

TWENTY FOURTH ANNUAL REPORT 2017-18



Ace Software Exports Limited

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

Dharmasibhai R. Vadaliya

Independent Director

Vimal L. Kalaria

Independent Director

Pratik C. Dadhaniya

Independent Director

Dhara S. Shah

Independent Director

Jyotin B. Vasavada

Chief Financial Officer

CS Jayram K. Vachhani

Company Secretary

Statutory Auditors:

H.B. Kalaria & Associates,

Chartered Accountants,
Rajkot

Secretarial Auditor:

CS Hemali S. Patel

Practicing Company Secretary
Rajkot

Internal Auditor:

Mr. Dipak Dave

Bankers

Bank of Baroda

HDFC Bank Ltd.

Axis Bank Ltd.

Registrar & Share Transfer Agents :

M/s. Link Intime India Pvt. Ltd.

5th Floor, 506 to 508, Amarnath Business Centre - 1(ABC-1),
Beside Gala Business Centre, Nr. St. Xavier's College Corner,
Off C G Road, Ellisebridge,
Ahmedabad - 380 006.

Tel. : 079-26465179

Email : ahmedabad@linkintime.co.in



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NOTICE Of the Annual General Meeting

Notice is hereby given that the Twenty Fourth Annual General Meeting of Company will be held on Saturday, August 11, 2018 at 11.00 a.m. at 801, Everest Commercial Complex, Opp. Shashtri Maidan, Rajkot-360001, Gujarat, to transact following businesses:

ORDINARY BUSINESS

Item No. 1. Adoption of Financial Statements

To consider and adopt:

- (a) the audited financial statements of the Company for the financial year ended March 31, 2018, the reports of the Board of Directors and Auditors thereon; and
- (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2018.

Item No. 2. To appoint a Director in place of Vikram B. Sanghani (DIN: 00183818), who retires by rotation and, being eligible, seeks re-appointment.

Item No. 3. To appoint a Director in place of Sanjay H. Dhamsania (DIN: 00013892), who retires by rotation and, being eligible, seeks re-appointment.

SPECIAL BUSINESS

4. Approval of Investment made in ACE NATURE CURE LLP (LLPIN: AAM-8450).

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

"RESOLVED THAT, pursuant to the provisions of section 186 and any other relevant provisions of the Companies Act, 2013 read with the relevant rules therein (including any statutory modification(s) or re-enactment thereof for the time being in force) investment made by the company in ACE NATURE CURE LLP (LLPIN: AAM-8450) (details of which more specifically provided in the explanatory statements annexed to the Notice convening this Meeting), being controlled entity/subsidiary, dealing in the business of wellness center, nature cure, naturopathy and related matters, be and is hereby ratified/approved by the members of the Company."

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all the acts, things and deeds necessary in this regard, including to amend terms and conditions of agreements entered into by partners of ACE NATURE CURE LLP, whenever required."

5. Advance loan to, or give guarantee or provide any security in connection with any loan taken by, ACE NATURE CURE LLP (LLPIN: AAM-8450), being subsidiary/controlled entity

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

"RESOLVED THAT, pursuant to the provisions of sub section 2 of Sections 185 of Companies Act, 2013 (as amended by Companies (Amendment) Act, 2017) read with section 186 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to approval of Audit Committee and Board of Directors of the Company, approval of the members of the Company be and is hereby accorded for advance loan to ACE NATURE CURE LLP (LLPIN: AAM-8450) upto **Rs. 10 Cr. (Rupees Ten Crore)** or to give guarantee or provide any securities in connection with any loan taken by ACE NATURE CURE LLP (LLPIN: AAM-8450) from financial institutions/banks/insurance companies/other investing agencies or any other person(s)/bodies corporate upto **Rs. 10 Cr. (Rupees Ten Crore)**."

RESOLVED FURTHER THAT accord of the members be and is hereby given to the board to take all such steps as may be necessary, proper and expedient to give effect to this resolution, including the powers conferred (by this Resolution) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created/proposed to be created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, in favour of all or any of the financial institutions/banks/insurance companies/ other investing agencies/trustees for holders of debentures/bonds/other instruments which may be issued to and subscribed by all or any of the financial institutions/banks/insurance companies/other investing agencies or any other person(s)/bodies corporate by way of private placement or otherwise to secure Rupee/foreign currency loans, debentures, bonds or other instruments (hereinafter collectively referred to as "Loans") provided that the total amount of Loans together with interest thereon at the respective agreed rates, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the aforesaid parties or any of them under the agreements/arrangements entered into/ to be entered into by the Company in respect of the Loans taken by ACE NATURE CURE LLP (LLPIN: AAM-8450), shall not at any time exceed the limit of **Rs. 10 crore (Rupees Ten crore)**."

6. Advance loan to, or give guarantee or provide any security in connection with any loan taken by, Ace Riverside Private Limited (CIN:U45201GJ2011PTC068448)

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

"RESOLVED THAT, pursuant to the provisions sub section 2 of Sections 185 of Companies Act, 2013 (as amended by Companies (Amendment) Act, 2017) read with section 186 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to approval of Audit Committee and Board of Directors of the Company, approval of the members of the Company be and is hereby accorded for advance loan to Ace Riverside Pvt. Ltd. upto **Rs. 10 Cr. (Rupees Ten Crore)** or to give guarantee or provide any securities in connection with any loan taken by Ace Riverside Pvt. Ltd. from financial institutions/banks/insurance companies/other investing agencies or any other person(s)/bodies corporate upto **Rs. 10 Cr. (Rupees Ten Crore)**."

RESOLVED FURTHER THAT accord of the members be and is hereby given to the board to take all such steps as may be necessary, proper and expedient to give effect to this resolution, including the powers conferred (by this Resolution) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created/proposed to be created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, in favour of all or any of the financial institutions/banks/insurance companies/ other investing agencies/trustees for holders of debentures/bonds/other instruments which may be issued to and subscribed by all or any of the financial institutions/banks/insurance companies/other investing agencies or any other person(s)/bodies corporate by way of

private placement or otherwise to secure Rupee/foreign currency loans, debentures, bonds or other instruments (hereinafter collectively referred to as "Loans") provided that the total amount of Loans together with interest thereon at the respective agreed rates, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the aforesaid parties or any of them under the agreements/arrangements entered into/ to be entered into by the Company in respect of the Loans taken by Ace Riverside Pvt. Ltd., shall not at any time exceed the limit of **Rs. 10 crore (Rupees Ten Crore)**."

7. Approval of agreements to be executed by ACE NATURE CURE LLP (LLPIN: AAM-8450) with Related Party/ies

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

"RESOLVED THAT pursuant to section 188 of the Companies Act, 2013 read with rules therein, (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of members be and is hereby given to enter into/ execute lease agreements/s, service agreements, leave and license agreement or any other agreements (hereinafter collectively referred to as 'the agreements') (more specifically provided in the explanatory statements annexed to the Notice convening this Meeting) to be executed by **ACE NATURE CURE LLP (LLPIN: AAM-8450)**, being subsidiary/controlled entity, with Related Party/ies."

"RESOLVED FURTHER THAT board of directors of the company be and is hereby authorized to do all the acts, things and deeds necessary to give effect of the above resolutions, including the authority to alter the terms and conditions of the agreements, whenever required."

8. Development Agreement, Purchase of / investment in or take on lease, the land and/ or building proposed to be constructed on land owned by Ace Technologies (Firm), being related party.

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

"RESOLVED THAT pursuant to section 188 of the Companies Act, 2013 read with rules therein, (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of members be and is hereby given to Development agreement for, purchase of/investment in or take on lease, the land and/or building proposed to be constructed on land measuring 686.77 Square Meter, located at "Karnavati Park", Plot no.7, Revenue survey no. 77, Village Virda (Vajdi), District Rajkot (hereinafter referred to as "the property") owned by Ace Technologies (firm), at the price which shall be determined at fair market value."

"RESOLVED FURTHER THAT board of directors be and is hereby authorized to do all the acts, things and deeds necessary to give effect of the above resolutions, including the powers to enter into agreements/contracts with M/s Ace Technologies for development of, purchase of or take on lease the said property and determine the terms and conditions in this regards."

By Order of the Board of Directors

Jayram K. Vachhani

Company Secretary & Compliance Officer

July 07, 2018

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

Phone: 0281- 2226097, Fax: 02812232918, Email: Investorinfo@acesoftex.com

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Notes:

1. 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.
2. **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.
3. 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. 20**. 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.
4. 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.
5. 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 reappointment. The Board of Directors of the Company commends their respective re-appointments.
6. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
7. 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.
8. Relevant documents referred to in the accompanying Notice and the Statement is 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.
9. The Company has notified closure of Register of Members and Share Transfer Books from **Monday, August 06, 2018 to, Saturday, August 11, 2018 (both days inclusive)**.
10. 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.



11. 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
12. Non-Resident Indian Members are requested to inform Link Intime India Pvt. Ltd. at its Ahmedabad Branch office situated at 5TH Floor, 506 TO 508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Elliesebidge, Ahmedabad - 380006., immediately of:
 - (a) Change in their residential status on return to India for permanent settlement.
 - (b) 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.
13. 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.
14. 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 5TH Floor, 506 TO 508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Elliesebidge, Ahmedabad - 380006.
15. All the statutory registers under Companies Act, 2013 will be available for inspection by the members at the AGM.
16. Members may also note that the notice of the 24th AGM and the Annual Report 2018 will be available on the Company's website, 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@acesoftex.com.
17. 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.
18. Members are advised to refer to the information provided in the Annual Report.
19. Additional information, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment/ re-appointment at the AGM, is furnished as annexure to the notice. The directors have furnished consent/declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules framed there under.

20. The instructions for 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 Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 24th 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 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 **7th August, 2018 (9:00 am)** and ends on **10th August, 2018 (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 **04th August, 2018**, 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. Instructions

Step 1: Login to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a verification code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below;

Manner of holding shares i.e. Demat(NSDL or CDSL) or Physical

a) For Members who hold shares in demat account with NSDL.

b) For Members who hold shares in demat account with CDSL.

Manner of holding shares i.e. Demat(NSDL or CDSL) or Physical

c) For Members holding shares in Physical Form.

Your User ID is:

8 Character DP ID followed by 8 Digit Client ID
For example if your DP ID is IN300*** and
Client ID is 12***** then your user ID is IN300***12*****.

16 Digital Beneficiary ID
For example if your Beneficiary ID is
12***** then your user ID is 12*****.

Your User ID is:

EVEN Number followed by Folio Number registered with the company
For example if folio number is 001*** and
EVEN is 107056 then USER ID is 107056001***

5. Your password details are given below:
 - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter 'initial password' and system will force you to change your password.
 - c. How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a. pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "initial password" or have forgotten your password:
 - a. Click on "Forgot User Details/Password?" (if you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, Click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select EVEN of Ace Software Exports Ltd.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can take the printout of votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
9. It is strongly recommended not to share your password with any person. Login to e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password.

- B. 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).

- C. 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.com with a copy marked to evoting@nsdl.co.in
- D. 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 or call on toll free no.: 1800-222-990.
- VI. 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 **04th August, 2018**.
- VII. 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. **04th August, 2018**, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA (Link Intime India Pvt. Ltd.) at Ahmedabad@linkintime.co.in
- VIII. 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.
- IX. Mr. Rajan H. Bhimani, Chartered Accountants (Membership No. 134409) has been appointed as 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.
- X. 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 "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XI. 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.
- XII. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.acesoftex.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.
- 21. Information required under Regulation 36(3) of the SEBI (LODR) Regulation, 2015 with respect to the Directors retiring by rotation and being eligible seeking re-appointment is as under;**

Name of Director
Director Identification Number
Brief resume of the Director including nature of expertise in specific functional areas

Mr. Vikram B. Sanghani
 00183818

Mr. Sanghani has been leading the ACE group since 1992. He is one of the founder promoters of the Company and is associated 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.

No. of shares held in the Company*
 Individual capacity
 #Jointly / other capacity

5, 43, 773
 8, 67, 954

Name of Director
Director Identification Number
Brief resume of the Director including nature of expertise in specific functional areas

Mr. Sanjay H. Dhamsania
 00013892

Mr. 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.

No. of shares held in the Company*
 #Jointly / other capacity

9,37,752

*** Position as on 31.03.2018**

Jointly with others as a first/second/third holder and on behalf of HUF

Terms and conditions of appointed as joint Managing Directors will be the same as approved by the members in the 20th AGM of the company and terms of remuneration will be as per the resolution passed in the 23rd AGM.

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.

22. In accordance with the amendments to Regulation 40 of Listing Regulations, to be made effective later, the Securities and Exchange Board of India (SEBI) has revised the provisions relating to transfer of listed securities and has decided that requests for effecting transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a Depository (National Securities Depository Limited and Central Depository Services (India) Limited). This measure is aimed at curbing fraud and manipulation risk in physical transfer of securities by unscrupulous entities. Transfer of securities only in demat form will improve ease, facilitate convenience and safety of transactions for investors. Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to eliminate all risks associated with physical shares.

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No.4,5,6 7 and 8 of the accompanying notice.

ITEM 4

The Board of directors of the company ("Board") and Audit committee at the meeting held on 26th April, 2018 approved the investment in/incorporation of LLP, being controlled entity/subsidiary, business of which would be in the field of nature cure, naturopathy, wellness center and related activities. Approval of members had already been taken through postal ballot on 28th September, 2015, for loan, investments, Security and Corporate Guarantee limit of the Company under section 186 of the Companies Act, 2013 to any person or in other bodies corporate as the case may be, up to Rs. 30 Crore (Rupees Thirty Crore). Further, provisions of regulations 23 of SEBI (Listing Obligations and Disclosure Requirements), 2015 is not applicable to your company and the investment made in ACE NATURE CURE LLP, subsidiary of the company, does not fall under section 188 of the Companies Act, 2013 read with rules therein.

As the approval of members had already been taken under section 186 of the Companies Act, 2013 and board has been authorized to invest upto Rs. 30 Crore (Rupees Thirty Crore), no fresh approval in this regards required, however for better corporate governance, your directors seek approval/ratification of investments made in Ace Nature Cure LLP by way of special resolution.

Brief details of ACE NATURE CURE LLP.

Name of entity
 LLPIN:
 Date of Incorporation
 Capital Contribution
 Investment by Ace Software Exports Limited
 % of capital contribution by Ace Software Exports Limited
 Investment by other partners (belongs to the promoter group)
 % of capital contribution by other partners
 Business

ACE NATURE CURE LLP
 AAM-8450
 June 21,2018
 Rs. 7 Crore
 Rs. 4.06 Crore
 58%
 17%
 25%
 Wellness Center, Nature cure and Naturopathy treatment and related activities.

Investment in ACE NATURE CURE LLP will diversify the fund of the company for better returns. Looking at the better market opportunity in the field of nature cure, naturopathy, wellness center and related activities, your board approved the investment in ACE NATURE CURE LLP.

Except Mr. Vikram B. Sanghani and Mr. Sanjay H. Dhamsania and their relatives, none of the other directors and/or Key Managerial Personnel or their relatives is concerned or interested in the above resolution.

The Audit Committee reviewed the investment and approved the same.

The Board of Directors recommends Special Resolution.



Item 5 and 6:

Pursuant to Section 185 of Companies Act, 2013 (as amended by Companies (Amendment) Act, 2017), a company may advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested, after passing a special resolution in general meeting.

The Board of directors of the company ('Board') and Audit committee at the meeting held on 07th July, 2018 approved to advance loan to, or give guarantee or provide any security in connection with any loan taken by, Ace Nature Cure LLP and Ace Riverside Private Limited upto Rs. 10 Crore each, subject to the approval of the same by members at the Annual General Meeting.

Details of proposed loan:

Name	Applicable provisions- Explanation of Section 185 (2) of Companies Act, 2013 (as amended)	Loan amount(In Rs.)
Ace Nature Cure LLP ('LLP')	(a) any body corporate at a general meeting of which not less than twenty-five per cent. of the total voting power may be exercised or controlled by any such director, or by two or more such directors, together; or (b) any body corporate, the Board of directors, managing director or manager, whereof is accustomed to act in accordance with the directions or instructions of the Board, or of any director or directors, of the lending company	10 Crore
Ace Riverside Pvt. Ltd.	a) any private company of which any such director is a director or member	10 Crore

Proposed loan shall be at the interest rate of prevailing market rate and shall be used by the borrowing company/LLP for its principal business activities only.

Except Mr. Vikram B. Sanghani and Mr. Sanjay H. Dhamsania and their relatives, none of the other directors and/or Key Managerial Personnel or their relatives is concerned or interested in the above resolution.

The Audit Committee reviewed the agenda and approved the same.

The Board of Directors recommends Special Resolution.

Item 7:

Ace Nature Cure LLP ('the LLP') for its business purpose requires certain services like;

- 1) To take land and residential apartments/flats on lease or leave and license basis;
- 2) Maintenance service for such properties or properties constructed on the lease hold land;
- 3) Security services;
- 4) Technical consultancy services;
- 5) Management services; and
- 6) Any other related services.

The Board of directors of the company ('Board') and Audit committee at the meeting held on 07th July, 2018, after considering the aforesaid requirement, approved to execute the lease agreement, leave and license agreement, maintenance agreement and various services agreements as mentioned above (hereinafter referred to as 'agreements') by Ace Nature Cure LLP with related parties.

Brief details of related party and proposed agreements;

Sr.no.	Lessor/Licensor/Service provider	Proposed agreements	Nature of relation with Ace Nature Cure LLP	Rent/Service amount
1.	Ace Software Exports Limited	Technical/Management/Other Services/lease/leave and license agreement	Holding Company	Rent/ lease and service charges/ amount will be at arms' length
2.	Ace Riverside Pvt. Ltd.	lease/leave and license agreement	Directors/members of the company are partners in the LLP	basis and will be altered from time to time based on the fair market value/ market conditions.
3.	Ace Technologies	Service/lease/leave and license agreement	Note-1	
4.	ARPL Bungalows	lease/leave and license agreement		
5.	Ace Estate Management Services	Maintenance/service agreement		

Note-1:- Executive Directors of the Ace Software Exports Limited are promoters/one of the promoters of the Lessor/Licensor/Service provider Entities/Firms.

Except the proposed transactions between the Ace Software Exports Limited and Ace Nature Cure LLP, none of the above transactions/agreements requires approval under section 188 read with section 2(76) of the Companies Act, 2013, further the LLP is incorporated under the Limited Liability Partnership Act, 2008, provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the amendments thereof are not applicable to it, however being the controlled entity/subsidiary of your company and for better corporate governance board of directors decided to take approval of members for the aforesaid agreements.

Rent amount, service charges and any other terms and conditions of the agreements (including the amendments therein, whenever required) shall be at the arms' length basis. Tenure of the agreements will be determine as per the requirements of both the parties which can be extended/renewed/cancelled mutually on such terms and conditions as may be determine by both the parties.

Except Mr. Vikram B. Sanghani and Mr. Sanjay H. Dhamsania and their relatives, none of the other directors and/or Key Managerial Personnel or their relatives is concerned or interested in the above resolution.

The Audit Committee reviewed the agenda and approved the same.

The Board of Directors recommends Ordinary Resolution.

Item 8

The Board of directors of the company ('Board') and Audit committee at the meeting held on 07th July, 2018 approved to enter into a development agreement, or purchase of / investment in or take on lease, the land and/or building proposed to be constructed on land owned by Ace Technologies (Firm) being related party, for office premises, details of the properties is provided hereunder;

Owned by Proposed developer	Ace Technologies (Firm)
Land Size	686.77 Square Meter
Land location	"Karnavati Park", Plot no.7, Revenue survey no. 77, Village Virda (Vajdi), District Rajkot.
Price consideration	At fair market value

Ace Technologies (Firm) is dealing in the real estate business and owner and developer of the property mentioned above. Your company wishes to set up new office premises at the said property and proposes to enter into agreement/contract with Ace Technologies for development of /purchase of/ take on lease said property.

Pursuant to section 188 of the Companies Act, 2013 read with rules therein (including any amendments thereof) your Board proposed this agenda for your approval.

Except Mr. Vikram B. Sanghani and Mr. Sanjay H. Dhamsania and their relatives, none of the other directors and/or Key Managerial Personnel or their relatives is concerned or interested in the above resolution.

The Audit Committee reviewed the agenda and approved the same.

The Board recommends Ordinary Resolution.

By Order of the Board of Directors

Jayram K. Vachhani

Company Secretary & Compliance Officer

July 07, 2018

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



DIRECTORS' REPORT

Dear Members,

Your directors are pleased to present the Twenty Fourth Annual Report and the Company's audited financial statement for the financial year ended March 31, 2018.

FINANCIAL PERFORMANCE

The Company's financial performance, for the year ended March 31, 2018 is summarized below;

Sr. No.	Particulars	Standalone		Consolidated	
		2017-18	2016-17	2017-18	2016-17
1.	Revenue from operation	871.08	843.14	871.28	843.31
2.	Other income	112.22	70.64	102.78	82.71
3.	Total Revenue	983.30	913.78	974.06	926.02
4.	Depreciation & Amortization	28.21	30.98	31.65	37.58
5.	Employee Benefit expenses	275.13	245.14	275.13	245.14
6.	Finance Cost	1.45	1.17	1.45	1.17
7.	Other expenses	555.08	500.70	557.74	505.47
8.	Profit/(loss) before tax (PBT)	128.23	123.08	112.89	123.96
9.	Taxation	8.67	20.11	9.57	20.14
10.	Profit/(loss) After Tax(PAT)	119.56	102.97	103.32	103.82

During the financial year 2017-18, revenue from operations on standalone basis increased to Rs. 871.08 lacs as against Rs. 843.14 lacs in previous year- a growth of 3.31%

On a consolidated basis, the group achieved revenue of Rs. 871.28 lacs as against Rs. 843.31 lacs in previous year- a growth of 3.31%.

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.

CONSOLIDATED FINANCIAL STATEMENTS:

As per Regulation 33 of the Securities and Exchange Board Regulations, 2015 (hereinafter referred to as "Listing Regulations") and applicable provisions of the Companies Act, 2013 read with the Rules issued there under, the Consolidated Financial Statements of the Company for the financial year 2017-18 have been prepared in compliance with applicable Accounting Standards and on the basis of audited financial statements of the Company and its subsidiaries, as approved by the respective Board of Directors.

The Consolidated Financial Statements together with the Auditors' Report form part of this Annual Report.

MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and till the date of this Report, which affect the financial position of the Company. There has been no change in the nature of business 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 under chapter V of companies Act, 2013 and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date.

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 in company	Membership of Committee in other Public Limited Companies
Mr. Vikram B. Sanghani DIN: 00183818	Jt. Managing Director	55	MBA (Finance)	Ace Infoworld Pvt. Ltd. Ace Infoway Pvt. Ltd. Ace Computer Education Pvt. Ltd. Everest Office Owners Asso. Pvt. Ltd. Ace Riverside Pvt. Ltd. Neorajkot Foundation	-
Mr. Sanjay H. Dhamsania DIN: 00013892	Jt. Managing Director	56	MS (Computer Science)	Ace infoworld Pvt. Ltd. Ace Infoway 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. Dadhania DIN: 02931106	Director	46	Graduate in Architecture	-	-
Mr. Vimal L. Kalaria DIN : 00029395	Director	45	Post Graduate Diploma in Finance	-	-
Mr.Dharamshibhai R. Vadalía DIN : 00015165	Director	66	Under Graduate	Dipak Agro Oil Mill Pvt. Ltd. Ace Infoworld Pvt. Ltd.	-
Ms. Dhara S. Shah DIN: 06983857	Director	29	B.Com, CS, LL.B	Mayur Floorings Limited Vishal Fabrics Limited Toyam Industries Limited	Vishal Fabrics Ltd. & Mayur Floorings Ltd. Audit Committee, Nomination and Remuneration Committee, Stake holder Relationship Committee, Toyam Industries Limited Nomination and Remuneration Committee



Five board meetings were held during the year ended on March 31, 2018. These were held on May 29, 2017, August 11, 2017, September 23, 2017, November 14, 2017, and February 14, 2018.

Name of Directors	Designation	No. of Meetings		Whether attended last AGM held on September 23, 2017
		Held	Attended	
Vikram B. Sanghani	Jt. Managing Director	5	4	Yes
Sanjay H. Dhamsania	Jt. Managing Director	5	4	No
Vimal L. Kalaria	Independent Director	5	5	Yes
Dharamshi R. Vadalia	Independent Director	5	5	Yes
Pratik C. Dadhania	Independent Director	5	5	Yes
Dhara Shah	Independent Director	5	5	Yes

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 17, 2018.

Terms and conditions of appointment of Independent directors uploaded on the website of the company.

<http://acesoftex.com/uploads/Independent-Director/Brief%20Profile%20and%20Terms%20and%20Conditions%20of%20appointment.pdf>

COMMITTEE:

Audit committee:

The Committee's composition and terms of reference are in compliance with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. Members of the Audit Committee possess requisite qualifications.

Four meetings of Audit Committee were held during the year ended on March 31, 2018. These were held on May 29, 2017, August 11, 2017, November 14, 2017 and February 14, 2018.

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) :

The Committee's composition and terms of reference are in compliance with provisions of the Companies Act, 2013, Regulation 19 of the Listing Regulations. 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, 2018. These were held on May 29, 2017, August 11, 2017, November 14, 2017 and February 14, 2018.

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

The Committee's composition and terms of reference are in compliance with provisions of the Companies Act, 2013 and Regulation 20 the Listing Regulations. 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, 2018. These were held on May 29, 2017, August 11, 2017, November 14, 2017 and February 14, 2018.

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	3
Sanjay Dhamsania (Executive Director)	Member	4	4

AUDITORS

STATUTORY AUDITOR

H. B. Kalaria & Associates, Chartered Accountants (Firm Reg. no. 104571W) appointed as Auditors of the Company, for a term of 5 (five) consecutive years, at the Annual General Meeting held on September 23, 2017. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

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, adverse remark or disclaimer.

SECRETARIAL AUDITOR

Hemali S. Patel, Practicing Company Secretaries, was appointed to conduct the secretarial audit of the Company for the financial year 2017-18, as required under Section 204 of the Companies Act, 2013 and Rules there under.

The secretarial audit report for FY 2017-18 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.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees to the Audit Committee under section 143(12) of the Companies Act, 2013 details of which needs to be mentioned in this Report.

SUBSIDIARIES:

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. Further, pursuant to the provisions of section 136 of the Act, the financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the company.

Further the Company has adopted a Policy in line with the requirements of the Listing Regulations. The objective of this policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The policy on Material Subsidiary is available on the website of the Company <http://acesoftex.com/uploads/Policies/Policy%20on%20Material%20Subsidiary.pdf>

On 24th September, 2016, members of the company passed the special resolution for striking off/sale/ disposed of following wholly controlled LLPs;

- 1) Aspire Exim LLP
- 2) Citizen Solutions LLP
- 3) Cosmos Services LLP
- 4) Jubilant Exim LLP
- 5) Rajkot Computer Education LLP
- 6) Speedwell Engineers LLP

All the above LLPs have not commenced business.

Application for strike off of following two LLPs filed with Registrar of Companies, Gujarat and notice under Rule 37(3) of the LLP Rules, 2009 has been issued for both these LLPs on 26.05.2018. Both these LLPs have been struck off and stand dissolved on 26th May, 2018.

- 1) Aspire Exim LLP
- 2) Citizen Solutions LLP

SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than the sitting fees for the purpose of attending meetings of the Company.

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.

Brief details of loans given during the financial year 2017-18;

Name	Amount(In Rs.)	Purpose	Interest rate
Divyesh Babulal Aghera	10 00 000/-	For business purpose	At a prevailing rate
Sheetal Aghera	10 00 000/-	For business purpose	At a prevailing rate
Divyesh Babulal Aghera- HUF	10 00 000/-	For business purpose	At a prevailing rate
Dee India Overseas	10 00 000/-	For business purpose	At a prevailing rate

None of the above parties covered under section 184, 185 and 189 of the Companies Act, 2013.

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 as 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 standalone 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 utilize 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. The Company continues to use the latest technologies for improving the productivity and quality of its services and products. The Company's operations do not require significant import of technology. Company has not incurred any expenses for research and development.

(c) Foreign exchange earnings and outgo :-

Particulars	2017-18	2016-17
Foreign Exchange earning	(USD 13,38,427.57)(INR 8,65,78,986.00)	(USD 12,27,197.68)(INR 8,21,63,376.00)
Foreign Exchange Outgo	(GBP 2,849) (INR 2,59,933)	

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

Pursuant to the provisions of section 203 of the Companies Act, 2013, the key managerial personnel of the Company are

Mr. Vikram B. Sanghani	Jt. Managing Director
Mr. Sanjay H. Dhamsania	Jt. Managing Director
Mr. Jyotin B. Vasavada	Chief Financial Officer
Mr. Jayram K. Vachhani	Company Secretary

There has been no change in directors and key managerial personnel during the year.

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.

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-

- in the preparation of the annual accounts for the year ended March 31, 2018, 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;
- the Directors have selected such accounting policies and applied them consistently and made judgments 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, 2018 and of the profit of the Company for the year ended on that date;
- 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;
- the Directors have prepared the annual accounts on a 'going concern' basis;
- 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
- 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.

Based on the framework of internal financial controls and compliance system established and maintained by the Company, work performed by the internal, statutory and secretarial auditor and external consultants audit of financial reporting by the statutory auditor, and reviews performed by management and audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2017-18.

FORMAL ANNUAL PERFORMANCE EVALUATION, POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company has devised a Policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which includes criteria for performance evaluation of the Non-executive Directors and Executive Directors.

The Board carried out annual performance evaluation of the Board, Board Committees and Individual Directors and Chairperson. The Chairman of the respective Board Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Board Committees.

The policy of the company on director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013;

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 Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), whenever applicable.

3.3 "Independent Director" means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), 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.