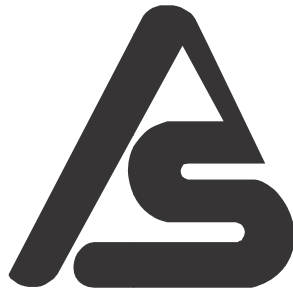


# **TWENTY EIGHTH ANNUAL REPORT 2021-22**



**Ace Software Exports Limited**

## **ACE SOFTWARE EXPORTS LIMITED**

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

### **CORPORATE INFORMATION**

#### **Board of Directors**

**Vikram B. Sanghani**

Joint Managing Director

**Sanjay H. Dhamsania**

Joint Managing Director

**Dharamsibhai R. Vadalía**

Independent Director

**Vimal L. Kalaria**

Independent Director

**Pratik C. Dadhaniya**

Independent Director

**Dhara S. Shah**

Independent Director

**Jyotin B. Vasavada**

Chief Financial Officer

**Mansi D. Patel**

Company Secretary

#### **Statutory Auditor:**

**H.B. Kalaria & Associates**

Chartered Accountants

Rajkot

#### **Secretarial Auditor:**

**Sheikh Rathod Mishra & Associates**

**(Formerly Sheikh Bhalotia Mishra & Associates)**

Practicing Company Secretary

Nagpur

#### **Internal Auditor:**

**Mr. Dipak Dave**

#### **Bankers**

**Bank of Baroda**

**Axis Bank Ltd.**

**HDFC Bank Ltd.**

#### **Registrar and Share Transfer Agent**

**M/s Accurate Securities and Registry Private Limited**

203, Shangrila Arcade, Above Samsung Showroom,  
Nr. Shyamal Cross Road, Satellite, Ahmedabad - 380015

Tel: 079-48000319

Email: [info@accuratesecurities.com](mailto:info@accuratesecurities.com)



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**NOTICE of the Annual General Meeting**

Notice is hereby given that the Twenty Eighth Annual General Meeting of Company will be held on **Thursday, September 29, 2022 at 11.00 a.m.** at 801, Everest Commercial Complex, Opp. Shashtri Maidan, Rajkot-360001, and 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, 2022, 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, 2022.

**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.

**Item No. 4.** Appointment of Statutory Auditor of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and as recommended by the Audit Committee and Board of Directors of the Company, J.A. Sheth & Associates, Chartered Accountants (Firm Registration No. 119980W), be appointed as Statutory Auditors of the Company, in place of retiring auditors H.B. Kalaria & Associates, Chartered Accountants (Firm Registration No.104571W) whose term of office will be completed at the conclusion of this Annual General Meeting, to hold office from the conclusion of this 28<sup>th</sup> Annual General Meeting until the conclusion of the 33<sup>rd</sup> Annual General Meeting to be held in the year 2027, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

**SPECIAL BUSINESS**

**Item No. 5.** Revision in remuneration of Mr. Vikram B. Sanghani (DIN: 00183818), Jt Managing Director of the Company

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

**"RSOLVED THAT,** pursuant to the provisions of Sections 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managing Personnel) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force), and in pursuance of recommendation of the Nomination & Remuneration Committee of the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded for the revision in remuneration, including perquisites, commission, allowances etc, payable to Mr. Vikram B. Sanghani (DIN: 00183818), Jt Managing Director of the Company, with effect from 1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2026, for three years, as set out in the explanatory statement annexed to the Notice convening this Meeting, is hereby specifically sanctioned with the other terms and conditions of his appointment remaining the same, and with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to increase remuneration upto 15% of overall remuneration (excluding commission) at the beginning of every financial year and alter the terms and conditions of the remuneration as it may deem fit and as may be acceptable to Mr. Vikram B. Sanghani, subject to the same shall not exceed the ceiling limits as specified under schedule V the Companies Act or any statutory modification(s) or re-enactment thereof."

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

**Item No. 6** Revision in remuneration of Mr. Sanjay H. Dhamsania (DIN: 00013892), Jt Managing Director of the Company

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 Sections 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managing Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and in pursuance of recommendation of the Nomination & Remuneration Committee of the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded for the revision in remuneration, including perquisites, commission, allowances etc, payable to Mr. Sanjay H. Dhamsania (DIN: 00013892), Jt Managing Director of the Company, with effect from 1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2026, for three years, as set out in the explanatory statement annexed to the Notice convening this Meeting, is hereby specifically sanctioned with the other terms and conditions of his appointment remaining the same, and with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to increase remuneration upto 15% of overall remuneration (excluding commission) at the beginning of every financial year and alter the terms and conditions of the remuneration as it may deem fit and as may be acceptable to Mr. Sanjay H. Dhamsania, subject to the same shall not exceed the ceiling limits as specified under schedule V of the Companies Act or any statutory modification(s) or re-enactment thereof."

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

By Order of the Board of Directors

Mansi D. Patel

Company Secretary & Compliance Officer

September 05, 2022

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

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CIN: L72200GJ1994PLC022781, Website: [www.acesoftex.com](http://www.acesoftex.com)

**NOTES:**

**1. 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.**

**2. 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. 23**. 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.**

3. 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.
4. 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.
5. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
6. 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.
7. The Company has notified closure of Register of Members and Share Transfer Books from **Thursday, September 22, 2022 to, Thursday, September 29, 2022 (both days inclusive).**
8. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Accurate Securities & Share Registry Private Limited for assistance in this regard.
9. For receiving all communication (including Annual Report) from the Company electronically: a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at [investorinfo@acesoftex.com](mailto:investorinfo@acesoftex.com) or to Registrar and Transfer Agent of the Company M/s Accurate Securities and Registry Private Limited at [info@accuratesecurities.com](mailto:info@accuratesecurities.com) b) Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant Depository Participant.
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:
  - a. For shares held in electronic form: to their Depository Participants (DPs)
  - b. For shares held in physical form: to the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021. The Company has also sent letter for furnishing the required details to shareholders holding shares in physical form.
11. 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 Accurate Securities & Share Registry Private Limited for consolidation into a single folio.
12. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at [www.acesoftex.com/investor-relations.html](http://www.acesoftex.com/investor-relations.html) and on the website of the Company's Registrar and Transfer Agents, Accurate Securities & Share Registry Private Limited at [www.accuratesecurities.com](http://www.accuratesecurities.com). It may be noted that any service request can be processed only after the folio is KYC Compliant.
13. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or Accurate Securities & Share Registry Private Limited ('RTA'), for assistance in this regard.
14. As per the provisions of Section 72 of the Companies Act, 2013 and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website [www.acesoftex.com/investor-relations.html](http://www.acesoftex.com/investor-relations.html). Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to Accurate Securities & Share Registry Private Limited ('RTA') in case the shares are held in physical form.
15. 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.
16. Non-Resident Indian Members are requested to inform Accurate Securities & Share Registry Private Limited at its Ahmedabad office situated at, 203, Shangrila Arcade, Above Samsung Showroom, Nr. Shyamal Cross Road, Satellite, Ahmedabad - 380015. 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.
17. 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 Accurate Securities & Share Registry Private Limited at its Ahmedabad office situated at 203, Shangrila Arcade, Above Samsung Showroom, Nr. Shyamal Cross Road, Satellite, Ahmedabad - 380015.
18. All the statutory registers under Companies Act, 2013 will be available for inspection by the members at the AGM.
19. In compliance with the relevant MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to all the Members whose names appear on the Register of Members / List of Beneficial Owners as received from the Registrar and Share Transfer Agent, the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on September 02, 2022 and whose email addresses are registered with the Company/ NSDL/CDSL. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website, websites of the Stock Exchanges, i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com), and the Notice of Annual general Meeting is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
20. 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.
21. Members are advised to refer to the information provided in the Annual Report.
22. 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.

**23. 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 28<sup>th</sup> 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 **Monday 26<sup>th</sup> September, 2022 (9:00 am)** and ends on **28<sup>th</sup> September, 2022 (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 **22<sup>nd</sup> September, 2022**, 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:

**How do I vote electronically using NSDL e-Voting system?**





The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="http://www.evoting.nsdl.com">www.evoting.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.  <div style="text-align: center;"> <p>NSDL Mobile App is available on</p> <div>   </div> <div>   </div> </div> </li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>



Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <http://www.evoting.nsdl.com> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP 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.
- Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a. For Members who hold shares in demat account with NSDL.	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*****.
b. For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c. For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- Password details for shareholders other than Individual shareholders are given below:
  - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - 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 the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?
    - 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'.
    - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
- If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on <http://www.evoting.nsdl.com>
  - Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- Now, you will have to click on "Login" button.
- 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.**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [rajan\\_bhimani@yahoo.co.in](mailto:rajan_bhimani@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the <https://www.evoting.nsdl.com/eVotingWeb/commonhtmls/NewUser.jsp> or <https://evoting.nsdl.com/eVotingWeb/commonhtmls/PhysicalUser.jsp> option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhar Card) by email to [investorinfo@acesoftex.com](mailto:investorinfo@acesoftex.com).
  2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [investorinfo@acesoftex.com](mailto:investorinfo@acesoftex.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.
  3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
  4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
- 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 22<sup>nd</sup> September, 2022.
- 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. 22<sup>nd</sup> September, 2022., may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA (Accurate Securities and Registry Private Limited) at [info@accuratesecurities.com](mailto:info@accuratesecurities.com). However, if he / she is already registered with NSDL for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
- 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 along with the report of the Scrutinizer shall be placed on the website of the Company [www.acesoftex.com](http://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.

**24. 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;**

Particulars	Vikram B. Sanghani	Sanjay H. Dhamsania
DIN	00183818	00013892
Designation	Jt. Managing Director	Jt. Managing Director
Date of Birth	03-02-1963	07-03-1962
Qualification	MBA (Finance)	MS (Computer Science)
Expertise in specific functional areas	Wide experience in Software industries, real estate and other various industries and wide experience in Finance and legal issues	Wide experience in Software industries, real estate and other various industries and wide experience in Finance and legal issues
Number of shares*	14,76,235	10,90,660

Note:

- 1) \*No. of shares includes joint holding as a first/second/third holder and holding on behalf of HUF
- 2) Other details like directorship in other companies and no. of board meetings and committee meeting attended are provided in the directors' report
- 3) Remuneration to Jt. Managing directors for the F.Y. 2021-22 is provided as per the resolution passed in the 25<sup>th</sup> AGM of the company.
- 4) Sitting fee is provided to Independent directors as per the provisions of Companies Act, 2013

Terms and conditions of appointed as joint Managing Directors will be the same as approved by the members in the 25<sup>th</sup> AGM of the company and terms of remuneration will be as per the resolution passed in the 25<sup>th</sup> 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 in the given in the Director's Report. Terms and conditions of appointed as joint Managing Directors will be the same as approved by the members in the 25<sup>th</sup> AGM of the company and terms of remuneration will be as per the resolution passed in the 25<sup>th</sup> AGM.

25. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. (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 and 6 of the accompanying notice.

#### **ITEM 4**

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), however, the same is strictly not required as per Section 102 of the Act.

In terms of appointment of H.B. Kalaria and Associates, Chartered Accountants (Firm Registration No.: 104571W) as Statutory Auditors at the 23<sup>rd</sup> Annual General Meeting of the Company held on September 23, 2017, the term of H.B. Kalaria and Associates, Chartered Accountants will be completed at the conclusion of 28<sup>th</sup> Annual General Meeting.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on 05<sup>th</sup> September, 2022, proposed appointment of J.A. Sheth & Associates, Chartered Accountants (Firm Registration No.: 119980W), as the Statutory Auditors of the Company, for a term of five consecutive years from the conclusion of twenty-eighth Annual General Meeting till the conclusion of thirty-third Annual General Meeting of the Company to be held in the year 2027. It is proposed to pay remuneration of Rs. 30,000/- and out of pocket expenses, if any for the financial year 2022-23 or such other remuneration as may be recommended by the Audit Committee and approved by the Board of Directors. The Existing Auditors' remuneration was Rs. 30,000/- for the previous financial year.

J.A. Sheth & Associates have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Companies Act 2013, as amended from time to time.

J.A. Sheth & Associates, Chartered Accountants, (Firm registration no. 119980W) (the Firm) was established on April 1<sup>st</sup>, 1999. The Firm is registered with the Institute of Chartered Accountants of India. Address of Firm is 507, Aalap -A, Limda Chowk, Subhash Road, Rajkot-360001. The firm has work experience of Statutory Audit, Stock Audit, Internal Audit, Taxation, Finance and Management Consultancy, Project Financing etc.

Board recommends the Ordinary Resolution as set out at item no. 4 in this Notice for approval of the members of the Company.

None of the Directors or Key Managerial Personnel or their relatives is interested, either financially or otherwise, in the resolution.

#### **ITEM 5 & 6**

The Board of directors of the company ('Board') and nomination and remuneration committee ('NRC'), at the meeting held on 05<sup>th</sup> September, 2022, subject to the approval of members at the 28<sup>th</sup> AGM, revised remuneration, including perquisites, commission, allowances etc. payable to Mr. Vikram B. Sanghani and Mr. Sanjay H. Dhamsania, Joint Managing Directors for a period of 3 (Three) years effective from 1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2026.

It is proposed to seek members' approval for revised remuneration payable to Mr. Vikram B. Sanghani and Mr. Sanjay H. Dhamsania, Joint Managing Directors in terms of the provisions of section 197 read with the schedule V of the Companies Act, 2013.

Board particulars of the terms of remuneration payable to Mr. Vikram B. Sanghani and Mr. Sanjay H. Dhamsania, Joint Managing Directors, which shall be construed as a contract of employment as per section 190 of the Companies Act, 2013 and the written memorandum setting out the terms are as under;

##### **1) Terms and conditions**

- a) The Jt. Managing Directors will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.
- b) The Jt. Managing Directors shall act in accordance with the Articles of Association of the Company and will abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- c) The Jt. Managing Directors shall adhere to the Company's code of conduct.
- d) The office of the Jt. Managing Directors may be terminated by the Company or by him by giving the other 3 (three) months' prior notice in writing.
- e) Period of Revised Remuneration: Period of Revised Remuneration is from April 1, 2023 to March 31, 2026.



**2) Salary, Perquisites and Allowances of each Jt. Managing Directors**

- a) **Basic Salary:** Rs. 2,75,000/- per month
- b) **Commission:** Such remuneration by way of commission, in addition to the salary and perquisites and allowance payable, upto 1.5% of the net profit of the Company in a particular financial year, to each Joint Managing Director
- c) **Perquisites:** In addition to the remuneration as stated above, each Jt. Managing Directors shall also be entitled, as per Rules of the Company, to perquisites like accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilization of gas, electricity, water, furnishing and repairs, medical assistance and air passage and / or leave travel concession / allowances for self and family including dependents, personal accident insurance premium and such other perquisites and allowances in accordance with the rules of the Company. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment(s) thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.
- d) **Retiral Benefits:** Gratuity payable, encashment of leave and any other retiral benefits, as per the rules of the Company, shall be in addition to the remuneration as mentioned above.
- e) **Reimbursement of Expenses:** Expenses incurred for travelling, boarding and lodging including for both the Jt. Managing Directors and spouse and attendant(s) during business trips and provision of car(s), driver's wages, petrol and other travelling expenses for use on Company's business and communication expenses at residence shall be reimbursed at actual and not considered as perquisites.
- f) **Allowances/other perquisites:** Any other allowances and perquisites as approved by the Nomination and Remuneration Committee and Board of Directors from time to time.
- g) **Increment in basic salary, perquisite and allowances:** Subject to the approval of Nomination and Remuneration Committee and Board, both the Jt. Managing Directors are entitled to increase in basis salary, perquisite and allowances upto 15% at the beginning of each financial year i.e. from April 1, 2024 till the tenure of remuneration.

Overall remuneration, perquisites, commission, allowance, etc shall not exceed the ceiling on remuneration, as specified in schedule V of the Companies Act, 2013, in case of loss or inadequate profit.

Revision and / or yearly increment to the above mentioned remuneration as may be determined by the Board and / or the Nomination and Remuneration Committee of the Board, shall be within the overall ceiling of remuneration prescribed under Section 197 read with Schedule V to the Act.

The statements containing additional information as required under Schedule V to the Act are annexed to the Notice.

The remuneration proposed will be within the limits permissible under Schedule V to the Act.

Save and except Mr. Vikram B. Sanghani and Mr. Sanjay H. Dhamsania and their relatives, none of the other Directors / Key Managerial Personnel of the Company / their relatives is in anyway, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 and 6 of the Notice.

The Board commends the Special Resolution set out at Item No. 5 and 6 of the Notice for approval by the members.

**THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT, 2013.**

**I) GENERAL INFORMATION**

1. **Nature of Industry:** The Company operates in the business of software database creation
2. **Date or expected date of commencement of commercial production:** The Company was incorporated on 17<sup>th</sup> August, 1994 and Commencement of Business of Certificate was granted on 23rd September, 1994. The Company has commenced the business since then.
3. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** *Not Applicable*
4. **Financial performance based on given indicators;**

(Rs. In Lacs)

Particulars	FY. 2021-22		FY 2020-21		FY 2019-20	
	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
Gross Revenue	881.03	1059.32	889.11	951.01	832.81	1016.57
Profit before tax	(57.65)	(80.82)	(69.46)	(90.98)	(205.19)	(272.41)
Profit for the period	(57.65)	(80.82)	(69.46)	(95.88)	(205.19)	(272.41)

5. **Foreign investments or collaborations, if any.**  
Not Applicable.

**II) INFORMATION ABOUT THE APPOINTEE:**

- (1) **Background details:** Details provided in explanatory Statement

- (2) **Past remuneration:**

(Rs. In Lacs)

	Vikram B. Sanghani		Sanjay H. Dhamsania	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Gross Salary	33.00	28.00	33.00	28.00

- (3) **Recognition or awards:** As given in the brief resume under note 23 of the notice.

**(4) Job profile and suitability**

As Jt. Managing Directors, Mr. Vikram B. Sanghani and Mr. Sanjay H. Dhamsania are entrusted with to perform such duties and exercise such powers as have been or may from time to time be entrusted or conferred upon him by the Board. Both the Jt. Managing Directors are instrumental in leading the Ace Group and having vast experience in the field of Software, Management, Finance and Legal.

**(5) Remuneration Proposed**

As per item no. 5 & 6 of the Statement pursuant to Section 102(1) of the Companies Act, 2013 annexed to the Notice.

**(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person**

There are no set standards for remuneration in the industry. The executive remuneration in the industry has been increasing significantly in last few years. Having regard to the type of industry, trends in the industry, size of the Company, the responsibility, academic background and capabilities, the Company believes that the remuneration proposed to be paid to Mr. Vikram B. Sanghani and Mr. Sanjay H. Dhamsania as Jt. Managing Directors is appropriate. The Company has its own remuneration policy based on its short-term and long-term objectives and role perceived and played by employees at top levels. Considering his rich experience, competence, and the growth and development of the Company under his leadership, the terms of his remuneration are considered fair and reasonable.

**(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.**

Directors does not have any pecuniary relationship with the Company except remuneration paid to them as Managing Director and as a shareholder to the extent of their respective shareholding directly and indirectly in the Company.

**III. OTHER INFORMATION:**

**(1) Reasons of loss or inadequate profits**

Due to the competitive market, Company is unable to charge higher rate from customer which resulted into limited/inadequate profit.

**(2) Steps taken or proposed to be taken for improvement**

The company has taken various initiatives to improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve volumes and reduce costs coupled with sale, service and marketing.

**(3) Expected increase in productivity and profits in measurable terms.**

The Company has strategically planned to address the issue of productivity and increase profits and has put in place measures to reduce cost and improve the bottom-line.

By Order of the Board of Directors

Mansi D. Patel

Company Secretary & Compliance Officer

September 05, 2022

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

Phone: 0281- 2226097, Fax: 02812232918, Email: [Investorinfo@acesoftex.com](mailto:Investorinfo@acesoftex.com)

CIN: L72200GJ1994PLC022781, Website: [www.acesoftex.com](http://www.acesoftex.com)