



**ADVANCE  
MULTITECH  
LIMITED**

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**25th  
Annual  
Report  
2003-2004**

**ADVANCE MULTITECH LIMITED****ADVANCE MULTITECH LIMITED**

25th ANNUAL REPORT

**BOARD OF DIRECTORS**

Arvind Goenka

Chairman &amp;

Managing Director

Ashok Goenka

Director

Dr.S.R. Dhruv

Director

Pravin Manilal Purohit

Director

Omprakash Jalan

Director

**ANNUAL GENERAL MEETING**

On Thursday, 30th September, 2004

Advance Synthetic Mills

Opp.Simla Hotel,

Narol Char Rasta,

Ahmedabad - 382 405.

At 11.30 A.M.

**AUDITORS**

Nahta Jain &amp; Associates

Chartered Accountants,

211, New Cloth Market,

Ahmedabad - 380 002.

**BANKERS**

Union Bank of India

Relief Road,

Ahmedabad.

Shareholders are requested to bring their copy of the Annual Report along with them at the Meeting, as the copies of the Report will not be distributed at the meeting.

**REGISTERED OFFICE**

36, Kothari Market,

Ahmedabad - 380 022.

**PLANT**

Plot No.167,Pirana Approach

Village Piplej, Ahmedabad.

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**ADVANCE MULTITECH LIMITED****NOTICE**

Notice is hereby given that the Twenty Fifth Annual General Meeting of the members of **ADVANCE MULTITECH LIMITED** will be held on Thursday, the 30th day of September, 2004 at the Advance Synthetic Mills, Opp.Simla Hotel, Narol Char Rasta, Ahmedabad - 382 405 at 11.30 A.M. to transact the following business :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March,2004 and the Profit and Loss Account for the financial year ended on that date together with the Report of the Board of Director and Auditors thereon.
2. To appoint a Director in place of Shri. Omprakash Jalan, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and fix their remuneration and in this connection to pass with or without modification, the following resolution as an to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION** :

"RESOLVED THAT M/s Nahata Jain & Associates, Chartered Accountant, Ahmedabad be and is here by re-appointed as Statutory Auditors of the Company to hold office from the conclusion of the next Annual General Meeting of the Company on a remuneration as may be decided mutually by the Board of Directors of the Company in conclusion with the aforesaid firm of Auditors."

Registered office  
36,Kothari Market  
Ahmedabad - 380 022

By order of the Board  
For ADVANCE MULTITECH LTD.

(Arvind Goenka)

Managing Director

Date : 30.08.2004

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. A PROXY IN ORDER TO BE VALID NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM DULY FILLED IN AND SIGNED SHOULD BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE START OF THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, the 28th day of September,2004 to Thursday, the 30th day of September, 2004. (Both days inclusive)
3. Open for inspection at the Registered office of the Company on all working days except Saturdays between 11.00 A.M. and 1.00 P.M. upto the date of the Annual General Meeting.

## **ADVANCE MULTITECH LIMITED**

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4. Members/proxies should bring their attendance slips duly filled in for attending the meeting.
5. In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Shri. Omprakash Jalan retire by rotation at this Annual General Meeting.
6. Members are requested to intimate the change in their address, if any, to the Registered office of the Company writing their folio no.
7. Members holding shares in more than one folio in identical order of names are requested to write to the Registered office of the Company enclosing their share certificates to enable us to consolidate their holdings in one folio, to facilitate better service.
8. Members who have not forwarded earlier the details of their bank account number and the name and address of the bank are requested again to sent the same.
9. Shareholders seeking any information on the account or operations are requested to write to the company at an early date so as to enable the management to keep information ready.

Brief resume of the Directors Seeking Re-appointment at the Annual General Meeting as required under clause 49 of the listing agreement.

Shri Omprakash Jalan retire by rotation at the Annual General Meeting and being eligible offers himself for re-appointment. Shri Jalan is resently in the business. He has wide ranging experience of his area of operation and is expert in biofield. He bring wide and varied experience in the manufacturing & trading activities. He is also on the committes of the Board. Board considers that the Company would be benefitted from his experience and knowledge and recommands his re-appointment as Director on the Board of the Company under Item No.2 of the Agenda of accompanying Notice of the next Annual General Meeting of the Company.

Registered office  
36, Kothari Market  
Ahmedabad - 380 022

Date : 30.08.2004

By order of the Board  
For ADVANCE MULTITECH LTD.

(Arvind Goenka)   
Managing Director

**ADVANCE MULTITECH LIMITED****DIRECTOR'S REPORT**

To,

The Members,

Your Directors have pleasure in presenting the 25th Annual Report and Audited Account of the Company for the period ended 31st March, 2004.

**FINANCIAL RESULTS :**

	(Rs. in Lacs)	
	2003-2004	2002-2003
Gross Income	450.00	261.68
Profit before interest, depreciation and tax	18.56	14.13
Profit before depreciation and tax	15.33	8.98
Depreciation	8.03	7.47
Profit before tax	7.30	1.51
Provision for tax	1.50	0.35
Profit after tax	6.18	1.16
Add : Surplus as per last account	119.34	121.28
Surplus available for appropriation	75.96	119.34
Appropriations :		
Proposed Dividend	Nil	Nil
Transferred to General Reserve	Nil	Nil
Surplus Carried to next year	75.96	119.34

**DIVIDEND**

Due to inadequacy of profit available for appropriation during the year under review, your Directors express their inability to recommend any dividend for the year ended 31st March, 2004.

**REVIEW OF OPERATION**

During the year under review your Company have registered sales turn over of Rs.453.75 lacks in comparison to the figure of Rs.278.00 lacks of the previous year thus improving by 63% Net profit after tax has however increased from Rs.1.16 lacks to Rs.6.18 lacks thus increasing by more than 4 times in comparison to the corresponding performance of the previous year increase in performance is due to the revenue generated from the sale of products.

**PROSPECTS**

The Company is at present engaged in the manufacturing of Rubber Products which are mainly used in Textiles, Steel, Mines, Infra Structure, Food Industries etc. as economic situation is gradually reviving, Company expects encouraging performance in years ahead special Rubber Coated fabrics and special Conveyor Belt which has been launched during the year has helped in increasing the sales turnover of the Company.

**ADVANCE MULTITECH LIMITED****PUBLIC DEPOSITS**

The Company has not accepted any deposits from the public during the year review and therefore the provisions of the Companies Act, 1956 read with Company's (acceptance of deposit) rules, 1975 are applicable to the Company.

**INSURANCE**

All the properties of your Company have been adequately insured against fire, floods, riots, earthquake, malicious damage and explosion risks.

**AUDITOR'S REPORT**

All the items on which comments have been made by the auditors in their Report to the Shareholders are self explanatory as explained by way of Notes to the Accounts under Schedule "R" to the Balance Sheet and Profit & Loss Accounts.

**AUDITORS**

M/s. Nahata Jain & Associates, Chartered Accountants, Ahmedabad retire at the forthcoming Annual General Meeting and have confirmed their eligibility and willingness to accept the office, if re-appointed, Company under the Section 224(1B) of the Companies Act, 1956 certified their eligibility.

**DIRECTOR'S RESPONSIBILITY STATEMENT AS PER SECTION 217 (2AA) OF THE COMPANIES ACT, 1956**

Pursuant to section 217 (2AA) of the Companies Act, 1956, your Directors, based on the representations received from the operating Management, and after due enquiry, confirm that:

- i) In the preparation of the annual account, the applicable accounting standards have been followed, including Accounting Standard 22 in Accounting for taxes on Income, which has become effective 1st April, 2001.
- ii) They have, in the selection of the accounting policies, consulted the Statutory Auditors and, read with paragraph (i) above, these have been applied consistently and reasonable and prudent judgements and estimates have been made also as give a true and fair view of the state of affairs of the Company as at 31st March, 2004 and of the profit of the Company for the year ended on that date.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The annual accounts have been prepared on a going concern basis.

**CORPORATE GOVERNANCE**

Your Company has implemental best practice of Corporate Governance in compliance with the requirements of clause 49 of the listing agreement. A separate section on



**ADVANCE MULTITECH LIMITED**

the Corporate Governance and a certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulation under clause 49 of the listing agreement with the Stock Exchange form part of the Annual Report.

**EMPLOYEES**

There are no employees drawing salary of Rs.2,00,000/-p.m. and/or Rs.24,00,000/-p.a and therefore particulars u/s.217 (2A) of the companies Act,1956 read with Companies (particulars of employees) amendment rules 1988 is not required.

**DIRECTORS**

As per the provisions of section 256 of the Companies Act,1956 read with Article 144 of the Articles of Association of the Company, Shri Omprakash Jalan retire by rotation at the forth coming Annual General Meeting and being eligible offers himself for reappointment.

**LISTING OF SHARES**

The Equity shares of the Company are listed on the following Stock Exchange :

<b>Name</b>	<b>Address</b>
1. The Stock Exchange, Mumbai	Phiroze JeeJee Bhoy Towers Dalal Street, Mumbai - 400 001.

Company has paid annual listing fees for the year 2004-2005 at both the Stock Exchange.

**VOLUNTARY DE-LISTING OF EQUITY SHARES :**

During the year under review, the share of the Company was de-listed voluntarily from the Ahmedabad Stock Exchange, being the Regional Stock Exchange due to negligible/ Nil trading thereon shares of the Company are continue to be listed at the Stock Exchange, Mumbai having Nationwide trading terminal, which will facilitates the shareholders to continue to trade in the shares of the Company through out India.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGOINGS**

	<b>2003-2004</b>	<b>2002-2003</b>
Electricity Purchase Unit	185685	173693.50
Total Amount (Rupees)	1064752	1000492.00
Rate Unit (Rs.)	5.64	5.76

Our industry is not heavy consumer of energy, further during the year under review the Company made efforts to conserve energy through reduction consumption, the Company will continue to endeavor of conserve energy and use it more efficiently.

## **ADVANCE MULTITECH LIMITED**

Company is having its own research & development facilities. The process of development is a continuous process resulting in development of new & import substitute products.

Company is taking all appropriate measures to observe the Technology in its area of operation.

There has been no foreign exchange in flow or outgo in the current year.

### **PERSONAL**

Your Company has been maintaining a very cordial and satisfactory relationship with its employees and your Directors wish to place on record their deep sense of appreciation for the devoted services of the executives, staff and workers of the Company.

### **APPRECIATION**

The Board wishes to express its sincere appreciation to all the staff member for the contribution to the performance of the Company and to our valued clients, bankers, financial institutions and shareholders for the continued support and the same is expected in years to come.



Registered office  
36, Kothari Market  
Ahmedabad - 380 022

Date : 30.08.2004

By order of the Board  
For ADVANCE MULTITECH LTD.

(Arvind Goenka)  
Managing Director



**ADVANCE MULTITECH LIMITED****CORPORATE GOVERNANCE REPORT FOR THE YEAR 2003-2004**

(as required under clause 49 of the Listing Agreements entered into with the Stock Exchanges)

**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :**

The Management of the Company believes that corporate performance in the long run is co-related to Corporate Governance and that well Governed Companies mitigate 'non-business risks' better. It is therefore, committed to further improve the Corporate Governance practices in the Company by lying emphasis on 'substance' of Corporate Governance over the 'form'. The Company endeavours to adopt the best practices in corporate governance and thereby aims to increase the value for all its shareholders.

**2. BOARD OF DIRECTORS :**

The Company has a Executive Chairman and the number of Independent Directors is more than one half of the total number of Directors. The number of Non-Executive Director (NEDs) is more than 50% of the total number of Directors.

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49), across all the Companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other Companies are given below:

Name	Category	No. of Board Meeting attended during 2003-04	Whether attended AGM held on 30th September 2003	No. of Director ships in other public companies		No. of Committee position held in other public companies**	
				Chai-rman	Mem-ber	Chai-rman	Mem-ber
Mr. Arvind Goenka	Promoter Not Independent Executive	8	Yes	—	1	—	1
Mr. Ashok Goenka	Promoter Not Independent Non - Executive	8	Yes	1	—	1	—
Mr. Dr. S. R. Dhruv	Independent Non - Executive	1	Yes	—	—	—	—
Mr. Pravin Manilal Purohit	Independent Non - Executive	8	Yes	—	—	—	—
Shri Omprakash Jalan	Independent Non - Executive	—	—	—	1	—	1

**ADVANCE MULTITECH LIMITED**

- \* Represents Chairmanships/Memberships of Audit Committee, Shareholders/ Investors Grievance Committee and Remuneration Committee.

Eight Board Meetings were held during the year 2003-04 and the gap between two meeting did not exceed four months. The dates on which the Board Meetings were held were as follows :

30th April 2003, 20th May 2003, 30th June 2003, 30th July 2003, 30th October 2003, 1st December 2003, 15th December 2003 and 15th March 2003.

The Company did not have any pecuniary relationship or transactions with Non-Executive Directors during 2003-04.

**3. AUDIT COMMITTEE :**

The Company had constituted an Audit Committee in the year 2003. The scope of the activities of the Audit Committee is as set out Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956. The terms of reference of the Audit Committee broadly are as under :

- To hold periodic discussions with the Statutory Auditors and Internal Auditors of the Company concerning the accounts of the Company, internal control systems, scopes of audit and observations of the Auditors/Internal Auditors;
- To review compliance with internal control systems.
- To review the quarterly, half-yearly and annual financial results of the Company before submission of the Board;
- To make recommendations to the Board on any matter relating to the financial management of the Company including the Audit Report;
- Recommending the appointment of statutory auditors and fixation of their remuneration.

The Chairman of the Audit Committee Shri Omprakash Jalan was present at the Annual General Meeting held on 30th September, 2003.

The composition of the Audit Committee and the details of meetings attended by the Directors are given below :

<b>Name of Members</b>	<b>Category</b>	<b>No. of Meetings attended during the year 2003-04</b>
Mr. Ashok Goenka	Promoter	5
	Not Independent	
	Non-Executive	
Mr. Pravin Manilal Purohit	Independent	5
	Non-Executive	
Shri Omprakash Jalan	Independent	5
	Non-Executive	