

AVANCE TECHNOLOGIES LIMITED



ANNUAL REPORT

2012-13

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CORPORATE INFORMATION

BOARD OF DIRECTORS:

Mr. Srikrishna Bhamidipati	:	Chairman and Executive Director
Mr. Deepak Goyal	:	Executive Director
Mr. Bimal Kamdar	:	Non-Executive Independent Director
Mr. Randhir Marwa	:	Non- Executive Independent Director
Mr. Anand Chaudhary	:	Non- Executive Independent Director
Mr. Ronak Chheda	:	Non- Executive Independent Director (Upto 12 th November, 2012)

BOARD COMMITTEES:

1. Audit Committee

Mr. Anand Choudhary	:	Chairman
Mr. Randhir Marwa	:	Member
Mr. Deepak Goyal	:	Member

2. Investor Grievance Committee

Mr. Anand Choudhary	:	Chairman
Mr. Randhir Marwa	:	Member
Mr. Deepak Goyal	:	Member

3. Remuneration Committee

Mr. Anand Choudhary	:	Chairman
Mr. Srikrishna Bhamidipati	:	Member
Mr. Randhir Marwa	:	Member

AUDITOR:

M/s. Ramesh Batham and Co.

Chartered Accountants,

Flat No 101-103, C-36,

Sector 5,

Shanti Nagar,

Mumbai- 401107

REGISTERED OFFICE:

D- 604, 6th Floor,

Crystal Plaza Premises Co-operative

Society Limited,

Opposite Infinity Mall

New Link Road, Andheri (West)

Mumbai-400053

SHARE TRANSFER AGENT:

M/s. Purva Shareregistry (India) Pvt. Ltd.

No. 9, Shiv Shakti Industrial Estate

Ground Floor, J. R. BorichaMarg,

Opp. Kasturba Hospital, Lower Parel,

Mumbai- 400 011.

BANKER:

Oriental Bank of Commerce

LISTED AT:

Bombay Stock Exchange (BSE) Limited

COMPLIANCE OFFICER:

Mr. Srikrishna Bhamidipati

NOTICE

Notice is hereby given that the 29th Annual General Meeting of the Members of **Avance Technologies Limited** will be held on 30th September, 2013 at 9:00 a. m. at the Registered Office of the Company situated at D/604, 6th Floor, Crystal Plaza Premises, Co-operative Society Limited, Opp. Infinity Mall, New Link Road, Andheri (West), Mumbai- 400053 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2013 and Profit and Loss account for the financial year ended 31st March, 2013 and the Reports of the Director and Auditors thereon.
2. To elect and appoint a Director in place of Mr. Deepak Goyal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To elect and appoint a Director in place of Mr. Srikrishna Bhamidipati, who retires by rotation and being eligible, offers himself for re-appointment.
4. To Consider and if thought fit, to pass with or without modification (s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the applicable provisions of Companies Act, **M/s. Ramesh Bhatam & Co**, Chartered Accountants, be and is hereby appointed as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting to audit the Financial Statements of the Company for the year 2013-2014 on such remuneration as may be determined by the Board of Directors in consultation with the Auditor.

RESOLVED FURTHER THAT any of the Director(s) of the Company be and are hereby authorized to do all such acts, deeds and things which are necessary to give effect to the aforesaid resolution.”

NOTES:

- ⊕ A MEMBER ENTITLED TO VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHALL BE DEPOSITED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING IN ORDER TO BE EFFECTIVE.
- ⊕ The Register of Members of the Company and the Share Transfer Books of the Company shall remain closed from **25th September, 2013 to 27th September, 2013** (both days inclusive).
- ⊕ Members holding shares in Electronic form are requested to intimate immediately to the Depository Participants (DP), the changes, if any, in their registered address, Bank account number / details etc. at an early date by quoting ledger folio numbers /DP Identity and Client Identity Numbers in all their correspondences.
- ⊕ All documents referred to in the accompanying Notice and explanatory statements are open for inspection at the registered office of the Company on all working days between 11:00 a.m. to 1:00 p.m. up to the date of the Annual General Meeting.

Members holding Shares in physical form are requested to notify/ send the following to the Company or Share Transfer Agent to facilitate better services:

- ❖ Any change in their address/mandate/bank details.
- ❖ Share certificates(s), held in multiple accounts in identical names or joint accounts in the same order of means, for consolidation of such shareholding into one account.

Members are requested:

- ❖ To bring copies of Annual Report, Notice and Attendance Slip duly completed and signed at the meeting.
- ❖ To quote their folio/identification Nos. in all their correspondences.

- ❖ In case of Joint holders attending the Meeting, only such Joint holder who is higher in the order of names will be entitled to vote.
- ❖ Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend and vote at the Annual General Meeting of the Company.

**By Order of the Board of Directors
For Avance Technologies Limited**

Sd/-

Director

Date : 04.09.2013

Place: Mumbai

DIRECTOR'S REPORT

To,
The Members,
AVANCE TECHNOLOGIES LIMITED

Your Directors are pleased to present their 29th Annual Report on the operations of the Company, together with the Audited Annual Accounts for the financial year ended 31st March, 2013. A gist of the financial performance of the Company for the financial year 2012-13 is provided as under:

Financial Performance and Operational Review:

The financial performance of the Company, for the year ended 31st March, 2013 and corresponding previous year is summarized below:

Particulars	For the year ended 31 st March, 2013	For the year ended 31 st March, 2012
Total Income	1,285,195,598	1,663,217,541
Total Expenditure	1,289,926,339	1,674,756,126
Profit/(Loss) before Tax	(4,730,741)	(11,538,585)
Provision for Tax	(192,987)	(160,925)
Profit/(Loss) after Tax	(4,537,754)	(11,377,660)
Earnings per share : Basic	(0.007)	(0.018)
Diluted	(0.007)	(0.018)

The Company is deploying measures to retain its base in the competitive business environment and a challenging economy. It was an equally tough year for the Company as the previous year. Though, the Company did not manage to generate revenue, it has achieved considerable success in reducing the overall expenditure to the tune of Rs. 384,829,787 i.e. about 23% as compared to the preceeding financial year.

Your Directors are optimistic that, the current financial year would send growth opportunities to the Company and push its vigor to attain higher echelons of success.

● **Dividend:**

After taking into consideration the financial Results of the Company for the Financial Year 2012-13, and with an intention to build up the net worth for future expansion and growth plans, your Directors are of the opinion, that no dividend be recommended for the year under review.

● **Internal Control Systems and their Adequacy:**

The Company has a proper and adequate system of controls in order to ensure that all assets are safeguarded against loss from un-authorized use or disposal. Further all transactions are properly checked, verified, recorded and reported correctly.

Also Regular Internal Audit Checks are carried out to ensure that the responsibilities are executed effectively and that proper and adequate systems are in place.

● **Listing:**

The securities of the Company are listed at the Bombay Stock Exchange (BSE) Limited, Mumbai.

● **Shift in Registered Office of the Company:**

The Registered office of the Company has been shifted with effect from 3rd September, 2013 from,

Off. No. 209, 2nd Floor, Kapadia Chambers, 599, J.S.S Road, Marine Lines- East. Mumbai- 400 002.

To

D/604, 6th Floor, Crystal Plaza Premises, Co-operative Society Limited, Opp. Infinity Mall, New Link Road, Andheri (West), Mumbai- 400053

The Shareholders are requested to take a note of the same and send all the communications to the Company on the aforesaid new address.

● **Directors:**

In accordance with the applicable provisions of the Companies Act, Mr. Deepak Goyal and Mr. Srikrishna Bhamidipati, Directors of your Company retire by rotation at the forthcoming Annual General Meeting and being eligible, have offered themselves for re-appointment.

The Board wishes to place on record their appreciation for the services rendered by them as the Directors of the Company.

Necessary resolutions with regard to the above are being placed before the Shareholders for their approval.

None of the Directors, except Mr. Deepak Goyal & Mr. Srikrishna Bhamidipati are interested or concerned in the said resolutions.

● **Auditor:**

M/s. Ramesh Batham & Co., Chartered Accountant, Statutory Auditors of the Company had been appointed to hold office until the conclusion of the ensuing Annual General Meeting. However they are also eligible for re- appointment and their willingness for re- appointment have been intimated to the Company well in advance. Further they have also confirmed that they are not disqualified for re- appointment and their appointment, if made would be within the limits as specified in the applicable provisions of the Companies Act.

● **Auditor's Report:**

The observations and comments furnished by the Auditor in his report read together with the notes to Accounts are self- explanatory and hence do not call for any further comments .

● **Director's Responsibility Statement:**

Pursuant to the requirements of the Companies Act with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i. In the preparation of the Accounts for the financial year ended 31st March, 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2013 and of the profit or loss of the Company for the year ended 31st March, 2013;
- iii. 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; and
- iv. The Directors have prepared the Annual Accounts of the Company on a 'going concern' basis.

● **Cash Flow Statement:**

A Cash Flow Statement for the year ended 31st March, 2013 forms part of the Annual Audited Accounts of the Company.

● **Corporate Governance:**

Your Company has strived for exemplary governance standards since inception and continues to lay a strong emphasis on transparency, accountability and integrity.

Further the Company also conforms to the norms of Corporate Governance as envisaged in the Companies Act and the Listing Agreement entered with the Bombay Stock Exchange (BSE) Limited.

Pursuant to Clause 49 of the Listing Agreement, a report on the Corporate Governance and the Auditors Certificate on Corporate Governance are annexed to this report.

● **Management Discussion and Analysis Report:**

In accordance with the Listing Agreement, the Management Discussion and Analysis Report is presented in the separate section forming part of the Annual Report.

● **Particulars of Employees:**

The relations of the Employees have continued to be harmonious during the year.

Furthermore, no employees of the Company falls into the ambit of drawing a remuneration of more than Rs. 60,00,000 per annum or Rs. 5,00,000 per month for any part of the year.

Hence, no particulars have been furnished as required under the Companies Act, read with the Companies (Particular of Employees) Rules, 1975.

● **Public Deposits:**

The Company has not accepted any public deposits during the year under review.

● **Audit Committee:**

Your Company has an Audit Committee duly constituted as per the provisions of Section 292A of the Companies Act and Clause 49 of the Listing Agreement and the said Committee has also complied with all the Legal and Statutory requirements.

● **Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo:**

The information required under Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 with respect to Conservation of Energy and Technology Absorption is not given as the Company does not fall under the category as mentioned above.

● **Acknowledgement:**

Your Directors take this opportunity to offer their sincere thanks to various departments of the Central and State Governments, Banks, Financial Institutions.

The Directors thank the shareholders for their continued confidence and trust placed by them with the Company. The Board also records its deep appreciation for the committed services of its employees during the year.

**By Order of the Board of Directors
For Avance Technologies Limited**

Sd/-

Director

Date : 04.09.2013

Place: Mumbai

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance:

Avance Technologies Limited ("the Company") is committed to achieve transparency and accountability, the basic parameters of the Corporate Governance norms, across the operations of the Company and in its interaction with all the stakeholders to establish an enduring relationship and maximize the wealth of stakeholders. The Company believes that these practices will not only result in sustainable growth of the Company but will also result in meeting every stakeholder expectation.

Board of Directors:

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and have been vested with the requisite powers, authorities and duties. A brief description of the Composition of the Board of Directors, together with the details of the meetings of the Board is provided as under:

σ Composition

The Board of Directors of your Company comprises of a mix of Executive, Non- Executive Directors and Independent directors as stipulated by the provisions of Clause 49 of the Listing Agreement. Further the Composition is also in compliance with the provisions as laid down by the Companies Act.

As on the date of this report, the Board Strength consists of in all 5 directors. Out of them, 3 are Non- Executive Independent Directors and 2 are Executive directors.

σ Meetings of the Board of Directors

During the Financial Year 2012-2013, **Six** Board Meetings were held on the following dates:

1. 16th April, 2012
2. 14th May, 2012

3. 11th August, 2012
4. 1st September, 2012
5. 12th November, 2012
6. 5th February, 2013

⊖ **Details of the Board of Directors and Details of External Directorships**

The names and categories of the Directors along with the details of directorships, Committee Chairmanships and the Committee membership held by them are as follows:

Name of Director	Category	Date of Appointment	Directorship in other Companies	#Membership of Committees of other Companies	##Chairman ship of Committees in other Companies
*Mr. Ronak Chheda	Non-Executive Director	05/03/2011	0	0	0
Mr. Bimal Kamdar	Non-Executive Independent Director	20/02/2010	1	2	0
Mr. Deepak Goyal	Executive Director	26/11/2003	0	0	0
**Mr. Srikrishna Bhamidipati	Chairman and Executive Director	15/01/2002	1	0	0
Mr. Randhir Marwa	Non-Executive Independent Director	02/04/2007	0	0	0

Mr. Anand Choudhary	Non-Executive Independent Director	15/05/2008	0	0	0
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** Mr. Ronak Chheda, Non- Executive Director has ceased to be the Director of the Company with effect from 12th November, 2012.*

*** Mr. Srikrishna Bhamidipati has been the Chairman of the Board in place of Mr. Bimal Kamdar with effect from 5th February, 2013.*

Excluding Private Limited Companies, Foreign Companies, Section 25 Companies and Alternate Directorships.

Includes only Audit Committee and Shareholders' / Investors' Grievance Committee.

○ **Attendance of the Directors at the Board and Annual General Meetings**

Attendance of Directors at the Board Meetings held during 2012-2013 and the last Annual General Meeting held on 27th September, 2012 is as follows:-

Name	Board Meetings		Attendance at previous AGM held on 27 th September, 2012
	Held	Attended	
*Mr. Ronak Chheda	6	5	Yes
Mr. Bimal Kamdar	6	6	Yes
Mr. Deepak Goyal	6	6	Yes
Mr. SrikrishnaBhamidipati	6	6	Yes
Mr. RandhirMarwa	6	6	Yes
Mr. AnandChoudhary	6	6	Yes

** Mr. Ronak Chheda resigned from the Board w.e.f. 12/11/2012.*

Committees of the Board

As enumerated in our earlier correspondences with you, the Board of Directors of your Company has constituted various committees with specific terms of reference/ scope in order to focus effectively on the issues and ensure expedient resolution of diverse matters. As of 31st March, 2013, your Company has three committees. They are:

- A) Audit Committee
- B) Shareholders/ Investors Grievance Committee
- C) Remuneration Committee

A) Audit Committee :

I) Brief Description of Terms of Reference.

The Board of Directors of your Company has constituted an Audit Committee of Directors to exercise powers and discharge functions as stipulated in the Companies Act & Clause 49 of the Listing Agreement entered with Stock Exchange and other relevant statutory / regulatory provisions.

II) Meetings and Composition of the Committee.

During the year 2012-2013, the Committee met **Five Times** (i.e. on 12th May, 2012; 10th August, 2012; 20th August, 2012; 10th November, 2012 & 28th January, 2013). The attendance of each Committee Members is as under:

Name of the Committee Member	Category	Designation	No. of Meetings held	No. of Meetings attended
*Mr. Anand Choudhary	Independent Non-Executive Director	Chairman	5	5
Mr. Randhir Marwa	Independent Non-Executive Director	Member	5	5
Mr. Deepak Goyal	Executive Director	Member	5	5

**Mr. Anand Choudhary was appointed as the Chairman of the Committee in place of Mr. Randhir Marwa w.e.f. 16th April, 2012.*

B) Shareholders/Investors Grievance Committee:

Composition and Meetings

During the year 2012-2013, the Committee met four times (i.e. on 12th May, 2012; 10th August, 2012; 10th November, 2012 & 28th January, 2013).

The attendance of each Committee members is as under:

Name of the Committee Member	Category	Designation	No. of Meetings held	No. of Meetings attended
*Mr. Anand Choudhary	Independent Non-Executive Director	Chairman	4	4
Mr. Deepak Goyal	Executive Director	Member	4	4
Mr. Randhir Marwa	Independent Non-Executive Director	Member	4	4

**Mr. Anand Choudhary was appointed as the Chairman of the Committee in place of Mr. Randhir Marwa w.e.f. 16th April, 2012.*

C) Remuneration Committee:

Remuneration Committee of the Company comprises of Mr. Randhir Marwa, Mr. Srikrishna Bhamidipati and Mr. Anand Choudhary as its members, in order to deal with the elements of remuneration package of all the Executive Directors.

One Meeting of the Committee was held during the year 2012-2013 i.e. on 20th August, 2012 to review the remuneration paid to the directors, if any.

Disclosures

1. Disclosure of Accounting Treatment

The Company follows the Accounting Standards as notified by the Central Government of India under the Companies (Accounting Standards) Rules, 2006 and in the preparation of the financial statements, the Company has not adopted treatment different from that prescribed in any of the Accounting Standards.

2. Details of Non- Compliance relating to the Capital Markets

There has not been any non-compliance by the Company and no penalties or strictures have been imposed by SEBI or Exchange or any Statutory Authority on any matter relating to Capital Markets during the last three years.

3. Risk Management

The Company has laid down procedures to inform the Board Members about the Risk Assessment and Minimization Procedures. The Board periodically discusses the significant business risks identified by the management and the mitigation processes being taken up by them.

4. Subsidiary Company

The Company does not have any material listed Indian Subsidiary Company.

5. Compliance with the Governance Framework

The Company is in compliance with all mandatory requirements of Clause 49 of the Listing Agreement. In addition, the Company has also adopted the non-mandatory requirements of Listing Agreement i.e. constitution of the Remuneration Committee and establishing of Whistle Blower mechanism.

6. Disclosures by the Management.

The Management of the Company has made disclosures to the Board relating to all the material, financial and commercial transactions stating that they did not have personal interest that could result in a conflict of interest of the Company at large.

7. Code of Conduct.

The Company has adopted the code of conduct and ethics for Directors and Senior Management. The code has been circulated to all the members of the Board and senior Management. The Board members and senior management have affirmed their compliance with the code

● Shareholders Information

I) Information about last three Annual General Meetings:

Year	Date	Time	Place
2011-12	27 th September, 2012	9.00 a.m.	Office No. 209, 2 nd Floor, Kapadia Chambers, 599 J.S.S. Road, Marine Lines (East), Mumbai- 400002
2010-11	30 th September, 2011	9.00 a.m.	#505, Midas Chambers, Off Link Road, Andheri- West. Mumbai-400053.
2009-10	31 st December, 2010	9.30 a.m.	#505, Midas Chambers, Off Link Road, Andheri- West. Mumbai-400053.

II) Postal Ballot:

Your Company did not conduct any Postal Ballot Business during the year under review.

Further none of the Businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through postal ballot.

III) Means of Communication:

In compliance with the requirements of the Listing Agreement, the Company regularly intimates financial results to BSE Limited immediately after they are approved by the Board of Directors. The financial results of the Company are also available on the website viz., www.bseindia.com.

The quarterly and half yearly Un-audited Financial Results are published in national and regional newspapers such as “**Free Press Journal**” (English newspapers) and “**Navshakti**” (Marathi newspaper), having wide circulation.

Since the results of the Company are published in national and regional newspapers, the results are not sent individually to each and every shareholder of the Company.

Hard copies of the said disclosures and correspondences are also filed with the Bombay Stock Exchange (BSE) Limited.

● Other Relevant Information for Shareholders:

<u>ANNUAL GENERAL MEETING</u>		
Date :	30 th September, 2013.	
Time :	9:00 a.m.	
Place :	D-604, 6 th Floor, Crystal Plaza Premises Co-operative Society Limited, Opp. Infinity Mall, New Link Road, Andheri (West), Mumbai- 400053.	
Financial Calender	Adoption of Quarterly Results for the Quarter ending	Tentative date of the Meeting of the Board of Directors
	June 30, 2013	On or before 14.08.2013
	September 30, 2013	On or before 14.11.2013
	December 31, 2013	On or before 14.02.2014
	March 31, 2013	Within 60days from the quarter.
Book Closure Dates	Wednesday, 25 th Sept. 2013 to Friday, 27 th Sept. 2013 (both days inclusive).	

Listing on Stock Exchange	The Bombay Stock Exchange (BSE) Limited Add:-Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	
Scrip Code and ISIN	The Bombay Stock Exchange: 512149 ISIN No for Dematerialization of Shares: INE758A01049	
Registrar and Share Transfer Agent	Purva Shareregistry India Private Limited Add:-UnitNo. 9, Shiv Shakti Industrial Estate, Ground Floor, J. R. BorichaMarg, Opp. Kasturba Hospital, Lower Parel, Mumbai- 400011.	
Share Transfer System	The Company's Equity Shares are admitted with the Depository System of National Security Depository Limited (NSDL) and Central Depository (India) Limited (CDSL), as an eligible Security under the Depository Act, 1956 as such, facilities for dematerialization of the Company's Equity. Shares are available vide ISIN No.: INE758A01049 at both the Depositories.	
Dematerialization of Shares and liquidity	Particulars	Shares
	CDSL	255165451
	NSDL	291517949
	Physical	93704100
	Total	640387500
Payment of Listing Fees	The Listing Fees for Financial Year 2012-2013 has already been paid to the Stock Exchanges.	
Address for Correspondence	Avance Technologies Limited D-604, Crystal Plaza Premises Co-Operative Society Limited, Opp. Infinity Mall, Link Road, Andheri(West), Mumbai- 400053	

Market price data and performance of **Avance Technologies Limited** on Bombay Stock Exchange Limited during each month of Financial Year 2012-13.

Month	Bombay Stock Exchange Limited	
	High	Low
April- 2012	0.40	0.24
May- 2012	0.46	0.24
June- 2012	0.25	0.16
July- 2012	0.27	0.19
August- 2012	0.24	0.15
September- 2012	0.19	0.14
October- 2012	0.18	0.16
November- 2012	0.19	0.15
December- 2012	0.19	0.15
January- 2013	0.28	0.19
February- 2013	0.31	0.16
March- 2013	0.19	0.13

Distribution of Shareholding as on 31st March, 2013

Sr. No.	Range	No. of shares held	Percentage to paid up capital	Total Amount	Percentage to total amount
1	Upto -5000	8292	57.68	16830134	2.63
2	5001-10000	1670	11.62	14406317	2.25
3	10001-20000	1187	8.26	18662432	2.91
4	20001-30000	759	5.28	19662364	3.07
5	30001-40000	321	2.23	11697052	1.83
6	40001-50000	449	3.12	21841310	3.41
7	50001-100000	865	6.02	71007876	11.09
8	100001 and above	832	5.79	466280015	72.81
	TOTAL	14375	100.00	640387500	100.00

Shareholding Pattern as on 31st March, 2013

Category of Shareholder	No. of Shares	% of Shareholding
(A) Shareholding of Promoter Group		
(1) Indian		
Any Others (Specify)		
Director/ Promoters and their relatives	3940266	0.62
(2) Foreign	-	-
Sub Total (A)	3940266	0.62
(B) Public Shareholding	-	-
(1) Institutions	-	-
Financial Institution/ Banks	45000	0.01
(2) Non-Institutions		
Bodies Corporate	197659789	30.87
Individuals		
Individual shareholders holding nominal share capital up to Rs. 1 lakh	156444399	24.43
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	251950058	39.34
Any Others (Specify)		
Clearing Members	311177	0.05
Non Resident Indians	4564160	0.71
Hindu Undivided Family	25467651	3.98
Trust	5000	0.00
Sub Total (B)	636447234	99.38
Total (A)+(B)	640387500	100.00
(C) Shares held by Custodians and against which DRs have been issued		
(1) Promoter and Promoter Group	-	-
(2) Public	-	-
Sub Total(C)	-	-
Total (A)+(B)+(C)	640387500	100.00

● **Adoption of non- mandatory clauses of the Listing Agreement:**

I) **Remuneration Committee**

The Company has constituted a non- mandatory committee under the name of “remuneration Committee in order to recommend the remuneration packages for executive and non- executive directors. The detailed discussion for the same has already been provided under the section of Committees for your reference.

II) **Whistle Blower Policy**

The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with Clause 49 of the Listing Agreement with the Stock Exchange, for employees to report concerns about unethical behavior. No person has been denied access to the Audit Committee.

**By Order of the Board of Directors
For Avance Technologies Limited**

Sd/-

Director

Date: 04.09.2013

Place: Mumbai

CERTIFICATION ON FINANCIAL STATEMENTS

I, the undersigned, in my respective capacity as an Executive Director of Avance Technologies Limited (“the Company”), to the best of my knowledge and belief certify that:

- (a) I have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended 31st March, 2013 and based on my knowledge and belief, I state that:
- (i) These statements do not contain any materially untrue statement or omit any material fact contain any statements that might be misleading.
- (ii) These statements together present a true and fair view of the Company’s affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) I accept the responsibility for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which the Board is aware and the steps have been taken or propose to take to rectify these deficiencies.
- (c) I have indicated, based on my most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
- (i) Significant changes, if any, in the internal control over financial reporting during the year;
- (ii) Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
- (iii) Instances of significant fraud of which the Board become aware and the involvement therein, if any, of the management or an employee having significant role in the Company’s internal control system over financial reporting.

**By Order of the Board of Directors
For Avance Technologies Limited**

Date : 04.09.2013

Place: Mumbai

Sd/-

Executive Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

I have examined the compliance of the conditions of Corporate Governance by **Avance Technologies Limited** ("the Company") for the year ended 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges in India. The Compliance of conditions of Corporate Governance is the responsibility of the Company's management.

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

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **RAMESH BATHAM AND CO.**

Chartered Accountants

sd/-

Ramesh Batham

Proprietor

Date: 4th September, 2013

Place: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Forward looking statements:

This report contains forward-looking statements which address expectations or projections about the future, including, but not limited to, statements about the company's strategy for growth, product development, market position, expenditure and financial results. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

Economy and industry overview:

Indian IT sector is one of the fastest growing sectors in India.

Today IT and ITeS sectors lead the economic growth in terms of employment, export promotion, revenue generation and standards of living. As per NASSCOM estimates, IT/ITeS sector (excluding hardware) revenues were estimated at USD 87.6 billion in FY 2011-12; and the industry was expected to grow by 19 per cent during FY 2012-13. Nasscom has forecasted a 12-14 percent growth in the Indian IT industry during 2013-14 against 10.2 percent in previous year.

In the year just ended, IT exports were estimated at \$76 billion while domestic sales were \$32 billion. Of the \$32 billion, 12 percent were hardware and the remaining were software and services. The total IT revenues during the year were \$108 billion.

Over the past two decades, India has risen to become the leading destination for global sourcing of IT, BPO and research and development services. Established Indian IT services companies have a proven track record for providing business and technology solutions.

India is forecast to be the world's fastest growing IT market over the next few years, with its share of the global software market growing threefold by 2015. Increasing IT penetration across small and medium businesses (SMBs) and the government/public sector are likely to be

the key drivers of this growth. Estimated SMB share of domestic IT spending is forecast to grow from 38 per cent, currently, to over 50 per cent by 2015.

● **Hardware Industry:**

According to the NASSCOM Strategic Review Report 2013, the hardware market in India accounted for 40% of the domestic IT industry, with anticipated growth of 1.4% in fiscal 2013. The key components of the hardware industry are servers, desktops and laptops, storage devices, peripherals and networking equipment. Increased use of computing devices in education and consistent demand from enterprises are key factors driving the continued growth of this market. Additionally, the Government of India is promoting initiatives to provide low cost affordable computing, which is expected to also fuel growth. Increased adoption of virtualization and cloud computing technologies, large-scale digitization and the increased importance of big data or analytics have also contributed to growth in the server and storage markets. Demand for networking equipment is increasing as businesses invest in expanding and upgrading their infrastructure, and as penetration of mobile devices, teleconferencing and voice over internet protocol (“VOIP”) increases.

● **Software Industry:**

The Indian IT industry has been primarily identified with software services and this focus has relegated the software products segment to the background. A number of software product firms have grown over the last decade from a little over 100 in the year 2000 to nearly 2,400 in 2013.

According to the industry body NASSCOM, the revenue from the software product segment currently stands at \$2.2 billion and is expected to reach \$10 billion by 2020."The domestic market is also witnessing increasing technology adoption in the government sector and the small and medium enterprise (SME) sector for efficient and faster delivery of services and products.

"Software exports are expected to grow 11 percent this fiscal to \$77 billion despite currency volatility from \$69 billion in 2011-12, according Nasscom.

● **Mobile Value Added Services (MVAS):**

Your Company also operates in Mobile Value Added Services (MVAS). M- VAS as is commonly called refer to the enhanced services that add value to the core services of standard voice calls, voice/non-voice messages, fax transmission, and data transmission provided by the Mobile companies. VAS industry is moving towards a model which is based on customer experience and usage rather than subscriber led model.

(MVAS) market in India has recently witnessed an impressive growth contributed to operators' revenue. The key growth drivers would be the increasing demand for interactive communication among end users. The increased mobile data usage proliferation in India has led to the greater need for mobile data management. Increased smartphones adoption and growing mobile internet penetration have led operators to increase the value added services they offer to their subscribers. New Value added services focused on 3G and 4G is likely to result in additional revenue stream in VAS providers.

According to a joint report by Wipro Technologies, the global IT consulting and outsourcing arm of Wipro Ltd, and Internet and Mobile Association of India (IAMAI), Indian MVAS market will grow at a CAGR of 25% between 2012 and 2015 to reach US \$9.5 billion in 2015, from an estimated US \$4.9 billion in 2012.

● **Financial Overview:**

The Year 2012-13 was a challenging year for us as we faced with many simultaneous adverse changes in the external environment. We had not seen challenges of this magnitude in the recent past. These challenges impacted the financial performance of the company in the year.

The total revenue from operation of the Company for the Financial Year 2012-13 was Rs. 1,285,195,598 as against Rs. 1,663,217,541 in Financial Year 2011-12. The Company has recorded a net loss (after tax) of Rs. (4,537,754) during the year under review as compared to a loss (after tax) of Rs. (11,377,660) in Financial Year 2011-12. The reduction in revenue, is mainly due to our effort to realign the company and its product portfolio. Our product and service offering needs continued investment to bring cutting edge innovative solutions and grow into an integrated IT Product and Services Company. However, the Company was in a position to reduce its Net Loss after tax for the financial year 2012-13 as compared to previous year.

● **Strategy:**

The changing market dynamic requires that we design our organization for Growth. The Company's strategy for long-term profitable growth is based on continuously scaling its core IT services business, while investing in new customers, services, markets and industries.

● **Opportunities And Threats:**

With many developments in the economy and severe competition amongst the companies, the prime opportunity lies in meeting the customers' expectations in terms of high quality, prompt response in time, services & performance and the same opportunities were regularly grabbed by your Company. The threats faced by the Company include competitive risks and technology obsolescence risks.

● **Future Outlook:**

IT industry is one of the fastest growing industries among whole world. Indian IT industry has placed itself in the third position due to domestic as well as international market demand. From the last decade India has become one of the most important offshore destinations amongst the Asia-Pacific region.

The market size of the industry is expected to rise to USD 225 billion by 2020 considering India's competitive position, growing demand for exports, Government policy support, and increasing global footprint.

Improved IT infrastructure, increased competition among corporate and enhanced government focus has aided in greater technology adoption in India and making IT services as fastest growing segment in the domestic market.

The quality of IT infrastructure in the country has improved with enhanced Internet connectivity and introduction of 3G services which in turn has driven the growth of BPO segment. Growing usage of mobility devices, notebook and connectivity devices are expected to contribute to the hardware market growth. Further domestic software segment is also set to rise with advanced applications such as cloud, mobility etc.

● **Risks:**

IT Products revenues are impacted by seasonal changes that affect purchasing patterns among our consumers of desktops, notebooks, servers, communication devices and other products.

The IT products market is a dynamic and highly competitive market. In the marketplace, we compete with both international and local providers. We are witnessing pricing pressures due to commoditization of manufactured products business and higher focus on Indian markets by leading global companies.

Nonetheless, we are favorably positioned due to our quality leadership, expertise in target markets and our ability to create client loyalty by delivering value to the customer.

The components of risk management are defined by various factors including the business model, business strategy, organizational structure, risk appetite and available dedicated resources.

● **Internal Control Systems And Their Adequacy:**

Your Company has put in place adequate systems of internal control which determine the efficiency of its operations, strengthens financial reporting and ensures compliance with applicable laws and regulations.

The internal control systems are supplemented by extensive audits conducted by internal auditors. Moreover, regular internal audit and checks ensure that responsibilities are executed effectively across the organization. The Audit Committee of the Board of Director reviews the adequacy and effectiveness of the internal control systems and also suggests improvements for strengthening the same.

● **Human Resource Development:**

In today's competitive world, we believe that our success is contingent on our ability to attract and retain the best talent the industry has to offer.

We continued training & development initiatives to develop a robust policies and processes and engendered two way communication flow. We nurture an invigorating positive work culture by smart hiring integrated with learning environment and inspirational leadership.

Hence, we invest in our intellectual resources and consciously put efforts to build the best-inclass talent pool who shares our commitment and values with extensive blended learning opportunities for career development and growth.

● **A Word of Appreciation:**

We could not have weathered the challenging economic environment and survived the competitive business environment to move forward with renewed vigor without the contribution, commitment and support of our management team and staff, business associates and shareholders and Government organizations.

We appreciate your continued support, and steadfast belief in our mission and vision.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

OF AVANCE TECHNOLOGIES LIMITED

To,
The Shareholders of
AVANCE TECHNOLOGIES LIMITED.

Report on the Financial Statements

We have audited the accompanying financial statement of **AVANCE TECHNOLOGIES LIMITED** (“the Company”) which comprise of Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Management is responsible for the preparation of these financial statements that give a true and fair view of financial position, financial performance and cash flows of the company in according with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Company Act, 1956 (“the Act”). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accounts of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control

relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements gives the information required by the Act in the manner so required and give a true and fair view in conformity with the according 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 2013;
- (ii) In the case of the Statement of Profit and Loss, 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. As required by Section 227 (3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;

- d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement Comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956; and
- e. On the basis of written representations received from the directors as on 31st March 2013, and taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For Ramesh Batham & Co.

Chartered Accountants

Firm.Reg.No.123638W

Sd/-

(Ramesh Batham)

Proprietor

Place: Mumbai,

M. No: 114178

Date: 29th May, 2013

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under the headings of "Report on Other Legal and Regulatory Requirements" of our report of even date.

(i) FIXED ASSETS

- (a) The Company is generally maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) Assets have been physically verified by the management during the year. According to the information and explanations given to us, there is regular programme of verification which, in our opinion is reasonable having regards to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company has not disposed off substantial part of its fixed assets during the year.

(ii) **INVENTORIES**

- (a) Inventories have been physically verified during the year by the management at reasonable intervals.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of Inventories and no material discrepancy noticed on physical verification.

(iii) **LOANS AND ADVANCES**

The Company has neither taken nor granted any loans or advances in nature of loans to parties covered under register maintained under section 301 of the Companies Act, 1956.

(iv) **INTERNAL CONTROL**

There are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control except as stated above.

(v) **TRANSACTIONS WITH RELATED PARTIES AS PER REGISTER OF CONTRACTS UNDER SECTION 301 OF THE COMPANIES ACT, 1956**

- (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanation given to us, there is one transaction made with related parties in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 aggregating the value of rupees five lakhs or more in respect of any party during the year.

(vi) DEPOSITS FROM PUBLIC

The Company has not accepted deposits from the public to which the provisions of Section 58A and 58AA of the companies (Acceptance of deposit) Rules; 1975 apply.

(vii) INTERNAL AUDIT SYSTEM

The Company has an internal audit system commensurate with size and nature of its business.

(viii) COST RECORDS

As informed to us, the Company is not required to maintain cost records under section 209 (1) (d) of the Companies Act, 1956.

(ix) STATUTORY DUES

- (a) No undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty and cess were in arrears, as at the balance sheet date for a period of more than six months from the date they became payable except Income Tax for A.Y.2002-2003, Rs.20000/- A.Y. 2003-2004, Rs.100083/-
- (b) According to the information and explanation given to us details of disputed Income tax which have not been deposited as on 31st March, 2013 on account of any dispute are given below. Otherwise there are no disputed Liabilities on account of Sales Tax, Custom Duty, Wealth Tax, Service Tax, Excise duty and Cess as on 31st March, 2013.

Name of Statute	Nature of Disputes	Amount Rs.	Period for Which Amount Related	Forum Where Dispute is Pending
Income Tax	U/s 143 (3) r.w.s. 147 of u/s 154	1,73,27,357/-	A.Y.2001-02	I.T.Appellate Tribunal
Income Tax	U/s 271(1)(c)	47,56,416/-	A.Y.2002-03	I.T.Appellate Tribunal
Income Tax	U/s 154	1,94,905/-	A.Y.2002-03	ITO Appeal effect

(x) SICK INDUSTRY

The Company has accumulated losses of Rs.1,16,63,860/- as at March 31`2013 and has incurred cash losses Rs.40,00,515/- during the financial year 2012-2013 covered by the audit further, the company has cash loss Rs.1,06,47,434/-in the immediately preceding financial year.

(xi) DUES TO FINANCIAL INSTITUTIONS

The Company has not taken any financial facilities from any financial institute, bank or debenture holder during the year.

(xii) SECURED LOANS AND ADVANCES GRANTED

In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) CHIT FUND, NIDHI OR MUTUAL BENEFIT COMPANY

In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of Clause 4 (xiii) of the Companies (Auditor Report) Order, 2003 are not applicable to the Company.

(xiv) INVESTMENT COMPANY

The Company has maintained proper records of transactions and contracts in respect of investments in shares, debentures and other securities and those timely entries have been made therein. The shares, debentures and other securities have been held by the Company in its own name except to the exemption granted under Section 49(4) of the Companies Act, 1956.

(xv) GUARANTEES GIVEN BY COMPANY

The Company has not given any guarantees for loans taken by other from banks or financial institutions. There is no guarantee given by the Company to third party.

(xvi) TERM LOANS

In our opinion and according to the information and explanation given to us, the Company has not taken any term loan during the year, hence no question of reporting arise to that extent.

(xvii) SOURCE OF FUNDS AND ITS APPLICATION

According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

(xviii) PUBLIC ISSUE/PREFERENTIAL ISSUE/DEBENTURES

The Company has not made any preferential allotment of shares to parties and companies covered in the registered maintained u/s 301 of the Act during the year.

(xix) The Company has not issued any debentures during the year and does not have any debentures outstanding as at beginning of the year and year end.

(xx) The Company has not raised any money by public issue during the year.

(xxi) FRAUD

Based upon our audit procedures performed and on the information and explanations given by the management we are of the opinion that no fraud on or by the Company has been noticed or reported during the course of our audit.

For Ramesh Batham & Co.

Chartered Accountants

Firm.Reg.No.123638W

Sd/-

(Ramesh Batham)

Proprietor

M. No: 114178

Place: Mumbai,

Date: 29th May, 2013

BALANCE SHEET AS AT 31ST MARCH, 2013

(Amount in Rupees)

Particulars	Note No.		Figures as at the end of current reporting period		Figures as at the end of previous reporting period
			2013		2012
<u>I. EQUITY AND LIABILITIES</u>					
(1) Shareholder's Funds					
(a) Share Capital					
(i) Equity Share Capital	1.1	640,387,500		640,387,500	
(ii) Equity Share Warrants	1.2	-		279,040,000	
(b) Reserves and Surplus	2	1,267,376,140	1,907,763,640	992,873,894	1,912,301,394
(2) Share application money					
(3) Non-Current Liabilities					
(a) Deferred tax liabilities (Net)					
(a) Deferred tax liabilities (Net)	3	5,83,998		776,985	
(b) Other Long term liabilities	4	325,000	908,998	1,250,000	2,026,985
(4) Current Liabilities					
(a) Short-term borrowings					
(a) Short-term borrowings	5	87,721,715		86,221,715	
(b) Trade payables	6	1,284,777,563		685,513,233	
(c) Other current liabilities	7	446,323,318		377,044,443	
(d) Short-term provisions	8	1,427,996	1,820,250,563	3,140,610	1151920001
Total Equity & Liabilities			5720968201		5057208380
<u>II. ASSETS</u>					
(1) Non-current assets					
(a) Fixed assets					
(i) Tangible assets	9	1,904,026		2,634,252	
(b) Non- Current Investments	10	1,668,333,146		1,053,899,577	
(c) Long Term Loan and Advances	11	2,833,994,162		1,800,022,752	
(d) Other Non- Current Assets	12	12,630	4,504,243,964	37,892	2,856,594,473

(2) Current Assets					
(a) Current Investments	13	152,220,820		639,782,000	
(b) Inventories	14	181,320,685		177,494,290	
(c) Trade receivables	15	876,899,278		1,367,136,343	
(d) Cash and Cash Equivalents	16	4,849,433		14,540,951	
(e) Short Term Loans and Advances	17	-		41,000	
(f) Other Current Assets	18	1,434,020	1,216,724,236	1,619,323	2,200,613,908
Total Assets			5,720,968,201		5,057,208,380

This is the Balance Sheet referred to in our Report of even date

For			
Ramesh Batham and Co.			For and on Behalf of the Board of Directors
Firm Reg. No:- 123638W			
Chartered Accountants			
Sd/-			Sd/-
Ramesh Batham			(Director)
			Sd/-
			(Director)
Membership .No.114178			
(Proprietor)			
Place : Mumbai			
Date : 29.05.2013			

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013.

Particulars	Note No.	Figures as at the end of current reporting period		Figures as at the end of previous reporting period	
		31.03.2013		31.03.2012	
REVENUE FROM OPERATIONS					
I. Revenue from Sales	19		1,279,744,989		1,558,104,828
II. Other Revenue Income	20		5,450,609		105,112,713
Total Revenue from Operations			1,285,195,598		1,663,217,541
III. EXPENSES					
Cost of materials			-		-
Purchase of Stock-in-Trade	21		1,289,316,950		1,558,750,980
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22		(3,826,395)		3,269,157
Employee benefit expense	23		1,001,555		1,135,473
Financial costs	24		10,911		3,566,941
Depreciation and amortization expense	25		730,226		730,226
Other expenses	26		2,693,092		107,303,349
Total Expenses			1,289,926,339		1,674,756,126
IV. Profit before exceptional and extraordinary items and tax			(4,730,741)		(11,538,585)
V. Profit before tax			(4,730,741)		(11,538,585)
VI. Tax Expense					
Deferred Tax	27		(192,987)		(160,925)
VII. Profit/(Loss) for the period			(4,537,754)		(11,377,660)
VIII. Earning per equity share					
Earning per equity share:					
(1) Basic			(0.007)		(0.018)
(2) Diluted			(0.007)		(0.018)

This is the Statement of Profit & Loss Balance referred to in our Report of even date

For

Ramesh Batham and Co.

Firm Reg. No:- 123638W

Chartered Accountants

Sd/-

Ramesh Batham

Membership .No.114178

(Proprietor)

Place : Mumbai

Date : 29.05.2013

For and on Behalf of the Board of Directors

Sd/-

(Director)

Sd/-

(Director)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(Amount in Rupees)

Particulars	31.03. 13 Rs.	31.03. 12 Rs.
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit before tax and Extraordinary Items	(4,537,754)	(11,377,660)
Adjustments for :		
Deferred revenue expenses	25,262	25,262
Depreciation	730,226	730,226
Operating Profit before working capital changes A	(3,782,266)	(10,622,172)
Adjustments for :		
Loans & Advances	(1,033,971,410)	(1,538,610,610)
Current Liabilities	(668,330,562)	(55,381,443)
Sundry Debtors	490,237,065	(635,016,640)
Inventories	(3,826,395)	3,269,157
Change in Working Capital B	(1,215,891,301)	(2,225,739,536)
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Sales / (Purchase) of Investment	(126,872,389)	429,187,446
Sales / (Purchase) of Fixed Assets	-	-
NET CASH FROM INVESTING ACTIVITIES C	(126,872,389)	429,187,446
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
Share Allotment + Premium + Share Application Money	(279,040,000)	279,040,000
Application money Pending Allotment	1,085,000	1,353,110,000
Secured Loan received / (Repaid)	173,943,430	86,448,679
Unsecured Loan received / (Repaid)	-	-
NET CASH FROM FINANCING ACTIVITIES D	(104,011,570)	1,718,598,679
Net Increase in Cash & Cash Equivalent C + (D + B + A)	(1,450,557,526)	(88,575,583)

Opening Cash & Cash Equivalent	14,540,951	103,116,534
Closing Cash & Cash Equivalent	4,849,433	14,540,951

This is the Cash Flow referred to in our report of even date.

For

Ramesh Batham and Co. **For and on Behalf of the Board of Directors**

Firm Reg. No:- 123638W

Chartered Accountants Sd/- Sd/-

Sd/- (Director) (Director)

Ramesh Batham

Membership .No.114178

(Proprietor)

Place : Mumbai

Date : 29.05.2013

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

Note : 1 Share Capital

(Amount in Rupees)

Sr. No	Particulars	(Rs.) As at 31.03.2013	(Rs.) As at 31.03.2012
	<u>AUTHORIZED SHARE CAPITAL</u>		
	100,00,00,000 Equity Shares of Re. 1/- each	1,000,000,000	1,000,000,000
	Total	1,000,000,000	1,000,000,000

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1.	<u>ISSUED, SUBSCRIBED AND PAID UP</u>		
	640387500 (31 March 2012: 640387500) Equity shares of Re 1/- each fully paid up	640,387,500	640,387,500
	Total	640,387,500	640,387,500

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1.2	<u>EQUITY WARRANTS</u>		
	i. At the beginning of the period	279040000	-
	ii. 128,000,000 Equity Warrants of Rs. 8.70/- each partly paid Rs.2.18/- per CEW.	-	279040000
	iii. Amount Forfeited at Rs. 2.18/- per CEW as term of issue of warrants	(279040000)	-
	Total	-	279,040,000

DISCLOSURES

1. Reconciliation of the shares outstanding

I). Equity shares

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
		Numbers	Numbers
i	At the beginning of the period	640,387,500	640,387,500
		-	-
	Outstanding at the end of the period	640,387,500	640,387,500

II). Equity Warrants

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
		Numbers	Numbers
i	At the beginning of the Period	128,000,000	-
ii	Warrants Lapsed	(128,000,000)	128,000,000
	Outstanding at the end of the period	-	128,000,000

2. Issued and Paid- Up Capital includes 192,310,000 No. of shares issued as bonus shares in previous five years.

3. Convertible Equity Warrants Issue under option:

During the year, the Company has forfeited Rs. 279040000 in compliance with the SEBI Guidelines of ICDR, 2009, where an amount of 25% as received in term of application money should be forfeited. As per terms and condition of issue of convertible equity warrants, the said amount should be transferred to Reserves and Surplus.

4. Terms/Rights attached to equity shares and Convertible Equity Warrants:

- i. The Company has only one class of share capital, i.e. equity shares having face value of Re.1 per share. Each holder of equity share is entitled to one vote per share. The equity shareholders are entitled to receive dividends as and when declared.
- ii. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.
- iii. The Warrants holder will be entitled to convert each warrant held by them into One Equity Share, at any time after the date of allotment but on or before the expiry of 18 months from the date of allotment, in one or more tranches.
- iv. The Warrant holder(s) shall, on/before the date of allotment of Warrants, pay an amount equivalent to at least 25% of the total consideration per warrant.
- v. The Warrant(s) are transferable, however, a transfer shall be considered valid only if the same has been registered with the Company and shall be subject to provision of all applicable SEBI Guidelines viz. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 etc.
- vi. The warrants outstanding at the expiry of the Warrants exercise period shall expire and the 25% of the total consideration per warrants shall stand forfeited.
- vii. The Warrant Holder shall be entitled to any future Bonus issue(s) of Equity Shares or any other security (ies), in the same proportion and manner as any other shareholder of the company. This entitlement is however subject to the exercise of the option by the warrant holder(s) to convert the warrants into Equity shares within the time limit specified in (iii) above .
- viii. The number of Warrants and the price per warrant shall be appropriately adjusted, subject to the companies Act, 1956 and SEBI Guidelines, for other corporate actions such as , stock split, consolidation, demerger and transfer of undertaking , sale of a division or any such capital or corporate restructuring .
- ix. The Equity Shares so issued in lieu of the Warrants shall rank pari- passu in all respects with the existing Equity Shares of the Company.
- x. The Equity Shares so issued upon conversion of the Warrants shall be subject to the relevant lock-in requirements as mentioned under chapter VII of the SEBI (ICDR) Regulations, 2009.

xi. Shareholders holding more than 5% of equity shares as at the end of the year:

Name of the shareholders	As at 31-03-2013		As at 31-03-2012	
	No. of Shares	Shareholding %	No. of Shares	Shareholding %
Nil	Nil	Nil	Nil	Nil

Note: 2 Reserves and Surplus

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
A.	Security premium account		
	Balance at beginning of the year	1,000,000,000	1,000,000,000
	Less: Capitalization for issue of Bonus Shares	-	-
	Balance at the end of the year	1,000,000,000	1,000,000,000
B	Forfeiture Reserve		
	Balance as per Last Financial Statements	-	-
	Add: Forfeiture during the year (See Disclosure Note)	(279040000)	-
	Closing Balance	279040000	-
C	Surplus-Balance in statement of Profit and Loss		
	Balance at beginning of the year	(7126106)	4251554
	Less: Current year loss	(4537754)	(11377660)
	Balance at the end of the year	(11663860)	(7126106)
	Total Reserves and Surplus (A+B+C)	1267376140	992873894

Note: 3: Deferred Tax Liability (Net)

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Deferred Tax Liability	583,998	776,985
	Total	583,988	776,985

Note: 4 Non Current Liabilities- Long Term Borrowings

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Excess Application Money Received from issue of Convertible Equity Warrants.	325,000	1,250,000
	Total	325,000	1,250,000

Note: 5 Short Term Borrowings

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Directors Current A/c	20,250,000	20,250,000
	Advance from Clients	67,471,715	65,971,715
	Total	87,721,715	86,221,715

Note: 6 Trade Payable

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Trade Creditors	1,284,777,563	685,513,233
	Total	1,284,777,563	685,513,233

The Company has not received any memorandum (as required to be filed by the Supplier with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31st March 2012 as Micro, Small or Medium Enterprises. Consequently the amount paid / payable to these parties during the year is NIL.

Note: 7 Other Current Liabilities

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Advance from Others	446,323,318	377,044,443
	Total	446,323,318	377,044,443

Note: 8 Short Term Provisions

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Provision for Expenses*	-	114,879
	Statutory Provisions	1,427,966	3,025,731
	Total	1,427,966	3,140,610

*The provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.

Name of Asset	Gross Block				Depreciation				Net Block	
	As at 01.04.12	Additions	Deletions	As at 31.03.13	As at 01.04.12	For the Year	Deletions	As at 31.03.13	At as 31.03.13	At as 31.03.12
TANGIBLE ASSETS										
Air- Conditioners	90,000	-	-	90,000	54,990	4,275	-	59,265	30,735	35,010
Office Equipments	51,397	-	-	51,397	21,363	2,441	-	23,804	27,593	30,034
Kodak Camera	505,378	-	-	505,378	-	-	-	-	505,378	505,378
Lamination Machine	27,650	-	-	27,650	-	-	-	-	27,650	27,650
Furniture and Fixtures	1,221,601	-	-	1,221,601	1,221,601	-	-	1,221,601	-	-
Vehicles	373,283	-	-	373,283	322,947	35,462	-	358,409	14,874	50,336
Computer System	31,524,711	-	-	31,524,711	29,830,806	688,048	-	30,518,854	1,005,857	1,693,905
Computer Equipments	2,91,939	-	-	291,939	-	-	-	-	291,939	291,939
Total (Current Year)	34,085,959	-	-	34,085,959	31,451,707	730,226	-	32,181,933	1,904,026	2,634,252
(Previous Year)	34,085,959	-	-	34,085,959	30,721,481	730,226	-	31,451,707	2,634,252	3,364,478

Note 10 Non Current Investments

Sr. No	Particulars		As at 31.03.2013		As at 31.03.2012
(a)	Investment in Shares- Quoted				
	-G- Tech Info- Training Ltd. 95500 Shares (Previous: 95500)	675,798		675,798	
	-Interworld Digital Digital Ltd. 76300 Shares (Previous : 76300)	223,461		223,461	
	Allied Computers Int. (Asia) Ltd. 4450000 Shares (Previous : 4450000)	41,650,389		44,500,000	
	Emporis Project Limited 388124000 Shares (Previous: 2148100)	388,124,000	430,673,648	236,291,000	281,690,259
	Investment in Shares- Un-Quoted.		230,310,180		72,500,000
	Equity Shares- Application Money (Un-Quoted)		972,644,318		665,004,318
	Investment in Pref Shares- Un- Quoted		34,705,000		34,705,000
			1,668,333,146		1,053,899,577

Note: 11 Long Term Loans and Advances

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Loans & Advances	67,986,943	35,011,752
	Trade Advances	2,100,827,159	1,765,011,000
	Receivable- Others	665,180,060	
	Total	2,833,994,162	1,800,022,752

Note: 12 Other Non- Current Assets

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Preliminary Expenses (to the extent not written off)	12,630	37,892
	Total	12,630	37,892

Note: 13 Current Investments

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Current Investment (Non-trade)		
	Investment in Shares - Quoted	-	151,833,000
	Investment in Shares - Un-Quoted	91,100,820	163,809,000
	Investment in Shares - Share Applied	61,120,000	324,140,000
	Total	152,220,820	639,782,000

Note: 14 Inventories

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Inventories (valued at lower of cost and net realizable value)		
	Stock- in- Trade	181,320,685	177,494,290
	Total	181,320,685	177,494,290

Note: 15 Trade Receivables

Sr. No	Particulars		As at 31.03.2013		As at 31.03.2012
	Over six months	19484186		183,469,572	
	Trade Receivable- Sales	857,415,092	876,899,278	518,854,781	702,324,353
	Sundry Debtor-Other				664,811,990
	Total		876,899,278		1,367,136,343

Note: 16 Cash and cash Equivalents

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Cash on Hand	3,301,976	598,229
	Bank balance with scheduled Banks	1,547,457	13,942,722
	Total	4,849,433	14,540,951

Note: 17 Short Term Loans and Advances

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Staff Advances	-	41,000
	Total	-	41,000

Note: 18 Other Current Assets

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Deposit with Black Horse Media & Ent. Pvt. Ltd.	200,000	-
	Prepaid Income Tax	723,711	1,619,323
	VAT Refundable	510,309	-
	Total	1,434,020	1,619,323

Note: 19 Revenue from Sales

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Income from Sales	1,279,744,989	1,558,104,828
	Total	1,279,744,989	1,558,104,828

Note: 20 Other Revenue Income

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Interest Received	4,952,887	2,579,119
	Other Income	102,468	40,997
	Profit on Sale of Investment	225,000	102,492,597
	Excess Provision written back	170,254	-
	Total	5,450,609	105,112,713

Note: 21 Purchase of Stock- in- Trade

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Cost of Trading Purchase	1,289,316,950	1,557,452,551
	VAT Expenses	-	1,298,429
	Total	1,289,316,950	1,558,750,980

Note: 22 Stock-in- Trade

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Opening Stock	177,494,290	180,763,447
	VAT Expenses	181,320,685	177,494,290
	Total	(3,826,395)	3,269,157

Note: 23 Employee Benefit Expenses

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Staff Expenses	75,683	85,809
	Salary Expenses	925,872	1,049,664
	Total	1,001,555	1,135,473

Note: 24 Financial Cost

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Bank Charges	10,911	14,553
	Bank Interest	-	3,552,388
	Total	10,911	3,566,941

Note: 25 Depreciation and Amortization Expenses

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Depreciation	730,226	730,226
	Total	730,226	730,226

Note: 26 Other Expenses

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Legal Advertisement Expenses	42,572	47,458
	Auditor's Remuneration	26,500	25,000
	Communication Expenses	3,940	8,423
	Conveyance Expenses	8,841	34,797
	Electricity Expenses	-	8,050
	Interest on Late Payment	-	13,923
	Listing & ROC Fees	2,52,690	312,313
	Office Expenses	21,303	9,580
	Printing & Stationery	5,452	4,581
	Professional Fee and Legal Fees	34,423	169,320
	Loss on Sales of Investment	1,816,767	105,946,678
	Rates and Taxes	86,302	20,060
	Repairs & Maintenance - Others	1,220	15,861
	Sundry Balance Written Off	1,06,440	462,799
	Preliminary Expenses Written Off.	25,262	25,262
	Travelling and Conveyance Expenses	-	4,776
	Shares Trading Expenses	3,761	148,196
	Courier & Postage Expenses	14,156	13,806
	VAT paid	-	32,466
	Office Rent	55,000	-
	Loss on Commodity Future	188,463	-
	Total	2,693,092	107,303,349

Note: 27 Deferred Tax

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Deferred Tax Provision	(192,987)	(160,925)
	Total	(192,987)	(160,925)

Notes to Accounts

28.1 Contingent Liabilities & Comments

a) Income Tax Liability Rs.22278678/- (Previous Year Rs.222,78,678/-). Company has filed appeals in Appellate Tribunals and expects the decision in favour of Company.

28.2 Quantity Details of Purchase, Turnover, and Stock (Trading)

Particulars	Current Year	Previous Year
	2012-13	2011-12
	Quantity	Quantity
	(Units)	(Units)
Stock of Software		
Opening Stock	10234	17548
Add : Purchase	107004	199523
Service Charges	-	-
Less : Sales	107698	206837
Closing Stock	9540	10234
Stock of Hardware		
Opening Stock	3539	3783
Add : Purchase	60000	30051
Less : Sales	60072	30295
Closing Stock	3467	3539
Grand Total	13007	13773

28.3 Related Party Transactions

a)Key Managerial Person

Bimal Pravinchandra Kamdar

Srikrishna Bhamidipati

Anand Choudhary

Randhir Marwa

Deepak Goyal

b) Transactions with related parties for the year ended are as follows:-

Particulars	Nature of Relationship	As At	As At
		31.03.2013	31.03.2012
Transaction /Nature of relationship			
Name of Related Party			
1) Purchases for Trading Iris Mediaworks Limited	Bimal Kamdar (Director)	366,754,784	340,276,139
2) Advances Iris Mediaworks Limited	Bimal Kamdar (Director)	29,100,000	29,100,000
3) Current Liabilities- Directors Current Accounts Deepak Goyal	Director	20,250,000	20,250,000

c) The balance receivable from and payable to related parties as at March, 2013 are as follows:-

1) **Amount Payable**

Deepak Goyal: Rs. 20,250,000

2) **Amount Receivable**

Iris Mediaworks Limited: Rs. 395,854,784

28.4 Auditors Remuneration

Sr. No	Particulars	As at	As at
		31.03.2013	31.03.2012
	Audit Fees	12,500	12,500
	Tax Audit Fees	10,000	10,000
	Other Services	4000	2,500
	Total	26,500	25,000

28.5 Earnings Per Share

Sr. No	Particulars	Current year	Previous year
	Net Profit for the year attributable to the Ordinary Shareholders	(4,537,754)	(11,377,660)
	Weighted average number of Equity Shares of Re 1/- each	640,387,500	640,387,500
	Basic and Diluted Earnings Per Share of Re. 1/- each	(0.007)	(0.018)

28.6 The previous year figures have been regrouped, rearranged wherever necessary.

STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013.

1. ACCOUNTING CONVENTION

- 1.1 Financial statements are prepared in accordance with generally accepted accounting principles including accounting standards in India under historical cost convention except so far as they relate to revaluation of certain land and buildings.
- 1.2 All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Revised Schedule VI to the companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has determined its operating cycle as twelve months for the purpose of current-non-current classification of assets and liabilities.
- 1.3 Use of estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of the financial statements, disclosure of contingent liabilities and reported amounts of revenues and expenses for the year. Estimates are based on historical experience, where applicable and other assumptions that management believes are reasonable under the circumstances, actual result could vary from estimates and any such differences are dealt with in the period in which the result are known/materialize.

2. FIXED ASSETS

Fixed assets are stated at cost of acquisition for assets installed and put to use less accumulated Depreciation.

3. INVESTMENTS

Investments are classified into Current investments and long-term investments. Current Investments are carried at lower of cost or market value and provision is made to recognize any decline in the carrying value. Long-term investments are carried at cost and provision is made to recognize any decline, other than temporary, in the value of such investment.

4 INVENTORY

Inventories are valued at cost or estimated net realizable value whichever is lower, computed on a FIFO basis, after providing for cost of obsolescence and other anticipate losses, wherever considered necessary. Finished goods and work in Progress include costs of conversion and other costs incurred in bringing the inventories to their present location and condition as certified by the management.

5 EXPENDITURE

Expenses are accounted on accrual basis and provision is made for all known losses and liabilities.

6 SEGMENT REPORTING

The Company has only one segment of activity of dealing in IT products during the period, hence segment wise reporting as defined in Accounting Standard-17 is not applicable.

7 In the opinion of board of directors, current assets, loans and advances, have at least the value as stated in the balance sheet, if realized in the ordinary course of the business.

8 There are no delays in payments to micro, small and medium enterprises as required to be disclosed under “The Micro, Small and Medium Enterprises Development Act.2006.”

9 REVENUE RECOGNITION

9.1 Revenue from sale of products is stated net off discounts and any applicable duties and taxes on dispatch of goods in accordance with terms of sales.

9.2 Other operating revenues comprise of income from ancillary activities incidental to the operation of the company and is recognized when the right to receive the income is established as per the terms.

10 RESEARCH AND DEVELOPMENT

Expenses incurred on research and developments are charges to revenue in the same year. Fixed assets purchased for research and development purpose are capitalized and depreciated as per Company’s policy.

11 RETIREMENT BENEFITS

In view of the number of employees being below the stipulated numbers, the Provident Fund, ESIC, Bonus and payment of Gratuity Act are not applicable to the company for the year.

12 TAXATION

Income-tax comprises current tax and deferred tax expense or credit.

σ Current tax

Provision for current tax is recognised in accordance with the provisions of the Indian Income Tax Act, 1961 and is made annually based on the tax liability after considering adjustment for tax allowances and exemptions.

σ Deferred tax

Deferred tax liability or asset is recognized for timing differences between the profits/losses offered for income taxes and profits/losses as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realized.

13 PROVISIONS AND CONTINGENT LIABILITIES

The Company recognizes a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for contingent liabilities made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure as specified in Accounting Standard 29-‘Provisions, Contingent Liabilities and Contingent Assets’ is made.

14 **EARNINGS PER SHARE ('EPS')**

Basic EPS is computed using the weighted average number of equity shares outstanding during the year. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the results would be anti-dilutive.

15 **CASH FLOW STATEMENT**

Cash Flow Statement has been prepared in accordance with the Accounting standard issued by Institute of Chartered Accounts of India on indirect method.

As per our Report of Even Date Attached

For RAMESH BATHAM AND CO.

For Avance Technologies Limited

Chartered Accountants

Sd/-

Sd/-

Sd/-

Ramesh Batham

Director

Director

Proprietor

Firm Reg. No 123638W

M.No.114178

Place: Mumbai

AVANCE TECHNOLOGIES LIMITED

D/604, 6th Floor, Crystal Plaza Premises Co-operative Society Limited, Opp Infinity Mall, New Link Road, Andheri (West),
Mumbai- 400053

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

I hereby record my presence at the Annual General Meeting of Avance Technologies Limited to be held at the Registered Office of the Company situated at D/604, 6th Floor, Crystal Plaza Premises Co-operative Society Limited, Opp Infinity Mall, New Link Road, Andheri (West), Mumbai- 400053 at **9.00 a. m. on 30th September, 2013.**

NAME(S) OF THE SHAREHOLDER(S) (in block capital): _____

FOLIO NO. / CLIENT ID NO. : _____

DP. ID NO.: _____

SIGNATURE(S) IF SHAREHOLDER: _____

IF PROXY: _____

NOTE: Please complete and sign this Attendance slip and hand it over at the entrance.

AVANCE TECHNOLOGIES LIMITED

D/604, 6th Floor, Crystal Plaza Premises Co-operative Society Limited, Opp Infinity Mall, New Link Road, Andheri (West),
Mumbai- 400053

PROXY FORM

I/ We _____ of (Place) _____ being a member/ members of Avance Technologies Limited under Folio No. / Client ID No. _____ hereby appoint Mr. / Mrs. _____ of (Place) _____ failing him/ her Mr. / Ms. _____ of (Place) _____ as my/our Proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on **Monday, 30th September, 2013** or at any adjournment(s) thereof.

Signed this _____ day of _____, 2013.

Affix Revenue Stamp and sign across

NOTE: The Proxy Form in order to be effective must be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.