

# ACE MEN ENGG WORKS LIMITED

Registered Office: 214, Sanidhya Arcade

Near Maruti Showroom

Near Vastral Cross Road S.P. Ring Road

Vastral Ahmedabad - 382418

CIN: L52100GJ1980PLC100420

Website: [www.acumenengg.co.in](http://www.acumenengg.co.in)

Email id: [info@acumenengg.co.in](mailto:info@acumenengg.co.in)

Phone no.: 7044360562

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Date: 03/09/2021

To,  
Listing Department,  
BSE Limited,  
P.J. Tower, Dalal Street,  
Fort, Mumbai- 400 001.

**Scrip Code: 539661    Scrip Name: ACEMEN**

**Subject: Submission of Annual Report for the Financial Year 2020-21**

Dear Sir / Madam

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the Financial Year 2020-21 along with the Notice of 41<sup>st</sup> Annual General Meeting of Ace Men Engg Works Limited to be held on Monday, 27<sup>th</sup> day of September, 2021.

Kindly take the same on record.

Yours sincerely,

**For Ace Men Engg Works Limited**

  
Hardikumar Vadnagara  
Managing Director



**41<sup>st</sup> ANNUAL REPORT  
ACE MEN ENGG WORKS LTD.**

*Financial Year – 2020-21*

### **Board of Directors**

|                       |  |
|-----------------------|--|
| Hardikkumar Vadnagara | Managing Director                      |
| Harshil Shah          | Non-Executive Non-Independent Director |
| Bhavya Patwa          | Non-Executive Non-Independent Director |
| Dipak Ranglani        | Non-Executive Non-Independent Director |

### **Key Managerial Personnel**

|                    |  |
|--------------------|--|
| Priti Sharma       | Chief Financial Officer                              |
| Sriti Agarwal      | Company Secretary (upto 31.07.2020)                  |
| Khusboo Khandelwal | Company Secretary (w.e.f 01.08.2020 till 03.12.2020) |
| Deepak Khandelwal  | Company Secretary (w.e.f 01.03.2021 till 20.07.2021) |

### **Auditors**

M/s Doshi Maru & Associates, Chartered Accountants  
(upto 14.08.2020)  
217/218, Manek Centre, P.N. Marg, Jamnagar, 361001  
(Gujrat), India

M/s. Motilal & Associates, Chartered Accountants,  
(FRN: 106584W (w.e.f 28/08/2020)  
304, Orchid Plaza, Behind Gokul Shopping Center, Off S.V.  
Road, Borivali, West, Mumbai, Maharashtra 400092

### **Registered Office**

Office No. SF/214, Sanidhya Arcade, Near Reliance Petrol  
Pump, S P Ring Road, Vastral, Ahmedabad, 382418, Gujarat

### **Share Transfer Agents**

Purva Shareregistry (India) Private Limited,  
Unit No. 9, Shiv Shakti Industrial Estate, Ground Floor, J. R.  
Boricha Marg, Lower Parel (E), Mumbai - 400 011  
website: [www.purvashare.com](http://www.purvashare.com)  
Email: busicomp@vsnl.com  
Phone: 022- 2301 6761 / 8261

## BOARD'S REPORT

Dear Members,

The Board of Directors hereby submits the 41<sup>st</sup> Annual Report of the business and operations of the Company together with the audited financial statements for the financial year ended 31<sup>st</sup> March, 2021. The summarized financial performance of the company is as follows:

**1. Financial Statements** (Amount in Rs.)

| Particulars   | Current Year<br>2020-21 | Previous Year<br>2019-20 |
|---|-------------------------|--------------------------|
| Total Income  | 70,21,417.00            | 72,042.00                |
| Total Expense   | 37,41,000.00            | 6,06,143.00              |
| Profit before Finance Cost and Depreciation                 | 32,80,417.00            | (534,101)                |
| Less : Finance Cost   | -                       | --                       |
| Profit before Depreciation                                  | 32,80,417.00            | (534,101)                |
| Less : Depreciation   | -                       | --                       |
| Profit/(Loss) before Tax                                    | 32,80,417.00            | (534,101)                |
| Provision for Tax   |                         |                          |
| Current Tax   | 6,77,908                | --                       |
| Deferred Tax  | -                       | --                       |
| Balance of Profit/(Loss) for the year                       | 24,27,509.00            | (534,101)                |
| Earning per equity share:<br>Basic & Diluted (Rs.10/- each) | 0.78                    | (0.17)                   |

**2. Performance Review**

The revenue for the current financial year increased to Rs. 70,21,417/- as compared to previous year Rs. 72,042.00/-. The net profit after tax is Rs. 32,80,417/- as compared to Net Loss of Rs. 5,34,101/- during the previous year.

**3. Dividend**

Your Directors have thought it prudent not to recommend any dividend for the financial year under review.

**4. Transfer to General Reserve**

The Company has transferred Rs. 24,27,509/- to the Reserves for the year ended March 31, 2021.

**5. Material Changes and Commitments, if any, affecting the Financial Position of the Company**

No material changes and commitments which can affect the financial position of the Company occurred between the end of the financial year of the company and the date of this report. There is no Change in the nature of business of company during the financial year.

**6. Significant and Material Orders Passed by the Regulators or Courts**

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

## **7. Subsidiary / Associates Companies**

The Company does not have any Subsidiary, Joint venture or Associate Company. Hence, statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 under Form AOC-1, is not applicable to the Company.

## **8. Adequacy of internal financial controls**

The Company has in place adequate and effective Internal Financial Controls with reference to financial statements. During the year, such controls were tested and upgraded and no reportable material weaknesses in the design or operation were observed.

## **9. Particulars of Loans, Guarantees or Investments**

During the year under review, the Company has not directly or indirectly -

- Given any loan to any person or other body corporate other than usual advances envisaged in a contract of supply of materials, if any;
- Given any guarantee or provided security in connection with a loan to any other body corporate or person; and acquired by way of subscription, purchase or otherwise, the securities of any other body corporate.

## **10. Particulars of Contracts or Arrangements with Related Parties**

No related party transaction(s) entered into during the financial year. The Company has not entered into any contract, arrangement or transaction with any related party which could be considered as material as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company ([www.acumenengg.co.in](http://www.acumenengg.co.in)).

## **11. Directors' Responsibility Statement**

Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- a) in the preparation of annual accounts for the year ended March 31, 2021, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) they 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 at March 31, 2021 and of the Profit of the Company for the year ended on that date;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a 'going concern' basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **12. Directors and Key Managerial Personnel**

|                                 |   |
|---------------------------------|---|
| Hardikkumar Vadnagara           | Managing Director (w.e.f 22.07.2020)                      |
| Sharwan Kumar Sarraf            | Managing Director (upto 21.07.2020)                       |
| Shrena Kalpesh Shah             | Non-Executive Independent Director                        |
| Priti Sharma                    | Executive Director (upto 10.08.2020)                      |
| Manoj Das                       | Non-Executive Independent Director (upto 31.12.2020)      |
| Harshil Shah                    | Non-Executive Non-Independent Director (w.e.f 10.08.2020) |
| Bhavya Patwa                    | Non-Executive Non-Independent Director (w.e.f 07.10.2020) |
| Dipak Ranglani                  | Non-Executive Non-Independent Director (w.e.f 04.01.2021) |
| Jaipal Singh Barsi Singh Parmar | Non-Executive Independent Director (upto 12.03.2021)      |

### **Key Managerial Personnel:**

|                    |  |
|--------------------|--|
| Priti Sharma       | Chief Financial Officer                              |
| Sriti Agarwal      | Company Secretary ( upto 31.07.2020)                 |
| Khusboo Khandelwal | Company Secretary (w.e.f 01.08.2020 till 03.12.2020) |
| Deepak Khandelwal  | Company Secretary (w.e.f 01.03.2021 till 19.07.2021) |

None of the Company's directors are disqualified from being appointed as a director as specified in Section 164 of the Act.

## **13. Declaration by Independent Directors**

The Company has received necessary declarations from all Independent Directors of the Company confirming that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 as well as under Regulation 25 and 16(1)(b) of SEBI (LODR) Regulations. There has been no change in the circumstances which may affect their status as independent director during the year.

## **14. Board Evaluation**

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and Individual Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees, attendance, prior study of materials given, participation at the meetings, level and effectiveness of Committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the Individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-executive Directors. The same was discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and individual Directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the Independent Director being evaluated.

## **15. Familiarization Program for the Independent Directors**

In compliance with the requirements of SEBI Regulations, 2015, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibilities as Directors, the working of the Company, nature of the industry in which the Company operates, business model, etc.

## **16. Policy on Directors' Appointment and Remuneration and other details**

The Nomination and Remuneration Committee has laid down the criteria for Directors appointment and remuneration including criteria for determining qualification, positive attributes and independence of a Director. The following attributes/criteria for selection have been laid by the Board on the recommendation of the Committee:

1. the candidate should possess the positive attributes such as leadership, entrepreneurship, business advisor or such other attributes which in the opinion of the Committee are in the interest of the Company;
2. the candidate should be free from any disqualification as provided under Sections 164 and 167 of the Companies Act, 2013;
3. the candidate should meet the conditions of being independent as stipulated under the Companies Act, 2013 and Listing Agreement entered into with Stock Exchanges, in case of appointment as an independent director; and
4. the candidate should possess appropriate educational qualification, skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, corporate governance, technical operations, infrastructure or such other areas or disciplines which are relevant for the Company's business

## **17. Number of Meetings of the Board**

During the year under review, Ten **(10)** Meetings of the Board of Directors, were held on 30<sup>th</sup> June, 2020, 10<sup>th</sup> August, 2020, 14<sup>th</sup> August, 2020, 29<sup>th</sup> August, 2020, 4<sup>th</sup> November, 2020, 31<sup>st</sup> December, 2020, 4<sup>th</sup> January, 2021, 11<sup>th</sup> February 2021, 1<sup>st</sup> March, 2021 and 12<sup>th</sup> March, 2021.

## **18. Audit Committee**

The Audit Committee of the Board of Directors meets the criteria laid down under Section 177 of the Companies Act, 2013, read with Regulation 18 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 in the terms of reference to the Audit Committee. The Composition of Audit Committee as on 31/03/2021:

| <b>Name of Member</b> | <b>Designation</b> | <b>Nature of Directorship</b>          |
|-----------------------|--------------------|--|
| Shrena Kalpesh Shah   | Chairman           | Non-Executive Independent Director     |
| Bhavya Patwa          | Member             | Non-Executive Non-Independent Director |
| Harshil Naishad Shah  | Member             | Non-Executive Non-Independent Director |

## **19. Material Changes and Commitments, if any, affecting the Financial position of the Company which have occurred between the end of Financial Year of the Company to which the Financial Statement relate and the date of the Report.**

There were no material changes and commitments that have affected the financial position of the Company which have occurred during the financial year ended on 31<sup>st</sup> March, 2021.

## **20. Management Discussion and Analysis**

In terms of the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosures Requirements) Regulation 2015, the Management Discussion and Analysis has been given hereunder:

### **OPERATIONS**

The Financial Year 2020-21 begin with the pandemic situation created by the spread of the Corona virus COVID-19, all over the world and day to day life across the globe came to a virtual stop and your Company was not an exception. Economic activity worldwide slowed down in 2020 for both advanced and emerging economies owing to trade and tariff-related uncertainties between the global powers, along with tepid consumer and investor sentiments. The operations were disrupted at all the manufacturing facilities of the Company. Your Company had to put a halt on its operations for some period during March, 2020 to May, 2020, considering the wellness and safety of its people and complying with Government and Health authorities' advisories during lockdown.

Financial Year 2020-21 has been a challenging year and having endured and managed to recover from the disruptions induced by a once-in-a-century event, the Company is cautiously looking forward to 2022 with hopes of putting up a better

show in the post-COVID-19 world.

The Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business. The Company is working towards being resilient in order to sail through the current situation. It is focused on controlling the fixed costs, maintaining liquidity and meticulously managing supply chain issues to ensure that the manufacturing facilities operate smoothly.

Your Company is focused on achieving volume growth, reduction in costs and improving product portfolio. These measures will continue to drive improvement in your Company's business.

### **Outlook**

The International Monetary Fund (IMF) projects that global economic activity will grapple with unprecedented contraction in 2020, owing to the COVID-19-led lockdown and the consequent suspension of economic activity. As per the IMF's April World Economic Outlook, global growth will contract by 4.9% in 2020, vis-à-vis 2.9% growth in 2019, and subsequently, mark a V-shape normalisation to 5.4% growth in 2021, although half of it will come on a lower base. Further, the global trade volume in goods and services will slip into a degrowth of 11% in 2020 from an already sluggish growth of 0.9% in 2019, before growing by 8.4% in 2021.

### **INDIA**

India continued to be one of the most robust and resilient economies of the world in 2020. During FY 21, the economy grew by 4.2%, suffering primarily from inadequate credit availability owing to challenges in the financial sector. The combined impact of muted domestic demand and export markets dragged down capacity utilisation of industries.

The Government of India undertook proactive initiatives such as reducing corporate tax rates and offering credit guarantee for financially sound Non-Banking Financial Corporations (NBFCs). The year also witnessed easing of monetary policy by the Reserve Bank of India (RBI) with significant reduction in the repo rate. Driven by fiscal and monetary policy initiatives, the economy began to show early signs of recovery. However, the COVID-19 outbreak in the fourth quarter of the year made recovery an uphill task.

The Government of India has already announced a significant relief package of Rs. 20 trillion, aimed at providing a safety net to the most vulnerable sections of society. Targeted relief measures have also been designed for sectors that are hardest hit by the pandemic such as financial services and micro, small & medium enterprises (MSMEs).

The positive indicators are moderate inflation and low crude prices resulting in declining trade deficit. These factors allow the Government of India adequate room for providing additional fiscal and liquidity support to the economy.

### **Strength:**

India is today recognized as one of the best sourcing destinations for garments, textiles, accessories and finish: It provides a perfect blend of fashion, design, quality, patterns, textures, colours and finish. Labour is skilled and economical while process are highly without taking away from the quality of the final product. Amazing technological developments, superior design capabilities and companies that provide integrated logistics solutions are other highly prized support systems that the industry thrives on. Combined with these manmade assets are the country's natural assets which play a large role in boosting the garment industry- by providing raw materials of world class quality. India the largest producer of Jute the second largest producer of cotton, silk and cellulosic fibre, the third largest producer of raw cotton and the fourth largest producer of synthetic fibre.

### **Opportunities and Threats:**

Exporters may find it challenging to manage liquidity in F.Y. amid increasing volumes coupled with along working capital cycle and the consequent higher use of working capital limits - a characteristic of the textile business. It is to be noted that India's position in global arena is on a shaky platform as it is facing tough competition from its neighbouring countries such as China & Bangladesh. Talking about these three Asian countries the labour in Bangladesh is cheapest and India's labour is costliest.

### **Risk Management:**

In an interdependent, fast-moving world, organizations are increasingly confronted by risks that are complex in nature and global in consequence. Such risks can be difficult to anticipate and respond to, even for the most seasoned business leaders.

**Internal Control System and their Adequacy:**

The Company has adequate internal control systems including suitable monitoring procedures commensurate with its size and the nature of the business. The internal control systems provide for all documented policies, guidelines, authorization and approval procedures. The statutory auditors while conducting the statutory audit, review and evaluate the internal controls and their observations are discussed with the Audit committee of the Board. The Company's internal control systems are supplemented by periodic reviews by the Management. The Audit Committee reviews its findings and recommendations at periodic intervals. Company's internal control system is adequate considering the nature, size and complexity of its business.

**Human Resources/Industrial Relations:**

The company places great emphasis on its employees and believes that they are the core of the Corporate Purpose. The HR mission is to empower employees to make continuous improvements and enhance their professional skills. The company believes in respecting the individual rights and dignity of the people. The company believes that human resources are the most valuable assets and a major driver for achieving its goals. Your company continues to invest in human resources to build new businesses while simultaneously improving the individual & organizational preparedness for future challenges

**CAUTIONARY NOTE:**

Certain statements in "Management Discussions and Analysis" section may be forward looking and are stated as required by law and regulations. Many factors, both external and internal, may affect the actual results which could be different from what the Directors envisage in terms of performance and outlook.

**21. Risk Management**

The Company has in place a Risk Management Policy pursuant to Section 134 of the Companies Act. It establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk.

The Internal Audit Department facilitates the execution of Risk Management Practices in the Company, in the areas of risk identification, assessment, monitoring, mitigation and reporting. Through this program, each Function carried on works, addresses opportunities and risks through a comprehensive approach aligned to the Company's objectives. The Company has laid down procedures to inform the Audit Committee as well as the Board of Directors about risk assessment and management procedures and status.

The Audit Committee of the Board of the Company has been entrusted with the task to frame, implement and monitor the risk management plan for the Company and it is responsible for reviewing the risk management plan and ensuring its effectiveness with an additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

**22. Corporate Social Responsibility (CSR)**

The Company does not fall in any of the Criteria of Section 135 of the Companies Act, 2015 read with the Companies (Corporate Social Responsibility Policy) Rules 2014 and hence the company does not require to comply the same.

**23. Safety, Environment and Health**

The Company's commitment to excellence in Health and Safety is embedded in the Company's core values. The Company has a stringent policy which drives all employees to continuously break new ground safety management for the benefit of people, property, environment and the communities where we operate on sites.

The Company respects human rights, values its employees and their communities. The Company considers safety, environment and health as the management responsibility. Regular employee training programmes are in place throughout the Company on Safety, Environment and Health and has well identified and widely covered safety management system in place for ensuring, not only the safety of employees but surrounding population of the works as well.

**24. Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace**

The Company has zero tolerance for sexual harassment at the workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Work place, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters

connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. All employees of the Company, those of contractors as well as trainees are covered under this Policy.

No complaint was received from any employee during the financial year 2020-2021 and hence no complaint is outstanding as on 31.03.2021 for redressal.

**25. Vigil Mechanism/ Whistle Blower Policy**

There is a Whistle Blower Policy in the Company and that no personnel have been denied access to the Chairman of the Audit Committee. The policy provides for adequate safeguards against victimization of persons who use vigil mechanism. The Whistle Blower Policy is posted on the Company's website [www.acumenengg.co.in](http://www.acumenengg.co.in).

**26. Code of Conduct**

The Board has laid down a code of conduct for board members and senior management personnel of the Company. The code incorporates the duties of independent directors as laid down in the Companies Act, 2013. The said code of conduct is posted on Company's website [www.acumenengg.co.in](http://www.acumenengg.co.in). The Board members and senior management personnel have affirmed compliance with the said code of conduct.

**27. Prevention of Insider Trading**

The Board has adopted a revised Code of Prevention of Insider Trading based on the SEBI (Prohibition of Insider Trading) Regulations, 2015. The same has been placed on the website of the Company [www.acumenengg.co.in](http://www.acumenengg.co.in). All the Directors, senior management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. During the year under Report, there has been due compliance with the said code of conduct for prevention of insider trading.

**28. Corporate Governance**

As per SEBI LODR, Compliance with the provisions of regulation 17 through 27 and clauses (b) to of sub – regulations 46 and Para C, D and E of schedule V is not mandatory for the time being, in respect of the following class of Companies:

- a) Companies having paid –up equity share capital not exceeding Rs. 10 crore and Net Worth not exceeding Rs. 25 Crore, as on the last day of previous financial year;
- b) The listed entity which has listed its specified securities on the SME Exchange;

As such our Company falls in the ambit of aforesaid exemption, consequently Corporate Governance does not forms part of the Annual Report for the Financial Year 2020-21. However, the Company is following industry best corporate governance standards.

**29. Human Resources**

The human resource plays a vital role in the growth and success of an organization. The Company has maintained cordial and harmonious relations with employees across various locations.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

**30. Deposits from Public**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public, was outstanding as on the date of the balance sheet.

**31. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo Technology absorption: NIL  
Foreign Exchange earnings and outgo: NIL**

**32. Particulars of Employees and Remuneration**

Pursuant to the Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, no employee of the Company was paid remuneration exceeding the prescribed limits, during the financial year 2019-2020.

**33. Insurance**

All the properties and insurable interests of the Company including buildings, Plants & Machineries and Stocks, have been adequately insured.

**34. Share Capital**

The paid-up equity share capital of the Company as at 31<sup>st</sup> March, 2021 is Rs. 3,09,85,000/- . The Company currently has no outstanding shares issued with differential rights, sweat equity or ESOS.

**35. Auditors**

**Statutory Auditors:**

M/s. D G M S & Co. (Formerly known as M/s Doshi Maru & Associates), Chartered Accountants (F.R.No. 0112187W) has shown their inability to continue as Statutory Auditors of the Company for commercial considerations as the proposed fees was not commensurate to their time and efforts and have tendered their resignation, resulting into a casual vacancy in the office of Statutory Auditors of the company.

Pursuant to the provisions of Section 139(8) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and all other applicable laws, if any, casual vacancy caused by the resignation of Auditors, the Board of Directors had appointed M/s. Motilal & Associates, Chartered Accountants, (FRN: 106584W) as the Statutory Auditors of the Company to fill the casual vacancy and shall hold office up to the conclusion of this Annual General Meeting of the Company.

**Secretarial Auditors:**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed Mr. Suhas Bhattbhatt of M/s. S Bhattbhatt & Co., Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the Financial Year 2021-22. The Secretarial Audit Report is annexed as **Annexure C**.

**Cost Auditors:**

Your Company does not require to get its cost records audited by the qualified Cost Auditors, in view of non-applicability. No appointment of Cost Auditors has been made.

**36. Acknowledgement**

The Board places on record its deep appreciation for the continued support received from various clients, vendors and suppliers and Bankers, Government Authorities, Employees at all levels and Stakeholders, in furthering the interest of the Company.

**For and on behalf of the Board of Directors,**

**Date: 28/08/2021**  
**Place: Ahmedabad**

**Sd/-**  
**Hardikkumar Vadnagara**  
**Managing Director**  
**Ace Men Engg Works Limited**

**ANNEXURE - A TO THE BOARD'S REPORT**

**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

**(I) Details of contracts or arrangements or transactions NOT at arm's length basis:**

| Name(s) of the related party and nature of relationship | Nature of contracts/ arrangements / transactions | Duration of the Contracts / arrangements/ transactions | Salient terms of the contracts or Arrangements or Transactions including value, if any | Date(s) of approval by the Board | Amount paid as advance, if any | Date on which the special resolution was passed in General Meeting as required under first proviso to Section 188. |
|---|--|--|--|----------------------------------|--------------------------------|--|
|   |  | <b>Not Applicable</b>                                  |  |                                  |                                |  |

**(II) Details of material contracts or arrangement or transactions at arm's length basis:**

| Name(s) of the related party and nature of relationship | Nature of contracts/ arrangements / transactions | Duration of the Contracts / arrangements/ transactions | Salient terms of the contracts or arrangements or transactions including the value, if any, per Annum | Date(s) of approval by the Board | Amount paid as advances , if any | Date on which the special resolution was passed in General Meeting as required under First proviso to Section 188. |
|---|--|--|---|----------------------------------|----------------------------------|--|
| <b>Not Applicable</b>                                   |  |  |   |                                  |                                  |  |

**Form No. MR-3**  
**Secretarial Audit Report**

(For the Financial year ended 31<sup>st</sup> March, 2021)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Ace Men Engg Works Limited  
Ahmedabad

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Ace Men Engg Works Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Ace Men Engg Works Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanations given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2021 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by Ace Men Engg Works Limited ("the Company") for the financial year ended on 31<sup>st</sup> March, 2021, according to the applicable provisions of:

- i. The Companies Act, 2013 ('the Act') and the rules made there under, as applicable;
- ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not Applicable to the Company during audit period);

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:

- A. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009/2018;
- D. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable)
- E. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during audit period);
- F. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable. The Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review)

- G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable. The shares of the Company are not delisted at any stock exchange, during the year under review) and
- H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable. The Company not bought back any shares / securities during the year under review)
- v. Other laws specifically applicable to the Company namely –

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

- 1) Secretarial Standards issued by The Institute of Company Secretaries of India; and
- 2) The Listing Agreements entered into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards etc. except that following:-

- *During the Audit period the company has not complied the requirement of Regulation 46 & 47 of SEBI (LODR) Regulations, 2015.*
- *During the period, the company has not complied the requirement of Regulation 17 of SEBI (LODR) Regulations, 2015.*

We further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda during the year. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate system and processes in the company commensurate with size and operation of the Company to monitor and ensure the Compliance with applicable laws, rules, regulation and guidelines.

We further report that during the audit period there were no instances of

- a) Public / Rights / Debentures / Sweat Equity
- b) Redemption / Buy Back of Securities
- c) Merger / Amalgamation / Re-construction etc.
- d) Foreign Technical Collaboration / Equity Participation.**

**For S Bhattbhatt & Co.  
Practicing Company Secretaries**

**Place: Vadodara  
Date: 17/08/2021**

**Suhas Bhattbhatt  
Proprietor  
A.C.S.:11975; C.P.:10427  
UDIN: A011975C000794361**

This Report is to be read with our letter of even date which is annexed as **Annexure -1** and forms an integral part of this report.

**Annexure 'A'**

To,  
The Members,  
Ace Men Engg Works Limited  
Ahmedabad

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For S Bhattbhatt & Co  
Practicing Company Secretaries**

**Place: Vadodara  
Date: 17/08/2021**

**Suhas Bhattbhatt  
Proprietor  
A.C.S.:11975; C.P.:10427  
UDIN: A011975C000794361**

**Balance Sheet as on 31<sup>st</sup> March, 2021**

**(In Rs.)**

| <b>ASSETS</b>   | <b>Notes</b> | <b>2021</b>           | <b>2020</b>           |
|---|--------------|-----------------------|-----------------------|
| <b>Non-current assets</b>   |              |                       |                       |
| Property, plant and equipment   |              | 0.00                  | 0.00                  |
| Capital work-in-progress  |              | 0.00                  | 0.00                  |
| Intangible assets   |              | 0.00                  | 0.00                  |
| Financial assets  |              |                       |                       |
| (i) Trade Receivables   | 1            | 1,65,44,000.00        | 1,09,90,068.00        |
| (ii) Investments  |              |                       |                       |
| (iii) Loans   | 2            | 1,83,82,147.00        | 1,83,82,397.00        |
| Deferred tax assets(net)  | 3            | 0.00                  | 175000                |
| Other non-current assets  |              | 0.00                  | 0.00                  |
| <b>Total non-current assets</b>                                       |              | <b>3,49,26,147.00</b> | <b>2,95,47,465.00</b> |
| <b>Current assets</b>   |              |                       |                       |
| Inventories   |              | 0.00                  | 0.00                  |
| Financial assets  |              |                       |                       |
| (i) Trade receivables   |              | 0.00                  | 0.00                  |
| (ii) Cash and cash equivalents  |              | 2,15,434.00           | 3,35,434.00           |
| (iii) Bank balances other than cash and cash equivalents stated above | 4            |                       |                       |
| (v) Others financial assets   |              | 0.00                  | 0.00                  |
| <b>Total current assets</b>   |              | <b>2,15,434.00</b>    | <b>3,35,434.00</b>    |
| <b>TOTAL ASSETS</b>   |              | <b>3,51,41,581.00</b> | <b>2,98,82,899.00</b> |
| <b>EQUITY AND LIABILITIES EQUITY</b>                                  |              |                       |                       |
| Equity share capital  | 5            | 3,09,85,000           | 3,09,85,000           |
| Other equity  | 6            | 12,58,908.00          | (11,68,6001)          |
| <b>Total equity Liabilities</b>                                       |              | <b>3,22,43,908.00</b> | <b>2,98,16,399.00</b> |
| Non-current liabilities   |              |                       |                       |
| Financial liabilities   |              |                       |                       |
| (i) Borrowings  |              | 0.00                  | 0.00                  |
| Provisions  |              | 000                   | 0.00                  |
| <b>Total non-current liabilities Current Liabilities</b>              |              | <b>0.00</b>           | <b>0.00</b>           |
| Financial liabilities   |              |                       |                       |
| (i) Borrowings  |              | 0                     | 0                     |
| (ii) Trade payables   |              |                       |                       |
| (iii) Other financial liabilities                                     | 7            | 21,50,390             | 20,000                |
| Income tax liabilities (net)  |              | 0                     | 0                     |
| Provisions  | 8            | 7,47,283.00           | 46,500.00             |
| <b>Total current liabilities</b>                                      |              | <b>28,97,673.00</b>   | <b>66,500.00</b>      |
| <b>TOTAL EQUITY AND LIABILITIES</b>                                   |              | <b>3,51,41,581.00</b> | <b>2,98,82,899.00</b> |
| Significant accounting policies                                       |              |                       |                       |

For Motilal & Associates LLP  
Chartered Accountants

For Ace Men Engg Works Limited

Motilal Jain  
Partner  
M. No.036811  
FR No.: 106584W  
UDIN: 21036811AAAAFB9894  
Place: Ahmedabad  
Date: 09/06/2021

Hardikkumar Vadnagara  
Managing Director  
Priti Sharma  
Chief Financial Officer

Harshil Shah  
Director  
Deepak Khandelwal  
Company Secretary

**Profit and Loss for the year ended 31<sup>st</sup> March, 2021** (In Rs.)

|   | Notes | 2021                | 2020                 |
|---|-------|---------------------|----------------------|
| <b>Income</b>   |       |                     |                      |
| Revenue from operations   | 9     | 64,82,000.00        | 0.00                 |
| Other income  | 10    | 5,39,417.00         | 72,042.00            |
| <b>Total Income</b>   |       | <b>70,21,417.00</b> | <b>72,042.00</b>     |
| <b>Expenses</b>   |       |                     |                      |
| Cost of materials consumed  |       | 0.00                | 0.00                 |
| Purchases of Stock-in-Trade   |       | 29,60,000           | 0.00                 |
| Changes in inventory of work-in-progress and finished goods                             |       | 0.00                | 0.00                 |
| Employee benefit expenses   | 11    | 2,39,000.00         | 1,09,330.00          |
| Other expenses  | 12    | 5,42,000.00         | 4,96,813.00          |
| Depreciation and amortization   |       | 0.00                | 0.00                 |
| Finance costs   |       | 0.00                | 0.00                 |
| <b>Total expenses</b>   |       | <b>37,41,000.00</b> | <b>6,06,143.00</b>   |
| Profit before exceptional items and tax   |       | <b>32,80,417.00</b> | <b>(5,34,101.00)</b> |
| Exceptional Items   |       | <b>0.00</b>         | <b>0.00</b>          |
| <b>Profit before tax from continuing operations</b>                                     |       | <b>32,80,417.00</b> | <b>(5,34,101.00)</b> |
| <b>Tax Expense</b>  |       |                     |                      |
| (i) Current tax   |       | 6,77,908.00         | 0.00                 |
| (ii) Deferred tax   |       | 1,75,000.00         | 0.00                 |
| Income tax expense  |       |                     |                      |
| Profit for the year   |       | <b>24,27,509.00</b> | <b>(5,34,101.00)</b> |
| <b>Other comprehensive income</b>   |       |                     |                      |
| Items that will be reclassified subsequently to profit or loss                          |       | 0                   | 0                    |
| <b>Fair value changes on cash flow hedges</b>   |       | <b>0</b>            | <b>0</b>             |
| <b>Income tax relating to items that will be reclassified to profit or loss</b>         |       | <b>0</b>            | <b>0</b>             |
| Net other comprehensive income to be reclassified to profit or loss                     |       | 0                   | 0                    |
| Items that will not be reclassified subsequently to profit or loss                      |       |                     |                      |
| Re-measurement of defined benefit liability   |       | 0                   | 0                    |
| <b>Income tax relating to items that will not be reclassified to profit or loss</b>     |       | <b>0</b>            | <b>0</b>             |
| Net other comprehensive income not to be reclassified subsequently to profit or loss    |       | 0                   | 0                    |
| Other comprehensive (loss)/income for the year  |       | 0                   | 0                    |
| <b>Total comprehensive income for the year</b>  |       | <b>24,27,509.00</b> | <b>(5,34,101.00)</b> |
| Earnings per share from continuing operations   |       | 0.78                | (0.17)               |
| Equity shares of par value of Re. 10 each   |       |                     |                      |
| Basic (INR)   |       | 0.78                | (0.17)               |
| <b>Diluted (INR)</b>  |       | <b>0.78</b>         | <b>(0.17)</b>        |
| <b>Earning per equity share for profit from discontinuing operations</b>                |       |                     |                      |
| Basic (INR)   |       | <b>0.00</b>         | <b>0.00</b>          |
| <b>Diluted (INR)</b>  |       | <b>0.00</b>         | <b>0.00</b>          |
| <b>Earning per equity share for profit from continuing and discontinuing operations</b> |       |                     |                      |

|                                 |  |             |               |
|---------------------------------|--|-------------|---------------|
| Basic (INR)                     |  | 0.78        | (0.17)        |
| <b>Diluted (INR)</b>            |  | <b>0.78</b> | <b>(0.17)</b> |
| Significant accounting policies |  |             |               |

**For Motilal & Associates LLP**  
**Chartered Accountants**

**Motilal Jain**  
**Partner**  
**M. No.036811**  
**FR No.: 106584W**  
**UDIN: 21036811AAAAFB9894**

**Place: Ahmedabad**  
**Date: 09/06/2021**

**For Ace Men Engg Works Limited**

**Hardikkumar Vadnagara**  
**Managing Director**  
**Priti Sharma**  
**Chief Financial Officer**

**Harshil Shah**  
**Director**  
**Deepak Khandelwal**  
**Company Secretary**

**Cash Flow for the year ended 31<sup>st</sup> March, 2021**

**(In Rs.)**

|   | <b>2021</b>          | <b>2020</b>          |
|---|----------------------|----------------------|
| <b>Cash flow from operating activities</b>  |                      |                      |
| Profit before tax   | 32,80,417.00         | (5,34,101.00)        |
| <b>Adjustments to reconcile profit for the year to net cash flows</b>   |                      |                      |
| Depreciation and amortisation expense   | 0                    | 0                    |
| Bad debts written off   | 0                    | 0                    |
| Loss/(profit) on sale of assets (net)   | 0                    | 0                    |
| Net gain on foreign exchange fluctuations (unrealised)  | 0                    | 0                    |
| Share based compensation expense  | 0                    | 0                    |
| Interest expense  | 0                    | 0                    |
| Interest income   | (5,39,417.00)        | (71,250.00)          |
| <b>Operating profit before working capital changes</b>  | <b>27,41,000.00</b>  | <b>(6,05,351.00)</b> |
| <b>Movements in working capital:</b>  |                      |                      |
| Increase in trade receivables   | (55,53,932.00)       | 3,72,432.00          |
| Decrease/(increase) in inventories  | 0.00                 | 0.00                 |
| Increase in other assets  | 0.00                 | 12,268.00            |
| Increase in trade payables, other liabilities and Provisions  | 21,53,265.00         | 45,000.00            |
| Cash generated from operations  | (6,59,667.00)        | 1,75,651.00          |
| Taxes paid (net of refunds)   | 0                    | 0                    |
| <b>Net cash flow generated from operating Activities</b>  | <b>(6,59,667.00)</b> | <b>(1,75,651.00)</b> |
| <b>Cash flow from Investing activities</b>  |                      |                      |
| Purchase of fixed assets, including capital work-in-progress, capital advances and payables for capital goods |                      |                      |
| Proceeds from sale of fixed assets  | 0                    | 0                    |
| Investments(increase)/Sale  | 0                    | 0                    |
| Investment in bank deposits   | 0                    | 0                    |
| Loans   | 250.00               | (71,250.00)          |
| Loans repaid by subsidiaries  | 0                    |                      |
| Interest received   | 5,39,417.00          | 71,250.00            |
| <b>Net cash flow used in investing activities</b>   | <b>5,39,667.00</b>   | <b>0.00</b>          |
| <b>Cash flow from financing activities</b>  |                      |                      |
| Proceeds from issuance of shares  | 0                    | 0                    |
| Repayment of borrowings   | 0                    | 0                    |
| Proceeds from short-term borrowings   | 0                    | 0                    |
| <b>Net cash flow generated from financing activities</b>  | <b>0</b>             | <b>0</b>             |
| Net increase/(decrease) in cash and cash Equivalents  | (1,20,000.00)        | (1,75,651.00)        |
| Cash and cash equivalents at the beginning of the Year  | 3,35,434.00          | 5,11,085.00          |
| Cash and cash equivalents at the end of the Year  | 2,15,434.00          | 3,35,434.00          |

**For Motilal & Associates LLP  
Chartered Accountants**

**Motilal Jain  
Partner  
M. No.036811  
FR No.: 106584W  
UDIN: 21036811AAAAFB9894**

**Place: Ahmedabad  
Date: 09/06/2021**

**For Ace Men Engg Works Limited**

**Hardikkumar Vadnagara  
Managing Director  
Priti Sharma  
Chief Financial Officer**

**Harshil Shah  
Director  
Deepak Khandelwal  
Company Secretary**

**NOTES TO FINANCIAL STATEMENT**

**5. Share Capital**

| Sr. No. | Particulars  | 2021               |                 | 2020               |                           |
|---------|--|--------------------|-----------------|--------------------|---------------------------|
|         |  | No. of Shares      | Amount in (Rs.) | No. of Shares      | Amount in (Rs.)           |
| a.      | Authorized Shares<br>35,00,000 Equity Shares of Rs. 10 each  |                    | 35,000,000      |                    | 35,000,000                |
| b.      | Issued, Subscribed and Fully Paid up Shares<br>3,098,500 Equity Shares of Rs.10 each   |                    | 30,985,000      |                    | 30,985,000                |
| c.      | Reconciliation of shares outstanding at the beginning and at the end of the reporting period.  |                    |                 |                    |                           |
|         |  |                    |                 | 2021               | 2020                      |
|         |  |                    |                 | No. of Shares      | Amount in (Rs.)           |
|         | At the Beginning of the Period   | 3098500            | 30985000        | 3098500            | 30985000                  |
|         | Add: issued during the year  | --                 | --              |                    |                           |
|         | Less: Shares bought back during the year   | --                 | --              | --                 | --                        |
|         | Add: Other movements during the year   | --                 | --              | --                 | --                        |
|         | Outstanding at the end of the period   | 30,98,500          | 30,98,5000      | 30,98,500          | 3,09,85,000               |
| d.      | -Terms/rights attached to equity shares.<br>-The company has only one class of equity shares having par value of Re.10 per share. Each holder of equity share is entitled to one vote per share.<br>- The Company has not declared and paid dividend on the equity shares.<br>-In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders. |                    |                 |                    |                           |
| e.      | Shares held by holding/ ultimate holding company/or their subsidiaries/  |                    | Nil             |                    | Nil                       |
| f.      | Details of shareholders holding more than 5% shares in the Company   |                    |                 | 2021               | 2020                      |
|         |  |                    |                 | No. of Shares      | % of holding in the class |
|         | Body Corporate   | 2,52,000.00        | 8.13%           | 2,52,000.00        | 8.13%                     |
|         | <b>Total</b>   | <b>2,52,000.00</b> | <b>8.13%</b>    | <b>2,52,000.00</b> | <b>8.13%</b>              |

**6. Other Equity :**

| Sr. No.   | Particulars                              | 2021             | 2020                |
|---|--|------------------|---------------------|
| <b>Surplus/(Deficit) in the Statement of Profit and Loss:</b> |  |                  |                     |
|   | Balance as per last Financial Statements | 11,68,601        | (634499.97)         |
|   | Surplus / (Deficit) for the year         | 24,27,509        | (534101)            |
|   | Less: Appropriations:                    |                  |                     |
|   | Securities Premium Account               | 0                | 0                   |
|   | <b>Total Reserves and Surplus</b>        | <b>12,58,908</b> | <b>(1168600.97)</b> |

**1. Trade Receivables**

| Sr. No. | Particulars                                      | 2021               | 2020            |
|---------|--|--------------------|-----------------|
| a.      | Trade receivables (Unsecured Considered as Good) | 1,65,44,000        | 10990068        |
|         | <b>Total</b>                                     | <b>1,65,44,000</b> | <b>10990068</b> |

**2. Non Current Loans**

| Sr. No. | Particulars                          | 2021        | 2020        |
|---------|--------------------------------------|-------------|-------------|
|         | <b>(Unsecured, considered good):</b> |             |             |
| a.      | Other Advances                       | 1,83,82,147 | 1,83,82,397 |
|         | Others                               | 0           | 0           |
|         | <b>Total</b>                         | 1,83,82,147 | 1,83,82,397 |

**3. Deffered Tax Assets :**

| Sr. No. | Particulars  | 2021 | 2020            |
|---------|--|------|-----------------|
| a.      | Tax Losses   | -    | -               |
| b.      | Defined Benefits Obligation                                    | -    | -               |
| c.      | Provisions   | -    | -               |
|         |  |      |                 |
|         | <b>Other Items</b>   |      |                 |
| d.      | Derivatives  | -    | -               |
| e.      | Allowances for doubtful debt-trade receivables                 | -    | -               |
| f.      | Others   | -    | -               |
|         |  |      |                 |
|         | <b>Total deferred tax assets</b>                               |      |                 |
| g.      | Set off deferred tax liablities pursuant to set-off provisions | -    | 1,75,000        |
|         | <b>Total</b>   | -    | <b>1,75,000</b> |

**4. Cash and Cash Equivalents:**

| Sr. No. | Particulars  | 2021     | 2020   |
|---------|--------------|----------|--------|
| a.      | Cash         | 1,73,690 | 293690 |
| b.      | Bank balance | 41744    | 41744  |
|         | <b>Total</b> | 2,15,434 | 335434 |

**7. Other Current Liabilities**

| Sr. No. | Particulars           | 2021             | 2020         |
|---------|-----------------------|------------------|--------------|
| a.      | Expenses Payable      | 6,52,500         | 0            |
|         | Trade Payable         | 14,92,265        | 20000        |
|         | Statutory Tax Payable | 5,625            |              |
|         | <b>Total</b>          | <b>21,50,390</b> | <b>20000</b> |

**8. Current Provisions:**

| Sr. No. | Particulars  | 2021            | 2020         |
|---------|--------------|-----------------|--------------|
| b.      | Audit Fees   | 69,375          | 46500        |
|         | Others       | 6,77,908        | 0            |
|         | <b>Total</b> | <b>7,47,283</b> | <b>46500</b> |

**9. Revenue From Operation:**

| Sr. No. | Particulars      | 2021             | 2020     |
|---------|------------------|------------------|----------|
| a.      | Sale of Products | 64,82,000        | 0        |
|         | <b>Total</b>     | <b>64,82,000</b> | <b>0</b> |

**10. Other Income:**

| Sr. No. | Particulars            | 2021          | 2020         |
|---------|------------------------|---------------|--------------|
| a.      | Other Financial Income | -             | -            |
| b.      | Interest               |               | 71250        |
| c.      | Other Income           | 539417        | 792          |
|         | <b>Total</b>           | <b>539417</b> | <b>72042</b> |

**11. Employee's Benefit Expenses:**

| Sr. No. | Particulars               | 2021            | 2020          |
|---------|---------------------------|-----------------|---------------|
| a.      | Salary and other benefits | 2,39,000        | 109330        |
|         | <b>Total</b>              | <b>2,39,000</b> | <b>109330</b> |

**12. Other Expenses:**

| Sr. No.                       | Particulars                 | 2021            | 2020          |
|-------------------------------|-----------------------------|-----------------|---------------|
| <b>ESTABLISHMENT EXPENSES</b> |                             |                 |               |
|                               | Advertisement Expenses      | -               | 26649         |
|                               | Listing & Processing Fees   | 3,44,000        | 3,54,000      |
|                               | Depository Exps             | 28,320          | 26958         |
|                               | Payment to Auditor          | 75000           | 25000         |
|                               | ROC Fees                    | -               | 24700         |
|                               | Rent                        | 21000           | -             |
|                               | Legal And Professional Fees | -               | 36100         |
|                               | Misc. Exps                  | 73,680          | 3406          |
|                               | <b>Total Expenses</b>       | <b>5,42,000</b> | <b>496813</b> |

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

**Note: - 1 Significant accounting policies:**

### **1. Company Overview**

*Ace Men Engg works Limited is a Limited Company, incorporated under the provisions of Companies Act, 1956 and having CIN: L27109GJ1980PLC100420. The Company is engaged in the business of Trading in sarees and electrical goods. The main object of the company is to cater to the growing industry and offer its products to all the age groups. The company is slowly progressing towards becoming a one stop shop for all the retailers. The company is also planning to venture into trading of other merchandise products. The Registered office of the Company is situated at 214 Sanidhya Arcade Near Maruti Showroom Near Vastral Cross Road, S.P. Ring Road, Vastral, Ahmedabad – 382418.*

### **2. Significant accounting policies**

*The financial statements have been prepared using the significant accounting policies and measurement basis summarised below. These were used throughout all periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.*

#### **2.1. Compliance with Indian Accounting Standards**

*The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Companies Act, 2013 ("the Act"). The policies set out below have been consistently applied during the year presented.*

*For all periods up to and including the year ended 31 March 2021, the Company has prepared its financial statements in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act ("Previous GAAP").*

#### **2.2. Basis of Preparation and Presentation**

##### **Historical cost convention**

*The financial statements have been prepared under the historical cost convention, as modified by the following:*

- i. *Certain financial assets and financial liabilities are valued at fair value;*

##### **Functional and Presentation Currency**

*The financial statements are presented in INR, which is also the Company's functional currency and all amounts are rounded to the nearest thousand, unless otherwise stated.*

##### **Classification of Assets and Liabilities into Current/Non-Current**

*The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.*

*An asset is treated as current when it is:*

- i. *Expected to be realised or intended to be sold or consumed in normal operating cycle*
- ii. *Held primarily for the purpose of trading*
- iii. *Expected to be realised within twelve months after the reporting period, or*
- iv. *Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period*

*All other assets are classified as non-current.*

*A liability is current when:*

- i. *It is expected to be settled in normal operating cycle*
- ii. *It is held primarily for the purpose of trading*
- iii. *It is due to be settled within twelve months after the reporting period, or*
- iv. *There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period*

*The Company classifies all other liabilities as non-current.*

*Deferred tax assets and liabilities are classified as non-current assets and liabilities.*

*The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.*

### **2.3. Use of Estimates**

*The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements*

### **2.4. Estimation of uncertainties relating to the global health pandemic from COVID-19**

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues, goodwill and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered.

### **2.5. Property, Plant and Equipment (PPE)**

*Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.*

*An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognized.*

### **2.6. Intangible Assets**

*Intangible assets are stated at acquisition cost and other cost incurred, which is attributable to preparing the asset for its intended use, less accumulated amortization and accumulated impairment losses, if any. The cost of intangible assets acquired in a business combination is recorded at fair value on the date of acquisition. Intangible assets are amortised on straight line basis over their estimated useful economic life not exceeding ten years. An item of Intangible Asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognized. The residual values, useful lives and methods of amortisation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.*

### **2.7. Impairment of Assets**

#### **i. Financial Assets**

*The Company recognizes loss allowances using the expected credit losses (ECL) model for the financial assets which are not fair valued through statement of profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in such case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in statement of profit and loss.*

**ii. Non-Financial Assets**  
*Intangible Assets and Property, Plant and Equipment*

*Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs.*

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

**iii. Share Capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

**2.8. Financial Instruments**

**i. Investments and other financial assets**

**Initial recognition and measurement**

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

**Subsequent measurement**

For purposes of subsequent measurement, the Company classifies its financial assets in the following measurement categories:

- *those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and*
- *those measured at amortized cost.*

*The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.*

**Equity investments**

*The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses for an equity investments, that is not held for trading, in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.*

**Derecognition**

*A financial asset is derecognised only when:*

- *the rights to receive cash flows from the asset have expired, or*
- *the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows to one or more recipient*

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### **Offsetting Financial instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

#### **ii. Financial Liabilities**

##### **Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

##### **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

##### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Borrowings:** Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates. They are subject to confirmation and reconciliation and consequential adjustments, if any.

**Trade and other payable:** These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are subject to confirmation and reconciliation and consequential adjustments, if any.

##### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### **iii. Share Capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

## 2.9. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are inclusive of duty and net of discounts, returns and value added taxes and amount collected on behalf of third party. The Company recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met, as described below.

### **Revenue from sales of goods**

Revenue from sale of goods is recognized when all the following conditions have been satisfied:

- i. The company has transferred to the buyer the significant risks and rewards of the ownership of the goods;
- ii. The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- iii. The amount of revenue can be measured reliably;
- iv. It is probable that the economic benefits associated with the transaction will flow to the company; and
- v. The cost incurred or to be incurred in respect of the transaction can be measured reliably.

### **Revenue from Contract Income**

Revenue from construction contracts is recognized by reference to the stage of completion of the construction activity as on Balance Sheet date, as measured by the proportion that contract cost incurred for work performed to date bear to the estimated total contract cost.

Where the outcome of the construction cannot be estimated reliably, revenue is recognized to the extent of the construction cost incurred if it is probable that they will be recoverable. In the case of the contract defined with mile stones and assigned price for each mile stone, it recognize the revenue on transfer of significant risks and rewards which coincides with achievement of mile stone and its acceptance by the customers.

Provision is made for all losses incurred to the balance sheet date. Any further losses which are foreseen in bringing contracts to completion are also recognized.

Contract Revenue earned in excess of billing has been reflected in other current Assets and Billing in excess of contract revenue has been reflected under Current Liabilities in the Balance Sheet.

### **Other Revenue is recognized as follow:**

#### **i. Finance Income:**

Finance income is recognised as it accrues using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payment or receipts over the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Finance income is included in other income in the profit & Loss Account.

#### **ii. Dividend**

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

## 2.10. Inventories

Traded Goods have been valued at lower of cost and net realisable value. The cost of inventories shall comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

NRV is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.

## 2.11. Cash and Cash equivalents

Cash and cash equivalents include cash at bank and in hand and deposits held at call with banks. For the purpose of the cash flows statements, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## 2.12. Income Tax

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in

*the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.*

*Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to setoff the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.*

## **2.13. Employee Benefit Expense**

### **Short-term / long term obligations**

*All employee benefits payable wholly within twelve months of rendering the service including performance incentives and compensated absences are classified as short term employee benefits. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are charged off to the Statement of Profit and Loss/ Capital Work-in-Progress, as applicable. The employee benefits which are not expected to occur within twelve months are classified as long term benefits and are recognised as liability at the net present value.*

### **Defined contribution plan**

*Contributions to defined contribution schemes such as provident fund, Employees State Insurance and Pension Plans are charged off to the Statement of Profit and Loss/ Capital Work-in-Progress, as applicable, during the year in which the employee renders the related service.*

## **2.14. Provisions, contingent liabilities and contingent assets**

### **Provision**

*Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.*

*If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.*

### **Contingent liabilities**

*Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made, is termed as contingent liability.*

### **Contingent Assets**

*Contingent assets are disclosed where an inflow of economic benefit is probable.*

### **Earning per share**

*Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.*

*For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.*

### **Cash Flow statement**

*Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.*

### **2.15. Foreign Currency Transactions**

#### **Functional Currency**

Financial statements of the Company's are presented in Indian Rupees, which is also the functional currency.

#### **Transactions and Translations**

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

### **2.16. Leases**

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as Operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

### **2.19. Other Notes on Accounts**

I.In the opinions of the management, the current assets, loans and advances have the values on realization in the ordinary course of business at least equal to the amounts at which they are stated in the balance sheet, except for trade receivables and loans and advances which are covered under the management's policy in respect of bad and doubtful debts as taken in the previous years, if any.

II.Debit and Credit balances are subject to confirmation and reconciliation.

III.There are no dues to Micro; Small & Medium Enterprises as at Balance Sheet date and no interest has been paid to any such parties. This is based on the information on such parties identified on the basis of information available with the Company and relied upon by the auditors.

IV.Related Party Transaction

Disclosure in accordance with Indian Accounting Standard-24 – Related Party transactions during the financial year ended 31<sup>st</sup> March, 2021.

**18. Earnings Per Share**

| <b>Particulars</b>  | <b>Year Ended on<br/>31<sup>st</sup> March, 2021<br/>(Rs.)</b> | <b>Year Ended on<br/>31<sup>st</sup> March, 2020<br/>(Rs.)</b> |
|---|--|--|
| Profit / (Loss) after tax attributable to Equity Shareholders (A)         | 24,27,509  | (5,34,101)   |
| Weighted Number of Equity Share outstanding During the year (B) (In Nos.) | 30,98,500  | 30,98,500  |
| Basic Earnings Per Share for each Share of Rs.10/- (A) / (B)              | 0.78   | (0.17)   |

**19. Notes forming part of accounts in relation to Micro and small enterprise**

1. Based on information available with the company, on the status of the suppliers being Micro or small enterprises, on which the auditors have relied, the disclosure requirements of Schedule III to the Companies Act, 2013 with regard to the payments made/due to Micro and small Enterprises are given below :

| <b>Sr.<br/>No.</b> | <b>Particulars</b>   | <b>Year Ended on 31<sup>st</sup> March<br/>2021</b> |                 | <b>Year Ended on 31<sup>st</sup> March<br/>2020</b> |                 |
|--------------------|--|---|-----------------|---|-----------------|
|                    |  | <b>Principal</b>                                    | <b>Interest</b> | <b>Principal</b>                                    | <b>Interest</b> |
| I                  | Amount due as at the date of Balance sheet   | Nil   | Nil             | Nil   | Nil             |
| Ii                 | Amount paid beyond the appointed date during the year  | Nil   | Nil             | Nil   | Nil             |
| Iii                | Amount of interest due and payable for the period of delay in making payments of principal during the year beyond the appointed date | Nil   | Nil             | Nil   | Nil             |
| Iv                 | The amount of interest accrued and remaining unpaid as at the date of Balance sheet  | Nil   | Nil             | Nil   | Nil             |

The company has initiated the process of obtaining the confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) but has not received the same in totality. The above information is compiled based on the extent of responses received by the company from its suppliers

## NOTICE

Notice is hereby given that the 41<sup>st</sup> Annual General Meeting of the members of M/s. Ace Men Engg Works Limited will be held on Monday, 27<sup>th</sup> September, 2021 at 03:00 P.M. (IST) via Video Conferencing (VC)/Other Audio Video Means (OAVM) to transact the following business:

### Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2021, Profit and Loss Account for the year ended 31<sup>st</sup> March, 2021, the Reports of the Board of Directors on the working and activities of the Company and the Auditor's Report on the Balance Sheet and Accounts.
2. To appoint a director in place of Mr. Harshil Shah (DIN: 08424183) who retires by rotation and being eligible offers himself for re-appointment.

### Special Business:

3. To increase borrowing powers of the Company

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

**"RESOLVED THAT** pursuant to Section 180(1)(c) and all other applicable provisions of the Companies Act, 2013 and Rules made there under as may be amended, from time to time and Articles of Association of the Company, consent of the Company be and is hereby given to the Board of Directors to borrow moneys, from time to time, whether as rupee loans, foreign currency loans, debentures, bonds and/ or other instruments or non-fund based facilities or in any other form (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business) from the Banks, Financial Institutions, Investment Institutions, Mutual Funds, Trusts, other Bodies Corporate or from any other source, located in India or abroad, whether unsecured or secured, on such terms and conditions as may be considered suitable by the Board of Directors up to an amount which may exceed the aggregate of the paid-up share capital of the Company and its free reserves, provided that the total amount so borrowed by the Board shall not at any time exceed, Rs.50 crore (Rupees Fifty Crore only) or limits so prescribed sunder Section 180(1)(c), as may be amended from time to time, whichever is higher.

**RESLOVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to negotiate and decide terms and conditions of such borrowings, finalise and execute all such deeds, documents and writing as may be necessary, desirable or expedient, settle any question, difficulty or doubt that may arise in this regard, do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, proper or desirable and to delegate all or any of these powers to any Committee of Directors or Managing Director or Whole time Director or Director or any other officer of the Company as it may consider appropriate in order to give effect to this resolution"

**For Ace Men Engg Works Limited**

**Place: Ahmedabad**  
**Date: 28/08/2021**

**Sd/-**  
**Hardikkumar Vadnagara**  
**Managing Director**

**NOTES:**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No.14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.acumenengg.co.in](http://www.acumenengg.co.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. Explanatory statement under Section 102 of the Companies Act, 2013 in respect of special business is annexed hereto.
8. The Register of Members and Share Transfer Books of the Company will remain closed from 21st September, 2021 to 27th September, 2021 (both days inclusive) for the purpose of Annual General Meeting.
9. Relevant documents referred to in the accompanying Notice and the Statement is kept 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.
10. Members desirous of obtaining any information in respect of Accounts of the Company are requested to send their queries in writing to the company at its Registered Office so as to reach at least seven days before the date of the meeting.
11. The Company has appointed Mr. Suhas Bhattbhatt of M/s. S Bhattbhatt & Co, Practicing Company Secretaries (Membership No. 11975, C.O.P. 10427) as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.
12. The Scrutinizer shall after the conclusion of voting at the AGM, 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 two 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.

13. The Resolution shall be deemed to be passed on the date of the AGM, subject to receipt of sufficient votes in favour of the resolutions through a compilation of remote e-voting results and voting held at the AGM.

14. The entire Annual Report is also available on the Company's website [www.acumenengg.co.in](http://www.acumenengg.co.in).

**THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**

- (i) The voting period begins on Thursday, 23<sup>rd</sup> September, 2021 at 09:00 a.m. and ends on Sunday, 26<sup>th</sup> September, 2021 at 05:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. 20<sup>th</sup> September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:
 

| <b>For Shareholders holding shares in Demat Form and Physical Form</b>  |  |
|---|--|
| PAN   | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).      |
| Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip / communicated by mail indicated in the PAN field. |  |
| Dividend Bank Details<br><b>OR</b><br>Date of Birth(DOB)  | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. |
| If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).   |  |
- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Company i.e. Ace Men Engg Works Ltd on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- (xx) Person who is not a member as on cut-off date should treat this notice for information purpose only.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [acemenengg@gmail.com](mailto:acemenengg@gmail.com)
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), 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 [acemenengg@gmail.com](mailto:acemenengg@gmail.com)

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [info@acumenengg.co.in](mailto:info@acumenengg.co.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting

mentioning their name, demat account number/folio number, email id, mobile number at [acemenengg@gmail.com](mailto:acemenengg@gmail.com). These queries will be replied to by the company suitably by email.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

#### **INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xxi) **Note for Non - Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz [acemenengg@gmail.com](mailto:acemenengg@gmail.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act"):**

**Item No.3 - Borrowing Powers of the company**

Pursuant to Section 180(1)(c) of the Companies Act 2013, approval of the Shareholder by way of special resolution is required to authorize the Board of Director to borrow funds beyond aggregate of the paid-up share capital of the Company and its free reserve.

Keeping in view, the existing borrowing limit and the additional fund requirements for meeting the capital expenditure for the ongoing/ future projects, capacity expansion, acquisitions and enhanced long term working capital needs of the Company, the Board of Directors had, in its meeting held on 28th August, 2021, considered and approved subject to the approval of the shareholders, that the borrowing limits of the company be increased to Rs. 50 crores. Thus, the Board puts this resolution forward for approval of Shareholders by way of Special Resolution.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.3.