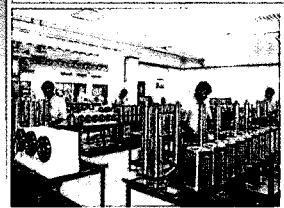
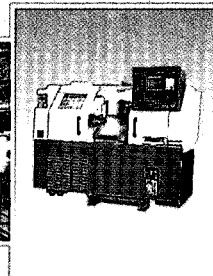
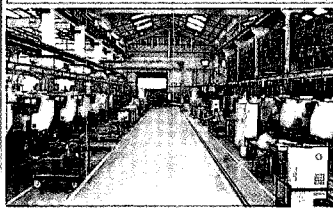
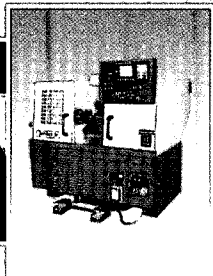
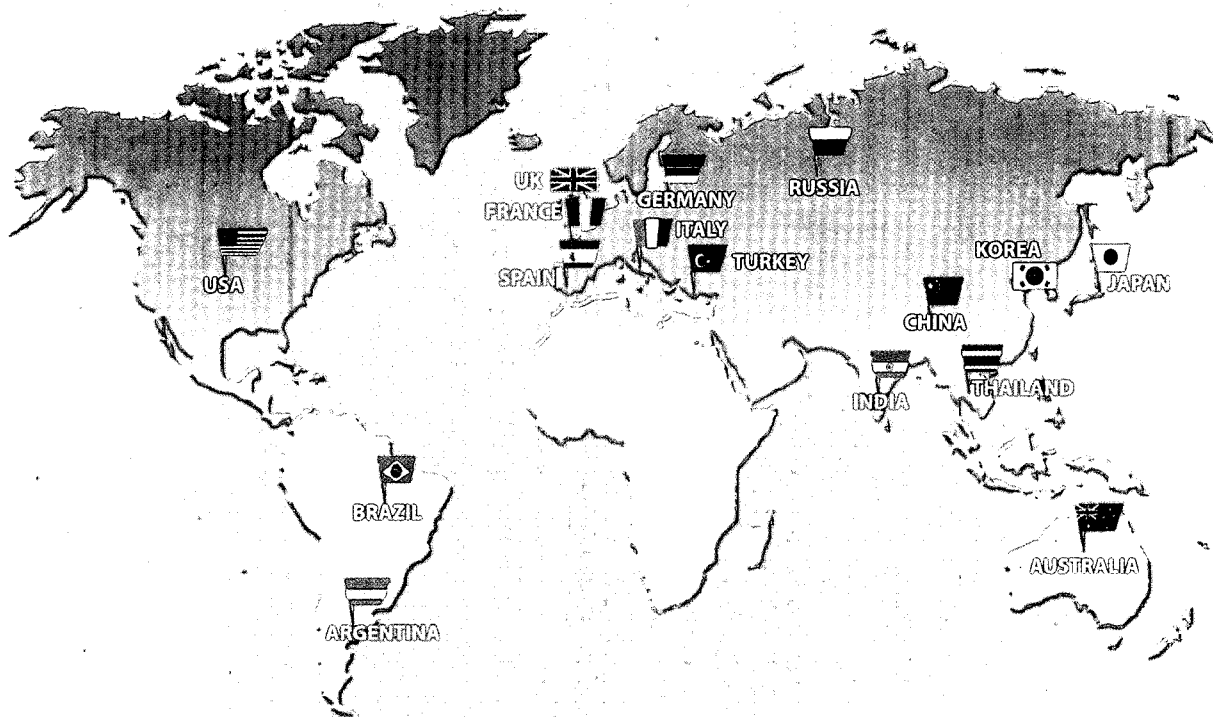
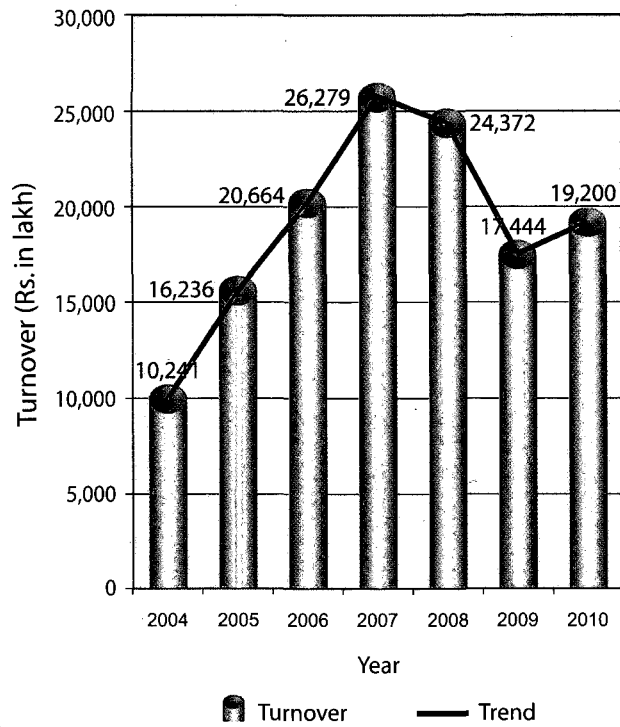


## 23<sup>rd</sup> Annual Report 2009-10

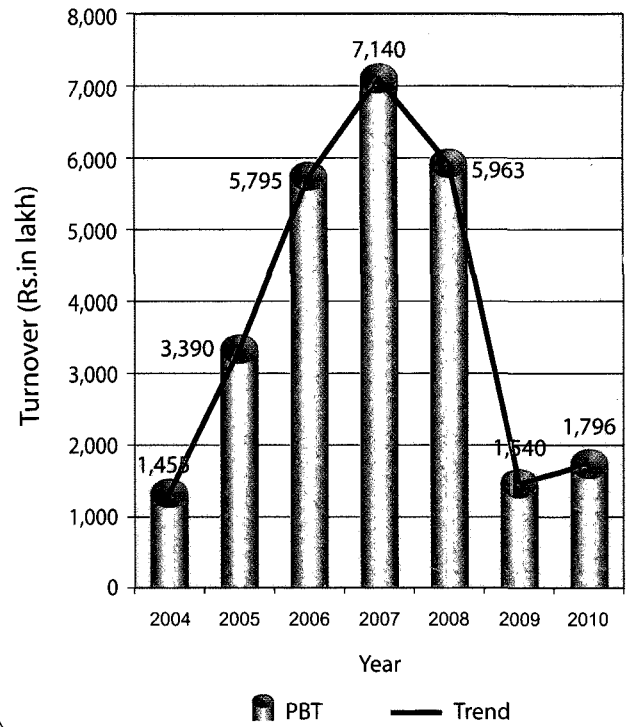


# FINANCIAL HIGHLIGHTS

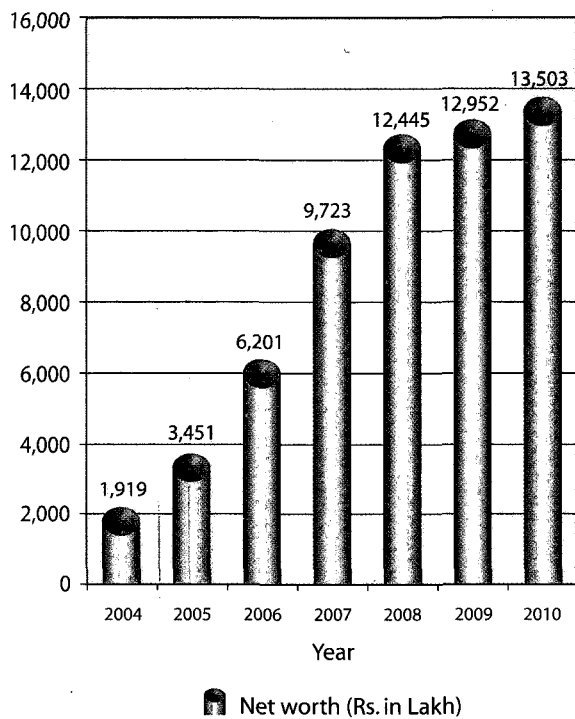
## Turnover Trend



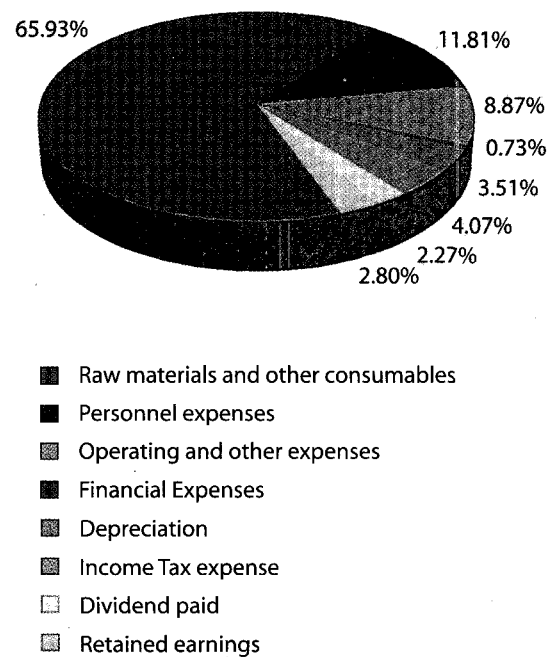
## Profitability Trend



## Net worth (Rs. in Lakh)



## Income Distribution



# ACE DESIGNERS LIMITED

Regd. Office: Plot #7 & 8, 2<sup>nd</sup> Phase, Peenya Industrial Area, Bangalore – 560 058.

## Board of Directors

**Mr. A.V. Sathe**, Chairman

**Mr. S.G. Shirgurkar**, Managing Director

**Mr. B. Machado**, Managing Director

**Mr. R. Srinivasan**, Director

**Mr. A. Shankar**, Director

**Mr. K. Chandra Sekhar**,  
Company Secretary

### Bankers

**M/s. Syndicate Bank**,  
Industrial Finance Branch,  
Dickenson Road, Manipal Centre,  
Bangalore – 560 042.

### Statutory Auditors

**S.R. Batliboi & Associates**  
Firm registration no. 101049W  
Chartered Accountants,  
U.B. City, Canberra Block,  
12<sup>th</sup> Floor, # 24,  
Vittal Mallya Road,  
Bangalore - 560 008.

### Regd. Office & Works I

Plot # 7 & 8, 2<sup>nd</sup> Phase,  
Peenya Industrial Area,  
Bangalore – 560 058.

### Works II

Plot # 533, 10<sup>th</sup> Main,  
4<sup>th</sup> Phase, Peenya Industrial Area,  
Bangalore – 560 058.

## FINANCIAL PERFORMANCE

(Rs. In Lakh)

Sl. No	Particulars	Financial Year									
		00-01	01-02	02-03	03-04	04-05	05-06	06-07	07-08	08-09	09-10
1	<b>Sales :</b>	5,101.34	4,820.62	6,943.88	10,251.50	16,236.97	20,664.04	26,279.53	24,386.91	17,412.03	19,270.25
	Domestic	4,823.94	4,483.10	6,459.47	9,803.20	15,918.61	20,148.52	25,537.27	23,004.15	15,930.57	18,801.47
	Exports	277.40	337.52	484.41	448.29	318.36	515.52	742.26	1,382.76	1,481.46	468.78
	Other Income	51.53	126.76	120.08	96.73	262.64	305.29	489.13	305.95	279.21	351.16
	<b>Total Income</b>	<b>5,152.87</b>	<b>4,947.38</b>	<b>7,063.96</b>	<b>10,348.23</b>	<b>16,499.61</b>	<b>20,969.33</b>	<b>26,768.66</b>	<b>24,692.86</b>	<b>17,691.24</b>	<b>19,621.41</b>
2	Profit Before Dep & Tax	457.32	322.15	1,006.10	1,581.25	3,689.77	6,008.20	7,403.58	6,366.78	2,110.05	2,422.72
3	Depreciation	90.90	104.38	111.09	126.37	300.08	213.63	263.43	403.75	570.35	626.23
4	Profit Before Tax	366.42	217.77	895.00	1,454.88	3,389.69	5,794.57	7,140.15	5,963.03	1,539.70	1,796.49
5	Taxation	160.59	112.50	324.94	681.56	1,177.10	1,926.53	2,297.68	1,990.62	615.37	725.56
6	Profit After Tax	205.83	105.27	570.06	773.32	2,212.59	3,868.04	4,842.47	3,972.41	924.33	1,070.93
7	Networth	1,142.19	1,149.27	1,413.30	1,918.58	3,450.92	6,201.94	9,723.12	12,444.62	12,951.98	13,503.43
8	Earnings per share (Rs.)	34.65	17.72	95.97	130.19	124.16	217.06	271.74	222.92	51.87	60.10
9	Sales (qty in nos.)	315.00	317.00	456.00	663.00	1,059.00	1,336.00	1,609.00	1,537.00	1,098.00	1,294.00
10	Production (qty in nos.)	332.00	317.00	434.00	671.00	1,056.00	1,368.00	1,644.00	1,503.00	1,091.00	1,280.00

## **OUR VISION**

Our vision is to be 'Large Scale Producer of World Class Machine Tools'.

## **OUR MISSION**

We will recognize our responsibilities as corporate citizens to foster progress, to promote general welfare of the society.

We will provide an environment to our staff to grow and advance to prosperity and thus promote a sense of belonging.

We will exceed customer expectations through reliable product, on time delivery, cost effective solution with an added assurance of prompt service.

## **OUR VALUES**

Customer delight

Cost effective working

Passionately ensuring quality

Empowering people

Business ethics and transparency

## **QUALITY POLICY**

'It is our policy to continuously aim at satisfying our customers' quality expectations. Our objective is to provide the customers with a reliable product, a cost effective solution to their needs and to deliver it to them on time with an added assurance of prompt service.'

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## NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of the Members of **ACE DESIGNERS LIMITED** will be held on Saturday the 10<sup>th</sup> July, 2010 at 4:30 p.m at the registered office of the Company situated at Plot # 7 & 8, 2<sup>nd</sup> Phase, Peenya Industrial Area, Bangalore – 560 058 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as on 31<sup>st</sup> March, 2010, the Profit and Loss Account for the year ended as on that date and the Cash Flow Statement as on the same date together with the reports of the Directors' and the Auditors' thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. R.Srinivasan, Director who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. B.Machado, Managing Director who retires by rotation, and being eligible, offers himself for re-appointment.

### 5. Re-appointment of Statutory Auditors;

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**

"RESOLVED THAT M/s S.R. Batliboi & Associates, (Firm registration no. 101049W) Chartered Accountants, Bangalore-560 001 be and are hereby re-appointed as Statutory Auditors of the Company from the conclusion of this meeting until the conclusion of the next Annual General Meeting and the Board is authorised to fix their remuneration plus service tax and reimbursement of actual out of pocket expenses, if any."

### SPECIAL BUSINESS:

### 6. RE-APPOINTMENT OF MR. SHRINIVAS G SHIRGURKAR, AS MANAGING 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 provisions of Sections 269, 198, 274, 309, 310 and 311 read with schedule XIII to the Companies Act 1956 and other applicable provisions, if any, (including any statutory modification or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded for re-appointment of Mr. Shrinivas G Shirgurkar, as Managing Director of the Company for a period of 5 years effective from 1<sup>st</sup> July, 2010 on the following terms and conditions set below:

#### REMUNERATION :

##### Part A

- 1) Basic Salary Rs. 1,50,000/- (Rupees One lakh Fifty Thousand only) per month;
- 2) Commission @ 1% (One percent only) of the net profits computed in accordance with sections 349 and 350 of the Companies Act, 1956;

##### Part B

- 3) Employer contribution to Provident Fund not exceeding 12% of the salary or such rates as may be revised by the statutory authorities from time to time;
- 4) Gratuity as per the Company policy, not exceeding half a month's salary for every completed year of service;

- 5) Reimbursement of medical expenses incurred for self and family members;  
- upto 5% of basic salary
- 6) Leave Travel Concession;  
For self, wife and dependent children once in a year incurred in accordance with the Company Rules;
- 7) Personal and medical insurance premium;  
Premium not exceeding Rs. 20,000/- per annum

**Part C**

- 8) Company maintained car with chauffeur;
- 9) Free telephone at residence;
- 10) Club fees in any one of the clubs in Bangalore with no admission and life membership fee."

"RESOLVED FURTHER THAT total remuneration payable during in any financial year i.e salary, commission and other perquisites etc., shall not exceed 5% of net profits calculated in accordance with section 349 and 350 of the Companies Act, 1956"

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to amend, vary, alter, enhance or widen the scope of remuneration and perquisites, within the permissible limits under the Companies Act, 1956 or any amendments from time to time"

**7. RE-APPOINTMENT OF MR. BENEDICT MACHADO, AS MANAGING 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 provisions of Sections 269, 198, 274, 309, 310 and 311 read with schedule XIII to the Companies Act, 1956 and other applicable provisions, if any, (including any statutory modification or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded for re-appointment of Mr. Benedict Machado, as Managing Director of the Company for a period of 5 years effective from 1<sup>st</sup> July, 2010 on the following terms and conditions set below:

**REMUNERATION :**

**Part A**

- 1) Basic Salary Rs. 1,50,000/- (Rupees One lakh Fifty Thousand only) per month;
- 2) Commission @ 1% (One percent only) of the net profits computed in accordance with Sections 349 and 350 of the Companies Act, 1956;

**Part B**

- 3) Employer contribution to Provident Fund not exceeding 12% of the salary or such rates as may be revised by the statutory authorities from time to time;
- 4) Gratuity as per the Company policy, not exceeding half a month's salary for every completed year of service;
- 5) Reimbursement of medical expenses incurred for self and family members;  
- upto 5% of basic salary
- 6) Leave Travel Concession;  
For self, wife and dependent children once in a year incurred in accordance with the Company Rules;



- 7) Personal and medical insurance premium;  
Premium not exceeding Rs. 20,000/- per annum

**Part C**

- 8) Company maintained car with chauffeur;  
9) Free telephone at residence;  
10) Club Fees in any one of the clubs in Bangalore with no admission and life membership fees."

"RESOLVED FURTHER THAT total remuneration payable during in any financial year i.e salary, commission and other perquisites etc., shall not exceed 5% of net profits calculated in accordance with section 349 and 350 of the Companies Act, 1956"

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to amend, vary, alter, enhance or widen the scope of remuneration and perquisites, within the permissible limits under the Companies Act, 1956 or any amendments from time to time"

**8. RE-APPOINTMENT OF MR. A.V.SATHE, AS WHOLE TIME CHAIRMAN**

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION**

"RESOLVED THAT Pursuant to provisions of Sections 269, 198, 274, 309, 310 and 311 read with schedule XIII to the Companies Act 1956 and other applicable provisions, if any (including any statutory modification or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded for re-appointment of Mr. Ashok Vishwanath Sathe, as Whole Time Chairman of the Company for a period of 5 years effective from 1<sup>st</sup> July, 2010 on the following terms and conditions set below:

**REMUNERATION :**

**Part A**

- 1) Basic Salary Rs. 1,50,000/- (Rupees One lakh Fifty Thousand only) per month;  
2) Commission @ 1% (One percent only) of the net profits computed in accordance with Sections 349 and 350 of the Companies Act, 1956;

**Part B**

- 3) Employer contribution to Provident Fund not exceeding 12% of the salary or such rates as may be revised by the statutory authorities from time to time;  
4) Gratuity as per the Company policy, not exceeding half a month's salary for every completed year of service;  
5) Reimbursement of medical expenses incurred for self and family members;  
- upto 5% of basic salary  
6) Leave Travel Concession;  
For self, wife and dependent children once in a year incurred in accordance with the Company Rules;  
7) Personal and medical insurance premium ;  
Premium not exceeding Rs. 20,000/- per annum

**Part C**

- 8) Company maintained car with chauffeur;
- 9) Free telephone at residence;
- 10) Club Fees in any one of the clubs in Bangalore with no admission and life membership fees."

"RESOLVED FURTHER THAT total remuneration payable during in any financial year i.e salary, commission and other perquisites etc., shall not exceed 5% of net profits calculated in accordance with Sections 349 and 350 of the Companies Act, 1956".

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to amend, vary, alter, enhance or widen the scope of remuneration and perquisites, within the permissible limits under the Companies Act, 1956 or any amendments from time to time".

**9. HOLDING OFFICE OR PLACE OF PROFIT BY MRS. MANISHA G KANNUR, MANAGER BUSINESS PLANNING:**

To consider and, if thought fit, to pass with or without modification(s) the following resolution as **SPECIAL RESOLUTION**

"RESOLVED THAT pursuant to provisions of Section 314(1B) and other applicable provisions, if any, of the Companies Act, 1956 read with Director's Relatives (Office or Place of Profit ) Rules 2003, including any amendment or modification(s), if any, the Company hereby accords its consent subject to approval of the Central Government to hold to and continue to hold office or place of profit by Mrs. Manisha G Kannur, relative of Mr. Shrinivas G Shirgurkar, Managing Director, as Manager Business Planning or such other designation as the Board may determine from time to time with effect from 1<sup>st</sup> August, 2010 with the following terms and conditions:

**Category - A**

1. **Monthly Salary:** Rs. 25,850 per month under the scale Rs. 18,500-41,700 with annual increment not exceeding 20% over the previous salary drawn;
2. **Allowances:** Variable Dearness allowances (VDA), Special Pay, House Rent Allowances (HRA) and other allowances, employer contribution to P.F and Superannuation Fund etc., as applicable to her cadre;
3. Annual Bonus/Exgratia, Leave Travel Concession and other reimbursement of expenses etc., if any, as per the Company policy applicable to her cadre, not exceeding twice the annual salary;

**Category B - Perquisites and benefits** (applicable to her cadre)

4. Medical and personal accident insurance premium;
5. Provision for Motor car;
6. Leave encashment and gratuity in accordance with the Company Rules;

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to fix the salary within the above limits and to make any amendment, modification(s), or changes, if any, suggested by the Central Government or to comply with such instruction or direction(s) issued by the Central Government".

**10. HOLDING OFFICE OR PLACE OF PROFIT BY MRS. MADHAVI CHANDRASHEKAR, MANAGER SAP DEVELOPMENT**

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 Section 314(1B) and other applicable provisions, if any, of the Companies Act, 1956 read with Director's Relatives (Office or Place of Profit ) Rules 2003, including any amendment or modification(s), if any, and subject to approval of the Central Government, consent