



07th September 2023

**To,
The Chief General Manager
Listing Operation,
BSE Limited,
P. J. Towers, Dalal Street,
Mumbai – 400 001.**

**Scrip Code: 512149
Scrip Id: AVANCE**

Dear Sir/Madam,

Sub: Annual Report under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company along with the Notice of the Annual General Meeting for the Financial Year 2022-23.

The 39th Annual General Meeting of the Company will be held on Friday, 29th September 2023 at 09:30 A.M. at Sammelan Hall, A101, Samarth Complex, Jawahar Nagar, Goregaon (West), Mumbai – 400104.

We hereby request you to take the same on your record.

Thanking You,

Avance Technologies Limited

**Srikrishna Bhamidipati
Managing Director
DIN: 02083384**

Avance Technologies Limited

CIN: L51900MH1985PLC035210

Reg. Off: Office No. 226/227, Majestic Centre, Second Floor, 144 Opera House, Mumbai – 400 004.

Phone No.: +91 9594988351 Email: info@avance.in / avancetechnologiesltd@gmail.com Website: www.avance.in



Avance Technologies Limited

Annual Report FY 2022-23

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Corporate Information

Board of Directors

- **Mr. Srikrishna Bhamidipati**
Chairman & Managing Director
- **Mrs. Shakila Makandar**
Independent Director
- **Mr. Akshay Nawale**
Independent Director
- **Mr. Sanjay Devlekar**
Independent Director
- **Mr. Vasant Bhoir**
Non-Executive Director
- **Mr. Deepak Mane**
Non-Executive Director

Key Managerial Personnel

- **Mr. Vijaysingh Purohit**
Chief Financial Officer
- **Mrs. Sneha Shrivastava**
Company Secretary & Compliance Officer

Registered Office Address

Office No. 226/227, Majestic Center, Second Floor, 144 Opera House, Mumbai — 400 004.
Tel: +91 9594988351

Email Id: info@avance.in;
avancetechnologiesltd@gmail.com

Website: www.avance.in

CIN: L51900MH1985PLC035210

Stock Exchanges Where the Company is listed

BSE Limited

Statutory Auditors

M/s. Rishi Sekhri and Associates,
Chartered Accountants

Registrars and Share Transfer Agents

Banker

Dhanlaxmi Bank
Bank of Baroda
Axis Bank

Purva Sharegistry (India) Pvt. Ltd,
No. 9 Shiv shakti Industrial Estate, Ground Floor, J R Boricha Marg, Opp Kasturba Hospital Lower parel, Mumbai, Maharashtra, 400011.

Tel: 022 – 23016761

Fax: 022 - 23012517

Website: www.purvashare.com

E-mail: support@purvashare.com

Audit Committee

Mr. Akshay Nawale - Chairman
Mrs. Shakila Makandar - Member
Mr. Vasant Bhoir - Member

Stakeholder's Relationship Committee

Mr. Akshay Nawale - Chairman
Mrs. Shakila Makandar - Member
Mr. Vasant Bhoir - Member

Nomination & Remuneration Committee

Mr. Akshay Nawale - Chairman
Mrs. Shakila Makandar - Member
Mr. Vasant Bhoir - Member

Risk Management Committee

Mr. Akshay Nawale - Chairman
Mrs. Shakila Makandar - Member
Mr. Vasant Tukaram Bhoir - Member

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 39TH (THIRTY NINETH) ANNUAL GENERAL MEETING OF THE MEMBERS OF AVANCE TECHNOLOGIES LIMITED WILL BE HELD ON FRIDAY, 29TH SEPTEMBER 2023 AT 9.30 A.M. AT SAMMELAN HALL, A101, SAMARTH COMPLEX, JAWAHAR NAGAR, GOREGAON (WEST), MUMBAI – 400 104 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Balance Sheet as at 31st March 2023, the Statement of Profit and Loss and Cash Flow Statement for the financial year ended March 31, 2023 together with the Reports of the Board of Directors and the Auditors thereon:**

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

“**RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended on 31st March 2023 and the Reports of the Board of Directors and the Auditors thereon, as circulated to the members, be and are hereby received, considered and adopted.”

2. **To appoint a director in place of Mr. Vasant Bhoir (DIN: 07596882) who retires by rotation and being eligible, offers himself for re-appointment:**

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

“**RESOLVED THAT** pursuant to the provisions of section 152 and other applicable provisions of the Companies Act, 2013, the rules thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Vasant Tukaram Bhoir (DIN: 07596882), Director who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a non-executive director of the company, liable to retire by rotation.

RESOLVED FURTHER THAT any of the Directors for the time being and are hereby severally authorized to sign and execute all such documents and papers (including appointment letter etc.) as may be required for the purpose and file necessary e-form with the Registrar of Companies and to do all such acts, deeds and things as may be considered expedient and necessary in this regard.”

SPECIAL BUSINESS:

3. **To approve the re-appointment of Mrs. Shakila Makandar (DIN: 06513263) as an Independent Director of the Company for a second term of five consecutive years:**

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

“**RESOLVED THAT** pursuant to section 149, 150, 152 and other applicable provisions of the Companies Act, 2013, The Companies (Appointment and Qualifications of Directors) Rules, 2014 read with schedule IV to the Companies Act, 2013 (including any statutory modification(s) or reenactment(s) thereof for the time being in force), Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and on basis of recommendation of the Nomination and Remuneration Committee, Mrs. Shakila Makandar (DIN: 06513263), Independent Director of the Company who has submitted a declaration that she meets the criteria of

independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director on the Board of the Company, not liable to retire by rotation for a second term of five consecutive years commencing from 23rd October 2023 till 22nd October 2028.

RESOLVED FURTHER THAT any of the Director(s) of the Company, jointly or severally, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

**By Order of the Board
For Avance Technologies Limited
Sd/-
Srikrishna Bhamidipati
Managing Director
DIN: 02083384**

**Date: 04th September 2023
Place: Mumbai**

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/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. 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 per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member. Proxies in order to be effective should be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued on behalf of the nominating organization.
2. Members/ Proxies and Authorised representatives are requested to bring to the Meeting; the attendance slips enclosed herewith duly completed and signed mentioning therein details of their DP ID and Client ID/Folio No. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy of the Board Resolution authorizing the representative to attend and vote on their behalf at the Meeting.
3. Notice of the AGM of the Company, *inter alia*, indicating the process and manner of e-voting along is being sent to the members whose names appear on the Register of Members/List of Beneficial Owners as received from the National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) as on 01st September 2023 (Record Date).
4. The Register of Members and the Share Transfer Books will remain closed from Saturday, 23rd September 2023 to Friday, 29th September 2023 (both days inclusive) for the purpose of the Annual General Meeting
5. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the special businesses is annexed hereto. The relevant details, pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed.
6. Attendance Slip, Proxy form and the route map showing directions to reach the venue of the meeting is annexed to the Notice.
7. Member(s) whose names appear on the Register of Members/List of Beneficial Owners as on the cut-off date of Friday, 22nd September 2023 will be entitled to vote on the resolutions set forth in this Notice. The instructions for e-voting are annexed to this Notice.
8. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote.
9. The Board of Directors of the Company (“the Board”), has appointed Jaymin Modi & Co., Company Secretaries (COP: 16948) as the Scrutinizer, for conducting the e-voting process in a fair and transparent manner.
10. As required by Rule 20 of the Companies (Management and Administration) Rules, 2014 read with MCA Circulars and the Listing Regulations, the details pertaining to this AGM will be published in one English national daily newspaper circulating throughout India (in English language) and one in vernacular language in that district (in Marathi Language) in which registered office of the Company is situated.

11. To support the “Green initiative” members who have not registered their e-mail addresses so far are requested to register their e-mail address with the company’s RTA or Depository Participants, in respect of shares held in physical/electronic mode respectively.

12. Voting through electronic means:

In Compliance with the provision 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 Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 39th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Service by National Securities Depository Limited (NSDL), the instructions for remote e-voting are as under:

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

The remote e-voting period begins on Tuesday, 26th September 2023 at 9:00 A.M. and ends on Thursday, 28th September 2023 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, 22nd September 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, 22nd September 2023.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode.

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at |

| | |
|---|--|
| | <p>https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</p> <ol style="list-style-type: none"> 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center; gap: 20px;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 20px; margin-top: 10px;">   </div> |
| <p>Individual Shareholders holding securities in demat mode with CDSL</p> | <ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| <p>Individual Shareholders (holding securities in demat mode) login</p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-</p> |

| | |
|---------------------------------------|--|
| through their depository participants | Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. |
|---------------------------------------|--|

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33 |

B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is |

| | |
|---|---|
| | 12***** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.

5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to info@csjmco.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to info@avance.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to info@avance.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT /
REAPPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE LODR REGULATIONS AND
APPLICABLE SECRETARIAL STANDARDS**

| Name of the Director | Mr. Vasant Bhoir | Mrs. Shakila Makandar |
|--|--|---|
| DIN | 07596882 | 06513263 |
| Date of Birth | 15 th February, 1972 | 19 th June 1983 |
| Date of first appointment on the Board | 01 st October 2016 | 23 rd October 2018 |
| Qualification | Graduate | B.A., History Graduate, Diploma in Electronics and Telecommunication |
| Expertise in Special Functional Areas | He is an excellent analyst and has a good command over the subject. He has good exposure in the field of marketing. | She has a vast experience of technology and functional execution. |
| Directorship held in other Public Limited Companies* | 1 | 1 |
| No. of Meetings of the Board attended during the financial year | 07(Seven) | 07(Seven) |
| Shareholding in the Company | Nil | Nil |
| Disclosure of inter-se relationships between Directors and Key Managerial Personnel of the Company | None | None |
| Chairmanship / membership of committees of other Board | 0 | 0 |
| Remuneration last drawn | Mr. Vasant Bhoir is not entitled to any remuneration by way of sitting fees or commission in Avance Technologies Limited | None |
| Terms and conditions of Appointment/ Re-appointment | Mr. Vasant Bhoir was appointed as a Non-executive Director of the Company w.e.f. 1st October 2016, liable to retire by rotation. | Re-appointment is for a period of five years with effect from 23 rd October 2023, subject to approval by the shareholders at the ensuing Annual General Meeting. |

*excluding private, foreign companies and Section 8 Companies

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.: 03

The Board of Directors at their meeting held on 23rd October 2018 had appointed Mrs. Shakila Makandar (DIN: 06513263) as an Additional Independent Director of the Company to hold office till the next Annual General Meeting. Further, the Members at the Annual General Meeting held on 30th September 2019 appointed Mrs. Shakila Makandar as an Independent Director to hold office for a term of 5 (five) years. Accordingly, her tenure as an Independent Director is due for expire on 22nd October 2023.

In terms of provisions of section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee of the Company shall recommend to the Board of the Directors, the appointment/ reappointment of a Director. In terms of provisions of section 149(10) of the Companies Act, 2013, an independent director shall hold office for a term up to five consecutive years on the Board of a Company but shall be eligible for re-appointment on passing of a special resolution by the Shareholders of the Company and disclosure of such appointment in the Board's report.

The Independent Directors shall be appointed by the Board of Directors of the Company, based on the nomination received from Nomination and Remuneration Committee, constituted by the Board, in accordance with Applicable acts and by-laws. the Independent Director(s) to be so appointed shall be persons holding requisite knowledge and experience in their respective fields, which the Board deems beneficial to the Company.

The Company has received the consent from Mrs. Shakila Makandar to act as the Director in the prescribed Form DIR-2 under Section 152(5) of the Act and Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 along with the declaration on criteria of Independence as per Section 149(6) of the Act. After taking into account the performance evaluation, during her first term of five years and considering the knowledge, acumen, expertise and experience in respective fields and the substantial contribution made by Mrs. Shakila Makandar during her tenure as an Independent Director since her appointment, the Nomination and Remuneration Committee at its meeting held on 04th September 2023 has considered, approved and recommended the re-appointment of Mrs. Shakila Makandar as an Independent Directors for a second term of five years with effect from 23rd October 2023.

The Board of Directors at its meeting held on 04th September 2023 has approved the proposal for re-appointment of Mrs. Shakila Makandar as an Independent Director for a second term of five consecutive years with effect from 23rd September 2023. In line with the aforesaid provisions of the Companies Act, 2013 and in view of long, rich experience, continued valuable guidance to the management and strong Board performance of Mrs. Shakila Makandar, the Shareholders are requested to approve the re-appointment of Mrs. Shakila Makandar as an Independent Directors for a second term of five consecutive years with effect from 23rd October 2023.

The Board recommends the Resolution for approval of the Members as a Special Resolution as set out in the item no. 3 of the notice. Except Mrs. Shakila Makandar, being the appointee, no other Director or Key Managerial Personnel of the Company or their respective relatives is/ are concerned or interested, financially or otherwise, in the said Resolution.

AVANCE TECHNOLOGIES LIMITED
(CIN: L51900MH1985PLC035210)

Registered Office: Office No. 226/227, Majestic Center, Second Floor, 144 Opera House, Mumbai – 400 004.

Email: info@avance.in, avancetechnologiesltd@gmail.com; **Website:** www.avance.in;

Contact No.: +91 9594988351

39th ANNUAL GENERAL MEETING

Friday, 29th September 2023 at 09.30 a.m.

PROXY FORM

(Pursuant to section 105(6) of the Companies Act, 2013 and
Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

I/We being the member(s) of Avance Technologies Limited holding _____ shares, hereby appoint:

1. Name: _____
Address: _____
Email: _____ Signature: _____
or failing him/her;
2. Name: _____
Address: _____
Email: _____ Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 39th Annual General Meeting of the Company, to be held on Friday, 29th September 2023 at 09.30 a.m. at Sammelan Hall, A101, Samarth Complex, Jawahar Nagar, Goregaon (West), Mumbai – 400 104 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No. | Resolution | Optional* | |
|-----------------------------|--|-----------|---------|
| | | for | against |
| Ordinary Businesses: | | | |
| 1. | To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 st March 2023, together with the Reports of the Board of Directors and the Auditors thereon. | | |
| 2. | To appoint a Director in place of Mr. Vasant Bhoir (DIN: 07596882) Director of the Company who retires by rotation and being eligible offers himself for re-appointment. | | |
| Special Businesses: | | | |
| 3. | To approve the re-appointment of Mrs. Shakila Makandar (DIN: 06513263) as an Independent Director of the Company for a second term of five consecutive years. | | |

* It is optional to put an 'X' in the appropriate column against the Resolutions indicated in the Box.

If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

Note: Notwithstanding the above, the Proxies can vote on such other items which may be tabled at the meeting by the members present.

Signed this _____ day of _____ 2023.

Member's Signature _____

Signature of Proxy holder _____

Signature of Proxy holder (2nd) _____

| |
|-------------|
| Affix Re. 1 |
| Revenue |
| Stamp |

NOTE:

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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AVANCE TECHNOLOGIES LIMITED

(CIN: L51900MH1985PLC035210)

Registered Office: Office No. 226/227, Majestic Center, Second Floor, 144 Opera House, Mumbai – 400 004.

Email: info@avance.in, avancetechnologiesltd@gmail.com; **Website:** www.avance.in;

Contact No.: +91 9594988351

39th ANNUAL GENERAL MEETING

Friday, 29th September 2023 at 09.30 a.m

ATTENDANCE SLIP

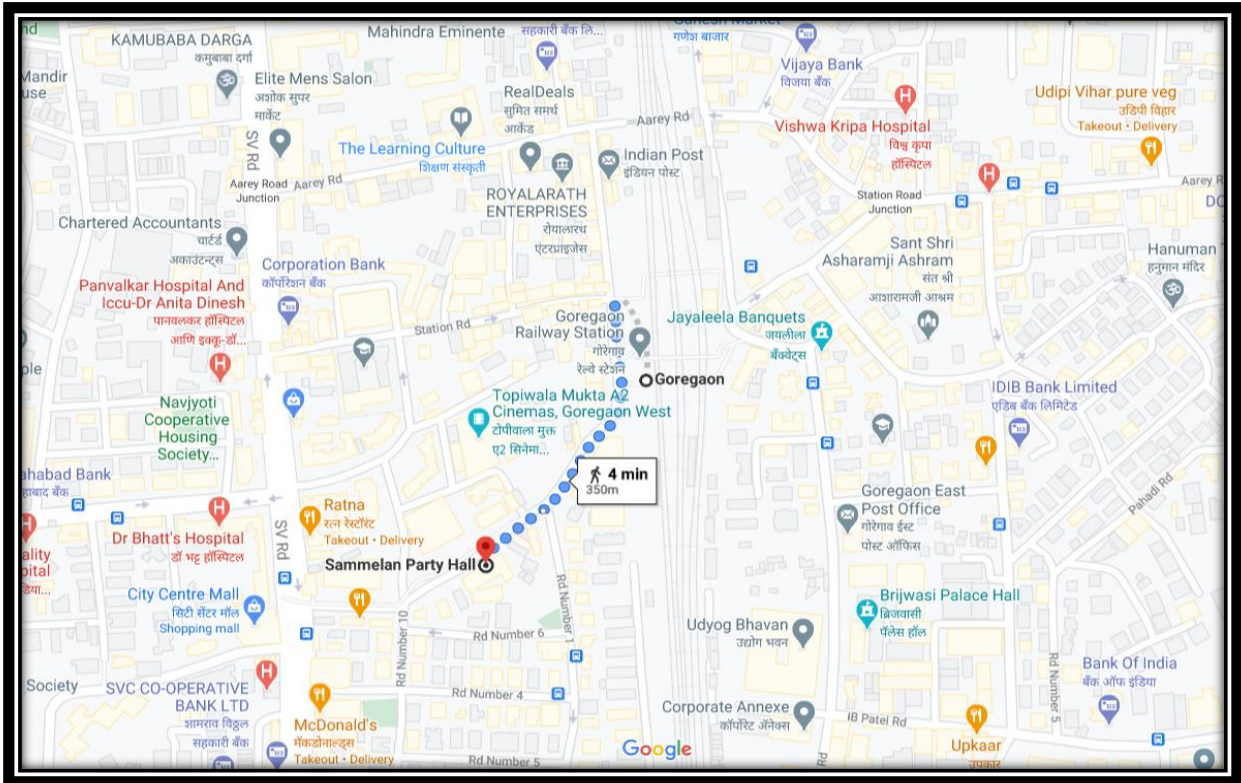
I/ We hereby record my/ our presence at the 39th Annual General Meeting of the Company to be held on Friday, 29th September 2023 at 09.30 a.m. at Sammelan Hall, A101, Samarth Complex, Jawahar Nagar, Goregaon (West), Mumbai – 400 104.

| | |
|---|------------------------------------|
| DP ID No.* | L.F. No. |
| Client I.D. No.* | No. of Shares Held |
| Name: Address: | |
| If Shareholder(s), Please Sign Here: | If Proxy, Please sign here: |

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ROUTE MAP FOR 39TH ANNUAL GENERAL MEETING

Date : 29th September 2023
Day : Friday
Time : 09.30 a.m.
Address : Sammelan Hall, A101, Samarth Complex, Jawahar Nagar,
Goregaon (West), Mumbai – 400 104.



DIRECTOR'S REPORT

Dear Shareholders,

Your Directors are pleased to present the 39th (Thirty Ninth) Annual Report and Audited Financial Statements for the year ended on 31st March, 2023.

PERFORMANCE OF THE COMPANY:

The Company's performance is summarized below:

| PARTICULARS | 31st March, 2023 | 31st March, 2022 |
|---|------------------------------------|------------------------------------|
| Total Income | 3053.203 | 1153.192 |
| Less: Total Expenses excluding Depreciation and tax | 3002.931 | 1214.786 |
| Profit before Depreciation & Tax | 50.272 | (61.594) |
| Less: Depreciation | 0.00 | 0.00 |
| Less: Exceptional Items | 0.00 | 0.00 |
| Profit/(Loss)before Tax | 50.272 | (61.594) |
| Less: <u>Tax</u> | | |
| i. Current Tax | 9.672 | 0.00 |
| ii. Deferred Tax | 0.00 | 0.00 |
| Profit/(Loss)after tax | 40.600 | (61.594) |

(Amount in Lakhs)

PERFORMANCE OF BUSINESS OPERATIONS:

Your Company's total income during the year under review was Rs. 3,053.203 Lakhs as compared to Rs. 1,153.192 Lakhs in the previous year. The Profit after tax was Rs. 40.600 Lakhs as compared to Rs. (61.594) Lakhs in the previous year.

FINANCIAL STATEMENTS:

The Company has prepared the Annual Audited Financial Statements for the financial year ended 31 March 2023 in accordance with the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 ("the Act").

In accordance with the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Annual Audited Financial Statements for the financial year ended 31 March 2023, together with Report of Auditors' thereon, forms part of this annual report.

DIVIDEND:

Considering the need to conserve cash and business expansion, your Board of Directors has not recommended any dividend on the equity shares of the Company for the financial year 2022-2023.

TRANSFER TO RESERVE:

The Company does not propose to transfer any amount to the General Reserve out of the amount available for appropriations for the FY 2022-23.

SHARE CAPITAL:

Authorized Share Capital:

During the year under review, the Company has made the sub-division/split of face value of Equity Shares from Rs. 10/- (Rupees Ten Only) to Rs. 5/- (Rupees Five Only) each with effect from 31st March, 2023. Therefore, due to sub-division/split of face value of Equity Share Capital, the Authorized Share Capital of the Company has been changed from 20,00,00,000 (Twenty Crores) equity shares of Rs. 10/- (Rupees Ten Only) each amounting to Rs. 200,00,00,000/- (Rupees Two Hundred Crores Only) to 40,00,00,000 (Forty Crores) equity shares of Rs. 5/- (Rupees Five Only) amounting to Rs. 200,00,00,000/- (Rupees Two Hundred Crores Only).

Issued, Subscribed & Paid-Up Share Capital:

The Company has made the sub-division/split of face value of Equity Shares from Rs. 10/- (Rupees Ten Only) to Rs. 5/- (Rupees Five Only) with effect from 31st March, 2023. The Capital Structure after the sub-division is as under:

| Particulars | No. of Shares | Face Value | Amount in Rs. |
|--------------------------|----------------------|-------------------|----------------------|
| Authorised Share Capital | 40,00,00,000 | 5.00/- | 200,00,00,000.00/- |
| Issued Share Capital | 396,383,486 | 5.00/- | 198,19,17,430.00/- |
| Subscribed Share Capital | 396,383,486 | 5.00/- | 198,19,17,430.00/- |
| Paid Share Capital | 396,383,486 | 5.00/- | 198,19,17,430.00/- |

AUDITORS AND THEIR REPORTS:

The matters related to Auditors and their Reports are as under:

Statutory Auditor:

Pursuant to Section 139 of the Companies Act, 2013, the shareholders in their meeting held on 30th September, 2022 had appointed M/s. Rishi Sekhri and Associates, Chartered Accountants, (FRN: 128216W) as Statutory Auditors of the Company for a term of five (5) consecutive financial years and their term expires at the conclusion of 43rd Annual General Meeting of the Company.

Auditors' Report:

The Auditors' Report on the financial statements of the Company forms a part of the Annual Report. There is no qualification, reservation, adverse remark, disclaimer or modified opinion in the Auditors' Report, which calls for any further comments or explanations.

Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Act, and the rules made thereunder, the Company has appointed CS Heena Gulrajani, Proprietor of M/s. Heena Gulrajani & Associates, Practicing Company Secretaries having Membership No.: A68255 & COP No.: 25423, to undertake the Secretarial Audit of the Company.

Secretarial Compliance Report and Secretarial Audit Report for FY 2022-23 of the Company is annexed, which forms part of this report as **Annexure – 1**.

There are no qualifications, reservation or adverse remarks given by Secretarial Auditors of the Company.

Internal Auditor:

For FY 2022-23, the Board of Directors had appointed M/s. K S G C & Associates, Chartered Accountants (Firm Registration No.: 021829C) as Internal Auditors of the Company. The Internal Auditors have been periodically

reporting to the Audit Committee with regards to their audit process and key audit findings during the year.

There are no qualifications, reservation or adverse remarks given by Internal Auditors of the Company for the period under review.

PUBLIC DEPOSITS:

During the year under review, the Company has not accepted or renewed any deposits falling within the purview of provisions of Section 73 of the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014.

CHANGE IN NATURE OF BUSINESS:

During the year under review, there was no material change in the nature of business of the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

During the year under review, no significant and material orders were passed by the Regulators, Securities Exchange Board of India, Stock Exchanges, Tribunal or Courts which impact the going concern status and the Company's operations in future.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the Financial Statement relate and the date of this report. There was no change in company's nature of business during the FY 2022- 23.

MANAGEMENT DISCUSSION & ANALYSIS:

As required under Regulation 34 read with Schedule V (B) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, report on "Management Discussion and Analysis" is attached as **Annexure – 2** and forms a part of this Report.

CORPORATE GOVERNANCE:

The Company is committed to pursue and adhere to the highest standard of Corporate Governance as set out by the Securities and Exchange Board of India (SEBI) and the Companies Act, 2013. The report on the Corporate Governance as stipulated in regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed with this Report as **Annexure – 3**.

PERFORMANCE OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

During the period under review, the Company does not have any Subsidiary, Joint Ventures and Associate Company. Therefore, Form AOC-1 for statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 is Not Applicable.

On 21st April 2023, the Company named Avance Ventures Private Limited was incorporated as wholly owned subsidiary of the Company.

DIRECTORS / KEY MANAGERIAL PERSONNEL:

a. Retirement by Rotation

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Vasant Bhoir (DIN: 07596882) is liable to retire by rotation and being eligible, offers himself for re-appointment.

The Board recommends the re-appointment of Mr. Vasant Bhoir (DIN: 07596882) as Director in the forthcoming Annual General Meeting of the Company. Your Board has recommended his re-election.

Re-appointment of Director:

Re-appointment of Mrs. Shakila Makandar (DIN: 06513263) for the 2nd term as an Independent Director of the Company through passing of special resolution.

b. Changes in Directors/ Key Managerial Personnel:

There was no change in the Board of Directors of the Company during the year under review.

- Ms. Deepa Garg has resigned from the post of Company Secretary & Compliance Officer of the company w.e.f 20th June 2022.
- Mrs. Sneha Shrivastava has been appointed as the Company Secretary & Compliance Officer of the company w.e.f 21st June 2022.

c. Composition:

The current composition of the Board is in accordance with the provisions of Section 149 of the Act and Regulation 17 of the Listing Regulations and specifically stated in Corporate Governance Report.

d. Declaration/Disclosures of Directors proposed to be appointed / re-appointed:

None of the directors of the company are disqualified under the provisions of the Companies Act, 2013 or under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All the Directors have made necessary disclosures as required under the various provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Brief profile of Mr. Vasant Bhoir (DIN: 07596882) proposed to be re-appointed and his Qualification, Experience along with the name of Companies in which he hold the Directorship and Listed Companies in which he hold Chairmanship/membership of the Committees of the Board, as stipulated under Regulations 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings is given as Annexure to the Notice convening the 39th Annual General Meeting.

MEETINGS OF BOARD OF DIRECTORS:

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board businesses. Your Company holds at least four Board Meetings in a year, one in each quarter to review the financial results and other items of the agenda. During the reporting period, the Board of Directors met 07 (Seven) times during the financial year viz. 28th May 2022, 09th June 2022, 21st June 2022, 12th August 2022, 05th September 2022, 11th November 2022 and 13th February 2023.

The notice of Board Meeting is given well in advance to all the Directors. The Agenda and Pre-reads are circulated well in advance before each meeting to all the Directors for facilitating effective discussion and decision making.

STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS:

All the Independent Directors of the Company have given declarations that they meet the criteria of independence as specified in Section 149(6) of the Act and shall abide by the Code for Independent Directors as specified in Schedule- IV of the Act.

ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES, AND INDIVIDUAL DIRECTORS:

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board is required to monitor and review the Board evaluation framework. In line with the Corporate Governance Guidelines, the Board has carried out the annual performance evaluation of its own performance, the Chairman, the Directors individually, Chief Financial Officer, Company Secretary as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders Relationship and Risk Management Committee.

This evaluation is led by the Chairman of the Nomination and Remuneration Committee with specific focus on the performance and effective functioning of the Board. The evaluation process also considers the time spent by each of the Board Member, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise. The Board evaluation is conducted through questionnaire having qualitative parameters and feedback based on ratings. The Directors expressed their satisfaction with the evaluation process.

SECRETARIAL STANDARDS:

The Company has complied with all the applicable provisions of Secretarial Standard on Meetings of Board of Directors (SS-1), Revised Secretarial Standard on General Meetings (SS-2) and other voluntarily adopted Secretarial Standards such as Secretarial Standard on Dividend (SS-3), Secretarial Standard on Report of the Board of Directors (SS-4) issued by Institute of Company Secretaries of India.

COST RECORDS AND COST AUDITORS:

The provisions of Cost Audit and Records as prescribed under Section 148 of the Act, are not applicable to the Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

In line with the requirements of the Companies Act, 2013 and Listing Regulations, the company has formulated a Policy on Related Party Transactions as approved by the Board of Directors which is also available on the Company's website www.avance.in and the same is considered for the purpose of identification and monitoring Related Party transactions.

During the year under review, the Company has not entered any contracts or arrangement with its related parties referred to in Section 188(1) of the Companies Act, 2013.

Disclosures in Form AOC-2 pertaining to material contract and arrangement in terms of Section 134(3)(h) of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules 2014, is included in this report as **Annexure – 4** and forms an integral part of this report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure – 5** forming part of the report.

ANNUAL RETURN:

The extract of Annual Return of the Company as on March 31, 2023 in form MGT – 9 in accordance with section 92(3) read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is attached as “**Annexure – 6**” to this Report.

HUMAN RESOURCE, HEALTH & SAFETY:

The company views its valued employees as one of the most important elements of the business and as being critical to the accomplishment of the endeavors that have been undertaken. The Company considers its Human Resources Development a critical factor to its success and continuously focuses on its development with various people initiatives. The learning and development framework focuses to enhance adherence to operating & business processes. The Company strives to encourage diversity in workforce and believe in building the career of its employees through focused interventions. The Company gives paramount importance to safety, security and well-being of its human resources and maintains highest standards of health and safety in all aspects.

DETAILS OF LOANS, GUARANTEES AND INVESTMENTS U/S 186 OF THE ACT:

The particulars of loans, guarantees and investments have been disclosed in the financial statements for the financial year 2022-23 which forms an integral Part of this annual report.

INTERNAL CONTROL SYSTEM, THEIR ADEQUACY AND OPERATIVE EFFECTIVENESS:

The Company has an adequate system of internal controls in place. It has documented policies and procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, and protecting assets from unauthorized use or losses, compliances with regulations. The Company has continued itself efforts to align all its processes and controls with global best practices.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

Pursuant to Section 197(12) of the Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, details/information’s related to the remuneration of Directors, Key Managerial Personnel and Employees are set out in **Annexure – 7** to this Report.

CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE:

A Certificate of the Secretarial Auditor confirming its compliance with the conditions of Corporate Governance stipulated under the SEBI (LODR) Regulations, 2015 is attached as **Annexure – 8**.

MANAGING DIRECTOR AND CFO CERTIFICATION ON FINANCIAL STATEMENTS:

A Certificate of the Managing Director and CFO of the Company in terms of Listing Regulations, inter alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed as **Annexure – 9**.

CERTIFICATE ON DIRECTOR DEBARMENT OR DISQUALIFICATION:

A Certificate of the Auditor on verification of Debarment or Disqualification of Directors pursuant to Regulation 34 (3) read with Para C (10)(i) of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as **Annexure – 10**.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company does not meet the criteria specified in sub section (1) of section 135 of the Companies Act, 2013, read with Companies [Corporate Social Responsibility (CSR)) Rules, 2014. Therefore, it is not required to incur any expenditure on account of CSR activities during the year.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company, hereby confirms that:

- In the preparation of the annual accounts for the year ended 31st March, 2023 the applicable accounting standards have been followed and there are no material departures from the same;
- They have selected such accounting policies, judgments and estimates that are reasonable and prudent and have applied them consistently so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2023 and of the statement of Profit and Loss as well as Cash Flow of the company for the year ended on that date;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The annual accounts have been prepared on a going concern basis;
- Necessary internal financial controls have been laid down by the Company and the same are commensurate with its size of operations and that they are adequate and were operating effectively; and
- Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

REPORTING OF FRAUDS:

During the year under review, the Auditors of the Company has not reported to the Audit Committee under section 143(12) of the Companies Act, 2013, any instances of the fraud committed by the Company, its officers and employees, the details of which would need to be mentioned in the Board Report.

POLICY ON NOMINATION AND REMUNERATION:

Policy on Directors' appointment and remuneration is to follow the criteria as laid down under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Emphasis is given to persons from diverse fields or professions. The Remuneration Policy is uploaded on the Company website www.avance.in

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Vigil Mechanism of the Company includes a Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. Further, the mechanism adopted by the Company encourages a whistle blower to report genuine concerns or grievances and provides for adequate safeguards against victimization of the whistle blower who avails of such mechanism as well as direct access to the Chairman of the Audit Committee. The functioning of the vigil mechanism is reviewed by the Audit Committee from time to time.

None of the whistle blowers have been denied access to the Audit Committee of the Board. The details of the Whistle Blower Policy is posted on the website of the Company at www.avance.in.

POLICY AGAINST SEXUAL HARASSMENT:

The Company is committed to creating a healthy working environment that enables employees to work without fear of prejudice and gender bias. The Company has formulated Policy on prevention, prohibition and redressal of sexual harassment of women at workplaces in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013. Your Company has a robust mechanism in place to redress complaints reported under it if any.

During the year under review, the Company has not received any complaints in this regard.

APPRECIATION & ACKNOWLEDGEMENT:

The Board of Directors wish to place on record its deep sense of appreciation for the committed services by all the employees of the Company. The Board of Directors would also like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, government and regulatory authorities, stock exchanges, customers, vendors, members during the year under review.

**By Order of the Board
For Avance Technologies Limited
Sd/-
Srikrishna Bhamidipati
Managing Director
DIN: 02083384**

**Sd/-
Vasant Bhoir
Director
DIN: 07596882**

**Date: 04th September 2023
Place: Mumbai**

**Secretarial Compliance Report of
AVANCE TECHNOLOGIES LIMITED
for the financial year ended as on 31st March 2023**

I, M/s. Heena Gulrajani & Associates, Practicing Company Secretary have examined:

- (a) all the documents and records made available to us and explanation provided by AVANCE TECHNOLOGIES LIMITED (“the listed entity”),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended as on 31st March 2023 (“Review Period”) in respect of compliance with the provisions of:
 - (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
 - (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

and circulars/ guidelines issued thereunder;

I/We hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

| Sr. No. | Particulars | Compliance Status (Yes/No/NA) | Observations /Remarks by PCS* |
|---------|--|-------------------------------|---|
| 1. | <p>Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.</p> | Yes | Nil |
| 2. | <p>Adoption and timely updation of the Policies:</p> <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of the board of directors of the listed entities. • All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI. | Yes | Nil |
| 3. | <p>Maintenance and disclosures on Website:</p> <ul style="list-style-type: none"> • The Listed entity is maintaining a functional website • Timely dissemination of the documents/ information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/section of the website | Yes | Nil |
| 4. | <p>Disqualification of Director: None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.</p> | Yes | Nil |
| 5. | <p>Details related to Subsidiaries of listed entities have been examined w. r. t.:</p> <p>(a) Identification of material subsidiary companies. (b) Disclosure requirement of material as well as other subsidiaries.</p> | Yes | Nil |
| 6. | <p>Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.</p> | Yes | Nil |
| 7. | <p>Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.</p> | Yes | Nil |
| 8. | <p>Related Party Transactions:</p> <p>(a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit</p> | Yes | Company has obtained prior approval of Audit committee for all related party transactions |

| | | | |
|-----|--|-----|-----|
| | Committee, in case no prior approval has been obtained. | | |
| 9. | Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder. | Yes | Nil |
| 10. | Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015. | Yes | Nil |
| 11. | Actions taken by SEBI or Stock Exchange(s), if any: No action(s) has been taken against the listed entity/its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein (**). | Yes | Nil |
| 12. | Additional Non-compliances, if any: No additional non-compliance observed for any SEBI regulation/circular/guidance note etc. | No | Nil |

Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October 2019: **Not Applicable as there is no resignation of Statutory Auditor during the FY 2022-2023**

| Sr. No. | Particulars | Compliance Status (Yes/No/ NA) | Observations/ Remarks by PCS* |
|-----------|---|--------------------------------|-------------------------------|
| 1. | Compliances with the following conditions while appointing/re-appointing an auditor | | |
| | i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year. | NA | NA |
| 2. | Other conditions relating to resignation of statutory auditor | | |
| | i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee: a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has | NA | NA |

| | | | |
|----|--|----|----|
| | <p>approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p> <p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p> <p>ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.</p> | | |
| 3. | The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18 th October 2019. | NA | NA |

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

| Sr. No. | Compliance Requirement (Regulations/ circulars/ guidelines including specific clause) | Regulation/ Circular No. | Deviations | Action Taken by | Type of Action | Details of Violation | Fine Amount | Observations/ Remarks of the Practicing Company Secretary | Management Response | Remarks |
|----------------|---|--------------------------|------------|-----------------|----------------|----------------------|-------------|---|---------------------|---------|
| Not Applicable | | | | | | | | | | |

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

| Sr. No. | Compliance Requirement (Regulations/circulars/guidelines including specific clause) | Regulation/CircularNo. | Deviations | Action Taken by | Type of Action | Details of Violation | Fine Amount | Observations/Remarks of the Practicing Company Secretary | Management Response | Remarks |
|----------------|---|------------------------|------------|-----------------|----------------|----------------------|-------------|--|---------------------|---------|
| Not Applicable | | | | | | | | | | |

For Heena Gulrajani & Associates

Sd/-

CS Heena Gulrajani

ACS No.: 68255

CP No: 25423

PR No: 3240/2023

UDIN: A068255E000425513

Place: Ratlam

Date: 30.05.2023

**FORM NO. MR-3
SECRETARIAL AUDIT REPORT
For the Period ended on March 31, 2023**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Avance Technologies Limited
Office No. 226/227, Majestic Center, Second Floor,
144 Opera House, Mumbai, Maharashtra, 400004

We have conducted the secretarial audit of the compliance with applicable statutory provisions and the adherence to good corporate practices by **Avance Technologies Limited** (“the Company”). The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

Auditor’s responsibility

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards require that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period from April 01, 2022 to March 31, 2023 (“the audit period”) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanisms in place to the extent and in the manner reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the Year ended 31.03.2023 according to the provisions of the following, as amended from time to time, and to the extent applicable:

- (i) The Companies Act, 2013 (“the Act”) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“the SEBI Act”): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (not applicable to the Company during the audit period)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (not applicable to the Company during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (not applicable to the Company during the audit period)

- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (not applicable to the Company during the audit period).
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (not applicable to the Company during the audit period).
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (not applicable to the Company during the audit period) and
- (i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018. (“the Buyback Regulations”) (not applicable to the Company during the audit period)
- (j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

VI) Other laws applicable specifically to the Company namely:

- a) Taxation Laws
- b) Environment Laws-The Environment (Protection) Act, 1986; Air (Prevention and Control of Pollution) Act, 1981; Water (Prevention and Control of Pollution) Act, 1974; Water (Prevention and Control of Pollution) Cess Act, 1977;
- c) Labour and Social Security Laws – Such as employees State Insurance Act, 1948; Payment of Bonus Act, 1965; Payment of Gratuity Act, 1972; Contract Labour (Regulation and Abolition) Act, 1970; Maternity Benefit Act, 1961; The Equal Remuneration Act 1976; Employees Provident Funds and Miscellaneous Act, 1952, as amended.
- d) IT Related Laws – Information Technology Act, 2000;
- e) Miscellaneous Laws-Electricity Act, 2003; Sexual Harassment of Women at Workplace (Prevention, Prohibition and Regulation) Act, 2013.

We have relied on the representations made by the Company, its Officers and Reports of the Statutory Auditor for the systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder (“the Listing Regulations”).

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. made thereunder which are subject matter of present Audit Report, stated hereinabove.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act and Listing Regulations.

In compliance with applicable provisions of the Companies Act, 2013 and rules made thereunder and Secretarial Standards issued by the Institute of Company Secretaries of India, adequate notice was given to all directors to schedule Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board meetings and Committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and

operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that during the audit period,

The Company has Sub-division/split of existing equity shares of the company from 1 (One) equity share having face value of Rs. 10/- each (Rupees Ten only) fully paid up into 2 (Two) equity shares having face value of Rs. 5/- each (Rupees Five only) fully paid up.

The compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by the Statutory financial audit and other designated professionals.

**For M/s. Heena Gulrajani & Associates
(Practicing Company Secretaries)**

Sd/-

CS Heena Gulrajani

Proprietor

Membership No: A68255

C. P. No.: 25423

Peer Review No.: 3240/2023

UDIN: A068255E000915145

Date: 01.09.2023

Place: Ratlam

This report is to be read with our letter of even date which is annexed as “Annexure A” and forms an integral part of this report.

To,
The Members,
Avance Technologies Limited
Office No. 226/227, Majestic Center, Second Floor,
144 Opera House, Mumbai, Maharashtra, 400004

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. The maximum liability of our firm under the secretarial audit in respect of the aggregate of all claims shall not exceed the fee charged by us.

**For M/s. Heena Gulrajani & Associates
(Practicing Company Secretaries)**

Sd/-

CS Heena Gulrajani

Proprietor

Membership No: A68255

C. P. No.: 25423

Peer Review No.: 3240/2023

UDIN: A068255E000915145

Date: 01.09.2023

Place: Ratlam

Management Discussion and Analysis

Overview

The importance of technology in our modern world means that the technology industry is a true force to be reckoned with. The sheer size of the industry makes it one of the dominant sectors in the global economy, and the rapid growth and rate of change within the industry make it a central player in developing business standards and regulations.

Technology is transforming businesses in every industry around the world in a profound and fundamental way. The digital transformation of every industry and every business, over the last several years, has laid the foundation to create optionality as we navigate the way forward. Our product portfolio offers such solutions for different areas of everyday life. We therefore see an opportunity here to expand our relevant market shares and to grow in these segments. We are developing new technologies, products, and business models that reduce energy usage and carbon emissions to unlock opportunities for the Company. Avance operates in markets in which the long-term trend is toward a balance between supply and demand.

Financial Performance Review:

(All amounts in Lakhs)

| PARTICULARS | 31 st March, 2023 | 31 st March, 2022 |
|---|------------------------------|------------------------------|
| Total Income | 3054.359 | 1153.192 |
| Less: Total Expenses excluding Depreciation and tax | 3004.086 | 1214.786 |
| Profit before Depreciation & Tax | 50.272 | (61.594) |
| Less: Depreciation | 0.00 | 0.00 |
| Less: Exceptional Items | 0.00 | 0.00 |
| Profit/(Loss)before Tax | 50.272 | (61.594) |
| Less: <u>Tax</u> | | |
| i. Current Tax | 9.672 | 0.00 |
| ii. Deferred Tax | 0.00 | 0.00 |
| Profit/(Loss) after tax | 40.600 | (61.594) |

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013. Further, the financial performance during the year under reference has been improved in terms of sales. Even though there has been a increase in the turnover, during financial year ended March 31, 2023, the Company has booked profit before Depreciation & Tax of Rs. 50.272 Lacs.

Key Financial Ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations 2018, the Company is required to provide details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor. The key financial ratios are given below:

| Ratios | Financial year | |
|-------------------------------|-----------------------------|-----------------------------|
| | 31 st March 2023 | 31 st March 2022 |
| Debtors Turnover (in times) | 17.18 | 9.59 |
| Inventory Turnover (in times) | 5.75 | 1.36 |

| | | |
|------------------------------------|------|--------|
| Interest Coverage Ratio (in times) | - | - |
| Current Ratio (in times) | 0.75 | 0.82 |
| Debt Equity Ratio (in times) | 0.00 | 0.00 |
| Operating Profit Margin (in %) | 0.00 | (0.05) |
| Net Profit Margin (in %) | 0.01 | (0.05) |
| Return on Net Worth (in %) | 0.00 | 0.00 |

Opportunities & Strengths

Your company is predominantly engaged in trading of IT products and peripherals. General economic conditions worldwide and, in particular, in the geographic regions in which Avance operates are a significant factor affecting the company's earnings, since their effect on the industries in which Avance's direct and indirect customers operate affects demand for our company's products. There is ample growth opportunity for the company in the independent business market. Thus, your company is very confident of outperforming its peers on all the counts. Our long-standing relationship with our major customers has been one of the most significant factors contributing to our growth. Our commitments to quality and customer service practices have been strong contributing factors to our healthy customer relations.

Risk and Concerns

Avance faces risks and uncertainties typical to that faced by other peers in the industry, which could have a material impact on earnings and the ability to operate in the future. These are determined via robust assessment considering our risk context by the Board of Directors with inputs from the executive management. The Board is satisfied that these risks are being managed appropriately and consistently. The Company has in place a robust risk management framework that identifies and evaluates business risks and opportunities.

Human Resources/Industrial Relations

Your Company continued to focus on employee core connect, engagement, learning and development to build a workplace that is safe engaging and productive. All employees were presented with various learning opportunities to enhance career growth. The Company recognizes human resource as its most valuable asset and it has built an open, transparent and meritocratic culture to nurture this asset. The Company is of firm belief that the Human Resources are the driving force that propels a Company towards progress and success.

Your Company believes the fact that your organization is only as good as its employees. Your Company considers its human resources as its biggest asset and believes in People at the heart of its Human resource strategy which set the Company apart from Company's peers. Your Company believes that employees continuously strive to make the organization as inclusive as possible. Employee relations continue to be cordial.

Outlook

We drive significant focus on enhanced productivity, innovative offerings to our customers to ensure continued customer satisfaction and we will continue to strengthen and upgrade our technology platforms, people and process capabilities. Fortifying our research content and serving our customers in the best of their interest will remain an integral part of our business strategy.

By drawing upon our accumulated knowledge and cutting-edge technology, and by nurturing new ideas for value creation, we will continue to be a trusted partner to our customers. We remain committed to enabling them meet their expectations, while ensuring our ethical practices and transparency. While there continue to be some uncertainties, the overall growth drivers are well in place for the Company to continue on a high growth trajectory with improving profitability.

Internal Control System and Adequacy

The company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These systems are designed to ensure that all the assets of the Company are safeguarded and protected against any loss and that all the transactions are properly authorized recorded and reported. The Company has an internal audit function, which is empowered to examine the adequacy and compliance with policies, plans and statutory requirements. The internal audit function team comprises of well-qualified, experienced professionals who conduct regular audits across the Company's operations. The internal audit reports are placed before the Audit committee for consideration. The management duly considers and takes appropriate action on the recommendations made by the statutory auditors, internal auditors and the independent Audit Committee of the Board of Directors

Cautionary Statement

Statements in the Management Discussion and Analysis describing the company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning applicable under the securities laws and regulations. As 'forward looking statements' are based on certain assumptions and expectations of future events over which the company exercises no control, the company cannot guarantee their accuracy nor can it warrant that the same will be realized by the company. Actual results could differ materially from those expressed or implied. Significant factors that could make a difference to the company's operations include domestic and international economic conditions affecting demand, supply and price conditions in the electricity industry, changes in government regulations, tax regimes and other statutes.

CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) read with Schedule V thereto, compliance with the requirements of Corporate Governance is set out below:

COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

Code on Corporate Governance is defined as a set of systems, processes and principles, which ensure that a Company is governed in the best interest of all stakeholders. Corporate Governance is based on good principles and practices such that the affairs of the Company are being managed in a way which ensures accountability, transparency and fairness in all its transactions in the widest sense and meets its stakeholder’s aspirations and societal expectations. Your Company is committed to the adoption of best governance practices and to its adherence to the business of the Company. The Company’s corporate governance practices are driven by timely disclosures, transparent accounting policies, internal control on operations and high levels of integrity in decision making with an objective to enhance the value to the stakeholders.

The Company is in compliance with the applicable corporate governance requirements as enshrined in the Companies Act, 2013 (“the Act”) read with the Rules made thereunder, the Listing Regulations and other applicable laws.

BOARD OF DIRECTORS

A. Composition of the Board

The Board of Directors (‘Board’) is entrusted with the ultimate responsibility for the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties. The Company has an active, diverse, experienced and a well-informed Board. The Company believes that its Board needs to have an appropriate mix of executive, non-executive and independent directors to maintain its independence, and separate its functions of governance and management.

As on 31st March 2023, the Company has 06 Directors out of which 01 Managing Director, 02 Non-Executive Director, 03 are Independent Directors. The composition of the Board is in conformity with Regulation 17(1) of the Listing Regulations and the Companies Act, 2013 (‘Act’).

None of the directors on the Board holds directorships in more than 10 public companies or serves as a Director or as Independent Director (ID) in more than seven listed entities. No Executive Director serves as an ID in more than three listed entities.

Necessary disclosures regarding Committee positions in other public companies as on March 31, 2023, have been made by the Directors.

The table below gives the composition of the Board and inter alia, the directorships held by each of the directors of the Company at the end of Financial Year 2022-23:

| Name of Directors | Designation | No. of Directorship in other Companies (including "AVANCE") ^{\$} | No. of Committee position held # | | Directorship in other listed entities (Category of Directorship) |
|--------------------------------------|-----------------------------|---|----------------------------------|-----------|--|
| | | | As Chairman | As Member | |
| Executive | | | | | |
| Mr. Srikrishna Bhamidipati | Managing Director, Chairman | 02 | 02 | Nil | (Independent Director) Eco Recycling Limited |
| Non-Executive-Independent | | | | | |
| Mrs. Shakila Makandar | Independent Director | Nil | Nil | Nil | Nil |
| Mr. Akshay Nawale | Independent Director | 03 | 04 | 02 | (Independent Director) Allied Computers International (Asia)Limited |
| Mr. Sanjay Devlekar | Independent Director | 02 | 01 | Nil | (Independent Director) Sanguine Media Limited |
| Mr. Sanjay Devlekar | Independent Director | 02 | 01 | Nil | (Independent Director) Aadhaar Ventures India Limited |
| Non-Executive-Non-Independent | | | | | |
| Mr. Vasant Bhoir | Non-Executive Director | 02 | Nil | 02 | (Director) Panki Investments Limited |
| Mr. Deepak Mane | Non-Executive Director | Nil | Nil | Nil | Nil |

Notes:

^{\$} Includes Directorships held in Public Limited Companies only and Directorships held in Private Companies, Foreign Companies and Companies under Section 8 of the companies Act, 2013 are excluded.

[#] Includes only positions held in Audit Committee and Stakeholders Relationship Committee of Board of Directors.

B. Declaration of Independence of Board

The Independent Directors have submitted their annual declaration to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 read with rules framed there under.

C. Core Skills/Expertise/Competencies of the Board of Directors

Pursuant to the requirement of SEBI (LODR) Regulations, 2015, as amended, the Board has identified the following core skills, expertise and competencies of the Directors in the context of Company's business. While all the Board

Members possess the skills identified, their areas of core expertise are given below:

Financial: Management of the finance function, understanding & review of financial statements, financial controls, risk management, acquisitions, etc.

Strategy and Planning: Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.

Sales and marketing: Experience in developing strategies to grow sales, build brand awareness, and enhance enterprise reputation.

Project Management: Execution of projects in timely manner in existing & new geographical areas.

Governance: Experience in developing governance practices, serving the best interests of all stakeholders, building long-term effective stakeholder engagements.

D. Meetings of the Board of Directors

During the Financial Year 2022-23, **07 (Seven)** Board Meetings were held on 28th May, 2022, 09th June, 2022, 21st June, 2022, 12th August, 2022, 05th September, 2022, 11th November, 2022 and 13th February, 2023.

Statement of Attendance of Directors at the Board Meeting, Last Annual General Meeting and Number of as on the date of this report as follows:

| Name of Directors | Number of Board Meetings attended out of Meetings liable to attend | Attendance of the Last AGM dated September 30, 2022 |
|----------------------------|---|--|
| Mr. Srikrishna Bhamidipati | 07/07 | Yes |
| Mrs. Shakila Makandar | 07/07 | Yes |
| Mr. Akshay Nawale | 07/07 | Yes |
| Mr. Sanjay Devlekar | 07/07 | Yes |
| Mr. Vasant Bhoir | 07/07 | Yes |
| Mr. Deepak Mane | 07/07 | Yes |

E. Meeting of Independent Directors:

During the year, a separate meeting of the Independent Directors was held on 13th February, 2023 without the presence of Non-Executive Directors / Managing Director / Management to discuss the matter as required/agreed amongst them.

F. Familiarization programme for Independent Directors

With a view to familiarizing the independent directors with the Company's operations, as required under regulation 25(7) of the SEBI Listing Regulations, the newly appointed Independent Directors are given induction and orientation with respect to Company's Vision, Core Purpose, Core Values and business operations. The details of familiarization programmes are placed on the website of the Company at www.avance.in

G. Board Evaluation

During the year, Board has carried out an annual self-evaluation of its performance, the working of its committees and peer evaluation of each Director internally. For this purpose, each Director completed a questionnaire involving peer evaluation and feedback on the processes of the Board and its Committees. The contribution and impact of individual members were evaluated on a number of parameters, such as level of engagement, independence of

judgment, conflict resolution, contributions to enhance the Board's overall effectiveness etc.

Positive attributes and improvement areas for each Director were provided to them on a confidential basis. The Committees were evaluated on various parameters such as effective discharge of their roles, responsibilities and advice given to the Board for discharging its fiduciary responsibilities, including adequate and periodical updates to the Board on the Committees' functioning.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board. The Directors performance was evaluated on parameters such as level of engagement and contribution in safeguarding the interest of the Company etc. Further, the performance of the Board as a whole, performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

H. Inter-se relationship among Directors

There is no inter-se relationship amongst any of the Directors of the Company during the year under review.

I. Shares/ Convertible Instruments held by Non-Executive Directors

None of the directors of the Company hold Shares or Convertible Instruments of the Company.

AUDIT COMMITTEE

The Audit Committee comprises of 3 Directors out of which 2 are Independent Directors and 1 is Non-Executive Director. The Chairman of the Audit Committee is an Independent Director.

The role and responsibilities of the Committee include the perusal and review of information specified in Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, inter-alia including the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by them;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of subsection (3) of Section 134 of the Companies Act, 2013

-Changes, if any, in accounting policies and practices & reasons for the same

-Major accounting entries involving estimates based on the exercise of judgment by management

-Significant adjustments made in the financial statements arising out of audit findings

-Compliance with listing and other legal requirements relating to financial statements- Disclosure of any related party transactions

- modified opinion (s) in the draft audit report

- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

- Review and monitor the auditor’s independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Discussion with internal auditors of any significant findings & follow up there on; Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

The Committee met 4 times during the year on 28th May, 2022, 12th August, 2022, 11th November, 2022 and 13th February, 2023 and the attendance of Members at the Meetings were as follows:

| Name of Member | Category | Designation | No. of Meetings attended/held |
|-----------------------|-----------------------------|-------------|-------------------------------|
| Mr. Akshay Nawale | Non-Executive - Independent | Chairman | 04/04 |
| Mrs. Shakila Makandar | Non-Executive - Independent | Member | 04/04 |
| Mr. Vasant Bhoir | Non-Executive | Member | 04/04 |

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 30th September, 2022.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of 3 Directors out of which 2 are Independent Directors and 1 is Non-Executive Director. The Chairman of the Committee is an Independent Director.

The composition of the Committee adheres to the requirements of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The role of the Nomination and Remuneration Committee as specified in Part D of the Schedule II, inter-alia includes following:

- To formulate criteria for determining qualification, positive attributes & Independence of director and recommend to board a policy relating to remuneration for the Directors, KMP and other employees;
- To formulate criteria for evaluation of performance of Independent Directors and Board.
- To devise a policy on diversity of Board of Directors;
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors
- Recommend to the board, all remuneration, in whatever form, payable to senior management.
- To perform any other functions as may be assigned to Committee by the Board from time to time.

The Committee met once during the year on 21st June, 2022 and the attendance of Members at the Meeting is as follows:

| Name of Member | Category | Designation | No. of Meetings attended/held |
|-----------------------|-----------------------------|--------------------|--------------------------------------|
| Mr. Akshay Nawale | Non-Executive - Independent | Chairman | 04/04 |
| Mrs. Shakila Makandar | Non-Executive - Independent | Member | 04/04 |
| Mr. Vasant Bhoir | Non-Executive | Member | 04/04 |

Performance Evaluation

In terms of the provisions of the Act read with Rules issued thereunder and Listing Regulations, the Board of Directors on recommendation of the Nomination and Remuneration Committee, have evaluated the effectiveness of the Board/ Director(s) for the Financial Year 2022-23.

In accordance with the manner specified by the Nomination and Remuneration Committee, the Board carried out performance evaluation of the Board, its Committees, and Individual Directors. The Independent Directors separately carried out evaluation of Non-Independent Directors and Board as a whole. The performance of each Committee was evaluated by the Board, based on views received from respective Committee Members.

The evaluation of all the Directors and Committee Members were conducted and found to be satisfactory. The flow of information between the Company management and the Board is adequate, qualitative and timely.

Stakeholder's Relationship Committee

The Stakeholder's Relationship Committee comprises of 3 Directors out of which 2 are Independent Directors and 1 is Non-Executive Director. The Chairman of the Committee is an Independent Director.

The Stakeholder's Relationship Committee is in accordance with the Section 178 of the Companies Act, 2013 and the Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Regulations, 2015, among others, to oversee and review the engagement and communication plan with stakeholders and ensure that their views / concerns are highlighted to the Board and steps are taken to address such concerns, to monitor and review the investor service standards of the Company, to look into the transfer/ transmission of securities.

The Committee met 4 times during the year on 28th May, 2022, 12th August, 2022, 11th November, 2022 and 13th February, 2023 and the attendance of Members at the Meetings were as follows:

| Name of Member | Category | Designation | No. of Meetings attended/held |
|-----------------------|-----------------------------|--------------------|--------------------------------------|
| Mr. Akshay Nawale | Non-Executive - Independent | Chairman | 04/04 |
| Mrs. Shakila Makandar | Non-Executive - Independent | Member | 04/04 |
| Mr. Vasant Bhoir | Non-Executive | Member | 04/04 |

Investor Grievance Redressal:

During the year under review, there were no investor grievances pending for Redressal as the end of the financial year and all the queries from the stakeholders were attended to promptly. Further there were no pending transfers for the year under review.

Company Secretary & Compliance Officer

CS Sneha Shrivastava

Mem. No: A36145

Phone: - +91 9594988351

Email Id: avancetechnologiesltd@gmail.com; info@avance.in;

Independent Directors Meeting

The Independent Directors of your Company met on 13th February, 2023 without the presence of Non-Independent / Executive Directors and Members of the Management. At this Meeting, the Independent Directors inter alia reviewed the performance of the Non-Independent Directors and the Board of Directors as a whole, reviewed the performance of the Chairman of your Board and assessed the quality, quantity and timeliness of flow of information between the Management and the Board of Directors.

REMUNERATION OF DIRECTORS

Pecuniary Relationships or Transactions

During the year under review, apart from what approved, there are no pecuniary transactions with any non-executive directors of the Company. The register of contracts is maintained by the Company pursuant to section 189 of the Companies Act, 2013.

Director's Remuneration Policy

The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employee is available on the website of your Company www.avance.in There has been no change in the policy since last financial year. The Remuneration Policy is in consonance with the existing industry practice.

Criteria for making payment to Non-Executive Directors

Non- Executive Directors of the Company plays a crucial role in the independent functioning of the Board. They bring in an external perspective to decision making and provide leadership and strategic guidance while maintaining objective judgment. They also oversee corporate governance framework of the Company.

As stated earlier, the Remuneration Policy, inter alia, disclosing criteria of making payments to directors, key managerial personnel and employees is placed on www.avance.in

Details of Remuneration to Directors

The Company has no stock option plans for the directors and hence, it does not form part of the remuneration package payable to any executive and/or non-executive director.

In 2022-23, the Company did not advance any loans to any of the non-executive directors, and/or Managing Director. Details of remuneration paid/payable to directors during 2022-23 are provided in the Financial Statements annexed herewith.

Certificate from a Company Secretary in practice

The Company has obtained a certificate from CS Heena Gulrajani, Practicing Company Secretary (Membership No. A68255 & COP No. 25423) that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

GENERAL BODY MEETINGS

Annual General Meeting

Details of last three Annual General Meetings of the Company is detailed below:

| Year | Day, Date and Time of Meeting | Venue | Special Resolution Passed |
|----------------|---|--|---|
| 2019-20 | Friday, 18 th December 2020 at 10:30 a.m. | Sammelan Hall, A101, Samarth Complex, Jawahar Nagar, Goregaon (West), Mumbai – 400 104 | No special resolution was passed in the financial year 2019-20. |
| 2020-21 | Friday, 24 th September 2021 at 09:00 a.m. | Unit No. 7, Aidun Building, 5th floor, Near Metro, New Marine Lines, Mumbai – 400 002 | No special resolution was passed in the financial year 2020-21. |
| 2021-22 | Friday, 30 th September 2022 at 10:30 a.m. | Sammelan Hall, A101, Samarth Complex, Jawahar Nagar, Goregaon (West), Mumbai – 400 104 | To approve the re-appointment of Mr. Akshay Nawale (DIN: 07597069) as an Independent Director of the Company for a second term of five consecutive years. |

POSTAL BALLOT

During the year under review, the Company completed process of Postal Ballots pursuant to Section 110 of the Companies Act, 2013 ('the Act') read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations. CS Jaymin Modi (Membership No. A44248) Proprietor of M/s. Jaymin Modi & Co. Practicing Company Secretary, (COP. No. 16948) was appointed as the Scrutinizer for conducting the postal ballot exercises in a fair and transparent manner.

The voting was conducted through remote e-voting system only. The Company had engaged the services of CDSL to provide e-Voting facility to its Members. The notice of Postal Ballots were accompanied with detailed instructions to enable the members to understand the procedure and manner in which Postal Ballot voting was to be carried out. The details of the resolutions passed during financial year 2022-23 by way of Postal Ballot are as follows:

The Company obtained approval of shareholders for following resolutions through Postal Ballot Notice dated 13th February 2023; the results of which were declared on 19th March, 2023; for the purpose of:

1. Approval of Sub-Division/Split of Every 1 (One) Equity Share of the Face Value of Rs. 10/- (Rupees Ten Only) Each into (Two) Equity Shares of the Face Value of Rs. 5/- (Rupees Five Only) each.
2. To Alteration of the Capital Clause in the Memorandum of Association consequent Upon Sub-Division/Split Of Equity Shares of the Company.

The aforesaid resolutions were passed with requisite majority.

The voting results along with the Scrutinizers' Report have been displayed on the website of Stock Exchange viz: www.bseindia.com and the Company's website i.e. www.avance.in

MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly financial results of the Company are sent out to the Stock Exchanges immediately after they are approved by the Board. The Company published the official Press release of un-audited/audited financial results in English Language and Marathi Language and is also available on the website of the Company www.avance.in

GENERAL SHAREHOLDERS' INFORMATION

The following information would be useful to the Shareholders:

| Sr. No. | Particulars | Details |
|---------|--|--|
| 1. | Annual General Meeting date | 29 th September 2023 |
| 2. | Annual General Meeting Time | 09.30 a.m. |
| 3. | Venue of Annual General Meeting | Sammelan Hall, A101, Samarth Complex, Jawahar Nagar, Goregaon (West), Mumbai – 400 104 |
| 4. | Financial Year | 1 st April 2022 to 31 st March 2023 |
| 5. | Book Closure Dates | From 23 rd September 2023 to 29 th September 2023 |
| 6. | Cut-off Date | 22 nd September 2023 |
| 7. | E-voting period | 26 th September 2023 to 28 th September 2023 |
| 8. | Listing on Stock Exchange | BSE Limited |
| 9. | Scrip Code | 512149 |
| 10. | Depositories | National Securities Depository Limited Central Depository Services (India) Limited |
| 11. | ISIN | INE758A01064 |
| 12. | Share Transfer Agents | Purva Shareregistry (India) Pvt. Ltd No 9 Shiv shakti Industrial Estate, Ground Floor, J R Boricha Marg, Opp Kasturba Hospital Lower parel, Mumbai - 400011, Maharashtra, India Email Id: support@purvashare.com Tel no.: 022 - 23016761 Fax No.: 022 - 23012517 Website: www.purvashare.com |
| 13. | Company Secretary & Compliance Officer | CS Sneha Shrivastava |
| 14. | Correspondence Address | Office No. 226/227, Majestic Center, Second Floor, 144 Opera House, Mumbai, Maharashtra, 400004 |
| 15. | Telephone | +91 9594988351 |
| 16. | E-mail | info@avance.in avancetechnologiesltd@gmail.com |
| 17. | Website | www.avance.in |

FINANCIAL CALENDAR:

| Adoption of Quarterly Results for the Quarter ending | Date of the Meeting of the Board of Directors (<i>Tentative & Subject to Change</i>) |
|--|---|
| 30 th June 2023 | On or Before 14 th August, 2023 |
| 30 th September 2023 | On or before 14 th November, 2023 |
| 31 st December 2023 | On or before 14 th February, 2024 |
| 31 st March 2024 | On or before 30 th May, 2024 |

SHARE TRANSFER SYSTEM

The Company has appointed a common Registrar for the physical share transfer and dematerialization of shares. The shares lodged for physical transfer/ transmission/ transposition are registered normally within a period of fortnight, if the documents are complete in all respects. The Company obtains from a Company Secretary in Practice half-yearly certificates of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the certificate with the Stock Exchanges. Members holding shares in physical form are requested to dematerialize their holdings at the earliest.

CODE FOR PREVENTION OF INSIDER TRADING

The Company has adopted the Code of Conduct to regulate, monitor and report trading by designated persons in securities of the Company and code of practices and procedures for fair disclosures of unpublished price sensitive information in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

Pursuant to the provisions of the SEBI (Depositories & Participants) Regulations, 1996, quarterly audit is being undertaken by a Practicing Company Secretary for Reconciliation of Share Capital of the Company. The audit report inter alia covers and certifies that the total shares held in NSDL, CDSL and those in physical form tally with the issued and paid-up capital of the Company, the Register of Members is duly updated, Demat requests are confirmed within stipulated time etc.

OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENT AS ON 31ST MARCH 2023:

The Company does not have any outstanding GDRs/ ADRs/ Warrants/Convertible Instruments as on 31st March 2023.

STOCK MARKET PRICE HIGH-LOW DATA OF THE COMPANY FOR THE YEAR 2022-2023:

The monthly high and low share prices and market capitalization of equity shares of the Company traded on BSE from April 1, 2022 to March 31, 2023 and the comparison in performance of share price of the Company vis-à-vis broad based Indices are given below:

| Month | Share Price at BSE | | S&P (BSE Sensex) | |
|---------|--------------------|-----------|------------------|-----------|
| | High (Rs.) | Low (Rs.) | High (Rs.) | Low (Rs.) |
| Apr-22 | 0.49 | 0.49 | 60,845.10 | 56,009.07 |
| May- 22 | 0.49 | 0.47 | 57,184.21 | 52,632.48 |
| Jun-22 | 0.47 | 0.47 | 56,432.65 | 50,921.22 |
| Jul-22 | 0.47 | 0.45 | 57,619.27 | 52,094.25 |
| Aug-22 | 0.47 | 0.45 | 60,411.20 | 57,367.47 |
| Sep-22 | 0.43 | 0.43 | 60,676.12 | 56,147.23 |
| Oct-22 | 0.41 | 0.41 | 60,786.70 | 56,683.40 |
| Nov-22 | 0.39 | 0.39 | 63,303.01 | 60,425.47 |
| Dec-22 | 0.39 | 0.38 | 63,583.07 | 59,754.10 |
| Jan-23 | 0.38 | 0.37 | 61,343.96 | 58,699.20 |
| Feb-23 | 0.38 | 0.36 | 61,682.25 | 58,795.97 |
| Mar-23 | 0.66 | 0.34 | 60,498.48 | 57,084.91 |

SUMMARY OF SHAREHOLDING PATTERN AS ON MARCH 31, 2023

| Sr. No | Description | No. of Shares | % of shareholding |
|--------|------------------|---------------|-------------------|
| 1 | Promoter | 1744026 | 0.88 |
| 2 | Bodies Corporate | 77204613 | 38.95 |
| 3 | Individuals | 113578330 | 57.31 |
| 4 | Clearing Members | 437676 | 0.22 |
| 5 | N.R.I. | 938443 | 0.47 |

| | | | |
|---|---------------------------|------------------|---------------|
| 6 | Overseas Corporate Bodies | 0 | 0.00 |
| 8 | Hindu Undivided Family | 3253155 | 1.64 |
| 9 | Any Other | 1035500 | 0.52 |
| | TOTAL | 198191743 | 100.00 |

DISTRIBUTION OF SHAREHOLDING AS AT 31st MARCH 2023

| Particulars | Number of Shareholders | % of Total | In Rs. |
|-------------------|------------------------|---------------|-----------------------|
| Upto 5000 | 9619 | 52.77 | 2,01,45,400 |
| 5,001 - 10,000 | 2485 | 13.63 | 2,20,67,260 |
| 10,001 - 20,000 | 1629 | 8.94 | 2,61,04,170 |
| 20,001 - 30,000 | 1005 | 5.51 | 2,61,90,710 |
| 30,001 - 40,000 | 404 | 2.22 | 1,47,89,530 |
| 40,001 - 50,000 | 665 | 3.65 | 3,24,38,040 |
| 50,001 - 1,00,000 | 1138 | 6.24 | 9,26,28,780 |
| 1,00,001 & ABOVE | 1284 | 7.04 | 1,74,75,53,540 |
| Total | 18229 | 100.00 | 1,98,19,17,430 |

REGISTRAR AND TRANSFER AGENT:

Purva Sharegistry (India) Pvt. Ltd

Add: No 9 Shiv shakti Industrial Estate, Ground Floor, J R Boricha Marg, Opp Kasturba Hospital Lower parel, Mumbai - 400011, Maharashtra, India

Email Id: support@purvashare.com

Tel no.: 022 - 23016761

Fax No.: 022 - 23012517

Website: www.purvashare.com

De-materialization of shares and liquidity:

The shares of the Company are compulsorily traded in demat form and are available for trading under both the Depository Systems in India – National Securities Depository Limited (the “NSDL”) and Central Depository Services (India) Limited (the “CDSL”).

As on March 31, 2023, a total of 197907314 shares of the Company, constituting 99.86 % of the total Share Capital, were in demat form. Details of the Demat and Physical shareholding of the Company are a under:

| | No. of shares | Percentage (%) |
|--|---------------|----------------|
| At National Securities Depository Limited | 82267902 | 41.51 |
| At Central Depository Services (India) Limited | 115639412 | 58.35 |
| In Physical Form | 284429 | 0.14 |
| Total Paid-up Share Capital | | |

Disclosures of Accounting Treatment in preparation of Financial Statement:

The Company has followed the Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI), in preparation of its Financial Statements.

Investors' Correspondence

AVANCE TECHNOLOGIES LIMITED

(CIN: L51900MH1985PLC035210)

Office No. 226/227, Majestic Center, Second Floor,

144 Opera House, Mumbai – 400 004

Contact No.: +91 9594988351

Email: info@avance.in; avancetechnologiesltd@gmail.com

Website: www.avance.in;

OTHER DISCLOSURES

(i) Materially Significant Related Party Transactions:

There are no materially significant related party transactions of the Company which have potential conflict with the interest of the Company at large.

(ii) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years:

The Company has complied with the requirements of regulatory authorities on capital markets and no penalties / strictures have been imposed against it in the last three years.

(iii) Mandatory and Non-mandatory requirements: The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has fulfilled the following non-mandatory requirement as prescribed in Schedule II, PART E of Regulation 27(1) of (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(iv) During the Financial Year Board of Directors has accepted all recommendations of committees, which are mandatory by law.

(v) Statutory Audit fees of Rs. 30,000/- has been paid by the Company to M/s. Rishi Sekhri and Associates for agreed services between the Company and the Statutory Auditors.

(vi) Your Company has complied with all the requirements of Regulations 17 to 27 and clause (b) to (i) of sub-regulation 46 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

(vii) Additional Information Regarding the Company is also available on the Company's Website at: www.avance.in

FORM -AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

DETAILS OF CONTRACT ENTERED INTO WITH RELATED PARTIES DURING FINANCIAL PERIOD 2022-23

- 1. Details of contracts or arrangements or transactions not at arm's length basis:** All related party transactions entered during the year were in ordinary course of business and on arm's length basis and the same have been disclosed under Notes to Financial Statements.
- 2. Details of material contracts or arrangements or transactions at arm's length basis:** No material related party transactions arising from contracts/ arrangements with related parties referred to in the Section 188(1) of the Companies Act, 2013 were entered during the year by the Company. Accordingly, the disclosure of related party transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 143(3) (m) of The Companies Act, 2013 read with Rule 8(3) of the Companies (Account) Rules, 2014]

| A Conservation of Energy: | | |
|--|--|--|
| 1 | The steps taken or impact on conservation of energy | The Company has always been conscious of the need for conservation of energy and has been sensitive in making progress towards this end and has always been a forerunner in conservation of energy and natural resources. |
| 2 | The steps taken by your Company for utilizing alternate sources of energy | Your Company is always committed to take various energy saving measures and also adopted Comprehensive approach towards energy conservation with best available solutions globally. |
| 3 | The capital Investment on energy conservation equipment | During the year under review, the Company has not made any capital investment on energy conservation equipment. |
| B Technology Absorption: | | |
| 1 | The efforts made towards technology absorption | Initiatives on technological changes with an emphasis on customer orientation has been sharpened. The Company is putting continuous efforts in acquisition, development, assimilation, and utilization of technological knowledge and focus on new technologies. |
| 2 | The benefits derived like product improvement, cost reduction, product development or import substitution | i. Enhanced productivity and overall operational efficiency ii. Improved cost competitiveness. iii. Reduced impact on environment. |
| 3 | In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- a. the details of technology imported; b. the year of import; c. whether the technology been fully absorbed; d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and | Your Company has not imported any new technology during the Financial year 2022-23. |
| 4 | The expenditure incurred on Research and development | Your Company has not incurred any expenditure on research and development. |
| C Foreign Exchange Earnings and Outgo | | NIL |

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31st March 2023

Pursuant to Section 92 (3) of the Companies Act, 2013 and
Rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

| Sr. No. | Particulars | Details |
|---------|--|--|
| 1. | CIN | L51900MH1985PLC035210 |
| 2. | Registration Date | 30/01/1985 |
| 3. | Name of the Company | Avance Technologies Limited |
| 4. | Category/ Sub-Category of the Company | Company limited by Shares |
| 5. | Address of the Registered office & contact details | Office No. 226/227, Majestic Center, Second Floor, 144 Opera House, Mumbai – 400 004. Tel: +91 9594988351 E-mail: avancetechnologiesltd@gmail.com info@avance.in |
| 6. | Whether listed company | Listed on BSE Limited |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Purva Sharegistry (India) Private Limited No. 9, Shiv shakti Industrial Estate, Ground Floor, J. R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel, Mumbai – 400 011. Email Id: support@purvashare.com Tel No.: 022 - 23016761 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated):

| Sr. No | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the Company |
|--------|--|---------------------------------|------------------------------------|
| 1. | Software and Hardware Resale | 51510 | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

| Sr. No | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|--------|---------------------------------|---------|--------------------------------|------------------|--------------------|
| N.A. | | | | | |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding:

| Category of Shareholders | No. of Shares held at the beginning of the year (1 st April 2022) | | | | No. of Shares held at the end of the year 31 st March 2023) | | | | % Change during the year |
|--------------------------|--|----------|-------|------------------|--|----------|-------|------------------|--------------------------|
| | Demat | Physical | Total | % of Total Share | Demat | Physical | Total | % of Total Share | |
| A. Promoter | | | | | | | | | |

**AVANCE
TECHNOLOGIES
LIMITED**

| | | | | | | | | | |
|--|----------------|----------|----------------|-------------|----------------|----------|----------------|-------------|----------|
| 1) Indian | | | | | | | | | |
| a) Individual/HUF | 1744026 | - | 1744026 | 0.88 | 1744026 | - | 1744026 | 0.88 | - |
| b) Central Govt. | - | - | - | - | - | - | - | - | - |
| c) State Govt.(s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corp | - | - | - | - | - | - | - | - | - |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Any Other (Specify) | - | - | - | - | - | - | - | - | - |
| Sub-total A (1) | 1744026 | - | 1744026 | 0.88 | 1744026 | - | 1744026 | 0.88 | - |
| 2) Foreign | | | | | | | | | |
| 1) NRIs-Individuals | - | - | - | - | - | - | - | - | - |
| 2) Other-Individuals - | - | - | - | - | - | - | - | - | - |
| 3) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| 4) Banks / FI | - | - | - | - | - | - | - | - | - |
| 5) Any Other | - | - | - | - | - | - | - | - | - |
| Sub-total A(2) | - | - | - | - | - | - | - | - | - |
| Total Shareholding of Promoter [A(1)+A(2)] | 1744026 | - | 1744026 | 0.88 | 1744026 | - | 1744026 | 0.88 | - |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | - | - | - | - | - | - | - | - | - |
| b) Banks / FI | 4500 | - | 4500 | 0.00 | 4500 | - | 4500 | 0.00 | - |
| c) Central Govt. | - | - | - | - | - | - | - | - | - |
| d) State Govt.(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIIs | - | - | - | - | - | - | - | - | - |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Others (specify) | - | - | - | - | - | - | - | - | - |
| Sub-total(B)(1) | 4500 | - | 4500 | 0.00 | 4500 | - | 4500 | 0.00 | - |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| (i) Indian | 76725113 | 7750 | 76732863 | 38.72 | 77196863 | 7750 | 77204613 | 38.95 | 0.23 |
| (ii) Overseas | - | - | - | - | - | - | - | - | - |
| b) Individuals | | | | | | | | | |
| i. Individual shareholders holding nominal share capital upto Rs. 1 lakh | 21693233 | 269219 | 21962452 | 11.08 | 21652130 | 268469 | 21920599 | 11.06 | (0.02) |

| | | | | | | | | | |
|---|------------------|---------------|------------------|---------------|------------------|---------------|------------------|---------------|----------|
| ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 92543042 | 8010 | 92551052 | 46.70 | 91649721 | 8010 | 91657731 | 46.24 | (0.45) |
| c)Others (Specify): | | | | | | | | | |
| Non-Resident Indians | 1061155 | 200 | 1061355 | 0.54 | 938243 | 200 | 938443 | 0.47 | (0.06) |
| HUF | 2991301 | - | 2991301 | 1.50 | 3253155 | - | 3253155 | 1.64 | 0.13 |
| Clearing Members | 113194 | - | 113194 | 0.06 | 437676 | - | 437676 | 0.22 | 0.16 |
| Trust | - | - | - | - | - | - | - | - | - |
| LLP | 1031000 | - | 1031000 | 0.52 | 1031000 | - | 1031000 | 0.52 | - |
| Sub-total(B)(2) | 196158038 | 285179 | 196443217 | 99.12 | 196158788 | 284429 | 196443217 | 99.12 | - |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 196162538 | 285179 | 196447717 | 99.12 | 196163288 | 284429 | 196447717 | 99.12 | - |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 197906564 | 285179 | 198191743 | 100.00 | 197907314 | 284429 | 198191743 | 100.00 | - |

* The Company has made the sub-division/split of face value of Equity Shares from Rs. 10/- (Rupees Ten Only) to Rs. 5/- (Rupees Five Only) with effect from 31st March, 2023.

B) Shareholding of Promoter:

| Sr. No | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding during the year |
|--------|----------------------------|---|------------------------------|---|-------------------------------------|------------------------------|---|---|
| | | No. of Shares | % of total Shares of the Co. | % of Shares Pledged/ encumbered to total Shares | No. of Shares | % of total Shares of the Co. | % of Shares Pledged/ encumbered to total Shares | |
| 1. | Mr. Srikrishna Bhamidipati | 1350000 | 0.68 | - | 1350000 | 0.68 | - | - |
| 2. | Mr. Deepak Goyal* | 394026 | 0.20 | - | 394026 | 0.20 | - | - |
| | Total | 1744026 | 0.88 | - | 1744026 | 0.88 | - | - |

*The Company is in the process of reclassification of holding of Mr. Deepak Goyal from the promoter category to public category.

C) Change in Promoters' Shareholding (please specify, if there is no change):

| Sr. No. | Particulars | Shareholding at the beginning of the year | | Date | Increase/ Decrease in Shareholding | Reason | Cumulative Shareholding during the year | |
|---------|----------------------------|---|------------------------------|------|------------------------------------|--------|---|------------------------------|
| | | No. of shares | % of total shares of the Co. | | | | No. of shares | % of total shares of the Co. |
| 1. | Mr. Srikrishna Bhamidipati | 1350000 | 0.68 | - | - | - | 1350000 | 0.68 |
| 2. | Mr. Deepak Goyal* | 394026 | 0.20 | - | - | - | 394026 | 0.20 |

*The Company is in the process of reclassification of holding of Mr. Deepak Goyal from the promoter category to public category.

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

| Sr. No. | Share Holder's Name | Shareholding at 31 st March, 2022 | | Date | Increase/ Decrease in Share holding | Reason | Cumulative Shareholding at the end of the year | |
|---------|--|--|----------------------------------|------------|-------------------------------------|--------|--|---|
| | | No. of Shares | % of Total Shares of the Company | | | | No. of Shares | % change in share holding during the year |
| 1 | Golding Mercantile Pvt Ltd | 14790000 | 7.46 | - | - | - | 14790000 | 7.46 |
| 2 | Shreni Construction Private Limited | 9790000 | 4.94 | - | - | - | 9790000 | 4.94 |
| 3 | Kinita Real Estate Private Limited | 9536666 | 4.81 | - | - | - | 9536666 | 4.81 |
| 4 | Intertick Developers Private Limited | 5986666 | 3.02 | - | - | - | 5986666 | 3.02 |
| 5 | Anupam Narain Gupta | 5583504 | 2.82 | - | - | - | 5583504 | 2.82 |
| 6 | Sunayana Investment Co. Ltd | 5262128 | 2.66 | - | - | - | 5262128 | 2.66 |
| 7 | Jayalalita Commodities Private Limited | 5156666 | 2.60 | - | - | - | 5156666 | 2.60 |
| 8 | Lander Infraprojects Private Limited | 4911939 | 2.48 | - | - | - | 4911939 | 2.48 |
| 9 | Nirbhay Properties Private Limited | 4779985 | 2.41 | - | - | - | 4779985 | 2.41 |
| 10 | Omkar Rajeev Gadre | 4761943 | 2.40 | 05.08.2022 | (75000) | Sell | 4686943 | 2.36 |
| | | - | - | 26.08.2022 | (4686943) | Sell | 0 | 0.00 |
| 11 | Lifefour Multitrading Private Limited | 4140000 | 2.09 | - | - | - | 4140000 | 2.09 |

E) Shareholding of Directors and Key Managerial Personnel:

| Sr. No. | Particulars | Shareholding at the beginning of the year | | Date | Increase/ Decrease in Share holding | Reason | Cumulative Shareholding during the year | |
|---------|----------------------------|---|------------------------------|------|-------------------------------------|--------|---|------------------------------|
| | | No. of shares | % of total shares of the Co. | | | | No. of shares | % of total shares of the Co. |
| 1. | Mr. Srikrishna Bhamidipati | 1350000 | 0.68 | - | - | - | 1350000 | 0.68 |

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment

| Particulars | Secured Loans Excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | - | - | - | - |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i + ii + iii) | - | - | - | - |
| Change in Indebtedness during the financial year | | | | |
| *Addition | - | - | - | - |
| *Reduction | - | - | - | - |
| Net Change | - | - | - | - |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | - | - | - | - |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i + ii + iii) | - | - | - | - |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) Remuneration to Managing Director, Whole-time Directors and/or Manager:

| Sr. No | Particulars of Remuneration | Name of MD / WTD / Manager | Total Amount |
|--------|---|----------------------------|--------------|
| | | Mr. Srikrishna Bhamidipati | |
| 1 | Gross salary | 50,000 | 50,000 |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | - | - |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - |

| | | | |
|---|---|---------------|---------------|
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | - | - |
| 2 | Stock Option | - | - |
| 3 | Sweat Equity | - | - |
| 4 | Commission - as % of profit - others, specify. | - | - |
| 5 | Others, please specify | - | - |
| | Total (A) | 50,000 | 50,000 |

B) Remuneration to other Directors:

| Sr. No | Particulars of Remuneration | Name of Directors | Total Amount |
|--------|--|-------------------|--------------|
| 1 | Independent Directors | | |
| | Fee for attending board committee meetings | - | - |
| | Commission | - | - |
| | Others, please specify | - | - |
| | Total (1) | - | - |
| 2 | Other Non-Executive Directors | - | - |
| | Fee for attending board committee meetings | - | - |
| | Commission | - | - |
| | Others – Directors Remuneration | - | - |
| | Total (2) | - | - |
| | Total (B)=(1+2) | - | - |

C) Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD:

| Sr. No | Particulars of Remuneration | Key Managerial Personnel | |
|--------|---|---|-----------------|
| | | Mrs. Sneha Shrivastava (Company Secretary & Compliance Officer) | Total |
| 1 | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 2,88,411 | 2,88,411 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | - |
| 2 | Stock Option | - | - |
| 3 | Sweat Equity | | |
| 4 | Commission | - | - |
| | - as % of profit | - | - |
| | others, specify... | - | - |
| 5 | Others, please specify - | - | - |
| | Total | 2,88,411 | 2,88,411 |

VII. Penalties / Punishment/ Compounding of Offences:

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | NONE | NONE | NONE | NONE | NONE |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | NONE | NONE | NONE | NONE | NONE |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | NONE | NONE | NONE | NONE | NONE |
| Punishment | | | | | |
| Compounding | | | | | |

DETAILS OF REMUNERATION UNDER SECTION 197 OF COMPANIES ACT, 2013 AND RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. Ratio of the remuneration of each Director including Managing Director, Chief Executive officer, Chief Financial Officer, Company Secretary or Manager, if any, to the median remuneration of the employees of the Company in the financial year 2022-23 is as follows:

| Sl.No. | Name of Director | Designation | Ratio of remuneration of each Director to median remuneration of employees |
|--------|----------------------------|--|--|
| 1. | Mr. Srikrishna Bhamidipati | Chairman & Managing Director | 1.00 |
| 2. | Mrs. Shakila Makandar | Non-Executive - Independent Director | - |
| 3. | Mr. Akshay Nawale | Non-Executive - Independent Director | - |
| 4. | Mr. Sanjay Devlekar | Non-Executive - Independent Director | - |
| 5. | Mr. Vasant Bhoir | Non-Executive Director | - |
| 6. | Mr. Deepak Mane | Non-Executive Director | - |
| 7. | Mrs. Sneha Shrivastava | Company Secretary & Compliance Officer | 6.47 |

2. Details of percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, and Company Secretary Financial Year 2022-23 are as follows:

| Sl.No. | Name of Director | Designation | % Increase/ Decrease |
|--------|----------------------------|--|----------------------|
| 1. | Mr. Srikrishna Bhamidipati | Chairman & Managing Director | - |
| 2. | Mrs. Shakila Makandar | Non-Executive - Independent Director | - |
| 3. | Mr. Akshay Nawale | Non-Executive - Independent Director | - |
| 4. | Mr. Sanjay Devlekar | Non-Executive - Independent Director | - |
| 5. | Mr. Vasant Bhoir | Non-Executive Director | - |
| 6. | Mr. Deepak Mane | Non-Executive Director | - |
| 7. | Mrs. Sneha Shrivastava | Company Secretary & Compliance Officer | - |

3. Percentage increase in the median remuneration of employees Financial Year 2022-23.

There is no increase in median remuneration of all employees in Financial Year 2022-23.

4. Number of Permanent Employees on the roll of the Company as on March 31, 2023.

There are 11 permanent employees on roll of the Company as on March 31, 2023.

5. Comparison of average percentile increase in the salaries of employees other than the managerial personnel and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration There was no increase in remuneration done during the financial year 2022-23.

There was no increase in remuneration done during the financial year 2022-23.

6. Affirmation:

Information as per Rule 5(2) and 5(3) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

There was no Employees who;

- a. are in receipt of remuneration for the financial year 2022-23, in the aggregate, was not less than one crore and two lakh rupees;
- b. are in receipt of remuneration for any part of the financial year 2022-23, at a rate which, in the aggregate, was not less than eight lakh fifty thousand rupees per month;
- c. are in receipt of remuneration in the financial year 2022-23, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

CERTIFICATE ON CORPORATE GOVERNANCE

[In terms of Regulations 34(3) and Schedule V (E) of SEBI
(Listing Obligation and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Avance Technologies Limited
Office No. 226/227, Majestic Center, Second Floor,
144 Opera House, Mumbai, Maharashtra, 400004

We have examined the compliance of conditions of Corporate Governance by **Avance Technologies Limited (“the Company”)** for the year ended 31st March 2023 as stipulated in as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the ‘Listing Regulations’).

Management’s Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility includes the designing, implementing and operating effectiveness of internal control to ensure compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations.

Our Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has fully complied with all the mandatory conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

M/s. Mohandas & Co.
Chartered Accountants
Sd/-
CA Belle Mohandas Shetty
(Proprietor)
Membership No. 031256
Firm Registration No.: 106529W
UDIN: 23031256BGWFTA6561

Place: Mumbai
Date: 24/08/2023

MANAGING DIRECTOR/CFO CERTIFICATION OF FINANCIAL STATEMENTS

To,
The Members,
Avance Technologies Limited
Office No. 226/227, Majestic Center, Second Floor,
144 Opera House, Mumbai, Maharashtra, 400004

We, **Srikrishna Bhamidipati** Managing Director and **Vijay Purohit** Chief Financial Officer of **Avance Technologies Limited** (“the Company”), to the best of our knowledge and belief certify that:

- A. We have reviewed the financial statements and the cash flow statement for the Financial Year ended March 31, 2023 and best of our knowledge and belief:
- i. These statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company’s affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- B. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company’s Code of Conduct.
- C. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditor and the Audit Committee
- (1) Significant changes in internal control over financial reporting during the year;
 - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) Instances of significant frauds of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system over financial reporting.
 - (4)

For Avance Technologies Limited
Sd/-
Srikrishna Bhamidipati
Managing Director
DIN: 02083384

Sd/-
Vijay Purohit
Chief Financial Officer

Date: 04th September 2023
Place: Mumbai

CERTIFICATE ON VERIFICATION OF DEBARMENT OR DISQUALIFICATION OF DIRECTORS

Pursuant to Regulation 34 (3) read with Para C (10)(i) of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members,
Avance Technologies Limited
Office No. 226/227, Majestic Center, Second Floor,
144 Opera House, Mumbai, Maharashtra, 400004

We have examined the following documents:

- i) Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act');
- ii) Disclosure of concern or interests as required under Section 184 of the Act; (hereinafter referred to as 'relevant documents')

as submitted by the Directors of **Avance Technologies Limited** ('the Company') bearing **CIN: L51900MH1985PLC035210** and having its registered office at **Office No. 226/227, Majestic Center, Second Floor, 144 Opera House, Mumbai, Maharashtra, 400004**, to the Board of Directors of the Company ('the Board') for the Financial Year 2022-23 and relevant registers, records, forms and returns maintained by the Company and as made available to us for the purpose of issuing this Certificate in accordance with **Regulation 34(3)** read with **Schedule V Para C Clause 10(i)** of **SEBI (LODR) Regulations, 2015**.

Based on our examination as aforesaid and such other verifications carried out by us as deemed necessary and adequate (including Directors Identification Number (DIN) status at the portal www.mca.gov.in), in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorized representatives, we hereby certify that during the Financial Year ended 31st March 2023, none of the Directors on the Board of the Company, as listed hereunder have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

| Sr. No. | Name of Director | DIN | Date of Appointment |
|---------|-----------------------------|----------|---------------------|
| 01. | Mr. Srikrishna Bhamidipati | 02083384 | 15/01/2002 |
| 02. | Mrs. Shakila Makandar | 06513263 | 23/10/2018 |
| 03. | Mr. Vasant Tukaram Bhoir | 07596882 | 01/10/2016 |
| 04. | Mr. Akshay Vijay Nawale | 07597069 | 06/09/2017 |
| 05. | Mr. Sanjay Atmaram Devlekar | 07847440 | 05/09/2019 |
| 06. | Mr. Deepak Yallappa Mane | 07984967 | 30/09/2019 |

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report for the Financial Year ended 31st March 2023.

M/s. Mohandas & Co.
Chartered Accountants
Sd/-
CA Belle Mohandas Shetty
(Proprietor)
Membership No. 031256
Firm Registration No.: 106529W
UDIN: 23031256BGWFTB5812

Place: Mumbai
Date: 24/08/2023

DECLARATION BY MANAGING DIRECTOR

To,
The Members,
Avance Technologies Limited
Office No. 226/227, Majestic Center, Second Floor,
144 Opera House, Mumbai, Maharashtra, 400004

Sub: Declaration regarding compliance with the Company's Code of Conduct for Directors and Employees

Ref.: Regulation 34(3) read with Part D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Srikrishna Bhamidipati, Managing Director of Avance Technologies Limited, hereby declare that all the members of the Board of Directors and Senior Management have affirmed compliance with the Code of Conduct for Directors and Employees of the Company.

For Avance Technologies Limited

Sd/-

Srikrishna Bhamidipati
Managing Director
DIN: 02083384

Date: 04th September 2023

Place: Mumbai

INDEPENDENT AUDITORS REPORT

To,
The Members
Avance Technologies Limited
 Office No. 226/227, Majestic Center, Second Floor,
 144 Opera House, NA Mumbai, Maharashtra – 400004, India

Report on the Audit of the Ind AS Standalone Financial Statements for the financial year ended on 31st March 2023

Opinion

We have audited the accompanying Ind AS standalone financial statements of AVANCE TECHNOLOGIES LIMITED (“the Company”), which comprise the Standalone Balance Sheet as at 31st March 2023, and the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flow Statement and the statement of changes in equity for the year period 1st April, 2022 to 31st March, 2023 and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the Ind AS standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company for the period 1st April, 2022 to 31st March, 2023, the profit (Including Other comprehensive income), changes in equity and its cash flows for the year ended 31st March, 2023.

Basis of Opinion

We conducted our audit of the Ind AS standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Ind AS Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Ind AS standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr. No. | Key Audit Matters | Auditor’s Response |
|---------|--|-----------------------------------|
| 1. | Revenue Recognition The application of revenue recognition accounting standards involves revenue | Principal Audit Procedures |

| | | |
|--|--|---|
| | <p>arrangements and relevant contracts. We have identified the risk of revenue being recognized in incorrect period as a key audit matter due to the financial significance arising from pressure to achieve performance targets and meeting external expectations</p> | <p>In view of the significance of the matter we applied the following audit procedures, among others, in this area to obtain sufficient audit evidence:</p> <ul style="list-style-type: none"> • Assessing Company’s revenue recognition accounting policies by comparing with applicable accounting standards and their consistent application to the significant sales contracts. • Testing the design, implementation and operating effectiveness of key internal controls over timing of recognition of revenue from sale of products. • Performing substantive testing of revenue recognized during the year by selecting samples, through statistical sampling, and verifying the underlying customer orders and proof of dispatch/ delivery in accordance with the contractual terms agreed with the customers. • Performing substantive testing of revenue recognized near the year-end by verifying the customer orders and proof of dispatch/ delivery to assess the appropriateness of timing of revenue recognition. • Circulating balance confirmation requests to customers on a random sample basis and examining reconciliations in case of differences. |
|--|--|---|

Principal Audit Procedures

Our audit consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:

- We evaluated the design of internal controls relating to revenue recognition.
- We selected sample of Sales transactions and tested the operating effectiveness of the internal control relating to revenue recognition.
- We carried out a combination of procedures involving enquiry and observation, reperformance and inspection.
- We have tested sample of Sale transactions to their respective customer contracts, underlying invoices and related documents.
- We have performed cut-off procedures for sample of revenue transactions at year-end in order to conclude on whether they were recognized in accordance with Ind-AS 115.

Other Information - Information other than financial statement and Auditor's Report- thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with Governance. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

That Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in the aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced.
- We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work, and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government of India in terms of Section 143(11) of the Act, we enclose in the "Annexure A" a statement on matters specified in paragraph 3 & 4 of the said order to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- The Balance Sheet, the Statement of Profit and Loss Including other comprehensive income, and the Cash Flow Statement, and the statement of change in equity dealt with by this Report are in agreement with the books of account;
- In our opinion, the aforesaid Ind AS standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- On the basis of the written representations received from the directors as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended in our opinion and to the best of our information and according to the explanations given to us, no remuneration is paid or provided by the company to its directors during the year.
- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

The Company has disclosed the impact of pending litigations on its financial position in the Ind AS financial statements.

The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Rishi Sekhri and Associates**
Chartered Accountants

Sd/-

Rishi Sekhri

Proprietor

Membership No.: 126656

Firm Reg. No: 128216W

UDIN: 23126656BGWITE7183

Place: Mumbai

Date: 30th May 2023

ANNEXURE “A” TO THE AUDITORS’ REPORT

The Annexure referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of Our Report of even date to the members of M/s AVANCE TECHNOLOGIES LIMITED on the accounts of the company for the year ended 31st March 2023.

In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) As explained to us, all the assets have been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The company does not have any immovable property.
2. (a) As explained to us, the inventory has been physically verified at reasonable intervals during the year by the management. In our opinion, the frequency of verification is reasonable.

(b) There is no discrepancy found on verification between the physical stocks and the book records.
3. As explained to us, the company had not granted any loans, secured or unsecured, to any companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act., or
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. It has been explained to us that the maintenance of cost records has not been prescribed under section 148(1) of the Act.
7. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2023 for a period of more than six months from the date on when they become payable. (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute except the following:

| Sr. No. | Assessment Year | Demand under section | Date on which demand is raised | Amount of Outstanding Demand | Status of Demand |
|---------|-----------------|----------------------|--------------------------------|------------------------------|--|
| 1 | 2002-03 | 143 (1) | 21/12/2009 | 1,83,905 | Notice of Demand not received by the company. |
| 2 | 2006-07 | 143 (1) | 11/12/2008 | 2,90,083 | Notice of Demand not received by the company. |
| 3 | 2007-08 | 143 (1) | 20/12/2009 | 94,112 | Notice of Demand not received by the company. |
| 4 | 2007-08 | 143 (3) r/w 147 | 27/03/2015 | 61,56,992 | Demand is outstanding and appeal against the said demand is filed with CIT (A)-48, Mumbai vide Appeal No. 192/2007-08 dated 29/04/2015 which is still pending. |
| 5 | 2008-09 | 143 (1) and 153A | 21/03/2016 | 59,69,374 | Demand is outstanding and appeal against the said demand is filed with ITAT and Order Received. |
| 6 | 2009-10 | 43 (1), 115 _WE 153A | 21/03/2016 | 51,61,399 | Demand is outstanding and appeal against the said demand is filed with ITAT and Order Received. |
| 7 | 2010-11 | 143 (1) (a) and 153A | 21/03/2016 | 84,99,348 | Demand is outstanding and appeal against the said demand is filed with ITAT and Order Received. |
| 8 | 2011-12 | 143 (1) (a) and 153A | 21/03/2016 | 1,95,29,323 | Demand is outstanding and appeal against the said demand is filed with ITAT and Order Received. |
| 9 | 2012-13 | 153A | 21/03/2016 | 69,20,274 | Refund of Rs. 2,32,710/- was claimed whereas the department raised a demand to payable which is outstanding and an appeal against the said demand is filed with ITAT and Order Received. New notice received and Filled CIT Appeal dt.30.06.22. |
| 10 | 2013-14 | 143(3) and 153 A | 21/03/2016 | 12,89,87,910 | Refund of Rs. 9,97,630/- was claimed whereas the department raised a demand to payable which is outstanding and a Demand is outstanding and appeal against the said demand is filed with ITAT and Order Received. New notice received and Filled CIT Appeal dt.30.06.22. |
| 11 | 2014-15 | 143(3) and 153 A | 21/03/2016 | 58,47,950 | Refund of Rs. 5,44,370/- was claimed whereas the department raised a demand to payable which is outstanding and an appeal against the said demand is filed |

| | | | | | |
|----|---------|--------|------------|----------------|---|
| | | | | | with ITAT and Order Received. New notice received and Filled CIT Appeal dt.30.06.2022. |
| 12 | 2015-16 | CPC | 31/01/2016 | 93,550 | CPC Order |
| 13 | 2017-18 | 143(3) | 27/12/2019 | 67,64,052 | Demand is outstanding and appeal against the said demand is filed CIT (A) which is still pending. |
| 14 | 2019-20 | 143(3) | 29/04/2021 | 1,30,22,070 | Demand is outstanding and appeal against the said demand is filed with CIT Appeal. |
| 15 | 2012-13 | 143(3) | 31/05/2022 | 1,51,09,733/- | Demand is outstanding and appeal against the said demand is filed CIT (A) which is still pending. |
| 16 | 2013-14 | 143(3) | 31/05/2022 | 22,30,07,734/- | Demand is outstanding and appeal against the said demand is filed CIT (A) which is still pending. |
| 17 | 2014-15 | 143(3) | 31/05/2022 | 96,80,143/- | Demand is outstanding and appeal against the said demand is filed CIT (A) which is still pending. |

8. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion, company had not borrowed from financial institution or bank or issued debentures during the year under audit, and there were no loan outstanding at the beginning of the year. Therefore, this clause of the CARO is not applicable to company.
9. The company has not raised moneys by way of initial public offer or further public offer (including debt instrument) and term loans.
10. No Managerial remuneration has been paid or provided during the year under audit.
11. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
12. Based upon the audit procedures performed and according to the information and explanations given to us, All transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial statements etc. as required by the applicable accounting standards.
 - (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year, in determining the nature, timing and extent of our audit procedures.
13. (a) The Company has not defaulted in repayment of loans or other borrowings taken from the banks. The Company has not taken loans from financial institutions and Government.
 - b) The Company has not been declared wilful defaulter by any bank or financial institution or government or other lender.
 - c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
 - (d) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities.

14. (a) In our opinion and according to the information and explanations given to us, the company has not raised moneys by way of any public offer including debt instruments and term Loans during the year and hence the provisions of clause 3 (x)(a) of the Order are not applicable to the Company.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
15. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
16. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
17. The company has not entered into any non-cash transactions with directors or persons connected with him.
18. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Rishi Sekhri and Associates**

Chartered Accountants

Sd/-

Rishi Sekhri

Proprietor

Membership No.: 126656

Firm Reg. No: 128216W

UDIN: 23126656BGWITE7183

Place: Mumbai

Date: 30th May 2023

Annexure “B” to the Auditors’ Report

Report on the internal financial controls with reference to the aforesaid standalone financial statements under section 143(3)(i) of the Companies Act, 2013.

We have audited the internal financial controls with reference to financial statements of **AVANCE TECHNOLOGIES LIMITED** (“the Company”) as of 31st March 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31st March 2023, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls

The Company’s management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as “the Act”).

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditors’ judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in

accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statement.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **Rishi Sekhri and Associates**
Chartered Accountants

Sd/-

Rishi Sekhri

Proprietor

Membership No.: 126656

Firm Reg. No: 128216W

UDIN: 23126656BGWITE7183

Place: Mumbai

Date: 30th May 2023

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023

(All amounts in INR lakhs, unless otherwise stated)

| Particulars | Note | For the year ended 31 st March 2023 | For the year ended 31 st March 2022 |
|---|------|---|---|
| Income | | | |
| Revenue from operations | 17 | 3,053.20 | 1,151.57 |
| Other income | 18 | 1.16 | 1.63 |
| Total Income | | 3,054.36 | 1,153.19 |
| Expenses | | | |
| Purchases of Stock-in-Trade | 19 | 3,258.87 | 1,568.74 |
| Changes in inventories of goods | 20 | (281.11) | (377.53) |
| Employee benefit expense | 21 | 10.69 | 5.71 |
| Finance costs | 22 | 0.01 | 0.00 |
| Other expenses | 23 | 15.63 | 17.86 |
| Total expenses | | 3,004.09 | 1,214.79 |
| Profit before tax and extraordinary and exceptional items | | 50.27 | (61.59) |
| Add/Less: Exceptional Items | 24 | - | - |
| Profit before tax and after extraordinary and exceptional items | | 50.27 | (61.59) |
| Tax expense: | | | |
| Income Tax - current year | | 9.67 | - |
| Income Tax - earlier year | | - | - |
| Deferred tax charge/ (credit) | | - | - |
| Profit (Loss) for the period from continuing operations | | 40.60 | (61.59) |
| Other Comprehensive Income | | | |
| (i) Items that will not be reclassified to profit or loss (net of tax) | | - | - |
| (ii) Items that will be reclassified to profit or loss (net of tax) | | - | - |
| Total Comprehensive Income for the period and Other Comprehensive Income | | 40.60 | (61.59) |
| Earning per share (equity shares, par value Re. 1/- each) | | | |
| Basic | 27 | 0.002 | (0.030) |
| Corporate information and significant accounting policies | 1&2 | | |

The notes referred to above form an integral part of financial statements

As per our report of even date attached

For Rishi Sekhri and Associates
Chartered Accountants

Sd/-

Rishi Sekhri

Proprietor

Membership No.:126656

Firm Reg. No: 128216W

UDIN: 23126656BGWITE7183

Place: Mumbai

Date: 30th May 2023

For and on behalf of the Board of Directors of
AVANCE TECHNOLOGIES LIMITED

Sd/-

Srikrishna

Bhamidipati

Chairman & MD

DIN: 02083384

Sd/-

Vasant Bhoir

Director

DIN: 07596882

Sd/-

Vijay

Purohit

CFO

Sd/-

Sneha Shrivastava

Company

Secretary

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2023

(All amounts in INR lakhs, unless otherwise stated)

| Particulars | For the year ended 31 st March 2023 | For the year ended 31 st March 2022 |
|--|---|---|
| Cash flow from operating activities | | |
| Profit for the period | 50.27 | (61.29) |
| Adjustments for: | | |
| Finance costs | 0.01 | 0.00 |
| Interest income/Dividend Income | (1.16) | (1.63) |
| Loss/(profit) on sale of investments | - | - |
| Unrealised Profit/Loss of change in fair value of investments | - | - |
| Provision for diminution on value of investment and expected credit loss | - | - |
| Operating Profit Before Working Capital Changes | 49.12 | (63.22) |
| Inventories | (281.11) | (377.53) |
| Trade Advance and receivables | 124.69 | (240.04) |
| Provision for Taxes | 9.68 | - |
| Trade and other payables | 723.06 | 2,547.86 |
| Net cash provided by operating activities before taxes | 625.44 | 1,867.07 |
| Income taxes paid | (9.67) | - |
| Net cash provided by operating activities | 615.75 | 1,867.07 |
| Cash flow from investing activities | | |
| (Purchase) / Proceeds from sale / Maturity of investment | 735.05 | (8,107.88) |
| Interest received / Dividend Received | 1.16 | 1.63 |
| Un-secured loan given to third party | - | - |
| Net cash used in investing activities | 736.21 | (8,105.46) |
| Cash flow from financing activities | | |
| Finance costs paid | (0.01) | (0.00) |
| Loans and advances & others | (1,350.87) | (3,965.17) |
| Proceeds/(Repayment) for short-term borrowings | - | - |
| Net Adjustment in reserve & surplus for the year | - | 10,182.41 |
| Net cash used in financing activities | (1,350.89) | 6,217.25 |
| Net decrease in cash and cash equivalents | 1.07 | (21.12) |
| Cash and cash equivalents at the beginning of the year | 4.42 | 25.54 |
| Cash and cash equivalents at the end of the period (Note 14) | 5.50 | 4.42 |

Corporate information and significant accounting policies (refer note 1&2)

The notes referred to above form an integral part of financial statements

As per our report of even date attached

**For Rishi Sekhri and Associates
Chartered Accountants**

Sd/-

Rishi Sekhri

Proprietor

Membership No.:126656

Firm Reg. No: 128216W

UDIN: 23126656BGWITE7183

Place: Mumbai

Date: 30th May 2023

**For and on behalf of the Board of Directors of
AVANCE TECHNOLOGIES LIMITED**

Sd/-

Srikrishna

Bhamidipati

Chairman & MD

DIN: 02083384

Sd/-

Vasant Bhoir

Director

DIN: 07596882

Sd/-

Vijay

Purohit

CFO

Sd/-

Sneha

Shrivastava

Company

Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2023

(All amounts in INR lakhs, unless otherwise stated)

A. Equity Share Capital

| Particulars | Number | Amount |
|--|----------------|-----------|
| Balance at the end of the year 31 st March 2022 | 1,98,19,17,430 | 19,819.17 |
| Changes in equity share capital during the F.Y. 2022-23 | - | - |
| Balance at the end of the year 31 st March 2023 | 1,98,19,17,430 | 19,819.17 |

B. Other Equity

| Particulars | Reserves & Surplus | | | Other Comprehensive Income | Total other equity |
|--|----------------------------|--------------------|-------------------|----------------------------|--------------------|
| | Securities premium reserve | Forfeiture reserve | Retained Earnings | | |
| Balance at the end of the reporting period 31 st March 2021 | 16,707.65 | 2,790.40 | (8,417.25) | (3,934.33) | 11,080.80 |
| Profit for the financial year 2021-22 | - | - | (61.59) | 10,182.41 | 10,120.82 |
| Balance at the end of the reporting period 31 st March 2022 | 16,707.65 | 2,790.40 | (8,478.84) | 6,248.08 | 21,201.62 |
| Profit for the financial year 2022-23 | - | - | 40.60 | - | 40.60 |
| Balance at the end of the reporting period 31 st March 2023 | 16,707.65 | 2,790.40 | (8,438.24) | 6,248.08 | 21,242.22 |

Corporate information and significant accounting policies (refer note 1&2)

The notes referred to above form an integral part of financial statements

As per our report of even date attached

**For Rishi Sekhri and Associates
Chartered Accountants**

Sd/-

Rishi Sekhri

Proprietor

Membership No.:126656

Firm Reg. No: 128216W

UDIN: 23126656BGWITE7183

Place: Mumbai

Date: 30th May 2023

**For and on behalf of the Board of Directors of
AVANCE TECHNOLOGIES LIMITED**

Sd/-

Srikrishna

Bhamidipati

Chairman & MD

DIN: 02083384

Sd/-

Vasant Bhoir

Director

DIN: 07596882

Sd/-

Vijay

Purohit

CFO

Sd/-

Sneha

Shrivastava

Company

Secretary

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2023**

(All amounts in INR lakhs, unless otherwise stated)

Note No: 3 Investments

| | Particulars | As at 31 st March 2023 | | As at 31 st March 2022 | |
|-----------|--|-----------------------------------|----------|-----------------------------------|----------|
| | | Number of units | Amount | Number of units | Amount |
| A) | Investments - Non-current | | | | |
| | Investment in equity instruments (fully paid-up) | - | - | - | - |
| a) | In Subsidiary company | | | | |
| | Unquoted equity instruments at cost | | | | |
| | Avance Technologies Limited UK 2500000 | - | - | - | - |
| | Less: Provision for expected credit loss | - | - | - | - |
| | Fair Value of Unquoted Equity Instrument recognised through profit and loss account | - | - | - | - |
| b) | In other companies | | | | |
| i) | Quoted equity instruments (Trading Suspended) fair value through OCI | | | | |
| | Equity Shares of G Tech Info Training Ltd.Re.1/- | - | - | - | - |
| | Equity Shares of Interworld Digital Digital Ltd.Re.1 | - | - | - | - |
| | Equity Shares of Emporis Project Limited Rs.10 | - | - | - | - |
| | Equity Shares of Emporis Project Limited Rs.10 | - | - | - | - |
| | Valued at Fair Value through OCI | - | - | - | - |
| i) | Unquoted equity instruments fair value through profit and loss | | | | |
| | Equity Shares of Aahvan Agencies Ltd of Rs.10/- | - | - | 20,000 | 0.00 |
| | Equity Shares of Adequate Properties P. Ltd Rs.10 | 10,000 | 50.00 | 10,000 | 50.00 |
| | Equity Shares of Adequate Shares Shoppe P. Ltd Rs.10 | 10,000 | 50.00 | 10,000 | 50.00 |
| | Equity Shares of Akshara Ent Pvt Ltd Rs.10 | 285,000 | 285.00 | 285,000 | 285.00 |
| | Equity Shares of Amygdale Infotech Pvt Ltd Rs.10 | - | - | - | - |
| | Equity Shares of Aramid Textiles Pvt. Ltd. Rs.10 Each | - | - | - | - |
| | Equity Shares of Arya Tollways Pvt Ltd Rs.10 Each | 14,000,000 | 1,400.00 | 14,000,000 | 1,400.00 |
| | Equity Shares of ATL UK | - | 2,150.47 | - | 2,150.47 |
| | Equity Shares of Bonjour Estates Pvt. Ltd. Rs.10 Each | 55,000 | 55.00 | 55,000 | 55.00 |
| | Equity Shares of Chakri Industries Pvt Ltd Rs.10 Each | 125,000 | 115.00 | 125,000 | 115.00 |

**AVANCE
TECHNOLOGIES
LIMITED**

| | | | | |
|---|-----------|--------|-----------|--------|
| Equity Shares of Concord Infracon Pvt Ltd Rs.500 Each | 11,000 | 55.00 | 11,000 | 55.00 |
| Equity Shares of Daisy Polymers Pvt Ltd Rs.100 Each | 65,000 | 65.00 | 65,000 | 65.00 |
| Equity Shares of Dev Chemicals and Pharmaceuticals Pvt Ltd Rs.10 Each | 5,000 | 50.50 | 5,000 | 50.50 |
| Equity Shares of Devi dutt Textiles Pvt Ltd Rs.500 Each(PP) | 10,000 | 25.00 | 10,000 | 25.00 |
| Equity Shares of Ethan Construction Pvt Ltd Rs.10 Each | - | - | 4,000 | 10.00 |
| Equity Shares of Ethos Elite Garments Pvt Ltd Rs.10 Each | 16,000 | 80.00 | 16,000 | 80.00 |
| Equity Shares of Euro Plus Capital Ltd Rs.10 Each | 50,000 | 163.50 | 50,000 | 163.50 |
| Equity Shares of Europlus One Reality Pvt Ltd Rs.10 Each | 20,000 | 32.00 | 20,000 | 32.00 |
| Equity Shares of Greeksoft Institute of Financial Market Private Lintied Rs.10 Each | - | - | - | - |
| Equity Shares of Murlidhar Sales Private Limited.Rs.10 Each | 30,000 | 150.00 | 30,000 | 150.00 |
| Equity Shares of Hariyali Travellers Pvt Ltd.Rs.500 Each | 6,000 | 30.00 | 6,000 | 30.00 |
| Equity Shares of HPS Greens Infrastructure Pvt Ltd.Rs.10 Each | 20,000 | 100.00 | 20,000 | 100.00 |
| Equity Shares of Jasmine Steel Trading Ltd. Rs.10 Each | 161,000 | 645.00 | 161,000 | 645.00 |
| Equity Shares of JPS Balaji Reinforce PIPE Pvt Ltd Rs.10 Each | 100,000 | 100.00 | 100,000 | 100.00 |
| Equity Shares of Jyoti Buildtech P. Ltd Rs.10 Each | 8,000 | 100.00 | 8,000 | 100.00 |
| Equity Shares of Kasturi Projects Pvt Ltd Rs.10 Each | 25,000 | 50.00 | 25,000 | 50.00 |
| Equity Shares of Maruthi Plastics & Packaging Chennai P.L.Rs.10 | 10,000 | 101.00 | 10,000 | 101.00 |
| Equity Shares of Meritorious Realty Private Limited Rs.10 Each | 88,000 | 238.00 | 88,000 | 238.00 |
| Equity Shares of Mico Plast Industries Pvt Ltd Rs.10 Each | 5,000 | 50.50 | 5,000 | 50.50 |
| Equity Shares of Midpoint Trade Link P.Ltd.Rs.10 Each | 46,500 | 123.00 | 46,500 | 123.00 |
| Equity Shares of Navnidhi Steel Engg.Co.Ltd Rs.10 Each | 225,000 | 900.00 | 225,000 | 900.00 |
| Equity Shares of Neminath Trade Pvt.Ltd Rs.10 Each | 250,000 | 330.00 | 250,000 | 330.00 |
| Equity Shares of Populance Estates Pvt Ltd Rs.10 Each | 2,500,000 | 250.00 | 2,500,000 | 250.00 |
| Equity Shares of Prateek Bulls & Bear Pvt Ltd Rs.200 Each | 75,000 | 150.00 | 75,000 | 150.00 |
| Equity Shares of Prestige Feed Mills Limited Rs.10 Each | 150,000 | 150.00 | 150,000 | 150.00 |
| Equity Shares of Prestige Feed Mills | 15,000 | 15.00 | 15,000 | 15.00 |

| | | | | | |
|------------|--|---------|-----------------|-----------|-----------------|
| | Limited Rs.10 Each | | | | |
| | Equity Shares of Punarvasu Entp. Pvt. Ltd. Rs.10 Each | 255,000 | 255.00 | 255,000 | 255.00 |
| | Equity Shares of Ranjita Infrastructure Pvt Ltd. Rs.10 Each | 60,000 | 300.00 | 60,000 | 300.00 |
| | Equity Shares of Rassaz Infrastructure Pvt Ltd Rs.320 Each (PP) | 100,000 | 215.00 | 100,000 | 215.00 |
| | Equity Shares of Rassaz Rest.and Hotels Pvt Ltd Rs.500 Each (PP) | 50,000 | 80.00 | 50,000 | 80.00 |
| | Equity Shares of Ruia Alloys Trade P. Ltd.Rs.10 Each | 62,000 | 31.00 | 62,000 | 31.00 |
| | Equity Shares of Shree Sai Steel Indu. India P. Ltd. Rs.10 Each | 37,500 | 153.75 | 37,500 | 153.75 |
| | Equity Shares of Subh Laxmi Cold Storage Private Limited Rs. 10 Each | 50,000 | 50.00 | 50,000 | 50.00 |
| | Equity Shares of Signet Industries Limited Rs.10 Each | - | - | - | - |
| | Equity Shares of SMR Telecom Holding Pvt Ltd Rs.500 Each | 30,000 | 150.00 | 30,000 | 150.00 |
| | Equity Shares of Sparkle Financial Advisors Pvt. Ltd Rs.10 Each | 100,000 | 100.00 | 100,000 | 100.00 |
| | Equity Shares of Spice Commotrade Pvt. Ltd. Rs.10 Each | 10,000 | 50.00 | 10,000 | 50.00 |
| | Equity Shares of Splendid Capital Advisors Pvt. Ltd. Rs.10 Each | 100,000 | 100.00 | 100,000 | 100.00 |
| | Equity Shares of Sruti Filatex Pvt. Ltd. Rs. 10 Each | 100,000 | 10.00 | 100,000 | 10.00 |
| | Equity Shares of Ssmn Properties Pvt Ltd Rs.10 Each | 5,000 | 50.50 | 5,000 | 50.50 |
| | Equity Shares of Suksham Finlease and Investment Rs.10 Each | 100,000 | 100.00 | 100,000 | 100.00 |
| | Equity Shares of Vision Steel Ltd Rs.10 Each | 58,000 | 145.00 | 58,000 | 145.00 |
| | Equity Shares of Yes Equities Pvt Ltd Rs.200 Each | 25,000 | 50.00 | 25,000 | 50.00 |
| | | | 9,899.22 | | 9,909.22 |
| | Less: Provision for diminution in Value of Investment | | - | | - |
| | Fair Value of Unquoted Investment recognised through Profit and Loss Account | | 9,899.22 | | 9,909.22 |
| ii) | Unquoted preference shares instruments, fair value through profit or loss | | | | |
| | Preference Shares of Aakarshan Realtors Pvt.Ltd.Rs.100 | | 347.05 | 347,050 | 347.05 |
| | Preference Shares of Aagam Agencies Pvt. Ltd. Rs.10 | | 225.00 | | 225.00 |
| | Preference Shares of N M Developers Pvt.Ltd.Rs.10 | | 200.00 | 2,000,000 | 200.00 |
| | Preference Shares of Father Worldwide Pvt Ltd Rs. 100 | | 3,000.00 | 3,000,000 | 3,000.00 |

| | | | | | |
|-------------|--|-----------|------------------|------------|------------------|
| | Preference Shares of Enarr Infrastructure Rs.10 | | 300.00 | 3,000,000 | 300.00 |
| | Preference Shares of Roger Bravo Advisord Pvt Ltd Rs. 100 | | - | 300,000 | - |
| | Preference Shares of SIIA Advisory Pvt Ltd | | 2,500.00 | - | - |
| | Preference Shares of Rainbow Foundations Ltd Rs. 10 | | 1,340.00 | 45,000,000 | 4,550.00 |
| | | | 7,912.05 | | 8,622.05 |
| | Less : Provision for diminution in value of investment | | - | | - |
| | Fair Value recognised through profit and loss account | | 7,912.05 | | 8,622.05 |
| iii) | Share application money, fair value through profit or loss | | | | |
| | Share application money in un-quoted securities, pending for allotment | | 5,850.95 | | 5,865.99 |
| | Less: Provision for expected credit loss | | - | | - |
| | | | 5,850.95 | | 5,865.99 |
| | Total | | 23,662.22 | | 24,397.27 |
| B) | Investments – Current | | | | |
| | Quoted equity instruments, measured fair value through profit or loss | | | | |
| | Equity Shares of Swagruha Infrastructure Ltd Rs.1 Each | - | - | - | - |
| | Equity Shares of Mobile Telecommunication Ltd Rs.1 Each | 5,000 | - | 5,000 | - |
| | Equity Shares of Swagruha Infrastructure Ltd Rs.1 Each | 22,500 | 23.74 | 22,500 | 23.74 |
| | Equity Shares of Yantra Natural Resource Ltd Rs.1 Each | 5,965,000 | 13.02 | 5,965,000 | 13.02 |
| | Equity Shares of Empower India Ltd Rs.1 Each | 4,833,339 | 7.18 | 4,833,339 | 7.18 |
| | Equity Shares of Medico Intercontinental Ltd | | - | | - |
| | Equity Shares of Jump Networks Ltd | | 20.27 | | 20.27 |
| | Equity Shares of Emporis India Ltd | | 3,881.24 | | 3,881.24 |
| | Equity Shares of G Tech Info | | 6.76 | | 6.76 |
| | Equity Shares of Interworld Digital | | 2.24 | | 2.24 |
| | Total | | 3,954.45 | | 3,954.45 |

Note No: 04

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|---|-----------------------------------|-----------------------------------|
| Other financial assets- non-current | | |
| Secured considered good, measured at amortized cost | | |
| Loans and advances | 935.76 | 935.76 |
| Receivable others | 3.68 | 3.68 |
| | | |
| Less: Provision for expected credit loss | - | - |
| Total | 939.44 | 939.44 |

Note No: 05

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|-----------------------------|-----------------------------------|-----------------------------------|
| Deferred tax asset | | |
| Property, plant & equipment | 0.46 | 0.46 |
| On OCI | | |
| Total | 0.46 | 0.46 |

Note No: 06

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|---|-----------------------------------|-----------------------------------|
| Other non-current assets, measured at cost | | |
| Prepaid income tax | 189.90 | 122.50 |
| Trade advances | 13,933.10 | 12,649.62 |
| Total | 14,122.99 | 12,772.12 |
| Other current assets, measured at cost | | |
| VAT refundable | 9.42 | 9.42 |
| Total | 9.42 | 9.42 |

Note No: 07

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|--|-----------------------------------|-----------------------------------|
| Inventories, measured at cost or net-realizable value whichever is lower | - | - |
| Stock-in-trade (IT products and computer peripheral) | 658.64 | 377.53 |
| Total | 658.64 | 377.53 |

Note No: 08

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|--|-----------------------------------|-----------------------------------|
| Trade receivables, measured at amortized cost | | |
| Un-secured, considered good | 115.35 | 240.04 |
| Secured, considered good | - | - |
| Total | 115.35 | 240.04 |

Note No: 09

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|----------------------------------|-----------------------------------|-----------------------------------|
| Cash and cash equivalents | | |
| Cash on hand | 1.76 | 0.01 |
| Balances with banks | | |
| - in current accounts | 3.74 | 4.41 |
| Total | 5.50 | 4.42 |

Note No: 10

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|---|-----------------------------------|-----------------------------------|
| Other current financial assets, measured at amortized cost | | |
| Unsecured Loan given to third party | - | - |
| Deposit with Black Horse Media & Ent. Pvt Ltd | 2.00 | 2.00 |
| Staff advance | - | - |
| Total | 2.00 | 2.00 |

Note No: 11

| Particulars | As at 31 st March 2023 | | As at 31 st March 2022 | |
|--|--------------------------------------|----------------------|--------------------------------------|----------------------|
| Equity | | | | |
| Authorised Capital | | | | |
| 20,00,00,000 equity shares of Rs. 10/- each | 19819.17 | | 19819.17 | |
| Issued, subscribed and paid-up | | | | |
| 1,981,917,43 equity shares of Rs 10/- each | 19819.17 | | 19819.17 | |
| a) Equity shareholders holding more than 5 percent shares in the Company: | | | | |
| Name of the shareholder | As at 31 st March 2023 | | As at 31 st March 2022 | |
| | No. of shares | % | No. of shares | % |
| Golding Mercantile Pvt. Ltd. | 147,900,000 | 7.46 % | 147,900,000 | 7.46 % |
| Roho Real Estate Pvt. Ltd. | - | - | 122,586,660 | 6.19 % |
| Aalyya Traders Pvt. Ltd. | - | - | 110,766,660 | 5.59 % |
| Indivar Traders Pvt. Ltd. | 22,96,402 | 1.16% | 101,466,660 | 5.12 % |
| Dizzystone Trading Pvt. Ltd | - | - | 101,120,000 | 5.10 % |
| b) Reconciliation of the number of shares outstanding at the beginning and at the end of the year is as given below: | | | | |
| Particulars | As at 31 st March 2023 | | As at 31 st March 2022 | |
| | No. of shares | Amount (in Lakhs) | No. of shares | Amount (in Lakhs) |
| Number of equity shares outstanding at the beginning of the year | 19,81,91,743 | 19819.17 | 19,81,91,743 | 19819.17 |
| Number of equity shares issued during the year | - | - | - | - |
| Number of equity shares outstanding at the end of the year | 19,81,91,743 | 19819.17 | 19,81,91,743 | 19819.17 |

Note No: 12

| Particulars | As at 31 st March 2023 | | As at 31 st March 2022 | |
|---|-----------------------------------|--|-----------------------------------|--|
| Other Equity | | | | |
| (i) Securities premium reserve | | | | |
| Opening | 16,707.65 | | 16,707.65 | |
| Addition/(Deletion) | - | | - | |
| Closing | 16,707.65 | | 16,707.65 | |
| (ii) Forfeiture reserve | | | | |
| Opening | 2,790.40 | | 2,790.40 | |
| Addition/(Deletion) | - | | - | |
| Closing | 2,790.40 | | 2,790.40 | |
| (iii) Retained Earnings | | | | |
| Surplus/(Deficit) in the statement of profit and loss | - | | - | |
| Opening balance | (8,478.84) | | (8,417.25) | |

| | | |
|--|-------------------|-------------------|
| Add: Profit for the year | 40.60 | (61.59) |
| | (8,438.24) | (8,478.84) |
| (iv) Other Comprehensive Income | | |
| Opening balance | 6,248.08 | (3,934.33) |
| Add: Net Adjustment for the year | - | 10,182.41 |
| | 6,248.08 | 6,248.08 |
| Total | 17,307.89 | 17,267.29 |

Note No: 13

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|-------------------|-----------------------------------|-----------------------------------|
| Borrowings | - | - |
| Secured loan | - | - |
| Total | - | - |

Note No: 14

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|---|-----------------------------------|-----------------------------------|
| Trade payables | | |
| Dues to Micro, Small and Medium Enterprises | - | - |
| Others | 6,293.74 | 5,569.07 |
| Total | 6,293.74 | 5,569.07 |

The Company has not received any memorandum (as required to be filed by the Supplier with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31st March 2023 as Micro, Small or Medium Enterprises. Consequently, the amount paid / payable to these parties during the year as at March 31,2023: Nil (March 31 2022: Nil)

Note No: 15

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|----------------------------------|-----------------------------------|-----------------------------------|
| Other current liabilities | | |
| Statutory dues payable * | 3.50 | 5.12 |
| Total | 3.50 | 5.12 |

* The provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.

Note No: 16

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|--------------------------------------|-----------------------------------|-----------------------------------|
| Current Tax Liabilities (Net) | | |
| Provision for Income Tax | 46.18 | 36.50 |
| Total | 46.18 | 36.50 |

Note No: 17

| Particulars | For the year ended 31 st March 2023 | For the year ended 31 st March 2022 |
|--------------------------------|---|---|
| Revenue from operations | | |
| Income from sale of services | 3,053.20 | 1,151.57 |
| Total | 3,053.20 | 1,151.57 |

Note No: 18

| Particulars | For the year ended 31 st March 2023 | For the year ended 31 st March 2022 |
|----------------------|---|---|
| Other income | | |
| Interest received | - | - |
| Sundry Balance W/off | 1.16 | - |
| Dividend Received | - | 1.63 |
| Total | 1.16 | 1.63 |

Note No: 19

| Particulars | For the year ended 31 st March 2023 | For the year ended 31 st March 2022 |
|------------------------------|---|---|
| Purchases of Services | | |
| Purchases of Services | 3,258.87 | 1,568.74 |
| Total | 3,258.87 | 1,568.74 |

Note No: 20

| Particulars | For the year ended 31 st March 2023 | For the year ended 31 st March 2022 |
|---------------------------------|---|---|
| Change in stock-in-trade | | |
| Opening stock | 377.53 | - |
| Closing stock | (658.64) | (377.53) |
| Total | (281.11) | (377.33) |

Note No: 21

| Particulars | For the year ended 31 st March 2023 | For the year ended 31 st March 2022 |
|----------------------------------|---|---|
| Employee benefits expense | | |
| Salary | 10.69 | 5.41 |
| Bonus to staff | - | 0.30 |
| Staff welfare | - | - |
| Total | 10.69 | 5.71 |

Note No: 22

| Particulars | For the year ended 31 st March 2023 | For the year ended 31 st March 2022 |
|---------------------|---|---|
| Finance cost | | |
| Bank charges | 0.01 | 0.00 |
| Interest | - | - |
| Total | 0.01 | 0.00 |

Note No: 23

| Particulars | For the year ended 31 st March 2023 | For the year ended 31 st March 2022 |
|--------------------------|---|---|
| Other Expenses | | |
| Interest on late payment | - | - |
| Electricity Expenses | - | - |
| Housekeeping charges | - | 0.08 |

| | | |
|----------------------------------|--------------|--------------|
| Listing & Other Fees | 8.28 | 10.26 |
| Brokerage and other Charges | 3.69 | 4.49 |
| Auditor remuneration | 0.30 | 0.30 |
| Communication Expenses | 0.22 | 0.10 |
| Printing & Stationery | 0.17 | 0.10 |
| Professional Fees and legal fees | 1.08 | 1.34 |
| Legal and advertisement charges | 0.04 | - |
| Rates and taxes | 0.53 | 0.23 |
| Courier and postage | - | - |
| Travelling & Conveyance Expenses | - | - |
| Office expense | 0.13 | 0.07 |
| Donation | - | - |
| Demat Charges | 1.18 | 0.37 |
| Penalty BSE | - | 0.53 |
| Short Term Loss on Quoted | - | - |
| Long Term Loss on Quoted | - | - |
| Total | 15.63 | 17.86 |

Note No: 24

| Particulars | For the year ended 31 st March 2023 | For the year ended 31 st March 2022 |
|--|---|---|
| Exceptional Items | | |
| Amount written off | - | - |
| Provision for Bad and Doubtful Debts | - | - |
| Provision for expected credit loss | - | - |
| Provision for diminution in value of investments | - | - |
| Amount of Investment written off restore | - | - |

Note No: 25

| Particulars | For the year ended 31 st March 2023 | For the year ended 31 st March 2022 |
|---|---|---|
| Contingent liabilities and Commitments | | |
| Income tax demand & disputes pending before appellate authorities | 4,553.18 | 175.22 |
| Total | 4,553.18 | 175.22 |

Note No: 26

| Particulars | For the year ended 31 st March 2023 | For the year ended 31 st March 2022 |
|--|---|---|
| Auditors' remuneration excluding applicable tax | | |
| As auditor | | |
| - Audit Fees | 0.15 | 0.15 |
| -Tax Audit Fees | 0.15 | 0.15 |
| Total | 0.30 | 0.30 |

Note No: 27

| Particulars | For the year ended 31 st March 2023 | For the year ended 31 st March 2022 |
|---|---|---|
| Earnings per share | | |
| Net profit for the year attributable to equity shareholders | 40.60 | (61.59) |
| Weighted average number of equity shares of Rs. 1/- each used for calculation of basic earnings per share (adjusted for partly paid shares) | 1981917430 | 1981917430 |
| Earnings per share, basic and diluted* | 0.002 | (0.003) |
| *The Company has no potentially dilutive equity shares | | |

Note No: 28

| | | |
|---|---|---|
| (i) Names of related parties and description of relationship: | | |
| (a) Entity where exercise control – Not applicable | | |
| (b) Key management personnel: | | |
| Mr. Shrikrishna Bhamidipati – Chairman & Managing Director | | |
| Mr. Vasant Bhoir – Non-executive Director | | |
| Mr. Deepak Mane – Non-executive Director | | |
| Mr. Akshay Nawale – Independent Director | | |
| Mrs. Shakila Makandar – Independent Director | | |
| Mr. Sanjay Devlekar – Independent Director | | |
| (c) Other related parties where common control exists – Not applicable | | |
| (ii) Related party transactions: | | |
| Particulars | For the year ended 31 st March 2023 | For the year ended 31 st March 2022 |
| Director' Remuneration | - | - |
| (iii) Amounts outstanding as at the balance sheet date – None | | |

Note No: 29

| Particulars | For the year ended 31 st March 2023 | For the year ended 31 st March 2022 |
|--|---|---|
| Income Tax | | |
| Income tax expense in the statement of profit and loss consists of: | | |
| Current income tax: | | |
| In respect of the current period | 9.67 | - |
| Deferred tax | | |
| In respect of the current period | - | - |
| Income tax expense reported in the statement of profit or loss | 9.67 | - |
| Income tax recognised in other comprehensive income | - | - |
| - Deferred tax arising on income and expense recognised in other comprehensive income | - | - |
| Total | 9.67 | - |
| The reconciliation between the provision of income tax of the Company and amounts computed by | | |

applying the Indian statutory income tax rate to profit before taxes is as follows:

| Particulars | For the year ended 31 st March 2023 | For the year ended 31 st March 2022 |
|--|---|---|
| Profit before tax | 50.27 | (61.59) |
| Enacted income tax rate in India | 25.75% | 25.75% |
| Computed expected tax expense | - | - |
| Effect of: | | |
| Tax (credit) / paid as per book profit | - | - |
| Expenses disallowed for tax purpose | - | - |
| Others | - | - |
| Total income tax expense | - | - |

Deferred Tax:

Deferred tax relates to the following:

| Particulars | Balance Sheet | | Statement of profit and loss | |
|---|--------------------------------------|--------------------------------------|---|---|
| | As at 31 st March 2023 | As at 31 st March 2022 | For the year ended 31 st March 2023 | For the year ended 31 st March 2022 |
| Property, plant and equipment | 0.46 | 0.46 | - | - |
| Net deferred tax (charge) | - | - | - | - |
| Net deferred tax assets/ (liabilities) | 0.46 | 0.46 | - | - |

Note No: 30

The carrying value and fair value of financial instruments by categories are as below:

| Financial Assets | Carrying Value | |
|---|-----------------------------|-----------------------------|
| | 31 st March 2023 | 31 st March 2022 |
| Fair value through profit and loss | | |
| Investment in equity shares (*) | 23,662.22 | 24,397.27 |
| Amortised cost | | |
| Loans and advances (^) | 935.76 | 935.76 |
| Receivable others (^) | 3.68 | 3.68 |
| Trade receivable (^) | 115 | 240.04 |
| Cash and cash equivalents (^) | 5.50 | 4.42 |
| Unsecured Loan given to third party (^) | - | - |
| Deposit with Black Horse Media & Ent. Pvt. Ltd (^) | 2.00 | 2.00 |
| Staff advance (^) | - | - |
| Total assets | 24,724.51 | 25,583.16 |
| Financial liabilities | | |
| Amortised cost | | |
| Borrowings (^) | - | - |
| Trade and other payables (^) | 6,293.74 | 5,569.07 |
| Other financial liabilities (^) | - | - |
| Total liabilities | 6,293.74 | 5,569.07 |
| Fair value hierarchy | | |
| Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities. | | |
| Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, | | |

either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(*) The fair value of these investment in equity shares are calculated based on discounted cash flow approach for un-quoted market instruments which are classified as level III fair value hierarchy.

(^) The carrying value of these accounts are considered to be the same as their fair value, due to their short term nature. Accordingly, these are classified as level 3 of fair value hierarchy.

Note No: 31

Financial risk management

The Company has exposure to following risks arising from financial instruments-

- Credit Risk
- Market Risk
- Liquidity Risk

(a) Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(b) Credit Risk

Credit risk is the risk that counter party will not meet its obligations under a financial instruments or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) from its financing activities including deposits with banks and investment in quoted and un-quoted equity instruments.

i) Trade and other receivables:

Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

The impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.

Expected credit loss (ECL) assessment for corporate customers

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (including but not limited to past payment history, security by way of deposits, external ratings, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying experienced credit judgement.

ii) Other financial assets and deposits with banks:

Credit risk on cash and cash equivalent is limited as (including bank balances, fixed deposits and margin money with banks) the Company generally transacts with banks with high credit ratings assigned by international and domestic credit rating agencies.

(c) Market Risk

Equity price risk

The Company is exposed to equity price risk from investments in equity securities measured at fair value

through profit and loss. The Management monitors the proportion of equity securities in its investment portfolio based on market indices and based on company performance for un-equity instruments. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Board of Directors. Further, major investments in un-quoted equity instruments are strategic in nature and hence invested for long-term purpose.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to its short-term borrowings in nature of working capital loans, which carry floating interest rates. Accordingly, the Company's risk of changes in interest rates relates primarily to the Company's debt obligations with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant. The impact on entity's loss before tax due to change in the interest rate/ fair value of financial liabilities are as disclosed below:

| Particulars | Year ended 31 st March 2023 | | Year ended 31 st March 2023 | |
|-----------------------|--|---------------------|--|---------------------|
| | Change in interest rate | Effect of after tax | Change in interest rate | Effect of after tax |
| Short-term borrowings | +1% | 0.05 | +1% | 0.05 |
| | -1% | (0.05) | -1% | (0.05) |

(d) Liquidity Risk

Liquidity is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing the liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the cash and cash equivalents is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

Exposure to liquidity risk

The table below details the Company's remaining contractual maturity for its non-derivative financial liabilities. The contractual cash flows reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

| Particulars | Carrying Value | Contractual cash flows | | | |
|-----------------------------------|-----------------|------------------------|-----------------|--------|--------|
| | | Total | On demand | < 1 yr | > 1 yr |
| 31st March 2023 | | | | | |
| Borrowings | - | - | - | - | - |
| Trade and other payables | 6,293.74 | 6,293.74 | 6,293.74 | - | - |
| Other financial liabilities | - | - | - | - | - |
| | 6,293.74 | 6,293.74 | 6,293.74 | - | - |
| 31st March 2022 | | | | | |
| Borrowings | - | - | - | - | - |

| | | | | | |
|-----------------------------------|-----------------|-----------------|-----------------|---|---|
| Trade and other payables | 5,569.07 | 5,569.07 | 5,569.07 | - | - |
| Other financial liabilities | - | - | - | - | - |
| | 5,569.07 | 5,569.07 | 5,569.07 | - | - |
| 31st March 2021 | | | | | |
| Borrowings | - | - | - | - | - |
| Trade and other payables | 3,019.71 | 3,019.71 | 3,019.71 | - | - |
| Other financial liabilities | - | - | - | - | - |
| | 3,019.71 | 3,019.71 | 3,019.71 | - | - |

Note No: 32

Capital Management

The Company's objective is to maintain a strong capital base to ensure sustained growth in business and to maximise the shareholders' value. The Capital Management focusses to maintain an optimal structure that balances growth and maximizes shareholder value.

The Company's adjusted net debt to equity ratio is analysed as follows:

| Particulars | 31 st March 2023 | 31 st March 2022 | 31 st March 2021 |
|---|-----------------------------|-----------------------------|-----------------------------|
| Total equity (A) | 37,127.05 | 37,086.45 | 26,965.64 |
| Total borrowings (B) | - | - | - |
| Total capital (C)= (A) +(B) | 37,127.05 | 37,086.45 | 26,965.64 |
| Total loans and borrowings as a percentage of total capital (B/C) | 0.00% | 0.00% | 0.00% |
| Total equity as a percentage of total capital (A/C) | 100.00% | 100.00% | 100.00% |

The company has availed the facility from M/s IL & FS Financial Services Ltd during F.Y. 2017-2018 and the same was advanced to M/s MP Border Checkpost Development Company Limited (a subsidiary of IL & FS Transportation Networks Limited) vide agreement dated 28/03/2018. In June 2018, the problems in IL & FS Group surfaced as a result MP Border Checkpost Development Company Limited was unable to service its obligations. In light of the above developments the complete transaction was restructured as under:

The obligation of MP Border Checkpost Development Company Limited was taken over IL & FS Transportation Networks Limited vide assignment deed dated 07.09.2018 which was further transferred to Srinagar Sonamarg Tunnelway Limited (a subsidiary of IL & FS Transportation Limited) vide assignment deed dated 22/09/2018.

The insolvency proceedings have been initiated against the IL & FS group. Pursuant to the Order passed by Hon'ble National Company Law Tribunal the IL & FS Group are under moratorium. The claim by IL & FS Financial Services Limited is being contested by the Company before Hon'ble National Company Law Tribunal.

As the claim of IL & FS Financial Services Limited and the company's claim against Srinagar Sonamarg Tunnelway Limited are dependent upon the outcome of the proceedings before Hon'ble National Company Law Tribunal, the necessary treatment shall be given to the transactions on the outcome of the proceedings.

Financial Ratios

a) Current ratio = Current assets divided by current liabilities

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|---|-----------------------------------|-----------------------------------|
| Current Assets | 4,745.36 | 4,587.86 |
| Current Liabilities | 6,343.42 | 5,610.69 |
| Ratio | 0.75 | 0.82 |
| % Change from previous period | (0.09) | |
| Decrease in Current ratio is because of more increase in current liabilities as compare to increase in current asset. | | |

- b) **Debt Equity ratio = Total debt divided by total equity where total debt refers to sum of current and non-current borrowings**

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|---------------------------------------|-----------------------------------|-----------------------------------|
| Total debt | - | - |
| Total equity | 37,127.05 | 37,086.45 |
| Ratio | - | - |
| % Change from previous period | - | - |
| Since there were no outstanding debts | | |

- c) **Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments**

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|---------------------------------------|-----------------------------------|-----------------------------------|
| - | - | - |
| Since there were no outstanding debts | | |

- d) **Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by Average Equity**

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|---|-----------------------------------|-----------------------------------|
| Net Profit after Tax | 40.60 | (61.59) |
| Average equity employed | 37,127.05 | 37,086.45 |
| Ratio | 0.001 | (0.002) |
| % Change from previous period | 1.66 | |
| Positive return on equity ratio is due to net profit earned during the year as compare to loss in previous year | | |

- e) **Trade Receivables turnover ratio = Sales divided by Average trade receivables**

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|---|-----------------------------------|-----------------------------------|
| Sales | 3,053.20 | 1,151.57 |
| Average Trade receivables | 177.69 | 120.02 |
| Ratio | 17.183 | 9.595 |
| % Change from previous period | 0.79 | |
| Increase in trade receivables is due to increase in revenue | | |

- f) **Trade payables turnover ratio = Purchases divided by Average trade payables**

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|--|-----------------------------------|-----------------------------------|
| Purchases | 3,258.87 | 1,568.74 |
| Average trade payables | 5,931.40 | 5,804.24 |
| Ratio | 0.55 | 0.27 |
| There is increase in trade payables turnover ratio because of increase in purchases in current year as compare to previous year. | | |

- g) **Net capital Turnover Ratio = Sales divided by Net Working capital whereas net working capital= current assets - current liabilities**

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|--|-----------------------------------|-----------------------------------|
| Sales | 3,053.20 | 1,151.57 |
| Net working Capital | (1,598.06) | (1,022.83) |
| Ratio | (1.91) | (1.13) |
| % Change from previous period | 0.70 | |
| Due to increase in revenue in current year there is increase in net capital turnover ratio | | |

h) Net profit ratio = Net profit after tax divided by Sales

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|--|-----------------------------------|-----------------------------------|
| Net Profit After Tax | 40.60 | (61.59) |
| Sales | 3,053.20 | 1,151.57 |
| Ratio | 0.01 | (0.05) |
| % Change from previous period | 1.25 | |
| There is increase in profit as compare to loss in the previous year resulting to increase in net profit ratio. | | |

i) Return on Capital employed (pre cash)=Earnings before interest and taxes(EBIT) divided by Average Capital Employed

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|--|-----------------------------------|-----------------------------------|
| Profit before tax* (A) | 50.27 | (61.59) |
| Finance costs* (B) | - | - |
| Other income excluding Trade finance income* (C) | 1.16 | 1.63 |
| EBIT (D) = (A)+(B)-(C) | 49.12 | (63.22) |
| Average Capital Employed (E) | 37,127.05 | 37,086.45 |
| Ratio | 0.00 | (0.00) |
| % Change from previous period | 1.78 | |
| Return on Capital Employed is positive since there is profit in current year as compared to loss in last year. | | |

Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The following table summarises the capital of the Company.

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|--|-----------------------------------|-----------------------------------|
| Equity share capital | 19,819.17 | 19,819.17 |
| Other equity | 17,307.89 | 17,267.29 |
| Warrant Application Money Received | - | - |
| Total equity (A) | 37,127.06 | 37,086.46 |
| Current borrowings | - | - |
| Current maturity of non-current borrowings | - | - |
| Total debt (B) | - | - |
| Less : Cash and cash equivalents | (5.50) | (4.42) |
| Net debt (C) | (5.50) | (4.42) |
| Capital and net debts (D = A + C) | 37,121.56 | 37,082.04 |
| Debt equity ratio (B / A) | - | - |
| Capital gearing ratio (B / D) | - | - |

There is no borrowings hence capital gearing ratio not applicable.

Contingent liabilities and commitments

There are no contingent liabilities and commitments.

Prior year comparatives

The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.

**SIGNIFICANT ACCOUNTING POLICIES TO THE STANDALONE FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31ST MARCH 2023**

NOTE -1 BASIC ACCOUNTING POLICIES

1. Corporate Information:

Avance Technologies Limited ('the Company') is a Public Limited Company incorporated in India under the companies act, 1956 in 1985. The company operates in software related products. The Registered office of the company is located at Office No. 226/227, Majestic Center, Second Floor, 144 Opera House, NA Mumbai, Maharashtra - 400004, India.

These financial statements were authorized for issue in accordance with a resolution of the directors on 30th May, 2023.

The Company's shares are listed for trading on BSE Limited.

2. Basis of preparation and Significant accounting policies:

▪ **Basis of preparation:**

(1) Compliance with Ind AS

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ("Ind AS") notified under The Companies (Indian Accounting Standards) Rules, 2015 and The Companies (Indian Accounting Standards) amendment Rules 2016, as amended with effect from April 1, 2017. The financial statements of the Company have been prepared and presented in accordance with Ind AS.

(2) Historical Cost Convention

The financial statements have been prepared and presented under the historical cost convention and on accrual basis of accounting, Indian Accounting Standards prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014, except where otherwise stated, the accounting principles have been consistently applied.

(3) Rounding of Amounts

The standalone financial statements are presented in INR and all the values are rounded off to the nearest lakhs (INR 100,000) except when otherwise indicated.

▪ **Summary of significant accounting policies:**

(a) Current versus non-current classification:

The Company presents assets and liabilities in the balance sheet based on current /non-current classification.

1) An asset is treated as current when it is:

- a. Expected to be realised in normal operating cycle or within twelve months after the reporting period held primarily for the purpose of trading, or
- b. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- c. All other assets are classified as non-current.

2) A liability is current when:

- a) It is expected to be settled in normal operating cycle or due to be settled within twelve after the reporting period or
- b) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

3) The Company classifies all other liabilities as non-current.

4) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified period of twelve months as its operating cycle.

(b) Use of Estimates and Assumptions:

The preparation of financial statements in accordance with Ind AS requires subjective and complex judgments to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses at the date of these financial statements.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

- a) Fair value of Financial Assets and Financial liabilities,
- b) The useful lives of, or expected pattern of consumption of the future economic benefits bodied in, depreciable assets,
- c) Valuation of Inventories and Inventory obsolescence,
- d) Provisions and Bad Debts.

Key source of estimation of uncertainty as at the date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of the following:

Investment in equity shares:

The Company is exposed to equity price risk from investments in equity securities measured at fair value through profit and loss. The Management monitors the proportion of equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Board of Directors.

Taxes:

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates, for

possible consequences of assessments by the tax authorities. The amount of such provisions is based on various factors, such as experience of previous tax assessments and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the Company's domicile.

Minimum Alternative Tax ("MAT") credit is recognised as deferred tax asset based on evidence that the Company will pay normal income tax during the specified period. Significant judgments are involved in determining the future taxable income and future book profits, including amount of MAT credit available for set-off.

Impairment of non-financial assets:

Impairment exists when the carrying value of an asset or cash generating unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow ("DCF") model. The cash flows are derived from the budget for future years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Impairment of financial assets:

The Company assesses impairment of financial assets ('Financial instruments') and recognizes expected credit losses in accordance with Ind AS 109. The Company provides for impairment of trade receivables and unbilled revenue outstanding for more than 1 year from the date they are due for payment and billing respectively.

The Company provides for impairment of investment in subsidiaries. Impairment exists when there is a diminution in value of the investment and the recoverable value of such investment is lower than the carrying value of such investment.

(c) Fair value measurement:

The company measures financial instrument such as investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability - or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Currently company carries those instruments in level 1 inputs of the above mentioned fair value hierarchy.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(d) Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1) Financial assets:

Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in three broad categories:

- Debt instruments assets at amortised cost
- Equity instruments measured at fair value through profit or loss (FVTPL)

When assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit and loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

Debt instruments at amortized cost:

A debt instrument is measured at amortised cost (net of any write down for impairment) if both the following conditions are met:

- the asset is held to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes), and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding.

Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit and loss. The losses arising from impairment are recognised statement of profit and loss. This category generally applies to trade and other receivables.

Financial assets at fair value through OCI (FVTOCI):

A financial asset that meets the following two conditions is measured at fair value through OCI unless the asset is designated at fair value through profit and loss under fair value option.

- The financial asset is held both to collect contractual cash flows and to sell.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial assets at fair value through profit and loss:

FVTPL is a residual category for company's investment instruments. Any instruments which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

All investments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.

In addition, the company may elect to designate an instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Equity investments:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company has not made any such election. This classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investment in subsidiary is measured at cost.

De-recognition:

When the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; it evaluates if and to what extent it has retained the risks and rewards of ownership.

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily de-recognised when:

- The rights to receive cash flows from the asset have expired, or
- Based on above evaluation, either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards

of the asset, but has transferred control of the asset.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a bases that reflect the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets:

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS109 ('Financial instruments') requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

2) Financial Liabilities:

Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss or at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Company's financial liabilities include trade payables, lease obligations, and other payables.

Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost:

After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit and loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition:

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

3) Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4) Re-classification of financial assets:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities.

For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

(e) Impairment of non-financial assets:

Non-financial assets including Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the standalone statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the standalone statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(f) Lease:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Where the Company as a lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. An operating lease is a lease other than a finance lease.

Operating lease:

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight line basis.

(g) Revenue recognition:

i. Sale of Goods

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods are transferred to the buyer, usually on delivery of the goods and when all the following conditions are satisfied:

- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns and allowance, trade discounts and volume rebates and does not include Value added tax (VAT), Central Sales tax (CST) and any other taxes.

ii. Other income:

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date. The right to receive dividend is generally established when shareholders approve the dividend.

Interest income is recognized as it accrues in the standalone statement of profit and loss using effective interest rate method.

(h) Property, Plant and Equipment:

There are no property, plant or Equipment in the company for the year 2022-23.

(i) Foreign currency translation:

(i) Initial recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

(iii) Exchange differences:

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise except those arising from investments in non-integral operations.

(j) Taxes:

Tax expense comprises of current and deferred tax.

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Tax liability under Minimum Alternate Tax (“MAT”) is considered as current tax. MAT entitlement is considered as deferred tax.

Minimum Alternative Tax (“MAT”) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Deferred Tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and the carry forward of any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of deductible temporary differences associated with investments in subsidiaries deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Un-recognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(k) Provisions, Contingent liabilities, Contingent assets and Commitments:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is disclosed, where an inflow of economic benefits is probable.

(l) Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(m) Segment reporting:

The Company has only one segment of activity of dealing in IT products during the period; Hence, segment wise reporting as defined in Indian Accounting Standard-108 is not applicable.

(n) Inventory:

Inventories are valued at cost or net realizable value whichever is lower, computed on a FIFO basis, after providing for cost of obsolescence and other anticipate losses, wherever considered necessary. Finished goods include costs of conversion and other costs incurred in bringing the inventories to their present location and condition as certified by the management.

(o) Retirement and other employee benefits:

Employee benefits include provident fund and compensated absences.

Defined contribution plans:

Contributions payable to recognized provident funds, which are defined contribution schemes, are charged to the standalone statement of profit and loss.

Short-term employee benefits:

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. Compensated absences, which are expected to be utilised within the next 12 months, are treated as short-term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

(p) Cash and cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value are unrestricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(q) Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new Standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2023.

(r) Trade Receivable:

Trade receivables are recognized at fair value, the outstanding balances of sundry debtors, advances etc. are verified by the management periodically and on the basis of such verification management determines whether the said outstanding balance are good, bad or doubtful and accordingly same are written off or provided for.

Receivables that are expected in one year or less, are classified as current assets, if not they are presented as non-current assets.

(s) **Cash Flow Statement:**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash in hand and Balances with Banks.

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Avance Technologies Limited

Office No. 226/227, Majestic Center, Second Floor, 144 Opera House, Mumbai – 400 004.