Banks on Deposits	460,310	337,060
Interest on Loans and Advances	1,234,459	1,575,487
<b>Dividend Income</b>		
from Current Investments	331,264	1,296,747
from Long Term Investments	2,427,484	2,490,009
Share of Profit from LLP	134,352	756,839
Rental Income	554,512	698,402
Profit on Sale of Investment	1,958,665	1,206,115
Miscellaneous Income	1,750	12,406
<b>TOTAL</b>	<b>7,102,796</b>	<b>8,373,065</b>

**20. Employee benefit expenses**

Particulars	31.03.2015	31.03.2015
	Rs.	Rs.
Salaries & wages	19,500,978	14,570,270
Contribution to provident and other funds	333,288	262,797
Staff welfare expense	129,751	139,021
<b>TOTAL</b>	<b>19,964,017</b>	<b>14,972,088</b>

**21. Finance Costs**

Particulars	31.03.2015	31.03.2014
	Rs.	Rs.
<b>Interest Expenses on Borrowings</b>		
Interest paid on Overdraft	46,931	24,333
Interest paid of Unsecured Loan	109,331	111,267
Interest on delayed payment of Tax Deducted at Source	15,072	-
Interest on delayed payment of service Tax	81,233	-
<b>Other Borrowing Costs</b>		
Bank Charges	54,640	36,220
<b>TOTAL</b>	<b>307,207</b>	<b>171,820</b>

**22. Operating & Other Expenses**

Particulars	31.03.2015	31.03.2014
	Rs.	Rs.
<b>Operating Expenses</b>		
Software Sourcing Charges	34,055,972	28,902,497
<b>Other Expenses</b>		
Advertisement	403,912	63,643
Power And Fuel	1,114,506	1,008,892
Rent	752,600	775,327
Repairs & Maintenance	802,158	735,569
Insurance	90,792	77,391
Rates & Taxes	446,035	198,009
Travelling & Conveyance	765,511	796,630
Printing & Stationery	392,116	349,544
Legal & Professional Fees	772,601	587,457
Provision for Diminution in value of current Investment	7,550	16,300
Payments To Auditors		
Statutory Audit	50,000	50,000
Taxation Matters	10,000	10,000
Service Tax on Above	7,416	7,416
Donation	152,501	111,301
Wealth Tax Expenses	53,000	57,000
Sitting Fees to Directors	81,000	-
Office Expenses	230,675	240,614
Security Expenses	89,600	63,360
Interent Charges	372,279	292,124
Miscellaneous Expenses	374,233	241,028
<b>TOTAL</b>	<b>41,024,457</b>	<b>34,584,192</b>

**23 Employee Benefits**

Particulars	31.03.2015 Rs	31.03.2014 Rs.
The following tables summaries the component of net benefit expenses recognized in the profit and loss account and amounts recognized in the Balance Sheet as per actuarial valuation report.		
<b>1 Amount to be recognized in Balance sheet</b>		
Present value of the obligation at the end of the period	895,752	784,717
Fair value of plan assets	(923,448)	(606,417)
Net liability/(asset) recognized in Balance Sheet	(27,696)	178,300
Funded Status	27,696	(178,300)
<b>2 Amount to be recognized in the Statement of Profit &amp; Loss</b>		
Current Service Cost	103,049	94,976
Interest cost	62,777	62,232
Expected return on Plan Assets	(63,681)	(38,345)
Net Actuarial Losses (Gains) recognized in year	(65,400)	(52,619)
Expense recognized in the Statement of Profit & Loss	36,745	66,244
<b>3 Table Showing Changes in Present Value of Obligations</b>		
Present value of the obligation at the beginning of the period	784,717	680,128
Current Service Cost	103,049	94,976
Interest Cost	62,777	62,232
Actuarial Losses (Gains)	54,791	52,619
Benefits Paid	-	-
Present value of the obligation at the end of the period	895,752	784,717
<b>4 Table showing changes in the Fair Value of Planned Assets</b>		
Fair value of plan assets at the beginning of the period	606,417	568,072
Expected return on plan assets	63,681	38,345
Contributions	242,741	-
Benefits paid	-	-
Actuarial gain/(loss) on plan assets	10,609	-
Closing Fair Value of Plan Assets	923,448	606,417
<b>5 Principal actuarial assumptions</b>		
Discount Rate	8.00%	9.15%
Salary Growth Rate	7.00%	8.00%
Mortality	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Expected rate of return	8.75%	6.75%
Withdrawal rate (Per Annum)	5.00%	5.00%

The estimates of future salary increases, considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.

**24 Segment Reporting:**

The company's operations fall under single segment namely Computer Software and Services Exports, hence Segment wise information is not furnished.

**25 Related Party Disclosure:**

Disclosure required as per Accounting Standard 18 (AS 18), "Related party disclosure" of the ICAI is as follows:

1. List of related parties and relationships

No.	Related Party	Nature of Relationship
1	Ace Software Exports	Enterprise over which KMP are able to exercise significant influence
2	Ace InfoWay Pvt. Ltd.	Enterprise over which KMP are able to exercise significant influence
3	Sanjay Dhamsania	Key Management Personnel (KMP)
4	Vikram Sanghani	Key Management Personnel (KMP)
5	Sohel Vikram Sanghani	Relative of Key Management Personnel (KMP)
6	Rajkot Computer Education LLP	Controlled Entities
7	Jubilant Exim LLP	Controlled Entities
8	Speedwell Engineers LLP	Controlled Entities
9	Cosmos Services LLP	Controlled Entities
10	Citizen Solutions LLP	Controlled Entities
11	Aspire Exim LLP	Controlled Entities
12	Ace InfoWorld Pvt. Ltd.	Subsidiary

2. Transactions with Related Parties

Particulars	Subsidiary	KMP	Controlled Entities	Relative of KMP	Enterprise over which KMP are able to exercise significant influence
Capital Advances given	-	-	-	-	-
	-	-	-	-	19,898,182
Rent	-	-	-	-	-
	-	-	-	-	28,000
Loans given	-	-	60,000	-	-
	60,000	-	-	-	-
Loan Received back	-	-	60,000	-	-
	60,000	-	-	-	-
Lease Rent Income	-	-	-	-	350,000
	-	-	-	-	-
Loans taken	-	3,600,000	-	-	-
	-	2,600,000	-	-	-
Repayment of Loan taken	-	3,600,000	-	-	-
	-	2,600,000	-	-	-
Interest Paid	-	109,331	-	-	-
	-	111,267	-	-	-
Directors' Remuneration	-	3,840,000	-	-	-
	-	3,600,000	-	-	-
Salary	-	-	-	840,000	-
	-	-	-	140,000	-
Share of Profit	-	-	134,352	-	-
	-	-	756,839	-	-
<b>Year End Balances</b>	-	-	-	-	-
Capital Contribution in LLP	-	-	1,888,151	-	-
	-	-	1,753,799	-	-
Capital Advances	-	-	-	-	19,898,182
	-	-	-	-	19,898,182
Remuneration Payable	-	297,070	-	-	-
	-	7,289	-	69,600	-

**Note :** Figures in *italic* relate to the Prvious Year

**26 Payment to Auditors:**

Particulars	2014-15	2013-14
Statutory & Tax Audit, Income Tax & Other matters	60,000	60,000
Service Tax	7,416	7,416
Total	67,416	67,416

**27 Contingent Liabilities**

NIL

**28 Deferred Tax Liabilities/(Assets):**

Particulars	Current Year Charge/(Credit)
Difference between book and tax depreciation, etc. (Related to Fixed Assets)	2,876,154
Provision for Diminution in Value of current Investment	7,550
<b>Net Timing Difference</b>	<b>2,868,604</b>
<b>Deferred Tax Liabilities</b>	<b>886,398</b>

The Deferred Tax Liabilities of the Current Year amounting to Rs. 8,86,398/- is not recognized as there is unrecognized Deferred Tax Asset of the previous year amounting 34,64,589/-.

**29 Earning Per Share (EPS) Calculation (basic and diluted):**

Particulars	Unit	2014-15	2013-14
a) Amount used as the numerator Profit after taxation	Rs. in Lac	<b>38.65</b>	60.87
b) Weighted average number of equity shares used as the denominator	No.	46,80,000	46,80,000
c) Nominal value of shares	Rs. in Lac	468.00	468.00
d) Earnings per share (Basic)	Rs.	0.83	1.30

**30 Earnings and Expenditure in Foreign Exchange:**

Particulars	Units	2014-15	2013-14
Export Value of Database Creation	US \$	<b>9,49,946.42</b>	7,73,863.45
Expenditure in Foreign Currency			
- Capital Expenditure	US \$	Nil	Nil
- Revenue Expenditure	US \$	<b>1,200</b>	3,533

31 The outstanding balances as at 31.03.2015 in respect of certain Sundry Creditors, Loans & Advances and deposits are subjected to confirmation from respective parties and consequential reconciliation and or adjustments arising there from, if any. The Management, however, does not expect any material variation.

32 According to the opinion of the Management the value of realization of current assets, loans & advances and other receivables in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet.

33 Previous year's figures have been regrouped / rearranged wherever necessary to make them comparable.

**AS PER OUR REPORT OF EVEN DATE**

**FOR KALARIA & SAMPAT,**  
 CHARTERED ACCOUNTANTS  
 [Firm's Registration No.104570W]

**Atul M. Kalaria**  
 PARTNER  
 Membership No. 41432

RAJKOT, Dated 29th May, 2015

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,**

**VIKRAM B. SANGHANI**  
 JT.MANAGING DIRECTOR

**VIMAL L. KALARIA**  
 DIRECTOR

**JAYRAM K. VACHHANI**      **JYOTIN B. VASAVADA**  
 COMPANY SECRETARY      CHIEF FINANCIAL OFFICER

**PRATIK C. DADHANIA**  
 DIRECTOR



**INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

To,  
The Board of Directors,  
Ace Software Exports Limited

**Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of **ACE SOFTWARE EXPORTS LIMITED** ('the Company') and its subsidiaries collectively referred to as 'Group' which comprises the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2015, and the Consolidated Statement of Profit and Loss & Consolidated Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (particularly Accounting Standard 21 - Consolidated Financial Statements.) The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control system over financial reporting and the operating effectiveness of such controls relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us and on the other financial information of a subsidiary, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015;
- (b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date.
- (c) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

**Report On Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, based on the comments in the auditors' reports of the Holding Company and Subsidiary Companies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by sub-sections 3 of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of a subsidiary, we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors of the various constituent of the group, as on 31<sup>st</sup> March 2015 and taken on record by board of directors of each company, none of the Directors is disqualified as on March 31, 2015 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
  - f. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of a subsidiary and a jointly controlled entity, as noted in the 'Other Matter' paragraph:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there requires commenting on any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Chartered Accountants  
(Firm's Registration No.104570W)

Atul M. Kalaria  
Partner  
Membership No. 41432



**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT  
Statement on the Companies (Auditor's Report) Order, 2015**

As stated in Para 1 'Report on Other Legal and Regulatory Requirements' in our Auditors' report of even date, the following statement is based on the comments in the Auditors' reports on the standalone financial statements of the Holding Company and subsidiary companies.

- (i)
- (a) The Holding Company, its subsidiary companies and jointly controlled company incorporated in India have maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Holding Company and its subsidiary companies have a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner largely over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Group and its jointly controlled company and the nature of its assets. In accordance with this programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- (ii) The Company's nature of operation is such that the inventories cannot be physically verified. Accordingly Clause 3(ii) of the Order is not applicable.
- (iii) The company has granted loan to six LLPs wholly owned subsidiaries covered in the register maintained under Sec 189 of the Companies Act, 2013. Maximum amount involved during the year was Rs. 60,000.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- (v) The holding Company and its subsidiary companies have not accepted any deposits from the Public covered under Section 73 to 76 of the Companies Act, 2013.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of goods manufactured by the Company and its subsidiary companies. According to the information and explanations given to me, The Companies (Cost Records & Audit) amendment Rules, 2014 is not applicable to the company.
- (vii) In respect of statutory dues;
- (a) According to the information and explanations given to us, the Company and its subsidiary Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, ESIC, Income Tax, Wealth Tax, Sales Tax, Value Added Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, ESIC, Income Tax, Wealth Tax, Sales Tax, Value Added Tax, Service Tax, Customs Duty, Excise Duty and Cess were in arrears, as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, the amount required to be transferred to the Investor Education and protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder has been transferred to such fund within the proscribed time.
- (viii) In our opinion and according to the information and explanations given to us, the company and its subsidiary Company has no accumulated losses and has not incurred cash losses during the financial year under audit or in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company and its subsidiary company have not defaulted in repayment of dues to financial institutions and banks.
- (x) In our opinion and according to the information and explanations given to us, the Company and its subsidiary company have not given guarantees for loans taken by others from banks or financial institutions. Accordingly, clause 3(x) of the Order is not applicable.
- (xi) In our opinion and according to the information and explanations given to us and on an overall examination, the company and its subsidiary have not raised any term loan during the year. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.
- (xii) According to the information and explanations given to us, no fraud on or by the Company and its subsidiary companies have been noticed or reported during the course of our audit.

For Kalaria & Sampat,  
Chartered Accountants  
(Firm's Registration No.104570W)

Atul M. Kalaria  
Partner  
Membership No. 41432

Rajkot, Dated 29<sup>th</sup> May, 2015





## Ace Software Exports Ltd. - Consolidated

### A. Group Information:

Ace Software Exports Limited (ASEL or Company) was incorporated on August 17, 1994 under the provisions of the Companies Act, 1956. ASEL's shares are listed on Bombay Stock Exchange Ltd., Mumbai. ASEL is mainly engaged in the business of creation of Database.

### B. The Company, its subsidiaries, controlled entities and its Associate (jointly referred to as the 'Group' herein under) considered in these consolidated financial statements are:

#### a) Subsidiary

The subsidiaries considered in these consolidated financial statements are as under:

Name of Subsidiary	Country of Incorporation	Percentage of Ownership Interest	
		As at 31.03.15	As at 31.03.14
Rajkot Computer Education LLP	India	100.00%	100.00%
Jubilant Exim LLP	India	100.00%	100.00%
Speedwell Engineers LLP	India	100.00%	100.00%
Cosmos Services LLP	India	100.00%	100.00%
Citizen Solutions LLP	India	100.00%	100.00%
Aspire Exim LLP	India	100.00%	100.00%
Ace Infoworld Pvt. Ltd.	India	98.62%	98.62%

The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenditure, after eliminating inter-company transactions and balances.

The difference between the costs of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

The Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to the shareholders of the Company.

Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the date on which investments are made by the company in the subsidiary companies and further movements, if any, in their share in the equity, subsequent to the date of investments.

#### b) Associate

Section 129 (3) of the Companies Act, 2013, requires preparation of consolidated financial statement of the company and of all the subsidiaries including associate company and joint venture business in the same form and manner as that of its own. Accounting standard (AS) 23 on accounting for investment in associates in consolidated financial statement defines Associate Company as an enterprise in which an entity has significant influence and which is neither a subsidiary nor joint venture of that party. It mentions that if an investing party holds, directly or indirectly through intermediaries, 20 percent or more of the voting power of the enterprise, it is presumed that the investing party does have significant influence, unless it can be clearly demonstrate that this is not the case.

The Company holds investments in the below entity which by share ownership are deemed to be an associate company

i) Ace Computer Education Pvt. Ltd. where the company has 24% equity holding.

However, the Company does not exercise significant influence in the above entity, as demonstrate below;

i) The Company does not participate in policy making process

ii) The Company does not have any transaction with the investee

iii) The Company does not have interchange any managerial personnel

iv) The Company does not provide any essential technical information to the investee

v) As these are not investments strategic to the core business of the Company, this investment are intended to be divested/liquidated in the near future.

As the interest in above entity is for investment purpose and not of sufficient proportions for the company to be able to control or exercise significant influence on decisions of the investee, the investee is not being construed as associate company for the purpose of consolidation and therefore this has not been consolidated in the financial statement of the company.

### c) Disclosures mandated by Schedule III of Companies Act 2013, by way of additional information

Particulars	Net Assets i.e. total Assets minus total liabilities		Share in profit/(loss)	
	As a % of consolidated net assets	Amount	As a % of consolidated net Profit	Amount
<b>Parent</b>				
Ace Software Export Ltd.	86.45%	15,58,32,475	81.23%	38,64,967
<b>Subsidiary</b>				
Ace Infoworld Pvt. Ltd.	22.14%	3,99,08,701	17.32%	8,24,331
Jubilant Exim LLP	0.57%	10,18,476	0.59%	28,291
Speedwell Engineers LLP	1.19%	21,51,986	1.28%	60,973
Cosmos Services LLP	0.53%	9,56,076	0.87%	41,168
Citizen Solutions LLP	0.63%	11,34,033	0.64%	30,489
Aspire Exim LLP	0.71%	12,88,234	0.73%	34,886
Rajkot Computer Education LLP	0.24%	4,27,779	0.16%	7,565
Subtotal	112.47%	20,27,17,760	102.82%	48,92,670
Intercompany Elimination	(12.47%)	(2,24,69,522)	(2.82%)	1,34,352
Grand Total	100.00%	18,02,48,238	100.00%	47,58,318
Minority Interest in Subsidiary		5,44,419		11,376

### C. Significant Accounting Policies

#### 1. Principles of consolidation

These consolidated financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable and in particular Accounting Standard 21 (AS 21) - 'Consolidated Financial Statements'.



**Significant Accounting Policies on Consolidated Financial Statements**

The financial statements of the Company, its subsidiaries and controlled entity have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra group balances and intra group transactions and resulting unrealised profits are eliminated in full. Unrealised losses resulting from intra group transactions are also eliminated unless cost cannot be recovered.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

The difference between the cost of investment in the subsidiaries, and the Company's share of net assets at the time of acquisition of share in the subsidiaries is recognised in the financial statement as Goodwill or Capital Reserve as the case may be.

Minority Interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately from liabilities and equity of the Company's shareholders.

Minority interest in the net assets of consolidated subsidiaries consists of:

- (a) The amount of equity attributable to minority at the date on which investment in a subsidiary is made; and
- (b) The minority share of movements in equity since the date parent subsidiary relationship came into existence. Minority interest's share of Net Profit/(Loss) for the year of consolidated subsidiaries is identified and adjusted against the profit after tax of the Group.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

**2. Revenue Recognition**

Revenue from the sale of software is recognized when the rendering of services under a contract is completed.

Dividend income is accounted on receipt basis.

Profit /Loss on sale of investment is recognized on sale of investments.

Interest on deployment of surplus funds is recognized using the time-proportion method based on interest rates implicit in the transaction.

**3. Expenditure**

Expenditure is accounted on accrual basis and provision is made for all known liabilities and losses. The company provides for leave encashment and Bonus in the year of payment.

**4. Employee Benefits:**

**Short Term Employee Benefits**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

**Defined Contribution Plan**

Company's contributions to employee's benefits fund are charged to statement of Profit & Loss for the year in which contribution for the same becomes due.

**Defined Benefit Plan**

Incremental expenditure on Gratuity for each year is arrived at as per actuarial valuation and is recognized and charged to The Statement of Profit and Loss in the year in which employee has rendered service.

**5. Fixed Assets**

Fixed assets are capitalized at acquisition cost including directly attributable cost of bringing the assets to their working condition for intended use.

**6. Depreciation**

Depreciation has been provided by the parent company on Straight Line Method as per the Schedule II to the Companies Act, 2013. As regards addition, depreciation has been provided on pro-rata basis from the date the assets are put to use during the financial year. In respect of asset sold or disposed off during the year, depreciation is provided till the date of sale/disposal of the assets.

The Subsidiary Ace InfoWorld Pvt. Ltd. has provided depreciation on Written down basis as per the Schedule II to the Companies Act, 2013. As regards addition, depreciation has been provided on pro-rata basis from the date the assets are put to use during the financial year. In respect of asset sold or disposed off during the year, depreciation is provided till the date of sale/disposal of the assets.

The consolidated Gross Block & Accumulated Depreciation includes the following:

Name of Subsidiaries	Gross Block (Rs.)	Accumulated Depreciation (Rs.)
Ace InfoWorld Pvt. Ltd.	1,04,08,706	87,43,907

**7. Investments**

Investments are classified into non-current and current investments.

Non-current investments, including Subsidiaries are carried at cost inclusive of all expenses incidental to their acquisition. A provision for diminution is made to recognize a decline, other than temporary, in the value of long term investments.

Current investments are stated at lower of cost or fair market value.

The change in carrying amount of current investments, if any, is charged or credited to the profit and loss account as the case maybe.

**8. Inventories**

Inventories are valued only for final products at the rates contained in customers' pro-forma invoice, as the sale is assured under a contract.

**9. Foreign Currency Transactions**

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at year-end exchange rates. Exchange differences arising on settlement of transactions and translation of monetary items are recognized as income or expense in which they arise.

Premium or discount on forward contracts is amortized over the life of such contract and is recognized as income or expense.

**10. Income Tax**

**Current Tax:** Provision is made for income tax on yearly basis, under the tax-payable method, based on tax liability, as computed after taking credit for allowances and exemptions.

**Deferred Tax:** Deferred Tax liability or assets is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only to the extent that there is virtual certainty that sufficient taxable income will be available to realize these assets. All other deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

**11. Impairment of Assets:**

At each balance sheet date, the management reviews the carrying amount of its assets included in each Cash Generating Unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of the useful life.

**12. Segment Information:**

The primary operations of the group fall under a single business segment viz. Export of Computer Software. Further LLP firms have not commenced any commercial operations and hence there is no impact in the Profit & Loss account of the Consolidated Financial Statement. The group is engaged in the exports of computer software. In view of the above, geographical segment wise is not applicable.

**13. Use of estimates :**

The preparation of the financial statements in conformity with the generally accepted accounting principles requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.



## Ace Software Exports Ltd. - Consolidated

### FORM AOC-1

#### SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY / ASSOCIATES / JOINT VENTURES AS PER COMPANIES ACT . 2013

A report on the performance and financial position of each of the subsidiaries, associates and joint venture companies as per the Companies Act, 2013

Sr. No.	Name of Subsidiary Company	Reporting currency	Share Capital	Reserve and surplus	Total Assets	Total Liabilities	Investments	Turn-over	Profit before taxation	Provision for taxation	Profit after Taxation	Proposed Dividend	% Share-holding
1	Ace Infoworld Private Limited	INR	6,404,250	33,504,451	39,933,639	24,934	1,254,756	17,800	987,756	163,425	824,331	-	98.62%
2	Rajkot Computer Education LLP	INR	131,060	296,718	473,537	45,759	314,422	-	7,565	-	7,565	-	100%
3	Jubilant Exim LLP	INR	227,004	791,471	1,033,243	14,768	-	-	40,937	12,646	28,291	-	100%
4	Speedwell Engineers LLP	INR	397,941	1,754,044	2,178,925	26,940	-	-	90,978	30,005	60,973	-	100%
5	Cosmos Services LLP	INR	227,301	728,774	962,344	6,270	927,741	-	41,168	-	41,168	-	100%
6	Citizen Solutions LLP	INR	243,288	890,744	1,149,568	15,536	-	-	44,128	13,639	30,489	-	100%
7	Aspire Exim LLP	INR	264,597	1,023,635	1,305,858	17,626	-	-	51,469	16,583	34,886	-	100%

Names fo Subsidiaries which are yet to commence operations -

Sr. No.	Name of Companies
1	Rajkot Computer Education LLP
2	Jubilant Exim LLP
3	Speedwell Engineers LLP
4	Cosmos Services LLP
5	Citizen Solutions LLP
6	Aspire Exim LLP

#### PART "B" : ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates Companies	Latest audited Balance Sheet Date	Share of associate/Joint venture held by the Comapny on the year ended			Description of how there is significant influence	Reason why the associate / joint venture is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit and loss for the year	
		No. of Shares	Amount of Investment in Associate	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation

#### ASSOCIATES

ACE COMPUTER EDUCATION PVT. LTD.	31.03.2014	240	1,262,000	24%	Not Applicable	Note-B(b) on consolidation of Consolidated Report	1,211,809	0	7,742
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**Ace Software Exports Ltd. - Consolidated**

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015**

(in Rs.)

PARTICULARS	Note No.	31.03.2015	31.03.2014
<b>I. EQUITY AND LIABILITIES :</b>			
(1) <b>Shareholder's Funds :</b>			
(a) Share Capital	1	46,800,000	46,800,000
(b) Reserves and Surplus	2	132,903,819	128,156,877
		<b>179,703,819</b>	<b>174,956,877</b>
(2) <b>Minority Interest</b>		<b>544,419</b>	<b>533,043</b>
(3) <b>Non-current Liabilities</b>			
(a) Deferred Tax Liabilities (Net)		39,489	39,489
(b) Other Long Term Liabilities	3	-	241,336
		<b>39,489</b>	<b>280,825</b>
(4) <b>Current Liabilities</b>			
(a) Short-term Borrowings	4	-	532,940
(b) Trade Payable	5	3,621,762	2,954,346
(c) Other Current Liabilities	6	8,886,776	2,288,059
(d) Short-Term Provisions	7	110,364	94,520
		<b>12,618,902</b>	<b>5,869,865</b>
		<b>192,906,629</b>	<b>181,640,610</b>
<b>II. ASSETS :</b>			
(1) <b>Non-current Assets</b>			
(a) <b>Fixed Assets</b>	8		
(i) Tangible Assets		17,556,016	21,181,079
(ii) Intangible Assets		2,588,613	1,666,269
(b) Non-current Investments	9	38,382,288	38,658,772
(c) Deferred Tax Assets (Net)		425,174	188,596
(d) Long-term Loans and Advances	10	60,302,688	35,806,143
(e) Other Non-Current Assets	11	3,489,595	3,220,837
		<b>122,744,374</b>	<b>100,721,696</b>
(2) <b>Current Assets</b>			
(a) Current Investments	12	1,785,773	12,580,949
(b) Inventories		9,179,875	4,114,468
(c) Trade receivables	13	320,643	-
(d) Cash & Cash Equivalents	14	6,097,165	9,463,002
(e) Short-term Loans and Advances	15	52,775,316	54,724,266
(f) Other Current Assets	16	3,483	36,229
		<b>70,162,255</b>	<b>80,918,914</b>
		<b>192,906,629</b>	<b>181,640,610</b>

See accompanying Statement on Significant accounting policies & Notes to Accounts

AS PER OUR REPORT OF EVEN DATE

FOR KALARIA & SAMPAT,  
CHARTERED ACCOUNTANTS  
[Firm's Registration No.104570W]  
Atul M. Kalaria  
PARTNER  
Membership No. 41432  
RAJKOT, Dated 29th May, 2015

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

VIKRAM B. SANGHANI  
JT.MANAGING DIRECTOR

VIMAL L. KALARIA  
DIRECTOR

JAYRAM K. VACHHANI  
COMPANY SECRETARY

JYOTIN B. VASAVADA  
CHIEF FINANCIAL OFFICER

PRATIK C. DADHANIA  
DIRECTOR

**STATEMENT OF CONSOLIDATED PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH,2015**

(in Rs.)

PARTICULARS	Note No.	31.03.2015	31.03.2014
<b>1 INCOME</b>			
Revenue from operations	17	59,169,079	46,970,967
Other Income	18	9,749,464	11,521,515
Total Revenue		<b>68,918,543</b>	<b>58,492,482</b>
<b>2 Expenses</b>			
(a) Charges in inventories of finished goods, work-in-progress and Stock-in-Trade		(5,065,407)	(2,633,968)
(b) Employee benefit expense	19	19,964,017	14,972,088
(c) Finance Costs	20	314,824	176,700
(d) Depreciation and amortization expense	8	7,472,176	2,868,393
(e) Other expenses	21	41,238,463	34,911,182
Total Expenses		<b>63,924,073</b>	<b>50,294,395</b>
<b>3 Profit before tax</b>		<b>4,994,470</b>	<b>8,198,087</b>
<b>4 Tax expense:</b>			
(1) Current tax		636,174	623,831
Less : MAT credit entitlement		(163,880)	(324,499)
Net current tax		472,294	299,332
Current Tax relating to prior year		433	-
(2) Deferred tax		(236,575)	(26,447)
<b>5 Profit for the year (before adjustment for Minority Interest)</b>		<b>4,758,318</b>	<b>7,925,202</b>
Less : Share of Loss transferred to Minority Interest		11,376	26,308
<b>6 Profit for the year (after adjustment for Minority Interest)</b>		<b>4,746,942</b>	<b>7,898,894</b>
<b>7 Earning per equity share (Face value per share is Rs. 10/-)</b>			
(1) Basic		1.01	1.69
(2) Diluted		1.01	1.69

See accompanying Statement on Significant accounting policies & Notes to Accounts

AS PER OUR REPORT OF EVEN DATE

FOR KALARIA & SAMPAT,  
CHARTERED ACCOUNTANTS  
[Firm's Registration No.104570W]

Atul M. Kalaria  
PARTNER  
Membership No. 41432

RAJKOT, Dated 29th May, 2015

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

VIKRAM B. SANGHANI  
JT.MANAGING DIRECTOR

VIMAL L. KALARIA  
DIRECTOR

JAYRAM K. VACHHANI  
COMPANY SECRETARY

JYOTIN B. VASAVADA  
CHIEF FINANCIAL OFFICER

PRATIK C. DADHANIA  
DIRECTOR



**Ace Software Exports Ltd. - Consolidated**

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.15**

		(Rs. In lakhs)	
Particulars	31.03.2015	31.03.2014	
<b>A. Cashflow from Operating Activities</b>			
Net profit before tax and extraordinary items	4,994,470	8,198,087	
<b>Adjustments for :</b>			
Depreciation & other non cash charges	7,472,176	2,868,393	
Provision for wealth Tax	53,000	57,000	
Provision for Gratuity Defined benefit Obligation Plan		(112,056)	
Dividend Income	(3,311,441)	(4,451,386)	
Provision for Diminution in value of current Investment	7,550	16,300	
Profit on sale of Investments/Assets (Net)	(1,960,435)	(1,905,922)	
Interest Income	(3,920,926)	(4,402,432)	
Interest Expenses	314,824	176,700	
Excess/ short provision of earlier years			
<b>Operating Profit before working capital changes</b>	<b>3,649,218</b>	<b>444,684</b>	
<b>Adjustments for :</b>			
Increase/(decrease) in current & non current liabilities	7,024,797	1,576,956	
(Increase)/decrease in current & non current assets	(10,480,268)	(11,269,188)	
Cash generated from Operations	<b>193,747</b>	<b>(9,247,548)</b>	
Direct taxes paid (net of refunds)	(667,219)	(648,462)	
<b>Cashflow before extra-ordinary items</b>	<b>(473,472)</b>	<b>(9,896,010)</b>	
<b>Net cashflow from operating activities</b>	<b>(473,472)</b>	<b>(9,896,010)</b>	
<b>B. Cashflow from investing activities</b>			
Purchase of Fixed Assets and Advances given for Capital Asset	(23,769,456)	(15,918,156)	
Sale/Purchase of Investments (Net)	13,032,095	22,248,223	
Interest Received	3,920,926	4,402,432	
Dividend Income	3,311,441	4,451,386	
<b>Net cash generated/used in investing activities</b>	<b>(3,504,994)</b>	<b>15,183,885</b>	
<b>C. Cashflow from financing activities</b>			
Short term Borrowings	(532,940)	(1,500,549)	
Loan Repaid			
Interest paid	(314,824)	(176,700)	
<b>Net cash generated/used in financing activities</b>	<b>(847,764)</b>	<b>(1,677,249)</b>	
<b>Net increase in cash and cash equivalent</b>	<b>(4,826,230)</b>	<b>3,610,626</b>	
<b>Cash and cash equivalent as at 31.3.2014</b>	<b>8,831,470</b>	<b>5,220,844</b>	
<b>Cash and cash equivalent as at 31.3.2015</b>	<b>4,005,240</b>	<b>8,831,470</b>	

Note : The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 Cash Flow Statement issued by ICAI

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

VIKRAM B. SANGHANI  
JT.MANAGING DIRECTOR

VIMAL L. KALARIA  
DIRECTOR

RAJKOT, Dated 29th May, 2015

JAYRAM K. VACHHANI  
COMPANY SECRETARY

JYOTIN B. VASAVADA  
CHIEF FINANCIAL OFFICER

PRATIK C. DADHANIA  
DIRECTOR

**AUDITORS REPORT**

We have examined the above cash flow statement and the same is in accordance with the SEBI requirement and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet covered by our report of even date.

**For KALARIA & SAMPAT**  
Chartered Accountants  
[Firm's Registration No. 104570W]

**Atul M. Kalaria**  
PARTNER  
Membership No. 41432



RAJKOT, Dated 29th May, 2015

# Ace Software Exports Ltd. - Consolidated

Notes to the Financial statements as at & for the year ended 31st March, 2015

## 1. Share Capital

Details relating to Authorised, Issued, Subscribed & Paid up Share Capital

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
<b>Authorised Share Capital:</b>		
60,00,000 Equity Shares of Rs. 10/- each with voting rights	60,000,000	60,000,000
<b>Issued, Subscribed &amp; Paid-up Share Capital:</b>		
voting rights	46,800,000	46,800,000
<b>TOTAL</b>	<b>46,800,000</b>	<b>46,800,000</b>

## 1.1 Details of shareholders holding more than 5% ordinary equity shares as on Balance Sheet Date

Name of the shareholders	As at 31.03.2015 & 31.03.2014	
	No. of shares	% to total
1 Sanjay Harilal Dhamsania & Madhavi Sanjay Dhamsania	580,978	12.41%
2 Vikram B. Sanghani	543,773	11.62%
3 Jay Bhupatbhai Sanghani, Vikram B. Sanghani & Bhupat C. Sanghani	318,049	6.80%
4 Jamkunverben Harilal Dhamsania	405,850	8.67%
	<b>1,848,650</b>	<b>39.50%</b>
<b>Total no. of shares of the company</b>	<b>4,680,000</b>	<b>100%</b>

## 2. Reserves & Surplus

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
<b>Capital Reserve</b>		
As per last Balance Sheet	675,261	675,261
<b>Capital Redemption Reserve</b>		
As per last Balance Sheet	10,200,000	10,200,000
<b>General Reserve</b>		
As per last Balance Sheet	3,180,918	3,180,918
<b>Surplus</b>		
Opening Balance	93,128,988	85,342,150
Net Profit/(Loss) for the Current Year	4,746,942	7,898,894
Adjustment Consequent to Computation of Liability for Defined Benefit Plan as per Accounting Standard 15 - Employee Benefits (Revised)	-	(112,056)
Closing Balance	<b>97,875,930</b>	<b>93,128,988</b>
<b>Capital Reserve on Consolidation</b>		
As per last Balance Sheet	20,971,710	20,971,710
<b>TOTAL</b>	<b>132,903,819</b>	<b>128,156,877</b>

## 3. Other Long-term Liabilities

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
Trade Payables	-	63,036
Excess of Grativity benefit obligation over Fair Value of Plan Asset	-	178,300
<b>TOTAL</b>	<b>-</b>	<b>241,336</b>

## 4. Short-term Borrowings

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
Overdraft (Secured)		
From Bank of Baroda	-	532,940
(Secured over the Company's Fixed Deposit Receipt)		
<b>TOTAL</b>	<b>-</b>	<b>532,940</b>

## 5. Trade Payables

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
Trade payables	3,621,762	2,954,346
<b>TOTAL</b>	<b>3,621,762</b>	<b>2,954,346</b>

## 6. Other Current Liabilities

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
<b>Unclaimed dividends</b>	109,543	202,129
<b>Other Payables:</b>		
Statutory Remittances	268,565	435,009
Security Deposits Received	-	106,000
Advance from Customers	5,721,106	-
Expenses payable	753,682	130,014
Employee Benefits	2,033,880	1,414,907
<b>TOTAL</b>	<b>8,886,776</b>	<b>2,288,059</b>

## 7. Short-term Provisions

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
<b>Others</b>		
Provision for tax		
Wealth Tax	53,000	57,800
Current Tax *	57,364	36,720
*Net of TDS Rs. 1,88,811 and Advance Tax Rs. 2,00,000 at 31st March, 2015 Net of TDS Rs. 4,15,642 & Advance Tax Rs. 1,60,000 as at 31st March, 2014		
<b>TOTAL</b>	<b>1,10,364</b>	<b>94,520</b>



## Ace Software Exports Ltd. - Consolidated

### 8. FIXED ASSETS

(in Rs.)

Particulars	Gross Block			Accumulated Depreciation			IMPAIRMENT		NET BLOCK	
	Balance as at 01.04.2014	Additions	Balance as at 31.03.2015	Balance as at 01.04.2014	Depreciation Charge for the year	Balance as at 31.03.2015	AS ON 31.03.2014	AS ON 31.03.2015	As On 31.03.2014	As On 31.03.2015
<b>(A) Tangible Assets :</b>										
Office & Residential Premises	12,421,868	1,097,239	13,519,107	2,931,095	275,231	3,206,326	-	-	10,312,781	9,490,773
Computers & Peripherals	33,519,286	1,534,106	35,053,392	28,680,822	2,504,391	31,185,213	1,700,000	1,700,000	2,168,179	3,138,464
Furniture & Fixtures	8,018,790	379,667	8,398,457	3,941,261	11,121,90	5,053,451	2,650,000	2,650,000	695,006	1,427,529
Office Equipments	10,288,027	557,815	10,845,842	5,330,633	1,681,521	7,012,154	2,750,000	2,750,000	1,083,688	2,207,394
Vehicles	11,540,360	-	11,540,360	6,623,441	1,620,558	8,243,999	-	-	3,296,361	4,916,919
<b>Total [A]</b>	<b>75,788,331</b>	<b>3,568,827</b>	<b>79,357,158</b>	<b>47,507,252</b>	<b>7,193,891</b>	<b>54,701,143</b>	<b>7,100,000</b>	<b>7,100,000</b>	<b>17,556,015</b>	<b>21,181,079</b>
<b>(B) Intangible Assets</b>										
Computer Software	4,038,851	1,200,629	5,239,480	2,372,582	278,285	2,650,867	-	-	2,588,613	1,666,269
<b>Total [B]</b>	<b>4,038,851</b>	<b>1,200,629</b>	<b>5,239,480</b>	<b>2,372,582</b>	<b>278,285</b>	<b>2,650,867</b>	<b>-</b>	<b>-</b>	<b>2,588,613</b>	<b>1,666,269</b>
<b>GRAND TOTAL [A+B]</b>	<b>79,827,182</b>	<b>4,769,456</b>	<b>84,596,638</b>	<b>49,879,834</b>	<b>7,472,176</b>	<b>57,352,010</b>	<b>7,100,000</b>	<b>7,100,000</b>	<b>20,144,628</b>	<b>22,847,348</b>

### 8. FIXED ASSETS

(in Rs.)

Particulars	Gross Block			Accumulated Depreciation			IMPAIRMENT		NET BLOCK	
	Balance as at 01.04.2013	Additions	Balance as at 31.03.2014	Balance as at 01.04.2013	Depreciation Charge for the year	Balance as at 31.03.2014	AS ON 31.03.2013	AS ON 31.03.2014	As On 31.03.2014	As On 31.03.2013
<b>(A) Tangible Assets :</b>										
Office & Residential Premises	11,903,479	518,389	12,421,868	2,734,805	196,290	2,931,095	-	-	9,490,773	9,168,674
Computers & Peripherals	32,307,930	1,211,356	33,519,286	27,793,652	887,170	28,680,822	1,700,000	1,700,000	3,138,464	2,814,278
Furniture & Fixtures	7,949,440	69,350	8,018,790	3,797,296	143,965	3,941,261	2,650,000	2,650,000	1,427,529	1,502,144
Office Equipments	9,997,992	290,035	10,288,027	5,199,971	130,662	5,330,633	2,750,000	2,750,000	2,207,394	2,048,021
Vehicles	11,540,360	-	11,540,360	5,485,511	1,137,930	6,623,441	-	-	4,916,919	6,054,849
<b>Total [A]</b>	<b>73,699,201</b>	<b>2,089,130</b>	<b>75,788,331</b>	<b>45,011,235</b>	<b>2,496,017</b>	<b>47,507,252</b>	<b>7,100,000</b>	<b>7,100,000</b>	<b>21,181,079</b>	<b>21,587,966</b>
<b>(B) Intangible Assets</b>										
Computer	3,696,007	342,844	4,038,851	2,000,206	372,376	2,372,582	-	-	1,666,269	1,695,801
<b>Total [B]</b>	<b>3,696,007</b>	<b>342,844</b>	<b>4,038,851</b>	<b>2,000,206</b>	<b>372,376</b>	<b>2,372,582</b>	<b>-</b>	<b>-</b>	<b>1,666,269</b>	<b>1,695,801</b>
<b>GRAND TOTAL [A+B]</b>	<b>77,395,208</b>	<b>2,431,974</b>	<b>79,827,182</b>	<b>47,011,441</b>	<b>2,868,393</b>	<b>49,879,834</b>	<b>7,100,000</b>	<b>7,100,000</b>	<b>22,847,348</b>	<b>23,283,767</b>

### 9. Non-current Investments

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
<b>Other Investments (valued at cost unless otherwise stated)</b>		
<b>Investment property</b>		
Plot of land at Munjka Dist : Rajkot	6,524,006	6,375,331
Plot of land at Sitvan Dist : Rajkot	153,509	153,509
<b>of Other Entities (Unquoted - fully paid up)</b>		
Ace Computer Education Private Limited	1,262,000	1,262,000
240 Equity Shares of Rs. 100 each		
Rajkot Oilcake Private Limited	200	200
20 Equity Shares of Rs. 10 each		
Sanjay Oilcake Industries Private Limited	100	100
10 Equity Shares of Rs. 10 each		
<b>Investment in Mutual Funds (Quoted)</b>		
1,85,024 (1,89,455) units of Franklin India - Prima (Dividend Reinvestment Plan)	6,271,278	6,058,688
3,06,200 (3,03,930) units of Franklin India - Bluechip Fund (Dividend Reinvestment Plan)	10,737,543	10,448,617
4,32,418 (4,53,315) units of Franklin India - Flexi Cap (Dividend Reinvestment Plan)	5,578,996	5,491,188
1,90,987 (1,66,364) units of DSP Black Rock Equity Fund - Regular Plan-Growth	3,300,000	2,700,000
18,564 (16,531) units of HDFC Equity Fund - Growth	3,608,472	2,972,724
64,532 (1,29,997) units of HDFC CMF-Treasury Advantage Plan	650,423	1,306,035
Nil (1,52,794) units of HDFC CMF - Saving Plan-Weekly Dividend	-	1,624,931
16563 (15,156) units of Prudential ICICI Dynamic Fund	295,761	265,449
Aggregate amount of Quoted Investments	30,442,474	30,867,632
Aggregate market value of Quoted Investments	43,941,741	33,363,743
Aggregate amount of Unquoted Investments	7,939,815	7,791,140
	<b>38,382,288</b>	<b>38,658,772</b>

### 10. Long-term Loans & Advances (unsecured, considered good unless otherwise stated)

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
Capital Advances	53,898,182	34,898,182
Loans and advances to related parties	5,352,545	-
Security Deposits	1,051,961	907,961
<b>TOTAL</b>	<b>60,302,688</b>	<b>35,806,143</b>

### 10.1 Long-term Loans & Advances include amounts due from :

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
Enterprise influenced by KMP		
Ace Riverside Private Limited	6,000,000	-
Ace Software Exports	25,250,727	19,898,182



## Ace Software Exports Ltd. - Consolidated

### 11. Other Non-Current Assets

Particulars	31.03.2015	31.03.2014
	Rs.	Rs.
Balance with banks	3,489,595	3,220,837
<b>TOTAL</b>	<b>3,489,595</b>	<b>3,220,837</b>

### 12. Current Investment

Particulars	31.03.2015	31.03.2014
	Rs.	Rs.
<b>Other Current Investments (At Lower of Cost and Fair Value, unless Otherwise Stated)</b>		
<b>Investment in Equity Instruments (Quoted, fully paid up)</b>		
Delta Corp Ltd.	-	204,500
(5,000) Equity Shares of Rs. 1 each		
Indian Oil Corporation Ltd.	-	96,112
(366) Equity Shares of Rs. 10 each		
Indian Metals & Ferro Alloys Ltd.	15,310	22,860
100 (100) Equity Shares of Rs. 10 each		
J.B. Chemicals and Pharmaceuticals Ltd.	-	122,200
(2000) Equity Shares of Rs. 2 each		
B L Kashyap Ltd	28,300	56,600
5000 (10000) Equity Shares of Rs. 1 each		
<b>Investment in Mutual Funds (Quoted, fully paid up)</b>		
1,72,984 (20,20,875) units of HDFC Cash Mgt. Fund (Treasury Adv. Plan)	1,742,163	12,078,677
Aggregate amount of Quoted Investments	1,785,773	12,580,949
Aggregate market value of Quoted Investments	1,827,469	13,023,591
Aggregate Provision for Diminution in value of other current investments	336,625	329,075
<b>TOTAL</b>	<b>1,785,773</b>	<b>12,580,949</b>

### 13. Trade Receivables

Particulars	31.03.2015	31.03.2014
	Rs.	Rs.
Other Trade Receivables (Unsecured, considered good)	320,643	-
<b>TOTAL</b>	<b>320,643</b>	<b>-</b>

### 14. Cash & Cash Equivalents

Particulars	31.03.2015	31.03.2014
	Rs.	Rs.
<b>Cash &amp; Cash Equivalents</b>		
Cash on Hand	509,907	555,213
Balances with Bank	3,495,332	8,276,257
	<b>4,005,239</b>	<b>8,831,470</b>
<b>Other Bank Balances</b>		
Balance with Bank in Term Deposit Accounts	1,982,383	429,403
Unpaid Dividend Accounts	109,543	202,129
	<b>2,091,926</b>	<b>631,532</b>
<b>TOTAL</b>	<b>6,097,165</b>	<b>9,463,002</b>

### 15. Short-term Loans & Advances (Unsecured considered good)

Particulars	31.03.2015	31.03.2014
	Rs.	Rs.
Loans & Advances to Employees	98,684	161,276
Pre-paid Expenses	77,511	102,940
Balance with Government Authorities		
Income Tax Refund Due	1,476,327	1,479,017
Advance Income Tax & TDS Receivable* (* Net of Provision of Rs. 1,90,000)	317,197	-
MAT Entitlement Credit	756,465	592,585
Rajkot Urban Development Authority Deposit	75,000	75,000
Service Tax Rebate Receivable	5,995,783	3,495,460
Other Short-Term Loans & Advances	43,978,349	48,817,988
<b>TOTAL</b>	<b>52,775,316</b>	<b>54,724,266</b>



## Ace Software Exports Ltd. - Consolidated

### 16. Other Current Assets

Particulars	31.03.2015	31.03.2014
	Rs.	Rs.
Interest accrued on deposits	3,483	36,229
<b>TOTAL</b>	<b>3,483</b>	<b>36,229</b>

### 17. Revenue from Operations

Particulars	31.03.2015	31.03.2014
	Rs.	Rs.
<b>Revenue from sale of products</b>		
Export of Database Creation	59,169,079	46,970,967
<b>TOTAL</b>	<b>59,169,079</b>	<b>46,970,967</b>

### 18. Other Income

Particulars	31.03.2015	31.03.2014
	Rs.	Rs.
Interest Income	3,920,926	4,402,432
Dividend Income	3,311,441	4,451,386
Rental Income	554,512	698,402
Profit on Sale of Investment	1,960,435	1,949,238
Miscellaneous Income	2,150	20,057
<b>TOTAL</b>	<b>9,749,464</b>	<b>11,521,515</b>

### 19. Employee benefit expenses

Particulars	31.03.2015	31.03.2014
	Rs.	Rs.
Salaries & wages	19,500,978	14,570,270
Contribution to provident and other funds	333,288	262,797
Staff welfare expense	129,751	139,021
<b>TOTAL</b>	<b>19,964,017</b>	<b>14,972,088</b>

### 20. Finance Costs

Particulars	31.03.2015	31.03.2014
	Rs.	Rs.
<b>Interest Expenses on Borrowings</b>		
Interest paid on Overdraft	46,931	24,333
Interest on Vehicle Loan	-	4,380
Interest paid on Unsecured Loan	109,331	111,267
Interest on delayed payment of Tax Deducted at source	15,072	-
Interest on delayed payment of Provident Fund	7,280	-
Interest on delayed payment of Service Tax	81,233	-
<b>Other Borrowing Costs</b>		
Bank Charges	54,977	36,720
<b>TOTAL</b>	<b>314,824</b>	<b>176,700</b>

### 21. Other Expenses

Particulars	31.03.2015	31.03.2014
	Rs.	Rs.
<b>Operating Expenses</b>		
Software Sourcing Charges	34,055,972	28,902,497
<b>Other Expenses</b>		
Advertisement	403,912	63,643
Power And Fuel	1,114,506	1,008,982
Rent	752,600	775,327
Repairs & Maintenance	867,959	770,196
Insurance	166,959	158,281
Rates & Taxes	446,035	198,009
Travelling & Conveyance	765,511	796,630
Printing & Stationery	392,116	350,144
Legal & Professional Fees	788,893	631,952
Provision for Diminution in value of current Investment	7,550	16,300
Payments To Auditors		
Statutory Audit	105,200	87,642
Taxation Matters	11,236	28,090
Net Loss on Sale of Investments	-	43,316
Donation	152,501	111,301
Wealth Tax Expenses	53,000	57,000
Sitting Fees to Directors	81,000	-
Office Expenses	232,125	258,259
Security Expenses	90,765	63,360
Internet Charges	372,279	292,124
Miscellaneous Expenses	374,233	298,129
Provident Fund Penalty	4,111	-
<b>TOTAL</b>	<b>41,238,463</b>	<b>34,911,182</b>

**22 Employee Benefits**

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
The following tables summaries the component of net benefit expenses recognized in the profit and loss account and amounts recognized in the Balance Sheet as per actuarial valuation report.		
<b>1 Amount to be recognized in Balance sheet</b>		
Present value of the obligation at the end of the period	895,752	784,717
Fair value of plan assets	(923,448)	(606,417)
Net liability/(asset) recognized in Balance Sheet	(27,696)	178,300
Funded Status	27,696	(178,300)
<b>2 Amount to be recognized in the Statement of Profit &amp; Loss</b>		
Current Service Cost	103,049	94,976
Interest cost	62,777	62,232
Expected return on Plan Assets	(63,681)	(38,345)
Net Actuarial Losses (Gains) recognized in year	(65,400)	(52,619)
Expense recognized in the Statement of Profit & Loss	36,745	66,244
<b>3 Table Showing Changes in Present Value of Obligations</b>		
Present value of the obligation at the beginning of the period	784,717	680,128
Current Service Cost	103,049	94,976
Interest Cost	62,777	62,232
Actuarial Losses (Gains)	54,791	52,619
Benefits Paid	-	-
Present value of the obligation at the end of the period	895,752	784,717
<b>4 Table showing changes in the Fair Value of Planned Assets</b>		
Fair value of plan assets at the beginning of the period	606,417	568,072
Expected return on plan assets	63,681	38,345
Contributions	242,741	-
Benefits paid	-	-
Actuarial gain/(loss) on plan assets	10,609	-
Closing Fair Value of Plan Assets	923,448	606,417
<b>5 Principal actuarial assumptions</b>		
Discount Rate	8.00%	9.15%
Salary Growth Rate	7.00%	8.00%
Mortality	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Expected rate of return	8.75%	6.75%
Withdrawal rate (Per Annum)	5.00%	5.00%

The estimates of future salary increases, considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.

**23. Related Party Disclosure:**

Disclosure required as per Accounting Standard 18 (AS 18), "Related party disclosure" of the ICAI is as follows:

1. List of related parties and relationship

No.	Related Party	Nature of Relationship
1	Sanjay Dhamsania	Key Management Personnel
2	Vikram Sanghani	Key Management Personnel
3	Sohel Vikram Sanghani	Relative of Key Management Personnel (KMP)
4	Ace Infoway Pvt. Ltd.	Enterprise over which KMP are able to exercise significant influence
5	Ace Software Exports	Enterprise over which KMP are able to exercise significant influence
6	Ace Riverside Pvt. Ltd.	Enterprise over which KMP are able to exercise significant influence

## Ace Software Exports Ltd. - Consolidated

### 2. Transactions with Related Parties

Particulars	KMP	Relative of KMP	Enterprise over which KMP are able to exercise significant influence
Capital Advances given	-	-	<b>11,352,545</b>
	-	-	<i>19,898,182</i>
Rent	-	-	-
	-	-	<i>28,000</i>
Lease Rent Income	-	-	<b>350,000</b>
	-	-	-
Loans taken	<b>3,600,000</b>	-	-
	<i>2,600,000</i>	-	-
Repayment of Loan taken	<b>3,600,000</b>	-	-
	<i>2,600,000</i>	-	-
Interest Paid	<b>109,331</b>	-	-
	<i>111,267</i>	-	-
Directors' Remuneration	<b>3,840,000</b>	-	-
	<i>3,600,000</i>	-	-
Salary	-	<b>840,000</b>	-
	-	<i>140,000</i>	-
<b>Year End Balance</b>			
Capital Advances	-	-	<b>31,250,727</b>
	-	-	<i>19,898,182</i>
Remuneration Payable	<b>297,070</b>	-	-
	<i>7,289</i>	<i>69,600</i>	-

**Note :** Figures in *italic* relate to the Previous Year

### 24 Earning Per Share (EPS) Calculation (basic and diluted):

Particulars	Unit	2014-15	2013-14
a) Amount used as the numerator Profit after taxation	Rs. in Lac	<b>47.47</b>	78.99
b) Weighted average number of equity shares used as the denominator	No.	46,80,000	46,80,000
c) Nominal value of shares	Rs. in Lac	468.00	468.00
d) Earnings per share (Basic)	Rs.	1.01	1.69

23. Previous year's figures have been regrouped / rearranged wherever necessary to make them comparable.

### AS PER OUR REPORT OF EVEN DATE

**FOR KALARIA & SAMPAT,**  
CHARTERED ACCOUNTANTS  
[Firm's Registration No.104570W]

**Atul M. Kalaria**  
PARTNER  
Membership No. 41432

RAJKOT, Dated 29th May, 2015

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,**

**VIKRAM B. SANGHANI**  
JT.MANAGING DIRECTOR

**VIMALL L. KALARIA**  
DIRECTOR

**JAYRAM K. VACHHANI**      **JYOTIN B. VASAVADA**  
COMPANY SECRETARY      CHIEF FINANCIAL OFFICER

**PRATIK C. DADHANIA**  
DIRECTOR

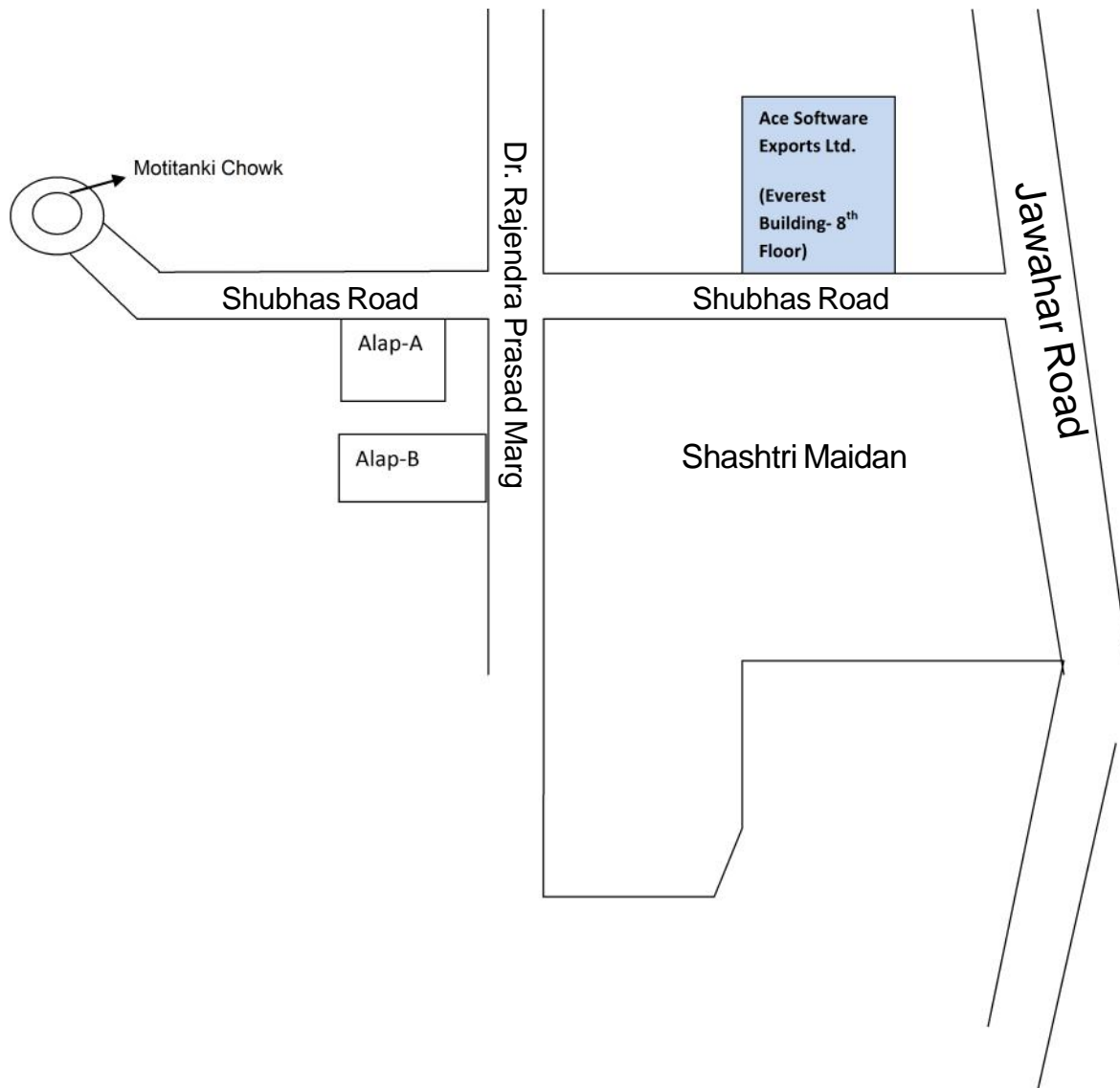


## ROUTE MAP

**Venue: ACE SOFTWARE EXPORTS LIMITED**

**801- Everest Commercial Complex, Opp. Shashtri Maidan, Rajkot-360001**

**Prominent Land Mark: Shashtri Maidan.**



**Ace Software Exports Limited**

Reg. Off. 801, " Everest", Opp. Shashtri Maidan, Rajkot-360001 (Gujarat)  
Phone: 0281- 2226097, Fax: 02812232918,  
Email: Investorinfo@acesoftex.com  
CIN: L72200GJ1994PLC022781,  
Website: www.acesoftex.com

# **ACE SOFTWARE EXPORTS LIMITED**

Reg. Off. 801, "Everest", Opp. Shashtri Maidan, Rajkot-360001 (Gujarat)  
Phone: 0281- 2226097, Fax: 02812232918, Email: [Investorinfo@acesoftex.com](mailto:Investorinfo@acesoftex.com)  
CIN: L72200GJ1994PLC022781, Website: [www.acesoftex.com](http://www.acesoftex.com)

## **ATTENDANCE SLIP**

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional Slip at the venue of the meeting.

DP ID\*: \_\_\_\_\_

Folio No. : \_\_\_\_\_

Customer Id\*: \_\_\_\_\_

No. Of Shares: \_\_\_\_\_

NAME AND ADDRESS OF THE SHAREHOLDER:

I hereby record my presence at the **21st ANNUAL GENERAL MEETING** of the Company held on Saturday, September 26, 2015 at 11.00 a.m. at **801, "Everest", Opp. Shashtri Maidan, Rajkot-360001 (Gujarat)**.

\*Applicable for investors holding shares in electronic form.

\_\_\_\_\_  
Signature of Shareholder / Proxy



# ACE SOFTWARE EXPORTS LIMITED

Reg. Off. 801, " Everest", Opp. Shashtri Maidan, Rajkot-360001 (Gujarat)  
Phone: 0281- 2226097, Fax: 02812232918, Email: [investorinfo@acesoftex.com](mailto:investorinfo@acesoftex.com)  
CIN: L72200GJ1994PLC022781, Website: [www.acesoftex.com](http://www.acesoftex.com)

## Form MGT-11 PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of member(s): .....  
Registered Address: .....  
Email Id: .....  
Folio No. /DP ID and Client ID .....

I/we, being the Member(s) of \_\_\_\_\_ Shares of the above named Company, hereby appointed.

1. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature \_\_\_\_\_ of failing him/her.

2. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature \_\_\_\_\_ of failing him/her.

3. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature \_\_\_\_\_

as my/our proxy to attend and vote, in case of a poll, for me/us and on my/our behalf at the 21<sup>st</sup> Annual General Meeting of the Company, to be held on the 26<sup>th</sup> day of September, 2015 at 11.00 a.m. at the registered office and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below;

Res. No.	Description	For*	Against*
1	Adoption of Financial Statements and Reports thereon for the financial year ended 31st March, 2015		
2	Re-appointment of Mr. Vikram B. Sanghani		
3	Re-appointment of Mr. Sanjay H. Dhamsania		
4	Appointment of Auditors and fix their remuneration for the F.Y. 2015-16 ended on 31 <sup>st</sup> March, 2016		
5	Appointment of Ms. Dhara Shah as an Independent Director		
6	To revise remuneration of Shri Vikram B. Sanghani, Joint Managing Director		
7	To revise remuneration of Shri Sanjay H. Dhamsania, Joint Managing Director		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015.

Signature of Shareholder(s) \_\_\_\_\_

Affix  
Revenue  
Stamp

### Note: \*

- Please put a 'X' in the Box in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- A Proxy need not be a Member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as Proxy on behalf of not more than fifty Members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as Proxy, who shall not act as Proxy for any other Member.
- This form of Proxy, to be effective, should be deposited at the Registered Office of the Company 801-Everest Commercial Complex, Opp. Shashtri Maidan, Rajkot-360001 not later than FORTY-EIGHT HOURS before the commencement of the aforesaid meeting.

