

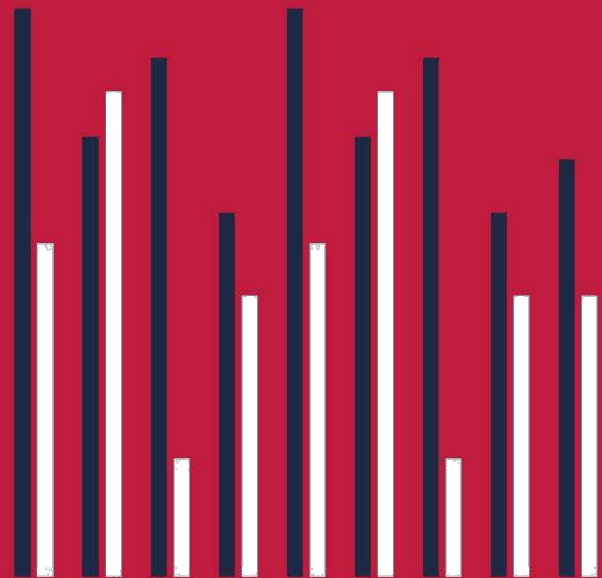


AVANCE TECHNOLOGIES LIMITED

annual report 2014-15

Dear Shareowners...

The Computer Hardware market is a rapidly expanding sector, witnessing continuous changes and advancements. Progress in the Computer Hardware field has brought about many positive changes in the urban lifestyle. The computer hardware market includes sectors like, computers, peripherals and devices, and storage devices. The computer hardware products include Computer Retailing, Facsimile, Internet Equipment, Internet Hardware, Internet Server, Mobile Computing, Mobile Portables, Personal Computer, Printer, Copier, Mainframe, Thin Client, and Hard Disk. These sectors have experienced significant growth in the recent years. Further, the market expected double digit growth in the coming years. However, the Computer Hardware market is expected to face a tough competition in the near future, as more features are now being incorporated into Smart-Phones or Business Phones.



Due to increasing demand for tablets, netbook, smartphones and business phones, the personal computers and laptops (Ultimately, computer hardware) facing tough competition from this. Therefore, most of the companies are intending to launch innovative technologies with improved functions. This helps them to increase their customer base. Canon, Dell, IBM, and Lenovo are the top companies in the world for computer hardware market which are also going for online sales and marketing.

Rising income levels throughout the world and the ubiquity of computer technology have increased demand for industry products, particularly in emerging markets. However, growing competition from tablet devices and mobile phones has eroded demand for traditional PCs worldwide, thus limiting growth in the Global Computer Hardware Manufacturing industry. In the next five years, industry revenue is expected to grow, as the industry will benefit from broad-based economic growth and greater market acceptance of digital information. Additionally, product innovations and growing demand in emerging markets will fuel growth.

The IT industry has emerged as one of the most important industries in the Indian economy contributing significantly to the growth of the economy. India is the world's largest sourcing destination for the information technology (IT) industry, accounting for approximately 52 per cent of the US\$ 124-130 billion market.

Indian IT's core competencies and strengths have placed it on the international canvas, attracting investments from major countries. The computer software and hardware sector in India attracted cumulative foreign direct investment

(FDI) inflows worth US\$ 13,788.56 million between April 2000 and December 2014, according to data released by the Department of Industrial Policy and Promotion (DIPP).

The IT industry of India got a major boost from the liberalization of the Indian economy. The structure of the IT industry is quite different from other industries in the Indian economy. The IT industry of India is hugely dependant on skilled manpower. Primarily being knowledge based industry, the IT industry of India has reordered significant success due to the huge availability of skilled personnel in India. The industry employs about 10 million Indians and continues to contribute significantly to the social and economic transformation in the country.

The IT industry has not only transformed India's image on the global platform, but has also fuelled economic growth by energizing the higher education sector especially in engineering and computer science. India's cost competitiveness in providing IT services, which is approximately 3-4 times cheaper than the US, continues to be its unique selling proposition (USP) in the global sourcing market.

The primary business of your Company is purchase and sale of IT software products .The Company has generated its major revenue from sale of IT Products and computer peripheral. As enlisted below

During the year under review, your company has been able to generate revenue from sale of Rs.107,58,75,545/- in FY 2014-15 as compared to previous year of Rs. 89,23,63,920/-. The operating loss of the company reduced from Rs.3,37,11,496/- in FY 2014-15 to Rs. 1,11,60,247/- in FY 2013-14.

The increase in operational revenue is attributable to increase in income from sale of IT products and Computer peripheral by 20.3% to Rs. 106,55,15,781 in FY 2014-15 as against Rs.88,56,94,138 in FY 2013-14.

Finally, I would like to thank all our stakeholders across the country –our shareholders, customers, suppliers, vendors, partners, employees for the support extended to us and I hope to continue to receive your support in the future.

Yours sincerely,

Srikrishna Bhamidipati

Managing Director

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CORPORATE INFORMATION

CIN – L51900MH1985PLC035210

SCRIP ID – AVANCE

SCRIP CODE – 512149

1. BOARD OF DIRECTORS:-

Mr. Srikrishna Bhamidipati	- Managing Director, Chairman & Compliance officer
Mr. Srinivas Rachakonda	- Executive Director & Chief Financial Officer (CFO)
Mr. Deepak Manki	- Executive Director
Mr. Anand Choudhary	- Non-Executive Independent Director
Mr. Bimal Kamdar	- Non-Executive Independent Director
Ms. Pooja Srivastava	- Non-Executive Independent Director

2. BOARD COMMITTEES:-

AUDIT COMMITTEE

Mr. Anand Choudhary	- Chairman
Mr. Bimal Kamdar	- Member
Mr. Deepak Manki	- Member

STAKEHOLDER'S RELATIONSHIP COMMITTEE

Mr. Anand Choudhary	- Chairman
Mr. Bimal Kamdar	- Member
Mr. Deepak Manki	- Member

NOMINATION & REMUNERATION COMMITTEE

Mr. Anand Choudhary	- Chairman
Mr. Bimal Kamdar	- Member
Ms. Pooja Srivastava	- Member

RISK MANAGEMENT COMMITTEE

Mr. Anand Choudhary	- Chairman
Mr. Bimal Kamdar	- Member
Mr. Deepak Manki	- Member

3. AUDITORS:-

Name	M/s. Tejas Nadkarni & Associates
Address	24, 2 nd Floor, X Central Mall, Near D-Mart, Mahavir Nagar, Kandivali (West) Mumbai – 400 067.

4. SHARE TRANSFER AGENT:-

Name	M/s Purva Sharegistry (India) Pvt. Ltd.
Address	No. 9, Shiv Shakti Industrial Estate, Ground Floor, J. R. Boricha Marg, Opp. Katurba Hospital, Lower Parel, Mumbai – 400 011.

5. BANKERS:

Oriental Bank of Commerce
Dhanalaxmi Bank
IndusInd Bank

6. REGISTERED ADDRESS:-

D / 603, 6th Floor, Crystal Plaza Premises,
Co-op Society Ltd, Opp. Infinity Mall,
New Link Road, Andheri (W),
Mumbai – 400 053.

<u>EMAIL:</u>	info@avance.in , avancetechnologiesltd@gmail.com
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<u>WEBSITE: -</u>	www.avance.in
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NOTICE

Notice is hereby given that the Thirty-First Annual General Meeting of the Members of **Avance Technologies Limited** will be held on Monday, 28th September, 2015 at 9:30 a.m. at the Registered Office of the Company situated at D/603, 6th Floor, Crystal Plaza Premises, Co-operative Society Limited, Opp. Infinity Mall, New Link Road, Andheri (West), Mumbai- 400053 to transact the following business:

ORDINARY BUSINESS.

To receive, consider and adopt the Balance Sheet as at 31st March, 2015, Statement of Profit and Loss for the financial year ended as on that date, and the Report of the Directors and Auditors thereon.

Re-Appointment of Mr. Deepak Manki.

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

“RESOLVED THAT pursuant to section 152 of the Companies Act, 2013, **Mr. Deepak Manki** (holding DIN 06966008), a director liable to retire by rotation and being eligible who has offered himself for re-appointment, be and is hereby appointed as an Executive Director of the Company, liable to retire by rotation.”

Ratification of Appointment of Auditor.

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

“RESOLVED THAT the appointment of **M/s. Tejas Nadkarni & Associates.**, having Firm Registration No. 135197W, Chartered Accountants, who were appointed as Statutory Auditors of the Company at the Annual General Meeting concerning of the financial year 2013-14 till the conclusion of the Annual General Meeting concerning of the financial year 2016-17 after receiving a recommendation in this regard from the Audit Committee pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under, be and is hereby ratified and confirmed as Statutory Auditors of the Company to carry out statutory audit for the financial year 2015-16, at a remuneration as may be recommended by the Audit Committee and fixed by the Board of Directors in consultation with the Auditors.

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.”

SPECIAL BUSSINESS.

Adoption of New Articles of Association.

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 14 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 and any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof), if any, the new set of Articles of Association of the Company as per Companies Act, 2013, as available for inspection in the registered office of the Company, be and is hereby approved and adopted as the new set of Articles of Association of the Company, in substitution for the existing Articles of Association of the Company.

RESOLVED FURTHER THAT any of the directors of the Company be and are hereby authorized to take all actions and do all such acts, deeds, matters and things as may be necessary or desirable in connection with or incidental to give effect to the above resolution.”

Payment of remuneration to Mr. Srikrishna Bhamidipati.

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 Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the rules made there under (including statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Act and Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded for payment of Remuneration to **Mr. Srikrishna Bhamidipati** (DIN No. 02083384), the Managing Director of the company upon the terms and conditions, set out in the Explanatory Statement annexed to the Notice convening this meeting (including remuneration to be paid in the event of loss or inadequacy of profits in any financial year), with liberty to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board and **Mr. Srikrishna Bhamidipati**.

RESOLVED FURTHER THAT the board be and is hereby authorised to take all steps as may be necessary, proper and expedient to give effect to this resolution."

By Order of the Board of Directors

For Avance Technologies Limited

Sd/-

Srikrishna Bhamidipati

Chairman & Managing Director

DIN: 02083384

Date: 04.09.2015

Place: Mumbai.

NOTES:

The relevant Explanatory Statement, pursuant to Section 102(2) of the Companies Act, 2013, in respect of the special business under item no. 4 is annexed hereto.

Pursuant to the requirements on corporate governance under clause 49 of the listing agreement, a statement giving the relevant details of the Directors seeking re-appointment is annexed hereto.

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. A BLANK PROXY FORM IS ENCLOSED.

Pursuant to rule 20 of Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.

Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members of the Company and the Share Transfer Books of the Company shall remain closed from **22nd September, 2015 to 28th September, 2015** (both days inclusive).

Members are requested to intimate to the Company's Registrars and Share Transfer Agents viz., **M/s. Purva Sharegistry (India) Private Limited** in respect of shares held in physical form and to their Depository Participants in respect of shares held in electronic form;

a) any change in their addresses;

b) details about their e-mail address, so that all notices and other statutory documents can be sent to their e-mail addresses, as a measure of "Green Initiative".

Members are requested to:

- bring their copy of Annual Report to the Meeting,
- bring the Attendance Slip sent herewith, duly filled in,
- bring their Folio Number / DP and Client ID and quote it in all correspondence,
- avoid being accompanied by non-Members and children,
- inform your e-mail ids, if not already registered with the Registrar,
- consider converting their physical holding to dematerialized form to eliminate all risks associated with physical shares and ease of portfolio management, and
- write to the Company for seeking clarification on queries, if any, with regard to the Accounts.

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.

Notice, Annual Report and instructions for participating in e-voting along with Attendance Slip and Proxy Form, are being sent by electronic mode to all Members whose e-mail addresses are registered with the Company/Depository Participant(s). For Members who have not registered their e-mail addresses, physical copy of the aforesaid documents are being sent by the permitted mode.

The annual report of the Company circulated to the members of the company, will be made available on the Company's website at www.avance.in

Voting through electronic means.

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote at the 31st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Service provided by Central Depository Services Limited (CDSL). The instructions for remote e-voting are as under:

The voting period begins on **25th September, 2015** at **9.00 Hrs** and ends on **27th September, 2015** at **17.00 Hrs**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized