

Advik Industries Ltd.

CIN : L74899DL1985PLC022505

Regd. Office: Plot No-84, Khasra No.143/84, Ground Floor

Extended Lal Dora, Kanjhawla, Delhi-110081

E-mail: info@advikgroup.com

Tel: +91-11-25952595 | Fax : +91-11-25952525

www.advikgroup.com/ail



DATE: 03-10-2016

To
The Manager
Listing Department
BSE Limited
Floor, 25 P.J. tower, Dalal Street,
Mumbai-400001

Scrip Code: 539773

Subject: Submission of 31st Annual Report of the Company in compliance of Regulation 34 of SEBI (LODR) Regulations, 2015

Dear Sir/Ma'am,

Please find enclosed herewith the soft copy of 31st Annual Report of the Company in compliance of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your information and record.

Thanking you,

For ADVIK INDUSTRIES LIMITED

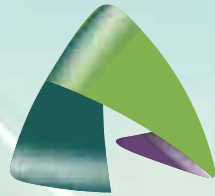
A handwritten signature in blue ink, appearing to read 'Radhika Garg', is written over the typed name.

RADHIKA GARG

Company Secretary & Compliance Officer

A36587





Advik
Industries Limited

**31ST ANNUAL
REPORT**

2016

Registered Office

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

Tel: 011-25952595

Website: www.advikgroup.com/ail



Advik Industries is a BSE Listed and a NBFC Loan Company, established in 1985

CORPORATE OVERVIEW

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Corporate Information

Board of Directors

Virender Kumar Agarwal
Manju Agarwal
Shakul Kumar Agarwal
Hemant Agarwal
Latika Bansal
Nikita Bansal

Statutory Auditor

Garg Anil & Co.
Chartered Accountants

Secretarial Auditor

A.K Verma & Co.
13B, IInd Floor, Netaji Subhash Marg,
Daryaganj, New Delhi-110002

Company Secretary & Compliance Officer

Radhika Garg

Chief Financial Officer

Tarkeshwar Rai

Registered Office

Plot No. 84, Khasra No. 143/84, Ground
Floor, Extended Lal Dora, Kanjhawla, Delhi -110081
CIN: L74899DL1985PLC022505
Tel: 011-25952595
Website: www.advikgroup.com/ail

Registrar and Transfer Agent

Skyline Financial Service Private Limited
Shop No.D-153/A, I-Area, Okhla Phase I,
Okhla Industrial Area, New Delhi- 110020

CHAIRMAN'S MESSAGE

Dear Shareowners,

I am honored to address you on the pretext of 31st Annual General Meeting of Your Company " Advik Industries Limited". I thank you for your enduring patience, faith and support towards the management of the Company.

I would like to extend my appreciation to the entire Advik Industries team for their determination and efforts to make this possible. I truly believe that it is not a chance occurrence but a sustainable performance since structural changes have been effected in the operating business model. We should obviously not rest on our laurels or allow a sense of complacency to set in. With general economic conditions set to ease further, Your Company is poised to achieve even better in all areas in the coming year.

I am pleased to inform you that your Company has obtained the listing approval to list its equity shares at Bombay Stock Exchange Limited w.e.f 28th March, 2016 in addition to Trading Facility to all our shareholders.

The continuing support and co-operation of our loyal family circle of customers, financial institutions and partners have been valuable to Your Company's success and well-being and is much appreciated.

Thank You

Yours sincerely

Virender Kumar Agarwal

Chairman & Managing Director

DIN: 00531255

R/o H-107, Aravali Kunj, Plot No. 44,

Sector - 13, Rohini,

Delhi-110085

NOTICE

NOTICE is hereby given that the 31st Annual General Meeting of the members of **ADVIK INDUSTRIES LIMITED** will be held on Wednesday the 28th day of September, 2016 at Premier Inn, District Centre, Crossing, Opposite Toyota Galaxy District Park Shalimar Bagh, Outer Ring Rd, Haider Pur, New Delhi-110088 at 12:00 Noon to consider and transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

(a) To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**.
“RESOLVED THAT the Audited Balance Sheet & Statement of Profit and Loss Account and Cash Flow Statement for the financial year ended March 31, 2016 along with the Auditor’s Report and the Directors’ Report as circulated to the shareholders and laid before the meeting, be received, considered and adopted.”

(b) To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**.
“RESOLVED THAT the Audited Consolidated Balance Sheet & Statement of Profit and Loss Account and Cash Flow Statement for the financial year ended March 31, 2016 along with the Auditor’s Report as circulated to the shareholders and laid before the meeting, be received, considered and adopted.”

2. To appoint a Director in place of Mr. Shakul Kumar Agarwal, (DIN: 03590891) who retires by rotation and being eligible for re-appointment.

“RESOLVED THAT pursuant the provisions of Section 152 of the Companies Act, 2013 Mr. Shakul Kumar Agarwal, (DIN: 03590891), who retires by rotation, and being eligible, offers himself 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 ratified as the Statutory Auditor of the Company for the Financial Year 2016-2017, 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 2016-2017, and that the Board of Directors of the Company be and are hereby authorised to fix their remuneration.”

SPECIAL BUSINESS:

4. To appoint Mrs. Latika Bansal (Din: 07487813) as Independent Director of the Company

To appoint Mrs. Latika Bansal (DIN: 07487813) as a 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 a **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, Mrs. Latika Bansal who was appointed as a Non Executive Additional Independent Director by the Executive Committee of the Board of Directors of the Company dated 27th June, 2016, due to casual vacancy caused by the resignation of Mr. Deepak Kumar Sharma, Independent Director of the Company w.e.f 27th June, 2016, 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 27th June, 2016 to 26th June, 2021 and she 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 herself proposing her 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.”

5. To appoint Ms. Nikita Bansal (Din: 07573931) as Independent Director of the Company

To appoint Ms. Nikita Bansal (DIN: 07573931) as a 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 a **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, Ms. Nikita Bansal who was appointed as a Non Executive Additional Independent Director by the Executive Committee of the Board of Directors of the Company dated 26th July, 2016, due to casual vacancy caused by the resignation of Mr. Parveen Gupta, Independent Director of the Company w.e.f 26th July, 2016, 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 July, 2016 to 25th July, 2021 and she 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 herself proposing her candidature for the office of Independent Director.”

RESOLVED FURTHER THAT Board of Director 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. To change of name of the Company

To change the name of the Company subject to the approval of all the applicable regulatory authorities 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 Section 13(2) of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Incorporation) Rules, 2014, as amended from time to time subject to approval of the Central Government (power delegated to Registrar of Companies), Reserve Bank of India and any other Regulatory Authorities as may be necessary, consent of the members be and is hereby accorded to change the name of the Company from “**Advik Industries Limited**” to “**Advik Capital Limited**” or “**Advik Fincap Limited**” or “**Advik Fincorp Limited**” in order of priority, as may be approved by RBI and made available by ROC.

FURTHER RESOLVED THAT the Name Clause being Clause I in the Memorandum of Association of the Company will be altered accordingly with the name as approved by RBI and made available with ROC, NCT Delhi & Haryana.

FURTHER RESOLVED THAT in terms of Section 14 of the Companies Act, 2013 the Articles of Association of the Company will be altered accordingly with the name as approved by RBI and made available with ROC, NCT Delhi & Haryana.

FURTHER RESOLVED THAT all the members of the board of the Company be and are hereby authorised to make the necessary application to the Central Government (power delegated to Registrar of Companies) for the approval of the aforesaid name and to file and submit the relevant forms and requisite documents with Registrar of Companies, NCT Delhi and Haryana, New Delhi to give effect to this resolution.

FURTHER RESOLVED THAT all the members of the board of the Company be and are hereby authorised to file fresh certificate of Incorporation issued by ROC consequent upon change of name within 15 days to RBI along with an attested copy of new PAN CARD issued to the Company consequent to change of name and to surrender the Original Certificate of Registration (COR) for issue of fresh COR in lieu thereof and to inform the various stakeholders, customers, different Authorities within 15 days of receipt of fresh COR, and to make the necessary changes appertain to change of name in Bill Books, Journals, voucher, letter heads, envelopes and all the requisite documents of the Company.

7. Re-appointment of Secretarial Auditor

To re-appoint M/s A. K. Verma & Co., Company Secretaries, New Delhi as Secretarial Auditor of the Company 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 Company 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 2016-2017”

RESOLVED FURTHER THAT Board of Director 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
ADVİK INDUSTRIES LIMITED

Virender Kumar Agarwal
Managing Director/Chairman
Din: 00531255
R/o, H-107, Aravali Kunj, Plot No. 44,
Sector-13, Rohini, Delhi- 110085

Date: 01-09-2016

Place: New Delhi

NOTES:

1. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of item nos. 4 to 7 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 22nd September, 2016 to 28th September, 2016 (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 21st September, 2016.
- h) Remote e-voting facility will be available during the following period:

Commencement of remote e-voting	Sunday, 25th September, 2016, 9:00 a.m.
End of remote e-voting	Tuesday, 27th September, 2016, 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/ail.com. The results shall simultaneously be communicated to the Stock Exchanges.

The instructions for e-voting are as under:

- i. The voting period begins on 25th September 2016, 09:00 A.M and ends on 27th September 2016, 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 21st September 2016 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.
- 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 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> <ul style="list-style-type: none"> 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. 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.
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"> 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).

- 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 Industries 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 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.
 - 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 fcsashokverma@gmail.com with copy marked to 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 under help section or write an email to helpdesk.evoting@cdslindia.com.
- xxii. The Results shall be declared on or before 1st October, 2016. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website 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 STOCK EXCHANGE.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 4**

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members.

As per the applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Latika Bansal be appointed as an Independent Director of the Company and to hold office as such for a period of 5 (five) consecutive years.

It is proposed to appoint Mrs. Latika Bansal as an Independent Director under Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) regulation, 2015 to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 36th Annual General Meeting of the Company in the calendar year 2021.

Mrs. Latika Bansal is not disqualified from being appointed as Independent Director in terms of Section 164 of the Act and have given her consent to act as Independent Director. The Company has also received declaration from Mrs. Latika Bansal that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The Company has received a notice in writing from Mrs. Latika Bansal along with the deposit of ₹ 1,00,000/- as amount stated under Section 160 of the Act proposing the candidature of Mrs. Latika Bansal for the office of Director of the Company. In the opinion of the Board, Mrs. Latika Bansal fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations. Mrs. Latika Bansal, is independent from the management of the Company. She is not related to any Director, Key Managerial Personnel and Relative of any of them.

Brief resume of Mrs. Latika Bansal are as under:

- Nature of their expertise in specific functional areas: Secretarial and allied Laws
- Names of companies in which they hold directorships and memberships / chairmanships of Board Committees: N.A
- Shareholding in the Company: Nil
- Relationships with directors, Manager and other Key Managerial Personnel- Not Related
- Age :29 Years
- Qualification: Associate Member of ICSI
- Experience : More than 3 Years in Secretarial

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, 2016 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. 5

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members.

As per the applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Nikita Bansal be appointed as an Independent Director of the Company and to hold office as such for a period of 5 (five) consecutive years.

It is proposed to appoint Ms. Nikita Bansal as an Independent Director under Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) regulation, 2015 to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 36th Annual General Meeting of the Company in the calendar year 2021.

Ms. Nikita Bansal is not disqualified from being appointed as Independent Director in terms of Section 164 of the Act and have given her consent to act as Independent Director. The Company has also received declaration from Ms. Nikita Bansal that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The Company has received a notice in writing from Ms. Nikita Bansal along with the deposit of ₹ 1,00,000/- as amount stated under Section 160 of the Act proposing the candidature of Ms. Nikita Bansal for the office of Director of the Company. In the opinion of the Board, Ms. Nikita Bansal fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations. Ms. Nikita Bansal, is independent from the management of the Company. She is not related to any Director, Key Managerial Personnel and Relative of any of them.

Brief resume of Ms. Nikita Bansal are as under:

- Nature of their expertise in specific functional areas: Equity Analyst
- Names of companies in which they hold directorships and memberships / chairmanships of Board Committees: N.A
- Shareholding in the Company: Nil
- Relationships with directors, Manager and other Key Managerial Personnel- Not Related
- Age :24 Years
- Qualification: MBA
- Experience: More than 1 Year in Equity Analyst.

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, 2016 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

Reserve Bank of India, New Delhi, has directed the Company to change the name of the Company as the current name of the Company does not reflect the Non Banking financial status of the Company and justified with the main objects of the Company, in order to comply with the direction of RBI it is required to change the name of the Company and the Board of directors of the company had, at its meeting held on 01st September, 2016, passed a Board resolution, pursuant to section 4(4), 13 and any other applicable section of Companies Act, 2013 read with relevant rules as amend from time to time and subject to approval of ROC, RBI and any other authorities, to change the name of the Company from "Advik Industries Limited" to "Advik Capital Limited" or "Advik Fincap Limited" or "Advik Fincorp Limited" in order of priority as may be approved by RBI and made available by the ROC.

The Proposed change of name will not affect any of the rights of the Company or the shareholders/ stakeholders of the Company. All existing share certificates bearing the current name of the Company will, after change of name, continue to be valid for all purposes.

As per the provisions of section 13 of the Companies Act, 2013 approval of the Shareholders is required to be accorded for changing the name of the Company and consequent alteration in the Memorandum and Article of Association of the Company by way of passing a Special Resolution, Hence the resolution is put up for shareholders approval.

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, 2016 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. 7

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 Practicing Company Secretary.

The Board hereby recommends to re-appoint M/s A.K.Verma & Co., Company Secretaries, having experience of more than 19 years of Corporate Services in field of Corporate Laws as Secretarial Auditor of Company for the Financial Year 2016-2017.

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, 2016 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.

Details of Directors seeking appointment /re-appointment at the forthcoming Annual General Meeting dated 28/09/2016

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

Name of Director	Mr. Shakul Kumar Agarwal	Mrs. Latika Bansal	Ms. Nikita Bansal
Din	03590891	07487813	07573931
Date of Birth	14/05/1993	08/08/1985	10/02/1991
Date of Appointment	01/07/2012	27/06/2016	26/07/2016
Qualification	MBA	Associate Member of ICSI	MBA
Expertise in specific functional area	Finance	Secretarial and allied laws	Equity analyst
List of Public/Private Companies in which outside Directorship held (including Foreign Companies)	2	NIL	NIL
Disclosure of relationship between directors inter se	Mr. Shakul Kumar Agarwal is son of Mr. Virender Kumar Agarwal and Mrs. Manju Agarwal	NIL	NIL
Shareholding in the Company	170000	NIL	NIL

BOARD'S REPORT

Dear Members,

The Board of Directors hereby submits the report of the business and operations of your Company, along with the audited financial statements, for the financial year ended March 31, 2016. The consolidated performance performance of the Company and its subsidiaries has been referred to wherever required.

1. RESULTS OF OPERATIONS

Particulars	Standalone		Consolidated	
	2016	2015	2016	2015
Revenue from operations	7672563.00	4996180.20	24340068.00	22881236.68
Other Income	3636242.00	2572702.39	3636795.00	2572702.39
Total Income	11308805.00	7568882.59	27976863.00	25453939.07
Profit before Depreciation and Interest	890481.26	1272735.94	2398309.51	3646410.16
Less: Interest & financial expenses	2910.00	2192.00	9749.66	30849.18
Less: Depreciation and amortization	598463.00	858782.00	1990441.00	2005458.00
Exceptional items	0.00	0.00	0.00	0.00
Profit after Depreciation and Interest but before tax	289108.26	411761.94	398118.85	1610102.98
Tax expense	49370.00	15378.00	56066.00	182085.00
Less: Transfer to Special Reserve	46804.00	0.00	46804.00	0.00
Less: Transfer to bad & doubtful reserve	171700.00	0.00	171700.00	0.00
Net profit for the year	21234.26	396383.94	123548.85	1428017.98

Liquidity

We continue to be debt-free and maintain sufficient cash to meet our strategic objectives. We understand that liquidity in the Balance Sheet has to balance between earning adequate returns and the need to cover financial and business risks. Liquidity enable us to make a rapid shift in direction, if there is a market demand. We believe that our working capital is sufficient to meet our current requirements.

Appropriations

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 2015-16. The management being optimistic about the return from business activities has proposed to plough back divisible profit into the main activities of the Company.

Bonus Shares

No Bonus Shares were issued during the year.

Particulars of loans, guarantees or investments

The particulars of Loans given, Investments made and Guarantee given by company under Section 186 of Companies Act, 2013 is annexed as **(Annexure I)**.

Transfer to reserves

In compliance of RBI norms, the Company has transferred ₹ 46804.00/- to Special Reserve in terms of Section 45-IC of the RBI Act, 1934) and also transferred ₹ 171700.00/- to bad & Doubtful Reserve.

Fixed Deposits

The company had neither invited nor accepted any deposits from the public within the meaning of the Companies (Acceptance of Deposits) Rules 2014.

Particulars of contracts or arrangements made with related parties

There were no contracts or arrangements entered into by the company in accordance with provisions of section 188 of the Companies Act, 2013.

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

During the year the Company has received Listing Approval from Bombay Stock Exchange Limited, on 22nd March, 2016 for listing & trading of 4587360 equity shares of the Company w.e.f 28th March, 2016 and also admitted to deal on the Exchange in the list of **XT Group**.

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 as **(Annexure II)** to the Board's report.

2. BUSINESS**Subsidiaries and associates**

The Company has one Subsidiary Company "Advik Optoelectronics Limited" and no Associate Company.

During the year, the Board of Directors ("the Board") reviewed the affairs of the subsidiaries. In accordance with section 129(3) of the Companies Act, 2013, we have prepared consolidated Financial Statements of the Company, which forms part of this Annual Report. Further a statement containing the salient features of the financial statement of our subsidiaries in the prescribed format AOC-1 is appended as **(Annexure III)** to the Board's report.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of its subsidiary are also available for inspection by any shareholder at the registered office of the company.

3. HUMAN RESOURCE MANAGEMENT

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, no employees has drawn remuneration in excess of the limits set out in the said rules.

4. CORPORATE GOVERNANCE**Our Corporate Governance philosophy**

Corporate Governance is about maximizing shareholder value legally, ethically and sustainably. The goal of corporate governance is to ensure fairness for every stakeholder. We believe sound corporate governance is critical to enhance and retain investor trust. We always seek to ensure that our performance is driven by integrity. Our Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the best practices in international corporate governance. We also endeavor to enhance long-term shareholder values and respect minority rights in all our business decisions.

Our Corporate Governance report forms the part of Annual Report as **(Annexure IV)**.

Board diversity

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage.

Number of meetings of the Board

The Board met four times during the financial year, the details of which are given in the Corporate Governance Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013.

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, 2016, the Board consists of six members, three of whom are executive/non-executive/whole-time Director and rest 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.

Declaration by Independent Directors

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulations 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Board Evaluation

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board shall monitor and review the Board evaluation framework. The framework includes the evaluation of directors on various parameters such as:

- Board dynamics and relationships
- Information flows
- Decision-making
- Relationship with stakeholders
- Company performance and strategy
- Tracking Board and Committee's effectiveness
- Peer evaluation

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent director shall be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the Corporate Governance report. The Board approved the evaluation results as collated by the nomination and remuneration committee.

A statement indicating the performance of the Board and its committee and its individual directors is annexed as **(Annexure V)**.

Familiarization program for independent directors

All independent directors inducted into the Board attend an orientation program. The details of training and familiarization program are provided in the Corporate Governance report and is also available on our website.

Listing Agreement

The Securities and Exchange Board of India (SEBI), on September 2, 2015 issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The Company has entered into the listing agreement with BSE Limited at the time of Listing.

Directors and Key Managerial Personnel

Chairman of the Board

Virender Kumar Agarwal, Managing Director of the Company, took over as the Chairman of the Board.

Inductions

The Board made the following appointments/ re-appointments based on the recommendation of the Executive committee of Board of Directors:

- Appointment of Mrs. Latika Bansal as an Additional Independent Director of the Board effective from 27/06/2016
- Appointment of Ms. Nikita Bansal as an Additional Independent Director of the Board effective from 26/07/2016.

Re-appointments

As per the provisions of the Companies Act, 2013, Mr. Shakul Kumar Agarwal, retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board recommends his re-appointment.

Resignations

Deepak Kumar Sharma has resigned as an Independent Director of the Company with effect from 27 June, 2016. The Board places on record its appreciation for the services rendered by him during his tenure with the Company.

Parveen Gupta has resigned as an Independent Director of the Company with effect from July 26, 2016. The Board places on record its appreciation for the services rendered by him during his tenure with the Company.

Committees of the Board

Currently, the Board has four committees: the Audit Committee, the Shareholder's/ Investor's Grievance Committee, the Nomination and Remuneration Committee and Executive Committee of Board of Directors. A detailed note on the composition of the Board and its committees is provided in the corporate governance report section.

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.

Significant and material orders

There are no significant and material orders passed by the regulator or courts or tribunal impacting the going concern status and Company's operations in future.

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 VI)** to the Board's report.

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 2015, 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.

5. Auditors**Statutory auditor**

M/s. Garg Anil & Co., Chartered Accountants, auditors of the company, retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment for the financial year 2016-2017. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Secretarial auditor

M/s A.K Verma & Co, Practicing Company Secretaries was appointed to conduct the secretarial audit of the Company for the financial year 2015-2016, as required under Section 204 of the Companies Act, 2013 and rules there under. The secretarial audit report for the financial year 2015-2016 forms part of the Annual Report as **(Annexure VII)** to the Board's report.

The board has re-appointed M/s A.K Verma & Co, Practicing Company Secretaries, as secretarial auditor of the Company for the Financial Year 2016-2017.

There is one observation marked by Secretarial Auditor in his Secretarial Audit Report and the response of the management for this observation is as under

Observation	Management's Response
The Company has not appointed Internal auditor pursuant to the requirement of section 138 of Companies Act, 2013, as confirmed by the Management.	It is confirmed 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, as confirmed by the Management.

6. Corporate social responsibility

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to the Company.

Particulars of conservation of energy, technology absorption and 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.

Acknowledgements

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 INDUSTRIES LIMITED

VIRENDER KUMAR AGARWAL

Managing Director

DIN: 00531255

SHAKUL KUMAR AGARWAL

Whole-time Director

DIN: 03590891

New Delhi

01.09.2016

ANNEXURES TO DIRECTOR REPORT

Annexure I	Loans, Investments & Guarantee
Annexure II	Management Discussion & Analysis Report
Annexure III	Details of Subsidiary in AOC1
Annexure IV	Corporate Governance Report
Annexure V	Formal evaluation of the Board
Annexure VI	Extract of Annual Return in MGT9
Annexure VII	Secretarial Audit Report in MR3

ANNEXURE I

LOANS, GUARANTEE, INVESTMENT

S.No	Particulars	31/03/2016	31/03/2015
1.	Long Term loans and advances		
	Security Deposits:		
	Unsecured Considered Good	0.00	0.00
	Short Term loans and advances		
	Loans & Advances (Unsecured Considered Good):		
	• Advik Global Limited	9447974.00	5536600.00
	• Advik Optoelectronics Limited	33870000.00	37330000.00
	• Dayanand Progressive Education Society	98268.00	88125.00
	• EZ Realcon Private Limited	9991077.00	9166127.00
	• High Valley Industrial Corporation	0.00	3069239.00
	• Kanta Yadav	0.00	3025643.00
	• Pooja Enterprises	0.00	7123624.00
	• S. Kannayalal	3898706.00	3586432.00
	• AIPL Marketing Private Limited	3288039.00	0.00
	• Tirupati Food Industries Private Limited	8086307.00	0.00
	Total:	68680371.00	68925790.00

2.	Non Current Investment in shares		
	Unquoted		
	• Castrol Industries Limited	87601.00	0.00
	• GMR Infra Limited	15000.00	0.00
	• Hindalco Industries Limited	16036.00	0.00
	• Power Grid Corp Limited	69500.00	0.00
	• Tata Steel Limited	54124.00	0.00
	• Ujaas Energy Limited	28500.00	0.00
	• Advik Optoelectronics Limited	494000.00	494000.00
	• Advik Global Limited	0.00	440000.00
	• Altolite Electrosign Private Limited	0.00	1039400.00
	Total:	764761.00	1973400.00

ANNEXURE-II

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, 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 INDUSTRIES LIMITED is currently engaged in NBFC activities & production of electrical goods. 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.

By the order of the Board
ADVIK INDUSTRIES LIMITED

Virender Kumar Agarwal
Managing Director/Chairman
Din: 00531255
R/o, H-107, Aravali Kunj, Plot No. 44,
Sector-13, Rohini, Delhi- 110085

Date: 01-09-2016
Place: New Delhi

Annexure-III**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 ₹)

1. **Sl.No.:** 1.
2. **Name of the subsidiary:** ADVIK OPTOELECTRONICS LIMITED
3. **The date since when subsidiary was acquired:** 08/08/2013
3. **Reporting period for the subsidiary concerned, if different from the holding company's reporting period:** 01st April 2015 to 31st March 2016
4. **Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries:** N.A
5. **Share capital:** ₹ 500000.00
6. **Reserves & surplus:** ₹ 899053.33
7. **Total assets:** ₹ 39787067.18
8. **Total Liabilities:** ₹ 39787067.18
9. **Investments:** ₹ 0.00
10. **Turnover:** ₹ 16667505.00
11. **Profit before taxation:** ₹ 109010.59
12. **Provision for taxation:** ₹ 6696.00
13. **Profit after taxation:** ₹ 102314.59
14. **Proposed Dividend:** Nil
15. **% 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: NA
2. Names of subsidiaries which have been liquidated or sold during the year: NA

ANNEXURE-IV**Corporate Governance Report for the year 2015-2016****I. Company's Philosophy on Corporate Governance**

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors, which was revised during the year to align with changing cultural and regulatory norms across the multiple jurisdictions in which the Company conducts its business. In addition, the Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013 ("Act"). These codes are available on the Company's website.

As per the provision of Regulation 15(2)(a) of SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, our Company is not required to furnish a report on Corporate Governance under Regulation 27(2) of SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015 for Quarter ended 30th June, 2016.

Rights of Shareholders

Your Company protects and facilitates shareholders' rights, provides adequate and timely information, opportunity to participate effectively in general meeting and ensure equitable treatment to all shareholders.

Role of stakeholders in Corporate Governance

Your Company recognizes the rights of stakeholders and encourages co-operation between the Company and stakeholders to enable participation in Corporate Governance process.

Disclosures and transparency

Your Company ensures timely and accurate disclosure on all material matters including the financial situation, performance, ownership and governance of the Company.

2. Board of Directors

The Company has optimum combination of Executive and Non-Executive Directors. The Board consists of Six Directors out of which 2 are Executive Directors, 1 Non-Executive Women Director and 3 are Non Executive Independent Directors. None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than five Committees as specified in the Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [the "SEBI" Regulations, 2015] across all the companies in which they are Director. The necessary disclosures regarding Committee positions have been made by the Directors.

As per the declaration received by the company, none of the directors is disqualified under section 164(2) of the companies Act, 2013.

(a) The composition of the Board of Directors as on March 31, 2016 is as under:-

Sl. No.	Name of Director (Promoter=P Non Promoter=NP)	Executive/ Non Executive	No. of other Directorship	No. of other Committee Membership	
				As Chairman	As member
1.	Virender Kumar Agarwal (P)	Executive (Managing Director)	2	1	1
2.	Manju Agarwal (P)	Non-Executive Women Director	-	-	1
3.	Shakul Kumar Agarwal (P)	Executive (Whole-time Director)	2	-	1
4.	Hemant Agarwal (NP)	Non-Executive & Independent	-	2	-
5.	Parven Gupta (NP)	Non-Executive & Independent	1	-	2
6.	Deepk Kumar Sharma (NP)	Non-Executive & Independent	-	-	1

* 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

- All Independent Directors have confirmed their independence to the Company.
- The Non-executive Directors have no pecuniary relationship or transactions with the Company in their personal capacity.
- None of the Directors of the Company are related amongst themselves.

(b) Board Meeting held in Financial Year 2015 – 2016 and attendance of Directors:

The Board of Directors is the apex body constituted for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness, and ensures that shareholders' long-term interests are being served.

Meetings of the Board and its Committee/s are generally held in New Delhi and scheduled well in advance. The Company Secretary in consultation with CFO and Managing Director drafts the agenda for each Board Meeting along with explanatory notes and distributes these in advance to the directors. Normally the Board meets at least once in a quarter to consider amongst other businesses, the quarterly performance of the company and financial results. The maximum time gap between any two meetings is not more than 120 days. Detailed agenda notes are circulated well in advance. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/ Board Committee members for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting. The Directors actively participate in the deliberation at these meetings. During the year, **Four** Board Meetings were held on **28.05.2015, 11.08.2015, 10.11.2015 and 12.02.2016**

The attendance of each Director in the Board Meetings is detailed herein below:

Name of Director	Executive/ Non Executive	Designation	No. of Board Meetings held during 2015-2016	No. of Board Meetings attended during 2015-2016	Attendance at the last AGM held on September 28 th , 2015
Virender Kumar Agarwal	Executive	Managing Director	4	4	Present
Shakul Kumar Agarwal	Executive	Whole Time Director	4	4	Present
Manju Agarwal	Non-Executive women Director	Director	4	4	Present
Hemant Agarwal	Non Executive & Independent Director	Director	4	4	Absent
Praveen Gupta	Non Executive & Independent Director	Director	4	4	Present
Deepak Kumar Sharma	Non Executive & Independent Director	Director	4	4	Absent

(c) Resolution passed by circulation

No Resolution was passed by circulation during the financial year 2015 – 2016.

(d) 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	6,00,00 0

(e) 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.

The current term of appointment of Shakul Kumar Agarwal, Whole-time Director is upto March 31st, 2018

(f) Independent Director's Remuneration

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

(g) 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 Women Director	Nil	Nil	Nil	Nil	Nil
4.	Hemant Agarwal Non executive Independent Director	Nil	Nil	Nil	Nil	Nil
5.	Parveen Gupta Non executive Independent Director	Nil	Nil	Nil	Nil	Nil
6.	Deepak Kumar Sharma Non executive Independent Director	Nil	Nil	Nil	Nil	Nil

ii) Details of fixed component and performance linked incentives alongwith performance criteria.

iii) The fixed component of salary is the same as mentioned in above table. There is no performance linked incentive payable to any director.

iv) 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. 01/07/2014	1 Month	Nil
2.	Shakul Kumar Agarwal Whole-time Director	2 Years w.e.f 01/04/2015	1 Month	Nil

v) Stock option details of every director: No stock option was given to any director.

(h) Shareholding of Directors in the Company as on March 31, 2016

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.	Parveen Gupta	0	0
5.	Shakul Kumar Agarwal	170000	3.71
6.	Deepak Kumar Sharma	0	0

(i) Committees of Board

The Board of Directors of the company has constituted the following Committees namely (i) Audit Committee (ii) Nomination & Remuneration Committee and (iii) Stakeholders grievance Committee (iv) Executive Committee of Board of Directors (Constituted on 31.3.2016

3. Audit Committee

The Company has an Audit Committee of the Board in accordance with provision of Companies Act 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The composition of constituted Audit Committee is as follows:

Sl. No.	Name of Directors	Executive/ Non Executive	Designation
1.	Mr. Hemant Agarwal	Non Executive - Independent	Chairman
2.	Mr. Parveen Gupta	Non Executive - Independent	Member
3.	Mr. Virender Kumar Agarwal	Managing Director	Member

The quorum of the Audit Committee is two independent members. The Company Secretary is the secretary of the audit committee. The composition, powers, role and term of reference of the committee are in consonance with the requirements mandated under section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Financial year, Four Audit Committee Meetings were held on 28.05.2015, 11.08.2015, 10.11.2015 and 12.02.2016

The main object of Audit Committee is to ensure the credibility and correctness of the Company's financial reporting and disclosure processes, internal controls, risk management policies and processes, tax policies, and other associated matters.

The attendance of members of the Audit Committee in the Audit Committee is as follows:

Sl. No.	Name	Number of Meetings Held (During the tenure of director)	Number of Meetings Attended
1.	Mr. Hemant Agarwal	4	4
2.	Mr. Parveen Gupta	4	4
3.	Mr. Virender Kumar Agarwal	4	4

Brief Terms of Reference of Audit Committee:

The primary function of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial reports and other financial information provided by the company to any statutory authority or to the investors or the public, the company's system of internal controls regarding finance, accounting and legal compliances that Management and the Board have established.

The terms of reference of Audit Committee include inter-alia the following:

The recommendation for appointment, remuneration and terms of appointment of auditors of the company;

- a) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- b) examination of the financial statement and the auditors' report thereon;
- c) approval or any subsequent modification of transactions of the company with related parties;
- d) scrutiny of inter-corporate loans and investments;
- e) valuation of undertakings or assets of the company, wherever it is necessary;
- f) evaluation of internal financial controls and risk management systems;
- g) Monitoring the end use of funds raised through public offers and related matters.

4. Nomination & Remuneration Committee

The Company has a Nomination & Remuneration Committee of the Board in accordance with provision of Companies Act 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee consists of three (3) Non Executive Independent Directors of the Company. All matters relating to finalization of remuneration of directors are being taken to the Committee for their consideration and approval.

The terms of reference of Nomination & Remuneration Committee include inter-alia the following:

- i) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- ii) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance and overseeing succession planning;

- (iii) Aligning key executive and board remuneration with the longer term interests of the company and its shareholders;
- (iv) Ensuring a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board;
- (v) Monitoring and reviewing Board Evaluation framework;
- (vi) Direct access to the officers and advisers, both external and internal, and to have authority to seek external independent professional advice, as it may need from time to time, for the effective implementation of its responsibilities.
- (vii) In addition to the above the committee will carry out all such other functions as provided under applicable laws and specified by the Board of Directors from time to time.

The following directors are the members of the Nomination & Remuneration Committee:

Sl. No.	Name of Directors	Designation
1.	Mr. Hemant Agarwal	Chairman
2.	Mr. Parveen Gupta	Member
3.	Mr. Deepak Kumar Sharma	Member

During the financial year 2015-16 4 (Four) meetings of Nomination & Remuneration Committee were held.

The attendance of members of the Nomination & Remuneration Committee in the meeting is as follows:

Sl. No.	Name	Number of Meetings Held (During the tenure of director)	Number of Meetings Attended
1.	Mr. Hemant Agarwal	4	4
2.	Mr. Parveen Gupta	4	4
3.	Mr. Deepak Kumar Sharma	4	4

Details of remuneration of all directors:

Sl. No.	Name & Designation	Salaries (Rs. In lakhs)	Benefits (Rs. In lakhs)	Total (Rs. In lakhs)
1.	Mr. Virender Kumar Agarwal –Managing Director	Nil	Nil	Nil
2.	Mr. Shakul Kumar Agarwal- Whole-time Director	6,00,000	Nil	6,00,000
3.	Mrs. Manju Agarwal- Non-executive Woman Director	Nil	Nil	Nil
4.	Mr. Hemant Agarwal-Non Executive Director	Nil	Nil	Nil
5.	Mr. Parveen Gupta - Non Executive Director	Nil	Nil	Nil
6.	Mr. Deepak Kumar Sharma - Non Executive Director	Nil	Nil	Nil

5. Stakeholders grievance Committee

The Company has a Nomination & Remuneration Committee of the Board in accordance with provision of Companies Act 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee regularly meets at end of each quarter to review whether all valid requests for share transfer received are acted upon by the Company in the proper time period and no such transfer is pending.

The Committee also continuously monitors requests and complaints received from the investors and see to it that they are solved to the satisfaction of the complainants as early as possible.

The valid requests are placed before the Investor Grievances Committee. The minutes of the Investor Grievances committee is placed before the Board meeting for information. The Committee consists of three (2) Executive Directors and (1) Non Executive Director of the Company.

The following directors are the members of the Stakeholders grievance Committee:

Sl. No.	Name of Directors	Designation
1.	Mr. Virender Kumar Agarwal	Chairman
2.	Mr. Shakul Kumar Agarwal	Member
3.	Mrs. Manju Agarwal	Member

During the financial year 2015-16 2 (Two) meetings of Stakeholders grievance Committee were held.

The attendance of members of the Stakeholders grievance Committee in the meeting is as follows:

Sl. No.	Name	Number of Meetings Held (During the tenure of director)	Number of Meetings Attended
1.	Mr. Virender Kumar Agarwal	2	2
2.	Mr. Shakul Kumar Agarwal	2	2
3.	Mrs. Manju Agarwal	2	2

The Share transfer formalities are audited by a practicing company secretary on a half-yearly basis and a copy of the audit report is filed with the Stock Exchange under clause 47(c) of the Listing Agreement and regulation 40(9) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 for half a year ended September, 2015 and March, 2016 respectively.

6. Meeting of Independent Directors

During the year a meeting of the Independent Directors was held on 17.02.2016 which was attended by all the Independent Directors of the Company- Mr. Hemant Agarwal, Mr. Deepak Kumar Sharma and Mr. Parveen Gupta.

7. General Body Meetings

The details of last three Annual General Meetings are as mentioned below:

Year	Location	Date & Time
28 th AGM-2013	205, Shri Ram House, 5398/70, Regarpura, Arya Samaj Road, Karol Bagh, New Delhi-110005	September 30 th , 2013 10:00 A.M
29 th AGM-2014	Plot No. 84, Khasra No. 143/84, Ground Floor, Extended Lal Dora, Kanjhawla, Delhi-110081	September 27 th , 2014 11:30 A.M
30 th AGM-2015	Plot No. 84, Khasra No. 143/84, Ground Floor, Extended Lal Dora, Kanjhawla, Delhi-110081	September 28 th , 2015 11:00 A.M

Details of resolution passed through postal ballot is as follows:

No resolutions is proposed to be conducted through postal ballot.

8. Disclosures

- **Materially Significant Related Party Transactions**

During the year 2015-16, there were no materially significant related party transactions with its promoters, directors or the management that may have potential conflict with the interest of the company at large. However, the transactions made with related parties are at arm's length price.

- **Non-Compliance/Strictures/Penalties**

During the year there was no instance of non-compliance by the company on any matters related to capital markets and therefore, no penalties and/or strictures have been imposed on the company by Stock Exchange or SEBI or any statutory authority during the last three years.

- **Whistle Blower Policy**

The company has a whistle blower policy as part of the code of conduct for the Board of Directors and Senior Management. The company has also established a vigil mechanism for directors and employees to report concerns about unethical behaviour; actual or suspected fraud or violation of the company's code of conduct or ethics policy. This mechanism provides for adequate safeguards against victimization of director(s)/employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. Details of this mechanism is disclosed on website of the company.

- **Code of Conduct for prohibition of insider trading**

Your Company has adopted a Code of Conduct as per Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 1992. All Directors, Designated Employees who could have access to the Unpublished Price Sensitive Information of the Company are governed by the Code. During the year under review, there has been due compliance with SEBI (Prohibition of Insider Trading) Regulations, 1992.

- **Certificates**

The Managing Director and Chief Financial Officer have given the necessary certificates as required under regulation 17(8) of SEBI Regulation, 2015.

- **Terms and conditions of Independent Directors**

All the relevant terms and conditions to appoint an Independent Director of the Company have been disclosed on the website of the Company at <http://www.advikgroup.com/ail/investors/termsandconditionpdf>. The appointment of Independent Directors is in Compliance with Regulation 25(1) and (2) of SEBI Regulation, 2015.

• **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, alongwith 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 audited financial statements of the Company for the financial year 2015-16 do not contain any qualifications and the audit report does not contain any adverse remarks.
- c) **Reporting of Internal Auditor:** There is no system under which the internal auditor can directly report to the Audit Committee.

8. Means of Communication

The Company has developed an investor friendly website www.advikgroup.com/ail and is in the process to update the required details as per the Regulations of SEBI (LODR) Regulations, 2015 and Companies Act 2013.

9. General Shareholder's Information

(a) Annual General Meeting information

Day, Date	:	28th September 2016
Time	:	12:00 Noon
Venue	:	Premier Inn, District Centre, Crossing, Opposite Toyota Galaxy District Park Shalimar Bagh, Outer Ring Rd, Haider Pur, New Delhi-110088

(b) Financial Calendar

Advik Industries Limited follows the financial year from April to March. The Unaudited Financial Results for the first three quarters and the Audited Financial Results for the year ended March 31, 2016 were taken on record and approved by the Board of Directors in its meeting(s) held on the following dates:

Quarter Ended	Date of Board Meeting
April – June, 2015	28th May, 2015
July – September, 2015	11th August, 2015
October – December, 2015	12th February, 2016
Year Ended March 31, 2016	28th May, 2016

(c) Book Closure

The company's Register of Members and Share Transfer books will remain closed from 22nd September 2016 to 28th September, 2016 (both days inclusive) for the purpose of Annual General Meeting of the Company.

(d) Stock Exchanges

The Company's equity shares are listed on the Bombay Stock Exchange w.e.f 28.03.2016 and the details of which are as follows:

Sl. No.	Name and address of the Stock Exchange
1.	Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001

There is no outstanding listing fees payable to Bombay Stock Exchange Limited for the Financial Year 2016-2017.

(e) Dividend paid for the last three years

No Dividend is paid by the Company during last three year.

(f) Shareholding Pattern as on 31st March, 2016

Sl. No.	Shareholders	No. of shares	Percentage
A.	Promoter's Holding		
1.	Indian Promoters	2465960	53.75
B.	Non Promoter's Holding		
1.	Banks, FIs, Insurance Cos., Central/State Govt. Institutions/ Non-Govt. Institutions	-	0.00
2.	Foreign Institutional Investors	-	0.00
C.	Others		
1.	Private Corporate Bodies	306000	6.67
2.	Indian Public (including HUF)	1815400	39.56
3.	NRIs/OCBs	-	0.00
4.	Trust	-	0.00
5.	Others (shares in transit)	-	0.00
	Grand Total	4587360	100.00%

(g) Registrar and Transfer Agents

M/s. SKYLINE FINANCIAL SERVICE PRIVATE LIMITED. Shop No.D-153/A, I-Area, Okhla Phase I, Okhla Industrial Area, New Delhi-110020 deal with all aspects of investor servicing relating to shares.

(h) Dematerialisation of Shares and Liquidity

Type of Securities	Dematerialized Holding	Percentage
Equity	50000	1.08

For the purpose of dematerialization, agreements have been signed by the Company with national Security Depository Limited and Central Depository Services (India) Limited, whereby the security holders have an option to dematerialize their shares either of the depositories.

(i) Secretarial Audit Report

As stipulated by the Securities and Exchange Board of India, M/s. A.K Verma & Company Company Secretaries, carries out the Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the Report thereon is submitted to the Stock Exchanges. The audit, inter alia confirms that the total listed and paid up capital of the company is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and the total number of shares in physical form.

(j) Office Locations**Registered Office:**

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

10. Outstanding GDRs/ADRs/Warrants or any Convertible instruments

There are no outstanding GDRs/ADRs/Warrants or any Convertible instruments.

11. Address for correspondence

Shareholders are advised to correspond the Registrar & Share Transfer Agent – M/s. SKYLINE FINANCIAL SERVICE PRIVATE LIMITED, Shop No.D-153/A, I-Area, Okhla Phase I, Okhla Industrial Area, New Delhi-110020 for any query regarding Share Transfer / Transmission etc. and other related matter or may contact Ms. Radhika Garg, Company Secretary and Compliance Officer on Phone No. 011-25952595 and e-mail: cs@advikgroup.com

12. CEO/CFO Certification

In terms of Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the certification by Managing Director and Chief Financial officer has been obtained and is attached as part of this annual report. Further the Managing Director of the company has given a declaration that all the Board members and senior management have affirmed compliance with the code of conduct for the current year.

By the order of the Board
ADVIK INDUSTRIES LIMITED

Virender Kumar Agarwal
Managing Director/Chairman
Din: 00531255
R/o, H-107, Aravali Kunj, Plot No. 44,
Sector-13, Rohini, Delhi- 110085

Date: 01-09-2016

Place: New Delhi

MANAGING DIRECTOR AND CFO CERTIFICATION

To

The Board of Directors

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:

1. We have reviewed the Balance sheet, Statement of Profit and Loss and Cash flow Statement of the Company and all the notes on accounts and the Board's report.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in the light of circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. 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.
4. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
5. 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.
6. We have indicated to the auditors and the Audit committee:
 - significant changes in internal control over financial reporting during the year;
 - 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
 - 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.
7. We affirm that we have not denied any personal access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.
8. We further declare that all the Board members and senior management personnel have affirmed compliance with the Code of Conducts and Ethics for the year covered by this report.

Virender Kumar Agarwal

(Managing Director)

Din: 00531255

Tarkeshwar Rai

(Chief Financial Officer)

PAN: BDMPR2384G

Place: New Delhi

Date: 01-09-2016

ANNEXURE V**ANNUAL 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.

ANNEXURE VI**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

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

Sl 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 Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
a) Individual/HUF	50000	2415960	2465960	53.76	50000	2415960	2465960	53.76	0	0
b) Central Govt.or State Govt.	0	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	0	0	0	0	0	0	0	0	0	0
d) Bank/FI	0	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0	0
SUB TOTAL: (A) (1)	50000	2415960	2465960	53.76	50000	2415960	2465960	53.76	0	0
(2) Foreign										
a) NRI- Individuals	0	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter	50000	2415960	2465960	53.76	50000	2415960	2465960	53.76	0	0
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	0	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0	0
c) Central govt	0	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0	0
g) FII/S	0	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(1):	0	0	0	0	0	0	0	0	0	0
(2) Non Institutions										
a) Bodies corporates	0	306000	306000	6.67	0	306000	306000	6.67	0	0
i) Indian	0	0	0	0	0	0	0	0	0	0
ii) Overseas	0	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	0	250800	250800	5.46	0	0
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1	0	1556200	1556200	33.92	0	1556200	1556200	33.92	0	0
c) Others (specify)	0	8400	8400	0.18	0	8400	8400	0.18	0	0
SUB TOTAL (B)(2):	0	2121400	2121400	46.24	0	2121400	2121400	46.24	0	0
Total Public Shareholding	0	2121400	2121400	46.24	0	2121400	2121400	46.24	0	0
C. Shares held by Custodian for	0	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	50000	4537360	4587360	100	50000	4537360	4587360	100	0	0

(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	170000	3.71	NA	NA
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	NA	NA	NA	NA
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NA	NA	NA	NA
	At the end of the year	NA	NA	NA	NA

* NO CHANGE IN PROMOTERS SHAREHOLDING

(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. 01.04.2015)		At the end of the year (i.e. 31.03.2016)		Cumulative Shareholding during the year		Monthwise Increase / Decrease in Share holding during the year	Reasons (for increase / decrease / (e.g. allotment / transfer / bonus / 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	Vipul Gupta	64800	1.41	64800		Nil	Nil	Nil	Nil
2	Vinod Kumar Agarwal	65000	1.42	65000		Nil	Nil	Nil	Nil
3	Ajay Kumar Kaushik	75400	1.64	75400		Nil	Nil	Nil	Nil
4	Rahul Kumar Garg	61200	1.33	61200		Nil	Nil	Nil	Nil
5	Bharti Garg	69300	1.51	69300		Nil	Nil	Nil	Nil
6	Shashi Garg	50000	1.09	50000		Nil	Nil	Nil	Nil
7	Geetesh Garg	50000	1.09	50000		Nil	Nil	Nil	Nil
8	Rakesh Garg	50000	1.09	50000		Nil	Nil	Nil	Nil
9	Kamal Kumar Jindal	50000	1.09	50000		Nil	Nil	Nil	Nil
10	Mangal Kumar Khetan	55000	1.20	55000		Nil		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. 01.04.2015)		At the end of the year (i.e. 31.03.2016)		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	170000	3.71	170000	3.71	N.A
4	Hemant Agarwal (Non Executive Independent Director)	NIL	NIL	NIL	NIL	NIL	NIL	N.A
5	Deepak Kumar Sharma (Non Executive Independent Director)	NIL	NIL	NIL	NIL	NIL	NIL	N.A
6	Parveen 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	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
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
Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the financial year				
Additions	0	0	0	0
Reduction	0	0	0	0
Net Change	0	0	0	0
Indebtedness at the end of the financial year				
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
Total (i+ii+iii)	0	0	0	0

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and /or Manager:

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager				Total Amount	
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the	NIL	NIL	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	NIL	NIL	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) of the Income	NIL	NIL	NIL	NIL	NIL	NIL
2	Stock option	NIL	NIL	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL	NIL	NIL	NIL
	as % of profit	NIL	NIL	NIL	NIL	NIL	NIL
	others (specify)	NIL	NIL	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	Total (A)	NIL	NIL	NIL	NIL	NIL	NIL
	Ceiling as per the Act	N.A	N.A	N.A	N.A	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
	Total (1)	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
	Total (2)	NIL	NIL	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act.	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				Total
		CEO	Company Secretary	CFO	Total	
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the	NIL	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	NIL	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) of the Income	NIL	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL	NIL	NIL
	as % of profit	NIL	NIL	NIL	NIL	NIL
	others, specify	NIL	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL	NIL

VII PENALTIES /PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

N.A.

Annexure-VII

Form No. MR-3

SECRETARIAL AUDIT REPORT**For The Period 01st April, 2015 to 31st March, 2016**

[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,

ADVİK 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 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, 2016** 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 :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Advik Industries Limited ("the Company")** for the financial year ended on **31st March, 2016** 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.:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Applicable till 30.11.2015)**
 - (d) 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);**
 - (e) 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;
 - (f) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(Effective w.e.f 1st December, 2015); and**
 - (g) 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. Labour Laws to the extent applicable.
4. Sexual Harassment of women at workplace(Prohibition, prevention and Redressal) Act, 2013
5. 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 Bombay Stock Exchange.

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 is in under process to appoint internal auditor pursuant to the requirement of section 138 of Companies Act, 2013, 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, Non-Executive, Woman and Independent Directors as per the provisions of Companies Act, 2013 and SEBI Regulations. 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 and SEBI Regulations.

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 there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that 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.

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

(Practicing Company Secretaries)

ASHOK KUMAR VERMA

(SENIOR PARTNER)

FCS : 3945

CP NO: 2568

PLACE: Delhi

DATE: 31-08-2016

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

'Annexure -A'

To

The Members,

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

Date: 31-08-2016

Place: Delhi

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, 2016, 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, of the state of affairs of the Company as at March 31, 2016, and its Profit/Loss and its Cash Flow 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, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 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.

FOR GARG ANIL & CO.

Chartered Accountants

Regn No. 006177C

(ANIL GARG)

M.NO. : 085017

Firm Regn. No. 6308

Place: New Delhi

Date: 28-05-2016

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- 1) The Company has neither acquired nor having any fixed assets for the year ended 31.03.2016
- 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 not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 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 Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 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

Regn No. 006177C

(ANIL GARG)

M.NO.: 085017

Firm Regn. No. 6308

Place: New Delhi

Date: 28-05-2016

“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, 2016 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, 2016, 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**

Regn No. 006177C

(ANIL GARG)

M.NO. : 085017

Firm Regn. No. 6308

Place: New Delhi

Date: 28-05-2016

BALANCE SHEET AS AT MARCH 31, 2016

	Note No.	Figures as at the end of current reporting period 31.03.2016	Figures as at the end of current reporting period 31.03.2015
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
a Share Capital	1	45873600.00	45873600.00
b Reserve and Surplus	2	40390923.08	40151184.82
2 Share Application Money Pending Allotment		0.00	0.00
3 Non-Current Liabilities			
a Long Term Borrowings	3	0.00	0.00
b Deferred tax Liabilities (net)	4	40370.00	46090.00
c Other Long Term Liabilities		0.00	0.00
d Long term provisions		0.00	0.00
4 Current Liabilities			
a Short term borrowings		0.00	0.00
b Trade Payables	5	12545.00	0.00
c Other Current Liabilities	6	0.00	0.00
d Short term provisions	7	159296.00	148532.00
Total		86476734.08	86219406.82
II ASSETS			
1 Non Current Assets			
a Fixed Assets	8		
(i) Tangible Assets		12690215.00	13732617.00
(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		764761.00	1973400.00
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
2 Current Assets			
a Current Investments		0.00	0.00
b Inventories	10	0.00	0.00
c Trade Receivables	11	0.00	0.00
d Cash and Cash Equivalents	12	462561.08	949475.82
e Short term Loans and Advances	13	68680371.00	68926296.00
f Other Current Assets	14	3878826.00	637618.00
Total		86476734.08	86219406.82

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. 006177C

For Advik Industries Ltd.

(Anil Garg)
M.No. 085017
Firm Regn No. : 6308

(Virender Kumar Agarwal)
Managing Director
DIN: 00531255

(Shakul Kumar Agrawal)
Whole Time Director
DIN: 03590891

Place: New Delhi
Dated: 28.05.2016

(Tarkeshwar Rai)
CFO
PAN: BDMPR2384G

(Radhika Garg)
Company Secretary
M. No. A36587

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2016

	Note No.	Figures as at the end of current reporting period 31.03.2016	Figures as at the end of current reporting period 31.03.2015	
I	Revenue from Operations	15	7672563.00	4996180.20
II	Other Income	16	3636242.00	2572702.39
III	Total Revenue (I+II)		11308805.00	7568882.59
IV	Expenses:			
	Cost of Materials consumed		7653865.00	4902951.61
	Changes in Inventories:	17		
	Finished Goods		0.00	0.00
	Manufacturing Expenses	18	67157.00	127031.00
	Employees benefit Expenses	19	1538036.00	538722.00
	Finiance Costs	20	2910.00	2192.00
	Depreciation and amortization expenses		598463.00	858782.00
	Other Expenses	21	1159265.74	727442.04
	Total Expenses		11019696.74	7157120.65
V	Profit before extraordinary Items and Tax (V-VI)		289108.26	411761.94
VI	Extraordinary Items		0.00	0.00
VII	Profit Before Tax (VII - VIII)		289108.26	411761.94
VIII	Tax Expenses			
	(i) Current Tax	55090.00		78461.00
	(ii) Deferred Tax	-5720.00		-63083.00
	(iii) Transferred to Spl. Reserve	46804.00		0.00
	(iv) Trf. to bad & Doubtful Reserve	171700.00	267874.00	15378.00
IX	Profit for the period from continuing operations (IX-X)		21234.26	396383.94
X	Profit from Discontinuing operations		0.00	0.00
XI	Profit from Discontinuing Operations (after Tax (XII - XIII))		0.00	0.00
XII	Profit(loss) for the period (XI + XIV)		21234.26	396383.94
XVI	Earning Per Equity Share			
	(i) Basic		0.00	0.09
	(ii) Diluted		0.00	0.09
	GP Ratio		-20.68	-11.46
	NP Ratio		3.77	8.24

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. 006177C

For Advik Industries Ltd.

(Anil Garg)
M.No. 085017
Firm Regn No. : 6308

(Virender Kumar Agarwal)
Managing Director
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(Shakul Kumar Agrawal)
Whole Time Director
DIN: 03590891

Place: New Delhi
Dated: 28.05.2016

(Tarkeshwar Rai)
CFO
PAN: BDMPR2384G

(Radhika Garg)
Company Secretary
M. No. A36587

Cash Flow Statement for the year ended 31st March 2016

	As At 31.03.2016	As At 31.03.2015
A. Cash Flow from Operating Activities		
Net Profit before Tax & Extraordinary items	21,234.26	396,383.94
Adjustments for:		
Depreciation	598,463.00	858,782.00
Other adjustment	261,813.00	14,977.62
Interest	2,910.00	2,192.00
Preliminary Expenses Written off	-	47,188.00
Operating Profit before Working Capital Change	884,420.26	1,319,523.56
Adjustment for:		
Trade and other receivables	-	26,637,360.00
Provision	10,764.00	
Inventories	-	802,429.26
Realization of non current assets	1,208,639.00	
Trade Payables	12,545.00	877,949.00
Loans & Advances	(245,925.00)	37,490,375.00
Cash generated from operations	2,362,293.26	(9,609,011.18)
Tax Paid	55,090.00	78,461.00
Interest Paid	2,910.00	2,192.00
Income tax adjustment		
Net Cash from Operating Activities	2,304,293.26	(9,689,664.18)
B. Cash Flow from Investing Activities		
Other Receipts		454,000.00
Sale of Fixed Assets	450,000.00	8,246,500.00
Increase in other current asses	3,241,208.00	
Unsecured loan		
Capital expenses		
Sales of OTCEI Ticket		
Net Cash used in Investing activities	(2,791,208.00)	8,700,500.00
C. Cash Flow from Financing Activities		
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)	(486,914.74)	(989,164.18)
Cash and cash Equivalents as at the beginning of the Year	949,475.82	1,938,640.00
Cash and cash equivalents as the close of the Year	462,561.08	949,475.82

As per our report of even date attached.

Garg Anil & Co.
Chartered Accountants
Regn. No. 006177C

For Advik Industries Ltd.

(Anil Garg)
M.No. 085017
Firm Regn No. : 6308

(Virender Kumar Agarwal)
Managing Director
DIN: 00531255

(Shakul Kumar Agrawal)
Whole Time Director
DIN: 03590891

Place: New Delhi
Dated: 28.05.2016

(Tarkeshwar Rai)
CFO
PAN: BDMPR2384G

(Radhika Garg)
Company Secretary
M. No. A36587

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH 2016

NOTE NO. 1 - SHARE CAPITAL

1. Share Capital

Share Capital	As at 31 March 2016		As at 31 March 2015	
	Number	Amount (₹)	Number	Amount (₹)
Authorised Capital				
Equity Shares of ₹10/- each	4587360	45873600.00	4587360	45873600.00
Issued Subscribed and paid up				
Equity Shares of ₹ 10/- each fully paid up	4587360	45873600.00	4587360	45873600.00
Total	4587360	45873600.00	4587360	45873600.00

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 2016		As at 31 March 2015	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Name of Shareholder				
As per List		0.00%		0.00%
		0.00%		0.00%

Note No-2 Reserves & Surplus

Reserves & Surplus	As at 31st March 2016		As at 31st March 2015	
		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

2	Amalgamation reserve		
	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>
2A	Spl. Reserve (1) as per RBI ACT.		
	Balance B/F	0.00	0.00
	Amount transferred from P & LA/c	46804.00	0.00
	Closing Balance	<u>46804.00</u>	<u>0.00</u>
2B	Res. For Bad & Doubtful Debts		
	Balance B/F	0.00	0.00
	Amount transferred from P & LA/c	171700.00	0.00
	Closing Balance	<u>171700.00</u>	<u>0.00</u>
3	Surplus (Profit & Loss A/c)		
	Opening Balance	14533.82	-381850.12
	(+) Net Profit for the Current Year	21234.26	396383.94
	Closing Balance	<u>35768.08</u>	<u>14533.82</u>
	Total	40390923.08	40151184.82

Note No-3 Long Term Borrowings

Long Term Borrowings	As at 31st March 2016	As at 31st March 2015	
	Amount	Amount	
Secured			
1	Term Loans	0.00	0.00
2	Other Loans and Advances	-	-
		<u>0.00</u>	<u>0.00</u>
Unsecured			
1	Loans and Advances from related parties	-	-
	Total	<u>0.00</u>	<u>0.00</u>

Note No-4 Deferred tax liability (net)

Deferred Tax Liability (net)	As at 31st March 2016	As at 31st March 2015
	Amount	Amount
(a) Deffered Tax Liability		
- Depreciation net of difference in composition of actual cost of assets	204799.00	204799.00
- Expenses disallowed under section 43		
(b) Deferred Tax Assets		
Deferred Tax Liability (net)	40370.00	46090.00

Note No-5 Trade Payables

Trade Payables	As at 31st March 2016	As at 31st March 2014
	Amount	Amount
Sundry Creditors - Goods	12545.00	0.00
	<u>12545.00</u>	<u>0.00</u>

Note No-6 Other Current Liabilities

Other Current Liabilities	As at 31st March 2016	As at 31st March 2015
	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 2016	As at 31st March 2015
	Amount	Amount
Rate & Taxes	3435.00	0.00
Audit fees	22900.00	18972.00
Salary Payable	80961.00	0.00
Professional Payable	52000.00	129560.00
	<u>159296.00</u>	<u>148532.00</u>

Note on-8 Fixed Assets

Fixed Assets	Gross Block				
	Balance as at 01/04/2015	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ impairment	Balance as at 3/31/2016
a. Tangible Assets					
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
Vehicle	2069956.00	-2069956.00	0.00	0.00	0.00
Car Audi	3290575.00	0.00	0.00	0.00	3290575.00
Car Varna	1250443.00	0.00	0.00	0.00	1250443.00
Total	18513932.00	-2069956.00	0.00	0.00	16443976.00
b. Capital Work in Progress					
Building Construction	5323026.51	-5323026.51	0.00	0.00	0.00
Total	5323026.51	-5323026.51	0.00	0.00	0.00
Total	23836958.51	-7392982.51	0.00	0.00	16443976.00

	Fixed Assets		Accumulated Depreciation		
	Balance as at 4/1/2015	Depreciation Charge for the year	Adjustment due to revaluation	on disposal	Balance as at 31/03/2016
a. Tangible Assets					
Office Space at Manesar	0.00	0.00	0.00	0.00	0.00
Furniture & fixture	60131.00	7511.00	0.00	0.00	67642.00
Air conditioner	72865.00	10716.00	0.00	0.00	83581.00
EPBAX	5667.00	706.00	0.00	0.00	6373.00
Office Equipment	40766.00	8408.00	0.00	0.00	49174.00
Computer / Printer	149459.00	89351.00	0.00	0.00	238810.00
Refrigerator	35216.00	4378.00	0.00	0.00	39594.00
Telephone	4611.00	561.00	0.00	0.00	5172.00
Mobile phone	41918.00	7091.00	0.00	0.00	49009.00
Motor Cycle	15029.00	774.00	0.00	0.00	15803.00
Vehicle	1626017.00	0.00	0.00	1626017.00	0.00
Car Audi	1975449.00	340486.00	0.00	0.00	2315935.00
Car Varna	754187.00	128481.00	0.00	0.00	882668.00
Total	4781315.00	598463.00	0.00	1626017.00	3753761.00
c. Capital Work in Progress					
Building Construction	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00
Total	4781315.00	598463.00	0.00	1626017.00	3753761.00

	Fixed Assets		Net Block	
	Balance as 01/04/2015	Balance as 31/03/2016		
a. Tangible Assets				
Office Space at Manesar	11127800.00	11127800.00		
Furniture & fixture	29012.00	21501.00		
Air conditioner	59207.00	48491.00		
EPBAX	3898.00	3192.00		
Office Equipment	46456.00	38048.00		
Computer	141468.00	52117.00		
Refrigerator	24186.00	19808.00		
Telephone	3102.00	2541.00		
Mobile phone	39178.00	32087.00		
Motor Cycle	2989.00	2215.00		
Vehicle	443939.00	0.00		
Car Audi	1315126.00	974640.00		
Car Varna	496256.00	367775.00		
Total	13732617.00	12690215.00		
c. Capital Work in Progress				
Building Construction	0.00	0.00		
Total	0.00	0.00		
Total	13732617.00	12690215.00		

Note No-9 Long Term Loans and Advances

Long Term Loans and Advances	As at 31 March 2016	As at 31 March 2015
	Amount	Amount
a Security Deposits		
Unsecured Considered Good	0.00	0.00
	<u>0.00</u>	<u>0.00</u>

Note No-10 Inventories

Inventories	As at 31st March 2016	As at 31st March 2015
	Amount	Amount
a Raw Materials	0.00	0.00
b. finished Goods	0.00	0.00
	<u>0.00</u>	<u>0.00</u>

Note No-11 Trade Receivables

Trade Receivables	As at 31st March 2016	As at 31st March 2015
	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	0.00	0.00
	<u>0.00</u>	<u>0.00</u>

Note No-12 Cash and cash equivalents

Cash and cash equivalents	As at 31st March 2016	As at 31st March 2015
	Amount	Amount
a Balance with banks		
Scheduled Banks	113369.58	47776.32
b Cash on hand	349191.50	471699.50
	<u>462561.08</u>	<u>949475.82</u>

Note No-13 Short Term Loans and Advances

Short Term Loans and Advances	As at 31 March 2016	As at 31 March 2015
	Amount	Amount
a		
Loans and Advances to related party		
Unsecured Considered Good	68680371.00	68926296.00
	68680371.00	68926296.00
b		
Others		
Unsecured Considered Good (EMD/PG/SD)	0.00	0.00
Advance to Suppliers	0.00	0.00
	0.00	0.00
	68680371.00	68926296.00

Note No-14 Other Current Assets

Other Current Assets	As at 31 March 2016	As at 31 March 2015
	Amount	Amount
a		
Income Tax Refundable	637618.00	537926.00
b		
Advance Tax & TDS (Net)	242104.00	99692.00
c.		
Deferred Capital Exp.	2999104.00	0.00
	3878826.00	637618.00

Note No-15 Revenue from Operations

Revenue from Operations	For the year ended 31.03.2016	For the year ended 31.03.2015
	Amount	Amount
Sale of Products	0.00	4996180.20
Sale of Currency (Fut. Contract)	7672563.00	0.00
	7672563.00	4996180.20

Note No-16 Other Income

Other Income	For the year ended 31.03.2016	For the year ended 31.03.2015
	Amount	Amount
Interest Income	3630181.00	2257234.00
Sade (Refund)	0.00	238065.00
Profit on sale of Fixed Assets	6061.00	77403.39
	3636242.00	2572702.39

Note No-17 Change in Stock

Change in Stock	For the year ended 31.03.2016	For the year ended 31.03.2015
	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 31.03.2016	For the year ended 31.03.2015
	Amount	Amount
1 Manufacturing Expenses		
a. Electricity, Water & Generator Exp.	0.00	21235.00
b. Packing, Freight & Cartage	0.00	23074.00
c. Insurance	67157.00	82722.00
	67157.00	127031.00

Note No-19 Employee benefit expenses

Employee Benefit Expenses	For the year ended 31.03.2016	For the year ended 31.03.2015
	Amount	Amount
a. Salaries and incentives	534280.00	537000.00
b. Director Remuneration	600000.00	0.00
c. Staff Welfare	40.00	1580.00
d. Conveyance Allowance	50823.00	142.00
e. HRA	207713.00	0.00
f. Spl. Allowances	145180.00	0.00
	1538036.00	538722.00

Note No-20 Finance Charges

Finance Cost	For the year ended 31.03.2016	For the year ended 31.03.2015
	Amount	Amount
Bank Charges	2910.00	2192.00
	2910.00	2192.00

Note No-21 Other Expenses

Other Expenses	For the year ended 31.03.2016	For the year ended 31.03.2015
	Amount	Amount
1. Administrative & Other Expenses		
Audit Fee	22900.00	22472.00
Advertisement & Publicity	67671.00	76189.00
Consultancy Charges	0.00	32635.00
Business Promotion	260.00	7500.00
Printing & Stationery	35180.00	33108.00
Annual General Meeting Exp.	30649.55	17060.00
Rate & Fees	421867.00	196778.00
Postage, Telephone, Telegram & Courier	12340.69	33483.00
Brokerage	969.50	0.00
Website Expenses	10025.00	9000.00
VAT exp.	0.00	13105.00
ROC Fees	6000.00	78000.00
Vehicle Running & Maintenance	8161.00	30766.00
General Expenses	270.00	0.00
Conveyance Exp.	400.00	0.00
Legal & Professional Charges	542573.00	129214.00
Preliminary Exp. w/off	0.00	47188.00
Short & Excess	-1.00	944.04
	<u>1159265.74</u>	<u>727442.04</u>

Note No 22 Cost of material consumed

Opening stock	0	802429.26
Purchases	0	4100522.35
Currency Purchase (Fut. Contract)	7653865.00	0.00
Total	7653865.00	4902951.61
Less: Closing stock	0	0
Cost of Material Consumed	<u>7653865</u>	<u>4902951.61</u>

SCHEDULE OF FIXED ASSETS AS PER INCOME TAX ACT AS ON 31.03.2016

INCOME TAX						
Particulars	WDV as on 01.04.15	Addition	Sale	Total	Dep. For the year	WDV as on 31.03.16
Furniture & fixture	42305.00	-	-	42305.00	4230.00	38,075.000
Air conditioner	58208.00	-	-	58208.00	8731.20	49,476.800
EPBAX	3702.00	-	-	3702.00	555.00	3,147.000
Office Equipment	42216.00	-	-	42216.00	6332.00	35,884.000
Computer	135244.00	-	-	135244.00	81146.00	54,098.000
Refrigerator	22980.00	-	-	22980.00	3447.00	19,533.000
Telephone	2945.00	-	-	2945.00	442.00	2,503.000
Mobile phone	36287.00	-	-	36287.00	5443.00	30,844.000
Motor Cycle	5166.00	-	-	5166.00	775.00	4,391.000
Vehicle	792906.00	-	-	792906.00	118936.00	673,970.000
Car Audi	1869263.00	-	-	1869263.00	280389.00	1,588,874.00
Car Varma	710334.00	-	-	710334.00	106550.00	603,784.000
Total	3,721,556	-	-	3,721,556	616,976	3,104,580

Notes to the 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 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 ₹ 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, 1956. 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

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) 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.

- (x) Deferred Capital Exp. ₹ 2999104/- was paid by the company towards registration fees etc.. With Bombay Stock Exchange which is capitalized and will be written off in the next five years

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. 006177C

For **Advik Industries Ltd.**

(Anil Garg)
M.No. 085017
Firm Regn No. : 6308

(Virender Kumar Agarwal)
Managing Director
DIN: 00531255

(Shakul Kumar Agrawal)
Whole Time Director
DIN: 03590891

Place: New Delhi
Dated: 28.05.2016

(Tarkeshwar Rai)
CFO
PAN: BDMPR2384G

(Radhika Garg)
Company Secretary
M. No. A36587

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 Company")** which comprise the Balance Sheet as at March 31, 2016, 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 there under.

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, of the state of affairs of the Company as at March 31, 2016, and its Profit/Loss and its Cash Flow 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, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 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.

FOR GARG ANIL & CO.

Chartered Accountants

Regn No. 006177C

(ANIL GARG)

M.NO. : 085017

Firm Regn. No. 6308

Place: New Delhi

Date: 28-05-2016

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- 1) The Company has neither acquired nor having any fixed assets for the year ended 31.03.2016
- 2) (i) The company has a inventory of shares only.
(ii) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 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 Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 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

Regn No. 006177C

(ANIL GARG)

M.NO.: 085017

Firm Regn. No. 6308

Place: New Delhi

Date: 28-05-2016

Annexure B” to the Independent Auditor’s Report of even date on the Consolidated Financial Statements of ADVIK INDUSTRIES LIMITED for the year ended March 31, 2016

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of Companies Act, 2013

We have audited the internal financial controls over financial reporting of ADVIK INDUSTRIES LIMITED as of March, 2016 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 judgment, 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, 2016, 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 GARGANIL & CO.**Chartered Accountants**

Regn No. 006177C

(ANIL GARG)

M.NO. : 085017

Firm Regn. No. 6308

Place: New Delhi

Date: 28-05-2016

CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH 2016

	Note No.	Figures as at the end of current reporting period 31.03.2016	Figures as at the end of current reporting period 31.03.2015
I EQUITY AND LIABILITIES			
1			
a			
b			
2			
3			
a			
b			
c			
d			
4			
a			
b			
c			
d			
Total		92393801.26	89161415.56
II ASSETS			
1			
a			
(i)			
(ii)			
(iii)			
(iv)			
b			
c			
d			
e			
2			
a			
b			
c			
d			
e			
f			
Total		92393801.26	89161415.56

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. 006177C

For Advik Industries Ltd.

(Anil Garg)
M.No. 085017
Firm Regn No. : 6308

(Virender Kumar Agarwal)
Managing Director
DIN: 00531255

(Shakul Kumar Agrawal)
Whole Time Director
DIN: 03590891

Place: New Delhi
Dated: 28.05.2016

(Tarkeshwar Rai)
CFO
PAN: BDMPR2384G

(Radhika Garg)
Company Secretary
M. No. A36587

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2016

	Note No.	Figures as at the end of current reporting period 31.03.2016	Figures as at the end of current reporting period 31.03.2015	
I	Revenue from Operations	15	24340068.00	22881236.68
II	Other Income	16	3636795.00	2572702.39
III	Total Revenue (I+II)		27976863.00	25453939.07
IV	Expenses:			
	Cost of Materials consumed		20555362.48	8131631.51
	Changes in Inventories:	17		
	Finished Goods		-2635305.34	9257637.66
	Manufacturing Expenses	18	743659.50	531118.90
	Employees benefit Expenses	19	3603264.15	2255630.00
	Finance Costs	20	9749.66	30849.18
	Depreciation and amortization expenses		1990441.00	2005458.00
	Other Expenses	21	3311572.70	1631510.84
	Total Expenses		27578744.15	23843836.09
V	Profit before extraordinary Items and Tax (V-VI)		398118.85	1610102.98
VI	Extraordinary Items		0.00	0.00
VII	Profit Before Tax (VII - VIII)		398118.85	1610102.98
VIII	Tax Expenses			
	(i) Current Tax	75862.00		331341.00
	(ii) Deferred Tax	-19796.00		103624.00
	(iii) Transferred to Spl. Reserve	46804.00		0.00
	(iv) Trf. to bad & Doubtful Reserve	171700.00	274570.00	0.00
				434965.00
IX	Profit for the period from continuing operations (IX-X)		123548.85	1175137.98
X	Profit from Discontinuing operations		0.00	0.00
XI	Profit from Discontinuing Operations (after Tax (XII - XIII))		0.00	0.00
XII	Profit(loss) for the period (XI + XIV)		123548.85	1175137.98
XVI	Earning Per Equity Share			
	(i) Basic		0.03	0.25
	(ii) Diluted		0.03	0.25
	GP Ratio		8.52	11.82
	NP Ratio		1.64	7.04

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. 006177C

(Anil Garg)

M.No. 085017

Firm Regn No. : 6308

Place: New Delhi

Dated: 28.05.2016

For Advik Industries Ltd.

(Virender Kumar Agarwal)

Managing Director

DIN: 00531255

(Tarkeshwar Rai)

CFO

PAN: BDMPR2384G

(Shakul Kumar Agrawal)

Whole Time Director

DIN: 03590891

(Radhika Garg)

Company Secretary

M. No. A36587

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

	As At 31.03.2016	As At 31.03.2015
A. Cash Flow from Operating Activities		
NP before Tax & Extraordinary items	130244.85	1,428,017.94
Adjustments for:		
Depreciation	1990441	2,005,458.00
Other adjustment	419752.79	182,085.00
Interest	2910	2,192.00
Preliminary Expenses Written off	8280	55,468.00
Operating Profit before WC Change	2,551,628.64	3,673,220.94
Adjustment for:		
PROVISION	250579	
Realization of non current assets	1208639	
Trade and other receivables	24,877,382.00	
Inventories	-2635305.35	10,060,066.26
Trade Payables	3114307.85	25,554,455.00
Loans & Advances	210,462.76	39,003,498.00
Cash generated from operations	3,824,628.39	(25,947,283.80)
Tax Paid	75862	78,461.00
Short term provision	2910	2,192.00
Income tax adjustment		
Net Cash from Operating Activities	3,745,856.39	(26,027,936.80)
B. Cash Flow from Investing Activities		
Other Receipts		512,984.00
Sale of Fixed Assets	450000	8,246,500.00
unsecured loan	3460000	37,330,000.00
Capital expenses	1859851.84	20,076,916.00
Increase in other currents assets	(3,304,013.36)	
Net Cash used in Investing activities	(4,454,161.52)	26,012,568.00
C. Cash Flow from Financing Activities		
Proceeds from Share CAPITAL		
Minority Interest		
Proceeds from Long Term Borrowings		
Net Cash from Financing Activities		
Net Increase in Cash and cash equivalents (A+B+C)	(708,305.13)	(15,368.80)
Cash and cash Equivalents as at the beginning of the year	2059004.82	2,074,774.00
Cash and cash equivalents as the close of the year	1350699.69	2,059,405.00

As per our report of even date attached.

Garg Anil & Co.
Chartered Accountants
Regn. No. 006177C

For Advik Industries Ltd.

(Anil Garg)
M.No. 085017
Firm Regn No. : 6308

(Virender Kumar Agarwal)
Managing Director
DIN: 00531255

(Shakul Kumar Agrawal)
Whole Time Director
DIN: 03590891

Place: New Delhi
Dated: 28.05.2016

(Tarkeshwar Rai)
CFO
PAN: BDMPR2384G

(Radhika Garg)
Company Secretary
M. No. A36587

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31ST MARCH 2016**

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

Share Capital	As at 31 March 2016		As at 31 March 2015	
	Number	Amount (₹)	Number	Amount (₹)
Authorised Capital				
Equity Shares of Rs. 10/- each	4637360	46373600.00	4637360	46373600.00
Issued Subscribed and paid up				
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	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	4637360	46373600	0	0

3 Shareholdings

Share Capital	As at 31 March 2016		As at 31 March 2015	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Name of Shareholder				
As per List		0.00%		0.00%
		0.00%		0.00%

Note No-2 Reserves & Surplus

Reserves & Surplus	As at 31st March 2016		As at 31st March 2015	
	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	

2	Amalgamation reserve		
	Opening Balance	4416651.00	4416651.00
	(+) Current Year Transfer		
	(-) Written back in Current Year	0.00	0.00
	Closing Balance	4416651.00	4416651.00
2A	Spl. Reserve (1) as per RBI ACT.		
	Balance B/F	0.00	0.00
	Amount transferred from P & LA/c	46804.00	0.00
	Closing Balance	46804.00	0.00
2B	Res. For Bad & Doubtful Debts		
	Balance B/F	0.00	0.00
	Amount transferred from P & LA/c	171700.00	0.00
	Closing Balance	171700.00	0.00
3	Surplus (Profit & Loss A/c)		
	Opening Balance	811272.56	-363865.42
	(+) Net Profit for the Current Year	123548.85	1175137.98
	Closing Balance	934821.41	811272.56
	Total	41289976.41	40947923.56

Note No-3 Long Term Borrowings

Long Term Borrowings	As at 31st March 2016	As at 31st March 2015	
	Amount	Amount	
Secured			
1	Term Loans	0.00	0.00
2	Other Loans and Advances	-	-
		0.00	0.00
Unsecured			
1	Loans and Advances from related parties	-	-
	Total	0.00	0.00

Note No-4 Deferred tax liability (net)

Deferred Tax Liability (net)	As at 31st March 2016	As at 31st March 2015
	Amount	Amount
(a) Deferred Tax Liability		
- Depreciation net of difference in composition of actual cost of assets	64065.00	744302.00
- Expenses disallowed under section 43		
(b) Deferred Tax Assets		
Deferred Tax Liability (net)	193001.00	212797.00

Note No-5 Trade Payables

Trade Payables	As at 31st March 2016	As at 31st March 2014
	Amount	Amount
Sundry Creditors - Goods	4210986.85	1071789.00
	4210986.85	1071789.00

Note No-6 Other Current Liabilities

Other Current Liabilities	As at 31st March 2016	As at 31st March 2015
	Amount	Amount
Advance Received from Customers	0.00	0.00
	0.00	0.00

Note No-7 Short Term Provision

Short Term Provision	As at 31st March 2016	As at 31st March 2015
	Amount	Amount
Rate & Taxes	3435.00	3483.00
Audit fees	71081.00	66051.00
Exp. & Salary Payable	180879.00	103332.00
Professional Payable	70842.00	382440.00
	326237.00	555306.00

Note on-8 Fixed Assets

Fixed Assets	Gross Block				
	Balance as at 01/04/2015	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ impairment	Balance as at 3/31/2016
a. Tangible Assets					
Building	5400000	0	0	0	5400000.00
Lift	0	590000	0	0	590000.00
Office Space at Manesar	11127800.00	0	0.00	0.00	11127800.00
Furniture & fixture	618489.46	35000.00	0.00	0.00	653489.46
Plant & Machinery	8994534.12	1024723.00	0.00	0.00	10019257.12
Lab Equipments	3283572.18	385000.00	0.00	0.00	3668572.18
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	561769.00	0.00	0.00	0.00	561769.00
Computer	902009.00	321860.30	0.00	0.00	1223869.30
DG Set	475555.00	0.00	0.00	0.00	475555.00
Refrigerator	59402.00	0.00	0.00	0.00	59402.00
Telephone	7713.00	0.00	0.00	0.00	7713.00
Mobile phone	158656.00	0.00	0.00	0.00	158656.00
Dies & Tools	230719.00	15750.00	0.00	0.00	246469.00
Motor Cycle	18018.00	0.00	0.00	0.00	18018.00
Vehicle	2069956.00	-2069956.00	0.00	0.00	0.00
Car Audi	3290575.00	0.00	0.00	0.00	3290575.00
Car Varna	1250443.00	0.00	0.00	0.00	1250443.00
CAR	0.00	400000.00	0.00	0.00	400000.00
UPS	0.00	479496.00	0.00	0.00	479496.00
Total	38590847.76	1181873.30	0.00	0.00	39772721.06
Capital Work in Progress					
Building Construction	5323026.51	-5323026.51	0.00	0.00	0.00
Total	5323026.51	-5323026.51	0.00	0.00	0.00
Total	43913874.27	-4141153.21	0.00	0.00	39772721.06

Fixed Assets	Accumulated Depreciation				
	Balance as at 4/1/2015	Depreciation Charge for the year	Adjustment due to revaluation	on disposal	Balance as at 31/03/2016
a. Tangible Assets					
Building	270000.00	0.00	0.00	0.00	270000.00
Lift	0.00	71193.00	0.00	0.00	71193.00
Office Space at Manesar	0.00	0.00	0.00	0.00	0.00
Furniture & fixture	112484.00	137801.00	0.00	0.00	250285.00
Plant & Machinery	589437.00	568932.00	0.00	0.00	1158369.00
Lab Equipments	152248.00	159113.00	0.00	0.00	311361.00
Air conditioner	72865.00	10716.00	0.00	0.00	83581.00
EPBAX	5667.00	706.00	0.00	0.00	6373.00
Office Equipment	73820.00	88318.00	0.00	0.00	162138.00
Computer / Printer	199043.00	229820.00	0.00	0.00	428863.00
DG Set		86075.00	0.00	0.00	86075.00
Refrigerator	35216.00	4378.00	0.00	0.00	39594.00
Telephone	4611.00	561.00	0.00	0.00	5172.00
Mobile phone	41918.00	21129.00	0.00	0.00	63047.00
Dies & Tools		42591.00	0.00	0.00	42591.00
Motor Cycle	15029.00	774.00	0.00	0.00	15803.00
Vehicle	1626017.00	0.00	0.00	1626017.00	0.00
Car Audi	1975449.00	340486.00	0.00	0.00	2315935.00
Car Varna	754187.00	128481.00	0.00	0.00	882668.00
CAR	0.00	77670.00	0.00	0.00	77670.00
UPS	0.00	21697.00	0.00	0.00	21697.00
Total	5927991.00	1990441.00	0.00	1626017.00	6292415.00
Capital Work in Progress					
Building Construction	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00
Total	5927991.00	1990441.00	0.00	1626017.00	6292415.00

Fixed Assets	Net Block	
	Balance as 01/04/2015	Balance as 31/03/2016
a. Tangible Assets		
Building	5130000.00	5130000.00
Lift	0.00	518807.00
Office Space at Manesar	11127800.00	11127800.00
Furniture & fixture	506005.46	403204.46
Plant & Machinery	8405097.12	8860888.12
Lab Equipments	3131324.18	3357211.18
Air conditioner	59207.00	48491.00
EPBAX	3898.00	3192.00
Office Equipment	487949.00	399631.00
Computer	702966.00	795006.30
DGSet	475555.00	389480.00
Refrigerator	24186.00	19808.00
Telephone	3102.00	2541.00
Mobile phone	116738.00	95609.00
Dies & Tools	230719.00	203878.00
Motor Cycle	2989.00	2215.00
Vehicle	443939.00	0.00
Car Audi	1315126.00	974640.00
Car Varna	496256.00	367775.00
CAR	0.00	322330.00
UPS	0.00	457799.00
Total	32662856.76	33480306.06
Capital Work in Progress		
Building Construction	0.00	0.00
Total	0.00	0.00
Total	32662856.76	33480306.06

Note No-9 Long Term Loans and Advances

Long Term Loans and Advances	As at 31 March 2016	As at 31 March 2015
	Amount	Amount
a Security Deposits		
Unsecured Considered Good	205212.24	75000.00
Total	205212.24	75000.00

Note No-10 Inventories

Inventories	As at 31st March 2016	As at 31st March 2015
	Amount	Amount
a Raw Materials	0.00	0.00
b. finished Goods	14725474.98	12090169.64
	<u>14725474.98</u>	<u>12090169.64</u>

Note No-11 Trade Receivables

Trade Receivables	As at 31st March 2016	As at 31st March 2015
	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	0.00	4365125.16
	<u>0.00</u>	<u>4365125.16</u>

Note No-12 Cash and cash equivalents

Cash and cash equivalents	As at 31st March 2016	As at 31st March 2015
	Amount	Amount
a Balance with banks		
Scheduled Banks	235908.88	1028087.90
b Cash on hand	1114790.81	1030917.17
	<u>1350699.69</u>	<u>2059005.07</u>

Note No-13 Short Term Loans and Advances

Short Term Loans and Advances	As at 31 March 2016	As at 31 March 2015
	Amount	Amount
a Loans and Advances to related party		
Unsecured Considered Good	34810371.00	31596296.00
	34810371.00	31596296.00
Others		
Unsecured Considered Good (EMD/PG/SD)	0.00	0.00
Advance to Suppliers	483400.00	1070000.00
	483400.00	1070000.00
	<u>35293771.00</u>	<u>32666296.00</u>

Note No-14 Other Current Assets

Other Current Assets	As at 31 March 2016	As at 31 March 2015
	Amount	Amount
a VAT Refundable	1222544.00	1228174.00
b Excise Duty C/F	1244264.00	1163557.84
c VAT on Capital	0.00	215372.09
d Preliminary Exp.	16561.00	24841.00
e Income Tax Refundable	637618.00	537926.00
f Advance Tax & TDS (Net)	242104.00	99692.00
g Deferred Capital Exp.	2999104.00	0.00
h Duties & Taxes	211381.29	0.00
	<u>6573576.29</u>	<u>3269562.93</u>

Note No-15 Revenue from Operations

Revenue from Operations	For the year ended 31.03.2016	For the year ended 31.03.2015
	Amount	Amount
Sale of Products	16571027.00	22881236.68
Sale of Currency (Fut. Contract)	7672563.00	0.00
Job Work	96478.00	0.00
	<u>24340068.00</u>	<u>22881236.68</u>

Note No-16 Other Income

Other Income	For the year ended 31.03.2016	For the year ended 31.03.2015
	Amount	Amount
Interest Income	3630181.00	2257234.00
Sade (Refund)	0.00	238065.00
Profit on sale of Fixed Assets	6061.00	77403.39
Discount	553.00	
	<u>3636795.00</u>	<u>2572702.39</u>

Note No-17 Change in Stock

Change in Stock	For the year ended 31.03.2016	For the year ended 31.03.2015
	Amount	Amount
Opening Stock:		
Finished Goods	12090169.64	21347807.30
Closing Stock:		
Finished Goods	14725474.98	12090169.64
Change in Stock:	<u>-2635305.34</u>	<u>9257637.66</u>

Note No-18 Manufacturing Expenses

Manufacturing Expenses		For the year ended 31.03.2016	For the year ended 31.03.2015
		Amount	Amount
1	Manufacturing Expenses		
a	Electricity, Water & Generator Exp.	537370.00	251740.90
b	Packing, Freight & Cartage	43366.00	162814.00
c	Consumable	84998.50	33842.00
d	Lab Exp.	10768.00	0.00
e	Insurance	67157.00	82722.00
		<u>743659.50</u>	<u>531118.90</u>

Note No-19 Employee benefit expenses

Employee Benefit Expenses		For the year ended 31.03.2016	For the year ended 31.03.2015
		Amount	Amount
a	Salaries and incentives	1339879.00	1810311.00
b	Director Remuneration	1200000.00	375000.00
c	Staff Welfare	79929.15	70177.00
d	Conveyance Allowance	50823.00	142.00
e	HRA	483006.00	0.00
f	Spl. Allowances	449627.00	0.00
		<u>3603264.15</u>	<u>2255630.00</u>

Note No-20 Finance Charges

Finance Cost		For the year ended 31.03.2016	For the year ended 31.03.2015
		Amount	Amount
	Bank Charges	9749.66	30849.18
		<u>9749.66</u>	<u>30849.18</u>

Note No-21 Other Expenses

Other Expenses		For the year ended 31.03.2016	For the year ended 31.03.2015
		Amount	Amount
1.	Administrative & Other Expenses		
	Audit Fee	45800.00	50562.00
	Advertisement & Publicity	86692.00	92690.00
	Consultancy Charges	0.00	32635.00
	Computer Peripheral	5669.00	13158.00
	Computer Charges	0.00	17117.50
	Conveyance Allowance	0.00	50649.00
	Travelling & Conveyance Exp.	146160.54	69004.47
	Electrical Installation Charges	0.00	231436.00
	Business Promotion	42117.00	48348.00
	Printing & Stationery	127145.00	45216.00
	Ex. ISO Certification Fees	0.00	22472.00

Fees & Subscription	69540.00	25000.00
Annual General Meeting Exp.	30649.55	17060.00
House Tax	40338.00	32800.00
Office Exp.	0.00	26140.00
Office Maint.	30421.00	13267.00
Rate & Fees	421867.00	196778.00
Postage, Telephone, Telegram & Courier	100555.97	88650.00
R & D Exp.	7734.00	36266.00
Legal & Professional	76900.00	53812.00
Insurance Charges	71893.00	51026.00
Rent	600000.00	0.00
Brokerage	969.50	0.00
Website Expenses	22844.00	9000.00
VAT exp.	0.00	13105.00
ROC Fees	9110.00	89200.00
Vehicle Running & Maintenance	173876.49	60992.00
General Expenses	37139.46	27060.68
Repair & Maint.	40799.00	31816.00
Round Off	-1353.66	624.15
Legal & Professional Charges	542573.00	129214.00
Preliminary Exp. w/off	8280.00	55468.00
Short & Excess	-1.00	944.04
DG Set Running Exp.	9630.00	0.00
Festival Exp.	10920.00	0.00
Foreign Tour & Travelling	436672.85	0.00
LTC Exp.	71617.00	0.00
Trademark Exp.	34500.00	0.00
Charity & Donation	7360.00	0.00
News Paper Exp.	3154.00	0.00
	<u>3311572.70</u>	<u>1631510.84</u>

Note No 22 Cost of material consumed

Opening stock	0	802429.26
Purchases	0	4100522.35
Currency Purchase (Fut. Contract)	7653865.00	0.00
Total	7653865.00	4902951.61
Less: Closing stock	0	0
Cost of Material Consumed	<u>7653865</u>	<u>4902951.61</u>

**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 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 ₹ 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

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) 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.

- (x) Deffered Capital Exp. Rs 2999104/- was paid by the company towards registration fees etc.. With Bombay Stock Exchange which is capitalized and will be written off in the next five years

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. 006177C

For Advik Industries Ltd.

(Anil Garg)
M.No. 085017
Firm Regn No. : 6308

(Virender Kumar Agarwal)
Managing Director
DIN: 00531255

(Shakul Kumar Agrawal)
Whole Time Director
DIN: 03590891

Place: New Delhi
Dated: 28.05.2016

(Tarkeshwar Rai)
CFO
PAN: BDMPR2384G

(Radhika Garg)
Company Secretary
M. No. A36587

ADVIK INDUSTRIES LIMITED

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 FIRST ANNUAL GENERAL MEETING OF THE COMPANY BEING HELD ON 28TH DAY OF SEPTEMBER, 2016 AT 12:00 Noon at Premier Inn, District Centre, Crossing, Opposite Toyota Galaxy District Park Shalimar Bagh, Outer Ring Rd, Haider Pur, New Delhi-110088 Please (a) in the box

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 INDUSTRIES LIMITED

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:
DPID :

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 31st Annual General Meeting of the company, to be held on the Wednesday, 28th day of September, 2016 At 12:00 Noon at Premier Inn, District Centre, Crossing, Opposite Toyota Galaxy District Park Shalimar Bagh, Outer Ring Rd, Haider Pur, New Delhi-110088 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	For(Approved)	Against(Rejected)
1. To consider the Audited Financial Statements/ Consolidated Financial Statements for the year/period ended 31st March, 2016.		
2. To consider appointment of Mr. Shakul Kumar Agarwal as Director of the Company.		
3. To appoint statutory Auditor of the Company for financial year 2016-2017.		
4. To appoint Mrs. Latika Bansal as an Independent Director of the Company for 5 (five) consecutive year.		
5. To appoint Ms. Nikita Bansal as an Independent Director of the Company for 5 (five) consecutive year.		
6. To change of name of the Company		
7. To re-appoint Secretarial Auditor for Financial year 2016-2017		

Signed this.....day of September, 2016

Affix Revenue Stamp

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

