

**ADVANCE MULTITECH LIMITED**

32nd Annual Report

**BOARD OF DIRECTOR**

Arvind Goenka	Chairman & Managing Director
Ashok Goenka	Director
Shailesh Dhruv	Whole time Director
Omprakash Jalan	Director
Pulkit Goenka	Director
Shaileshsingh Rjput	Director
Nirish J. Parikh	Director
J.K. Trivedi	Director

**ANNUAL GENERAL MEETING**On Friday, 30<sup>th</sup> September, 2011

Plot No, 167, Pirana Approach

Village Piplej, Ahmedabad.

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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## NOTICE

NOTICE is hereby given that 32<sup>nd</sup> Annual General Meeting of the Members of Advance Multitech Limited will be held on Friday, the 30<sup>th</sup> day of September, 2011 at Plot No. 167, Pirana Approach Village Piplej, Ahmedabad. at 11.30 A.M. to transact the following business.:

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2011 and Profit & 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. Pulkrit Goenka, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri. Ashok Goenka, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this connection to pass with or without modification, the following resolution as an ORDINARY RESOLUTION :  
 “RESOLVED THAT M/s. Nahta Jain & Associate, Chartered Accountant, Ahmedabad be and is hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of 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.”

### SPECIAL BUSINESS:

5. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution.  
 “Resolved That pursuant to provisions of Section 198, 269, 309 and Schedule XIII to the Companies Act, 1956 and also subject to the confirmation of remuneration by remuneration Committee in its meeting held on 21/03/2011, consent of Members of the Company be and is hereby given to the re-appointment of Mr. Arvind Kumar V. Goenka, as the Managing Director of the Company w.e.f. 01/04/2011 for a further period of 5 years on the terms and conditions as set out in the explanatory statement.  
 Further Resolved That in absence of profit or inadequate profit in any financial year during the tenor of appointment of managing director be paid the salary and perquisites as agreed as the minimum remuneration  
 Resolved Further That the Board Of Directors of the Company be and is hereby authorized further to alter, vary and/or amend the terms and conditions of appointment including remuneration so as not to exceed limit set out in Section 198 and 309 read with Schedule XIII to the Companies Act, 1956 or any amendments thereto.  
 Further Resolved That the Board Of Directors of the Company be and is hereby authorized to do all such acts, deeds and matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to this resolution”.
6. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution.  
 “Resolved That Mr. Shaileshsing Rajput who was appointed as an additional director w.e.f. 30/08/2011 and who holds office only upto the date of this annual general meeting in terms of Section 260 of the Companies Act, 1956, be and is hereby appointed as a director of the Company liable to retire by rotation”.

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

“Resolved That Mr. Jitendra Trivedi who was appointed as an additional director w.e.f. 30/08/2011 and who holds office only upto the date of this annual general meeting in terms of Section 260 of the Companies Act, 1956, be and is hereby appointed as a director of the Company liable to retire by rotation”.

7. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution.

“Resolved That Mr. Nirish J. Parikh who was appointed as an additional director w.e.f. 30/08/2011 and who holds office only upto the date of this annual general meeting in terms of Section 260 of the Companies Act, 1956, be and is hereby appointed as a director of the Company liable to retire by rotation”.

**NOTES :**

1. Explanatory Statement if any, pursuant to section 173(2) of the Companies Act, 1956 in respect of the business under item Nos.4 set out above is annexed hereto.
2. 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.
3. The Register of Members and the Share Transfer Book of the Company will remain closed from 26<sup>th</sup> day of September, 2011 to 30<sup>th</sup> day of September, 2011. (Both days inclusive).
4. All documents referred to in the accompanying Notice and Explanatory Statement are 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.
5. Members/proxies should bring their attendance slips duly filled in for attending the meeting.
6. Members who have not encashed their dividend warrants pertaining to earlier years may approach the share department of the company for revalidating the warrants and for obtaining the duplicate warrants.
7. Members are requested to intimate the change in their address, if any, to the Registered office of the Company writing their folio no.
8. Members holding shares in more than one folio in identical order of name are requested to write to the Registered office of the company enclosing their share certificate to enable us to consolidate their holdings in one folio, to facilitate better service.
9. Members who have not forwarded earlier the details of their bank account number and name and address of the bank are requested again to send the same.
10. 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 the information ready.

Registered Office :  
36, Kothari Market,  
Ahmedabad – 380 022.

Date : 30/08/2011

By order of the Board  
For ADVANCE MULTITECH LTD.

(Arvind Goenka)  
Chairman & Managing Director

Statement Regarding the Directors seeking appointment/ re appointment in ensuing annual general meeting.

Name of Director	Mr. Arvind Goenka	Mr. Ashok Goenka	Mr. Pulkit Goenka	Mr. Jitendrakumar Trivedi	Mr. Shaileshsingh Rajput	Mr. Nirish J. Parikh
Date of Birth	01/07/1962	16/04/1955	30/05/1983	24/05/1943	19/05/1967	02/07/1955
Date of appointment	09/07/1990	20/11/1997	30/07/2009	30/08/2011	30/08/2011	30/08/2011
Expertise in specific functional area	25 years Exp.in business as chairman & M.G.Director	35 years Exp.in business as Director	Expertise in Marketing	32 years Exp. In Petro, Oil & Gas Ind. Marketing	25 years Exp.in production quality control	35 years Exp. in petro, oil & gas sector
Qualification	M.sc	B.com, LLB	B.com	B.com.	B.sc.	B.com
No. of Equity Shares held	226600	372900	128700	NIL	NIL	NIL
List of Outside Company Directorship held	Advance Petro-chemicals Ltd.	Advance Petro-chemicals Ltd.	Nil	Advance Petro-chemicals Ltd.	Advance Petro-chemicals Ltd.	Advance Petro-chemicals Ltd.
Chairman/ Member of Committees of Board Of Directors of the Company.	Chairman- Shareholders Grievance Committee	Member- Audit Committee  Member- Shareholders Grievance Committee	Member- Remuneration Committee	Member- Audit Committee	Chairman- Remuneration Committee  Member- Audit Committee	Member- Remuneration Committee  Member- Audit Committee
Chairman/ Member of Committees of Board of Directors of the Companies in which he/she is director Audit Committee Shareholders Grievance Committee	Member- Shareholders Grievance Committee	Chairman- Shareholders Grievance Committee	Nil	Member- Audit Committee	Member- Remuneration Committee  Member- Audit Committee	Member- Remuneration Committee  Member- Audit Committee

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Annexure to Notice:

Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956:

Item No.5

Mr. Arvindkumar Goenka is the promoter of the Company, under his visionary leadership, the company has recorded growth since inception to the current year. There has been manifold increase in responsibilities shouldered by Top Management. Therefore to compensate the Chairman and Managing Director- Mr. Arvind Goenka, fairly and in consonance with the industrial standards, as recommended by the Remuneration Committee, the Board approved, subject to the consent of Members, the re-appointment and enhancement of remuneration. The terms and conditions of re-appointment of Managing Director are under:

(a) A salary In the Scale of Rs.1,00,000/- (Rupees One Lac) p.m - Rs.1,25,000/- (Rupees One Lac Twenty Five Thousand) p.m

CATEGORY A:-

This will comprise housing, medical re-imbursement, leave travel concession, club fees and other Benefits, allowances, expenses etc.

These may be provided for as under : -

(i) **HOUSING** :-

(a) The expenditure by the Company on hiring unfurnished accommodation subject to a ceiling as may be agreed between the parties.

(b) In case the accommodation is owned by the Company, ten percent of the salary of the appointee shall be deducted by the Company.

(c) In case no accommodation is provided by the Company, the appointee shall be entitled to house rent allowance subject to a ceiling laid down in housing (a).

(ii) Payment of gas, electricity, water expenses and furnishing to be valued as per Income Tax Rules, 1962.

(iii) **Medical/Hospitalisation\_Expences Re-imbursement** :-

Expenses incurred for the appointee and the family subject to a ceiling of one month's salary for each completed year of service or five month's salary over a period of five years.

(iv) **Leave travel concession** :-

For self and family two times in a block of four years incurred in accordance with the Rules of the Company.

(v) **Club Fees** :-

Fees for clubs subject to a maximum of two clubs. Admission fees and life membership fees to be paid as per the rules of the Company.

(vi) **Personal/Medical/Accident Insurance :-**

Personal Medical Accident Insurance of an amount, the annual premium of which shall be paid as per the rules of the company.

(vii) Any other benefits, facilities, allowances and expenses as may be allowed under company rules/ schemes and available to other employees.

Note :-

(i) for the purpose of perquisites stated hereinabove, “family” means spouse, dependent children and dependent parents of the appointee.

(ii) Perquisites shall be evaluated as per the income-tax rules, wherever applicable.

**CATEGORY B:-**

1. Contribution to provident fund, superannuation fund or annuity fund will not be included in the computation of the ceiling on perquisites to the extent these, either singly or taken together, are not taxable under the Income Tax, Act, 1961. Gratuity payable shall not include half a month's salary for each completed year of services.

2. Earned Leave :- on full pay and allowances as per the rules of the Company.

3. Encashment of leave at the end of the tenure will not be included in the computation of ceiling on perquisites.

**CATEGORY C:-**

Provisions of car for use of Company's business and Telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the appointee.

Remuneration referred to in sub-clause (a) and (b) above are subject to a ceiling limit prescribed in Section 198 of the Act. Provided however, wherein, in any financial year, during the currency of the tenure of the Managing Director, the company has no profit or its net profit is inadequate, the company shall pay to the Managing Director minimum remuneration by way of salary, perquisites, dearness allowance subject to a ceiling as laid down in section (ii) (1) (A) part(ii) of Schedule (xiii) of the Companies Act, 1956 as applicable to the Company at the relevant time depending upon the effective capital of the Company.

In the event of re-appointment or cessation of office during any financial year during the tenure of service of contract, a ratable proportion of the aforesaid remuneration shall be payable to the Managing Director.

The Managing Director so long as he functions as such shall not be paid any sitting fees for attending the meeting so the Board of Directors or committee thereof.

The Managing Director shall not so long as he function as such, become interested in or otherwise concerned with directly or through his wife and/or minor children in any selling Agency of the Company without the prior approval of the Central Government.

If prior to the expiration of this period of this agreement, the tenure of the office of the Managing Director is determined by the Company (as provided in clause 10(b) hereof) then and in such case the Managing Director shall be entitled subject to the provisions and limitations contained in Section 318 of the Companies Act, 1956 to receive compensation from the Company for the loss of office to the extent provided in that section.

(a) If the Managing Director is desirous of resigning his office as Managing Director, he shall be entitled to do so on giving the Company at least 90 days notice in writing in that behalf at the end of which period his resignation shall take effect.

(b) If the Company is desirous of termination the Services of the Managing Director then in such case the Company shall be bound to give to the Managing Director at least 90

days notice in writing in that behalf at the end of which period the termination shall take effect.

The Managing Director may be removed from office for gross negligence, breach of duty or breach of trust, if the Company passes a special Resolution to that effect but no such resolution shall be passed or be effective unless the Company shall have given due notice of its intention to the Managing Director and after giving him an opportunity of being heard and in such event, the Managing Director for loss of office.

The Managing Director shall be entitled to re-imbursement of all expenses which may be incurred by him on behalf of the Company.

The Managing Director shall not as long as he continues to be the Managing Director of the Company be liable to retire by rotation and he shall not be reckoned as Director for the purpose of determining the numbers of Directors liable to retirement by rotation.

None of the Directors except Mr. Arvind Goenka, Mr. Ashok Goenka and Mr. Pulkit Goenka are interested or concerned in the Resolution.

#### Item No.6

To broaden the Board of Directors and to comply with the requirement of Clause 49 of the listing agreement Mr. Shaileshsingh Rajput, was appointed by the Board as an Additional Director in the category of non-executive Independent Director of the Company w.e.f. 30<sup>th</sup> August, 2011 to hold office till the date of the ensuing Annual General Meeting. The company is in receipt of notice along with deposit of requisite fees offering his candidature for the appointment of director. Hence this resolution for your consideration and approval.

The Board recommends for the appointment of Mr. Shaileshsingh Rajput and proposes to pass the resolution as set out in item No. 6 of the Notice as an Ordinary Resolution.

Except, Mr. Shaileshsingh Rajput, none of the Directors of the company are interested or concerned in the resolution.

#### Item No.7

To broaden the Board of Directors and to comply with the requirement of Clause 49 of the listing agreement Mr. Jitendrakumar Trivedi, was appointed by the Board as an Additional Director in the category of non-executive Independent Director of the Company w.e.f. 30<sup>th</sup> August, 2011 to hold office till the date of the ensuing Annual General Meeting. The company is in receipt of notice along with deposit of requisite fees offering his candidature for the appointment of director. Hence this resolution for your consideration and approval.

The Board recommends for the appointment of Mr. Jitendrakumar Trivedi and proposes to pass the resolution as set out in item No. 7 of the Notice as an Ordinary Resolution.

Except, Mr. Jitendrakumar Trivedi, none of the Directors of the company are interested or concerned in the resolution.

#### Item No.8

To broaden the Board of Directors and to comply with the requirement of Clause 49 of the listing agreement Mr. Nirish J. Parikh, was appointed by the Board as an Additional Director in the category of non-executive Independent Director of the Company w.e.f. 30<sup>th</sup> August, 2011 to hold office till the date of the ensuing Annual General Meeting. The company is in receipt of notice along with deposit of requisite fees offering his candidature for the appointment of director. Hence this resolution for your consideration and approval.

The Board recommends for the appointment of Mr. Nirish J. Parikh and proposes to pass the resolution as set out in item No. 8 of the Notice as an Ordinary Resolution.

Except, Mr. Nirish J. Parikh, none of the Directors of the company are interested or concerned in the resolution.

Registered Office :  
36, Kothari Market,  
Ahmedabad – 380 022.

Date : 30/08/2011

By order of the Board  
For ADVANCE MULTITECH LTD.

(Arvind Goenka)  
Chairman & Managing Director



## DIRECTOR' REPORT

To,

The Members,

Your Directors have pleasure in presenting the 32<sup>nd</sup> Annual Report and Audited Account of the Company for the period ended 31<sup>st</sup> March,2011.

### FINANCIAL RESULTS :

	2010-2011	2009-2010
Gross Income	981.23	932.69
Profit before interest, depreciation and tax	36.79	33.54
Profit before depreciation and tax	31.57	29.93
Depreciation	21.06	19.13
Profit before tax	10.51	10.80
Provision for tax	4.76	3.30
Profit after tax	8.10	7.49
Add : Surplus as per last account	110.03	102.55
Surplus available for appropriation	118.12	110.03
<b>Appropriations :</b>		
Proposed Dividend	Nil	Nil
Transferred to General Reserve	Nil	Nil
Surplus carried to next year	118.12	110.03

### 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 31<sup>st</sup> March,2011

### REVIEW OF OPERATION

During the year under review your company have registered a sales turn over of Rs.981.23 lacks slight increased in comparison to the figure of Rs.932.69 lacks of the previous year Net profit after tax has increased from 7.49 lacs to Rs.8.10 lacs thus improving by almost 8.10% in comparison to the corresponding performance of the previous year. Increase in performance is partially due to the increased revenue generated from the new products.

### PROSPECTS

Due to the buoyancy in the economy and favorable economic conditions, performance of the company will improve substantially in the years ahead.

### 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 P to the Balance Sheet and Profit & Loss Accounts.

### AUDITORS

M/s.Nahta Jain & Associates, Chartered Accountants, Ahmedabad retire at the forthcoming Annual General Meeting and have conformed 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 inquiry, confirm that :

- i) In the preparation of the annual account, the applicable accounting standards have been followed.

- 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 31<sup>st</sup> March, 2009 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 gruan and other irregularities .
- iv) The annual accounts have been prepared on a going concern basis.

#### **CORPORATE GOVERNANCE**

Your company has implemented best practice of corporate Governance in compliance with the requirements of amended Clause 49 of the listing agreement. A separate section on the Corporate Governance and the certificate from the Auditors of the company regarding compliance of the conditions of the corporate governance as stipulated under Clause 49 of the listing agreement with the Stock Exchange form part of the Annual Report.

#### **COMPLIANCE CERTIFICATE**

Compliance Certificate pursuant to Section 383A (1) of the Companies Act, 1946 is attached herewith and forms the part of the 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 Ashok Goenka and Shri Pulkit Goenka retire by rotation at the forth coming Annual General Meeting and being eligible offers himself for reappointment. Mr. Shaileshsingh Rajput, Mr. Jitendrakumar Trivedi and Mr. Nirish Parikh have been appointed as Non-executive Independent directors.

#### **REMUNERATION COMMITTEE**

Company has constituted a remuneration committee. The Members of the Committee are Mr. Shaileshsingh Rajput, Shri Nirish Parikh, Shri Omprakash Jalan and Shri Pulkit Goenka. Shri Omprakash Jalan is appointed as a Chairman of the committee. One meeting of the same was held on 21/03/2011.

#### **LISTING OF SHARES**

The equity shares of the company are listed on the following Stock Exchange :

Name	Address
The Bombay Stock Exchange Limited	Phiroze JeeJee Bhoy Towers Dalal Street, Mumbai – 400 001.

Company has paid annual listing fees for the year 2010-2011 at the aforesaid Stock Exchange.

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

	2010-2011	2009-2010
Electricity Purchase	168160	184145
Total amount (Rupees)	1178019	1371684
Rate per Unit(Rs.)	7.01	7.45

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.

Company is having it's 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 absolve the technology in its area of operation.

Expenditure in foreign currency, remittance in foreign currency Nil and earnings in foreign currency during the year 17196130/-(previous year Rs.15217041/-)