

BOOK POST



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**REGISTRARS & TRANSFER AGENTS**

**M/s. Sharepro Services (India) Private Limited,  
Near Asoka Mills, Narora Road,  
Ahmedabad.**



**THE AHMEDABAD ADVANCE MILLS  
LIMITED**

*21<sup>st</sup> Annual Report 2010*

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**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

Shri Pradeep Agarwal (till 30.10.2009)  
Shri Phulchand Agarwal (w.e.f. 31.10.2009)  
Shri S.D.Vyas  
Shri V.S. Didwania  
Shri S. Srinivasan  
Shri M.S. Bhardwaj

**COMPANY SECRETARY**

R. Vijaykumar

**AUDITORS**

Dhiren Shah & Co.,  
Chartered Accountants,

**BANKERS**

ING VYSYA BANK  
IDBI BANK

**REGISTERED OFFICE**

7-9, Advance Plaza,  
Shahibaug Road,  
Outside Delhi Gate,  
Ahmedabad – 380 004  
Tel No.  
Fax No.  
E-mail Id: [aaml1000@gmail.com](mailto:aaml1000@gmail.com)

**CORPORATE OFFICE**

Nirlon House, 4<sup>th</sup> Floor,  
254-B, Dr. Annie Besant Road,  
Worli, Mumbai- 400 030  
Tel No. +91-22-42319900  
Fax No. +91-22-42319950  
E-mail Id: [pel@pel.in](mailto:pel@pel.in)

**REGISTRARS & TRANSFER AGENTS**

M/s Sharepro Servoces (India) Private Limited,  
Near Asoka Mills,  
Narora Road,  
Ahmedabad.

## NOTICE

NOTICE is hereby given that the Twenty First Annual General Meeting of the Members of **The Ahmedabad Advance Mills Limited** will be held at 11.00 a.m. on Saturday, the 31<sup>st</sup> July, 2010 at the Registered Office of the Company at F.F.7-9, Advance Plaza, Shahibaug Road, Outside Delhi Gate, Ahmedabad – 380 004 to transact the following business:

### ORDINARY BUSINESS:-

1. To receive, consider and adopt the report of the Board of Directors and Balance Sheet as at 31<sup>st</sup> March 2010 and Profit and Loss Account for the year ended on that date and Auditors' Report thereon.
2. To appoint a Director in place of Shri S. Srinivasan, who retires by rotation and offers himself for re-appointment.
3. To appoint M/s Dhiren Shah & Co. Chartered Accountants, Ahmedabad as Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS:

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

**RESOLVED THAT** pursuant to provisions of Articles of Association, Sections 198, 269, 309 of the Companies Act, 1956 ("the Act/said Act) read with Schedule XIII of the said Act and other applicable provisions if any of the Act, the Company hereby accords its consent and approval for the appointment of Shri Phulchand Agarwal as Managing Director of the Company for a period of five years commencing from 31.10.2009.

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

"RESOLVED THAT Shri M.S. Bhardwaj who was appointed as an Additional Director of the Company by the Board of Directors and who ceases to hold office under Section 260 of the Companies Act, 1956 at the end of this Annual General Meeting and in respect of whom the Company has received a Notice in writing proposing his candidature for the office of Director and eligible for reappointment, be and is hereby appointed as Director of the Company."

For and on behalf of the Board.

Sd/-

PHULCHAND AGARWAL  
MANAGING DIRECTOR

Place: Ahmedabad  
Date : 31<sup>ST</sup> May, 2010

### 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 the Proxy need not be a member. Proxies in order to be effective must be received by the Company not less than 48 hours before commencement of the meeting.
2. The relevant Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 is annexed herewith.
3. The Register of Members and Share Transfer Book of the Company will remain closed from 26.07.2010 (Monday ) to 31.07.2010 (Saturday) (Both days inclusive).
4. Any member requiring further information on accounts at the meeting is requested to send the queries in writing so as to reach the Registered Office of the Company at least two days before the meeting.
5. The members are requested to notify change of their address, if any, to the Company at the Registered Office or to the Company's Share Transfer Agents viz. M/s Sharepro Servoces (India) Private Limited, Near Asoka Mills, Narora Road, Ahmedabad.

**EXPLANATORY STATEMENT PURSUANT TO  
SECTION 173 (2) OF THE COMPANIES ACT, 1956**

**Item No.4:**

**SPECIAL RESOLUTION**

Shri Phulchand Agarwal is a promoter Director. In the meeting held on 31.10.2009, Board appointed him as a Director of the Company and retirable by rotation and eligible for re-appointment. The Board proposes to appoint him as Managing Director of the Company for a period of five years from 01.10.2009 to 30.09.2014. Therefore, the Board recommends his appointment.

None of the Directors except Shri Phulchand Agarwal himself, is concerned or interested in passing the said Resolution.

**Item No.5**

**ORDINARY RESOLUTION**

Shri M.S. Bhardwaj was appointed as an Additional Director with effect from 29.01.2010, pursuant to Section 260 of the Companies Act, 1956. He holds Office of Director only upto the date of ensuing Annual General Meeting. As required under section 257 of The Companies Act, 1956 a notice has been received from a member signifying his intention to propose his appointment as Director. He is having more than 25 years of experience in legal matters. Therefore, the Board recommends his appointment.

None of the Directors except Shri M.S. Bhardwaj, is concerned or interested in passing the said Resolution.

For and on behalf of the Board  
Sd/-

PHULCHAND AGARWAL  
MANAGING DIRECTOR

Place: Ahmedabad  
Date : 31ST May, 2010

**THE AHMEDABAD ADVANCE MILLS LIMITED**

**F.F.No.7-9, Advance Plaza, Shahibaug, Ahmedabad-380004**

**ATTENDANCE SLIP**

Shareholders attending the Meeting in person or by proxy are requested to complete the attendance slip and hand over at the entrance of the meeting hall.

I hereby record my presence at the Twenty First Annual General Meeting of the Members of **The Ahmedabad Advance Mills Limited** will be held at 11.00 a.m. on Saturday, the 31<sup>st</sup> July, 2010 at the Registered Office of the Company at F.F.7-9, Advance Plaza, Shahibaug Road, Outside Delhi Gate, Ahmedabad – 380 004.

.....  
Full Name of the Shareholder (In Block Letters)      Signature of the Shareholder

Folio: .....

.....  
Full Name of Proxy (In Block Letters)      Signature of Proxy

**THE AHMEDABAD ADVANCE MILLS LIMITED**

**F.F.No.7-9, Advance Plaza, Shahibaug, Ahmedabad-380004**

**PROXY FORM**

I/We ..... of ..... in the District of ..... being a member/members of the above named company hereby appoint ..... of ..... in ..... in the District of ..... as my/our proxy to vote for me/us on my/our behalf at the 21<sup>st</sup> Annual General Meeting of the Company, to be held on Saturday, the 31<sup>st</sup> July, 2010 at 11.00 hours and/or at any adjournment thereof.

Signed this ..... day of ..... 2010

.....  
Signature of the Shareholder

**Notes:**

1. A member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself. The proxy need not be a member of the Company.
2. The proxy form duly completed should be deposited at the Registered Office of the Company at least 48 hours before the meeting.

<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Interest paid	(716,809)	-	(22,779,850)
Net Cash generated from / (used in) financing Activities (c)		(22,349,337)	(90,659,208)
Net increase /(decrease) in Cash & Cash Equivalents (a+b+c)		(3,656,140)	232,644
Cash & Cash Equivalents as at the commencement of the period		7,251,506	7,018,862
Cash & Cash Equivalents as at the end of the period		3,595,366	7,251,506
Net increase/(decrease) as disclosed above		(3,656,140)	232,644

Note: 1) The Cash Flow has been prepared under the (Indirect Method) as set out in Accounting Standard - 3 on cash flow statements issued by the Institute of Chartered Accountants of India.

2) Cash and Cash equivalents comprise of cash and bank balances per schedule 8 of Balance Sheet.

3) Previous period figures have been regrouped wherever necessary.

As Per our report attached to the Balance Sheet

For, Dhiren Shah & Co.,  
Chartered Accountants

For The Ahmedabad Advance Mills Limited

Sd/-

Sd/-

Sd/-

Sd/-

(Dhiren Shah)

R.Vijaykumar

Phulchand Agarwal

S.D.Vyas

Proprietor  
Membership No. 35824  
Firm Regn. No. 114633W

Company Secretary  
And  
Manager (Finance)

Managing Director

Director

Place: Ahmedabad  
Date : 31-05-2010

Place: Ahmedabad  
Date : 31-05-2010

## THE AHMEDABAD ADVANCE MILLS LIMITED

### DIRECTORS' REPORT

Your Directors have pleasure in presenting the 21st Annual Report and the Audited Accounts for the Financial Year ended 31st March, 2010.

#### FINANCIAL RESULTS:

The highlights of Financial Results of the Company for the financial year ended 31st March, 2010 are as under:

Financial Results	2009-2010 Rs.in lacs	2008-2009 Rs.in lacs
Total Income	1246.70	282.54
Depreciation	1.44	1.56
Profit/Loss before Tax	361.44	-698.19
Provision for Tax	0	0
Fringe Benefit Tax	0	0.50
Income tax Provision written back	0.03	547.81
Profit after Taxation	361.41	-150.88
Loss brought forward from last year	-370.19	-219.31
Balance Loss carried forward to Balance Sheet	-8.78	-370.19

#### OPERATIONS AND FUTURE PLANS:

The operations for the year under review show a Profit of Rs.361.41 lacs (after taxation).

#### DIVIDEND:

Due to inadequacy of profits, the Directors do not recommend any dividend.

#### REVIEW:

In terms of the agreement executed between the Textile Labour Association, a recognized representative Union of the Mill workers and the Order both dated 11.2.2008, the Company has received resignations from 491 workers. During the year under review, four criminal complaints filed by the ESI Corporation and one compliant filed by the Government of Gujarat were withdrawn and disposed off respectively.

#### DIRECTORS:

Shri V.S. Didwania, resigned as a Director on 29.01.2010. On 29.1.2010, the Board appointed Shri M.S. Bhardwaj as Additional Director on the Board to hold office till the date of ensuing Annual General Meeting and being eligible, offers himself for appointment as Director. Shri S.Srinivasan, Director is liable for retirement by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Your Directors recommend his re-appointment as Director. Except Shri S.Srinivasan, no other Director is interested in his appointment.

The Company proposes to appoint Shri Phulchand Agarwal as Managing Director of the Company for a period of five years from 01.10.2009-30.09.2014. He is a promoter Director and having rich experience in business for more than sixty years. Directors recommend his appointment as Managing Director. Except Shri Phulchand Agarwal, no other Director is interested in his appointment.

#### DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217 (2AA) of The Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed that:-

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.
- the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the statement of affairs of the Company as at March 31, 2010 and of the Profit of the Company for the year ended on that date.
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of The Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities and
- the Directors have prepared the annual accounts of the Company on a going concern basis.