



ACI Infocom Limited

27th Annual Report
2008-2009

CHIEF EXECUTIVE OFFICER

ALOK P. GUPTA

WHOLE TIME DIRECTOR

VYAS D. POONAMCHAND

DIRECTORS

NINAD K. PALAV

AUDITORS

M/s. M. V. KRISHNAMOORTHY & Co.
Chartered Accountants

BANKERS

ORIENTAL BANK OF COMMERCE

REGISTERED OFFICE

218, VASAN UDYOG BHAVAN,
SENAPATI BAPAT MARG,
OPP. HIGH STREET PHOENIX,
LOWER PAREL (W),
MUMBAI 400 013.
Tel No. : 40 37 19 99
WEBSITE : www.aciinfo.com

**DEPOSITORY REGISTRARS &
SHARE TRANSFER AGENTS**

M/s. SYSTEM SUPPORT SERVICES,
209, SHIVAI INDUSTRIAL ESTATE,
89, ANDHERI KURLA ROAD,
SAKINAKA, ANDHERI (EAST),
MUMBAI 400 072.
Tel. No. 28 50 08 35
Fax No. 28 50 14 38
E-mail : [sysss72@yahoo.com](mailto:syss72@yahoo.com)

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NOTICE

Notice is hereby given that the Twenty Seventh Annual General Meeting of the members of **ACI INFOCOM LIMITED** will be held on Wednesday 30th September, 2009 at the registered office of the company situated at 218, Vasani Udyog Bhavan, Senapati Bapat Marg, Opp. High Street Phoenix, Lower Parel (W), Mumbai 400 013 at 10.30 a. m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Audited Profit and Loss Account for the year ended 31st March, 2009 alongwith the Notes and Schedules appended thereto with the Report of the Board of Directors and the Auditors' thereon.
2. To appoint a Director in place of Mr. Damodar P. Vyas who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/S Tadarwal & Tadarwal, Chartered Accountants as Auditors of the Company in place of retiring auditors M/s. M .V. Krishnamoorthy, Chartered Accountants, to hold Office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board to fix their remuneration.

SPECIAL BUSINESS

4. To Consider and if, thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

"RESOLVED THAT Mr. Ninad K Palav, who was appointed as an Additional Director of the Company on 1st December, 2008 under Articles of Association of the Company and who by virtue of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting, but being eligible, offers himself for re-appointment and in respect of whom the Company has received Notice in writing under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation".

5. To Consider and if, thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

"RESOLVED THAT as recommended by remuneration committee and pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, including Schedule XIII to the said Act as amended up-to-date, consent and approval be and is hereby accorded to the appointment of and the remuneration being paid or provided to Mr. Ninad K. Palav as Whole Time Director designated as the Chief Operating Officer of the Company for a period of three years with effect from 1st December, 2008 at a remuneration not exceeding Rs. 57,500/- per month including perquisites and on the terms and conditions set out in draft Letter of appointment a copy whereof initialed by Mr. Alok Gupta, Chairman & Managing Director of the Company, for the purpose of identification has been placed before this Meeting, which draft Letter of appointment is hereby specifically approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration in the said draft Letter of appointment to the extent the Board of Directors may consider appropriate and as may be permitted or authorised in accordance with any provision under the Act for the time being in force provided, however, that the remuneration payable to Mr. Ninad K. Palav shall be within the limits set out in the said Act including the said Schedule XIII to the Act or any amendments thereto or any modification(s) or statutory re-enactment(s) thereof and / or any rules or regulations framed thereunder and the terms of the aforesaid Letter between the Company and Mr. Ninad K. Palav shall be suitably modified to give effect to such variation or increase as the case may be.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year of the Company during the term of Mr. Ninad K. Palav office as Whole Time Director designated as the Chief Operating Officer, the remuneration set out in the aforesaid draft Letter of appointment be

paid or granted to Mr. Ninad K. Palav as minimum remuneration provided that the total remuneration by way of salary and other allowances shall not exceed the ceiling provided in Section II of Part II of Schedule XIII to the said Act or such other amount as may be provided in the said Schedule XIII as may be amended from time to time or any equivalent statutory re-enactment(s) thereof".

Registered Office

218, Vasan Udyog Bhavan,
Senapati Bapat Marg,
Opp. High Street Phoenix,
Lower Parel (W),
Mumbai 400 013

**By order of the Board of Directors
For ACI INFOCOM LIMITED**

Alok P. Gupta
Chairman & Managing Director

Place : Mumbai,
Date : 31st August, 2009.

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 for item No. 4 & 5 is attached and forms part of this notice.
4. The Register of Members and Share Transfer Register of the Company will remain closed from Monday, 28th September, 2009 to Wednesday, 30th September, 2009 (both days inclusive).
5. The members are requested to intimate immediately changes, if any, in their Registered address to the Registrar and Share Transfer Agents of the Company in respect of the shares held in physical form and to the Depository Participant in respect of shares held in dematerialized form without any delay.

**EXPLANATORY STATEMENT
(Pursuant to Section 173(2) of the Companies Act, 1956)**

That following explanatory statement sets out the material facts referring to Item No. 4 of the Notice.

ITEM NO. 4

Mr. Ninad Palav was appointed as Additional Director of the Articles of Association of the Company w. e. f. 1st December, 2008 pursuant to Section 260 of the Companies Act, 1956. As per the term of appointment, his term as Director expires at the forthcoming Annual General Meeting. The Company in turn has received notice from a member alongwith a deposit of Rs. 500/- in cash pursuant to Section 257 of the Companies Act, 1956 signifying his intention to appoint him as Director of the Company liable to retire by rotation. The Directors recommend his appointment in the best interests of the Company.

None of the Directors of the Company except Mr. Ninad Palav may be considered to be interested in the passing of this resolution.

ITEM NO. 5

Mr. Ninad K. Palav was appointed as an Additional Director of the Company with effect from 1st

December, 2008. He has good administrative skills, project management skills and rich experience in the Industry. In view of his above achievements and attractive administrative and managerial skills your Board of Directors recommend his appointment as a Whole Time Director designated as Chief Operational Officer of the Company. The said appointment and payment of remuneration was also approved by the Remuneration Committee.

In view of this the Board of Directors has decided to appoint Mr. Ninad K. Palav as the Managing Director of the Company for a period of 3 years w. e. f. 1st December, 2008.

The detailed terms and conditions regarding remuneration to be paid to him is given below which is as per Section 198, 269, 309 read with Schedule XIII of the Companies Act, 1956.

1) Details of Salary to be paid is as follows :

Rs. 57,500/- per month including perquisites.

2) Leave:

As per the Rules and regulations of the Company.

Where in any financial year, during the tenure of Whole Time Director, the Company has no profit or its profits are inadequate, the Company will pay remuneration not exceeding the limits specified under Section II of Part II of Schedule XII to the Companies Act, 1956.

3) Other Conditions:

- i. For all other terms and conditions not specifically spelt out above, the Rules and Order of the Company shall apply.
- ii. The Whole Time Director holds office as such, subject to the provisions of Section 283(1) of the Companies Act, 1956.

The Explanatory Statement together with the accompanying Notice should be treated as an abstract of the terms of the Agreement of concern or interest under Section 302 of the Companies Act, 1956.

The Resolution is recommended for approval of the Members.

These appointment have been made under Schedule XIII in part II in Section II (1) (A) (iii) of the Companies Act, 1956.

The Board recommends the resolution in the best interest of the company.

None of the Directors of the Company except Mr. Ninad K. Palav is concerned or interested in the resolution

Registered Office
218, Vasani Udyog Bhavan,
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Opp. High Street Phoenix,
Lower Parel (W),
Mumbai 400 013

By order of the Board of Directors
For ACI INFOCOM LIMITED

Alok P. Gupta
Chairman & Managing Director

Place : Mumbai,
Date : 31st August, 2009.

DIRECTORS' REPORT

To
The Members,

The Board of Directors are pleased to present herewith the Twenty Seventh Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2009.

FINANCIAL RESULTS

Particulars	(Rs. in Lacs.)	
	For the Year	
	2008-09	2007-08
Sales	2970.17	2516.49
Other Income	12.79	48.48
Total Income	2982.96	2564.97
Expenditure before		
Depreciation, Interest & tax	2878.56	2365.27
Depreciation	44.52	16.75
Interest	43.42	13.75
Profit/(Loss) before Taxation	16.46	(169.21)
Provision for Taxation	-	Nil
Fringe Benefit Tax	2.64	2.00
Prior period Adjustment	-	1.59
Profit/(Loss) After Taxation	13.82	(172.81)

DIVIDEND

Your Directors do not recommend any dividend for the year as they wish to reinvest surplus funds into the business for further growth.

DIRECTORS

Mr. Damodar P. Vyas who retire by rotation and are, being eligible offers himself for re-appointment.

Mr. Ninad K. Palav was appointed as an Additional Director on 1st December, 2008. The Board of Directors has recommended to appoint him as a Whole Time Director designated as the Chief Operating Officer of the Company w. e. f. 1st December, 2008 on the terms and conditions set out in Letter of appointment.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement Under Section 217 (2AA) of the Companies Act, 1956 with respect to the Directors Responsibilities Statement, it is hereby confirmed;

- i) That in the preparation of the Annual Accounts for the financial year 31st March, 2009, the applicable accounting standards have been followed alongwith proper explanation relating to material departures.
- ii) That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of 31st March, 2009 and of the profit of the Company for the year ended 31st March, 2009.
- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the Directors have prepared the Accounts for the financial year ended 31st March, 2009 on a going concern basis.

AUDITORS

M/s. M V Krishnamoorthy, Chartered Accountants the retiring Auditors, due to pre-occupation has expressed their inability to be appointed as Auditors of the Company at the forthcoming Annual General Meeting of the Company. The Company has received a certificate from M/s. Tadarwal & Tadarwal., Chartered Accountants to the effect that their re-appointment, if made would be within the prescribed limits specified under Section 224(1B) of the Companies Act, 1956 You are requested to appoint M/s. Tadarwal & Tadarwal., Chartered Accountants as Auditors in place of M/s. M V Krishnamoorthy, Chartered Accountants, the retiring Auditors and to fix their remuneration.

DEPOSITS

The Company has not accepted any Deposits from the public during the year under pursuant to Section 58A of the Companies Act, 1956.

PERSONNEL

The Company is not having any employees who are drawing remuneration in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, a report on Corporate Governance, which inter alia, includes the composition and construction of Audit Committee, is featuring as a part of Annual Report. Your Company will continue to adhere in letter and spirit to the good corporate governance policies. Pursuant to the provisions of Clause 49(VII) (1) of the Listing Agreement, a certificate from the auditors of the Company on the compliance of the Clause is enclosed.

CEO'S DECLARATION

Pursuant to the provisions of Clause 49(I) (D)(ii) of the Listing Agreement, a declaration by the Chairman and Managing Director of the Company declaring that all the members of the Board and the Senior Personnel of the Company have affirmed compliance with the Code of Conduct of the Company is enclosed.

MANAGEMENT DISCUSSION & ANALYSIS (M D&A)

Industry Structure and developments

India continues to grow rapidly in deployment of IT Hardware, Software, and ITeS both in domestic market and for overseas clients. Adoption of IT by various State & Central Government organizations is very encouraging and throwing open huge opportunities.

OPPORTUNITIES & STRENGTHS

Your Company has a rich experience of more than 25 years in IT Hardware manufacturing, distribution and service. Utilizing this core strength, we have started a new ITeS Division which will focus on Digitization, e-Governance, and Networking Projects.

WEAKNESS AND THREATS RISKS AND CONCERNS

There will be gestation period for the new ITeS Division to start contribution to the Company bottomline. There will be an upfront investment in setup, pre-operative and marketing expenses.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

Your Company is now operating in the following three Sectors:

- a) I.T. Products & Services.
- b) Telecom Services

c) Trading

OUTLOOK

Both IT and Telecom Services will deliver good performance and profits from the FY ending March 09.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company places considerable emphasis on internal control systems and is appointing a separate Internal Auditor.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review, your Company has made a Turnover of Rs. 2970.17 Lacs as against Rs. 2516.49 Lacs and earned a profit before tax of Rs. 16.45 Lacs as against the loss of Rs. 169.21 Lacs in the previous year.

However, the management is striving hard to improve the sales from the new Services businesses and also to control the overhead expenses to further improve the performance of your Company.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company employs personnel from all walks of life having the requisite qualifications as demanded by the job profile. It has a well designed training programme, to retain and train the personnel with respect to the culture of the Company and to keep them abreast with the latest developments in the changing technological environment.

CONSERVATION OF ENERGY, TECHNOLOGICAL ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

- A. Conservation of energy: The Company uses electric energy for its equipment such as air conditioners, computer terminals, lighting and utilities in the work premises. All possible measures have been taken to conserve energy.
- B. Technology Absorption: During the year your Company has not operated plants, therefore no technology absorption and research & development.

C. Foreign Exchange Earnings & Outgo

	2008-09	(Rs. in Lacs) 2007-08
a) Earnings on re-exports	NIL	NIL
B) Outgo		
i. Travelling	4.49	NIL
ii. Royalty on Microsoft Products	NIL	NIL
iii. CIF Value of goods imported	379.5	108.5
iv. Sales Promotion	NIL	0.67

ACKNOWLEDGEMENTS

Your Directors place on record their grateful appreciation for the continued assistance and co-operation extended by the shareholders, customers, bankers and the dedicated employees and the business associates.

For and on behalf of the Board of Directors

(Alok P. Gupta)
Chairman

Place : Mumbai,
Date : 31st August, 2009.

**REPORT ON THE CORPORATE GOVERNANCE
FOR THE FINANCIAL YEAR 2008-09**

As per Schedule of Implementation of Clause 49 of the Listing Agreement with the Stock Exchange, the said Clause 49 is applicable to your company from the Financial Year ending as on 31st March, 2009. As per the Clause 49 of Listing Agreement with Stock Exchange, incorporate certain mandatory disclosure requirements with regard to Corporate Governance. In pursuance of the requirements of Corporate Governance, the Board of Directors report the following;

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance strives for attaining the optimum level of transparency and accountability in all facets of its operations and all dealings which is shareholders, employees, lenders, creditors, customers and the government. The Board of Directors by considering itself by trustee of its Shareholders aims at maximizing shareholders value and protecting the interest of other stakeholders

BOARD OF DIRECTORS;

The Company has Executive Chairman. The strength of the Board of Directors is 3 Directors including 2 Non-executive Independent Directors.

a) Composition & Category of Directors as on 31st March, 2009

Sr. No.	Name of the Director	Category
1.	Mr. Alok P. Gupta	Executive Promoter Director
2.	Mr. Damodar Poonamchand Vyas	Whole Time Director
3.	Mr. Ninad K. Palav	Additional Director

b) Attendance of each director at the Board Meetings held during the year 2008-09 and at the Last Annual General

Name of the Director	Board meeting held	Meetings attended	AGM attended
Mr. Alok P. Gupta	5	5	Yes
Mr. Damodar Vyas	5	5	Yes
Mr. Ninad Palav	5	5	No

Mr. Ninad K. Palav was appointed as an Additional Director on 1st December, 2008 but the Board of Directors has recommended his appointment as the Whole Time Director designated as Chief Operating Officer.

AUDIT COMMITTEE

The Audit Committee was constituted in terms of Section 292A of the Companies Act, 1956 and the provisions of Clause 49 of the Listing Agreement.

- a) Brief Description of Terms of reference:
- The terms of reference of Audit Committee are in conformity with the provisions of Sub Clause II of the Listing Agreement, which inter alia, includes the following:
- Oversight of Company's financial reporting process.
 - Recommending appointment and removal of external auditors and fixing their fees.
 - Reviewing with the management the quarterly, half-yearly and annual financial results/statements with special emphasis on accounting policies and practices, compliance with accounting standards and other legal requirements concerning financial statements.
 - Reviewing the adequacy of the Audit and Compliance functioning including their policies, procedures, techniques and other regulatory requirements.
 - Reviewing the adequacy of internal control systems and significant audit findings.
 - Discussion with external auditors regarding the nature and scope of audit.
- b) Composition, name of members and Chairperson
- 1) Mr. Damodar Poonamchand Vyas, Chairman
 - 2) Mr. Ninad K. Palav, Member

There was reconstitution of Audit Committee during the year; as Mr. Shrikant Sathye vacated his office as member of Audit Committee pursuant to his resignation as Director of the Company. In his place Mr. Ninad K. Palav who was appointed as an Additional Director on 01/12/2008 and being non-executive director as well as Independent Director was appointed as a member of the Audit Committee.

- c) Meetings of Audit Committee held during the year 2008-09 and attendance of members

Name Of The Member	Meetings Of Audit Committee Held	Meetings attended
Mr. Damodar Poonamchand Vyas	4	4
Mr. Ninad K. Palav	4	4

- d) The Chairman of the Audit Committee attended the Last AGM and answered the queries raised by the Shareholders.

REMUNERATION COMMITTEE

- a) Brief Description of terms of reference
This Committee was constituted primarily to evaluate compensation and benefits for Executive Directors.
- b) Composition, name of members and Chairperson
1) Mr. Alok P. Gupta, Chairman
2) Mr. Ninad K. Palav, Member

There was reconstitution of Remuneration Committee during the year, as Mr. Shrikant Sathye vacated his office as member of Remuneration Committee pursuant to his resignation as Director of the Company. In his place Mr. Ninad K. Palav who was appointed as an Additional Director on 01/12/2008 and being non-executive director as well as Independent Director was also appointed as a member of the Remuneration Committee.

- c) Meetings and attendance during the year 2008-2009
The meeting of the Committee was held on 1st December, 2008 in order to decide the remuneration to be paid to Mr. Ninad K. Palav w.e.f. 1st December, 2008, pursuant to his appointment as the Whole Time Director designated as Chief Operating Officer of the Company at the Upcoming Annual General Meeting of the Company.
- d) Remuneration Policy
The remuneration policy of the Company is rewards for results and recognition for efforts.
- e) Details of Remuneration of all the Directors

Particulars	Mr. Alok Gupta	Mr. Ninad Palav
Salary	100000	50000
Perquisites	----	6500
Provident Fund	----	----
Total	100000	56500

The non-executive directors are not eligible for Commission and they have been paid sitting fees only.

SHAREHOLDER'S/INVESTOR'S GRIEVANCE COMMITTEE

- a) Terms of reference
The Committee was constituted to specifically look into the redressing of shareholders and investor complaints like transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend, etc.
- b) Composition, name of members and Chairperson
1) Mr. Ninad K. Palav, Chairman
2) Mr. Damodar Vyas, Member

There was reconstitution of Shareholder's/Investor's Grievance Committee during the year, as Mr.

Shrikant Sathye and Ms. Divya Gupta vacated their office as member and Chairman respectively of Shareholder's/Investor's Grievance Committee pursuant to their resignation as Directors of the Company. In their place Mr. Ninad K. Palav who was appointed as an Additional Director on 01/12/2008 and being non-executive director as well as Independent Director was also appointed as a Chairman of the Committee and Mr. Damodar Vyas was appointed as a member of the Committee.

- c) Name and Designation of Compliance Officer : Mr. Ganesh Gondhalekar is the Compliance Officer of the Company.
- d) No. of shareholder's complaints received during the year 2008-2009
During the year 2008-2009 there were no complaints/letters were received from the investors and all were disposed off during the year.
- e) No. of complaints not solved to the satisfaction of the shareholders
There was no complaint that was not solved to the satisfaction of the shareholders.
- f) No. of pending share transfers : NIL

GENERAL BODY MEETING

- a) Details of last three Annual General Meetings: The following information gives the details of date, time and place of last three Annual General Meetings.

F.Y.	LOCATION	DATE OF AGM	TIME OF AGM HELD
2005-2006	Hotel Yatri Nivas, Banquet Hall, 1-8-180/B, S. P. Road, Secunderabad -500 003.	29-09-2006	12.30 P. M.
2006-2007	218, Vasani Udyog Bhavan, Senapati Bapat Marg, Opp. High Street Phoenix, Lower Parel (W), Mumbai 400 013	28-12-2007	10.00 A. M.
2007-2008	218, Vasani Udyog Bhavan, Senapati Bapat Marg, Opp. High Street Phoenix, Lower Parel (W), Mumbai 400 013	29-11-2008	10.30 A. M.

- b) Whether any Special Resolution passed through Postal Ballot during the year.
No Special Resolution was passed through Postal Ballot System during the year.
- c) Whether any Special Resolution proposed to be passed through Postal Ballot.
No Special Resolution is proposed to be conducted through Postal Ballot System.

DISCLOSURES

- The Company has disclosed related party transaction with Key Management Personnel of Notes to Accounts. None of the transactions with any of the related parties was in conflict with the interests of the Company.
- There have been no non-compliances by the Company of the regulations imposed by the Stock Exchange or SEBI or any other statutory authority or on any matter related to Capital Markets during the last 3 years.

MEANS OF COMMUNICATIONS

- Financial results of the Company (Quarterly, Half-Yearly and Annual) have been approved by the Board and intimated to the Stock Exchanges and are published in Business Standard and Mahanayak.
- Management Discussion and Analysis Report forms part of the Annual Report.

GENERAL SHAREHOLDER INFORMATION

- a) **Date, Time and Venue of the Present Annual General Meeting.**
On Wednesday, 30th September, 2009 at 10.30 a. m. at Registered Office at 218, Vasan Udyog Bhavan, Senapati Bapat Marg, Opp. High Street Phoenix, Lower Parel (W), Mumbai 400 013.
- b) **Financial Calendar**
- | | |
|----------------------|--|
| Quarter ending on | Reporting on |
| 30th June, 2009 | Last Week of July, 2009 (Completed) |
| 30th September, 2009 | Last Week of October, 2009 (Completed) |
| 31st December, 2009 | Last Week of January, 2010 |
| 31st March, 2010 | Last Week of June, 2010 (Audited) |
- c) **Dates of Book Closure: Monday, 28th September, 2009 to Wednesday, 30th September, 2009**
(Both Days Inclusive)
- d) **Listing on Stock Exchange:** The Bombay Stock Exchange Ltd. (BSE)
- e) **Stock Code at Bombay Stock Exchange:** 517356
- f) **Market Price Data : High/Low during each month in last financial year**
The following are the monthly high and low quotations during the financial year ending 31st March, 2009.

Month	High Rate	Low Rate
April 2008	5.70	3.70
May 2008	7.89	5.25
June 2008	7.67	5.00
July 2008	6.94	6.59
August 2008	6.93	6.59
September 2008	6.61	5.14
October 2008	5.13	4.64
November 2008	4.42	2.96
December 2008	3.09	2.56
January 2009	2.94	2.58
February 2009	2.70	2.45
March 2009	2.60	2.51

- g) **Registrar and Share Transfer Agents: M/s. System Support Services, 209, Shivai Industrial Estate, 89, Andheri Kurla Road, Sakinaka, Andheri (E), Mumbai 400072.**
- h) **Share Transfer System**
The Company's Share Transfers are taken care by M/s. System Support Services, Registrar and Transfer Agents appointed by the Company. Transfers which are received in Physical Form are processed and the share certificates are returned within a period of 30 days from the date of receipt, subject to documents being valid and complete in all respects.
- i) **Distribution of Shareholding**
Distribution of Shareholding as on 31st March, 2009.

Sr. No.	Category	No. of Shareholders	Percentage of Shareholders	No. of Equity Shares	Percentage of Shareholding	
1	1	5000	2694	98.609	613884	7.533
2	5001	10000	14	0.512	92782	1.139
3	10001	20000	4	0.146	57928	0.711
4	20001	30000	1	0.037	23026	0.283
5	30001	40000	0	0.000	0	0.000
6	40001	50000	2	0.073	96000	1.178
7	50001	100000	4	0.146	284300	3.489
8	100001	Above	13	0.476	6981170	85.668
		TOTAL	2732	100.00	8149090	100.00

Note : The Foreign Shareholding of the Company as on 31st March, 2009 is NIL shares aggregating to NIL% of total shareholding of the Company.

j) Dematerialisation of Shares

The Company Shares are available for holding/transfer in depository system of both Central Depository Services (India) Limited and National Security Depository Limited. The members have the option of holding the shares in physical or dematerialized form. The processing activities with respect to the requests received for dematerialization are generally completed within 15 days from the date of receipt of the request.

The International Securities Information Number (ISIN) allotted for the Company by NSDL and CDSL is ISIN INE167B01017. If a member wants his shares to be dematerialized, he may send the shares along with the request through his Depository Participant to the M/s. System Support Services, Registrar and Share Transfer Agent.

As on 31st March, 2009, total number of 4172410 shares of the Company stand dematerialized. This comprises 51.20 % of the Share Capital of the Company.

k) Address for Correspondence

- a) For any query in Demat Shares: To the Depository Participant and Demat Registrar
- b) For any query in Physical Shares: To the Share Transfer Agents
- c) For any other queries : Registered Office

CERTIFICATE

We have examined the compliance of conditions of Corporate Governance by ACI Infocom Limited for the year ended 31st March, 2009 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Bombay Stock Exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

- i) We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
- ii) We state that no Investor Grievance is pending for a period exceeding one month against the Company as per the records, maintained by the Shareholders and Investor's Grievance Committee and
- iii) We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with the Management has conducted the affairs of the Company.

For./s. M. V. KRISHNAMOORTHY
Chartered Accountants

Place : Mumbai
Date : 31st August, 2009

PROPRIETOR
MEMBERSHIP NO:05859

AUDITORS' REPORT

To
The Members of ACI INFOCOM LIMITED

We have audited the attached Balance Sheet of **ACI INFOCOM LIMITED**, as at 31st March 2009 & also the related Profit & Loss Account and Cash Flow Statement for the period ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. We believe that our audit provides reasonable basis for our opinion.

As required by the Companies (Auditors' Report) Order, 2003, as amended by Companies (Auditors' Report) (Amendment) Order, 2004 (together 'the order') issued by the Central Government in terms of subsection (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.

Further to our comments in the Annexure referred to in Paragraph 3 above, we report that:

- a) We have obtained all the information & explanation, which, to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
- c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
- e) On the basis of written representation received from the Directors as on 31st March 2009 and taken on record by the Board of Directors, none of the Directors of the Company is disqualified as on 31st March 2009 from being appointed as Director of the Company under clause (g) of sub-section (1) of section 274 of the Act;
- f) In our opinion and to the best of our information and according to the explanations given to us, the said Financial Statements together with the notes thereon give in the prescribed manner the information required by the Act, and gives a true and fair view in conformity with the accounting principles generally accepted in India;
 - i. In the case of the Balance sheet, of the State of Affairs of the Company as at 31st March, 2009;
 - ii. In the case of the Profit & Loss Account, of the Profit for the year ended on that date; and
 - iii. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For and on behalf of
M/s.M.V.KRISHNAMOORTHY
Chartered Accountants

Place : Mumbai
Date : 31st August, 2009

PROPRIETOR
MEMBERSHIP NO:05859

ANNEXURE TO THE AUDITORS' REPORT

[Referred to in Paragraph 3 of the Auditors' Report of even date to the members of ACI Infocom Limited on the Financial Statements for the year ended 31st March 2009]

1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
(b) Fixed assets are physically verified by the management which is designed to cover all locations, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, the management during the year physically verified the fixed assets at certain locations and no material discrepancies were noticed on such verification.
(c) In our opinion and according to the information and explanation given to us, a substantial part of the fixed assets has not been disposed off during the year to affect the going concern status of the Company.
2. (a) Inventory has been physically verified by the management during the year. In our opinion the frequency of verification is reasonable.
(b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) In our opinion and according to the information & explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
3. (a) According to the information and explanations given to us, the company is maintaining the register required under section 301 of the Act, and the same has been updated as per the requirements of clause (v) of paragraph 4 of the Order.
(b) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under sec. 301 of the Act.
(c) The company has not taken unsecured loans from the parties covered in the register maintained under sec. 301 of the Act.
(d) The clause relating to the rate of interest and other terms and conditions of such loans being prima facie prejudicial to the interest of the company does not apply to this company.
(e) Since the company has not taken loan from the parties covered in the register maintained u/s. 301 of the Act, this clause is not applicable to the company.
4. In our opinion and according to the information and explanations given to us, the company has an adequate internal control system commensurate with its size and nature of business for the purchase of inventory and fixed assets, and for the sale of goods and services.
5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred in section 301 of the Act have been entered into the register required to be maintained under that section.
(b) In our opinion and according to the information and explanation given to us, in respect of the transactions entered in the register maintained in pursuance of (a) section 301 the Act during the year have been made at prices which are reasonable having regard to the prevailing market price, at the relevant time.
6. The Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Act and the rules framed there under.
7. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
8. According to the information and explanations given to us, the Central Government has not

prescribed maintenance of cost records under section 209(1)(d) of the Act.

9. (A) In our opinion and according to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Value added tax, Wealth tax, Service tax, Custom duty, Excise duty, Cess and other material statutory dues, if any, applicable to it with the appropriate authorities except that company has received in June 2007 a demand of Rs. 10,82,211/- from Commercial Tax Officer, Tamil Nadu Commercial Tax Department for the year 2004-05. The company is in the progress of filing appeal against the said demand.
- (b) According to the information and explanation given to us, dues of sales tax/income tax/custom tax/wealth tax/excise duty/cess not deposited are not disputed dues.
10. The Company being registered for a period of less than Five years, the clause relating to accumulated losses greater than fifty percent of the net worth and incurring cash losses does not apply to the company.
11. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions or banks or debenture holders at the balance sheet date.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit funds/nidhi/mutual benefit fund/societies are not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities, debentures and other investments.
15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial Institution during the year.
16. In our opinion and according to the information and explanations given to us, the company does not have any term loans and so the clause relating to the usage of such loans does not apply to the company.
17. On the basis of overall examination of the Balance Sheet of the Company, in our opinion and according to information and explanations given to us, there are no funds raised on short-term basis, which have been used for long-term investments.
18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.
19. The Company has not issued any debentures during the year and accordingly, the creation of securities of charge thereof does not arise.
20. The Company has not raised any money by public issue during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information & explanation given to us, we have neither come across any instance material fraud on or by the company, noticed or reported during the year nor have we been informed of such case by the management.

For and on behalf of
M/s.M.V.KRISHNAMOORTHY
Chartered Accountants

Place : Mumbai
Date : 31st August, 2009

PROPRIETOR
MEMBERSHIP NO:05859

BALANCE SHEET AS AT 31ST MARCH, 2009

	Schedule	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
I) SOURCES OF FUNDS			
a) SHAREHOLDERS FUNDS:			
Share Capital	A	81,490,900	81,374,900
Reserves and Surplus	B	<u>30,424,654</u>	<u>30,424,654</u>
		111,915,554	111,799,554
b) LOAN FUNDS:			
Secured Loans	C	14,390,224	13,333,718
Unsecured Loans	D	<u>17,765,212</u>	<u>15,000,000</u>
		32,155,436	28,333,718
TOTAL		<u>144,070,990</u>	<u>140,133,272</u>
II) APPLICATION OF FUNDS			
a) FIXED ASSETS			
Gross Block	E	76,407,270	70,121,443
Less: Depreciation		<u>44,798,772</u>	<u>37,965,735</u>
NET BLOCK		31,608,498	32,155,708
b) INVESTMENTS			
	F	847,260	847,260
c) CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	G	37,959,032	43,079,377
Sundry Debtors	H	147,578,774	91,883,365
Cash and Bank	I	14,008,924	16,133,248
Loans and Advances	J	<u>18,924,316</u>	<u>21,407,120</u>
		218,471,046	172,503,110
LESS: CURRENT LIABILITIES AND PROVISIONS			
a) CURRENT LIABILITIES	K	163,719,860	118,801,673
b) PROVISIONS		1,092,627	2,257,351
NET CURRENT ASSETS		53,658,559	51,444,086
MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)		7,063,257	3,411,238
PROFIT AND LOSS ACCOUNT		<u>50,893,416</u>	<u>52,274,979</u>
TOTAL		<u>144,070,990</u>	<u>140,133,272</u>

**NOTES FORMING
PART OF ACCOUNTS****S**

Schedule A to L and S referred to above form an integral part of Balance Sheet. This is the Balance Sheet referred to in our report of even date.

For M.V.KRISHNAMOORTHY
CHARTERED ACCOUNTANTS.

For and on behalf of the Board

M.V.KRISHNAMOORTHY
PROPRIETOR
M.NO. 005859

ALOK P GUPTA
Director

NINAD PALAV
Director

DAMODAR VYAS
Director

Place: Mumbai
Date : 31/08/2009

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	Schedule	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
INCOME			
Sales	M	297,017,265	251,649,361
Other Income	N	1,278,639	4,847,596
	TOTAL	<u>298,295,904</u>	<u>256,496,957</u>
EXPENDITURE			
Cost of goods consumed / sold	O	243,255,376	246,581,986
Administration, Distribution & Other Expenses	P	41,946,183	21,131,022
Interest & Financial Charges	Q	4,341,596	1,374,822
		289,543,155	269,087,830
Profit before depreciation & Misc Items		8,752,749	(12,590,873)
Goodwill written off	R	2,655,013	2,655,013
Depreciation		4,451,823	1,674,908
Profit / (Loss) Before Tax		1,645,913	(16,920,794)
Fringe Benefit Tax		-	-
Provision for Fringe Benefit Tax		264,350	200,500
Less: Prior period Adjustment		-	159,272
		1,381,563	(17,280,566)
APPROPRIATIONS:			
Surplus (Deficit) as per last year brought forward		(52,274,979)	(34,994,413)
Surplus (Deficit) brought down		1,381,563	(17,280,566)
Balance Carried to Balance Sheet		(50,893,416)	(52,274,979)
Number of Equity Shares of Rs.10/- each outstanding		8,149,090	8,149,090
Basic and Diluted earning per Share		0.17	(2.12)

NOTES FORMING PART OF ACCOUNTS

S

Schedule A to L and S referred to above form an integral part of Balance Sheet. This is the Balance Sheet referred to in our report of even date.

**For M.V.KRISHNAMOORTHY
CHARTERED ACCOUNTANTS**

For and on behalf of the Board

**M.V.KRISHNAMOORTHY
PROPRIETOR
M.NO. 005859**

**ALOK P GUPTA
Director**

**NINAD PALAV
Director**

**DAMODAR VYAS
Director**

Place: Mumbai
Date : 31/08/2009

**SCHEDULES FORMING PART OF
THE BALANCE SHEET AS AT 31ST MARCH, 2009**

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
SCHEDULE-A		
SHARE CAPITAL		
Authorised Capital 1,35,00,000 Equity Shares of Rs.10/- each	135,000,000	135,000,000
Issued & Subscribed: 81,49,090 Equity Shares of Rs.10/- each (Previous year 81,49,090 Equity Shares of Rs. 10/- Each) of the above includes :	81,490,900	81,490,900
I) 24,32,290 Equity Shares have been Alloted as fully paid-up by way of Bonus Shares of the Company		
II) 1,60,000 Shares Alloted for Consideration other than Cash		
III) 35,88,300 Shares alloted to Shareholders of erstwhile ACI Computers (India) Limited under Scheme of Amalgamation		
Less: Call unpaid (on 23,200 Shares at Rs. 5/- each)	-	116,000
TOTAL	81,490,900	81,374,900
SCHEDULE-B		
RESERVES AND SURPLUS		
SHARE PREMIUM ACCOUNT: As per last account	11,134,000	11,134,000
GENERAL RESERVE As per last account	19,290,654	19,290,654
TOTAL	30,424,654	30,424,654
SCHEDULE-C		
SECURED LOANS		
Vehicle Loan from the Bank (Secured against hypothecation of vehicle)	83,083	332,539
Cash Credit from Oriental Bank of Commerce (Secured against hypothecation of Goods & Book Debts and against collateral security guaranteed by the director and his relatives)	7,036,188	4,580,510
Term Loan from Oriental Bank of Commerce (hypothecation of all Furniture and Fixtures of the company existed at training centre, present and future computers, and office equipment for Avera Academy)	7,270,953	8,420,669
TOTAL	14,390,224	13,333,718

**SCHEDULES FORMING PART OF
THE BALANCE SHEET AS AT 31ST MARCH, 2009**

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
SCHEDULE-D		
UNSECURED LOANS		
From Body Corporate and Others	17,765,212	15,000,000
TOTAL	<u>17,765,212</u>	<u>15,000,000</u>
SCHEDULE-F		
INVESTMENT		
I) PDG Infotech Ltd. (At cost, unquoted) 94,140 Equity Shares of Rs.10/- each partly paid - up at Rs.9/- each	847,260	847,260
TOTAL	<u>847,260</u>	<u>847,260</u>
SCHEDULE-G		
INVENTORIES		
Finished Goods (At Cost or market price whichever is lower)	37,959,032	43,079,377
TOTAL	<u>37,959,032</u>	<u>43,079,377</u>

**SCHEDULES FORMING PART OF
THE BALANCE SHEET AS AT 31ST MARCH, 2009**

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
SCHEDULE-H		
SUNDRY DEBTORS		
(Unsecured, Considerd Good)		
Debts outstanding more than six months	-	91,550,457
Other Debts - Considered Good	147,578,774	332,908
	<u>147,578,774</u>	<u>91,883,365</u>
TOTAL	<u>147,578,774</u>	<u>91,883,365</u>
SCHEDULE-I		
CASH AND BANK BALANCES		
Cash on Hand	101,775	260,328
Balance with Scheduled Banks		
In Current Accounts	781,893	(1,417,187)
In Fixed Deposits Account	12,921,760	17,046,962
Interest accrued but not due	203,496	243,145
	<u>14,008,924</u>	<u>16,133,248</u>
TOTAL	<u>14,008,924</u>	<u>16,133,248</u>
SCHEDULE-J		
LOANS AND ADVANCES		
(Unsecured, considered good)		
Advance Recoverable in cash or kind or for Value to be Received	4,801,670	6,030,455
Prepaid Taxes	9,969,032	9,712,055
Pre-paid Expenses	-	17,527
Deposits with Government Bodies and others	4,153,614	5,647,084
	<u>18,924,316</u>	<u>21,407,120</u>
TOTAL	<u>18,924,316</u>	<u>21,407,120</u>
SCHEDULE-K		
CURRENT LIABILITIES & PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors		
For Goods and Services	163,719,860	118,801,673
PROVISIONS		
Provision for Expenses	819,977	1,641,236
Provision for Statutory Dues	272,650	616,115
	164,812,487	121,059,024
Advance from customers	-	-
	<u>164,812,487</u>	<u>121,059,024</u>
TOTAL	<u>164,812,487</u>	<u>121,059,024</u>
SCHEDULE-L		
MISCELLANEOUS EXPENDITURE		
(To the extent not written off)		
Deferred Revenue Expenditure	7,063,257	3,411,238
	<u>7,063,257</u>	<u>3,411,238</u>
TOTAL	<u>7,063,257</u>	<u>3,411,238</u>

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH 2009

SCHEDULE - E											
PARTICULARS	RATE	GROSS BLOCK				DEPRECIATION / WRITE OFF				NET BLOCK	
		AS AT 01.04.2008	ADDITIONS	SALES/ ADJ.	AS AT 31.03.2009	AS AT 01.04.2008	FOR THE YEAR	ADJ.	AS AT 31.03.2009	AS AT 31.03.2009	AS AT 31.03.2008
GOODWILL *		26,550,130	0	0	26,550,130	18,585,096		2,655,013	21,240,109	5,310,021	7,965,034
LAND		164,000	-		164,000	-	-	-	-	164,000	164,000
VEHICLES	9.5	2,045,902	87,522	670,895	1,462,529	732,390	(141,943)	-	590,447	872,082	1,313,512
OFFICE EQUIPMENT	4.75	4,216,871	569,365	-	4,786,236	1,724,442	227,727	-	1,952,169	2,834,068	2,492,428
FURNITURE & FIXTURE	6.33	17,139,298	2,735,395	5,138	19,869,555	6,456,774	1,160,662	-	7,617,436	12,252,119	10,682,524
COMPUTERS	16.21	16,041,559	2,926,849	843	18,967,565	10,283,745	2,900,507	-	13,184,252	5,783,313	5,757,814
COPY RIGHT & BRAND		3,500,000			3,500,000	-	-	-	-	3,500,000	3,500,000
ELECTRICAL INSTALLAION	4.75	463,684	643,570		1,107,254	183,288	31,071	-	214,359	892,895	280,396
TOTAL		70,121,444	6,962,702	676,876	76,407,270	37,965,735	4,178,024	2,655,013	44,798,772	31,608,498	32,155,708
PREVIOUS YEAR		45,499,332	17,672,815	5,963,700	70,121,443	33,635,814	1,674,908	2,655,013	37,965,735	32,155,708	24,776,514

**SCHEDULES FORMING PART OF
PROFIT & LOSS ACCOUNT AS AT 31ST MARCH, 2009**

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
SCHEDULE-M		
SALES		
Domestic	297,017,265	251,649,361
TOTAL	297,017,265	251,649,361
SCHEDULE-N		
OTHER INCOME		
Miscellaneous Receipts	-	600
Interest on FD	673,880	-
Profit on Sale of shares	-	243,055
Sales Tax Refund	340,086	149,850
Service Charges	19,273	-
Exchange Gain	-	4,450,090
Comprehensive Training Programme	196,400	-
Professional Fees Received	49,000	4,000
TOTAL	1,278,639	4,847,596
SCHEDULE-O		
I) COST OF TRADE FINISHED GOODS		
Opening Stock	43,079,377	40,306,834
Add: Purchases	238,135,031	249,354,529
Less: Closing Stock	37,959,032	43,079,377
TOTAL (I)	243,255,376	246,581,986

**SCHEDULES FORMING PART OF
PROFIT & LOSS ACCOUNT AS AT 31ST MARCH, 2009**

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
SCHEDULE-P		
EXPENSES		
Employees remuneration and benefits	12,114,261	6,832,422
Insurance Charges	-	32,550
Travelling Expenses		
Others - Local	643,743	510,505
Others - Foreign	294,748	948,220
Directors - Foreign	154,640	134,379
Directors - Local	115,442	670,056
Communication Expenses	896,232	762,789
Legal & Professional Charges	2,095,856	1,689,742
Selling & Distribution Expenses	2,165,252	1,400,877
Rates & Taxes	280,623	109,947
Power & Water	1,432,208	169,836
Staffwelfare	257,836	210,706
Printing & Stationery	975,799	263,225
Vehicle Expenses	281,375	292,480
Office Maintenance	117,236	528,961
Share Transfer / Agent Fee	-	6,751
Directors Remuneration	-	1,360,000
Miscellaneous Expenses	5,918,271	696,403
Bad debt written off	-	1,543,023
Administrative Expenses	2,214,954	-
Rent	11,887,707	2,855,790
Auditor's Remuneration	100,000	112,360
Loss on sale of Asset - Plant & Machinery	-	-
TOTAL	<u>41,946,183</u>	<u>21,131,022</u>

SCHEDULE-Q
INTEREST & FINANCIAL CHARGES

On Working Capital (Net)	4,321,078	1,332,781
On Vehicle Loan	20,518	42,041
TOTAL	<u>4,341,596</u>	<u>1,374,822</u>

SCHEDULE-R
GOODWILL WRITTEN OFF

Goodwill - 1/10 for the year	2,655,013	2,655,013
TOTAL	<u>2,655,013</u>	<u>2,655,013</u>

**SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH,
2009 PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009**

SCHEDULE S : NOTES ON ACCOUNTS

I. SIGNIFICANT ACCOUNTING POLICIES

a) FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation. The cost of an asset comprises its purchase price and any directly attribute cost of bringing it into working condition for an intended use. Expenditure for additional improvements is capitalized. When assets are sold or discarded, their cost and accumulated depreciation are included in the profit & loss account.

b) DEPRECIATION

Depreciation on fixed asset has been provided on the straight-line method as per the rates prescribed under schedule XIV of the Companies Act, 1956. For Assets acquired on 31.03.2009, Depreciation will be provided from next financial year 2009-10.

c) FOREIGN CURRENCY TRANSACTIONS

Transactions arising in Foreign Currencies of import of material during the year are converted at the rate prevailing on the date of transactions. Liabilities payable in Foreign Currency are restated at the year end exchange rate and differences arising from such restatement are included in profit & loss account.

d) INVENTORIES

Inventories are valued at cost or net realizable value whichever is lower.

e) GRATUITY

The liability for Gratuity has not been provided, since there were no eligible employees for Gratuity as at the end of financial year.

f) LEAVE ENCASHMENT

Payment on account of leave encashment is not accruable at the end of the financial year as leave get lapsed on the last day of the fiscal year as per company's circular issued to its employees.

g) MISCELLANEOUS EXPENDITURE (TO THE EXTENT NOT WOFF)

- i) Goodwill on arising on amalgamation being written off over a period of ten years.
- ii) Preliminary expenses and capital issue expenses are being written off over a period of five and ten years respectively.
- iii) Deferred Revenue Expenditure will be written off over a period of 5 years starting from next financial year 2009-10.

h) INVESTMENTS

Investments are long term in nature and have been stated at cost.

i) REVENUE RECOGNITION

Revenue from the sale of goods is recognized upon passage of title to the customer, which generally coincides with their delivery. Sales are recorded net of trade discounts, rebates, and sales taxes but includes excise duty, where applicable.

j) INCOME TAX

Deferred tax assets relating to unabsorbed carry forward losses and depreciation are recognized only to the extent there is virtual certainty that the same can be realized in future and in respect of other items where there is reasonable certainty as to realization.

II OTHER NOTES

1. Contingent liabilities not provided for in the accounts, as certified by the management.

a). Letters of credit issued by the banks on behalf of the company Rs.557.13 Lacs (Previous year Rs.223.75 Lacs)

2. Balances are relied upon as per books wherever the confirmations from debtors/creditors are not available.
3. Interest is net off of interest received on Fixed Deposits kept with the bank against margin money towards letters of credit/ bank guarantee Rs. 43.42 lacs.(Previous year Rs.13.33 lacs).
4. Related Party Disclosures : Based on information provided by management.

Sr no	Name of the Related Party	Relationship	Nature of Transaction	Transaction Value	Balance outstanding payable as Balance Sheet date
				(Rs.)	(Rs.)
1	Mr. Alok Gupta	Director	Remuneration	11.00 lac	NIL
2	Mr. Alok Gupta	Director	Advance received and returned	6.50 lac	NIL
3	Mrs. Divya Alok Gupta		Advance received and returned	3.75 lac	3.56 NIL
4	Purshottamdas Gupta HUF	A HUF in which Director is a member	Payment of Loan	18 lac	
5	Purshottamdas Gupta HUF	A HUF in which Director is a member	Repayment of Rent	5 lac	5 lac
6	Mr. Abhijit A. Gupta	Son of a Director	Salary	2.20 lac	NIL
7	Avera Chemicals Pvt. Ltd.	A company in which Director is interested	Purchase of Education Business	9.45 lac	4.28 lac
8	Avera Chemicals Pvt. Ltd.	A company in which Director is interested	Sale of Goods	1.59 lac	1.52 lac
9	Springfield Entertainment Pvt. Ltd.	A company in which Director is interested	No Transaction during the year	NIL	0.12 lac
10	Allwell Investments Pvt. Ltd.	A company in which relative of a Director is interested	No Transaction during the year	0.80 lac	0.31 lac
11	Avera Food (A Division of Avera Chemicals Pvt. Ltd.)	A company in which Director is interested	Advance Given	17.80 lac	0.07 lac

5. As certified by the management, there are no dues outstanding to any Micro Small and Enterprises as at the end of the year.
6. Inventory has been valued by the company at cost or market values whichever is lower on the basis of Valuation Report prepared by a Chartered Engineer and the same has been accepted by the auditors in view of the technical nature of the products.

7. Cash Balance as at end of financial year has been verified and certified by the management of the Company and the auditors has relied upon the same.
8. In the Opinion of the Board of Directors, the Current assets, loans & advances are stated at net realizable value.
9. Auditor's Remuneration is towards Statutory Audit Fees of Rs.1,00,000/- (Previous Year Rs.100,00/-) and Service Tax there on Rs.10300/- (Previous Year Rs.12360/-)
10. Additional information pursuant to the provisions of Par 2,4 (c) & (d) have Para ii of schedule VI of the Companies Act, 1956.

Opening Stock of Finished Goods And Work in Progress Finished		2008-2009		2007-2008	
Finished Goods	Units	Qty.	Value (in Lacs)	Qty.	Value (in Lacs)
Systems – Trading	Nos.			81	2.19
Hard Disk Drives	Nos.	7756	289.55	6511	291.70
Internet Security	Nos.	6256	24.18	0	0.00
Notebook	Nos.	106	4.7	98	4.65
Handset	Nos.	366	18.91	0	0.00
USB Products			63.89	0	76.39
Others			29.56	0	28.37

Closing Stock of Finished Goods And Work in Progress Finished		2008-2009		2007-2008	
Finished Goods	Units	Qty	Value (in Lacs)	Qty.	Value (in Lacs)
Hard Disk Drives	Nos.	5157	194.20	7756	289.55
Notebook	Nos.	106	4.7	106	4.7
USB Products	Nos.		63.89		63.89
Handset		321	16.81	366	18.91
Internet Security	Nos.	35415	64.34	6256	24.18
Others	Nos.		35.83		29.56

Particulars of Sales	Units	2008-2009		2007-2008	
		Qty.	Value (in Lacs)	Qty.	Value (in Lacs)
Computer Systems–Trading	Nos.			97	19.92
Notebook	Nos.			3	0.17
Telecom	Nos.	0		0	59.36
Internet Security	Nos.	299292	767.36	17793	34.58
Metals	M.Tons	3284.67	2032.21	14939.10	2370.41
USB Products	Nos				18.41
Others	Nos.		170.60		13.64

(a)	Expenditure incurred in Foreign Currency:	RS.(IN LACS)	RS.(IN LACS)
	Travelling	1.36	8.06
	Sales Promotion	0	0.67
	Import Purchase	379.56	108.50
(b)	Earnings in foreign exchange	-	-

11. There was no employee who was in receipt of or was entitled to receive emoluments amounting to the aggregate of Rs.24 lakhs (Previous year of Rs.24 lakhs) or more per annum if employed throughout the year or Rs.2 lakhs or more per month if employed for part of the year.

12. Previous year figures have been regrouped/ rearranged wherever necessary.

**FOR M.V.KRISHNAMOORTHY
CHARTERED ACCOUNTANTS**

For and on & behalf of the Board

**M.V.KRISHNAMOORTHY
PROPRIETOR
M.N. 005859**

**ALOK P GUPTA
DIRECTOR**

**NINAD PALAV
DIRECTOR**

**DAMODAR VYAS
DIRECTOR**

Place: Mumbai
Date: 31/08/2009

Balance Sheet Abstract and Company's General Business Profile :

I) Registration Details :

Registration Number : 3749
Balance Sheet Date : 31-03-2009 State Code : 01

II) Capital Raised during the year (Rs. in Lakhs) :

Public Issue : NIL
Bonus Issue : NIL
Private Placement : NIL
Right Issue : NIL

III) Position of Mobilisation and Deployment of Funds (Rs. in Thousands) :

Total Liabilities 308,883.37 Total Assets 362,541.99

Sources of Funds

Paid up Capital 81,490.90
Reserves & Surplus 0.00
Secured Loans 0.00
Unsecured Loan 17,765.20

Application of Funds

Net Fixed Assets 31,608.49
Investments 0.00
Net Current Assets 53,658.55
Miscellaneous Expenditure 7,063.25
Profit & Loss Account 50,893.40

IV) Performance of Company (Rs. in Thousands) :

Total Turnover/Income 298,295.90
Total Expenditure 298,282.09
Profit / (Loss) Before Tax 13.81
Provision for Taxation 0.00
Profit / (Loss) After Tax 13.81
Earning Per Share (Rs.) 0.00
Dividend Rate (Equity) 0.00

V) Generic Name of three Principal Products of the Company (As per Monetary Terms) :

Item Code No. 8471410
(ITC Code) :

Product Description : IT Products, Telecom Products

For and on behalf of the Board

Director

Director

Place : Mumbai
Date : 31/08/2009

Cash Flow Statement for the year ended 31st March, 2009

	Rs. Lacs		Rs. Lacs	
	2008-2009		2007-2008	
A CASHFLOW FROM OPERATING ACTIVITIES:				
Net Profit (Loss) before Tax and Extraordinary Items	1,645,913.00	16.46	(16,920,794.00)	(169.21)
Depreciation	4,451,823.00	44.52	1,674,908.00	16.75
Goodwill w/off	2,655,013.00	26.55	2,655,013.00	26.55
Interest on FD	(673,880.00)	(6.74)	-	-
Profit on sale of Investment	-	-	(243,055.00)	(2.43)
Prior Period Exp w/off	-	-	(159,272.00)	(1.59)
Fringe Benefit Tax	20,518.00	-	(200,500.00)	(2.01)
Interest on Vehicle Loan	169,096.00	-	-	-
Loss on Sale of Fixed asstes	-	-	-	-
Operating Profit before working Capital Changes	8,268,483.00	82.68	(13,193,700.00)	(131.94)
ADJUSTMENTS FOR:				
Inventories	5,120,345.00	51.20	(2,772,543.00)	(27.73)
Trade and other Receivable	(53,212,605.00)	(532.13)	19,039,717.00	190.40
Trade Payables / Provisions	43,489,113.00	434.89	1,879,535.00	18.80
Cash from Operations	3,665,336.00	36.65	4,953,009.00	49.53
Extraordinary items	-	-	-	-
Net Cash from Operating Activities	3,665,336.00	36.65	4,953,009.00	49.53
B CASHFLOW FROM INVESTING ACTIVITIES:				
Sale of Investments	-	-	678,636.00	6.79
Purchase of Fixed Assets	(6,962,702.00)	(69.63)	(11,709,115.00)	(117.09)
Sale of Fixed Assets	233,981.00	-	-	-
Deffered Revenue Expenditure	(3,652,019.00)	(36.52)	(3,411,238.00)	(34.11)
Interest on FD	673,880.00	6.74	-	-
Net cash used in investing Activities	(9,706,860.00)	(97.07)	(14,441,717.00)	(144.42)
C CASHFLOW FROM FINANCING ACTIVITIES:				
Increase in Secured Loans	1,056,506.00	10.57	8,283,801.00	82.84
Increase in Unsecured Loans	2,765,212.00	27.65	(985,000.00)	(9.85)
Unpaid Calls Received	116,000.00	1.16	-	-
Interest on Vehicle Loan	(20,518.00)	(0.21)	-	-
Net Cash Inflow from Financing Activities	3,917,200.00	39.17	7,298,801.00	72.99
Net Increase & Decrease in Cash & Cash Equivalents	(2,124,324.00)	(21.24)	(2,189,907.00)	(21.90)
Cash & Cash Equivalents as at 31.03.2008	16,133,249.00	161.33	18,313,158.00	183.13
Cash & Cash Equivalents as at 31.03.2009	14,008,924.00	140.09	16,133,249.00	161.33

ALOK P GUPTA
Director

NINAD PALAV
Director

DAMODAR VYAS
Director

AUDITOR'S REPORT

We have verified the above Cash Flow Statement of ACI Infocom Limited for the year ended 31st March, 2009. The statement has been prepared by the company in accordance with the requirements of listing agreements clause 32 with stock Exchange and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of company covered by our report of even date to the members of the company.

Place: Mumbai
Date : 31.08.2009

For M.V.KRISHNAMOORTHY CHARTERED ACCOUNTANTS
M.V.KRISHNAMOORTHY PROPRIETOR M.NO. 005859

ACI INFOCOM LIMITED

Registered Office : 218, Vasan Udyog Bhavan, Senapati Bapat Marg,
Opp. High Street Phoenix, Lower Parel (W), Mumbai 400 013.

I, hereby record my attendance at the Twenty Seventh Annual General Meeting to be held on Wednesday, 30th September, 2009 at the registered office of the company situated at 218, Vasan Udyog Bhavan, Senapati Bapat Marg, Opp. High Street Phoenix, Lower Parel (W), Mumbai 400 013 at 10.30 a.m.

DP ID :		CLIENT ID :	
NAME AND ADDRESS OF SHAREHOLDER (IN BLOCK CAPITALS)		FOLIO NO.	

SIGNATURE OF THE SHARE HOLDER OR PROXY _____

ACI INFOCOM LIMITED

Registered Office : 218, Vasan Udyog Bhavan, Senapati Bapat Marg,
Opp. High Street Phoenix, Lower Parel (W), Mumbai 400 013.

PROXY FORM

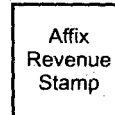
DP ID :		CLIENT ID :	
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I/We of
..... being a Member/Members of ACI INFOCOM LIMITED hereby
appoint of
(or failing him) of

as my/our Proxy to attend and vote for me/us and on my/our behalf at the Wednesday, 30th September, 2009 at the registered office of the company situated at 218, Vasan Udyog Bhavan, Senapati Bapat Marg, Opp. High Street Phoenix, Lower Parel (W), Mumbai 400 013 at 10.30 a. m. and at any adjournment thereof.

AS WITNESS my hand/our hands this _____ day of _____ 2009.

SIGNATURE OF THE SHAREHOLDER OR PROXY _____



NOTE: The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the Meeting. The Proxy need not be a member of the Company.

Folio No. _____

Name of the Shareholder(s): _____

Book-Post
Printed Matter



If undelivered please Return to :

ACI Infocom Limited

218, VASAN UDYOG BHAVAN, SENAPATI BAPAT MARG,
OPP. HIGH STREET PHOENIX, LOWER PAREL (W), MUMBAI 400 013.
Tel No. : 40 37 19 99