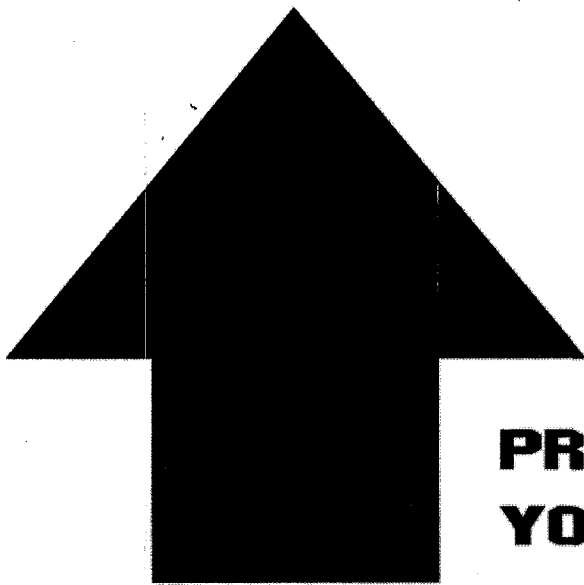
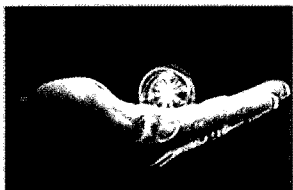


## 25<sup>th</sup> Annual Report 2011-12



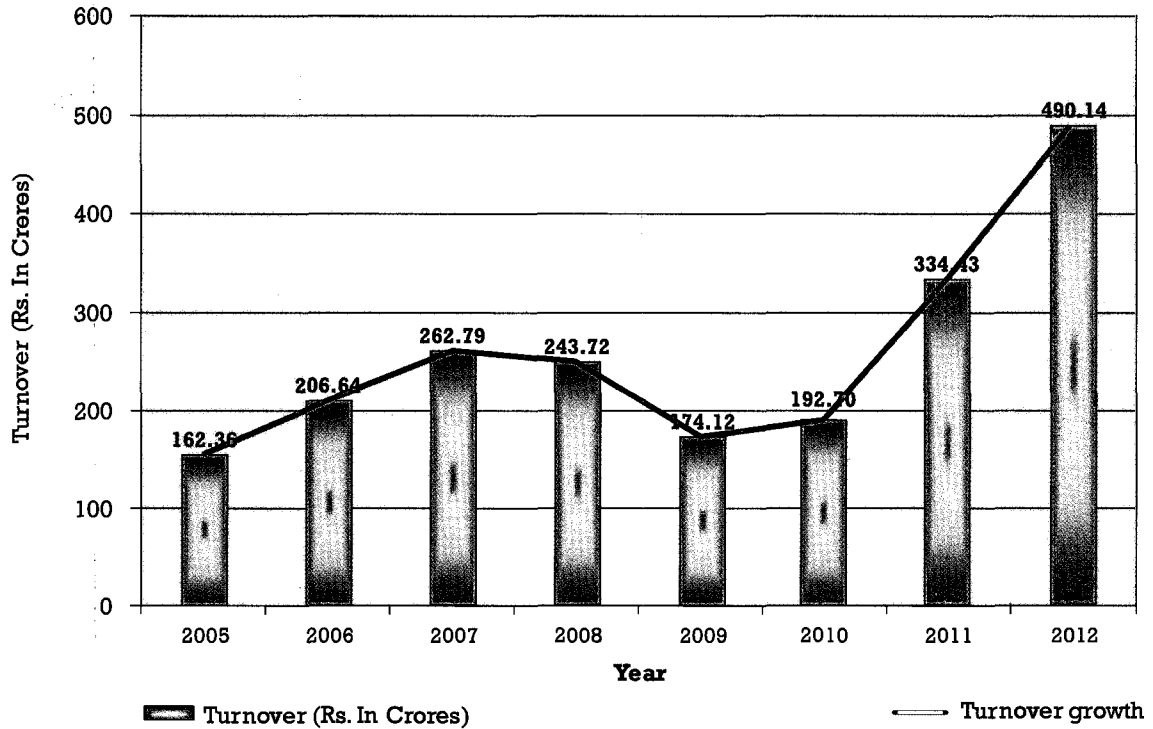
**PROMOTING  
YOUR GROWTH** Always...



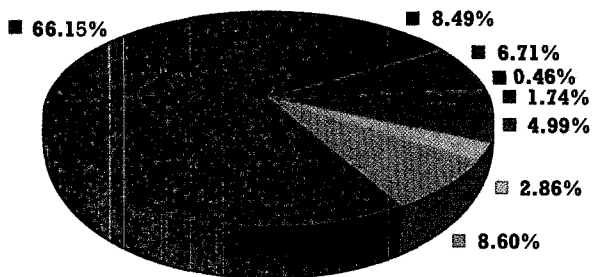
**Ace Micromatic**  
Group Company

# HIGHLIGHTS

## Turnover Trend

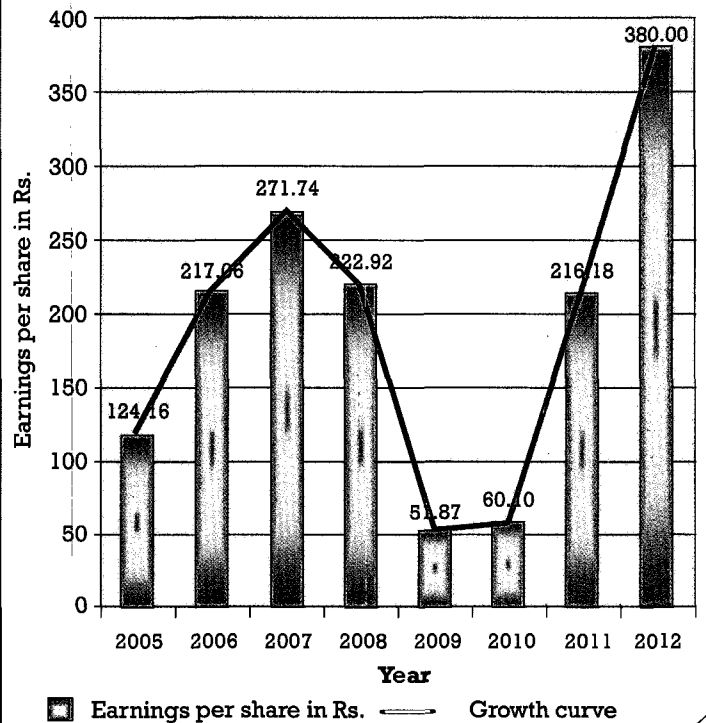


## Income Distribution



- Raw materials and other consumables
- Personnel expenses
- Operating and other expenses
- Financial Expenses
- Depreciation
- Income Tax
- Dividend paid
- Retained earnings

## Earnings Per Share



# 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.

**Standard Chartered Bank**,  
Vaishnavi Serenity, 3<sup>rd</sup> Floor,  
112, Koramangala Industrial Area,  
5<sup>th</sup> Block, Koramangala,  
Bangalore – 560 095

**Export-Import Bank of India**  
4<sup>th</sup> Floor  
Ramanashri Arcade  
18, M G Road  
Bangalore-560 001

## 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 HIGHLIGHTS

(₹ in Lakh unless otherwise stated)

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	10-11	11-12
1	Sales:	5,101.34	4,820.62	6,943.88	10,251.50	16,236.97	20,664.04	26,279.53	24,372.41	17,412.03	19,270.25	33,443.70	49,017.69
	Domestic	4,823.94	4,483.10	6,459.47	9,803.20	15,918.61	20,148.52	25,537.27	22,989.65	15,930.57	18,801.47	31,461.90	46,067.63
	Exports	277.40	337.52	484.41	448.29	318.36	515.52	742.26	1,382.76	1,481.46	468.78	1,981.80	2,950.06
2	Other Income	434.53	126.76	120.08	105.49	262.64	305.29	489.13	352.99	279.21	351.16	543.64	724.61
	<b>Total Income</b>	<b>5,535.87</b>	<b>4,947.38</b>	<b>7,063.96</b>	<b>10,356.99</b>	<b>16,499.61</b>	<b>20,969.33</b>	<b>26,768.66</b>	<b>24,725.40</b>	<b>17,691.24</b>	<b>19,621.41</b>	<b>33,987.34</b>	<b>49,742.30</b>
3	Profit Before Dep & * other extra-ordinary items	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	5,905.83	9,047.87
4	Depreciation	90.90	104.38	111.09	126.37	300.08	214.00	263.43	403.75	570.35	626.23	673.03	864.60
5	Profit Before Tax	366.42	217.77	895.00	1,454.88	3,389.69	5,794.20	7,140.15	5,963.03	1,539.70	1,796.49	5,232.80	8,183.27
6	Taxation	160.59	112.50	325.00	681.56	1,222.90	1,926.53	2,297.68	1,990.62	615.37	725.56	1,676.28	2,482.80
7	Profit After Tax	205.83	105.27	570.00	773.32	2,166.79	3,867.67	4,842.47	3,972.41	924.33	1,070.93	3,556.52	5,700.47
8	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	12,708.68	13,662.94
9	Earnings per share (₹)	34.65	17.72	95.96	130.19	121.59	217.04	271.74	222.92	51.87	60.10	216.18	380.00
10	Dividend paid	118.80	89.10	148.50	237.60	594.00	980.10	1,158.30	1,069.20	356.40	445.50	853.60	1,424.00
11	Sales qty	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	2,185.00	2,962.00
12	Production qty	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	2,172.00	2,975.00

## **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**.'

## **Research and Development (R&D)**

The strength of any Company that is moving in the forefront of Technology Products Domain is its R&D. Ace Designers recognises that Research and Development (R&D) is the driver for Company's future growth. Accordingly, Ace has started the in-house Research activity two decades back. The Company focuses on constant Technology Development and its improvement in the arena of Machine Tool Research & Development. It is imperative to look at the challenges the country faces in the global scenario. Being the leader in the Indian Machine Tool Industry, Ace has its own vision and mission in alignment with the country's perspective and its growth objectives.

In order to achieve Company's vision, Ace has built a strong Design team consisting a pool of qualified and experienced multi-disciplinary Scientists and Engineers who constantly work towards Technological Enhancements and new Innovations under the dynamic leadership of Mr. Benedict Machado, Managing Director. As a result of its R&D efforts, the Company has gained and retained dominating market share in customer segments like **Automobile, Defence, Aeronautics** and **Education** sectors.

The Ace Innovation Centre is situated at its head quarters has an excellent infrastructure and environment that houses Design team, Analysis team, Prototype development team etc.,

During the year Ace has invested in a modern

laboratory for development, analysis and testing of Robotics and Automation system. This will enable the Company to develop necessary technology to introduce new products to the market.

## **RESEARCH FACILITY**

### **Mechanical :**

Comprises of high end workstations with sophisticated Tools such as Pro/E, Pro-Mechanica, Windchill, ANSYS, Design modeller etc.,

### **Electrical, Electronics & Software:**

Comprises of high end workstations with sophisticated Tools such as E-plan, Lab view, Microsoft development platform, Linux development platform etc.,

## **LABORATORY FACILITY**

### **Mechanical Proto Build & Test facility:**

Comprises of precision machinery, specialised fixtures, equipment, test rigs, instrumentation.

### **Electrical, Electronics & Software:**

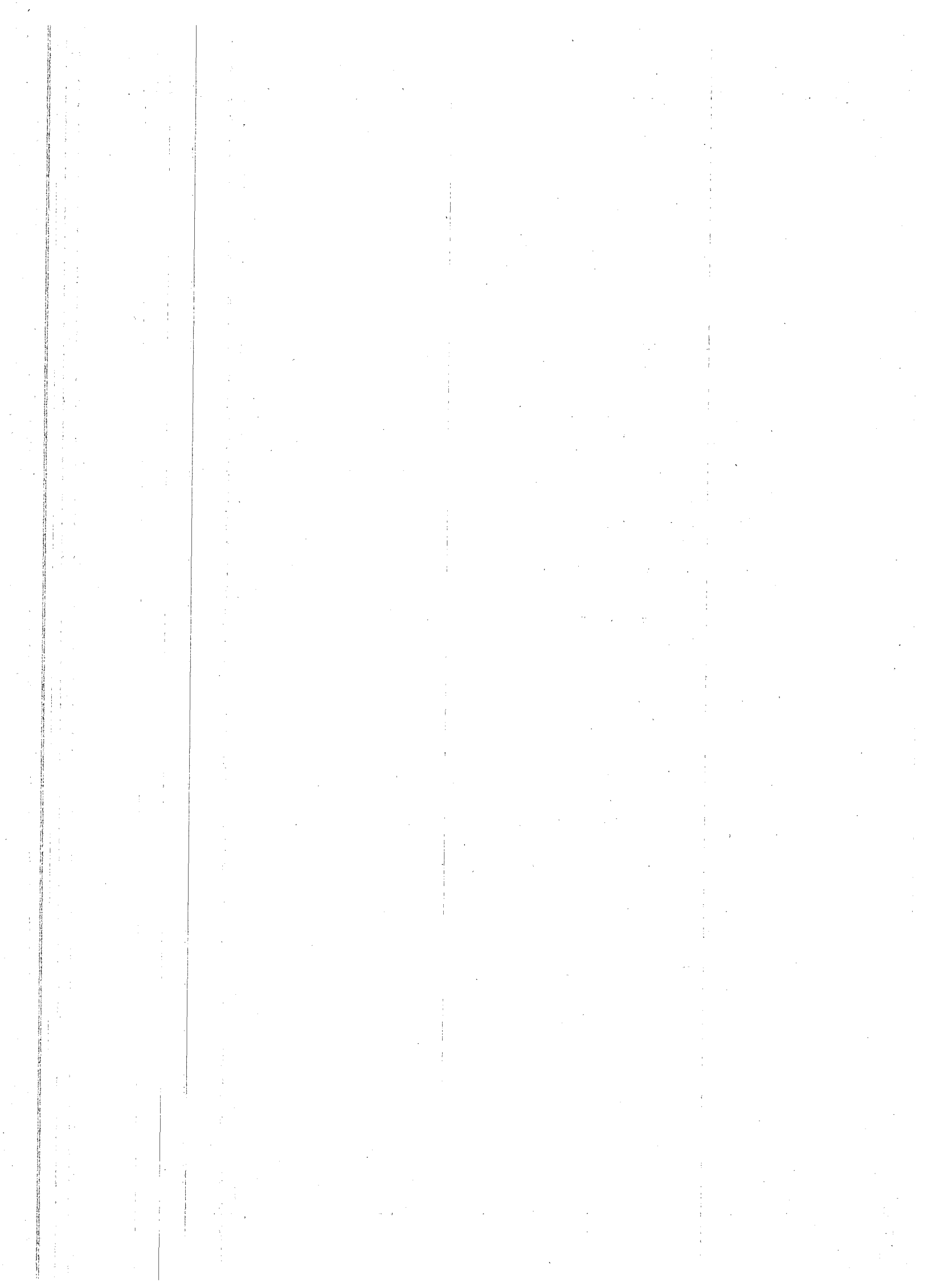
Comprises of hardware & software development platforms, specialised fixtures, equipment, test rigs, instrumentation.

## **TOOL ROOM**

Tool room comprises of certain Conventional and CNC machines to produce one off components required for building prototypes. Also in tool room sub-assembly and assembly of proto type products are manufactured before the new product is launched for commercialisation.

## INDEX

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## **NOTICE**

Notice is hereby given that the Twenty Fifth Annual General Meeting of the Members of **ACE DESIGNERS LIMITED** will be held on Saturday, 21<sup>st</sup> July, 2012 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, 2012, the Statement of Profit and Loss for the year ended as on that date and the Cash Flow Statement as on that date together with the report of the Directors' and the Auditors' thereon.
2. To declare a dividend on equity shares.
3. To appoint a director in place of Shri A. Shankar, Director who retires by rotation, and being eligible, offers himself for re-appointment.

### **To re-appoint Auditors and fix their remuneration;**

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

"RESOLVED THAT M/s S.R. Batliboi & Associates (Firm regn no. 101049W), Chartered Accountants, Bangalore-560 001 be and are hereby re-appointed as Statutory Auditors of the Company for the financial year 2012-13 to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and the Board be and is hereby authorized to fix their remuneration and reimbursement of out of pocket expenses, if any."

**By Order of the Board  
For Ace Designers Ltd**

Place : Bangalore  
Date: 14<sup>th</sup> July, 2012

**K. Chandra Sekhar**  
Company Secretary

### **Notes :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing the proxy should be deposited at the Registered Office of the company not less than forty-eight hours before the commencement of the meeting.

**By Order of the Board  
For Ace Designers Ltd**

Place : Bangalore  
Date: 14<sup>th</sup> July, 2012

**K. Chandra Sekhar**  
Company Secretary

**DIRECTORS' REPORT**

Ladies and Gentlemen,

Your Directors have pleasure in presenting the Twenty Fifth Annual Report together with audited annual accounts of the Company for the year ended 31<sup>st</sup> March 2012.

**1. FINANCIAL PERFORMANCE**

The salient features of the financial performance for the year ended 31<sup>st</sup> March 2012 are summarized below:

(₹ in Lakh)

<b>PARTICULARS</b>	<b>31-03-2012</b>	<b>31-03-2011</b>
Net Sales	49,017.69	33,542.97
Other Income	724.61	444.37
Profit before Interest and Depreciation	9,274.56	6,008.99
Finance cost	226.69	103.16
Depreciation	864.60	673.03
Profit before tax	8,183.27	5,232.80
Income-tax	2,419.34	1,800.00
(Add)/Less Deferred Tax	63.46	(123.72)
Profit after tax	5,700.47	3,556.52
Balance b/f from previous year	10,547.38	11,697.79
Amount available for appropriation	16,247.85	15,254.31
<b>APPROPRIATION</b>		
Proposed Final Dividend	925.60	543.20
Interim Dividend paid	498.40	310.40
Corporate Tax on Dividend (Interim and final)	231.01	139.68
Transferred to General Reserves	570.05	355.65
Reserves utilised for buy back of shares	2,607.55	3,128.00
Transfer to Capital Redemption Reserve	128.00	230.00
Balance carried to Balance Sheet	11,287.24	10,547.38

**2. OPERATIONS**

Your Company achieved all time high turnover of Rs. 490.17 Crore during the financial year registering a growth of 46.13% over the previous year. This is highest turnover since its inception. The other income is Rs.7.24 Crore. Depreciation for the year was Rs. 8.64 Crore as compared to Rs. 6.73 Crore during the corresponding year. The additional depreciation is on account of procurement of certain high end machines during the year; The Company achieved Earnings Before Interest Tax and Depreciation (EBITDA) of Rs. 92.74 Crore as compared to Rs. 60.08 Crore during the corresponding year by registering a growth of 54.36%. The year under the review was challenging from many fronts. Inflation pressure unabated during the year coupled with steep depreciation of Indian Rupee and increase in manpower cost impacted company's profitability. In spite of this, your Company registered highest Profit before tax of Rs. 81.83 Crore during the year.

Your Company performed exceedingly well as markets around the world continued to grapple with economy recovery. Company's prudent business models, tight fiscal policies and a high brand image has allowed the Company to register a growth of 46.13% over the previous year. As usual, Jobber series of machines like Jobber XL, Jobber LM and Super Jobber contributed almost 67% of the total