



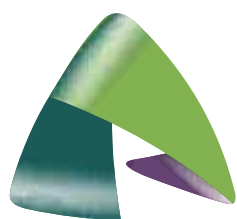
**Advik**

**Capital Limited**

(formerly known as Advik Industries Limited)

**32<sup>nd</sup>**  
**ANNUAL**  
**REPORT**





# Advik Capital Limited

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## **DETERMINATION IS A KEY TO SUCCESS**

Determination paves for the success. At Advik Capital, this philosophy of the Company motivates our actions to be always determined for our work and to accomplish our mission.

We believe in giving best out of our services and serve quality services in the sector which makes us an emerging Corporate in the field of financing activities. The satisfaction and trust of our stakeholders is the actual success we earn for a concrete roots.

We are committed to creating a meaningful future for our Stakeholders, society and working with such passion and perseverance to make it happen.

The year 2016-2017 was about putting our determination into an action with passion. Going forward, we are confident to achieve our strategic objectives and emerge as a trusted partner for capital needs of our stakeholders.



## ADVIK CAPITAL AT A GLANCE

**Advik Capital Limited (formerly known as Advik Industries Limited)** is one of the emerging non-deposit taking non-banking finance Company (NBFC) registered with Reserve Bank of India, New Delhi, bearing Registration No. **B-14.00724**. The Company is a listed entity and trading its equity shares at Bombay Stock Exchange (BSE Limited). The BSE security code of the Company is **539773**.

The Company is carrying on the Business of investing funds, assisting the financial accommodation by way of loans/advances to industrial concerns and undertaking the business of leasing and to finance lease operations of all kinds, purchasing, selling, hiring or letting on hire or all kinds of plant and machinery.

During the year, with the approval of members of the Company and Reserve Bank of India, Registrar of Companies, NCT Delhi & Haryana and BSE Limited, Company has changed its name from **“Advik Industries Limited”** to **“Advik Capital Limited”** w.e.f. 07/07/2017.

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**873.90 LACS**

**NET WORTH**

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**874.88 LACS**

**TOTAL ASSETS & LIABILITIES**

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**11.09 LACS**

**PROFIT OF THE YEAR**

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### Mission & Vision

Our motto is to build long term relationships with our clients taking into account their needs as well as the changing market dynamics. Our mission is to be the preferred provider of the highest quality solutions in our chosen business domain.

## CHAIRMAN'S MESSAGE

The Financial sector is a good indicator of the progress that India making. With the help of strong policy framework by the Government and with leading support of market strategy, the sector is receiving a great economic participation from a large number of people in the entrepreneurial landscape.

And I believe that is where the opportunity for NBFCs in India will be found. From a policy perspective, new RBI guidelines on NBFCs regarding capital requirements, provisioning norms, and enhanced disclosure requirements are all expected to benefit the sector over the long run, setting the stage for stronger, well-governed NBFCs to compete fairly in the marketplace.

We have certainly reported an encouraging performance in FY 2016-17, yet there is always room for improvement. We will further sharpen our focus on various aspects that will make scaling-up relatively risk-neutral. In short, although a medium-sized organisation, we, ourselves, must maintain a nimbleness and entrepreneurial spirit. This thinking must apply to all levels in the organisation, starting from the Board to the Executive Management and expanding to the field force.

I am pleased to report that, to move into the future, our primary focus will be on growth and for that the board members of the Company have decided to broaden and to diversify the business activities and operations in the area of forex market as a money changer, Gold Loan, House Loan and Vehicle Loan and made the application to RBI for approval. All the proposed activities are profitable for the Company and responsibly provide attractive returns over the long term for our shareholders.

Lastly, at Advik Capital, we are working to create value not just for our shareholders, but also for the communities in which we operate and the society at large. We are conscious of our responsibility as a corporate citizen and seek to play our part in making lives better.

I would like to thank our shareholders for their immense support as we steadily and consistently develop your Company into one of the leading financial organizations in India. As India continues to take its place as perhaps the most dynamic economy in the world, we will endeavour to grow in tandem with this great country for the benefit of all the varied and important stakeholders of Advik Capital.

Yours Truly

**Virender Kumar Agarwal**

Chairman / Managing Director



## Corporate Information

### Board of Directors

**Executive Chairman/Managing Director**

**Mr. Virender Kumar Agarwal**

**Executive Director**

**Mr. Shakul Kumar Agarwal - Whole-time Director**

**Directors (Non-Executive)**

**Mr. Hemant Agarwal - Independent**

**Mrs. Latika Bansal - Independent**

**Mr. Vineet Gupta - Independent**

**Mrs. Manju Agarwal - Promoter**

**Other KMPs**

**Tarkeshwar Rai - CFO**

**Radhika Garg - Company Secretary & Compliance Officer**

### Auditors

**Statutory Auditors**

**M/s Garg Anil & Co.**

**Chartered Accountants**

**New Delhi**

**Secretarial Auditors**

**M/s A.K. Verma & Co.**

**Company Secretaries**

**New Delhi**

### Bankers

**Kotak Mahindra Bank**

### Registrar and Share Transfer Agents

**Skyline Financial Services Private Limited**

**D-153A, 1st Floor, Okhla Industrial Area, Phase- I, New Delhi- 110 020**

**Tel: 011- 64732681-88, 26812682/83**

**Email: info@skylinerta.com**

### Registered Office

**Plot No. 84, Khasra No. 143/84, Ground Floor,**

**Extended Lal Dora, Kanjhawla Delhi- 110081**

### Corporate Identification Number (CIN)

**L74899DL1985PLC022505**

## NOTICE

**NOTICE** is hereby given that the **32nd** Annual General Meeting of the members of **ADVIK CAPITAL LIMITED (FORMERLY KNOWN AS ADVIK INDUSTRIES LIMITED)** will be held on Tuesday the 26th day of September, 2017 at Registered office of the Company at Plot No. 84, Khasra No. 143/84, Ground Floor, Extended Lal Dora, Kanjhawla, Delhi-110081 at 12:00 Noon to consider and transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt (a) the audited financial statement of the Company for the financial year ended March 31, 2017 and the reports of the Board of Directors and Auditors thereupon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2017 and the report of Auditors thereon and in this regard, pass the following resolutions as an **Ordinary Resolutions**:

(a) **“RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2017 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby received, considered and adopted.”

(b) **“RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2017 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby received, considered and adopted.”

2. To appoint Mrs. Manju Agarwal, who retires by rotation and being eligible, offers herself for re-appointment as a Director and in this regard, pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Manju Agarwal (DIN: 00531344), who retires by rotation at this meeting and being eligible has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

3. To appoint Auditors and fix their remuneration and in this regard 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 Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, M/s Garg Anil & Co., Chartered Accountants, be and is hereby appointed as the Statutory Auditor of the Company for the Financial Year 2017?2018, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company to be held for the financial year 2017?2018 and that the Board of Directors of the Company be and are hereby authorised to fix their remuneration.”

### SPECIAL BUSINESS:

4. **TO RE-APPOINT MR. VIRENDER KUMAR AGARWAL (DIN: 00531255) AS MANAGING DIRECTOR OF THE COMPANY**

To re-appoint Mr. Virender Kumar Agarwal (DIN: 00531255) as Managing Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**:

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being force), approval of the members be and is hereby accorded to re-appoint Mr. Virender Kumar Agarwal (Din: 00531255) as a Managing Director, for a further period of 5 (five) years from the expiry of his present term of office, that is, with effect from 26th September, 2017 to 25th September, 2022 on the terms and conditions including remuneration as set out in the statement annexed to the notice, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit.

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby severally authorized to sign, file all forms, documents, papers etc. with the Registrar of Companies, NCT of Delhi & Haryana, Ministry of Corporate Affairs and to do all such acts deeds, and things which may be necessary in this behalf.”

5. **TO APPOINT MR. VINEET GUPTA (DIN: 07714972) AS INDEPENDENT DIRECTOR OF THE COMPANY**

To appoint Mr. Vineet Gupta (DIN: 07714972) as Non Executive Independent Director and in this regard 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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under, including any amendment, modification, variation or re-enactment thereof read with Schedule IV to the Companies Act, 2013, for the time being in force, Mr. Vineet Gupta who was appointed as Non Executive Additional Independent Director by the Board of Directors of the Company w.e.f. 10th February, 2017 who holds office up to the date of this Annual General Meeting and not liable to retire by rotation, due to casual vacancy caused by the resignation of Ms. Nikita Bansal, Independent Director of the Company w.e.f. 10th February, 2017, be and is hereby appointed as Non Executive Independent Director to hold

office as such for a period of 5 (five) consecutive years, with effect from 26th September, 2017 to 25th September, 2022 and he shall not be liable to retire by rotation and in respect of whom the Company has received a notice in writing and required sum of Deposit from Mr. Vineet Gupta proposing his candidature for the office of Independent Director.

**RESOLVED FURTHER THAT** Board of Directors and Company Secretary of the Company be and are hereby severally authorized to sign, file all forms, documents, papers etc. with the Registrar of Companies, NCT of Delhi & Haryana, Ministry of Corporate Affairs and to do all such acts, deeds, and things which may be necessary in this behalf."

**6. SUB-DIVISION OF 1 (ONE) EQUITY SHARE OF FACE VALUE OF 10/- EACH INTO 10 (TEN) EQUITY SHARES OF 1/- EACH**

To sub-divide the shares of the Company into shares of smaller amount and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of section 61, 64 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to such other approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the concerned Statutory Authority (ies) including Registrar of Companies and BSE Limited ("stock exchange" where the equity shares of the Company are listed), each equity shares of the Company having a face value of Rs. 10/- each fully paid-up be sub-divided into 10 (ten) equity shares of the face value of Rs. 1/- each fully paid-up.

**FURTHER RESOLVED THAT** that on sub-division, 10 (ten) equity shares of face value of Rs. 1/- each be allotted in lieu of existing 1 (one) Equity Share of Rs. 10/- each subject to the terms of Memorandum and Articles of Association of the Company and shall rank pari passu in all respects with the existing fully paid Equity shares of Rs. 10/- each of the Company and shall be entitled to participate in full in dividends to be declared, if any, after the sub-divided equity shares are allotted.

**RESOLVED FURTHER THAT** on sub-division of Equity Shares as aforesaid, the existing share certificate(s) in relation to the existing Equity Shares of the face value of Rs. 10/- each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record date and the Company may, without requiring the surrender of existing share certificate(s), issue and dispatch the new share certificate(s) of the Company in lieu of such existing share certificate(s) subject to the provisions of the Companies (Share Capital and Debentures) Rules, 2014 and in the case of Equity shares held in the dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the Members with the depository

participants, in lieu of the existing credits representing the Equity Shares of the Company before sub-division.

**RESOLVED FURTHER THAT** the Board of the Directors of the Company (which expression shall also include a Committee thereof) be and is hereby authorized to take such steps as may be necessary including the delegation of all or any of its powers herein conferred to any Director(s), the Company Secretary or any other officer(s) of the Company for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

**7. ALTERATION OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY**

To alter the Memorandum of Association of the Company and in this regard to consider and if thought fit to pass the following resolution as **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of section 13, 61 and other applicable provisions of Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approval(s) as may be required, Clause V of the Memorandum of Association of the Company be and is hereby altered by substituted by the following clause:

**CLAUSE V:**

**"The Authorised Share Capital of the Company is Rs. 4,58,73,600/- (Rupees Four Crore Fifty Eight Lacs Seventy Three Thousand Six Hundred Only) divided into 4,58,73,600 (Four Crore Fifty Eight Lacs Seventy Three Thousand Six Hundred) Equity shares of Rs. 1/- (Rupees One) each."**

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which expression shall also include a Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and steps as may be necessary for obtaining such approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in the Board to any Committee thereof or to the Managing Director or Company Secretary, to give effect to the aforesaid resolution."

**8. RE-APPOINTMENT OF SECRETARIAL AUDITOR FOR THE FINANCIAL YEAR 2017-2018**

To re-appoint M/s A. K. Verma & Co., Company Secretaries, New Delhi as Secretarial Auditor of the Company for the financial year 2017-2018 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant provisions of Section 204 of the Companies Act, 2013, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Other



applicable provisions of the Act and pursuant to relevant provisions of Article of Association of the Company, consent of the members be and is hereby accorded to re-appoint M/s A. K. Verma & Co., Company Secretaries, New Delhi as Secretarial Auditor of the Company for Financial Year 2017-2018.

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby severally authorized to sign, file all forms, documents, papers etc. with the Registrar of Companies, NCT of Delhi & Haryana, Ministry of Corporate Affairs and to do all such acts deeds, and things which may be necessary in this behalf."

By the order of the Board

**ADVIK CAPITAL LIMITED**

(formerly known as Advik Industries Limited)

**Virender Kumar Agarwal**

Managing Director/Chairman

Din: 00531255

Date: 11-08-2017

Place: New Delhi

**NOTES:**

1. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of item nos. from 4 to 8 of the Notice set out above is annexed herewith.
2. 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.
3. Proxy form in MGT-11 duly filled up and executed must be received at the Registered Office of the company not less than 48 hours before the time fixed for the meeting. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share Capital of Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours (Sunday is included in computation of 48 hours) before the commencement of the Meeting. A Proxy Form is annexed to this report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
4. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or Depository Participant(s). Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.
5. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address are registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their email address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip at the Registration Counter at the AGM.
6. The Register of Members and Share Transfer Books shall remain closed from 20th September, 2017 to 26th September, 2017 (both days inclusive).
7. Members desiring any further information on the business to be transacted at the meeting should write to the company at least 15 days before the date of the meeting so as to enable the management to keep the information, as far as possible, ready at the meeting.
8. Members are requested to notify the company their change of address, if any, to Registered office of the Company.
9. Members are requested to bring their attendance slip and copy of the Annual Report with them at the Annual General Meeting.
10. All correspondence relating to shares may be addressed to the registered office of the company.
11. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
12. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
13. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
14. Members may kindly note that no 'Gifts' will be distributed at the Annual General Meeting.

- 15. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 18.
- 16. Members desiring any information/clarification on the Accounts are requested to write to the Company in advance at least seven (7) days before the meeting so as to keep the information ready at the time of Annual General Meeting.
- 17. As per provisions of the Companies Act, 2013 facility for making nominations is available to the shareholders in respect of the shares held by them. Nomination forms can be obtained from the Registered Office of the Company.

**18. Voting Through Electronic Means:**

- a) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
- b) The facility for voting through electronic voting system ('Insta Poll') shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through 'Insta Poll'.
- c) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- d) The Company shall also provide facility for voting through polling paper which shall be available at the meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right to vote at the meeting.
- e) The Company is providing facility for voting by electronic means to its members to enable them to cast their votes through such voting. The Company has engaged the services of Central Depository Service Limited ("CDSL") as the Authorised Agency to provide remote e-voting facility (i.e. the facility of casting votes by a member by using an electronic voting system from a place other than the venue of a general meeting).
- f) The Board of Directors of the Company has appointed Mr. Ashok Kumar Verma, a Practicing Company

Secretary, New Delhi as Scrutinizer to scrutinize the Insta Poll and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.

- g) The cut-off date for the purpose of voting (including remote e-voting) is 19th September, 2017.
- h) Remote e-voting facility will be available during the following period:

Commencement of remote e-voting
Saturday, 23rd September, 2017, 9:00 a.m.
End of remote e-voting
Monday, 25th September, 2017, 5:00 p.m.

Please note that remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled upon expiry of aforesaid period.

- i) The Scrutinizer, after scrutinizing the votes cast at the meeting (Insta Poll) and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company **www.advikgroup.com/ail**. The results shall simultaneously be communicated to the Stock Exchanges.

**The instructions for e-voting are as under:**

- i. The voting period begins on 23rd September 2017, 09:00 A.M and ends on 25th September 2017, 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e 19th September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iv. Click on Shareholder – Login
- v. Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- viii. If you are a first time user follow the steps given below:
- ix.

For Members holding shares in Demat Form and Physical Form

PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- x. After entering these details appropriately, click on "SUBMIT" tab.
- xi. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xiii. Click on the EVEN along with "Advik Capital Limited" from the drop down menu and click "SUBMIT"
- xiv. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xvi. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xvii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xviii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xix. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xx. Note for Non-Individual Shareholders & Custodians:
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates and Custodians respectively.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - 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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [fcsvermaashok@gmail.com](mailto:fcsvermaashok@gmail.com) with copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- xxi. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

xxii. The Results shall be declared on or before 29th September, 2017. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.advikgroup.com/ail](http://www.advikgroup.com/ail) and on the website of CDSL within two days of passing of the resolutions at the AGM of the Company and communicated to the **BSE Limited (STOCK EXCHANGE)**.

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

### Item No. 4

The shareholders of the Company at the 29th Annual General Meeting of the Company held on 27th September, 2014 approved the appointment of Mr. Virender Kumar Agarwal as Managing Director of the Company for a period of 3 years effective from the date of 27.09.2014 through passing a special resolution under the relevant provisions of the Companies Act 2013.

The said term of Mr. Virender Kumar Agarwal is being completed at this Annual General Meeting of the Company and the Board of Directors of the Company has recommended the re-appointment of Mr. Virender Kumar Agarwal as Managing Director of the Company for a period of five (5) years w.e.f 26.09.2017 upto 25.09.2022 subject to consent by the Members of the Company at the this Annual General Meeting ("AGM").

The terms and conditions for his re-appointment shall be:

- a) **Term of appointment:** - Five years with effect 26th September, 2017.
- b) **Salary:** Rs. 1,00,000/- (Rupees One Lakh only) per month payable monthly. The annual increment will be decided by the Board of Directors of the Company.
- c) **Perquisites:**
  1. Leave travel allowance for self and family once in a year as per rules of the Company.
  2. Medical expenses actually incurred by him and his family subject to maximum of one month salary.
  3. Club Fees.
  4. **Provision for use of car with driver for official business-** personal use of the car will be billed to him.
  5. Payment / Reimbursement of Telephone including mobile expenses.
  6. Medical & personal accident insurance.
- d) The Company will provide Rent Free Accommodation to the Managing Director of the Company.
- e) The Company will make suitable contribution towards Provident Fund, Superannuation Fund etc. as per Rules of the Company.

- f) Gratuity will be payable as per Rules of the Company.
- g) Leave as per Rules of the Company including encashment of unavailed leave at the end of the tenure.

In respect of Resolution 4, except Mr. Virender Kumar Agarwal (the appointee), Mr. Shakul Kumar Agarwal and Mrs. Manju Agarwal, being relative of the appointee, none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in these Resolutions.

The copies of the following documents are open for inspection at the registered office of the Company between 11.00 am and 1.00 pm on any working day except Saturdays and Sundays and company holidays:

1. Copy of the Board/Shareholder's Resolution.
2. Notice of the AGM with Explanatory.
3. Memorandum and Articles of Association of the Company
4. Balance Sheet as on 31st March, 2017 along with Profit & Loss Account and Auditors' Report thereon of the Company.

The board of directors of company recommends passing of the resolution as **Special Resolution**.

### Item No. 5

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company have appointed Mr. Vineet Gupta as an Additional Director (Independent) of the Company to hold office upto the date of this Annual General Meeting. The Board of Directors of the company has recommended his appointment as an Independent Director of the company for a period of five consecutive years, not liable to retire by rotation, subject to consent by the Members of the Company at the ensuing Annual General Meeting ("AGM").

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") together with the requisite amount of deposit from Mr. Vineet Gupta signifying his candidature as a Director of the Company. The Company has also received a declaration from Mr. Vineet Gupta confirming that he meets the criteria of independence as prescribed under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Mr. Vineet Gupta is also not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as an Independent Director of the Company.

In the opinion of the Board, Mr. Vineet Gupta fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations and he is independent of the management.

Mr. Vineet Gupta is not related to any other Director and Key Managerial Personnel of the Company.

None of the Directors, Key Managerial Personnel and their relatives, except Mr. Vineet Gupta and his relatives, are in any way, concerned or interested in the said resolution. The resolution as set out in item No. 5 of this Notice is accordingly commended for your approval.

**Brief resume of Mr. Vineet Gupta are as under:**

Nature of their expertise in specific functional areas	Financial Activities
Names of companies in which they hold directorships & memberships / chairmanships of Board Committees	N.A
Shareholding in the Company	Nil
Relationships with Directors, Manager and KMP	Not Related
Age	42
Qualification	Graduate
Experience	2 years

The copies of the following documents are open for inspection at the registered office of the Company between 11.00 am and 1.00 pm on any working day except Saturdays and Sundays and company holidays:

1. Copy of the Board/Shareholder's Resolution.
2. Notice of the AGM with Explanatory.
3. Memorandum and Articles of Association of the Company
4. Balance Sheet as on 31st March, 2017 along with Profit & Loss Account and Auditors' Report thereon of the Company.

The board of directors of company recommends passing of the resolution as **Ordinary Resolution**.

**Item No. 6 & 7**

The Equity Shares of the Company are listed and actively traded on the Bombay Stock Exchange. With a view to encourage the participation of small investors and for speedy liquidity, the Board of Directors of the Company at its Meeting held on August 11, 2017 considered and approved the sub-division of one Equity share of the Company having a face value of Rs. 10/- each into Ten Equity Shares of face value of Rs. 1/- each subject to the approval of Members and any other statutory and regulatory approvals as applicable. The Record date for the aforesaid sub-division of the equity shares will be fixed after the approval of the Members by way of Special Resolution is obtained.

Presently, the Authorized Share Capital of the Company is:

Rs. 4,58,73,600/- (Rupees Four Crore Fifty Eight Lacs Seventy Three Thousand Six Hundred Only) divided into 4587360 (Forty Five Lakhs Eighty Seven Thousand Three Hundred Sixty) Equity shares of Rs. 10/- (Rupees Ten) each.

The sub-division as aforesaid would require consequential amendments to the existing Clause V of the Memorandum of Association of the Company as set out in Resolution 7 of the Notice to reflect the change in face value of each Equity shares from Rs. 10/- each to Rs. 1/- each.

Clause V of the Memorandum of Association of the Company be and is hereby altered by substituted by the following clause:

**CLAUSE V:**

**"The Authorised Share Capital of the Company is Rs. 4,58,73,600/- (Rupees Four Crore Fifty Eight Lacs Seventy Three Thousand Six Hundred Only) divided into 4,58,73,600 (Four Crore Fifty Eight Lacs Seventy Three Thousand Six Hundred) Equity shares of Rs. 1/- (Rupees One) each."**

None of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in these Resolutions except to the extent of their shareholding in the Company, if any.

The copies of the following documents are open for inspection at the registered office of the Company between 11.00 am and 1.00 pm on any working day except Saturdays and Sundays and company holidays:

1. Copy of the Board/Shareholder's Resolution.
2. Notice of the AGM with Explanatory.
3. Memorandum and Articles of Association of the Company
4. Balance Sheet as on 31st March, 2017 along with Profit & Loss Account and Auditors' Report thereon of the Company.

The Board recommends the resolutions as set out in item no. 6 and 7 of the accompanying notice for the approval of the members of the Company as **Special Resolution**.

**Item No. 8**

As per the provisions of Section 204 of the Companies Act 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company being Listed Company shall be subject to Secretarial Audit from Practising Company Secretary. The Board hereby recommends to re-appoint M/s A.K.Verma & Co., Company Secretaries, having experience of more than 20 years of Corporate Services in field of Corporate Laws as Secretarial Auditor of Company for the Financial Year 2017-2018.

None of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

The copies of the following documents are open for inspection at the registered office of the Company between 11.00 am and 1.00 pm on any working day except Saturdays and Sundays and company holidays:

1. Copy of the Board/Shareholder's Resolution.
2. Notice of the AGM with Explanatory.
3. Memorandum and Articles of Association of the Company
4. Balance Sheet as on 31st March, 2017 along with Profit & Loss Account and Auditors' Report thereon of the Company.

The Board recommends the resolutions as set out in item no. 8 of the accompanying notice for the approval of the members of the Company as **Ordinary Resolution**.

**Details of Directors seeking appointment /re-appointment at the forthcoming Annual General Meeting dated 26/09/2017**

(In pursuance of Regulation 36 (3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

<b>Name of Director</b>	Mrs. Manju Agarwal	Mr. Vineet Gupta	Mr. Virender Kumar Agarwal
<b>Din</b>	00531344	07714972	00531255
<b>Date of Birth</b>	28/01/1967	28/09/1974	25/03/1961
<b>Date of Appointment</b>	07/08/2011	10/02/2017	14/01/2010
<b>Qualification</b>	Graduate	Graduate	Graduate
<b>Expertise in specific functional area</b>	Administrative	Financial Activities	Accounts and Finance, Capital Market
<b>List of Public/Private Companies in which outside Directorship held (including Foreign Companies)</b>	NIL	NIL	2
<b>Disclosure of relationship between directors inter se</b>	Mrs. Manju Agarwal is spouse of Mr. Virender Kumar Agarwal and Mother of Mr. Shakul Kumar Agarwal	N.A	Mr. Virender Kumar Agarwal is a spouse of Mrs. Manju Agarwal and Father of Mr. Shakul Kumar Agarwal
<b>Shareholding in the Company</b>	143400	NIL	1522460

## DIRECTOR'S REPORT

To the Members,

Your Company's Directors are pleased to present the 32nd Annual Report of the Company, along with Audited Accounts, for the financial year ended 31st March, 2017.

**Financial Performance (Standalone)**

**Results**

	For the year ended 31st March, 2017	For the year ended 31 <sup>st</sup> March, 2016
<b>Revenue from operations</b>	4757963.00	11302744.00
<b>Profit before exceptional items and tax</b>	1451604.63	289108.26
<b>Profit for the year</b>	1108502.63	21234.26

**Summarized Profit & Loss Account**

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>Revenue from operations</b>	4757963.00	11302744.00
Other operational income	1900.00	6061.00
<b>Total Revenue</b>	<b>4759863.00</b>	<b>11308805.00</b>
Other Expenses	2884390.37	10418323.74
<b>Profit Before Depreciation, Interest, Tax (PBDIT)</b>	<b>1875472.63</b>	<b>890481.26</b>
Depreciation	412703.00	598463.00
<b>Profit Before Interest &amp; Tax (PBIT)</b>	<b>1462769.63</b>	<b>292018.26</b>
Interest and Financial expense	11165.00	2910.00
<b>Profit before exceptional items</b>	<b>1451604.63</b>	<b>289108.26</b>
Exceptional items	0.00	0.00
<b>Profit Before Tax (PBT)</b>	<b>1451604.63</b>	<b>289108.26</b>
Taxation and other reserves	343102.00	267874.00
Profit for the year	1108502.63	21234.26
Basic EPS (Rs.)	0.24	0.00

Your Company has prepared the Financial Statements for the financial year ended March 31, 2017 under Section 133 of the Companies Act, 2013 and in accordance with revised Schedule III of the Companies Act, 2013 and has recast the Financial Statements relating to the previous financial year ended March 31, 2016 in order to make them comparable.

During the financial year ended March 31, 2017, your Company recorded a turnover of Rs. 47,57,963.00 as compared to the turnover of Rs. 1,13,02,744.00. The Net Profit of your Company for the financial year ended March 31, 2017 stood at Rs. 1108502.63 as against the Net Profit of Rs. 21234.26 for the financial year ended March 31, 2016.

On a consolidated basis, your Company recorded a turnover of Rs. 71352868.00 during the financial year ended March 31, 2017 and achieved consolidated Net Profit of Rs. 673274.00 for the said financial year.

#### SHARE CAPITAL

The Authorised Share Capital of your Company as on March 31, 2017 stands at Rs. 4,58,73,600/- divided into 4587360 equity shares of Rs. 10/- each. The Issued Share Capital is Rs. 4,58,73,600/- divided into 4587360 equity shares of Rs. 10/- each and the Subscribed and Paid-up share capital is Rs. 45873600/- divided into 4587360 equity shares of Rs. 10/- each, fully paid-up.

#### DIVIDEND

Considering the present conditions of business and growth stage of Company, The Board of Directors of the company has decided not to recommend any dividend for the Financial Year 2016-17. The Management being optimistic about the return from business activities has proposed to plough back divisible profit into the main activities of the Company.

#### TRANSFER TO RESERVES

Being a Non Banking Financial Company, the amount of Rs. 14371/- has been transferred by the Company to the reserve fund named as 'Special Reserve as per RBI Act', created in pursuance of Section 45- IC of the Reserve Bank of India Act, 1934, wherein every NBFC have to transfer a sum not less than 20% of its Net Profit every year before declaring any dividend.

Also, the company has pursuant to Notification of Reserve Bank of India dated January 17, 2011 vide Notification no. DNBS.PD.CC.No.207/03.02.002/2010-11 for making the 'Provision of 0.25% for Standard Assets of NBFCs', the Company has transferred a sum of Rs. 2874/- i.e 0.25% on the Standard Assets of the Company under the Reserve named "Provision for Bad and Doubtful Debts".

Further the company is complying with all the Reserve Bank of India guidelines as issued from time to time related to provisioning and reserves.

#### MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No such material change and/or commitment affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate on the date of this report.

#### DEPOSITS

Your Company has no unclaimed / unpaid matured deposit or interest due thereon. Your Company has not accepted any deposits covered under 'Chapter V - Acceptance of Deposits by Companies' under the Companies Act, 2013 during the financial year ended March 31, 2017.

In addition of above, the Company is registered as a Non Banking Finance Company- Not accepting deposits. Hence, pursuant to Section 45- IA of the Reserve Bank of India Act, 1934, the Company cannot accept deposits from public, which is compiled by the Company during the financial year. Further, the Directors of the company assured to carry on the practice of not accepting the same in order to comply with RBI norms and guidelines in the coming year and the same has been proposed and passed in the meeting of Board of Directors dated 25th May, 2017.

#### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

In terms of Section 186 of the Companies Act, 2013 and Rules framed thereunder, details of the Loans given and Investments made by your Company for the year ended March 31, 2017 have been annexed as **Annexure- I**. Your Company has also given the guarantee during the year under review but has not provided any security.

#### PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

During the financial year ended March 31, 2017, all transactions with Related Parties as defined under the Companies Act, 2013 read with Rules framed there under were in 'ordinary course of business' and 'at arm's length' basis.

During the year under review, your Company did not have any Related Party transaction which required prior approval of the Members. There has been no materially significant Related Party Transactions during the year under review, having potential conflict with the interest of the Company.

#### SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

During the year, "Advik Optoelectronics Limited" continues to be the wholly-owned subsidiary of your Company and no Associate or Joint Venture Company has been added during the year.

The Annual Report of the Subsidiary Company will be made available for inspection by the Members of the Company at the Registered Office of the Subsidiary Company and at the Registered



Office of your Company between 11:00 A.M. to 1:00 P.M. on any working day. Annual Report along with the Audited Financial Statements of the Subsidiary Company is also available on the website of the Company at [www.advikgroup.com/ail](http://www.advikgroup.com/ail) and shall also be provided to the members of the Company upon receipt of written requests from them.

During the year, the Board of Directors ("the Board") reviewed the affairs of the subsidiary Company and Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014, Consolidated Financial statements of the Company has been annexed to the Annual Report which reflects the performance and financial position of each of the subsidiary Company.

**Further a statement containing salient features of the financial statement of the aforesaid Subsidiary Company has been provided in form no. AOC-1 and included in this Annual Report.**

#### MANAGEMENT'S DISCUSSION AND ANALYSIS

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's discussion and analysis is appended to this Board's report.

#### EXTRACT OF ANNUAL RETURN

In accordance with section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as **Annexure II** to the Board's report.

#### AUDIT AND AUDITORS

##### (i) Statutory Auditor

In terms of the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s Garg Anil & Co., Chartered Accountants (ICAI Firm Registration No. 6308N), were appointed as the Auditors of your Company for the financial year 2016-2017 who shall hold office till the conclusion of this AGM. On the recommendation of Audit Committee, the Board of Directors has appointed M/s Garg Anil & Co., Chartered Accountants as the Auditors of the Company for the financial year 2017-2018, to hold office from the conclusion of 32nd AGM until the conclusion of 33rd AGM of your Company to be held in the year 2018, subject to the approval of the Members of the Company at this AGM.

Your Company has received a certificate from M/s Garg Anil & Co., Chartered Accountants confirming their eligibility to be appointed as Auditors of the Company in terms of the provisions of Section 141 of the Companies Act, 2013 and Rules framed there under. The proposal for their appointment has been included in the Notice convening the 32nd AGM for obtaining approval of the Members of the Company.

##### (ii) Secretarial Auditor

In terms of the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Board of Directors of the Company in their meeting held on 01.09.2016 has appointed M/s A. K. Verma & Co., Company Secretaries, New Delhi, as the Secretarial Auditors of the Company, to conduct the Secretarial Audit for the financial year ended March 31, 2017 and to submit Secretarial Audit Report in Form No. MR-3.

A copy of the Secretarial Audit Report received from M/s A.K. Verma & Co. in the prescribed Form No. MR-3 is annexed to this Board's Report and marked as **Annexure III**.

##### (iii) Qualification, reservation or adverse remark in the Auditor's Reports and Secretarial Audit Report

- Statutory Auditors:  
There is no qualification, reservation or adverse remark made by the Statutory Auditors in their Auditor's Report to the Financial Statements (Standalone and Consolidated).
- Secretarial Auditors:  
There is one observation marked by Secretarial Auditors in his Secretarial Audit Report and the response of the management for this observation is as under:

**Observation:** The Company has not appointed Internal auditor pursuant to the requirement of section 138 of Companies Act, 2013, as confirmed by the Management.

**Management's Response:** It is affirmed by the Management that the Company is in under process to appoint Internal auditor pursuant to the requirement of section 138 of Companies Act, 2013.

#### SIGNIFICANT AND MATERIAL LITIGATIONS/ORDERS

During the year under review, there were no significant material orders passed by the Regulators/ Courts and no litigation was outstanding as on March 31, 2017, which would impact the going concern status and future operations of your Company.

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

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review. Further during the year under review, the Company has neither earned nor used any foreign exchange.

#### CORPORATE SOCIAL RESPONSIBILITY

The provisions of section 135 of the Companies Act, 2013 has not applicable to the Company during year under review and subsequently the Company has not developed and implemented any Corporate Social Responsibility initiatives during the year under review.

**BOARD OF DIRECTORS AND BOARD MEETINGS**

Your Company's Board is duly constituted which is in compliance with the requirements of the Companies Act, 2013, the Listing Regulations and provisions of the Articles of Association of the Company. Your Board has been constituted with requisite diversity, wisdom and experience commensurate to the scale of operations of your Company.

During the year under review, a total of Four Meetings of the Board of Directors was held i.e., on 28/05/2016, 01/09/2016, 11/11/2016 and 10/02/2017. Details of Board Composition and Board Meetings held during the financial year 2016-2017 have been provided in the Corporate Governance Report which forms part of this Annual Report.

- **Chairman of the Board**

Virender Kumar Agarwal, Managing Director of the Company, continue to be the Chairman of the Board.

- **Inductions**

Mr. Vineet Gupta was appointed as the Additional Independent Director of the Company by the Board of Directors in their meeting held on 10/02/2017 due the casual vacancy caused by the resignation of Ms. Nikita Bansal from the post of an Independent Directors of the Company.

- **Re-appointments/Regularizations**

Mrs. Manju Agarwal, Non-Executive Director is due to retire by rotation at this AGM and being eligible, offers herself for re-appointment. Your Board recommends re-appointment of Mrs. Manju Agarwal as a Director of the Company, liable to retire by rotation.

Mr. Virender Kumar Agarwal, Managing Director of the Company, whose term of appointment is expiring on 26th September, 2017, he is proposed to be re-appointed as a Managing Director of the Company for its another term of a period of 5 years i.e from 26.09.2017 to 25.09.2022 with the approval of the members of the Company at this AGM.

Mr. Vineet Gupta as an Additional Independent Director of the Company holds office till the date of this AGM and is eligible for being appointed as an Independent Director of the Company. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") together with the requisite amount of deposit from Mr. Vineet Gupta signifying his candidature as a Director of the Company. With the approval of members of the Company, Mr. Vineet Gupta will be appointed as an Independent Director of the Company.

In pursuance of Regulation 36 (3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a brief profile along with necessary disclosures of Mrs. Manju Agarwal, Mr. Virender Kumar Agarwal and Mr. Vineet Gupta has been annexed to the Notice convening the ensuing AGM and forms an integral part of this Annual Report.

Mr. Hemant Agarwal, Mrs. Latika Bansal and Mr. Vineet Gupta, Independent Directors of the Company have declared to the Board of Directors that they meet the criteria of Independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) and 25 of the Listing Regulations and there is no change in their status of Independence. Your Board places on records its deep appreciation for their continuous guidance, support and contribution to the Management of the Company in its pursuit to achieve greater heights.

Mr. Tarkeshwar Rai, Chief Financial Officer and Ms. Radhika Garg, Company Secretary & Compliance Officer continue to be the Key Managerial Personnel of your Company.

**AUDIT COMMITTEE**

The Board of Directors of your Company has a duly constituted Audit Committee in terms of the provisions of Section 177 of the Companies Act, 2013 read with rules framed there under and Regulation 18 of the Listing Regulations. The terms of reference of the Audit Committee has been approved by the Board of Directors. Composition of the Audit Committee, number of meetings held during the year under review, brief terms of reference and other details have been provided in the Corporate Governance Report which forms part of this Annual Report. Recommendations made by the Audit Committee are generally accepted by your Board.

**POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION**

The Current policy is to have an appropriate mix of executive, non-executive and Independent Directors to maintain the independence of the Board and separate its function of governance and management. On March 31, 2017, the Board consists of six members, three of whom are executive/non-executive/whole-time Director and rests three are Independent Directors.

The policy of the Company on director's appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on our website (<http://www.advikgroup.com/ail/investors/>). We affirm that the remuneration paid to the directors is as per the terms laid out in nomination and remuneration policy of the Company.

**DISCLOSURES ON REMUNERATION OF DIRECTORS AND EMPLOYEES OF THE COMPANY**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Director(s) of the Company has drawn remuneration during the year under review which is in compliance of the applicable provisions of Companies Act, 2013 and no employee(s) of the Company has drawn remuneration in excess of the limits set out in the said rules.

**DIRECTORS' RESPONSIBILITY STATEMENT**

As required under Section 134(5) of the Companies Act, 2013, the Directors of the Company hereby states that:

- i. In the preparation of the annual accounts for the year ended 31st March 2017, the applicable accounting standards had been followed alongwith proper explanation relating to material departures.
- ii. The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit and Loss of the company for that period.
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. The Directors had prepared the annual accounts on a Going Concern Basis.
- v. The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively ;and
- vi. The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and such system were adequate and operating effectively.

**WHISTLE BLOWER POLICY/VIGIL MECHANISM**

In terms of provisions of section 177 of the Companies Act, 2013 and rules framed thereunder read with Regulation 22 of the Listing Regulations, your Company has a vigil mechanism in place for the Directors and Employees of the Company through which genuine concerns regarding various issues relating to inappropriate functioning of the organization can be communicated. For this purpose, your Board has formulated a Whistle Blower Policy and uploaded on the website of the Company at [www.advikgroup.com/ail/investors/](http://www.advikgroup.com/ail/investors/).

During the year under review, there has been no incidence reported which requires action by the Board or Committee.

**PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

Your Company has adopted a policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. Your Company is committed to provide a safe and secure environment to its women employees across its functions and other women stakeholders, as they are considered as integral and important part of the Organisation.

An Internal Committee with requisite number of representatives has been set up to redress complaints relating to sexual

harassment, if any, received from women employees and other women associates. All women employees are covered under this policy, which also extends to cover all women stakeholders of the Company.

The following is a summary of sexual harassment complaints received and disposed off during the financial year ended March 31, 2017:

- No. of complaints received : NIL
- No. of complaints disposed off : Not Applicable

**INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY**

The Board has adopted policies and procedures 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 disclosures.

**RISK MANAGEMENT**

During the year, the Board of Directors developed and implemented an appropriate risk management policy which is entrusted with the responsibility to assist the Board in Overseeing and approving the Company's enterprise wide risk management framework and overseeing all the risks that the organization faces, identifying the element of risk which, in the opinion of the Board may threaten the existence of the company and safeguarding the company against those risks.

**CORPORATE GOVERNANCE**

A detailed report on Corporate Governance pursuant to the provisions of Regulation 34 of the Listing Regulations forms part of the Annual Report however pursuant to Regulation 15(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, Regulation 27 and paras C, D and E of Schedule V of SEBI regulations shall not applicable to the Company as the paid up equity share capital of the Company and Net worth of the Company is not exceeding Rs. 10 Crore and Rs. 25 Crore respectively.

As a good corporate practice and for more transparency, the Company has provided the information in Corporate Governance Report on a suo moto basis under the provisions of paras C, D and E of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015. Our Corporate Governance report forms the part of Annual Report.

**ANNUAL BOARD EVALUATION**

The evaluation of all the Directors and the Board as a whole was conducted based on the criteria and framed adopted by the Board. The evaluation process has been done in compliance of the provisions of Companies Act, 2013 and SEBI listing Regulations. The report thereon is provided in the Corporate Governance Report which forms part of the Annual Report as **Annexure IV**.

**ACKNOWLEDGEMENTS**

Your Board is grateful for the unstinted support and trust reposed by our shareholders. And places on record its deep appreciation of the Independent Directors and the Non-Executive Directors of your Company for their immense contribution by way of strategic guidance, sharing of knowledge, experience and wisdom, which help your Company take right decisions in achieving its business goals.

Your Board appreciates the relentless efforts of the employees and

staff including the Management Team headed by the Managing Director, who always leads from the front in achieving a very commendable business performance year-on-year despite a challenging business environment.

The Board expresses their gratitude to its all stakeholder's i.e members, customers, Government agencies and their departments, Bankers of the Company for their continued support and faith. The Director places on record their sincere appreciation to all the employees of the company for their contribution in the growth of the company.

**For and on behalf of the Board of Directors**

**ADVIK CAPITAL LIMITED**

**(Formerly known as Advik Industries Limited)**

VIRENDER KUMAR AGARWAL

Managing Director

DIN: 00531255

MANJU AGARWAL

Director

DIN: 00531344

New Delhi

11.08.2017

## THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### INDUSTRY STRUCTURE AND DEVELOPMENT

Indian economy is going through a period of rapid 'financial liberalization'. Today, the 'intermediation' is being conducted by a wide range of financial institutions through a plethora of customer friendly financial products. The segment consisting of NBFCs, such as equipment leasing/hire purchase finance, loan and investment companies, etc. have made great strides in recent years and are meeting the diverse financial needs of the economy. These NBFCs provide a variety of services including fund-based and fee-based activities and cater to retail and non-retail markets and niche segments. They are being recognized as complementary to the banking sector due to their customer-oriented services, simplified procedures, and attractive rates of return on deposits, flexibility and timeliness in meeting the credit needs of specified sectors.

The long term outlook for the NBFC Sector remains positive backed by the lower credit penetration and huge capital formation requirement of the Country. However in the short term the sector may find the macro –economic environment challenging for growing quality book on account of overall bearish sentiments, volatile stock market and high interest rates.

### FINANCIAL & BUSINESS REVIEW

**ADVIK CAPITAL LIMITED** is currently engaged in NBFC and Financial activities. The Company intends to continue focusing on NBFC activities including financing, Inter- corporate Investments & Capital Market activities.

Due to limited resources, company is unable to achieve the growth in the last years but management of the Company is very hopeful to achieve standards of growth in the near future. The main revenue of the Company is earned from the Interest Income and Commission Income.

Management of the Company is very hopeful to bring higher operating efficiencies within the Company based on the understanding And strength of superior Knowledge of local market and efficient and Conservative approach.

### FUTURE OUTLOOK

In the upcoming years Company will strive to be achieve high revenue by way of providing financial services businesses in India focused on delivering superior customer experience through class leading services and good returns to the Company's shareholders at the same time maintaining the high levels of integrity.

### KEY PERFORMANCE DRIVERS AND CAPABILITIES

The Company's long term aspiration is to play a significant role in meeting the financial requirements of retail customers as well as corporate clients. To carry out the long term goal and achieve its financial activities Company has formed some strategies.

### ADEQUACY OF INTERNAL CONTROL

The Company has a proper and adequate system of internal control in all spheres of its activities to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported diligently.

The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

### RISKS & CONCERNS

Being a Financial company, it is exposed to specific risks that are particular to its business and the environment within which it operates, including interest rate volatility, economic cycle, credit risk and market risk. The most important among them are credit risk, market risk and operational risk. The measurement, monitoring management of risk remains key focus areas for the company.

### HR & INFRASTRUCTURE DEVELOPMENT

The Company has a team of able and experienced industry professionals and employees. During the year, the company further strengthened its IT infrastructure and systems to support its operations.

### RESPONSIBILITY FOR THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Board of Directors have reviewed the Management Discussion and Analysis prepared by the Management, and the Independent Auditors have noted its contents. Statement in this report of the Company's objective, projections, estimates, exceptions, and predictions are forward looking statements subject to the applicable laws and regulations. The statements may be subjected to certain risks and uncertainties. Company's operations are affected by many external and internal factors which are beyond the control of the management. Thus the actual situation may differ from those expressed or implied. The Company assumes no responsibility in respect of forward looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

## CORPORATE GOVERNANCE

*The keys to brand success are self-definition, transparency, authenticity and accountability.*

Transparency and accountability are the most important ingredients of good corporate governance.

Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. We are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with applicable legislation. Our Code of Business Principles is an extension of our values and reflects our continued commitment to ethical business practices across our operations. We acknowledge our individual and collective responsibilities to manage our business activities with integrity. To succeed, we believe, requires highest standards of corporate behavior towards everyone we work with, the communities we touch and the environment on which we have an impact. This is our road to consistent, competitive, profitable and responsible growth and creating long term value for our shareholders, our people and our business partners. The above principles have been the guiding force for whatever we do and shall continue to be so in the years to come.

Corporate Governance is all about ethical conduct, openness, integrity and accountability of an enterprise. Healthy Corporate Governance enjoins a commitment of the Company to run the business in legal, ethical and transparent manner emanating from the top and permeating throughout the organization. It involves a set of relationships between a Company's Management, its Board, Shareholders and Stakeholders. It is one of the key elements in improving the economic efficiency of the enterprise.

The Board of Directors ('the Board') is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe.

### THE BOARD OF DIRECTORS

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties. The Management Committee of the Company is headed by the Managing Director and has business heads as its members, which look after the management of the day-to-day affairs of the Company.

### Composition of the Board

The Board of your Company has a good mix of Executive and Non-Executive Directors with half of the Board of the Company comprising of Independent Directors. As on date of this Report, the Board consists of Six Directors comprising Two Executive Directors including Chairman, one Non-Executive Director and three Independent Directors. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

The details of each member of the Board along with the number of Directorship(s) / Committee Membership(s) / Chairmanship(s) and date of joining the Board are provided herein below:

**Composition and Directorship(s) / Committee Membership(s) / Chairmanship(s) as on 31st March, 2017**

Category	Name	Date of Joining Board	No. of shares held in the Company	Directorship in other Companies	Membership(s) of Committees of other Companies	Chairmanship(s) of Committees of other Companies
<b>Executive Directors</b>	Virender Kumar Agarwal (Chairman/ Managing Director)	14/01/2010	1522460	2	-	-
	Shakul Kumar Agarwal (Whole-time Director)	0/07/2012	358400	2	-	-
<b>Non Executive Director</b>	Manju Agarwal	07/08/2011	143400			
<b>Independent Directors</b>	Hemant Agarwal	04/08/2009	-			
	Latika Bansal	27/06/2016	-			
	Vineet Gupta	10/02/2017	-			

The number of Directorships, Committee Membership(s) / Chairmanship(s) of all Directors is within respective limits prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as Listing Regulations).

**Board Independence**

Based on the confirmation/disclosures received from the Directors and on evaluation of the relationships disclosed, all Non-executive Directors of the Company other than Mrs. Manju Agarwal (belongs to Promoter Group) are Independent.

**Board Meetings**

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The Board / Committee Meetings are pre-scheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

The notice of Board meeting is given well in advance to all the Directors. All the meetings of the Board are held in New Delhi. The Agenda of the Board / Committee meetings is set by the Company Secretary in consultation with the Chairman and the Managing Director of the Company. The Agenda is circulated a week prior to the date of the meeting. The Agenda for the Board and Committee meetings cover items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable. The Agenda for the Board and Committee meetings include detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

During the financial year ended 31st March, 2017, Four Board meetings were held on 28th May, 2016, 01st September, 2016, 11th November, 2016 and 10th February, 2017. The maximum interval between any two meetings was well within the maximum allowed gap of 120 days as stipulated under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard as issued by the Institute of Company Secretaries of India applicable to the Company.

The following is the attendance sheet of all Directors present at the Board meetings and at the last Annual General Meeting (AGM):

Name of the Director	Category	Attendance at Meetings		
		No. of Board meetings		Last AGM held on 28.09.2017
		Held	Attended	
Mr. Virender Kumar Agarwal	Chairman/MD (Executive)	4	4	Present
Mrs. Manju Agarwal	Non Executive Director	4	4	Present
Mr. Shakul Kumar Agarwal	Whole-time Director (Executive)	4	2	Present
Mr. Hemant Agarwal	Non Executive Independent Director	4	4	Absent
Mr. Deepak Kumar Sharma*	Non Executive Independent Director	4	1	-
Mr. Parveen Gupta*	Non Executive Independent Director	4	1	-
Mrs. Latika Bansal	Non Executive Independent Director	4	3	Absent
Ms. Nikita Bansal*	Non Executive Independent Director	4	3	Present
Mr. Vineet Gupta	Non Executive Independent Director	4	0	-

- Mr. Deepak Kumar Sharma has resigned from the directorship of the Company w.e.f 27/06/2016 and in his place Board has appointed Mrs. Latika Bansal as Additional Independent Director of the Company w.e.f 27/06/2016.
- Mr. Parveen Gupta has resigned from the Directorship of the Company w.e.f 26/07/2016 and in his place Ms. Nikita Bansal has been appointed as Additional Independent Director of the Company w.e.f 27/06/2016.
- Ms. Nikita Bansal has resigned from the Directorship of the Company w.e.f 10/02/2017 and in her place Mr. Vineet Gupta has been appointed as an Additional Independent Director of the Company w.e.f 10/02/2017.

#### BOARD SUPPORT

The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Company Secretary is also responsible for preparation of the Agenda and convening of the Board and Committee meetings. The Company Secretary attends all the meetings of the Board and its Committees, either in the capacity of Secretary of the Committees or Member of the Committee, advises / assures the Board on Compliance and Governance principles and ensures appropriate recording of minutes of the meetings.

#### SEPARATE INDEPENDENT DIRECTORS' MEETINGS

The Independent Directors met once in a year, without the presence of Executive Directors or Management representatives.

The Independent Directors met one time during the financial year ended 31st March, 2017 on 15/01/2017 and inter alia discussed:

1. The performance of Non-Independent Directors and the Board as a whole
2. The performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.



### 3. Other matters arising out of Board/Committee (s) deliberations.

In addition of these formal meetings, interactions outside the Board meetings also taken place between the Chairman and Independent Directors.

#### FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

In order to encourage active participation from the Independent Directors and also to enable them to understand the business environment of the Company, a familiarization Programme for the Independent Directors has been adopted and implemented.

Once appointed, the Independent Directors undergo familiarization Programme of the Company. Necessary information and supportive documents in respect of the working of the Company, the regulatory environment under which the Company operates and Annual Reports of past financial years are provided to the Independent Directors. The Independent Directors are also provided with financial results, internal audit findings, risk inventories and other specific documents as sought for from time to time. The Independent Directors are also made aware of various Policies and Code of Conduct and Business Ethics adopted by the Board.

#### PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS

The Board of Directors upon recommendation of Nomination and Remuneration Committee have laid down the criteria for performance evaluation of Board of the Company, its Committees and the individual Board Members, including Independent Directors. The performance evaluation of Independent Directors was done by the entire Board and in the evaluation the Director who was subject to evaluation did not participate. On the basis of performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, as and when their respective term expires.

#### COMMITTEES OF THE BOARD

Following are the Committees of the Board formed:

- A. Audit Committee,
- B. Nomination and Remuneration Committee,
- C. Stakeholders' Grievance Committee.
- D. Executive Committee of Board.

#### AUDIT COMMITTEE

The Board of Directors of the Company has constituted an Audit Committee of the Board in terms of the requirements of Section 177 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 18 of the Listing Regulations. The Audit Committee of the Company meets every quarter, inter alia, to review the financial results for the previous quarter before the same are approved at Board Meetings, pursuant to Regulation 33 of the Listing Regulations. The Audit Committee may also meet from time to time, if required.

The Audit Committee has been vested with, inter alia, the following powers:

- i. to investigate any activity within its terms of reference;
- ii. to seek information from any employee;
- iii. to obtain outside legal or other professional advice;
- iv. to secure attendance of outsiders with relevant expertise, if it considers necessary.

#### Terms of reference

The Audit Committee reviews the Reports of the Statutory Auditors periodically and discusses their findings. The role of the Audit Committee is as follows:

- a. 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.

- b. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- c. 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 sub-section 3 of Section 134 of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and 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.
  - Qualifications in the draft audit report.

#### Composition of the Committee, details of meetings and its Attendance

The Audit Committee consists of Two Independent Directors and One Executive Director. Mr. Hemant Agarwal, Independent Director is the Chairman of the Committee.

The Audit Committee met four times during the financial year ended March 31, 2017, i.e., on **May 28, 2016, September 01, 2016, November 11, 2016 and February 10, 2017**. Category of Directors as Audit Committee Members and their attendance at the aforesaid Audit Committee Meetings are detailed below:

Sl. No.	Name of the Member	Category	No. of meetings held (During the tenure of Director)	No. of meetings attended
1.	Hemant Agarwal	Independent Director	4	4
2.	Parveen Gupta*	Independent Director	1	1
3.	Nikita Bansal*	Independent Director	3	3
4.	Virender Kumar Agarwal	Executive Director	4	4

- Mr. Parveen Gupta has resigned from the Directorship of the Company w.e.f 26/07/2016 and during his tenure only one Audit Committee was held which was attended by him and in his place Ms. Nikita Bansal has been appointed as Additional Independent Director of the Company w.e.f 27/06/2016, who has attended three Audit Committee Meetings held during her tenure.

The Statutory Auditors, the Chief Financial Officer are permanent invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary to the Committee and she is in attendance at the Audit Committee Meetings.

#### NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of the Company has constituted a Nomination and Remuneration Committee of the Board in terms of the requirements of Section 178 of the Companies Act, 2013 and rules framed thereunder read with Regulation 19 of the Listing Regulations.

#### Terms of Reference

The terms of reference of the Committee include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;

- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

#### Composition of the Committee, details of meetings and its Attendance

The Nomination and Remuneration Committee consists of Three Independent Directors. Mr. Hemant Agarwal, Independent Director is the Chairman of the Committee.

The Nomination and Remuneration Committee met one time during the financial year ended March 31, 2017, i.e., on December 8, 2016. Category of Directors as Nomination and Remuneration Committee Members and their attendance at the aforesaid Meetings are detailed below:

Sl. No.	Name of the Member	Category	No. of meetings held (During the tenure of Director)	No. of meetings attended
1.	Hemant Agarwal	Independent Director	1	1
2.	Nikita Bansal	Independent Director	1	1
3.	Latika Bansal	Independent Director	1	1

The Managing Director is the permanent invitees to the Nomination and Remuneration Committee Meetings. The Company Secretary acts as the Secretary to the Committee and she is in attendance at the Nomination and Remuneration Committee Meetings.

#### REMUNERATION TO DIRECTORS

##### I. Nomination and Remuneration Policy

In compliance with the requirements of Section 178 of the Companies Act, 2013, Rules framed thereunder and pursuant to the provisions of Regulation 19(4) of the Listing Regulations, the Board of Directors of the Company has a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel, and other employees of the Company. The Policy provides for criteria and qualifications for appointment of Director, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs), remuneration to them, Board diversity etc. The said policy is available on the Company's website.

##### II. Remuneration paid to Executive Directors and sitting fees to the Non-executive Directors

Details of remuneration paid to Whole-time Director of the Company is mentioned in the below table, however the Company had not paid any remuneration to Managing Director of the Company nor any sitting fees has been to the Non-Executive Directors, as the Company is on the stage of growth and ploughs back the profit of the Company in the growth of the Company. The Directors have voluntarily waived off the fees payable, if any in the best interest of the Company.

Sl. No.	Name	Designation	Salaries & Allowances (Rs. In lakhs)	Commission (Rs. In lakhs)	Total (Rs. In lakhs)
1.	Virender Kumar Agarwal	Managing Director	Nil	Nil	Nil
2.	Shakul Kumar Agarwal	Whole-Time Director	6,00,000	Nil	6,00,000

##### III. Terms of appointment of Managing Director and Whole-time Director

- The current term of appointment of Virender Kumar Agarwal, Managing Director is upto September 26th, 2017 and he will be re-appointed as Managing Director of the Company at this AGM for a period of 5 years w.e.f 26-09-2017 to 25-09-2022.
- The current term of appointment of Shakul Kumar Agarwal, Whole-time Director is upto March 31st, 2018

**IV. Independent Director's Remuneration**

Considering the scale of operations of the company, no remuneration was paid to Independent Directors during 2015-2016.

**V. Disclosure in terms of Section II Part B of Schedule V to the Companies Act, 2013**

- i. All elements of remuneration package of all directors of the company:

Sl. No.	Name & Designation	Salaries (Rs. In lakhs)	Benefits (Rs. In lakhs)	Bonus	Stock Option	Pension
1.	Virender Kumar Agarwal Managing Director	Nil	Nil	Nil	Nil	Nil
2.	Shakul Kumar Agarwal Whole-time Director	6,00,000	Nil	Nil	Nil	Nil
3.	Manju Agarwal Non Executive Director	Nil	Nil	Nil	Nil	Nil
4.	Hemant Agarwal Independent Director	Nil	Nil	Nil	Nil	Nil
5.	Latika Bansal Independent Director	Nil	Nil	Nil	Nil	Nil
6.	Vineet Gupta Independent Director	Nil	Nil	Nil	Nil	Nil

- ii. **Details of fixed component and performance linked incentives along with performance criteria:** The fixed component of salary is the same as mentioned in above table. There is no performance linked incentive payable to any director.

- iii. Details of Service contract, notice period and severance fee:

Sl. No.	Name & Designation	Service Contract	Notice Period	Severance fee
1.	Virender Kumar Agarwal Managing Director	3 Years w.e.f. 27/09/2014	1Month	Nil
2.	Shakul Kumar Agarwal -Whole-time Director	3 Years w.e.f 01/04/ 2015	1 Month	Nil

- iv. **Stock option details of every director:** No stock option was given to any director.

- v. **Shareholding of Directors in the Company as on March 31, 2017**

Sl. No.	Name of Director	No. of Shares	% of Total Shareholding
1.	Virender Kumar Agarwal	1522460	33.19
2.	Manju Agarwal	143400	3.13
3.	Hemant Agarwal	0	0
4.	Latika Bansal	0	0
5.	Shakul Kumar Agarwal	358400	7.81
6.	Vineet Gupta	0	0

**STAKEHOLDERS GRIEVANCE COMMITTEE**

The Board of Directors of the Company has constituted a Stakeholders Grievance Committee of the Board in terms of the requirements of Section 178 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 20 of the Listing Regulations. The Stakeholders Grievance Committee consists of two Executive Directors and one Non Executive Director. Mr. Virender Kumar Agarwal, Executive Director, is the Chairman of the Committee.

The Committee met four times during the financial year ended March 31, 2017, i.e., on April 16, 2016, July 15, 2016, October 14, 2016 and January 6, 2017. Category of Directors as Stakeholders Grievance Committee Members and their attendance at the aforesaid Meetings are detailed below:

Sl. No.	Name of the Member	Category	No. of meetings held (During the tenure of Director)	No. of meetings attended
1.	Virender Kumar Agarwal	Executive Director	4	4
2.	Manju Agarwal	Non Executive Director	4	4
3.	Shakul Kumar Agarwal	Executive Director	4	2

Ms. Radhika Garg, Company Secretary is the Compliance Officer of the Company. The Company Secretary acts as the Secretary to the Committee and she is in attendance at the Stakeholders Grievance Committee Meetings.

In compliance with the requirements of the SEBI Circular No. CIR/OIAE/2/2011 dated June 3, 2011, the Company has obtained exclusive User ID and Password for processing the investor complaints in a centralized web based SEBI Complaints Redress System - 'SCORES'. This enables the investors to view online the action taken by the Company on their complaints and current status thereof, by logging on to the SEBI's website [www.sebi.gov.in](http://www.sebi.gov.in). No Shareholder's complaint was lying unresolved as on March 31, 2017 under 'SCORES'.

It is confirmed that there was no request for registration of share transfers / transmissions lying pending as on March 31, 2017 and that all requests for issue of new certificates, sub-division or consolidation of shareholdings, etc., received up to March 31, 2017 have since been processed. The Company has an efficient system in place to record and process all requests for dematerialization and re-materialization of shares in the Company through National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL).

Nature of complaints received and resolved during the financial year ended on March 31, 2017:

Sl.No.	Subject matter of Complaints	Complaints pending as on April 1, 2016	Complaints Received during the financial year ended March 31, 2017	Total Complaints during the financial year ended March 31, 2017	Complaints Redressed up to March 31, 2017	Complaints pending as on March 31, 2017
1.	Non-receipt of Dividend	-	-	-	-	-
2.	Transfer / Transmission of Shares	-	-	-	-	-
3.	Dematerialization / Rematerialization of Shares	-	-	-	-	-
4.	Others	-	-	-	-	-

**EXECUTIVE MANAGEMENT COMMITTEE**

The Board of Directors has constituted a Management Committee of the Directors in order to facilitate decision making process relating to day-to-day routine affairs of the Company for smooth administrative convenience and has delegated necessary powers / authorities, inter alia, the following to the Executive Management Committee:

- To issue power of Attorney;
- To issue new Share Certificates;
- To open, close, relocate Bank Accounts of the Company and to change the authorized signatories to operate the Bank Accounts;
- Any other matter with the approval of Board.

The Executive Management Committee consists of two Executive Directors and a Non Executive Director. Mr. Virender Kumar Agarwal, Managing Director is the Chairman of the Committee. The Minutes of the Executive Management Committee meetings are generally placed before the next Board Meeting.

The Executive Management Committee met three times during the financial year ended March 31, 2017, i.e., on **May 09, 2016; June 27, 2016 and July 26, 2016.**

Category of Directors as Executive Committee Members and their attendance at the aforesaid Meetings are detailed below:

Sl. No.	Name of the Member	Category	No. of meetings held (During the tenure of Director)	No. of meetings attended
1.	Virender Kumar Agarwal	Executive Director	3	3
2.	Manju Agarwal	Non Executive Director	3	3
3.	Shakul Kumar Agarwal	Executive Director	3	3

The Company Secretary acts as the Secretary to the Committee and she is in attendance at the Executive Management Committee Meetings.

**GENERAL BODY MEETINGS**

(a) The last three AGMs were held as under:

Financial Year ended	Day & Date	Time	Venue
March 31, 2016	Wednesday, September 28, 2016	12:00 Noon	Premier Inn, District Centre, Crossing, Opposite Toyota Galaxy District Park Shalimar Bagh, Outer Ring Rd, Haider Pur, New Delhi-110088
March 31, 2015	Monday, September 28, 2015	11:00 A.M.	Premier Inn, District Centre, Crossing, Opposite Toyota Galaxy District Park Shalimar Bagh, Outer Ring Rd, Haider Pur, New Delhi-110088
March 31, 2014	Saturday, September 27, 2014	11:30 A.M.	Plot Number 84, Kanjawla Industrial Area, 100 Foota Road, New Delhi- 110081

**(b) Details of Special Resolutions passed in the previous three Annual General Meetings:**

Date of AGM	Details of the Special Resolutions passed
September 28, 2016	(i) To change of name of the Company.
September 28, 2015	(i) Alteration of Clause III (B) by changing the heading of Incidental Object Clause and deletion of Clause III (C) of Other Objects Clause as per the Provision of The Companies Act, 2013.  (ii) Alteration of the Liability Clause of the Memorandum of Association as per the provision of the Companies Act, 2013.
September 27, 2014	(i) Appointment of Mr. Virender Agarwal as Managing Director of the Company.  (ii) Adoption of New Articles of Association of the Company.  (iii) To appoint Mr. Hemant Agarwal as Independent Director of Company.  (iv) To appoint Mr. Parveen Gupta as Independent Director of Company.

**MEANS OF COMMUNICATION**

- **Financial Results:** Prior intimation of Board Meetings where to consider and approve Unaudited/ Audited Financial Results of the Company is given to the Stock Exchanges and also disseminated on the website of the Company at [www.advikgroup.com/ail](http://www.advikgroup.com/ail). The aforesaid Financial Results are immediately intimated to the Stock Exchanges, after the same are approved at Board Meeting. In terms of Regulation 10 of the Listing Regulations, the Company complies with the online filing requirements on electronic platforms of BSE Limited (BSE) viz. BSE Corporate Listing Centre.
- **Newspapers:** The Financial Results of the Company are published in prominent daily Newspapers, viz. "Financial Express" (English) and in the "Hari Bhumi" (Hindi).
- **Website:** The website of the Company [www.advikgroup.com/ail](http://www.advikgroup.com/ail) contains a dedicated section "Investors" which contains details / information of interest to various stakeholders, including Financial Results, Shareholding Pattern, Company Policies, etc. The shareholders / investors can view the details of electronic filings done by the Company on the respective websites of BSE Limited i.e., [www.bseindia.com](http://www.bseindia.com).

**SUBSIDIARY COMPANIES**

The Company has one wholly owned subsidiaries viz., "Advik Optoelectronics Limited". The Subsidiary Company is also a 'Material Subsidiary' within the meaning of Regulation 16 (c) of the Listing Regulations and complying all the applicable provisions of Listing Regulations.

The Audit Committee of the Company reviews the financial statements of the unlisted Subsidiary Company at periodic intervals. The Minutes of the Board Meetings of the unlisted Subsidiary Company are placed at the Board Meeting of the Company on quarterly basis. All significant transactions and arrangements, if any, entered into by the unlisted Subsidiary Company are periodically reported to the Board of Directors.

**GENERAL SHAREHOLDER INFORMATION**

- (a) The 32nd Annual General Meeting (AGM) of the Company will be held at Plot No. 84, Khasra No. 143/84, Ground Floor, Extended Lal Dora, Kanjhawla Delhi- 110081 on Tuesday September 26, 2017 at 12:00 Noon.

**(b) Financial Year**

The Financial Year of the Company is from 1st April to 31st March.

**Financial Calendar**

First quarter results (June 30)	01/09/2016
Second quarter results (September 30)	11/11/2016
Third quarter results (December 31)	10/02/2017
Fourth quarter & annual audited results of the current Financial Year (March 31)	28/05/2017

(c) **Book Closure:** Wednesday, September 20, 2017 to Tuesday, September 26, 2017 (both days inclusive).

(d) **Dividend Payment:** The Company has not paid or declared any dividend during the Financial Year ending March 31st, 2017. Hence, no amount by the company was required to be transferred to the Investors Education and Protection Fund (IEPF).

(e) **Listing of Equity Shares on the Stock Exchanges with Stock Code:** The Equity Shares of the Company are listed on:

**BSE Limited (BSE)**

Phiroze Jeejeebhoy Towers,

Dalal Street, Mumbai - 400001

[Company's Stock Code: 539773]

*The annual listing fees for the year 2016-17 and 2017-18 have been paid to the Stock Exchange.*

**(f) Stock Market Performance:**

Month & Year	BSE		
	High (Rs.)	Low (Rs.)	Volume (Nos.)
April 2016	-	-	-
May 2016	14.45	13.12	600
June 2016	-	-	-
July 2016	15.17	15.00	63
August 2016	15.75	15.75	123
September 2016	18.90	16.50	474
October 2016	24.55	19.80	69143
November 2016	31.90	24.05	94422
December 2016	34.95	29.9	61625
January 2017	44.50	34.20	171497
February 2017	46.10	37.90	418451
March 2017	44.00	35.2	85470



- (g) **Registrar and Share Transfer Agents (RTA):** The Company has engaged the services of M/s Skyline Financial Services Private Limited as its RTA in 2015 for both segments, physical and electronic. As required under Regulation 7(3) of the Listing Regulations, the Company has filed a certificate issued by RTA and the Compliance Officer of the Company certifying that all activities in relation to both physical and electronic share transfer facility are maintained by RTA registered with SEBI i.e. Skyline Financial Services Private Limited as a SEBI Registered Category- 1, Registrars and Share Transfer Agent.

Details of RTA are as given below:

**Skyline Financial Services Private Limited**  
**D-153A, 1st Floor, Okhla Industrial Area,**  
**Phase- I, New Delhi- 110 020**  
**Tel: 011- 64732681-88, 26812682/83**  
**Website: www.skylinerta.com**  
**Email: info@skylinerta.com**

- (h) **Share Transfer System:** Documents and Share Certificates lodged by the shareholders / investors are verified and entered in relevant Registers by the RTA in consultation with the Company.

In compliance with the provisions of Regulation 40(9) of the Listing Regulation, a Practicing Company Secretary conducts Audit of the Share Operations System of the Company maintained at the office of the RTA. The Company endeavors to implement the suggestions / recommendations of the Auditors to the extent possible.

There are no pending transfers of shares as on March 31, 2017.

- (i) **Shareholder's / Investor's Complaints:** The Company and the RTA attend to the Shareholder's / Investor's Complaints within the minimum possible time not exceeding 7 days to 15 days and endeavors have been taken to resolve the same within the statutory time limit except in disputed cases or cases involving legal issue, etc.
- (j) **Dematerialization of Shares and Liquidity:** Since the equity shares of the Company are traded in dematerialized form, the members are advised to hold their shares in dematerialized mode with any Depository Participants (DPs) registered with NSDL and CDSL. Requests for dematerialization of shares should be sent directly by the DPs concerned to the RTA at M/s. Skyline Financial Services Private Limited, D-153A, 1st Floor, Okhla Industrial Area, Phase- I, New Delhi- 110 020. The International Securities Identification Number (ISIN) assigned to the Shares of the Company under the Depository System is INE178T01016 and the Shares of the Company are frequently traded at the BSE.

As on March 31, 2017, 92.83% of the total paid-up share capital of the Company representing 4258660 Equity Shares is held in dematerialized mode. The balance 7.17% paid-up share capital representing 328700 Equity Shares is held in physical mode and these shareholders are requested to dematerialize their shares in their own interests to avail the benefits of holding shares in dematerialized mode. The entire Promoters' shareholding representing 57.86% of the paid-up share capital is held in dematerialized mode.

- (k) **Distribution of shareholding as on March 31, 2017:**

Share or Debenture holding Nominal Value	Number of Shareholders	% to Total Numbers	Share or Debenture holding Amount	% to Total Amount
Up To 5,000	511	82.42	149080	0.32
5001 To 10,000	5	0.81	41890	0.09
10001 To 20,000	7	1.13	109670	0.24
20001 To 30,000	11	1.77	276750	0.6
30001 To 40,000	3	0.48	108100	0.24
40001 To 50,000	8	1.29	398000	0.87
50001 To 1,00,000	15	2.42	1081700	2.36
1,00,000 and Above	60	9.68	43708410	95.28
<b>Total</b>	<b>620</b>	<b>100</b>	<b>45873600</b>	<b>100</b>

**(l) Pattern of Shareholding as on March 31, 2017**

Particulars	As on March 2017		
	No. of Share Holders	No. of Shares held	% of Share holding
<b>Promoters Shareholding</b>			
Promoter & Promoter Group	5	2654360	57.86
<b>Total Promoter Shareholding (A)</b>	<b>5</b>	<b>2654360</b>	<b>57.86</b>
<b>Public Shareholding</b>			
Individual Shareholders holding Nominal Share Capital Up to 2 Lacs	562	449168	9.79
Individual Shareholders holding Nominal Share Capital Above 2 Lacs	29	1068591	23.29
Bodies Corporate	16	357731	7.8
Resident Indian HUF	7	40915	0.89
Clearing Members/House	1	16595	0.36
<b>Total Public Shareholding (B)</b>	<b>615</b>	<b>1933000</b>	<b>42.14</b>
<b>Total (A) + (B)</b>	<b>620</b>	<b>4587360</b>	<b>100</b>

**(m) Top Ten Shareholders as on March 31, 2017**

Name of the Shareholders	No. of Shares held	% of Share holding
Bharti Garg	69250	1.51
Ajay Kumar Kaushik	67900	1.48
Vinod Kumar Agarwal	53200	1.16
Hitesh Garg	50000	1.09
Rahul Garg	49200	1.07
Altolite Electro Signs Private Limited	156000	3.40
Arrow Signs Private Limited	135000	2.94
Sunita Jindal	45000	0.98
Mangal Kumar Khetan	44538	0.97
Shweta Singh	43700	0.95
Total	580550	15.55

**(n) OUTSTANDING GDR/ADR**

The company has no outstanding GDR/ ADR or warrants or any convertible instruments which is likely to impact the equity of the company. The company does not indulge into hedging activities so there shall be no gain or loss raises from foreign exchange fluctuation.

**(o) PLANT LOCATION**

The company has no manufacturing unit so there is no plant set up for the business of the Company. The company has indulges into financial activities via its registered office located at Plot No. 84, Khasra No. 143/84, Ground Floor, Extended Lal Dora, Kanjhawla, Delhi- 110081.

**(p) ADDRESS FOR CORRESPONDENCE**

- **Advik Capital Limited**

**Registered Office:** Plot No. 84, Khasra No. 143/84, Ground Floor, Extended Lal Dora, Kanjhawla, Delhi- 110081

**Telephone No:** 011- 25952595

**Email:** info@advikgroup.com, advikgroup@yahoo.com

**Website:** www.advikgroup.com/ail

- **For Share Transfer/ Dematerialisation of Shares/ Payment of Dividend and any query related to shares: Details of RTA are as given below:**

Skyline Financial Services Private Limited

D-153A, 1st Floor, Okhla Industrial Area,

Phase- I, New Delhi- 110 020

Tel: 011- 64732681-88, 26812682/83

Website: www.skylinerta.com

Email: info@skylinerta.com

- **Company Secretary/ Compliance Officer:**

Ms. Radhika Garg

Plot No. 84, Khasra No. 143/84, Ground Floor, Extended Lal Dora, Kanjhawla, Delhi- 110081

Tel: 011- 25952595

Email: cs@advikgroup.com

- **Grievance Redressal Officer:**

Mr. Virender Kumar Agarwal

Managing Director

Plot No. 84, Khasra No. 143/84, Ground Floor, Extended Lal Dora, Kanjhawla, Delhi- 110081

Tel: 011- 25952595

Email: info@advikgroup.com

**(i) OTHER DISCLOSURES**

1. There was no materially significant related party transaction taken place during the previous financial year that may have potential conflict with the interests of listed entity's at large.
2. The company was in default of calling the Board meeting within the prescribed time period of 45 days as prescribed in Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Bombay stock Exchange has levied a Fine of Rs. 1,50,500/- (Rupees One Lakh Fifty Thousand Five Hundred Only) on the Company for a continuing default of 17 days. The company has made payment of the same on 24.05.2017 to Bombay Stock Exchange.

**(j) COMPLIANCE WITH NON MANDATORY REQUIREMENTS**

As per Regulation 27(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 it is the discretion of the company to implement non-mandatory requirements subject to the disclosure of the same, along with the compliance of mandatory requirements, in the annual report of the company. The status of compliance of non-mandatory requirements is as follows:

- a) **The Board:** The Board of directors elects one of the Executive Directors, as its Chairman for every Board meeting. Therefore, the provisions relating to Non Executive Chairman are not applicable to the Company.
- b) **Audit Qualifications:** The Company's Financial Statements have been accompanied with unmodified audit opinion- both on quarterly and yearly basis and also both Standalone and Consolidated basis.
- c) **Reporting of Internal Auditor:** There is no system under which the internal auditor can directly report to the Audit Committee.

**MANAGING DIRECTOR AND CFO CERTIFICATION**

To  
The Board of Directors  
Advik Capital Limited  
(formerly known as Advik Industries Limited)  
Plot No. 84, Khasra No. 143/84, Ground Floor,  
Extended Lal Dora, Kanjhawla  
Delhi-110081,

We, Virender Kumar Agarwal, Managing Director and Tarkeshwar Rai, Chief Financial Officer of the Company, to the best of our knowledge and belief, certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2017 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain 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 existing accounting standards, applicable laws and regulations.
- b. That to the best of our knowledge and belief, no transactions has been entered into by the company during the year which are fraudulent, illegal or volatile of the company's code of conduct.
- c. We accept the responsibility 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 auditors and the Audit committee
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year, if there is any, and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud 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.

sd/-  
(Virender Kumar Agarwal)  
(Managing Director)  
Din: 00531255

sd/-  
Tarkeshwar Rai  
(Chief Financial Officer)  
PAN: BDMPR2384G

## ANNEXURES TO DIRECTOR REPORT

ANNEXURE I	Loans, Investments & Guarantee
ANNEXURE II	Extract of Annual Return in MGT9
ANNEXURE III	Secretarial Audit Report in MR3
ANNEXURE IV	Annual Evaluation of the Board

### ANNEXURE I

#### LOANS, GUARANTEE, INVESTMENT

S.No	Particulars	31/03/2017	31/03/2016
1.	<b>Long Term loans and advances</b>		
	Security Deposits:		
	Unsecured Considered Good	0.00	0.00
	<b>Short Term loans and advances</b>		
	Loans & Advances (Unsecured Considered Good):		
	• Advik Global Limited	0.00	94,47,974.00
	• Advik Optoelectronics Limited	3,63,00,000.00	3,38,70,000.00
	• Dayanand Progressive Education Society	0.00	98,268.00
	• EZ Realcon Private Limited	98,90,577.00	99,91,077.00
	• High Valley Industrial Corporation	7,10,563.00	0.00
	• S. Kannayalal	38,98,706.00	38,98,706.00
	• AIPL Marketing Private Limited	0.00	32,88,039.00
	• Tirupati Food Industries Private Limited	83,10,000.00	80,86,307.00
	• Dilware Leasing and Investment Limited	6,00,000.00	0.00
	• EZ Buildcon Private Limited	35,55,738.00	0.00
	• High Valley Builder	15,16,126.00	0.00
	• Sohan Lal & Co.	15,16,866.00	0.00
	• Tirupati Balaji Mills Limited	41,73,747.00	0.00
<b>Total:</b>		<b>7,04,72,323.00</b>	<b>6,86,80,371.00</b>

2.	<b>Non Current Investment in shares</b>		
	<b>Unquoted</b>		
	• Castrol Industries Limited	0.00	87,601.00
	• GMR Infra Limited	0.00	15,000.00
	• Hindalco Industries Limited	0.00	16,036.00
	• Power Grid Corp Limited	0.00	69,500.00
	• Tata Steel Limited	0.00	54,124.00
	• Ujaas Energy Limited	0.00	28,500.00
	• Advik Optoelectronics Limited	4,94,000.00	4,94,000.00
<b>Total:</b>		<b>4,94,000.00</b>	<b>7,64,761.00</b>
3.	<b>Guarantee provided</b>		
	• Advik Global Limited	50,00,000.00	0.00
	• Advik Optoelectronics Limited	50,00,000.00	0.00
<b>Total:</b>		<b>1,00,00,000.00</b>	<b>0.00</b>

**ANNEXURE II**

**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

**as on financial year ended on 31.03.2016**

**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:**

i	CIN	L74899DL1985PLC022505
ii	Registration Date	14/11/1985
iii	Name of the Company	Advik Industries Limited
iv	Category/Sub-category of the Company	Company Limited By Shares
v	Address of the Registered office & contact details	Plot No. 84, Khasra No. 143/84, Ground Floor, Extended Lal Dora, Kanjhawla, Delhi-110081
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Skyline Financial Services Private Limited Shop No.D-153/A, I-Area, Okhla Phase I, Okhla Industrial Area, New Delhi, Delhi 110020

**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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	NBFC ACTIVITY	65923	100%

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Advik Optoelectronics Limited	U31900DL2013PLC256393	Wholly-owned Susidiary	100%	2(87)

**IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	50000	2415960	2465960	53.76	2654360	0	2654360	57.86	4.1
b) Central Govt.or State Govt.	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	0	0	0	0	0	0	0	0	0
d) Bank/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL:(A) (1)</b>	<b>50000</b>	<b>2415960</b>	<b>2465960</b>	<b>53.76</b>	<b>2654360</b>	<b>0</b>	<b>2654360</b>	<b>57.86</b>	<b>4.1</b>
(2) Foreign									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>50000</b>	<b>2415960</b>	<b>2465960</b>	<b>53.76</b>	<b>2654360</b>	<b>0</b>	<b>2654360</b>	<b>57.86</b>	<b>4.1</b>
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Cenntral govt	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(2) Non Institutions									
a) Bodies corporates									
i) Indian	0	306000	306000	6.67	201731	156000	357731	7.8	1.13
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	250800	250800	5.46	127972	64500	192472	4.2	-1.26
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	1556200	1556200	33.92	1217187	108100	1325287	28.89	-5.03
c) Others (specify)	0	8400	8400	0.18	57410	100	57510	1.25	1.07
<b>SUB TOTAL (B)(2):</b>	<b>0</b>	<b>2121400</b>	<b>2121400</b>	<b>46.24</b>	<b>1604300</b>	<b>328700</b>	<b>1933000</b>	<b>42.14</b>	<b>4.09</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>0</b>	<b>2121400</b>	<b>2121400</b>	<b>46.24</b>	<b>1604300</b>	<b>328700</b>	<b>1933000</b>	<b>42.14</b>	<b>4.09</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>50000</b>	<b>4537360</b>	<b>4587360</b>	<b>100</b>	<b>4258660</b>	<b>328700</b>	<b>4587360</b>	<b>100</b>	<b>0.01</b>

**(ii) SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholders 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 company	% of shares pledged encumbered to total shares	NO of sha	%of total shares of the company	% of shares pledged encumbered to total shares	
1	Virender Kumar Agarwal	1522460	33.19	NA	1522460	33.19	NA	NA
2	Manju Agarwal	143400	3.13	NA	143400	3.13	NA	NA
3	Rishab Kumar Agarwal	392400	8.55	NA	392400	8.55	NA	NA
4	Shakul Kumar Agarwal	170000	3.71	NA	358400	7.81	NA	4.10
5	Virender Kumar Agarwal HUF	237700	5.18	NA	237700	5.18	NA	NA

**(iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)**

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	170000	3.71	170000	3.71
1	On various dates due to transfer of shares	Shakul Kumar Agarwal			
	At the end of the year	358400	7.81	358400	7.81



**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

S.No.	Name of the Shareholder	At the beginning of the year (i.e. 01.04.2016)		At the end of the year (i.e 31.03.2017)		Cumulative Shareholding during the year		Monthwise Increase /Decrease in Share holding during the year	Reasons (for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	No. of shares	% of total Shares of the Company		
1	Altolite Electro Signs Private Limited	156000	3.40	156000	3.40	156000	3.40	Nil	Nil
2	Arrow Sings Private Limited	135000	2.94	135000	2.94	135000	2.94	Nil	Nil
3	Bharti Garg	69250	1.51	69250	1.51	69250	1.51	Nil	Nil
4	Ajay Kumar Kaushik	67900	1.48	67900	1.48	67900	1.48	Nil	Nil
5	Vinod Kumar Agarwal	53200	1.16	53200	1.16	53200	1.16	Nil	Nil
6	Hitesh Garg	50000	1.09	50000	1.09	50000	1.09	Nil	Nil
7	Rahul Garg	49200	1.07	49200	1.07	49200	1.07	Nil	Nil
8	Sunita Jindal	45000	0.98	45000	0.98	45000	0.98	Nil	Nil
9	Mangal Kumar Khetan	44538	0.97	44538	0.97	44538	0.97	Nil	Nil
10	Shweta Singh	43700	0.95	43700	0.95	43700	0.95	Nil	Nil

**v Shareholding of Directors and Key Managerial Personnel:**

S.No.	Name of the Directors / KMP (Designation)	At the beginning of the year (i.e. 01.04.2016)		At the end of the year (i.e. 31.03.2017)		Cumulative Shareholding during the year		Increase / Decrease in Share holding during the year
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
1	Virender Kumar Agarwal (Managing Director)	1522460	33.19	1522460	33.19	1522460	33.19	N.A
2	Manju Agarwal (Non-executive Woman Director)	143400	3.13	143400	3.13	143400	3.13	N.A
3	Shakul Kumar Agarwal ( Whole-time Director)	170000	3.71	358400	7.81	358400	7.81	4.10
4	Hemant Agarwal (Non Executive Independent Director)	NIL	NIL	NIL	NIL	NIL	NIL	N.A
5	Latika Bansal (Non Executive Independent Director)	NIL	NIL	NIL	NIL	NIL	NIL	N.A
6	Vineet Gupta (Non Executive Independent Director)	NIL						
7	Radhika Garg (Company Secretary)	NIL	NIL	NIL	NIL	NIL	NIL	N.A
8	Tarkeshwar Rai (Chief Financial Officer)	NIL						

**V INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	0	0	0	0
Reduction	0	0	0	0
<b>Net Change</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole time director and /or Manager:**

Sl.No	Particulars of Remuneration	Shakul Kumar Agarwal	Total Amount
1	<b>Gross salary</b>		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	6,00,000	6,00,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0
2	Stock option	0	0
3	Sweat Equity	0	0
4	Commission	0	0
	as % of profit	0	0
	others (specify)	0	0
5	Others, please specify	0	0
	<b>Total (A)</b>	<b>6,00,000</b>	<b>6,00,000</b>
	<b>Ceiling as per the Act</b>	N.A	N.A

**B. Remuneration to other directors:**

Sl.No	Particulars of Remuneration	Name of the Directors				Total Amount	
1	Independent Directors						
	(a) Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL	NIL
	(b) Commission	NIL	NIL	NIL	NIL	NIL	NIL
	(c) Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Total (1)</b>	NIL	NIL	NIL	NIL	NIL	NIL
2	Other Non Executive Directors						
	(a) Fee for attending	NIL	NIL	NIL	NIL	NIL	NIL
	(b) Commission	NIL	NIL	NIL	NIL	NIL	NIL
	(c) Others, please specify.	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Total (2)</b>	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Total (B)=(1+2)</b>	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Total Managerial Remuneration</b>	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Overall Ceiling as per the Act.</b>	N.A	N.A	N.A	N.A	N.A	N.A

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD /MANAGER/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	<b>Gross Salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	0	360000	154000	514000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	as % of profit	0	0	0	0
	others, specify	0	0	0	0
5	Others, please specify	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>360000</b>	<b>154000</b>	<b>514000</b>

**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)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

N.A.

**ANNEXURE III**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**For The Period 01st April, 2016 to 31st March, 2017**

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

To  
 The Members,  
**ADVIK CAPITAL LIMITED**  
**(Formerly known as Advik Industries Limited)**  
 Plot No. 84, Khasra No. 143/84, Ground Floor, Extended Lal Dora,  
 Kanjhawla, Delhi-110081

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **“Advik Capital Limited (formerly known as Advik Industries Limited)”** (hereinafter called the **“company”**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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 covering the financial year ended on **31st March, 2017** complied with the statutory provisions listed hereunder and that the company has proper Board -processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

- I. The Company is a “Loan Company” engaged in the business of Non Banking Financial Institution as defined in Section 45 I (a) of the Reserve Bank of India Act, 1934 and carrying a Certificate of Registration issued by Reserve Bank of India, New Delhi bearing certificate number - **B-14-00724**.
- II. We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Advik Capital Limited (“the Company”)** for the financial year ended on **31st March, 2017** according to the provisions of:
- (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) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings and RBI Act, 1934;
  - (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) viz.:-
    - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
    - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Applicable till 30.11.2015);**
    - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (share based employee benefits) Regulation 2014 **(Not applicable to the Company during the audit period);**
    - 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;
    - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the audit period).**
  - (vi) We further report that, having regard to the compliance system and mechanism prevailing in the Company and representation made by its officers for the same and our examination of relevant documents/records in pursuant thereof on our test check basis, the Company has adequate system for the compliances of the following applicable laws:
    1. The RBI Act 1934
    2. Prudential Norms Issued by the Reserve Banks for NBFC Companies.
    3. Sexual Harassment of women at work place (Prohibition, prevention and Redressal) Act, 2013.
    4. Right to Information Act, 2005.

**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 Listing Agreements entered into by the Company with BSE Limited.

**We report that:**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

- 1. The Company has not appointed an internal auditor pursuant to the requirement of section 138 of Companies Act, 2013 and is under process to appoint the same as confirmed by the Management.**

**We further report that**

The Composition of Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive Directors, Women Directors and Independent Directors as per the provisions of Companies Act, 2013 and rules made thereunder. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and 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.

As per the minutes of the meetings duly recorded and signed by the chairman and the decision of the board were unanimous and no dissenting views have been recorded.

We further report that the compliance by the company of applicable financial laws like Direct and Indirect Tax Laws and maintenance of financial records, books of accounts and internal financial control has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that pursuant to compliance of section 134(3)(p) and other applicable provisions of the Companies Act, 2013 read with applicable rules as amended from time to time, a formal annual performance evaluation of all the Directors of the Company, its committees and board as a whole was carried out after approval of the policy for the evaluation of the performance by the board during the financial year under the audit.

**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:-

- **As informed, the Company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.**

**We further report that** during the period under review there were specific events/actions occurred those have a major impact on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines and standards. These are as follows:

1. **As per the direction of Reserve Bank of India, New Delhi, the Board of Directors of the Company has passed a Resolution in their meeting held on 01/09/2016, subject to the prior approval of members, RBI, Stock Exchange and any other authorized regulatory, to change the name of the Company which was approved by the members of the company in their meeting held on 28.09.2016.**

**With the approval of Reserve Bank of India, Registrar of Companies NCT Delhi & Haryana and BSE limited, the name of the Company has been changed to "ADVIK CAPITAL LIMITED" w.e.f. 07/07/2017.**

**For A. K. VERMA & CO**

**(Practicing Company Secretaries)**

**ASHOK KUMAR VERMA**

**(SENIOR PARTNER)**

FCS : 3945

CPNO: 2568

Place: Delhi

Date: 09/08/2017

**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,  
**ADVIK CAPITAL LIMITED**  
**(Formerly known as Advik Industries Limited)**  
Plot No. 84, Khasra No. 143/84, Ground Floor,  
Extended Lal Dora, Kanjhawla, Delhi-110081

**Subject: 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 is 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.

**For A. K. VERMA & CO.**  
**(Practicing Company Secretaries)**

**ASHOK KUMAR VERMA**  
**(SENIOR PARTNER)**  
FCS: 3945  
CP NO: 2568

Place: Delhi  
Date: 09/08/2017

## **ANNEXURE IV**

### **ANNUAL BOARD EVALUATION**

The performance of the Board as a whole, of its committee, and of its members, shall be evaluated at the end of the year keeping in view the objectives of the Company.

It will be the responsibility of the Chairman who shall be supported by Company Secretary (if any) to organize the evaluation process and act on its outcome.

The results of the annual evaluation shall remain confidential between the Chairman, Directors concerned and the Company Secretary (if any).

The evaluation process will be used constructively as a mechanism to improve board effectiveness, maximize strengths and tackle weaknesses.

# STANDALONE FINANCIAL STATEMENTS



## Independent Auditor's Report

To the Members of

**ADVIK INDUSTRIES LIMITED**

### Report on the Financial Statements

We have audited the accompanying (standalone) financial statements of **ADVIK INDUSTRIES LIMITED ("the Company")** which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for (standalone) the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (standalone) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these (standalone) financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the (standalone) financial statements

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid (standalone) financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet of the state of affairs of the Company as at March 31, 2017;
- b) In the case of the statement of profit and loss of the Company as at March 31, 2017;
- c) In the case of the Cash Flow Statement of the cash Flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. 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;
  - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d. in our opinion, the aforesaid (standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. 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**".
  - g. 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:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. The Company had provided requisite disclosures in its financial statements as to holdings as well as dealings in specified bank notes during the period from 8th November, 2016 to 30th December, 2016 and these are in the accordance with the books of accounts maintained by the Company. [Refer point no (xvi) of the notes to accounts]

**FOR GARGANIL & CO.**

**Chartered Accountants**

FRN : 6308N

**(ANIL GARG)**

(PARTNER)

M.NO.: 085017

Place: New Delhi

Date: 25-05-2017

**“Annexure A” to the Independent Auditors’ Report**

Referred to in paragraph 1 of the Independent Auditor’s Report of even date to the members of the **ADVİK INDUSTRIES LIMITED** on the financial statements of the Company for the year ended March 31, 2017:

- 1) The Company is having fixed assets as per Fixed Assets Schedule for the year ended 31.03.2017 and proper records maintained by the company
- 2) (i) The company has a inventory of shares only.  
(ii) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- 3) The Company has granted loans, unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act.
- 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) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 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 Income-Tax, Sales tax, Service Tax, , 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, 2017 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.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the company has obtained registration, Reg. No. B-14.0072

**FOR GARGANIL & CO.**

**Chartered Accountants**

FRN : 6308N

(ANIL GARG)

M.NO.: 085017

Place: New Delhi

Date: 25-05-2017

### **“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of ADVIK INDUSTRIES LIMITED the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of ADVIK INDUSTRIES LIMITED as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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. 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 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.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 auditor’s judgement, including the assessment of the risks of material misstatement of the 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 statements.

#### **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.

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting 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.

**FOR GARG ANIL & CO.**

**Chartered Accountants**

FRN: 6308N

**(ANIL GARG)**

M.NO.: 085017

Place: New Delhi

Date: 25.05.2017

## AUDITORS' ADDITIONAL REPORT

### BOARD OF THE DIRECTORS

### ADVIK INDUSTRIES LIMITED

Plot No. 84, Khasra No. 143/84, Ground Floor,

Extended Lal Dora, Kanjhawla, Delhi -110081

This report is issued on accordance with the terms of master directions vide no. DNBS. PPD.03/66.15.001/2016-17 issued by Reserve Bank of India under head Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 dated September 29th, 2016

We have audited the accompanying (standalone) financial statements of ADVIK INDUSTRIES LIMITED ("the Company") which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (standalone) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Pursuant to the requirements of Non Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 ('the Directions' as amend from time to time) it is our responsibility to examine the books and records of the Company and report on the matters specified on the Directions to the extent applicable to the Company.

We conducted our examination in accordance with Guidance Note on Special Purpose Audit reports and Certificates issued by Institute of Chartered Accountants of India.

Based on our examination of the books and records of the Company as produced for our examination and the information and explanation given to us, we further report that:

- The Company is engaged in the business of non banking financial Company and has obtained certificate of Registration on 7th January, 2003 bearing No. B- 14.00724 under section 45 I(a) of the Reserve Bank of India Act, 1934 ("the Bank") Department of Non Banking Supervision, New Delhi Regional Office.
- The Company is entitled to continue to hold such COR in terms of its asset/income pattern as on March 31, 2017.
- The Board of Directors of the Company has passed a resolution in its meeting held on 28th May, 2016 for non acceptance of public deposits.
- The Company has not accepted any public deposits during the year ended March 31, 2017.
- The Company is meeting the requirement of net owned fund requirement as laid down in Master Circular- Non Systematically Important Non deposit taking Company (Reserve Bank) Directions, 2016

- The Company has complied with prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial Company- Non Systematically Important Non -Deposit taking Company (Reserve Bank) Directions, 2016.
- The company has complied with all the items referred to in paragraph 3 of the above stated Master Directions, 2016. Hence, there is no Qualified and/or unfavorable observation in the Auditor's Report of the Company for the Financial Year ending 31st March, 2017.

**Restriction on Use**

This report is issued pursuant to our obligations under Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 as applicable from September 29, 2016 to submit a report on exceptions, noted while issuing our report dated 25th May, 2017 on additional matters as stated in the above directions, to Reserve Bank of India and should not be used by any other person or for any other purpose. M/s Garg Anil & Co. neither accepts nor assumes any duty or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

**FOR GARG ANIL & CO.****Chartered Accountants**

FRN: 6308N

**(ANIL GARG)**

M.NO.: 085017

Place: New Delhi

Date: 25.05.2017

## BALANCE SHEET AS AT MARCH 31, 2017

	Note No.	Figures as at the end of current reporting period 31.03.2017	Figures as at the end of current reporting period 31.03.2016
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
a Share Capital	1	45873600.00	2293680
b Reserve and Surplus	2	41516670.71	458736
			1834944
<b>2 Share Application Money Pending Allotment</b>		0.00	0.00
<b>3 Non-Current Liabilities</b>			
a Long Term Borrowings	3	0.00	0.00
b Deferred tax Liabilities (net)	4	24916.00	40370.00
c Other Long Term Liabilities		0.00	0.00
d Long term provisions		0.00	0.00
<b>4 Current Liabilities</b>			
a Short term borrowings		0.00	0.00
b Trade Payables	5	0.00	12545.00
c Other Current Liabilities	6	0.00	0.00
d Short term provisions	7	72610.00	159296.00
Total		<u>87487796.71</u>	<u>86476734.08</u>
<b>II ASSETS</b>			
<b>1 Non Current Assets</b>			
a Fixed Assets	8		
(i) Tangible Assets		12277512.00	12690215.00
(ii) Intangible Assets		0.00	0.00
(iii) Capital work in progress			0.00
(iv) Intangible assets under development		0.00	0.00
b Non Current Investments		494000.00	764761.00
c Deferred Tax Assets (net)		0.00	0.00
d Long term Loans and Advances	9	0.00	0.00
e Other non current assets		0.00	0.00
<b>2 Current Assets</b>			
a Current Investments		0.00	0.00
b Inventories	10	0.00	0.00
c Trade Receivables	11	1287.50	0.00
d Cash and Cash Equivalents	12	747709.21	462561.08
e Short term Loans and Advances	13	70472323.00	68680371.00
f Other Current Assets	14	3494965.00	3878826.00
Total		<u>87487796.71</u>	<u>0.00</u>
			<u>86476734.08</u>

Schedule no. 1-22 forms the part of the Balance Sheet and Profit and Loss A/c

As per our report of even date attached.

Garg Anil & Co.  
Chartered Accountants  
Regn. No. 6308N

For Advik Industries Ltd.

(Anil Garg)  
M.No. 085017

(Virender Kumar Agarwal)  
Managing Director  
DIN: 00531255

(Manju Agarwal)  
Director  
DIN: 00531344

Place: New Delhi  
Dated: 25.05.2017

(Tarkeshwar Rai)  
CFO  
PAN: BDMPR2384G

(Radhika Garg)  
Company Secretary  
M. No. 36587



## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2017

	Note No.	Figures as at the end of current reporting period 31.03.2017	Figures as at the end of current reporting period 31.03.2016
I. Revenue from Operations	15	4757963.00	11302744.00
II Other Income	16	1900.00	6061.00
<b>III Total Revenue (I+II)</b>		<b>4759863.00</b>	<b>11308805.00</b>
IV Expenses:			
Purchases of Shares		270761.00	7653865.00
Changes in Inventories:	17		
Finished Goods		0.00	0.00
Manufacturing Expenses	18	0.00	0.00
Employees benefit Expenses	19	1573290.00	1538036.00
Finance Costs	20	11165.00	2910.00
Depreciation and amortization expenses		412703.00	598463.00
Other Expenses	21	1040339.37	1226422.74
Total Expenses		<b>3308258.37</b>	<b>11019696.74</b>
<b>V Profit before extraordinary Items and Tax (V-VI)</b>		<b>1451604.63</b>	<b>289108.26</b>
VI Extraordinary Items		0.00	0.00
VII Profit Before Tax (VII - VIII)		1451604.63	289108.26
VIII Tax Expenses			
(i) Current Tax	341311.00		55090.00
(ii) Deferred Tax	-15454.00		-5720.00
(iii) Transferred to Spl. Reserve	14371.00		46804.00
(iv) Trf. to bad & Doubtful Reserve	2874.00	343102.00	171700.00
<b>IX Profit for the period from continuing operations (IX-X)</b>		<b>1108502.63</b>	<b>21234.26</b>
X Profit from Discontinuing operations		0.00	0.00
<b>XI Profit from Discontinuing Operations (after Tax (XII - XIII))</b>		<b>0.00</b>	<b>0.00</b>
<b>XII Profit(loss) for the period (XI + XIV)</b>		<b>1108502.63</b>	<b>21234.26</b>
XVI Earning Per Equity Share			
(i) Basic		0.24	0.00
(ii) Diluted		0.24	0.00
GP Ratio		61.24	18.68
NP Ratio		30.51	2.56

Schedule no. 1-22 forms the part of the Balance Sheet and Profit and Loss A/c

As per our report of even date attached.

Garg Anil & Co.  
Chartered Accountants  
Regn. No. 6308N

For **Advik Industries Ltd.**

(Anil Garg)  
M.No. 085017

(Virender Kumar Agarwal)  
Managing Director  
DIN: 00531255

(Manju Agarwal)  
Director  
DIN: 00531344

Place: New Delhi  
Dated: 25.05.2017

(Tarkeshwar Rai)  
CFO  
PAN: BDMPR2384G

(Radhika Garg)  
Company Secretary  
M. No. 36587

## Cash Flow Statement for the year ended 31st March 2017

	As At 31.03.2017	As At 31.03.2016
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before Tax & Extraordinary items	21,234.26	1,108,502.63
<b>Adjustments for:</b>		
Depreciation	5,984,630.00	4,12,703.00
Other adjustment	2,61,813.00	3,43,102.00
Interest	2,910.00	11,165.00
Realization of non current assets	-	-
Operating Profit before Working Capital Change	8,84,420.26	1,87,547.63
<b>Adjustment for:</b>		
Trade and other receivables provision	10,764.00	(1,287.50)
Inventories	-	(86,686.00)
Realization of non current assets	1,20,86,390.00	2,70,761.00
Trade Payables	12,545.00	(12,545.00)
Loans & Advances	(2,45,925.00)	(1,79,195.00)
Cash generated from operations	2,36,293.26	(1,62,170.95)
Tax Paid	55,090.00	3,41,311.00
Interest Paid	2,910.00	11,165.00
Income tax adjustment	-	-
<b>Net Cash from Operating Activities</b>	<b>2,304,293.26</b>	<b>(1,974,185.50)</b>
<b>B. Cash Flow from Investing Activities</b>		
Other Receipts		
Sale of Fixed Assets	4,50,000.00	-
increase in other current assets unsecured loan	3,24,12,080.00	3,83,861.00
Capital expenses	-	-
Sales of OTCEI Ticket	-	-
<b>Net Cash used in Investing activities</b>	<b>(2,791,208.00)</b>	<b>383,861.00</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Share Application Money	-	-
Minority Interest	-	-
Proceeds from Long Term Borrowings	-	-
Net Cash from Financing Activities	-	-
Net Increase in Cash and cash equivalents (A+B+C)	(4,86,914.74)	2,85,148.13
Cash and cash Equivalents as at the beginning of the Year	9,49,475.82	4,62,561.08
Cash and cash equivalents as the close of the Year	4,62,561.08	7,47,709.21

As per our report of even date attached.

Garg Anil & Co.  
Chartered Accountants  
Regn. No. 6308N

For Advik Industries Ltd.

(Anil Garg)  
M.No. 085017

(Virender Kumar Agarwal)  
Managing Director  
DIN: 00531255

(Manju Agarwal)  
Director  
DIN: 00531344

Place: New Delhi  
Dated: 25.05.2017

(Tarkeshwar Rai)  
CFO  
PAN: BDMPR2384G

(Radhika Garg)  
Company Secretary  
M. No. 36587

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH 2017

## NOTE NO. 1 - SHARE CAPITAL

## 1. Share Capital

Share Capital	As at 31 March 2017		As at 31 March 2016	
	Number	Amount (₹)	Number	Amount (₹)
<b>Authorised Capital</b>				
Equity Shares of ₹10/- each	4587360	45873600.00	4587360	45873600.00
<b>Issued Subscribed and paid up</b>				
Equity Shares of ₹ 10/- each fully paid up	4587360	45873600.00	4587360	45873600.00
<b>Total</b>	<b>4587360</b>	<b>45873600.00</b>	<b>4587360</b>	<b>45873600.00</b>

## 2 Reconciliation

Particulars	Equity Shares		Preference Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	4587360	45873600	0	0
Shares issued during the year	0	0.00	0	0
Shares bought back during the year				
Shares outstanding at the end of the year	4587360	45873600	0	0

## 3 Shareholdings

Share Capital	As at 31 March 2017		As at 31 March 2016	
	No. of shares held	% of Holding	No. of shares held	% of Holding
<b>Name of Shareholder</b>				
As per List		0.00%		0.00%

## Note No-2 Reserves &amp; Surplus

Reserves & Surplus	As at 31st March 2017		As at 31st March 2016	
		Amount		Amount
1 Securities Premium Account				
Opening Balance		35720000.00		35720000.00
Add: Securities Premium credited on shares issued		0.00		0.00
Less: Premium Utilised for various reasons				
Premium on Redemption of Debentures		0.00		0.00
For Issuing Bonus Shares		0.00		0.00
Closing Balance		35720000.00		35720000.00

<b>2</b>	<b>Amalgamation reserve</b>		
	Opening Balance	4416651.00	4416651.00
	(+) Current Year Transfer		
	(-) Written back in Current Year	0.00	0.00
	Closing Balance	<u>4416651.00</u>	<u>4416651.00</u>
<b>2A</b>	<b>Spl. Reserve (1) as per RBI ACT.</b>		
	Balance B/F	46804.00	0.00
	Amount transferred from P & LA/c	14371.00	46804.00
	Closing Balance	<u>61175.00</u>	<u>46804.00</u>
<b>2B</b>	<b>Res. For Bad &amp; Doubtful Debts</b>		
	Balance B/F	171700.00	0.00
	Amount transferred from P & LA/c	2874.00	171700.00
	Closing Balance	<u>174574.00</u>	<u>171700.00</u>
<b>3</b>	<b>Surplus (Profit &amp; Loss A/c)</b>		
	Opening Balance	35768.08	14533.82
	(+) Net Profit for the Current Year	1108502.63	21234.26
	Closing Balance	<u>1144270.71</u>	<u>35768.08</u>
	Total	41516670.71	40390923.08

### Note No-3 Long Term Borrowings

Long Term Borrowings	As at 31st March 2017	As at 31st March 2016
	Amount	Amount
<b>Secured</b>		
<b>1</b>	<b>Term Loans</b>	<b>0.00</b>
<b>2</b>	<b>Other Loans and Advances</b>	<b>-</b>
		<u><b>0.00</b></u>
		<u><b>0.00</b></u>
<b>Unsecured</b>		
<b>1</b>	<b>Loans and Advances from related parties</b>	<b>-</b>
	<b>Total</b>	<u><b>0.00</b></u>
		<u><b>0.00</b></u>

**Note No-4 Deferred tax liability (net)**

Deferred Tax Liability (net)	As at 31st March 2017	As at 31st March 2016
	Amount	Amount
(a) Deffered Tax Liability		
- Depreciation net of difference in composition of actual cost of assets	50013.00	204799.00
- Expenses disallowed under section 43		
(b) Deffered Tax Assets		
Deffered Tax Liability (net)	24916.00	40370.00

**Note No-5 Trade Payables**

Trade Payables	As at 31st March 2017	As at 31st March 2016
	Amount	Amount
Sundry Creditors - Goods	0.00	12545.00
	<u>0.00</u>	<u>12545.00</u>

**Note No-6 Other Current Liabilities**

Other Current Liabilities	As at 31st March 2017	As at 31st March 2016
	Amount	Amount
Advance Received from Customers	0.00	0.00
	<u>0.00</u>	<u>0.00</u>

**Note No-7 Short Term Provision**

Short Term Provision	As at 31st March 2017	As at 31st March 2016
	Amount	Amount
Rate & Taxes	0.00	3435.00
Audit fees	20610.00	22900.00
Salary Payable	0.00	80961.00
Professional Payable	52000.00	52000.00
	<u>72610.00</u>	<u>159296.00</u>

## Note on-8 Fixed Assets

Fixed Assets	Gross Block				
	Balance as at 01/04/2016	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ impairment	Balance as at 3/31/2017
<b>a. Tangible Assets</b>					
Office Space at Manesar	11127800.00	0	0.00	0.00	11127800.00
Furniture & fixture	89143.00	0.00	0.00	0.00	89143.00
Air conditioner	132072.00	0.00	0.00	0.00	132072.00
EPBAX	9565.00	0.00	0.00	0.00	9565.00
Office Equipment	87222.00	0.00	0.00	0.00	87222.00
Computer	290927.00	0.00	0.00	0.00	290927.00
Refrigerator	59402.00	0.00	0.00	0.00	59402.00
Telephone	7713.00	0.00	0.00	0.00	7713.00
Mobile phone	81096.00	0.00	0.00	0.00	81096.00
Motor Cycle	18018.00	0.00	0.00	0.00	18018.00
Car Audi	3290575.00	0.00	0.00	0.00	3290575.00
Car Verna	1250443.00	0.00	0.00	0.00	1250443.00
<b>Total</b>	<b>16443976.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>16443976.00</b>
<b>b. Capital Work in Progress</b>					
Building Construction	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>16443976.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>16443976.00</b>

Fixed Assets	Accumulated Depreciation				
	Balance as at 4/1/2016	Depreciation Charge for the year	Adjustment due to revaluation	on disposal	Balance as at 31/03/2017
<b>a. Tangible Assets</b>					
Office Space at Manesar	0.00	0.00	0.00	0.00	0.00
Furniture & fixture	67642.00	5567.00	0.00	0.00	73209.00
Air conditioner	83581.00	8777.00	0.00	0.00	92358.00
EPBAX	6373.00	578.00	0.00	0.00	6951.00
Office Equipment	49174.00	6887.00	0.00	0.00	56061.00
Computer / Printer	238810.00	32917.00	0.00	0.00	271727.00
Refrigerator	39594.00	3585.00	0.00	0.00	43179.00
Telephone	5172.00	460.00	0.00	0.00	5632.00
Mobile phone	49009.00	5808.00	0.00	0.00	54817.00
Motor Cycle	15803.00	573.00	0.00	0.00	16376.00
Car Audi	2315935.00	252334.00	0.00	0.00	2568269.00
Car Verna	882668.00	95217.00	0.00	0.00	977885.00
<b>Total</b>	<b>3753761.00</b>	<b>412703.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4166464.00</b>
<b>c. Capital Work in Progress</b>					
Building Construction	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>3753761.00</b>	<b>412703.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4166464.00</b>

Fixed Assets	Net Block	
	Balance as 01/04/2016	Balance as 31/03/2017
<b>a. Tangible Assets</b>		
Office Space at Manesar	11127800.00	11127800.00
Furniture & fixture	21501.00	15934.00
Air conditioner	48491.00	39714.00
EPBAX	3192.00	2614.00
Office Equipment	38048.00	31161.00
Computer	52117.00	19200.00
Refrigerator	19808.00	16223.00
Telephone	2541.00	2081.00
Mobile phone	32087.00	26279.00
Motor Cycle	2215.00	1642.00
Car Audi	974640.00	722306.00
Car Verna	367775.00	272558.00
<b>Total</b>	<b>12690215.00</b>	<b>12277512.00</b>
<b>c. Capital Work in Progress</b>		
Building Construction	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>12690215.00</b>	<b>12277512.00</b>

**Note No-9 Long Term Loans and Advances**

<b>Long Term Loans and Advances</b>	<b>As at 31 March 2017</b>	<b>As at 31 March 2016</b>
	<b>Amount</b>	<b>Amount</b>
a Security Deposits		
Unsecured Considered Good	0.00	0.00
	0.00	0.00
	0.00	0.00

**Note No-10 Inventories**

<b>Inventories</b>	<b>As at 31st March 2017</b>	<b>As at 31st March 2016</b>
	<b>Amount</b>	<b>Amount</b>
a Raw Materials	0.00	0.00
b. finished Goods	0.00	0.00
	0.00	0.00
	0.00	0.00

**Note No-11 Trade Receivables**

<b>Trade Receivables</b>	<b>As at 31st March 2017</b>	<b>As at 31st March 2016</b>
	<b>Amount</b>	<b>Amount</b>
Trade Receivables outstanding for a period less than six months from the date they are due for payment		
Secured, Considered good	0.00	0.00
Unsecured, Considered good	1287.50	0.00
	1287.50	0.00
	1287.50	0.00

**Note No-12 Cash and cash equivalents**

<b>Cash and cash equivalents</b>	<b>As at 31st March 2016</b>	<b>As at 31st March 2015</b>
	<b>Amount</b>	<b>Amount</b>
a Balance with banks		
Scheduled Banks	367423.71	113369.58
b Cash on hand	380285.50	349191.50
	747709.21	462561.08
	747709.21	462561.08



**Note No-13 Short Term Loans and Advances**

Short Term Loans and Advances	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
a		
Loans and Advances to related party		
Unsecured Considered Good	70472323.00	68680371.00
	<u>70472323.00</u>	<u>68680371.00</u>
b		
Others		
Unsecured Considered Good (EMD/PG/SD)	0.00	0.00
Advance to Suppliers	0.00	0.00
	<u>0.00</u>	<u>0.00</u>
	<u>70472323.00</u>	<u>68680371.00</u>

**Note No-14 Other Current Assets**

Other Current Assets	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
a		
Income Tax Refundable	859010.00	637618.00
b		
Refund Due	95587.00	242104.00
c		
Deferred Capital Exp.	2540368.00	2999104.00
	<u>3494965.00</u>	<u>3878826.00</u>

**Note No-15 Revenue from Operations**

Revenue from Operations	For the year ended 31.03.2017	For the year ended 31.03.2016
	Amount	Amount
Sale of Shares	307005.00	0.00
Sale of Currency (Fut. Contract)	0.00	7672563.00
Interest Income	4450958.00	3630181.00
	<u>4757963.00</u>	<u>11302744.00</u>

**Note No-16 Other Income**

Other Income	For the year ended 31.03.2017	For the year ended 31.03.2016
	Amount	Amount
Dividend	1900.00	0.00
Profit on sale of Fixed Assets	0.00	6061.00
	<u>1900.00</u>	<u>6061.00</u>

**Note No-17 Change in Stock**

Change in Stock	For the year ended 31.03.2017	For the year ended 31.03.2016
	Amount	Amount
Opening Stock:		
Finished Goods	0.00	0.00
Closing Stock:		
Finished Goods	0.00	0.00
Change in Stock:	0.00	0.00

**Note No-18 Manufacturing Expenses**

Manufacturing Expenses	For the year ended 31.03.2017	For the year ended 31.03.2016
	Amount	Amount
1 Manufacturing Expenses		
a. others	0.00	0.00
	0.00	0.00

**Note No-19 Employee benefit expenses**

Employee Benefit Expenses	For the year ended 31.03.2017	For the year ended 31.03.2016
	Amount	Amount
a Salaries and incentives	546000.00	534280.00
b Director Remuneration	600000.00	600000.00
c Staff Welfare	0.00	40.00
d Conveyance Allowance	59819.00	50823.00
e HRA	218400.00	207713.00
f Spl. Allowances	149071.00	145180.00
	1573290.00	1538036.00

**Note No-20 Finance Charges**

Finance Cost	For the year ended 31.03.2017	For the year ended 31.03.2016
	Amount	Amount
Bank Charges	11165.00	2910.00
	11165.00	2910.00

**Note No-21 Other Expenses**

Other Expenses	For the year ended 31.03.2017	For the year ended 31.03.2016
	Amount	Amount
<b>1. Administrative &amp; Other Expenses</b>		
Audit Fee	22900.00	22900.00
Advertisement & Publicity	43968.00	67671.00
BSE Registration Fees	229000.00	0.00
Business Promotion	704.00	260.00
Printing & Stationery	17600.00	35180.00
Annual General Meeting Exp.	0.00	30649.55
Rate & Fees	19525.00	421867.00
Postage, Telephone, Telegram & Courier	4903.65	12340.69
Brokerage	0.00	969.50
Website Expenses	0.00	10025.00
AGM exp.	20999.70	0.00
ROC Fees	0.00	6000.00
Vehicle Running & Maintenance	53559.00	8161.00
General Expenses	1264.02	270.00
Conveyance Exp.	0.00	400.00
Legal & Professional Charges	111005.00	542573.00
Deferred Capital Exp. w/off	458736.00	0.00
Short & Excess	-1273.00	-1.00
Insurance	57448.00	67157.00
	<b>1040339.37</b>	<b>1226422.74</b>

**Note No 22 Cost of material consumed**

Opening stock	0	0
Purchases of Share	270761	0
Currency Purchase (Fut. Contract)	0.00	7653865.00
Total	270761.00	7653865.00
Less: Closing stock	0	0
Cost of Material Consumed	<b>270761</b>	<b>7653865.00</b>

SCHEDULE OF FIXED ASSETS AS PER INCOME TAX ACT AS ON 31.03.2017

Particulars	INCOME TAX					
	WDV as on 01.04.16	Addition	Sale	Total	Dep. For the year	WDV as on 31.03.17
Office Space Element	11127800	0	0	11127800	0	11,127,800
Furniture & fixture	38075	0	0	38075	3807	34,268
Air conditioner	49477	0	0	49477	7423	42,054
EPBAX	3147	0	0	3147	472	2,675
Office Equipment	35884	0	0	35884	5383	30,501
Computer	54098	0	0	54098	8115	45,983
Refrigerator	19533	0	0	19533	2930	16,603
Telephone	2503	0	0	2503	375	2,128
Mobile phone	30844	0	0	30844	4627	26,217
Vehicle	2197049	0	0	2197049	329558	1,867,491
Total	13,558,410	-	-	13,558,410	362,690	13,195,720

**Notes to the financial statements for the year ended 31st March, 2017****1. Significant accounting policies****(i) Basis for preparation of Financial Statements**

The financial statements which have been prepared under the historical cost convention on the accrual basis of accounting, are in accordance with the applicable requirements of the Companies Act, 2013 (the 'Act') and comply in all material aspects with the Accounting Standards prescribed by the Central Government, in accordance with the Companies (Accounting Standards) Rules, 2006 as adopted consistently by the company, to the extent applicable.

The presentation of financial statements in conformity with GAAP requires management of the Company to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's best knowledge of current events and actions the company may undertake in future, actual results ultimately may differ from the estimates.

**(ii) Revenue recognition**

The Company derives its revenue from the operations of NBFC

The revenue from its operations is recorded on accrual basis.

**(iii) Expenditure**

Expenses are accounted for on accrual basis and provisions are made for all known losses and liabilities.

**(iv) Fixed assets/ Depreciation & Amortization**

Fixed assets are stated at cost less accumulated depreciation and impairment loss, if any. Costs include all expenses incurred to bring the assets to its present location and condition for its intended use.

Depreciation on other tangible fixed assets is provided at the written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 2013. Depreciation on addition to fixed assets is provided on pro-rata basis from the date the assets are put to use. Depreciation on sale / deduction from fixed assets is provided for up to the date of sale, deduction, discardment as the case may be.

Assets costing less than Rs. 5,000 are fully depreciated in the year of purchase except in case of deployment as project assets (if any)

**Intangible Assets**

An Intangible asset is recognized, where it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured.

Intangible asset are stated at cost of acquisition less accumulated amortization. Amortization on the Intangible assets is provided at the written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 2013. Depreciation on addition to fixed assets is provided on pro-rata basis from the date the assets are put to use. Depreciation on sale / deduction from fixed assets is provided for up to the date of sale, deduction, discardment as the case may be.

**(v) Impairment of Assets**

All assets other than inventories, financial assets including investments and deferred tax asset, are reviewed for impairment, to determine any events or changes in circumstances which might indicate that the carrying amount may not be recoverable as per the provisions of applicable Accounting standards. If such indication exists the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of asset's net selling price and value in use which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An Impairment loss is charged to the profit & loss account in the year in which an asset is impaired.

Reversal of impairment loss is recognized immediately as income in the Profit & loss account.

**(vi) Employee benefits****(a) Short term employee benefits**

Short term employee benefits are recognized in the period during which the services have been rendered.

**(vii) Provision for tax**

Tax expense for the year comprises current and deferred is included in determining the net profit for the year.

Provision for current tax is based on the tax liabilities computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax expense or benefit is recognized on timing Difference between accounting and taxable income that originates in one year and are capable of reversal in one or more subsequent period. Deferred tax assets and liabilities are measured using the tax rates and laws that are enacted or substantively enacted by the balance sheet date.

The deferred tax asset is recognized subject to principle of prudence and conservatism and carried forward only to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax asset will be realized.

**(viii) Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

(ix) Segment information for the year ended 31st March 2017 as per accounting standard issued by the institute for Chartered Accountants of India is as Annexure-A. Previous years figures are indicated in brackets.

(x) Assets used in the company's business of liabilities contracted have not been identified to any of the reportable segment as all the assets and services are used interchangeably between segments. The company believes that it is currently not practicable to provide segment disclosure relating to total assets and liabilities since a meaningful segregation of available data is onerous.

(xi) In the opinion of the directors, current assets and advances have a value on realization in the ordinary course of the business at least equal to the amount at which these have been stated in the Balance Sheet

(xii) Balances of Sundry Debtors are subject to confirmation / reconciliation, which in the opinion of the management is not significant adjustments, if any will be carried out as and when settled. However accounts have been reconciled on the basis of materiality.

(xiii) The Company is a medium sized company as defined in the General instruction in respect of accounting standards as specified under section 133 of the companies Act 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014.

(xiv) There is no contingent liability as Certified by the management of the company.

(xv) All the known liabilities have been provided for and there are no disputed liabilities as confirmed by the management of the company

(xvi) Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Annexure-B Attached

**(xvii) Earning per share**

Basic Earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders after tax (and including post tax effect of any extra-ordinary item) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period, are adjusted for events of bonus issue to existing shareholders.

For the purpose of calculating diluted earning per share, the net profits or loss attributable to equity shareholders and the weighted average number of shares outstanding are adjusted for the effects of all dilutive potential equity shares, if any.

(xviii) Deferred Capital Exp. Rs 458736/- is written off during the year

As per our report of even date attached.

Garg Anil & Co.  
Chartered Accountants  
Regn. No. 6308N

**For Advik Industries Ltd.**

(Anil Garg)  
M.No. 085017

(Virender Kumar Agarwal)  
Managing Director  
DIN: 00531255

(Manju Agarwal)  
Director  
DIN: 00531344

Place: New Delhi  
Dated: 25.05.2017

(Tarkeshwar Rai)  
CFO  
PAN: BDMPR2384G

(Radhika Garg)  
Company Secretary  
M. No. 36587

## ANNEXURE A OF NOTES

Segment reporting	Amount ( Figure in Lakhs)
Segment Revenue	47.60 (113.09)
Total Revenue	47.60 (113.09)
Segment Results ( Profit / loss before Depreciation Amortization, Interest, Tax and Unallocable, Overheads, Financial Charges)	18.64 ( 8.87)
Less :- Depreciation & Amortization	4.13 (5.98)
Less :- Interest and Financial charges	0.00 (0.00)
Profit & Loss before Taxation	14.51 (2.89)
Provision for Taxation ( Current)	3.41 (0.55)
Provision for Taxation ( Deferred)	-0.15 (-0.05)
Net profit after tax	11.25 (2.39)

## ANNEXURE B OF NOTES

Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below:-

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	240000	538	240538
(+) Bank Withdrawal	0	100000	100000
(-) Permitted payments	0	60100	60100
(-) Amount deposited in Banks	240000	0	240000
Closing cash in hand as on 30.12.2016	0	40438	40438

# CONSOLIDATED FINANCIAL STATEMENTS



## Independent Auditor's Report

To the Members of

ADVIK INDUSTRIES LIMITED

Report on the Financial Statements

We have audited the accompanying (Consolidated) financial statements of **ADVIK INDUSTRIES LIMITED ("the Holding Company") and ADVIK OPTOELECTRONICS LIMITED ("the subsidiary Company") together referred as "the Group" for the year ended on 31st March, 2017**, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for (Consolidated) the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (Consolidated) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these (Consolidated) financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the (Consolidated) financial statements

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid (Consolidated) financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet of the state of affairs of the Company as at March 31, 2017;
- b) In the case of the statement of profit and loss of the Company as at March 31, 2017;
- c) In the case of the Cash Flow Statement of the cash Flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. 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;
  - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d. in our opinion, the aforesaid (Consolidated) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. 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**".
  - g. 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:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. The Company had provided requisite disclosures in its financial statements as to holdings as well as dealings in specified bank notes during the period from 8th November, 2016 to 30th December, 2016 and these are in the accordance with the books of accounts maintained by the Company. [Refer point no (xvi) of the notes to accounts]

**FOR GARG ANIL & CO.**

**Chartered Accountants**

Firm Regn. No. 6308N

**(ANIL GARG)**

M.NO.: 085017

Place: New Delhi

Date: 25-05-2017

**“Annexure A” to the Independent Auditors’ Report**

Referred to in paragraph 1 of the Independent Auditor’s Report of even date to the members of the **ADVIK INDUSTRIES LIMITED** on the financial statements of the Company for the year ended March 31, 2017:

- 1) The Company is having fixed assets as per Fixed Assets Schedule for the year ended 31.03.2017 and proper records maintained by the company
- 2) (i) The company has a inventory of shares & goods only.  
(ii) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- 3) The Company has granted loans, unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act.
- 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) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 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 Income-Tax, Sales tax, Service Tax, , 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, 2017 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.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the company is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the company has obtained registration, Reg. No. B-14.00724

**FOR GARG ANIL & CO.**

**Chartered Accountants**

Firm Regn. No. 6308N

**(ANIL GARG)**

M.NO. : 085017

Place: New Delhi

Date: 25-05-2017

### **“Annexure B” to the Independent Auditor’s Report of even date on the Consolidated Financial Statements of ADVIK INDUSTRIES LIMITED the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have internal financial controls over financial reporting of **ADVIK INDUSTRIES LIMITED** as of March 31, 2017 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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. 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 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.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 auditor’s judgement, including the assessment of the risks of material misstatement of the 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 statements.

#### **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.

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting 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.

**FOR GARG ANIL & CO.**

**Chartered Accountants**

Firm Regn. No. 6308N

**(ANIL GARG)**

M.NO. : 085017

Place: New Delhi

Date: 25-05-2017

## CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH 2017

	Note No.	Figures as at the end of current reporting period 31.03.2017	Figures as at the end of current reporting period 31.03.2016
<b>I EQUITY AND LIABILITIES</b>			
a Share Capital	1	46373600.00	46373600.00
b Reserve and Surplus	2	41980494.97	41289976.41
<b>2 Share Application Money Pending Allotment</b>		<b>0.00</b>	<b>0.00</b>
<b>3 Non-Current Liabilities</b>			
a Long Term Borrowings	3	37199596.00	33870000.00
b Deferred tax Liabilities (net)	4	0.00	193001.00
c Other Long Term Liabilities		0.00	0.00
d Long term provisions		0.00	0.00
<b>4 Current Liabilities</b>			
a Short term borrowings		0.00	0.00
b Trade Payables	5	22877884.70	4210986.85
c Other Current Liabilities	6	4150000.00	0.00
d Short term provisions	7	225820.96	326237.00
<b>Total</b>		<b>152807396.63</b>	<b>126263801.26</b>
<b>II ASSETS</b>			
<b>1 Non Current Assets</b>			
a Fixed Assets	8		
(i) Tangible Assets		26240333.06	33480306.06
(ii) Intangible Assets		0.00	0.00
(iii) Capital work in progress		0.00	0.00
(iv) Intangible assets under development		0.00	0.00
b Non Current Investments		494000.00	764761.00
c Deferred Tax Assets (net)		54557.00	0.00
d Long term Loans and Advances	9	0.00	205212.24
e Other non current assets		0.00	0.00
<b>2 Current Assets</b>			
a Current Investments		0.00	0.00
b Inventories	10	16870852.02	14725474.98
c Trade Receivables	11	23915002.93	0.00
d Cash and Cash Equivalents	12	3592366.32	1350699.69
e Short term Loans and Advances	13	75547323.00	69163771.00
f Other Current Assets	14	6092962.30	6573576.29
<b>Total</b>		<b>152807396.63</b>	<b>126263801.26</b>

Schedule no. 1-21 forms the part of the Balance Sheet and Profit and Loss A/c

As per our report of even date attached.

Garg Anil & Co.  
Chartered Accountants  
Regn. No. 6308N

For Advik Industries Ltd.

(Anil Garg)  
M.No. 085017

(Virender Kumar Agarwal)  
Managing Director  
DIN: 00531255

(Manju Agarwal)  
Director  
DIN: 00531344

Place: New Delhi  
Dated: 25.05.2017

(Tarkeshwar Rai)  
CFO  
PAN: BDMPR2384G

(Radhika Garg)  
Company Secretary  
M. No. 36587

**CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2017**

	Note No.	Figures as at the end of current reporting period 31.03.2017	Figures as at the end of current reporting period 31.03.2016	
I	Revenue from Operations	15	71352868.38	27970802.00
II	Other Income	16	1900.00	6061.00
<b>III</b>	<b>Total Revenue (I+II)</b>		<b>71354768.38</b>	<b>27976863.00</b>
IV	Expenses:			
	Cost of Materials consumed		59597955.18	20555362.48
	Changes in Inventories:	17		
	Finished Goods		(2145377.04)	(2635305.34)
	Manufacturing Expenses	18	654336.00	676502.50
	Employees benefit Expenses	19	4358086.60	3603264.15
	Finance Costs	20	1739051.79	9749.66
	Depreciation and amortization expenses		3629954.00	1990441.00
	Other Expenses	21	2699015.06	3378729.70
	Total Expenses		70533021.59	27578744.15
<b>V</b>	<b>Profit Before Tax (VII - VIII)</b>		<b>821746.79</b>	<b>398118.85</b>
VI	Tax Expenses			
	(i) Current Tax		378791.00	75862.00
	(ii) Deferred Tax		(247558.00)	(19796.00)
	(iii) Earlier Year Tax		(4.77)	0.00
	(iv) Transferred to Spl. Reserve		14371.00	46804.00
	(v) Trf. to bad & Doubtful Reserve		2874.00	148473.23
			171700.00	274570.00
<b>VII</b>	<b>Profit for the period from continuing operations (IX-X)</b>		<b>673273.56</b>	<b>123548.85</b>
VIII	Profit from Discontinuing operations		0.00	0.00
IX	Tax expenses of discontinuing operation		0.00	0.00
<b>X</b>	<b>Profit from Discontinuing Operations (after Tax (XII - XIII))</b>		<b>0.00</b>	<b>0.00</b>
<b>XI</b>	<b>Profit(loss) for the period (XI + XIV)</b>		<b>673273.56</b>	<b>123548.85</b>
XII	Earning Per Equity Share			
	(i) Basic		0.15	0.03
	(ii) Diluted			

Schedule no. 1-22 forms the part of the Balance Sheet and Profit and Loss A/c

As per our report of even date attached.

Garg Anil & Co.  
Chartered Accountants  
Regn. No. 6308N

For **Advik Industries Ltd.**

(Anil Garg)  
M.No. 085017

(Virender Kumar Agarwal)  
Managing Director  
DIN: 00531255

(Manju Agarwal)  
Director  
DIN: 00531344

Place: New Delhi  
Dated: 25.05.2017

(Tarkeshwar Rai)  
CFO  
PAN: BDMPR2384G

(Radhika Garg)  
Company Secretary  
M. No. 36587

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

	As At 31.03.2016	As At 31.03.2017
<b>A. Cash Flow from Operating Activities</b>		
NP before Tax & Extraordinary items	130244.85	673,273.56
Adjustments for:		
Depreciation	1990441	3,629,954.00
Other adjustment	419752.79	(129,802.00)
Interest	2910	1,674,330.00
Preliminary Expenses Written off	8280	8,280.00
<b>Operating Profit before WC Change</b>	<b>2,551,628.64</b>	<b>5,856,035.56</b>
Adjustment for:		
PROVISION	250579	
Realization of non current assets	1208639	270761
Trade and other receivables		-23915002.93
Inventories	-2635305.35	-2145377.04
Trade Payables	3114307.85	18666897.85
Loans & Advances	210,462.76	-6178339.76
Cash generated from operations	3,824,628.39	(13,301,060.88)
Tax Paid	75862	-378791
Short term provision	2910	-100416.04
Interest paid		-1674330
<b>Net Cash from Operating Activities</b>	<b>3,745,856.39</b>	<b>(15,454,597.92)</b>
<b>B. Cash Flow from Investing Activities</b>		
Other Receipts		
Sale of Fixed Assets	450000	3880019
unsecured loan	3460000	4150000
Capital expenses	1859851.84	
Increase in other currents assets	(3,304,013.36)	480613.99
<b>Net Cash used in Investing activities</b>	<b>(4,454,161.52)</b>	<b>8,510,632.99</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Share CAPITAL	-	-
Minority Interest	0	-
Proceeds from Long Term Borrowings	0	3,329,596.00
Net Cash from Financing Activities	0	3,329,596.00
<b>Net Increase in Cash and cash equivalents (A+B+C)</b>	<b>(708,305.13)</b>	<b>2,241,666.63</b>
Cash and cash Equivalents as at the beginning of the year	2059004.82	1,350,699.69
<b>Cash and cash equivalents as the close of the year</b>	<b>1350699.69</b>	<b>3,592,366.32</b>

As per our report of even date attached.

Garg Anil & Co.  
Chartered Accountants  
Regn. No. 6308N

(Anil Garg)  
M.No. 085017

Place: New Delhi  
Dated: 25.05.2017

For Advik Industries Ltd.

(Virender Kumar Agarwal)  
Managing Director  
DIN: 00531255

(Tarkeshwar Rai)  
CFO  
PAN: BDMPR2384G

(Manju Agarwal)  
Director  
DIN: 00531344

(Radhika Garg)  
Company Secretary  
M. No. 36587



**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDING 31ST MARCH 2017**

**NOTE NO. 1 - SHARE CAPITAL****1. Share Capital**

Share Capital	As at 31 March 2017		As at 31 March 2016	
	Number	Amount (₹)	Number	Amount (₹)
<b>Authorised Capital</b>				
Equity Shares of Rs. 10/- each	4637360	46373600.00	4637360	46373600.00
<b>Issued Subscribed and paid up</b>				
Equity Shares of Rs. 10/- each fully paid up	4637360	46373600.00	4637360	46373600.00
Total	4637360	46373600.00	4637360	46373600.00

**2 Reconciliation**

Particulars	Equity Shares		Preference Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	4637360	46373600	4637360	46373600
Shares issued during the year	0	0.00	0	0
Shares bought back during the year				
Shares outstanding at the end of the year	4637360	46373600	4637360	46373600

**3 Shareholdings**

Share Capital	As at 31 March 2017		As at 31 March 2016	
	No. of shares held	% of Holding	No. of shares held	% of Holding
<b>Name of Shareholder</b>				
As per List	4637360	100.00%	50000	100.00%

**Note No-2 Reserves & Surplus**

Reserves & Surplus	As at 31st March 2017		As at 31st March 2016	
	Amount		Amount	
<b>1 Securities Premium Account</b>				
Opening Balance		35720000.00		35720000.00
Add: Securities Premium credited on shares issued		0.00		0.00
Closing Balance		35720000.00		35720000.00
<b>2 General Reserve</b>				
Opening Balance		4416651.00		4416651.00
(+) Current Year Transfer		0.00		0.00
(-) Written back in Current Year		0.00		0.00
Closing Balance		4416651.00		4416651.00
<b>2A Spl. Reserve (1) as per RBI ACT.</b>				
Balance B/F		46804.00		0.00
Amount transferred from P & L A/c		14371.00		46804.00
Closing Balance		61175.00		46804.00

<b>2B</b>	<b>Res. For Bad &amp; Doubtful Debts</b>		
	Balance B/F	171700.00	0.00
	Amount transferred from P & LA/c	2874.00	171700.00
	Closing Balance	<u>174574.00</u>	<u>171700.00</u>
<b>3</b>	<b>Surplus (Profit &amp; Loss A/c)</b>		
	Opening Balance	934821.41	811272.56
	(+) Net Profit for the Current Year	673273.56	123548.85
	Closing Balance	<u>1608094.97</u>	<u>934821.41</u>
	<b>Total</b>	<u>41980494.97</u>	<u>41289976.41</u>

### Note No-3 Long Term Borrowings

Long Term Borrowings		As at 31st March 2017	As at 31st March 2016
		Amount	Amount
<b>Secured</b>			
1	Bank OD	899596.00	0
2	Other Loans and Advances	899596.00	0.00
<b>Unsecured</b>			
1	Loans and Advances from related parties		
	Advik Industries Ltd	36300000.00	33870000.00
	<b>Total</b>	<u>37199596.00</u>	<u>33870000.00</u>

### Note No-4 Deferred tax liability (net)

Deferred Tax Liability (net)		As at 31st March 2017	As at 31st March 2016
		Amount	Amount
(a)	Deferred Tax Liability		
-	Depreciation net of difference in composition of actual cost of assets	801161.00	250351
-	Expenses disallowed under section 43		
(b)	Deferred Tax Assets	54557.00	
	<b>Deferred Tax Liability (net)</b>	<u>0.00</u>	<u>193001</u>

### Note No-5 Trade Payables

Trade Payables	As at 31st March 2017	As at 31st March 2016
	Amount	Amount
Sundry Creditors - Goods	22877884.70	4210986.85
	<u>22877884.70</u>	<u>4210986.85</u>

### Note No-6 Other Current Liabilities

Other Current Liabilities	As at 31st March 2017	As at 31st March 2016
	Amount	Amount
Advance Received from Customers	4150000.00	0.00
	<u>4150000.00</u>	<u>0.00</u>

**Note No-7 Short Term Provision**

Short Term Provision	As at 31st March 2017	As at 31st March 2016
	Amount	Amount
Audit Fees payable	20610.00	71081.00
Exp. Payable	172488.96	236314.00
Firm Tax Payable	32722.00	18842.00
	225820.96	326237.00

**Note on-8 Fixed Assets**

Fixed Assets	Gross Block				
	Balance as at 01/04/2016	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ impairment	Balance as at 3/31/2017
<b>a. Tangible Assets</b>					
Building / Office Space	16527800.00	-5400000.00	0.00	0.00	11127800.00
LIFT	590000.00	0.00	0.00	0.00	590000.00
Furniture & fixture	653489.46	0.00	0.00	0.00	653489.46
Plant & Machinery	10019257.12	0.00	0.00	0.00	10019257.12
Lab Equipment	3668572.18	0.00	0.00	0.00	3668572.18
Office Equipment	561769.00	0.00	0.00	0.00	561769.00
Computer	1223869.30	0.00	0.00	0.00	1223869.30
D.G. Set 62.50 KVA	475555.00	0.00	0.00	0.00	475555.00
Mobile phone / Wireless System	158656.00	0.00	0.00	0.00	158656.00
Dies & Tools	246469.00	0.00	0.00	0.00	246469.00
CAR	4959036.00	1519981.00	0.00	0.00	6479017.00
UPS 30 KVA	479496.00	0.00	0.00	0.00	479496.00
A.C	132072.00	0.00	0.00	0.00	132072.00
EPBAX	9565.00	0.00	0.00	0.00	9565.00
Refrigerator	59402.00	0.00	0.00	0.00	59402.00
Telephone	7713.00	0.00	0.00	0.00	7713.00
<b>Total</b>	<b>39772721.06</b>	<b>-3880019.00</b>	<b>0.00</b>	<b>0.00</b>	<b>35892702.06</b>
<b>b. Capital Work in Progress</b>					
Building Construction	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>39772721.06</b>	<b>-3880019.00</b>	<b>0.00</b>	<b>0.00</b>	<b>35892702.06</b>
<b>Fixed Assets</b>	<b>Accumulated Depreciation</b>				

	Balance as at 4/1/2016	Depreciation Charge for the year	Adjustment due to revaluation	on disposal	Balance as at 31/03/2017
<b>a. Tangible Assets</b>					
Building	270000.00	0.00	0.00	270000.00	0.00
LIFT	71193.00	93904.00	0.00	0.00	165097.00
Furniture & fixture	250285.00	104390.00	0.00	0.00	354675.00
Plant & Machinery	1158369.00	1603820.00	0.00	0.00	2762189.00
Lab Equipment	311361.00	607655.00	0.00	0.00	919016.00
Office Equipment	162138.00	72333.00	0.00	0.00	234471.00
Computer	428863.00	167380.00	0.00	0.00	596243.00
D.G. Set 62.50 KVA	86075.00	70495.00	0.00	0.00	156570.00
Mobile phone / Wireless System	63047.00	17305.00	0.00	0.00	80352.00
Die & Tools	42591.00	36901.00	0.00	0.00	79492.00
CAR	3292076.00	759510.00	0.00	0.00	4051586.00
UPS 30 KVA	21697.00	82861.00	0.00	0.00	104558.00
A.C	83581.00	8777.00	0.00	0.00	92358.00
EPBAX	6373.00	578.00	0.00	0.00	6951.00
Refrigerator	39594.00	3585.00	0.00	0.00	43179.00
Telephone	5172.00	460.00	0.00	0.00	5632.00
<b>Total</b>	<b>6292415.00</b>	<b>3629954.00</b>	<b>0.00</b>	<b>270000.00</b>	<b>9652369.00</b>
<b>c. Capital Work in Progress</b>					
Building Construction	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>6292415.00</b>	<b>3629954.00</b>	<b>0.00</b>	<b>270000.00</b>	<b>9652369.00</b>

**Fixed Assets**

	Balance as 01/04/2016	Net Block	Balance as 31/03/2017
<b>a. Tangible Assets</b>			
Building	16257800.00		11127800.00
LIFT	518807.00		424903.00
Furniture & fixture	403204.46		298814.46
Plant & Machinery	8860888.12		7257068.12
Lab Equipment	3357211.18		2749556.18
Office Equipment	399631.00		327298.00
Computer	795006.30		627626.30
D.G. Set 62.50 KVA	389480.00		318985.00
Mobile phone / Wireless System	95609.00		78304.00
Die & Tools	203878.00		166977.00
CAR	1666960.00		2427431.00
UPS 30 KVA	457799.00		374938.00
A.C	48491.00		39714.00
EPBAX	3192.00		2614.00
Refrigerator	19808.00		16223.00
Telephone	2541.00		2081.00
<b>Total</b>	<b>33480306.06</b>		<b>26240333.06</b>
<b>Capital Work in Progress</b>			
Building Construction	0.00		0.00
<b>Total</b>	<b>0.00</b>		<b>0.00</b>
<b>Total</b>	<b>33480306.06</b>		<b>26240333.06</b>

**Note No-9 Long Term Loans and Advances**

Long Term Loans and Advances	As at 31 March 2017 Amount	As at 31 March 2016 Amount
<b>a Security Deposits</b>		
Unsecured Considered Good	0.00	205212.24
	0.00	205212.24

**Note No-10 Inventories**

Inventories	As at 31st March 2017	As at 31st March 2016
	Amount	Amount
a finished Goods	16870852.02	14725474.98
b	0.00	0.00
	16870852.02	14725474.98

**Note No-11 Trade Receivables**

Trade Receivables	As at 31st March 2017	As at 31st March 2016
	Amount	Amount
Trade Receivables outstanding for a period less than six months from the date they are due for payment		
Secured, Considered good	0.00	0.00
Unsecured, Considered good	23915002.93	0.00
	23915002.93	0.00

**Note No-12 Cash and cash equivalents**

Cash and cash equivalents	As at 31st March 2017	As at 31st March 2016
	Amount	Amount
a Balance with banks Scheduled Banks	2483498.77	235908.88
b Cash on hand	1108867.55	1114790.81
	3592366.32	1350699.69

**Note No-13 Short Term Loans and Advances**

Short Term Loans and Advances	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
<b>a Security Deposits</b>		
Loan & Advances	70472323.00	68680371.00
NDPL Security	75000.00	0.00
Rishab Kumar Aggarwal	2500000.00	0.00
Shakul Kumar Aggarwal	2500000.00	0.00
	75547323.00	68680371.00
<b>b Others</b>		
Unsecured Considered Good (EMD/PG/SD)	0.00	0.00
Advance to Suppliers	0.00	483400.00
	0.00	483400.00
	75547323.00	69163771.00

**Note No-14 Other Current Assets**

Other Current Assets	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
a Vat Refundable	1280346.30	1222544.00
b Excise Duty Carry forward	1244264.00	1244264.00
c Preliminary Exp.	8281.00	16561.00
d Duties & Taxes	0.00	211381.29
e VAT on Capital	65106.00	0.00
Income Tax Refundable	954597.00	879722.00
Deferred Capital Exp.	2540368.00	2999104.00
	6092962.30	6573576.29

**Note No-15 Revenue from Operations**

Revenue from Operations	For the year ended 31.03.2017	For the year ended 31.03.2016
	Amount	Amount
Sale of Products	66373620.88	16571027.00
Work Done	221284.50	96478.00
Sale of Shares	307005.00	0.00
Sale of Currency	0.00	7672563.00
Interest	4450958.00	3630734.00
	71352868.38	27970802.00

**Note No-16 Other Income**

Other Income	For the year ended 31.03.2017	For the year ended 31.03.2016
	Amount	Amount
Dividend	1900.00	0.00
Profit on sale of Fixed Assets	0.00	6061.00
	1900.00	6061.00

**Note No-17 Change in Stock**

Change in Stock	For the year ended 31.03.2017	For the year ended 31.03.2016
	Amount	Amount
Opening Stock:		
Finished Goods	14725474.98	12090169.64
Closing Stock:		
Finished Goods	16870852.02	14725474.98
Change in Stock:	(2145377.04)	(2635305.34)

**Note No-18 Manufacturing Expenses**

Manufacturing Expenses	For the year ended 31.03.2017	For the year ended 31.03.2016
	Amount	Amount
<b>1 Manufacturing Expenses</b>		
Freight & Cartage	104112.00	36712.00
Consumables	34914.00	84998.50
Electricity Exp.	515310.00	537370.00
Lab Exp.	0.00	10768.00
Packing Exp.	0.00	6654.00
	654336.00	676502.50

**Note No-19 Employee benefit expenses**

Employee Benefit Expenses	For the year ended 31.03.2017	For the year ended 31.03.2016
	Amount	Amount
a Salaries and incentives	2143933.00	1339879.00
b Director Remuneration	1275000.00	1200000.00
c Staff Welfare	61386.60	79929.15
d HRA	341029.00	483006.00
e SPL Allowance	319555.00	449627.00
f Conveyance Allowance	217183.00	50823.00
	4358086.60	3603264.15

**Note No-20 Finance Charges**

Finance Cost	For the year ended 31.03.2017	For the year ended 31.03.2016
	Amount	Amount
Bank Charges	64721.79	9749.66
Interest Paid	1674330.00	0.00
	1739051.79	9749.66

## Note No-21 Other Expenses

Other Expenses	For the year ended 31.03.2017	For the year ended 31.03.2016
	Amount	Amount
<b>1. Administrative &amp; Other Expenses</b>		
Audit Fee	45800.00	45800.00
Advertisement Exp.	49295.00	86692.00
BSE Registration Fees	229000.00	0.00
Business Promotion	85790.34	42117.00
AGM Exp.,	20999.70	30649.55
Website Exp.	26959.64	12819.00
Computer Peripheral	0.00	5669.00
Computer Repair & Maint.	24802.00	0.00
Conveyance Exp.	36160.00	94873.50
Electrical Installation Charges	0.00	0.00
Printing & Stationery	29991.60	127145.00
Ex. ISO Certification Fees	0.00	0.00
Fees & Subscription	0.00	69540.00
House Tax	0.00	40338.00
Internet Exp.	50308.00	0.00
Office Maint.	20117.00	30421.00
Postage, Telephone, Telegram & Courier	121479.49	100555.97
R & D Exp.	0.00	7734.00
Travelling & Conveyance	102307.44	51287.04
Legal & Professional Fee	187505.00	619473.00
Insurance charges	109672.00	139050.00
Rent	600000.00	600000.00
General Exp.	6574.02	37139.46
Repair & Maint.	16065.00	40799.00
ROC Fees	0.00	9110.00
Vehicle Running & Maint.	339341.79	173876.49
Round Off / Short & Excess	(7772.26)	(1353.66)
Prel. Expenses W/Off	8280.00	8280.00
DG Set Running Exp.	0.00	9630.00
Festival Exp.	21444.00	10920.00
Foreign Tour & Travelling	0.00	436672.85
Rate & taxes	93265.00	421867.00
LTC Exp.	0.00	71617.00
Trademark Exp.	0.00	34500.00
Charity & Donation	11001.00	7360.00
News Paper Exp.	0.00	3154.00
Labour Cess	1997.00	0.00
Books and Periodicals Exp.,	1095.00	0.00
Misc. Exp.,	1524.00	10993.50
Rebate & Discount	7277.30	0.00
Deferred Capital Exp.	458736.00	0.00
	<b>2699015.06</b>	<b>3378729.70</b>

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016****1. Significant accounting policies****(i) Basis for preparation of Financial Statements**

The financial statements which have been prepared under the historical cost convention on the accrual basis of accounting, are in accordance with the applicable requirements of the Companies Act, 2013 (the 'Act') and comply in all material aspects with the Accounting Standards prescribed by the Central Government, in accordance with the Companies (Accounting Standards) Rules, 2006 as adopted consistently by the company, to the extent applicable.

The presentation of financial statements in conformity with GAAP requires management of the Company to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's best knowledge of current events and actions the company may undertake in future, actual results ultimately may differ from the estimates.

**(ii) Revenue recognition**

The Company derives its revenue from the operations of Electrical Goods Supplier like LED SIGNAGES etc..

The revenue from its operations is recorded on accrual basis.

**(iii) Expenditure**

Expenses are accounted for on accrual basis and provisions are made for all known losses and liabilities.

**(iv) Fixed assets/ Depreciation & Amortization**

NIL

**(v) Impairment of Assets**

All assets other than inventories, financial assets including investments and deferred tax asset, are reviewed for impairment, to determine any events or changes in circumstances which might indicate that the carrying amount may not be recoverable as per the provisions of applicable Accounting standards. If such indication exists the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of asset's net selling price and value in use which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An Impairment loss is charged to the profit & loss account in the year in which an asset is impaired.

Reversal of impairment loss is recognized immediately as income in the Profit & loss account.

**(vi) Employee benefits****(a) Short term employee benefits**

Short term employee benefits are recognized in the period during which the services have been rendered.

**(vii) Provision for tax**

Tax expense for the year comprises current and deferred is included in determining the net profit for the year.

Provision for current tax is based on the tax liabilities computed in accordance with the provisions of the Income Tax Act, 1961.

**(viii) Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**(ix) Earning per share**

Basic Earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders after tax (and including post tax effect of any extra-ordinary item) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period, are adjusted for events of bonus issue to existing shareholders.

For the purpose of calculating diluted earning per share, the net profits or loss attributable to equity shareholders and the weighted average number of shares outstanding are adjusted for the effects of all dilutive potential equity shares, if any. this is the 1st year of the company hence previous year figures are not given.

As per our report of even date attached.

Garg Anil & Co.  
Chartered Accountants  
Regn. No. 6308N

For **Advik Industries Ltd.**

(Anil Garg)  
M.No. 085017

(Virender Kumar Agarwal)  
Managing Director  
DIN: 00531255

(Manju Agarwal)  
Director  
DIN: 00531344

Place: New Delhi  
Dated: 25.05.2017

(Tarkeshwar Rai)  
CFO  
PAN: BDMPR2384G

(Radhika Garg)  
Company Secretary  
M. No. 36587



**FORM NO. AOC.1**

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures  
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1. Sl. No.:	1
2. Name of the subsidiary:	ADVIK OPTOELECTRONICS LIMITED
3. The date since when subsidiary was acquired:	08/08/2013
4. Reporting period for the subsidiary concerned, if different from the holding company's reporting period:	01st April 2016 to 31st March 2017
5. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries:	N.A
6. Share capital:	Rs. 500000.00
7. Reserves & surplus:	Rs. 463824.26
8. Total assets:	Rs. 65344515.92
9. Total Liabilities:	Rs. 65344515.92
10. Investments:	Rs. 0.00
11. Turnover:	Rs. 66594905.38
12. Profit before taxation:	Rs. (629857.84)
13. Provision for taxation:	Rs. (194628.77)
14. Profit/loss after taxation:	Rs. (435229.07)
15. Proposed Dividend:	Nil
16. % of shareholding:	100%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations:	N.A.
2. Names of subsidiaries which have been liquidated or sold during the year:	N.A.

**ADVIK CAPITAL LIMITED**

**(Formerly known as ADVIK INDUSTRIES LTD.)**

**Registered office:** Plot No. 84, Khasra No. 143/84,

Ground Floor, Extended Lal Dora, Kanjhawla, Delhi-110081

CIN: L74899DL1985PLC022505

**ADMISSION SLIP**

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company/Depositories.

DP ID.....

Client ID.....

Regd. Folio No.\*

No. of Shares.....

Name(s) in Full

Father's/Husband's Name

Address as Regd. with the Company

- 1.
- 2.
- 3.

I/WE HEREBY RECORD MY/OUR PRESENCE AT THE THIRTY SECOND ANNUAL GENERAL MEETING OF THE COMPANY BEING HELD ON 26TH DAY OF SEPTEMBER, 2017 AT 12:00 Noon at PLOT NO. 84, KHASRA NO. 143/84, GROUND FLOOR, EXTENDED LAL DORA, KANJHAWLA, DELHI-110081

Member

Proxy

\_\_\_\_\_ Member's/Proxy's Signature\*\*

\* Applicable for investors holding shares in physical form.

\*\* Please strike out whichever is not Applicable

**Form No. MGT-11**

**Proxy form**

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

**CIN:** L74899DL1985PLC022505

**Name of the company:** ADVIK CAPITAL LIMITED (Formerly known as ADVIK INDUSTRIES LTD.)

**Registered office:** Plot No. 84, Khasra No. 143/84, Ground Floor, Extended Lal Dora, Kanjhawla, Delhi-110081

Name of the member (s) :
Registered address :
E-mail Id:
Folio No/ Client Id :
DP ID :

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name:

Address:

E-mail Id:

Signature : .....or failing him

2. Name:

Address:

E-mail Id:

Signature: .....or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32nd Annual General Meeting of the company, to be held on the Tuesday, 26th day of September, 2017 At **12:00** Noon at the Registered Office of the Company at Plot No. 84, Khasra No. 143/84, Ground Floor, Extended Lal Dora, Kanjhawla, Delhi-110081 and at any adjournment thereof in respect of such resolutions as are indicated below:

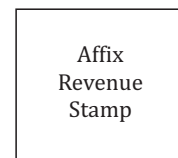
Resolutions	For(Approved)	Against(Rejected)
1. 1. Consider and adopt: a) Audited Financial Statement for the Financial Year ended March 31, 2017 and the reports of the Board of Directors and Auditors thereon b) Audited Consolidated Financial Statement for the Financial year ended March 31, 2017 and the Report of Auditors thereon		
2. Re-appointment of Mrs. Manju Agarwal, a Director retiring by rotation.		
3. Appointment of Auditors and fixing their remuneration.		
4. Re-appointment of Mr. Virender Kumar Agarwal as Managing Director		
5. Appointment of Mr. Vineet Gupta as Independent Director.		
6. Sub-division of 1 (one) Equity Share of face value of 10/- each into 10 (ten) Equity Shares of 1/- each		
7. Alteration of the Memorandum of Association of the Company		
8. Re-appointment of Secretarial Auditor		

Signed this.....day of September, 2017

Signature of shareholder..... Signature of Proxy holder(s).....

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.
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% 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 shareholder.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.



# ROAD MAP FOR AGM

