



ANNUAL REPORT

2010-2011

AVANCE TECHNOLOGIES LIMITED

BOARD OF DIRECTORS

Mr. Deepak S. Goyal	:	Executive Director
Mr. Shrikrishna Bhamidipati	:	Executive Director
Mr. Rajeev Anand	:	Non- Executive Director
Mr. Randhir Marwa	:	Non- Executive Independent Director
Mr. Anand Chaudhary	:	Non- Executive Independent Director
Mr. Bimal Kamdar	:	Non- Executive Independent Director
Mr. Ronak Chedda	:	Additional Director

AUDITORS

M/s. Ramesh Batham and Co.
Chartered Accountants,
Flat No. 101-103, C-36, Sector - 5,
Shanti Nagar, Meera Road, Mumbai- 401 107

REGISTERED OFFICE

Unit No. 505, Midas Chambers,
Off Link Road, Andheri- West,
Mumbai- 400 053.

SHARE TRANSFER AGENTS

M/s. Purva Shareregistry (India) Pvt. Ltd.
No. 9, Shiv Shakti Industrial Estate
Ground Floor, J. R. Boricha Marg,
Opp. Kasturba Hospital, Lower Parel,
Mumbai- 400 011.

LISTED AT:

Bombay Stock Exchange Limited.

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CHAIRMAN'S MESSAGE

Dear Shareholders,

Founded in 1985, **AVANCE** was publicly listed in India in 2000.

As we stand poised as a pioneer in Mobile Value Added Services (VAS), it is time to reflect upon this exciting and challenging journey and also ponder upon the way forward for **AVANCE** to build on its leadership position.

The Mobile VAS industry is becoming bigger each day and with the increased focus on 3G and data services, the best is yet to come. The industry is currently at an inflection point and has ample potential to become larger than the fixed internet, particularly in large, fast growing emerging markets.

At **AVANCE**, we have always prided ourselves on providing best-of-the-breed technology and innovations to our customers. In the current VAS ecosystem, after the launch of 3G services in India, it has become even more imperative for the players (mobile operators, content creators and handset manufacturers) to collaborate in order to achieve their full potential and garner results.

We take pride in the fact that by focusing on the end customer user experience, we strive to provide services that add value to the user.

In a market that sees a continuous influx of new partners offering Value Added Services, the fact that **AVANCE** remains a partner of choice for all Value Added Services amongst all leading operators in the country bears direct testimony to **AVANCE's** ability to constantly innovate and meet the expectations of one of the most dynamic telecom markets in the world. In addition we share our global best practices in subscriber profiling and analytics to reach out to subscribers with content most suited to their needs and demands.

On behalf of everyone at **AVANCE**, I want to thank you for your support and commitment to the Company. I look forward to your continued support and best wishes to help take **AVANCE** to newer heights in the burgeoning and exciting VAS space.

Sd/-

Deepak Goyal

(Chairman and Director)

N O T I C E

NOTICE is hereby given that Twenty-Seventh Annual General Meeting of the Members of AVANCE TECHNOLOGIES LIMITED will be held on Friday, 30th day of September, 2011, at 9.00 A.M at its Registered Office situated at: Unit No 505, Midas Chambers, Off Link Road, Andheri (W), Mumbai – 400 053 to transact, the following business :

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Balance Sheet as on 31st March, 2011 and the Audited Profit & Loss Account for the year ended on that date, together with the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Deepak Goyal, who retires by rotation, but being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Anand Choudary, who retires by rotation, but being eligible, offers himself for re-appointment.
4. To re-appoint M/S Ramesh Bhatam & Co. as Statutory Auditors of the Company, to hold the office from the conclusion of this Annual General Meeting till the conclusion of next annual general meeting & fix their remuneration.

SPECIAL BUSINESS:

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

“RESOLVED THAT Mr. Ronak Chedda who was appointed as an Additional Director of the Company by the Board in its meeting held on 5th March, 2011 and who holds office up to the date of this Annual General Meeting and in respect of whom a notice in writing has been received from a member signifying his/her intention to propose him as a candidate for the office of Director of the Company, under the provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

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

“RESOLVED THAT pursuant to the provisions of section 149(2A) of the Companies Act, 1956, the consent of the members of the Company be and is hereby accorded to carry on the business activities as covered under sub-clause 66 of the Other Objects Clause of the Memorandum of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take all such effective steps to implement the decision of the members of the Company as they may consider appropriate in the interest of the Company and to do all such acts, deeds and things from time to time for and on behalf of the Company for execution of aforementioned resolution.”

NOTES:

- a) **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 to be a member of the Company. The Proxy, in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**

Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.

- b) The Company seeks the consent of the Shareholders for the proposals contained in the resolution appended above. The explanatory Statement pertaining to the said resolutions setting out the material facts and the reasons thereof is annexed hereto for your consideration.
- c) The Register of Members and the Share Transfer Books of the Company will remain closed from **19th September, 2011 to 21st September, 2011(both days inclusive).**
- d) Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
- e) In case of the Joint holders attending the Meetings, only such Joint holder who is higher in the order of names will be entitled to vote.
- f) Relevant documents referred to in the accompanying notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the meeting.
- g) Members holding Shares in the Electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form are requested to intimate any change of address immediately to the Registrar and Shares Transfer Agents, **PURVA SHAREGISTRY INDIA PVT. LTD, No. 9, Shivshakti Ind. Est, Ground floor, J R Boricha Marg, Opp. Kastruba Hosp., Lower Parel, Mumbai- 400 011**
- h) Members/Beneficial Owners are requested to quote their full name as per Company's record, Folio No. /DP and Client ID Nos. as the case may be, in all their correspondence with the Company.

EXPLANATORY STATEMENT AS PER SECTION 173(2) OF THE COMPANIES ACT, 1956, IN RESPECT OF ITEM NO. 5 AND 6**ITEM NO. 5**

Mr. Ronak Chedda was appointed as an Additional Director of the Company with effect from 5th March, 2011. Pursuant to Section 260 of the company Act, 1956 Mr. Ronak Chedda will hold the Office as Director only up to the date of this Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956, from the member of the Company signifying his intention to propose Mr. Ronak Chedda for appointment as a Director liable to retire by rotation at the forthcoming Annual General Meeting.

The Board considers that the Company would be benefited by his rich experience and guidance. The Board of Directors therefore recommends the resolution for approval of the members.

None of the Directors are except Mr. Ronak Chedda is concerned or interested in the proposed resolution.

ITEM NO.6

The Company is currently engaged into the IT Sector. Further, the Board of Directors of the Company is of the opinion that the Indian Economy is growing at a rapid rate and expected to provide the Investment opportunities in the coming future. The Memorandum of Association of the Company covers in its ambit the objects related to Trading and Investment in Securities. Hence the Company Management has proposed to commence the business of an investment Company as mentioned under sub-clause 66 of Other Objects Clause of the Memorandum of Association of the Company to capitalize the market opportunities.

According to section 149(2A) of the Companies Act, 1956, no Company can commence any business as mentioned in the other objects of Memorandum of Association of the Company unless the same has approved by a special resolution passed in that behalf at a general meeting.

The Memorandum of Association of the Company is open for inspection at the Company's registered office during usual business hours on any working day. Your directors commend the resolution for your approval. None of the Directors of your Company is in any way concerned or interested in this resolution.

By Order of the Board of Directors

Place : Mumbai

Date : 2nd September, 2011

**Sd/-
Deepak Goyal
(Director)**

DIRECTOR'S REPORT

To
The Members of,
Avance Technologies Limited

Your Directors are very pleased to present to you the 27th Director's Report and the Audited Balance Sheet and Profit and Loss Account for the year ended 31st March, 2011.

1. FINANCIAL RESULTS :

Financial Result of the Company for the Current year under review along with the figures for the previous year is as follows:

Particulars	Schedule	For the year ended 31 st March, 2011	For the year ended 31 st March, 2010
Income	I	1764174050	727716124
Sales	J	21194661	1801788
Other Income Increase/Decrease in Stock	K	54871082	27102841
Total Income		1840239793	756620753
Expenditure			
Purchases		1815792338	748047896
Employees Remuneration/cost		657169	486257
Administrative Expenses	L	21924567	3112057
Selling Expenses	M	48161	44710
Financial Expenses	N	24616	21208
Depreciation	E	730226	730226
Total Expenditure		1839177077	752442354
Profit/(Loss) before Tax		1062716	4178399
Provision for FBT		-	-
Provision for Income Tax		687158	1313426
Income Tax Paid		-	484043
Provision for Deferred Tax		(82962)	109455
Profit/(Loss) after Tax		458520	2271475
Balance b/f from Previous Year		3793034	60218810
Less: Reserve used for issue of Bonus shares		-	58697250
Balance b/f		3793034	1521560
Balance carried to the Balance Sheet		4251554	3793034
Profit considered for arriving at EPS		458520	2271475
Earnings per Share (Basic)		0.003	0.04
Earnings per Share (Diluted)		0.003	0.49

2. OPERATIONS AND PERFORMANCE :

During Financial Year 2010-11, the Company recorded net revenue of Rs. 1840239739, an increase of 58% over the previous year of Rs. 756620753. The earnings after tax of the Company was Rs.1062716 in 2010-11 as compared to Rs. 4178399 million in 2009-10. The diluted earnings per share (EPS) is Rs. 0.003 per share as compared to Rs. 0.49 per share for 2009-10.

3. DIVIDEND:

After taking into consideration the financial Results of the Company for the Financial year 2010-11, and with an intention to build up the net worth for future expansion and growth plans, your directors are of the opinion, not to recommend any dividend for the year.

4. DIRECTORS:

Avance's Board has a strength of 7 directors. The Present Directors are Mr. Rajeev Anand, Mr. Deepak Goyal, Mr. Srikrishna Bhamidipati, Mr. Randhir Marwa, Mr. Anand Chaudhary, Mr. Bimal Kamdar and Mr. Ronak Chedda.

In accordance with the provisions of the Articles of Association of the Company, Mr. Deepak Goyal and Mr. Anand Chaudhary retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, have offered themselves for re-appointment and your Board recommends their re-appointment.

Mr. Ronak Chedda was appointed as an Additional Director on the Board of the Company on 5th March, 2011 and would hold office up to the date of the ensuing Annual General Meeting. It is proposed by the Board of Directors to appoint Mr. Ronak Chedda as a director of the Company liable to retire by rotation based on his expertise.

5. DEPOSITS:

The Company has not accepted any deposits during the year with the meaning of the Companies (Acceptance of Deposits) Rules, 1975.

6. DISCLOSURE ON APPOINTMENT OF AUDITORS IN THE COMPANY:

The Company's Auditors, M/s. Ramesh Bhatam & Co. Chartered Accountants, retire at the ensuing Annual General Meeting and have expressed their willingness to be re-appointed.

Your Company has obtained a letter from the auditor to the effect that the re-appointment, if made, will be in conformity with the limits specified in section 224 (1B) of the Companies Act, 1956.

Comments of the Auditors in their report and the notes forming part of the Accounts are self explanatory and need no comments.

7. AUDIT COMMITTEE:

An audit Committee with an optimum combination of Directors have been formed in order to comply with the various requirements under the Companies Act, 1956 and Clause 49 of the Listing Agreement.

The Board of Directors have been reviewing the working of the committee from time to time to bring about greater effectiveness in its working structure.

Adequate disclosures in respect of the composition of the Audit Committee and the Chairmanship have been made in the Corporate Governance Report which forms an essential part of this report.

8. PARTICULARS OF EMPLOYEES:

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

The Company's performance management system is bench-marked with prevailing best practices. It seeks to continuously enhance competitiveness and skills of its employees.

Furthermore, no employees of the Company fall into the ambit of drawing remuneration of Rs 24,00,000 per annum or Rs.2,00,000 per month for any part of the year or more, hence no particulars have been furnished as required under section 217 (2A) of the companies Act, 1956 read with the Companies (Particular of Employees Rules) 1975.

The Board wishes to place on record its sincere appreciation of the efforts put in by the Company's workers, staff and executives for achieving excellent results under difficult conditions.

9. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provision of section 217(2AA) of the Companies Act, 1965, your Directors place on record a responsibility statement stating that:

- (i) In the preparation of the annual accounts, applicable accounting standards have been followed along with proper explanation relating to material departures.