



# Advik Capital Limited

(formerly known as Advik Industries Limited)



## 34<sup>th</sup> ANNUAL REPORT



# Advik Capital Limited

## CORPORATE OVERVIEW

04	Advik Capital At A Glance
05	Message from Chairman
06	Corporate Information

---

## STATUTORY REPORTS

07	Notice of AGM
13	Directors Report
20	Corporate Governance
39	Annexures to Directors Report

---

## FINANCIAL STATEMENTS

53	<b>Standalone</b>
54	Independent Auditor's Report
60	Balance Sheet
61	Statement of Profit & Loss
62	Cash Flow Statement
63	Notes

---

76	<b>Consolidated</b>
77	Independent Auditor's Report
83	Balance Sheet
84	Statement of Profit & Loss
85	Cash Flow Statement
86	Notes

---

100	Annexure- AOC-1
101	Attendance Slip
102	Proxy Form
103	AGM Route Map

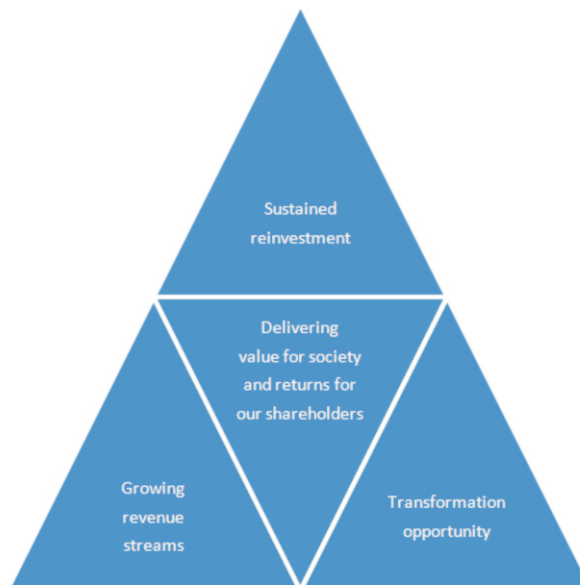


## Delivering value for society and returns for our shareholders

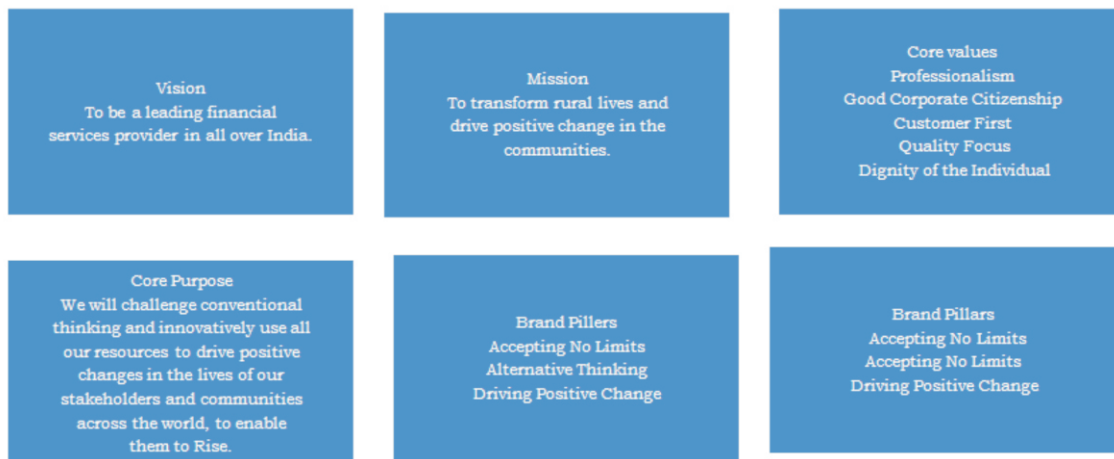
In our eventful and exciting journey of 34 years, we have reached many milestones each milestone we reached has been the starting point of the next phase and a new beginning.

At Advik Capital, our constant and tireless endeavor has been to reach further, aim higher and living upto our own expectations, surpassing them and setting ourselves yet higher targets and goals.

In the fast emerging and burgeoning NBFC space, growth is more or less given for all players. What differentiates long-term and sustainable growth is the quality of growth. And it is precisely this - not just growth per se, but quality growth that is what makes Advik Capital distinct and different. It is the vision and value systems of Advik Capital underlined by a deep-rooted belief of the founders in the philosophy of trusteeship along with the passion has resulted in steady growth and expansion every year.



# INDUSTRY OVERVIEW



## Financial capital

The financial capital to drive our business includes strong parent support and a credible reputation among investors.

## Operational expertise

We design our products and services in line with our customers' changing financial aspirations. We converge the capabilities of our people and technology architecture to operate at optimal level.

## People

Our people represent our strongest competitive advantage. The focus is on attracting, nurturing and inspiring teams to apply their expertise to serve our diverse clients, within the boundaries of our risk appetite and compliance requirements.

## Stakeholder relationships

We foster enduring relationships with our clients, capital providers, regulators and other stakeholders to remain commercially and socially relevant. These relationships underpin our legitimacy as an organization, our reputation and the trust that stakeholders have reposed in us forming the basis on which we compete and win.

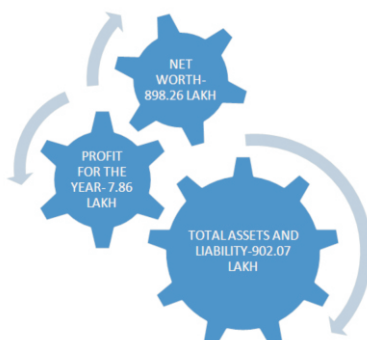


## ADVIK CAPITAL AT A GLANCE

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

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

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



### Mission & Vision

Advik Capital is looking to the future with confidence, driven by a clear mission and strategy. The Company's Code of Conduct ensures that all its employees, suppliers and vendors respect human rights not only among themselves, but also within communities in which they operate. Advik Capital Limited has instituted a set of policies, codes, and guidelines to govern its employees. This mechanism includes directors, senior executives, officers, employees (whether permanent, fixed-term or temporary), and third parties including suppliers and business partners associated with Advik Capital. The well-defined policy lists tenets on ethical business conduct, definitions and the framework for reporting concerns. Offering all worldwide the best of our product in terms of quality, efficacy and safety to satisfy all their financial needs and desires, in their infinite diversity. Trust is our cherished intangible that creates tangible outcomes. We have helped a large number of first-time borrowers, with no or limited credit history, but a strong commitment to realize their dreams. Our customers have reposed their faith in the ability of Advik Capital to help elevate their quality of life.

## CHAIRMAN AND MANAGING DIRECTOR'S STATEMENT

Advik Capital Limited is a truly great company that produces outstanding results year after year and provides the kind of value that shareholders dream of. Over the years, thanks to superb Management, top class employee commitment and outstanding leadership of its management team, your Company has come to be known as one of the growing diversified non-banking financial companies of India.

Its ability to deliver outstanding operational, financial and shareholder performance, quarter upon quarter — backed by high standards of analytics, risk management, technology and customer service — is now appreciated by the existing Customers of the Company.

The Company's performance as detailed in this report is very robust in tandem with our history of more than three decades: quality growth. In the business of lending, striking the balance between growth and quality is of paramount importance. We at Advik Capital are committed to the same, evident from our long track record. It has been a journey where our resilience and capabilities were tested time and again. It is worth sharing with all of you that every time our resolve got stronger.

It is our aspiration to be a leader in our business segment that we operate in and be acknowledged as a trusted provider of leadership alone to creating much larger societal value in an exemplary fashion. This vision to put 'Nation First' with the credo of 'Sab Saath Badhein' inspires us to integrate sustainability as a bedrock of our corporate strategy as we shape an inspired Indian NBFC of tomorrow.

we have made a spectacular start to our Golden Period in Financial Market. In a market full of volatility, uncertainty, complexity and ambiguity, these achievements are indeed commendable.

Any company is as good as its human resource and it is no different at Advik Capital. The Company has been served by one of the most dedicated and competent core team, along with a strong resource, personnel responsible to propel the Company towards its mission and vision each day. Learning and unlearning on a daily basis remains the main plank of the human resource development.

The ultimate aim is to serve the customers in the most efficient manner, the key to sustainability and scalability. The opportunity that we get while serving

the key customer base is enormous. It is a huge market characterized by excellent entrepreneurs across the segment and the size of the business units we deal with. It will not be an exaggeration to mention that, we draw our inspiration from their hard work and resilience despite the fact that they have to face numerous challenges for their survival and growth.

This enthusiasm to take every challenge as an opportunity has played a vital role in laying the foundation of this Company.

We are committed to our mission of excellence through endeavors and start this new financial year 2019-20 with the same spirit and enthusiasm.

We are aware of the fact that we have miles to go and promises to keep and firmly believe that together we can and we will.

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

I would like to thank and congratulate all my colleagues and Board of Directors for their dedication, innovation and hard work. By creating new benchmarks in the businesses we operate in, our team is delivering on our mission to generate sustainable value for our stakeholders and India. These efforts also help us to deliver inclusive growth and make life better for everyone.

I would like to place on record my sincere appreciation to the Board of Directors for their guidance. I would like to express my gratitude to all our stakeholders for their continuing faith in Advik Capital Limited.

**Yours Truly**

**Virender Kumar Agarwal**

Chairman / Managing Director



# Corporate Information

## Board of Directors

**Executive Chairman/Managing Director**

**Mr. Virender Kumar Agarwal**

**Executive Director**

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

**Directors (Non-Executive)**

**Mr. Hemant Agarwal - Independent**

**Mrs. Latika Bansal - Independent**

**Mr. Vineet Gupta - Independent**

**Mrs. Manju Agarwal - Promoter**

**Other KMPs**

**Rishab Kumar Agarwal - CFO**

**Ritika Priyam - Company Secretary & Compliance Officer**

## Auditors

**Statutory Auditors**

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

**Chartered Accountants**

**New Delhi**

**Secretarial Auditors**

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

**Company Secretaries**

**New Delhi**

## Bankers

**Kotak Mahindra Bank**

## Registrar and Share Transfer Agents

**Skyline Financial Services Private Limited**

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

**Tel: 011- 40450193-94-95-96-97**

**Email: info@skylinerta.com**

## Registered Office

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

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

## Corporate Identification Number (CIN)

**L65100DL1985PLC022505**

## Website :

**Website : [www.advikgroup.com/ail](http://www.advikgroup.com/ail)**

**Phone No : 011-25952595**

**E-mail : [Info@advikgroup.com](mailto:Info@advikgroup.com)**

**Help Line : 91-9136311500**

## NOTICE

**NOTICE** is hereby given that the 34th Annual General Meeting of the members of **ADVIK CAPITAL LIMITED (FORMERLY KNOWN AS ADVIK INDUSTRIES LIMITED)** will be held on Friday the 27th day of September, 2019 at Registered office of the Company at Plot No. 84, Khasra No. 143/84, Ground Floor, Extended Lal Dora, Kanjhawla, Delhi-110081 at 12:30 PM to consider and transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt (a) the Audited (Standalone) Financial Statements of the Company for the Financial Year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereupon; and (b) the Audited (Consolidated) Financial Statements of the Company for the Financial Year ended March 31, 2019 and the report of Auditors thereon and in this regard, pass the following resolutions as **Ordinary Resolutions**:

(a) **“RESOLVED THAT** the Audited (Standalone) Financial Statements of the Company for the Financial Year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby received, considered and adopted.”

(b) **“RESOLVED THAT** the Audited (Consolidated) Financial Statements of the Company for the Financial Year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby received, considered and adopted.”

2. To appoint Mr. Shakul Kumar Agarwal, who is longest serving member of the Board and who is liable to retire by rotation and being eligible, offers himself for re-appointment as a Director and in this regard, pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, **Mr. Shakul Kumar Agarwal (DIN: 03590891)**, who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

### SPECIAL BUSINESS:

3. **Increase in the Remuneration of Mr. Virender Kumar Agarwal, Managing Director of the Company**

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

**“RESOLVED THAT** in partial modification to the resolution passed by the shareholders of the Company in their Annual General Meeting held on 26th September, 2017 and pursuant to Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under or any amendment or, modifications thereof and after notifying all the directors then present in India about the meeting and about the resolution, by specific notice approval of members of the Company through Special Resolution, be and is hereby accorded to Increase the Basic Salary of Mr. Virender Kumar Agarwal, Managing Director of the Company, from Rs. 1,00,000/- (Rupees One lakhs) to Rs 1,50,000/- (One Lakh Fifty Thousand Only).”

**“RESOLVED FURTHER THAT** the above said remuneration is Increased w.e.f. 1st July, 2019 to the remaining term of his appointment.”

**“RESOLVED FURTHER THAT** the other terms and conditions of appointment of Mr. Virender Kumar Agarwal, Managing Director shall be the same as approved by the shareholders of the Company in their Annual General Meeting held in 2017.”

4. To re-appoint M/s A. K. Verma & Co., Company Secretaries (**Registration No., Unique Code- S1997DE019500**), New Delhi as Secretarial Auditor of the Company for the Financial Year 2019-2020 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 Section 204 of the Companies Act, 2013, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions of the Act and pursuant to relevant provisions of Article of Association of the Company, consent of the members be and is hereby accorded to re-appoint M/s A. K. Verma & Co., Company Secretaries



(Registration No., Unique Code- S1997DE019500), New Delhi as Secretarial Auditor of the Company for Financial Year 2019-2020.”

By the order of the Board

**ADVIK CAPITAL LIMITED**

(formerly known as Advik Industries Limited)

**Virender Kumar Agarwal**

Managing Director/Chairman

Din: 00531255

Add: H-107, Aravali Kunj, Plot No.44, Sector-13,

Rohini, Delhi-110085

Date: 10-08-2019

Place: New Delhi

## NOTES:

1. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of item nos. from 4 and 5 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 **21st September, 2019 to 27th September, 2019** (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. 21.**
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. Members holding shares in physical mode are required to submit their Permanent Account Number (PAN) and bank account details to the Company/Skyline Financial Services Private Limited, if not registered with the Company as mandated by SEBI.
19. SEBI has decided that securities of listed companies can be transferred only in dematerialized form 5th December 2018. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form. Skyline Financial Services Private Limited (RTA) has stopped accepting any fresh lodgment of transfer of shares in physical form w.e.f. 1st April 2019. Members are advise to take necessary action regarding the same.
20. The relevant details of Directors seeking appointment/ re-appointment as required under regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed.

**21. 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 Ballot Paper 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 Ballot Paper.
- 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 Authorized 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, Partner of A. K. Verma & Co, a Practicing Company Secretary**, New Delhi as Scrutinizer to scrutinize the voting through Ballot Paper and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- g) The cut-off date for the purpose of voting (including remote e-voting) is **19th September, 2019.**
- h) Remote e-voting facility will be available during the following period:

Commencement of remote e-voting
<b>Tuesday, 24th September, 2019, 9:00 a.m.</b>
End of remote e-voting
<b>Thursday, 26th September, 2019, 5:00 p.m.</b>

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 (through Ballot Paper) and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a Consolidated Scrutinizer’s Report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer’s report shall be placed on the website of the Company **www.advikgroup.com/ail**. The results shall simultaneously be communicated to the Stock Exchanges.

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

- i. The voting period begins on **24th September 2019, 09:00 A.M** and ends on **26th September 2019, 05:00 P.M.** During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **19th September, 2019** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iv. Click on Shareholder – Login
- v. Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- viii. If you are a first time user follow the steps given below:

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

- ix. After entering these details appropriately, click on “SUBMIT” tab.
- x. 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.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN along with “Advik Capital Limited” from the drop down menu and click “SUBMIT”

- xiii. 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.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. 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.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xviii. 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.
- xix. Note for Non-Individual Shareholders & Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates and Custodians respectively.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [fcsvermaashok@gmail.com](mailto:fcsvermaashok@gmail.com) with copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-

voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- xxi. The Results shall be declared on or before 30th September, 2019. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.advikgroup.com/ail](http://www.advikgroup.com/ail) and on the website of CDSL within two days of passing of the resolutions at the AGM of the Company and communicated to the **BSE Limited (STOCK EXCHANGE)**.

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

##### Item No. 3

Keeping in view his qualification, knowledge, experience and contribution to the Company, current situation in the industry and to make it consistent with the increased job responsibilities due to considerable growth in the operations of the Company, the Board of directors of the Company on recommendation of the Nomination and Remuneration Committee approve and recommend increase in remuneration of Mr. Virender Kumar Agarwal, Managing Director of the Company in partial modification of the terms and conditions of his appointment as Managing Director of the Company by the shareholders in their annual general meeting held in 2017, with effect from 01 July, 2019 for the remaining term of his appointment i.e. upto 25th September, 2022.

No other director of the Company is concerned or interested in the said resolution.

The resolution at Item No. 3 is, therefore, recommended for approval of the members by means of Special Resolution as required under the Companies Act, 2013.

##### Item No. 4

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 (Registration No. , Unique Code-S1997DE019500)**, having experience of more than 20 years of Corporate Services in field of Corporate Laws as Secretarial Auditor of Company for the Financial Year 2019-2020.

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, 2019 along with Profit & Loss Account and Auditors' Report thereon of the Company.

The Board recommends the resolutions as set out in Item No. 5 of the accompanying notice for the approval of the members of the Company as Ordinary Resolution.

## ANNEXURE A

### Details of Directors seeking appointment /re-appointment at the forthcoming Annual General Meeting dated 27.09.2019

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

Brief Particulars	Item No. 2
Name of Director	Mr. Shakul Kumar Agarwal
DIN	03590891
Date of Birth	14/05/1993
Date of Appointment	22/01/2018
Qualification	Masters in Law
Expertise in specific functional Area	Financial Activities as well as legal
List of Public/Private Companies in which outside Directorship held (including Foreign Companies)	5
Disclosure of relationship between directors inter se	Mr. Shakul Kumar Agarwal is son of Mr. Virender Kumar Agarwal and Mrs. Manju Agarwal
Shareholding in the Company	3584000 Equity Shares
Board /Committee Membership of other Public Listed Companies	NIL

## DIRECTOR'S REPORT

To the Members,

Your Directors are pleased to present their Thirty Fourth Annual Report together with the audited financial Statements of your Company for the financial year ended 31st March, 2019.

The performance highlights and summarized financial results of the Company are given below: (Standalone)

### PERFORMANCE HIGHLIGHTS

#### A. FINANCIAL RESULTS

<u>Particulars</u>	<u>For the year ended 31<sup>st</sup> March, 2019 (Rs.)</u>	<u>For the year ended 31<sup>st</sup> March, 2018 (Rs.)</u>
Revenue from operations	52,15,122.24	63,20,154.00
Profit before exceptional items and tax	12,19,103.79	21,12,905.71
Profit for the year	7,85,636.79	10,02,903.71

#### B. Summarized Profit & Loss Account

<u>Particulars</u>	<u>For the year ended 31<sup>st</sup> March, 2019 (Rs.)</u>	<u>For the year ended 31<sup>st</sup> March, 2018 (Rs.)</u>
Revenue from operations	52,15,122.24	63,20,154.00
Other operational income	9,575.00	-
<b>Total Revenue</b>	<b>52,24,697.24</b>	<b>63,20,154.00</b>
Other Expenses	37,90,958.88	39,15,778.36
<b>Profit Before Depreciation, Interest, Tax (PBDIT)</b>	<b>14,33,738.36</b>	<b>24,04,375.64</b>
Depreciation	2,12,509.00	2,88,064.00
<b>Profit Before Interest &amp; Tax (PBIT)</b>	<b>12,21,229.36</b>	<b>21,16,311.64</b>
Interest and Financial expense	2,125.57	3,405.93
<b>Profit before exceptional items</b>	<b>12,19,103.79</b>	<b>21,12,905.71</b>
Exceptional items	-	-
<b>Profit Before Tax (PBT)</b>	<b>12,19,103.79</b>	<b>21,12,905.71</b>
Tax Expenses	2,23,352.00	6,73,264.00
Transfer to Reserve Fund u/s 45-1C(1) of the RBI Act, 1934	1,73,005.00	2,86,913.00
Reserve for Bad and Doubtful Debts	37,110.00	1,49,825.00
Profit for the year	7,85,636.79	10,02,903.71
Basic EPS	0.02	0.22

Your Company has prepared the Financial Statements for the Financial Year ended March 31, 2019 under Section 133 of the Companies Act, 2013 and in accordance with revised Schedule III of the Companies Act, 2013 and has recast the Financial Statements relating to the previous Financial Year ended March 31, 2019 in order to make them comparable.

During the Financial Year ended March 31, 2019, your Company recorded a turnover of **Rs. 52,15,122.24/-** as compared to the turnover of last FY 2017-18 i.e. **Rs. 63,20,154.00/-**. The Net Profit of your Company for the Financial Year ended March 31, 2019 stood at **Rs. 7,85,636.79/-** as against the Net Profit of **Rs. 10,02,903.71/-** for the Financial Year ended March 31, 2018.

On a consolidated basis, your Company recorded a turnover of **Rs. 4,53,59,568.93/-** during the Financial Year ended March 31, 2019 and achieved consolidated Net Profit of **Rs. 11,88,221.03/-** for the said Financial Year.

#### SHARE CAPITAL

The Authorized Share Capital of your Company as on March 31, 2019 stands at Rs. 4,58,73,600/- divided into 4,58,73,600 equity shares of Re. 1/- each. The Issued Share Capital is Rs. 4,58,73,600/- divided into 4,58,73,600 equity shares of Re. 1/- each and the Subscribed and Paid-up share capital is Rs. 4,58,73,600/- divided into 4,58,73,600 equity shares of Rs. 1/- each, fully paid-up.

#### DIVIDEND

Considering the present conditions of business and growth stage of Company, The Board of Directors of the Company has decided not to recommend any dividend for the Financial Year 2018-19. The Management being optimistic about the return from business activities has proposed to plough back divisible profit into the main activities of the Company.

#### TRANSFER TO RESERVES

Being a Non Banking Financial Company, the amount of Rs. 1,73,005.00/- has been transferred by the Company to the Reserve Fund named as **'Special Reserve as per RBI Act'**, created in pursuance of Section 45- IC of the Reserve Bank of India Act, 1934, wherein every NBFC have to transfer a sum not less than 20% of its Net Profit every year before declaring any dividend.

Also, the company has pursuant to Notification of Reserve Bank of India dated January 17, 2011 **vide Notification no. DNBS.PD.CC.No.207/03.02.002/2010-11** for making the **'Provision of 0.25% for Standard Assets of NBFCs'**, the Company has transferred a sum of Rs. 37110.00/- i.e. 0.25% on the Standard Assets of the Company under the Reserve named **"Provision for Bad and Doubtful Debts"**.

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

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

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

#### DEPOSITS

Your Company has no unclaimed / unpaid matured deposit or interest due thereon. Your Company has not accepted any deposits covered under 'Chapter V - Acceptance of Deposits by Companies' under the Companies Act, 2013 during the Financial Year ended March 31, 2019.

In addition of above, the Company is registered as a Non Banking Finance Company- Not accepting deposits. Hence, pursuant to Section 45- IA of the Reserve Bank of India Act, 1934, the Company cannot accept deposits from public, which is complied by the Company during the Financial Year. Further, the Directors of the company assured to carry on the practice of not accepting the same in order to comply with RBI norms and guidelines in the coming year and the same has been proposed and passed in the meeting of Board of Directors dated 22nd May, 2019.

#### FINANCE

The NBFC sector experienced liquidity problems in the second half of the financial year 2018-19. The funding squeeze has contributed to higher funding costs and a slowdown in loan growth for non-banking financial companies. Your Company continued to focus on managing cash efficiently and ensured that it had adequate liquidity and back-up lines of credit.

With a view to promoting and developing a liquid and dynamic corporate bond market, the **Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/DDHS/CIR/P/2018/144 dated 26th November, 2018** has provided a framework comprising detailed guidelines for raising of funds by issuance of debt securities and mandated all "large corporates" to raise at least 25 per cent of their incremental borrowings during a financial year by issuing debt securities from the financial year 2019- 20 onwards, our Company i.e. "ADVIK CAPITAL LIMITED" formerly known as Advik Industries Limited is

not a Large Corporate” as the Company does not fall under the Criteria of being a Large Corporate as defined in Para 2.2 of the said Circular. Accordingly, the Company is not required to submit Disclosures as required under Para 4.1 of the abovementioned SEBI Circular. We have made disclosure to BSE date 24.05.2019.

#### INVESTOR RELATIONS

Your Company has been continuously interacting and endeavors to further improve its engagement with investors/analysts by participating either in-person meetings or through use of technology i.e. telephone meetings.

#### RBI GUIDELINES

The Company continues to comply with all the applicable regulations prescribed by the Reserve Bank of India (“RBI”), from time to time.

#### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 186(11) of the Companies Act, 2013 (“the Act”), the provisions of Section 186(4) of the Act requiring disclosure in the Financial Statements of the full particulars of the loans made and guarantees given or securities provided by a Non-Banking Financial Company in the ordinary course of its business and the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient of the loan or guarantee or security are exempted from disclosure in the Annual Report. Further, pursuant to the provisions of Section 186 (4) of the Act, the details of investments made by the Company are given in the Notes to the Financial Statements as **Annexure- I**. Your Company has also given the guarantee during the year under review but has not provided any security.

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

During the Financial Year ended March 31, 2019, all transactions with Related Parties are defined under the Companies Act, 2013 read with Rules framed there under were in ‘ordinary course of business’ and ‘at arm’s length’ basis.

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

#### SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

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

The Annual Report of the Subsidiary Company will be made available for inspection by the Members of the Company at the Registered Office of the Subsidiary Company and at the Registered Office of your Company between 11:00 A.M. to 1:00 P.M. on any working day.

Annual Report along with the Audited Financial Statements of the Subsidiary Company is also available on the website of the Company at [www.advikgroup.com/ail](http://www.advikgroup.com/ail) and shall also be provided to the members of the Company upon receipt of written requests from them.

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

Further a statement containing salient features of the Financial Statements of the aforesaid Subsidiary Company has been provided in **Form No. AOC-1** and included in this Annual Report.

#### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, A detailed analysis of the Company’s performance is discussed in the Management Discussion and Analysis Report, which forms part of this Annual Report, as an **Annexure V**.

#### EXTRACT OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and subsection (3) of Section 92 of the Companies Act, 2013, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as at 31st March, 2019 in Form No. MGT-9, is appended as **“Annexure II”** and forms part of this Report.

The Annual Return of the Company as at 31st March, 2019 has been placed on the website of the Company after filing with the Ministry of Corporate Affairs and can be accessed at <https://www.advikgroup.com>

#### AUDIT AND AUDITORS

##### (i) Statutory Auditor

In terms of the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s Garg Anil & Co., Chartered Accountants (ICAI Firm Registration No. 6308N), was appointed as the Auditors of your



Company for the period of Five years starting from Financial Year 2018-19 who shall hold office till the conclusion of last AGM. On the recommendation of Audit Committee and your Board of Directors, appointed M/s Garg Anil & Co., Chartered Accountants as the Auditors of the Company for the period of 5 years starting from Financial Year 2018-19, to hold office until the conclusion of 37th AGM of your Company to be held in the year 2023, subject to the approval of the Members of the Company at AGM.

#### (ii) Secretarial Auditor

In terms of the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Board of Directors of the Company in their meeting held on 10.08.2018 has appointed M/s A. K. Verma & Co., Company Secretaries, New Delhi, as the Secretarial Auditors of the Company, to conduct the Secretarial Audit for the Financial Year ended March 31, 2019 and to submit Secretarial Audit Report in Form No. MR-3.

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

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

##### • Statutory Auditors:

There is no qualification, reservation or adverse remark made by the Statutory Auditors in their Auditor's Report to the Financial Statements (Standalone and Consolidated).

##### • Secretarial Auditors:

There is no qualification, reservation or adverse remark made by the Secretarial Auditors in their Auditor's Report to the Financial Statements (Standalone and Consolidated).

#### DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE

There are no significant and material orders passed by the regulators or courts or tribunals that would impact the going concern status of the Company and its future operations..

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

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished

considering the nature of activities undertaken by the company during the year under review. Further during the year under review, the Company has neither earned nor used any foreign exchange.

#### CORPORATE SOCIAL RESPONSIBILITY

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

#### BOARD OF DIRECTORS AND BOARD MEETING AND ANNUAL GENERAL MEETING

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

The calendar of the Board/Committee Meetings and the Annual General Meeting is circulated to the Directors in advance to enable them to plan their schedule for effective participation at the respective meetings. At times certain decisions are taken by the Board/Committee through circular resolutions. All the decisions and urgent matters approved by way of circular resolutions are placed and noted at the subsequent Board/Committee Meeting.

The Board of Directors met Four times during the year under review, i.e., on **25/05/2018, 10/08/2018, 13/11/2018 and 04/02/2019**. Details of Board Composition and Board Meetings held during the Financial Year 2018-2019 have been provided in the Corporate Governance Report which forms part of this Annual Report.

Independent Directors meeting for the Financial Year was held on **04.02.2019**.

The other Committees of the Board are:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Executive Committee of the Board

The details with respect to the composition, powers, roles, terms of reference, Meetings held and attendance of the Directors at such Meetings of the relevant Committees are given in detail in the

Report on Corporate Governance of the Company which forms part of this Annual Report.

- **Chairman of the Board**

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

- **Re-appointments/Regularizations**

**Mr. Shakul Kumar Agarwal, Director** is liable to retire by rotation at this AGM and being eligible, offers himself for re-appointment. Your Board recommends re-appointment of Mr. Shakul Kumar Agarwal as a Whole time Director of the Company, liable to retire by rotation.

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

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

The Independent Directors met once during the year under review, on **4th February, 2019**. The Meetings were conducted in an informal manner without the presence of the Whole time Directors, the Non-Executive Non-Independent Directors, or any other Management Personnel.

Mr. Rishab Kumar Agarwal, hold the position of Chief Financial Officer of the Company w.e.f. 24.05.2018

Ms. Ritika Priyam, Company Secretary & Compliance Officer w.e.f. 31.03.2018.

#### AUDIT COMMITTEE

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

which forms part of this Annual Report. Recommendations made by the Audit Committee are generally accepted by your Board.

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

The Current policy is to have an appropriate mix of executive, non-executive and Independent Directors to maintain the independence of the Board and separate its function of governance and management. On March 31, 2019, the Board consists of six members, three of whom are non-executive Independent Director and Two are Executive Director inclusive of Chairperson of the Company One is Non-Executive Director cum Promoter of the Company. The policy of the Company on director's appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on our website (<http://www.advikgroup.com/ail/investors/>). We affirm that the remuneration paid to the directors is as per the terms laid out in nomination and remuneration policy of the Company.

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

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

#### DISCLOSURE REGARDING MAINTENANCE OF COST RECORDS

Since the Company is engaged in the business of Non-Banking Financial Company, therefore the provisions of Section 148 of the Companies Act, 2013 regarding maintenance of Cost Records and Cost Audit is not applicable to the Company as required to be disclosed under Clause (ix) of sub-rule 5 of Rule 8 of the Companies (Accounts) Rules, 2014 (*inserted by MCA Notification dated 31.07.2018*).

#### 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 2019, the applicable accounting standards had



of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015. Our Corporate Governance report forms the part of Annual Report.

#### COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD - 1 AND SECRETARIAL STANDARD - 2

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively. The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied by your Company.

#### ANNUAL BOARD EVALUATION

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

#### ACKNOWLEDGEMENTS

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

Your Board appreciates the relentless efforts of the employees and staff including the Management Team headed by the Managing Director, who always leads from the front in achieving a very commendable business performance year-on-year despite a challenging business environment.

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

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

**ADVIK CAPITAL LIMITED**

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

VIRENDER KUMAR AGARWAL	SHAKUL KUMAR AGARWAL
Managing Director	Director
DIN: 00531255	DIN: 03590891

New Delhi  
10.08.2019

## CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations 2015) and the Regulations of RBI for Non-Banking Financial Companies (the 'NBFC Regulations'), as applicable to the Company.

The commitment of the Advik Capital limited to the highest standards of good corporate governance practices predates the Listing Regulations and clause 49 of the erstwhile Listing Agreement. Ethical dealings, transparency, fairness, disclosure and accountability are the main thrust of the working of the Advik Capital Limited. (the 'Company') maintains the same tradition and commitment. Advik Optoelectronics ('the Subsidiary Company') also maintains the same tradition.

Advik Capital defines Corporate Governance as a systemic process by which companies are directed and controlled to enhance their wealth-generating capacity. Since large corporations employ a vast quantum of societal resources, Advik Capital believes that the governance process should ensure that these resources are utilized in a manner that meets stakeholders' aspirations and societal expectations. This belief is reflected in the Company's deep commitment to contribute in the development of the nation's economic, social and environmental capital.

Advik Capital Corporate Governance structure, systems and processes are based on two core principles first that Management must have the executive freedom to drive the enterprise forward without undue restraints, and second is freedom of management should be exercised within a framework of effective accountability.

Your Company believes that effective Corporate Governance is not just the framework enforced by the regulation but it is supported through the principles of transparency, unity, integrity, spirit and responsibility towards the stakeholders, shareholders, employees and customers. Good Corporate Governance requires competence and capability levels to meet the expectations in managing the business and its resources and helps to achieve goals and objectives of the organization. Good Corporate Governance should provide proper incentives for the board and management to pursue objectives that are in the interests of the Company and its shareholders and should facilitate effective monitoring. The Company acutely and consistently reviews its systems, policies and internal controls with an objective to establish sound risk management system and impeccable internal control system.

Our Corporate Governance practices are the reflection of our value system encompassing our culture, policies and relationships with our stakeholders. Integrity and transparency is the key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all the times. Corporate Governance is about maximizing shareholder value legally, ethically and sustainably. We also endeavor to enhance long-term shareholder value and respect the minority rights in all our business decisions.

Your Company "Advik Capital Limited" believes in adopting best practices of corporate governance. Corporate governance principles are enshrined in the Spirit of Advik Capital, which form the core values of Advik Capital. These guiding principles are also articulated through the Company's code of business conduct, Corporate Governance guidelines, charter of various Sub-Committees and Disclosure Policy.

The Company has put in place an internal governance structure with defined roles and responsibilities of every constituent of the system. The Company's shareholders appoint the Board of Directors, which in turn governs the Company. The Board has established Four Committees to discharge its responsibilities in an effective manner. The Chairperson and Managing Director (CMD) provides overall direction and guidance to the Board. In the operations and functioning of the Company, the CMD is assisted by one Executive Directors and three Independent director, one non-executive Director and a core group of senior level executives. The CMD is responsible for corporate strategy, brand equity, planning, external contacts and all management matters.



**BOARD OF DIRECTORS**

The composition of the Board of your Company is in conformity with the provisions of the Companies Act, 2013 (“the Act”) and the Listing Regulations, as amended from time to time. All the Directors possess requisite qualifications and experience in general corporate management, banking, finance, economics, marketing, digitization, analytics and other allied fields that allow them to contribute effectively by actively participating in the Board and Committee Meetings, providing valuable guidance and expert advice to the Board and the Management and enhancing the quality of Board’s decision making process.

**BOARD’S COMPOSITION AND INDEPENDENCE**

In compliance with the provisions of the Listing Regulations, the Company has optimum combination of executive and non-executive directors with one woman director. The Company has an Executive Chairperson. According to provisions of the Listing Regulations, if the Chairperson is an Executive Director, at least one half of the Board of the Company should consist of Independent Directors.

Accordingly, the Board of the Company consists of six Directors, of whom three are Non-Executive Independent Directors, one Non-Executive Non-Independent Director and two are Executive Directors that includes the Chairperson. The Board has no institutional Nominee Directors. The Company is in compliance with the Listing Regulations. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

In keeping with the commitment to the Management for the principle of integrity and transparency in business operations for good corporate governance, the Company’s policy is to have an appropriate blend of independent and Non-Independent Directors to maintain the independence of the Board and to separate the Board functions of governance and management.

**COMPOSITION OF THE BOARD**

During the year under review, the Company’s Board comprised of six Members, with three Independent Directors, two Executive Directors (including the Chairman of the Board) and one Non-Executive Non-Independent Directors.

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

**Composition and Directorship(s) / Committee Membership(s) / Chairpersonship(s) as on 31st March, 2019**

Category	Name	Date of Joining the Board	No. of shares held in the Company	Directorship in other Companies	Memberships of Committees of other Companies	Chairpersonship(s) of Committees of other Companies
<b>Executive Directors</b>	Virender Kumar Agarwal (Chairperson)	14/01/2010 Re-appointed w.e.f 26.09.2017	1,71,86,600	3	-	-
	Shakul Kumar Agarwal (Whole-time Director)	01/07/2012 Re-appointed w.e.f 01.04.2018	35,84,000	4	-	-
<b>Non Executive Director</b>	Manju Agarwal	07/08/2011	33,96,000			
<b>Non Executive Independent Directors</b>	Hemant Agarwal	04/08/2009	-			
	Latika Bansal	27/06/2016	-			
	Vineet Gupta	10/02/2017	-			

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

**SKILLS/ EXPERTISE/COMPETENCIES OF THE BOARD OF DIRECTORS OF THE COMPANY**

Based on the recommendations of the Nomination and Remuneration Committee, and SEBI (Listing Obligations and Disclosure Requirements)(Amendment) Regulations, 2018 a matrix setting out the core skills/expertise/competencies identified by the Board of Directors in the context of the Company's business and sector(s) as required for its effective functioning and those actually available with the Board is given below:

Sr.No.	Skills	Particulars
1.	Business Experience	<ul style="list-style-type: none"> <li>Established leadership skills in strategic planning, succession planning, driving change and long-term growth and guiding the Company towards its vision, mission and values.</li> </ul>

- Critically analyzing complex and detailed information and developing innovative solutions and striking a balance between agility and consistency.
  - Expertise in the field of Banking and Financial Services.
2. Financial Experience and Risk Oversight
- The Company uses various financial metrics to measure its performance. Accurate Financial Reporting and Robust Auditing are critical to its success.
- The Company expects its Directors :-
- To have an understanding of Finance and Financial Reporting Processes
  - To Understand and Oversee various risks facing the Company and ensure that appropriate policies and procedures are in place to effectively manage risk.
3. Governance and Regulatory Oversight
- Devise systems for compliance with a variety of regulatory requirements.
  - Reviewing compliance and governance practices for a long term sustainable growth of the Company and protecting stakeholders' interest.
4. Consumer Insights and Marketing Exposure
- Ability in developing strategies to increase market share through innovation, build better brand experience for customers, improve prospective customer engagement levels and help establish active customers become loyal brand followers.

#### **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS FROM PRACTISING COMPANY SECRETARY**

A certificate issued by Mr. Ashok Kumar Verma, Partner, M/s. A.K.VERMA & Co., Practicing Company Secretaries, pursuant to Regulation 34(3) read with Clause 10 (i) of Paragraph C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, certifying that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India, or any such Statutory Authority is attached at the end of the Corporate Governance Report.

#### **CONFIRMATION REGARDING INDEPENDENCE OF INDEPENDENT DIRECTORS**

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 read with Rules framed thereunder, and Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

Based on the disclosures received from all the Independent Directors, the Board is of the opinion that the Independent Directors fulfill the conditions specified

in Section 149 of the Act and the Listing Regulations all Non-executive Directors of the Company other than Mrs. Manju Agarwal (belongs to Promoter Group) are independent of the Management.

#### **BOARD MEETINGS**

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

The notice of Board meeting is given well in advance to all the Directors. All the meetings of the Board are held in New Delhi. The Agenda of the Board / Committee meetings is set by the Company Secretary in consultation with the Chairperson and the Managing Director of the Company. The Agenda is circulated a week prior to the date of the meeting. The Agenda for the Board and Committee meetings cover items



set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable. The Agenda for the Board and Committee meetings include detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

**During the financial year ended 31st March, 2019, Four Board meetings were held on 25th May, 2018, 10th August, 2018, 13th November, 2018 and 4th February, 2019. The maximum interval between any two meetings was well within the maximum allowed gap of 120 days as stipulated under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard as issued by the Institute of Company Secretaries of India applicable to the Company.**

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

Name of the Director	Category	Attendance at Meetings		Last AGM held on 26.09.2018
		No. of Board meetings Held	Attended	
Mr. Virender Kumar Agarwal	Chairperson/MD (Executive)	4	4	Present
Mrs. Manju Agarwal	Non-Executive Director(promoter)	4	4	Absent
Mr. Shakul Kumar Agarwal	Whole-time Director (Executive)	4	4	Present
Mr. Hemant Agarwal	Non-Executive Independent Director	4	4	Absent
Mrs. Latika Bansal	Non-Executive Independent Director	4	4	Absent
Mr. Vineet Gupta	Non-Executive Independent Director	4	4	Absent

#### BOARD SUPPORT

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

#### SEPARATE INDEPENDENT DIRECTORS' MEETINGS

As stipulated under the Act and the Listing Regulations, One Meetings of Independent Directors were held during the year. Meeting of Independent Director are conducted in an informal manner to enable Independent Directors to discuss matters relating to Company's affairs and put forth their views without the presence of the Vice-Chairman & Managing Director, Executive Director & Chief Financial Officer, other Non-Independent Directors and members of the Management.

**The Independent Directors met one time during the financial year ended 31st March, 2019 on 04.02.2019 and *inter alia* discussed:**

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

3. *Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.*
4. *Other matters arising out of Board/Committee (s) deliberations.*

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

#### **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

Regulation 25(7) of the SEBI (LODR) Regulations, 2015 Inter-alia stipulates that the Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. The familiarization programmer is structured to assist the Independent Directors to understand the Company and its business so as enable him in effective discharge of his duties.

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

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

Pursuant to Regulation 46 of the Listing Regulations, the details of familiarization programmes are available on the website of the Company at the [www.advikgroup.com](http://www.advikgroup.com).

#### **PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS**

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

#### **CODE OF CONDUCT**

Commitment to ethical professional conduct is a must for every employee, including Board Members and Senior Management Personnel of the Company. The Code is intended to serve as a basis for ethical decision-making in conduct of professional work. The Code of Conduct enjoins that each individual in the organization must know and respect existing laws, accept and provide appropriate professional views, and be upright in his conduct and observe corporate discipline. The duties of Directors including duties as an Independent Director as laid down in the Companies Act, 2013 also forms part of the Code of Conduct.

The Code of Conduct is available on the website of the Company [www.advikgroup.com/ail](http://www.advikgroup.com/ail). All Board Members and Senior Management personnel affirm compliances with the Code of Conduct annually. A declaration signed by the Chief Financial Officer (CFO) to this effect is placed at the end of this report.

#### **COMMITTEES OF THE BOARD**

Following are the Statutory Committees of the Board formed:

- A. **Audit Committee,**
- B. **Nomination and Remuneration Committee,**
- C. **Stakeholders' Grievance Committee.**

Following are the **Committee** of the Board formed by the Company for the purpose of General working of the Company:

#### **D. Executive Committee of Board**

##### **AUDIT COMMITTEE**

The Board of Directors of the Company has constituted an Audit Committee of the Board in terms of the requirements of Section 177 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 18 of the Listing Regulations. The Audit Committee of the Company meet atleast four times in a year, at least once in every quarter and not more the one hundred twenty days shall elapse between two meetings, inter alia, to review the financial results for the previous quarter before the same are approved at Board Meetings, pursuant to Regulation 33 of the Listing Regulations. The Audit Committee may also meet from time to time, if required.

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

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

##### **Terms of reference**

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

- a. Oversight of the Company's Financial Reporting Process and the Disclosure of its Financial Information to ensure that the financial statement is correct, sufficient and credible.
- b. Approval of payment to Statutory Auditors for any other services rendered by the statutory auditors.
- c. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report.

##### **COMPOSITION OF THE COMMITTEE, DETAILS OF MEETINGS AND ITS ATTENDANCE**

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

The Audit Committee met four times during the financial year ended March 31, 2019 i.e., on **May 25, 2018, August 10, 2018, November 13, 2018 and February 04, 2019**. Category of Directors as Audit Committee Members and their attendance at the aforesaid Audit Committee Meetings are detailed below:

SI. No.	Name of the Member	Category	No. of meetings held (During the tenure of Director)	No. of meetings attended
1.	Hemant Agarwal	Independent Director	4	4
2.	Virender Kumar Agarwal	Executive Director	4	4
3.	Vineet Gupta	Independent Director	4	4

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

#### NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of the Company has constituted a Nomination and Remuneration Committee of the Board in terms of the requirements of **Section 178 of the Companies Act, 2013 and rules** framed thereunder read with **Regulation 19 of the SEBI (LODR) Regulations, 2015**. All the directors of the Committee shall be Non-executive Director and atleast Fifty percent must be independent Director; Chairperson must be an independent Director.

#### Terms of Reference

The terms of reference of the Committee include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

#### COMPOSITION OF THE COMMITTEE, DETAILS OF MEETINGS AND ITS ATTENDANCE

The composition of the Committee is in conformity with the SEBI (LODR) Regulations, 2015. The Nomination and Remuneration Committee consists of Three Non-Executive Independent Directors. Mr. Hemant Agarwal, Independent Director is the Chairperson of the Committee.

The Nomination and Remuneration Committee met two time during the financial year ended March 31, 2019, i.e., on **25 May 2018**. Category of Directors as Nomination and Remuneration Committee Members and their attendance at the aforesaid Meetings are detailed below:

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

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

#### REMUNERATION TO DIRECTORS

##### 1. Nomination and Remuneration Policy

In compliance with the requirements of Section 178 of the Companies Act, 2013, Rules framed thereunder and pursuant to the provisions of Regulation 19(4) of the Listing Regulations, the Board of Directors of the Company has a Nomination and Remuneration Policy for the

Directors, Key Managerial Personnel, and other employees of the Company. The Policy provides for criteria and qualifications for appointment of Director, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs), remuneration to them, Board diversity etc. The said policy is available on the Company's website.

#### I. 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	11,89,700	Nil	11,89,700
2.	Shakul Kumar Agarwal	Whole-Time Director	7,00,000	Nil	7,00,000

#### II. Independent Director's Remuneration

Considering the scale of operations of the company, no remuneration was paid to Independent Directors during 2018-2019.

#### III. 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	11,89,700	Nil	Nil	Nil	Nil
2.	Shakul Kumar Agarwal Whole-time Director	7,00,000	Nil	Nil	Nil	Nil
3.	Manju Agarwal Non-Executive Director	Nil	Nil	Nil	Nil	Nil
4.	Hemant Agarwal Independent Director	Nil	Nil	Nil	Nil	Nil
5.	Latika Bansal Independent Director	Nil	Nil	Nil	Nil	Nil
6.	Vineet Gupta Independent Director	Nil	Nil	Nil	Nil	Nil

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

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

Sl. No.	Name & Designation	Service Contract	Notice Period	Severance fee
1.	Virender Kumar Agarwal Managing Director	5 Years w.e.f. 26.09.2017	1 Month	Nil
2.	Shakul Kumar Agarwal Whole-time Director	5 Years w.e.f.01.04.2018	1 Month	Nil

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

v. **Shareholding of Directors in the Company as on March 31, 2019**

Sl. No.	Name of Director	No. of Shares	% of Total Shareholding
1.	Virender Kumar Agarwal	1,71,86,600	37.47
2.	Manju Agarwal	33,96,000	7.4
3.	Hemant Agarwal	0	0
4.	Latika Bansal	0	0
5.	Shakul Kumar Agarwal	35,84,000	7.81
6.	Vineet Gupta	0	0

#### STAKEHOLDERS GRIEVANCE COMMITTEE

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

The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances. The Committee specifically looks into redressing shareholders' / investors' complaints / grievances pertaining to share transfers, non-receipts of annual reports, non-receipt of declared dividend and other allied complaints.

The Committee performs the following functions:

- Transfer / transmission of shares.
- Split up / sub-division and consolidation of shares.
- Dematerialization / Re-materialization of shares.
- Issue of new and duplicate share certificates.
- Registration of Power of Attorneys, probate, letters of transmission or similar other documents.
- To open / close bank account(s) of the Company for depositing share / debenture applications, allotment and call monies, authorize operation of such account(s) and issue instructions to the Bank from time to time in this regard.

All the functions pertaining to Committee meeting has been completed within the prescribed time period as also certified by a Practising Company Secretary named Mr. Ashok Kumar Verma and duly filed with the Stock Exchanges under Regulation 40(10) on each half of the Financial Year.

The Committee met Eleven times during the financial year ended March 31, 2019, i.e., on **31st August 2018, 15th September 2018, 29th September 2018, 16th October 2018, 31st October 2018, 16th November 2018, 30th November 2018, 15th December 2018, 31st December 2018, 16th January 2019, 01st March 2019** Directors as Stakeholders Grievance Committee Members and their attendance at the aforesaid Meetings are detailed below:

Sl. No.	Name of the Member	Category	No. of meetings held (During the tenure of Director)	No. of meetings attended
1.	Virender Kumar Agarwal	Executive Director	11	11
2.	Manju Agarwal	Non-Executive Director	11	11
3.	Shakul Kumar Agarwal	Executive Director	11	11

Ms. Ritika Priyam was appointed as the new Company Secretary cum Compliance Officer of the Company w.e.f. 31.03.2018.

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

In compliance with the requirements of the SEBI Circular No. CIR/OIAE/2/2011 dated June 3, 2011, the Company has obtained exclusive User ID and Password for processing the investor complaints in a centralized web based SEBI Complaints Redress System - 'SCORES'. This enables the investors to view online the action taken by the Company on their complaints and current status thereof, by logging on to the SEBI's website www.sebi.gov.in. **No Shareholder's complaint** was lying **unresolved as on March 31, 2019 under 'SCORES'**.

It is confirmed that there was no request for registration of share transfers / transmissions lying pending as on March 31, 2019 and that all requests for issue of new certificates, sub-division or consolidation of shareholdings, etc., received up to March 31, 2019 have since been processed. The Company has an efficient system in place to record and process all requests for dematerialization and re-materialization of shares in the Company through National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL).

Nature of complaints received and resolved during the financial year ended on March 31, 2019:

Sl.No.	Subject matter of Complaints	Complaints pending as on April 1, 2018	Complaints Received during the financial year ended March 31, 2019	Total Complaints during the financial year ended March 31, 2019	Complaints Redressed up to March 31, 2019	Complaints pending as on March 31, 2019
1.	Non-receipt of Dividend	-	-	-	-	-
2.	Transfer / Transmission of Shares	-	-	-	-	-
3.	Dematerialization / Rematerialization of Shares	-	-	-	-	-
4.	Others	-	-	-	-	-

#### EXECUTIVE COMMITTEE

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

- To issue power of Attorney;
- To issue new Share Certificates;

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

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

The Executive Management Committee met **one times** during the financial year ended March 31, 2019, i.e., on 18.12.2018

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

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

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

#### GENERAL BODY MEETINGS

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

Financial Year ended	Day & Date	Time	Venue
March 31, 2018	Wednesday, September 26, 2018	12:30 PM	Plot Number 84, Kanjawla Industrial Area, 100 Foota Road, New Delhi- 110081
March 31, 2017	Tuesday, September 26, 2017	12:00 Noon	Plot Number 84, Kanjawla Industrial Area, 100 Foota Road, New Delhi- 110081
March 31, 2016	Wednesday, September 28, 2016	12:00 Noon	Premier Inn, District Centre, Crossing, Opposite Toyota Galaxy District Park Shalimar Bagh, Outer Ring Rd, HaiderPur, New Delhi-110088

##### (b) Details of Special Resolutions passed in the previous Four Annual General Meetings:

Date of AGM	Details of the Special Resolutions passed
September 26, 2018	NIL
September 26, 2017	(i) Re-appointment of Mr. Virender Agarwal (00531255) as Managing Director of the Company. (ii) Sub-Division of one Equity Share of Face Value of Rs 10/- each into Ten Equity Share of Rs 1/- each. (iii) Alteration of the Capital Clause of the Memorandum of Association as per the provision of the Companies Act, 2013.
September 28, 2016	(i) To change of name of the Company.
September 28, 2015	(i) Alteration of Clause III (B) by changing the heading of Incidental Object Clause and deletion of Clause III (C) of Other Objects Clause as per the Provision of The Companies Act, 2013. (ii) Alteration of the Liability Clause of the Memorandum of Association as per the provision of the Companies Act, 2013.



### COMPLIANCE WITH MANDATORY REQUIREMENTS

The Company has complied with all applicable mandatory requirements of the Listing Regulations as on 31.03.2019. As per the provisions of Regulation 15(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, provision of Regulation 27 is applicable to the Companies having paid up equity share capital exceeding Rs. 10 Crore and Net Worth exceeding Rs. 25 Crore, as on the last day of the previous financial year. The Company is not covered under any of the Criterion mentioned above so it is not mandatory for the Company to comply the Provisions of the Regulation 27 of the SEBI (LODR) Regulations, 2015.

Further, the Ministry of Corporate Affairs (MCA) vide its notifications No. G.S.R. 42(E) and G.S.R 341(E) dated 22nd January, 2019 and 30th April, 2019, respectively amended Rule 16 of Companies (Acceptance of Deposits) Rules and made it mandatory for Companies to file One- Time Return of outstanding receipt of money or loan by a company but not considered as deposits, in terms of clause (c) of sub-rule 1 of rule 2 of Companies (Acceptance of Deposit) Rules from the 01st April, 2014 till 31st March, 2019 and to file Annual Return of particulars of transactions not considered as Deposits till 30th June, respectively.

However, the Company being a Non-Banking Financial Company (NBFC) duly registered with RBI was exempted from the above mentioned Compliance by virtue of exemption granted to it in clause (iii) of sub-rule 3 of Rule 1 of Companies (Acceptance of Deposits) Rules, 2014. The Quarterly results of the Company generally published in Financial Express and Hari Bhoomi having nationwide circulation. Also the same shall be available on the website of the Company at [www.advikgroup.com/ail](http://www.advikgroup.com/ail).

### MEANS OF COMMUNICATION

- **Financial Results:** Prior intimation of Board Meeting where to consider and approve Unaudited/ Audited Financial Results of the Company is given to the Stock Exchanges and also disseminated on the website of the Company at [www.advikgroup.com/ail](http://www.advikgroup.com/ail). The aforesaid Financial Results are immediately intimated to the Stock Exchanges, after the same are approved at Board Meeting. In terms of **Regulation 10** of the Listing Regulations, the Company complies with the online filing requirements on electronic platforms of BSE Limited (BSE) viz. BSE Corporate Listing Centre.
- **Newspapers:** In terms of **Regulation 47** of the Listing Regulations The Financial Results of the Company are published in prominent daily Newspapers, viz. "Financial Express" (English) and in the "Hari Bhumi" (Hindi).
- **Website:** In terms of **Regulation 46** of the Listing Regulations, the Company shall maintain a functional website containing the basic information about the Listed entity the website of the Company "Advik Capital Limited" is [www.advikgroup.com/ail](http://www.advikgroup.com/ail) contains a dedicated section "Investors" which contains details / information of interest to various stakeholders, including Financial Results, Shareholding Pattern, Company Policies, Notice of Various Meetings and relevant Disclosure for shareholders etc. The shareholders / investors can view the details of electronic filings done by the Company on the respective websites of BSE Limited i.e., [www.bseindia.com](http://www.bseindia.com).

### SUBSIDIARY COMPANIES

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

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

### GENERAL SHAREHOLDER INFORMATION

- (a) The 34th Annual General Meeting (AGM) of the Company will be held at Plot No. 84, Khasra No. 143/84, Ground Floor, Extended Lal Dora, Kanjhawla Delhi- 110081 on Friday September 27, 2019 at 12:30 PM.

**(b) Financial Year**

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

**For the Financial Year ended March 31, 2019, results were announced on:**

<b>First quarter results (June 30, 2018)</b>	<b>10/08/2018</b>
<b>Second quarter results (September 30, 2018)</b>	<b>13/11/2018</b>
<b>Third quarter results (December 31, 2018)</b>	<b>04/02/2019</b>
<b>Fourth quarter &amp; annual audited results of the current Financial Year (March 31, 2019)</b>	<b>22/05/2019</b>

(c) **Book Closure:** Saturday, September 21st, 2019 to Friday, September 27, 2019 (both days inclusive).

(d) **Dividend Payment:** The Company has not paid or declared any dividend during the Financial Year ending March 31st, 2019. Hence, no amount by the company was required to be transferred to the Investors Education and Protection Fund (IEPF).

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

**BSE Limited (BSE)**

Phirozejeebhoy Towers, Dalal Street, Mumbai - 400001

**[Company's Stock Code: 539773]**

**[ISIN :INE178T01024]**

*The annual listing fees for the year 2018-19 and 2019-20 have been paid to the Stock Exchange.*

**(f) Stock Market Performance for FY 2018-19**

Month & Year	BSE		
	High (Rs.)	Low (Rs.)	Volume (Nos.)
April 2018	4.60	4.60	-
May 2018	3.8	3.8	-
June 2018	2.30	2.30	225
July 2018	2.50	2.12	1668
August 2018	2.33	2.33	1000
September 2018	2.10	2.10	301
October 2018	1.8	1.8	5
November 2018	1.63	1.63	40
December 2018	1.63	1.63	-
January 2019	1.86	1.86	0
February 2019	1.77	1.77	0
March 2019	1.85	1.85	0

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

Details of RTA are as given below:

**Skyline Financial Services Private Limited**

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

**Tel: 011- 40450193-94-95-96-97 Website: www.skylinerta.com, Email: info@skylinerta.com**

- (h) **Share Transfer System:** In terms of **Regulation 7** of the Listing Regulations Company has appointed Skyline Financials Services as RTA of the Company .Documents and Share Certificates lodged by the shareholders / investors are verified and entered in relevant Registers by the RTA in consultation with the Company.

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

There are no pending transfers of shares as on March 31, 2019.

- (i) **Dematerialization of Shares and Liquidity:** Since the equity shares of the Company are traded in dematerialized form, the members are advised to hold their shares in dematerialized mode with any Depository Participants (DPs) registered with NSDL and CDSL. Requests for dematerialization of shares should be sent directly by the DPs concerned to the RTA at M/s. Skyline Financial Services Private Limited, D-153A, 1st Floor, Okhla Industrial Area, Phase- I, New Delhi- 110 020. The International Securities Identification Number (ISIN) assigned to the Shares of the Company under the Depository System is INE178T01024 and the Shares of the Company are frequently traded at the BSE.

As on March 31, 2019, 99.86% of the total paid-up share capital of the Company representing 45811600(99.86%) Equity Shares is held in dematerialized mode. The balance 0.14% paid-up share capital representing 62000 Equity Shares is held in physical mode now **SEBI has decided that securities of listed companies can be transferred only in dematerialized form from a cut-off date(on or after 5th December,2018) to be notified. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialize shares held by them in physical form..** The entire Promoters' shareholding representing 57.91% of the paid-up share capital is held in dematerialized mode.

- (j) **Distribution of shareholding as on March 31, 2019:**

Share or Debenture holding Amount Share or Debenture holding Nominal Value	Number of Shareholders	% to total Amount	Share or Debenture holding Amount	% to Total Numbers
Up To 5,000	681	88.21	199318	0.43
5001 To 10,000	14	1.81	106424	0.23
10001 To 20,000	7	0.91	104982	0.23
20001 To 30,000	4	0.52	99225	0.22
30001 To 40,000	1	0.13	39215	0.09
40001 To 50,000	8	1.04	395600	0.86
50001 To 1,00,000	9	1.17	665946	1.45
1,00,000 and Above	48	6.21	44262890	96.49
Total	772	100	45873600	100

**(k) Pattern of Shareholding as on March 31, 2019**

Particulars	As on March 2019		
	No. of Share holders	No. of Shares held	% of Share holding
<b>Promoters Shareholding</b>			
Promoter & Promoter Group	5	26564100	57.91
Total Promoter Shareholding (A)	5	26564100	57.91
<b>Public Shareholding (B)</b>			
Individual Shareholders holding			
Nominal Share Capital Up to 2 Lacs	717	3263919	7.12
Individual Shareholders holding Nominal			
Share Capital Above 2 Lacs	28	12521957	27.3
Bodies Corporate	15	3156674	6.88
Non-Resident Indians	3	17800	0.04
Resident Indian HUF	5	349150	0.76
Clearing Members/House	0	0	0
Total Public Shareholding (B)	768	19309500	42.09
Total (A) + (B)	773	45873600	100

**Top Ten Shareholders as on March 31, 2019**

S.No	Name of the Shareholders	No. of Shares held	No. of Shares held
1.	SUDIPTA KUMAR BISWAS	2047252	4.46
2.	ALTOLITE ELECTRO SIGNS PRIVATE LIMITED	1560722	.40
3.	ARROW SIGNS PVT LTD	1535484	3.35
4.	BHARTI GARG	990000	2.16
5.	AJAY KUMAR KAUSHIK	674621	1.47
6.	VINOD KUMAR AGARWAL	532000	1.16
7.	HITESH GARG	500000	1.09
8.	RAHUL GARG	453990	0.99
9.	SUNITA JINDAL	450000	0.98
10.	MANGAL KUMAR KHETAN	445380	0.97
	TOTAL	9189449	20.03

**(l) OUTSTANDING GDR/ADR**

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

**(m) PLANT LOCATION**

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

**(n) ADDRESS FOR CORRESPONDENCE****• Advik Capital Limited**

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

**Telephone No:** 011- 25952595

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

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

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

**Skyline Financial Services Private Limited**

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

Tel: 011- 40450193-94-95-96-97 Website: www.skylinerta.com, Email: info@skylinerta.com

- **Company Secretary/ Compliance Officer:**

Ms. Ritika Priyam

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

Tel: 011- 25952595

Email: cs@advikgroup.com

- **Grievance Redressal Officer:**

Mr. Virender Kumar Agarwal

Managing Director

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

Tel: 011- 25952595

Email: info@advikgroup.com

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

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

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

---

## MANAGING DIRECTOR AND CFO CERTIFICATION

Date: 22.05.2019

To

**The Board of Directors****Advik Capital Limited****(formerly known as Advik Industries Limited)**

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

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

- a. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2019 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. That to the best of our knowledge and belief, no transactions has been entered into by the company during the year which are fraudulent, illegal or volatile of the company's code of conduct.
- c. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year, if there is any, and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

sd/-

Virender Kumar Agarwal

(Managing Director)

Din: 00531255

sd/-

Rishab Kumar Agarwal

(Chief Financial Officer)

PAN: AJAPA7265J

Date: 10th August, 2019

To

**The Board of Directors****Advik Capital Limited****(formerly known as Advik Industries Limited)**

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

**Sub: Declaration of Compliance of Code of Conduct**

I, Mr. Virender Kumar Agarwal (DIN: 00531255), Managing Director of the Company declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2019.

For Advik Capital Limited

**Virender Kumar Agarwal****(Managing Director)****Din: 00531255****CERTIFICATION BY PRACTICING COMPANY SECRETARY****ADVIK CAPITAL LIMITED****FOR THE YEAR ENDING 31ST MARCH 2019****[Pursuant to Regulation 34(3) and Schedule V Para C Clause 10 (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

We have examined the relevant registers, records and disclosures received from the Management of ADVIK CAPITAL LIMITED (hereinafter referred to as 'the Company'), bearing CIN : L65100DL1985PLC022505 and having Registered Office at PLOT NO. 84, KHASRA NO. 143/84, GROUND FLOOR, EXTENDED LAL DORA, KANJHAWLA DELHI-110081 produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in)) as considered necessary and information/Declaration furnished to us by the Company & its Officers, We hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India(SEBI)/Ministry of Corporate Affairs and any such Statutory Authority.

For A. K. VERMA &amp; CO.

**(Practicing Company Secretaries)****ASHOK KUMAR VERMA****(SENIOR PARTNER)****FCS: 3945****CP No: 2568****Date: 10.08.2019****Place: New Delhi**

## ANNEXURES TO DIRECTOR REPORT

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

### ANNEXURE I

#### LOANS, GUARANTEE, INVESTMENT

S.No	Particulars	31/03/2018	31/03/2019
1.	<b>Long Term loans and advances</b>		
	Security Deposits		
	Unsecured Considered Good		0.00
	<b>Short Term loans and advances</b>		
	Loans & Advances (Unsecured Considered Good):		
	• Uniexcel developers Pvt Ltd.	10,76,932.00	0.00
	• Advik Optoelectronics Limited	75,25,293.00	19,00,000.00
	• KSR Brothers	6,00,000.00	0.00
	• EZ Realcon Private Limited	1,09,47,040.00	0.00
	• High Valley Industrial Corporation	7,75,600.00	0.00
	• Impex Metal Pvt Ltd.	21,55,046.00	0.00
	• Ajit Industries Pvt Ltd.	22,05,267.00	0.00
	• S. Kannayalal	30,23,706.00	0.00
	• Agarwal Enterprises	92,36,304.00	28,10,558.00
	• Tirupati Food Industries Private Limited		0.00
	• Basant Projects Ltd		458,08,486.00
	• EZ Buildcon Private Limited	39,33,399.00	0.00
	• High Valley Builder	16,62,001.00	0.00
	• SohanLal& Co.	16,62,001.00	0.00
	• TirupatiBalaji Mills-LTD	22,26,969	0.00
	• B.P Oils Mills Ltd	27,49,139.00	0.00
	• Empire BuildtechPvt ltd.	1,01,51,284.00	1,10,52,600.00
<b>Total:</b>		<b>5,99,29,981.00</b>	<b>6,15,71,644.00</b>



2.	<b>Non Current Investment in shares</b>		
	<b>Unquoted</b>		
	• Castrol Industries Limited		3,98,685.00
	• Eris Life Sciences		2,02,608.00
	• Hindalco Industries Limited		0.00
	• Power Grid Corp Limited		0.00
	• Tata Steel Limited		0.00
	• Ujaas Energy Limited		0.00
	• Advik Optoelectronics Limited	1,48,44,000.00	1,48,44,000.00
<b>Total:</b>		<b>1,48,44,000.00</b>	<b>15,445,293.00</b>
3.	<b>Guarantee provided</b>		
	• Advik Global Limited		0.00
	• Advik Optoelectronics Limited		0.00
<b>Total:</b>			<b>0.00</b>

## ANNEXURE II

### FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2019

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	L65100DL1985PLC022505
ii	Registration Date	14/11/1985
iii	Name of the Company	Advik Capital Limited(formerly known as Advik Industries Limited)-
iv	Category/Sub-category of the Company	Company Limited By Shares
v	Address of the Registered office & contact details	Plot No. 84, Khasra No. 143/84, Ground Floor; Extended Lal Dora, Kanjhawla, Delhi-110081
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Skyline Financial Services Private Limited Shop No.D-153/A, I-Area, Okhla Phase I, Okhla Industrial Area, New Delhi, Delhi 110020

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

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

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

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Advik Optoelectronics Limited	U31900DL2013PLC256393	Wholly-owned Subsidiary	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
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	26543600	0	26543600	57.86	26564100	0	26564100	57.91	0
b) Central Govt.or State Govt.	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	0	0	0	0	0	0	0	0	0
d) Bank/Fl	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL:(A) (1)</b>	<b>26543600</b>	<b>0</b>	<b>26543600</b>	<b>57.86</b>	<b>26564100</b>	<b>0</b>	<b>26564100</b>	<b>57.91</b>	<b>0</b>
(2) Foreign									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/Fl	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter</b>									
<b>(A)= (A)(1)+(A)(2)</b>	<b>26543600</b>	<b>0</b>	<b>26543600</b>	<b>57.86</b>	<b>26564100</b>	<b>0</b>	<b>26564100</b>	<b>57.91</b>	<b>0</b>
<b>B. PUBLIC SHAREHOLDING</b>									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/Fl	0	0	0	0	0	0	0	0	0
c) Central govt	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FII/S	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(2) Non Institutions									
a) Bodies corporates									
i) Indian	1687919	1687919	1687919	3.68	3156674	3156674	3156674	6.88	3.2
ii) Overseas	0	1560000	1560000	3.4	0	0	0	0	-3.4
b) Individuals									

i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	1395455	645000	2040455	4.45	1514292	18000	1532292	3.34	-1.11
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	12817332	823000	13640332	29.73	14209584	44000	14253584	31.07	1.34
c) Others (specify)	400294	1000	401294	0.87	366950	0	366950	0.8	-0.07
<b>SUB TOTAL (B)(2):</b>	<b>16301000</b>	<b>3029000</b>	<b>19330000</b>	<b>42.14</b>	<b>19247500</b>	<b>62000</b>	<b>19309500</b>	<b>42.09</b>	<b>0.05</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>16301000</b>	<b>3029000</b>	<b>19330000</b>	<b>42.14</b>	<b>19247500</b>	<b>62000</b>	<b>19309500</b>	<b>42.09</b>	<b>0.05</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>42844600</b>	<b>3029000</b>	<b>45873600</b>	<b>100</b>	<b>45811600</b>	<b>62000</b>	<b>45873600</b>	<b>100</b>	<b>0</b>

\*SUBDIVISION OF 1(ONE) EQUITY SHARE OF FACE VALUE OF 10/- EACH INTO 10(TEN) EQUITY SHARES OF RE. 1/- EACH

(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 shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Virender Kumar Agarwal	15224600	33.19	NA	17186600	37.47	NA	4.28
2	Manju Agarwal	1434000	3.13	NA	3396000	7.40	NA	4.27
3	Rishab Kumar Agarwal	3924000	8.55	NA	0	0.00	NA	-8.55
4	Shakul Kumar Agarwal	3584000	7.81	NA	3584000	7.81	NA	0.00
5	Virender Kumar Agarwal HUF	2377000	5.18	NA	2397500	5.23	NA	0.05

\*SUBDIVISION OF 1(ONE) EQUITY SHARE OF FACE VALUE OF 10/ EACH INTO 10(TEN) EQUITY SHARES OF 1/- EACH

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

Sl. No.	MR.VIRENDER KUMAR AGARWAL	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	15224600	33.19	17186600	37.47
1	On various dates due to transfer of shares	PURCHASE DURING THE YEAR-1962000	4.28		
	At the end of the year	17186600	37.47	17186600	37.47

2	<b>MRS. MANJU AGARWAL</b>				
		<b>No. of Shares</b>	<b>% of total shares of the company</b>	<b>No of shares</b>	<b>% of total shares of the company</b>
	At the beginning of the year	1434000	3.13	3396000	7.4
1	On various dates due to transfer of shares	PURCHASE DURING THE YEAR-1962000	4.27		
	At the end of the year	3396000	7.4	3396000	7.4
3	<b>MR. RISHAB KUMAR AGARWAL</b>				
		<b>No. of Shares</b>	<b>% of total shares of the company</b>	<b>No of shares</b>	<b>% of total shares of the company</b>
	At the beginning of the year	3924000	8.55	0	0
1	On various dates due to transfer of shares	SELL DURING THE YEAR-3924000	8.55		
	At the end of the year	0	0	0	0
4	<b>VIRENDER KUMAR AGARWAL (HUF)</b>				
		<b>No. of Shares</b>	<b>% of total shares of the company</b>	<b>No of shares</b>	<b>% of total shares of the company</b>
	At the beginning of the year	2377000	5.18	2397500	5.23
1	On various dates due to transfer of shares	PURCHASE DURING THE YEAR-20500	0.05		
	At the end of the year	2397500	5.23	2397500	5.23

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

S.No.	Name of the Shareholder	At the beginning of the year (i.e. 01.04.2018)		At the end of the year (i.e. 31.03.2019)		Cumulative Shareholding during the year		Monthwise Increase /Decrease in Share holding during the year	Reasons (for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	No. of shares	% of total Shares of the Company		
1	Subipta Kumar Biswas	2512115	5.48	2047252	5.48	2047252	4.46	Decrease (1.02)	sell
2	Altolite Electro Signs Private Limited	156000	3.40	1560722	3.40	1560722	3.40	Nil	*Nil
3	Arrow Sings Private Limited	1559603	3.35	1535484	3.35	1535484	3.35	Nil	*Nil
4	Bharti Garg	692500	1.51		1.51	990000	2.16	Increase-0.65	Buy
5	Ajay Kumar Kaushik	674621	1.47	674621	1.47	674621	1.47	Nil	Nil
6	Vinod Kumar Agarwal	532000	1.16	532000	1.16	532000	1.16	Nil	Nil
7	Hitesh Garg	50000	1.09	500000	1.09	500000	1.09	Nil	*Nil
8	Rahul Garg	0	0.00	453990	0.99	453990	0.99	Increase-0.99	0.99
9	Sunita Jindal	450000	0.98	450000	0.98	450000	0.98	Nil	*Nil
10	Mangal Kumar Khetan	445380	0.97	445380	0.97	445380	0.97	Nil	*Nil

\*SUBDIVISION OF 1(ONE) EQUITY SHARE OF FACE VALUE OF 10/ EACH INTO 10(TEN) EQUITY SHARES OF RE 1/ EACH

## v Shareholding of Directors and Key Managerial Personnel:

S.No.	Name of the Directors / KMP (Designation)	At the beginning of the year (i.e. 01.04.2018)		At the end of the year (i.e. 31.03.2019)		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	17186600	37.47	17186600	37.47	Increase-4.28
2	Manju Agarwal (Non-executive Woman Director)	1434000	3.13	3396000	7.4	1434000	7.4	Increase-4.27
3	Shakul Kumar Agarwal (Whole-time Director)	3584000	7.81	3584000	7.81	3584000	7.81	*NIL
4	Hemant Agarwal (Non Executive Independent Director)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
5	Latika Bansal (Non Executive Independent Director)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
6	Vineet Gupta (Non Executive Independent Director)	NIL						NIL
7	Ritika Priyam (Company Secretary)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
8	Tarkeshwar Rai (Chief Financial Officer)	NIL						NIL

\*SUBDIVISION OF 1(ONE) EQUITY SHARE OF FACE VALUE OF 10/ EACH INTO 10(TEN) EQUITY SHARES OF RE 1/ EACH

## V INDEBTEDNESS

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

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl.No	Particulars of Remuneration	VIRENDER KUMAR AGARWAL(Rs.)	Shakul Kumar Agarwal (Rs.)	Total Amount (Rs.)
1	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	11,89,700	7,00,000	1889700
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	as % of profit	0	0	0
	others (specify)	0	0	0
5	Others, please specify	0	0	0
	<b>Total (A)</b>	<b>11,89,700</b>	<b>7,00,000</b>	<b>1889700</b>
	<b>Ceiling as per the Act</b>		N.A	N.A

## B. Remuneration to other directors:

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

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	<b>Gross Salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	0	300000	240000	540000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	as % of profit	0	0	0	0
	others, specify	0	0	0	0
5	Others, please specify	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>300000</b>	<b>240000</b>	<b>540000</b>

VII **PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

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

**ANNEXURE III**

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

**For The Period 01st April, 2018 to 31st March, 2019**

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

To

The Members,

**ADVIK CAPITAL LIMITED**

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

Plot No. 84, Khasra No. 143/84, Ground Floor, Extended Lal Dora,

Kanjhawla, Delhi-110081

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

Based on our verification of the **Company's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the Financial Year ended on **31st March, 2019** complied with the statutory provisions listed hereunder and that the company has proper Board -processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

- I. The Company is a "Loan Company" engaged in the business of Non-Banking Financial Institution as defined in Section 45 I (a) of the Reserve Bank of India Act, 1934 and carrying a Certificate of Registration issued by Reserve Bank of India, New Delhi bearing certificate number - **B-14-00724**.
- II. We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Advik Capital Limited ("the Company")** for the Financial Year ended on **31st March, 2019** according to the provisions of:
  - (i) The Companies Act, 2013 and the Rules made there under to the extent applicable.
  - (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 following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992:
    - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
    - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (share based employee benefits) Regulation 2014(Not applicable to the Company during the audit period);
    - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the audit period**).
    - The Securities & exchange Board of India (Share Based Employee Benefits) Regulation, 2014 (**Not applicable to the Company during the audit period**).
    - The Securities & exchange Board of India(Issue and listing of Debt Securities) Regulation,2008 (**Not applicable to the Company during the audit period**).
    - SEBI(Delisting of Equity Share) Regulation,2009 (**Not applicable to the Company during the audit period**).
- (i) 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 Reserve Bank of India Act, 1934 and amendment came into force from time to time;
  2. Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016.
  3. Prudential Norms Issued by the Reserve Banks for NBFC- ND Companies.



4. Prudential Norms Issued by the Reserve Banks for NBFC Companies.
5. Sexual Harassment of women at work place (Prohibition, prevention and Redressal) Act, 2013.
6. Right to Information Act, 2005.

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

- (i) Secretarial Standards 1 & 2 issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited.

We report that:

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

**We further report that**

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

Adequate notices were given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

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

We further report that the Company was not required to submit Annual Secretarial Compliance Report to the Stock Exchange as mandated under Regulation 24 A of SEBI (Listing Obligations and Disclosure Requirement) (Amendment) Regulations, 2018 as the Company falls under the criteria specified under Regulation 15 (2) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 due to the fact that the paid-up Equity Share Capital and Net Worth of the Company was below Rs. 10 Crores and Rs. 25 Crores, respectively as on the close of the previous Financial Year i.e. 31st March, 2019. The said exemption available to the Companies falling under this criteria was clarified by Bombay Stock Exchange (BSE) vide its Circular Nos. LIST/COMP/10/2019-20 and LIST/COMP/12/2019-20 dated 9th May, 2019 and 14th May, 2019, respectively.

**We further report that**

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

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

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

**Reg No:S1997DE019500**

**(Practicing Company Secretaries)**

**ASHOKKUMAR VERMA**

**(SENIOR PARTNER)**

FCS : 3945

CP NO: 2568

Place: Delhi

Date: 08.08.2019

**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 CAPITAL LIMITED**

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

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

Extended Lal Dora, Kanjhawla, Delhi-110081

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

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

**Reg No:S1997DE019500**

**(Practicing Company Secretaries)**

**ASHOK KUMAR VERMA**

**(SENIOR PARTNER)**

FCS: 3945

Date: 08/08/2019

CP NO: 2568

Place: Delhi

## **ANNEXURE IV**

### **ANNUAL BOARD EVALUATION**

The Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") stipulate the evaluation of the performance of the Board, its Committees, Individual Directors and the Chairperson.

The evaluation framework for assessing the performance of Directors comprises of various key areas such as attendance at Board and Committee Meetings, quality of contribution to Board discussions and decisions, strategic insights or inputs regarding future growth of the Company and its performance, ability to challenge views in a constructive manner, knowledge acquired with regard to the Company's business/ activities, understanding of industry and global trends, etc.

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of the Directors individually (including Independent Directors).

The evaluation involves self-evaluation by the Board Member and subsequent assessment by the Board of Directors. A member of the Board will not participate in the discussion of his/her evaluation.

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-V**

### **THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

#### **INDUSTRY STRUCTURE AND DEVELOPMENT**

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

their customer-oriented services, simplified procedures, and attractive rates of return on deposits, flexibility and timeliness in meeting the credit needs of specified sectors.

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

#### **FINANCIAL & BUSINESS REVIEW**

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

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

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

#### **FUTURE OUTLOOK**

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

#### **KEY PERFORMANCE DRIVERS AND CAPABILITIES**

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

#### **ADEQUACY OF INTERNAL CONTROL**

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

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

#### **RISKS & CONCERNS**

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

#### **HR & INFRASTRUCTURE DEVELOPMENT**

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

#### **RESPONSIBILITY FOR THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

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

# STANDALONE FINANCIAL STATEMENTS

## Independent Auditor's Report

To the Members of

ADVIK CAPITAL LIMITED

(formerly known as Advik Industries Limited)

### Report on the Financial Statements

We have audited the standalone annual financial results of **ADVIK CAPITAL LIMITED** (the "Company") for the year ended 31 March 2019 ("standalone annual financial results"), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), 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 annual financial results based on our audit of the annual financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

An audit also 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 these financial results:

(i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

- (ii) give a true and fair view of the net profit and other comprehensive income and other financial information for the year ended 31 March 2019.

#### 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 GARGANIL & CO.**

**Chartered Accountants**

FRN : 6308N

**(PRADEEP KUMAR GARG)**

(PARTNER)

M.NO. : 012374

Place: New Delhi

Date: 22-05-2019

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

Referred to in paragraph 1 of the Independent Auditor’s Report of even date to the members of the ADVIK CAPITAL LIMITED on the financial statements of the Company for the year ended March 31, 2019:

- 1) The Company is having Property Plant Equipment as per Property Plant Schedule for the year ended 31.03.2019 and proper records maintained by the company
- 2) (i) The company has a inventory of shares only.  
(ii) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- 3) The Company has granted loans, unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Income-Tax, Sales tax, Service Tax, , Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2019 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
- 17) The company has changed its name from Advik Industries Ltd to Advik Capital Ltd duly approved under Companies Act.

**FOR GARGANIL & CO.****Chartered Accountants**

FRN : 6308N

**(PRADEEP KUMAR GARG)**

(PARTNER)

M.NO. : 012374

Place: New Delhi

Date: 22-05-2019

**“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 CAPITAL LIMITED as of March 31, 2019 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 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

FRN: 6308N

**(PRADEEP KUMAR GARG)**

(PARTNER)

M.NO.: 012374

Place: New Delhi

Date: 22-05-2019

## AUDITORS' ADDITIONAL REPORT

### BOARD OF THE DIRECTORS

#### ADVIK CAPITAL LIMITED

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

Extended Lal Dora, Kanjhawla, Delhi - 110081

This report is issued in accordance with the terms of master directions RBI/DNBS/2016-17/48 vide no. DNBS. PPD.03/66.15.001/2016-17 issued by Reserve Bank of India under head Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 dated September 29th, 2016.

We have audited the standalone annual financial results of **ADVIK CAPITAL LIMITED (the "Company")** for the year ended **31 March 2019 ("standalone annual financial results")**, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

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

#### Auditor's Responsibility

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

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

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

- The Company is engaged in the business of Non-banking financial Company and has obtained certificate of Registration on 7th January, 2003 bearing No. B- 14.00724 under section 45 I(a) of the Reserve Bank of India Act, 1934 ("the Bank") Department of Non Banking Supervision, New Delhi Regional Office.
- The Company is entitled to continue to hold such COR in terms of its Asset/ Income pattern as on March 31, 2019.
- The Board of Directors of the Company has passed a resolution in its meeting held on 22nd May, 2019 for non acceptance of public deposits.
- The Company has not accepted any public deposits during the year ended March 31, 2019.

- The Company is meeting the requirement of net owned fund requirement as laid down in Master Circular- Non Systematically Important Non deposit taking Company (Reserve Bank) Directions, 2016
- The Company has complied with prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial Company- Non Systematically Important Non -Deposit taking Company (Reserve Bank) Directions, 2016.
- The company has complied with all the items referred to in paragraph 3 of the above stated Master Directions, 2016. Hence, there is no Qualified
- and/or unfavorable observation in the Auditor's Report of the Company for the Financial Year ending 31st March, 2019.

**Restriction on Use**

This report is issued pursuant to our obligations under Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 as applicable from September 29, 2016 to submit a report on exceptions, noted while issuing our report dated 22nd May, 2019 on additional matters as stated in the above directions, to Reserve Bank of India and should not be used by any other person or for any other purpose. M/s Garg Anil & Co. neither accepts nor assumes any duty or liability for any other purpose or to any other party to whom our report is shown or in to whose hands it may come without our prior consent in writing.

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

FRN: 6308N

**(ANIL GARG)**

M.NO.: 085017

Place: New Delhi

Date: 22.05.2019

## BALANCE SHEET AS AT MARCH 31, 2019

	Note No.	Figures as at the end of current reporting period 31.03.2019	Figures as at the end of current reporting period 31.03.2018
<b>I</b>			
<b>1</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
a	1	45873600.00	45873600.00
b	2	43952064.21	42956312.42
c			
<b>2</b>			
<b>Share Application Money Pending Allotment</b>			
<b>3</b>			
<b>Non-Current Liabilities</b>			
a	3	0.00	0.00
b	4	44188.00	31223.00
c		0.00	0.00
d		0.00	0.00
<b>4</b>			
<b>Current Liabilities</b>			
a		0.00	0.00
b	5	0.00	0.00
i		90580.00	0.00
ii		0.00	0.00
c	6	0.00	0.00
d	7	246156.00	1195774.00
<b>Total</b>		<b>90206588.21</b>	<b>90056909.42</b>
<b>II</b>			
<b>ASSETS</b>			
<b>1</b>			
<b>Non Current Assets</b>			
a	8		
(i) Tangible Assets		11776939.00	11989448.00
(ii) Intangible Assets		0.00	0.00
(iii) Capital work in progress		0.00	0.00
(iv) Intangible assets under development		0.00	0.00
b	9	14844000.00	14844000.00
c		0.00	0.00
d	9A	0.00	0.00
e		0.00	0.00
<b>2</b>			
<b>Current Assets</b>			
a		0.00	0.00
b	10	601293.67	601293.67
c	11	7945.65	445.65
d	12	82920.05	299370.12
e	13	61587231.00	59945568.00
f	14	1306258.84	2376783.98
<b>Total</b>		<b>90206588.21</b>	<b>90056909.42</b>

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

As per our report of even date attached.

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

For Advik Capital Limited

(Pradeep Kumar Garg)  
M.No. 012374

(Virender Kumar Agarwal)  
Managing Director  
DIN: 00531255

(Shakul Kumar Agarwal)  
Director  
DIN- 03590891

Place: New Delhi  
Dated: 22.05.2019

(Rishab Kumar Agarwal)  
CFO  
PAN: AJAPA7265J

(Ritika Priyam)  
Company Secretary  
PAN : BFEPP4123F

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2019

	Note No.	Figures as at the end of current reporting period 31.03.2019	Figures as at the end of current reporting period 31.03.2018	
I	Revenue from Operations	15	5215122.24	6320154.00
II	Other Income	16	9575.00	0.00
III	<b>Total Revenue (I+II)</b>		<b>5224697.24</b>	<b>6320154.00</b>
IV	Expenses:			
	Purchases of Shares	22	0.00	601293.67
	Changes in Inventories:		0.00	-601293.67
	Finished Goods	17	0.00	0.00
	Work-in- Progress and stock- in- trade		0.00	0.00
	Manufacturing Expenses	18	0.00	0.00
	Employees benefit Expenses	19	2391196.00	1613713.00
	Finance Costs	20	2125.57	3405.93
	Depreciation and amortization expenses		212509.00	288064.00
	Other Expenses	21	1399762.88	2302065.36
	<b>Total Expenses</b>		<b>4005593.45</b>	<b>4207248.29</b>
V	Profit before extraordinary Items and Tax (V-VI)		1219103.79	2112905.71
VI	Extraordinary Items		0.00	0.00
VII	Profit Before Tax (VII - VIII)		1219103.79	2112905.71
VIII	Tax Expenses			
	(i) Current Tax	304000.00	995751.79	678340.00
	(ii) Deferred Tax	12965.00		6307.00
	(iii) Transferred to Spl. Reserve	173005.00		286913.00
	(iv) Trf. to bad & Doubtful Reserve	37110.00		149825.00
	(v) Earlier Year Tax	<u>-93613.00</u>	433467.00	<u>-11383.00</u>
IX	Profit for the period from continuing operations (IX-X)		785636.79	1002903.71
X	Profit from Discontinuing operations		0.00	0.00
XI	Profit from Discontinuing Operations after Tax (XII - XIII)		785636.79	1002903.71
XII	Profit(loss) for the period (XI + XIV)			
XVI	Earning Per Equity Share			
	(i) Basic		0.02	0.22
	(ii) Diluted		0.02	0.22
	GP Ratio		54.15	64.95
	NP Ratio		23.38	33.43

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

As per our report of even date attached.

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

For Advik Capital Limited

(Pradeep Kumar Garg)  
M.No. 012374

(Virender Kumar Agarwal)  
Managing Director  
DIN: 00531255

(Shakul Kumar Agarwal)  
Director  
DIN- 03590891

Place: New Delhi  
Dated: 22.05.2019

(Rishab Kumar Agarwal)  
CFO  
PAN: AJAPA7265J

(Ritika Priyam)  
Company Secretary  
PAN : BFEP4123F

## Cash Flow Statement for the year ended 31st March 2019

	As At 31.03.2019	As At 31.03.2018
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before Tax & Extraordinary items	1,219,103.79	2,112,905.71
Adjustments for:		
Depreciation	212,509.00	288,064.00
Operating Profit before Working Capital Change	<b>1,431,612.79</b>	<b>2,400,969.71</b>
Adjustment for:		
Trade and other receivables provision	(7,500.00)	841.85
Inventories	-949618.00	1,123,164.00
Trade Payables	-	(601,293.67)
Trade Payables	90,580.00	-
Decrease Other Liabilities	-	-
Loans & Advances	(571,137.86)	11,644,936.02
Cash generated from operations	<b>(1,437,675.86)</b>	<b>12,167,648.20</b>
Tax Paid	(304,000.00)	(678,340.00)
Interest Paid	-	-
Income tax adjustment	93,613.00	11,383.00
<b>Net Cash from Operating Activities</b>	<b>(216,450.07)</b>	<b>13,901,660.91</b>
<b>B. Cash Flow from Investing Activities</b>		
other Receipts		
Non Current Investments unsecured loan	0.00	-14350000.00
Capital Increase	-	-
Increase in premium	-	-
Addition / Sale of Fixed Assets	-	-
<b>Net Cash used in Investing activities</b>	<b>-</b>	<b>(14,350,000.00)</b>
<b>C. Cash Flow from Financing Activities</b>	<b>(216,450.07)</b>	<b>(448,339.09)</b>
Proceeds from Share Application Money		
<b>Minority Interest</b>		
Proceeds from Long Term Borrowings		
<b>Net Cash from Financing Activities</b>		
Net Increase in Cash and cash equivalents (A+B+C)	(216,450.07)	(448,339.09)
Cash and cash Equivalents as at the beginning of the Year	299,370.12	747,709.21
<b>Cash and cash equivalents as the close of the Year</b>	<b>82,920.05</b>	<b>299,370.12</b>

As per our report of even date attached.

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

(Pradeep Kumar Garg)  
M.No. 012374

Place: New Delhi  
Dated: 22.05.2019

For Advik Capital Limited

(Virender Kumar Agarwal)  
Managing Director  
DIN: 00531255

(Rishab Kumar Agarwal)  
CFO  
PAN: AJAPA7265J

(Shakul Kumar Agarwal)  
Director  
DIN- 03590891

(Ritika Priyam)  
Company Secretary  
PAN : BFEP4123F

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH 2019**
**NOTE NO. 1 - SHARE CAPITAL**
**1. Share Capital**

Share Capital	As at 31 March 2019		As at 31 March 2018	
	Number	Amount (₹)	Number	Amount (₹)
<b>Authorised Capital</b>				
Equity Shares of ₹ 1/- each	45873600	45873600.00	4587360	45873600.00
<b>Issued Subscribed and paid up</b>				
Equity Shares of ₹ 1/- each fully paid up	45873600	45873600.00	4587360	45873600.00
<b>Total</b>	<b>45873600</b>	<b>45873600.00</b>	<b>4587360</b>	<b>45873600.00</b>

**2 Reconciliation**

Particulars	Equity Shares		Preference Shares	
	Number	Amount	Number	Amount
Equity Shares of Rs. 1/- each	45873600	45873600	0	0
Issued Subscribed and paid up				
Equity Shares of Rs. 1/- each fully paid up	45873600	45873600	0	0

**3 Shareholdings**

Share Capital	As at 31 March 2019		As at 31 March 2018	
	No. of shares held	% of Holding	No. of shares held	% of Holding
<b>Name of Shareholder</b>				
As per List		0.00%		0.00%

**Note No-2 Reserves & Surplus**

Reserves & Surplus	As at 31st March 2019		As at 31st March 2018	
	Amount		Amount	
<b>I. Securities Premium Account</b>				
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		<u>35720000.00</u>		<u>35720000.00</u>



<b>2</b>	<b>Amalgamation reserve</b>		
	Opening Balance	4416651.00	4416651.00
	(+) Current Year Transfer	0.00	0.00
	(-) Written back in Current Year		
	<b>Closing Balance</b>	<b>4416651.00</b>	<b>4416651.00</b>
<b>2A</b>	<b>Spl. Reserve (1) as per RBI ACT.</b>		
	Balance B/F	348088.00	61175.00
	Amount transferred from P & LA/c	173005.00	286913.00
	<b>Closing Balance</b>	<b>521093.00</b>	<b>348088.00</b>
<b>2B</b>	<b>Res. For Bad &amp; Doubtful Debts</b>		
	Balance B/F	324399.00	174574.00
	Amount transferred from P & LA/c	37110.00	149825.00
	<b>Closing Balance</b>	<b>361509.00</b>	<b>324399.00</b>
<b>3</b>	<b>Surplus (Profit &amp; Loss A/c)</b>		
	Opening Balance	2147174.42	1144270.71
	(+) Net Profit for the Current Year	785636.79	1002903.71
	Closing Balance	2932811.21	2147174.42
	Total	43952064.21	42956312.42

### Note No-3 Long Term Borrowings

Long Term Borrowings	As at 31st March 2019	As at 31st March 2018	
	Amount	Amount	
<b>Secured</b>			
<b>1</b>	<b>Term Loans</b>	<b>0.00</b>	<b>0.00</b>
<b>2</b>	<b>Other Loans and Advances</b>	-	-
		<b>0.00</b>	<b>0.00</b>
<b>Unsecured</b>			
<b>1</b>	<b>Loans and Advances from related parties</b>	-	-
	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

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

Deferred Tax Liability (net)	As at 31st March 2019	As at 31st March 2018
	Amount	Amount
(a) Deffered Tax Liability		
- Depreciation net of difference in composition of actual cost of assets	49866	20411
- Expenses disallowed under section 43		
(b) Deferred Tax Assets		
Deferred Tax Liability (net)	44188	31233

**Note No-5 Trade Payables**

Trade Payables	As at 31st March 2019	As at 31st March 2018
	Amount	Amount
(i) Total outstanding dues of micro enterprises and small enterprises	90580.00	0.00
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.00	0.00
	<b>90580.00</b>	<b>0.00</b>

**Note No-6 Other Current Liabilities**

Other Current Liabilities	As at 31st March 2019	As at 31st March 2018
	Amount	Amount
Advance Received from Customers	0.00	0.00
	<b>0.00</b>	<b>0.00</b>

**Note No-7 Short Term Provision**

Short Term Provision	As at 31st March 2019	As at 31st March 2018
	Amount	Amount
Rate & Taxes	0.00	694410.00
Audit fees	30680.00	30680.00
Salary Payable	142426.00	389700.00
Professional Payable	0.00	80984.00
TDS Payable	73050.00	0.00
	<b>246156.00</b>	<b>1195774.00</b>

## Note on-8 Property, Plant and Equipment

Fixed Assets	Gross Block				
	Balance as at 01/04/2018	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ impairment	Balance as at 31/03/2019
<b>a. Tangible Assets</b>					
Office Space at Manesar	11127800.00	0	0.00	0.00	11127800.00
Furniture & fixture	89143.00	0.00	0.00	0.00	89143.00
Air conditioner	132072.00	0.00	0.00	0.00	132072.00
EPBAX	9565.00	0.00	0.00	0.00	9565.00
Office Equipment	87222.00	0.00	0.00	0.00	87222.00
Computer	290927.00	0.00	0.00	0.00	290927.00
Refrigerator	59402.00	0.00	0.00	0.00	59402.00
Telephone	7713.00	0.00	0.00	0.00	7713.00
Mobile phone	81096.00	0.00	0.00	0.00	81096.00
Vehicle	4559036.00	0.00	0.00	0.00	4559036.00
<b>Total</b>	<b>16443976.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>16443976.00</b>
<b>b. Capital Work in Progress</b>					
Building Construction	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>16443976.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>16443976.00</b>

Property, Plant and Equipment	Accumulated Depreciation				
	Balance as at 4/1/2018	Depreciation Charge for the year	Adjustment due to revaluation	on disposal	Balance as at 31/03/2019
<b>a. Tangible Assets</b>					
Office Space at Manesar	0.00	0.00	0.00	0.00	0.00
Furniture & fixture	77336.00	3056.00	0.00	0.00	80392.00
Air conditioner	99546.00	5887.00	0.00	0.00	105433.00
EPBAX	7424.00	387.00	0.00	0.00	7811.00
Office Equipment	61701.00	4619.00	0.00	0.00	66320.00
Computer / Printer	275202.00	1036.00	0.00	0.00	276238.00
Refrigerator	46115.00	2405.00	0.00	0.00	48520.00
Telephone	6009.00	308.00	0.00	0.00	6317.00
Mobile phone	59573.00	3895.00	0.00	0.00	63468.00
Vehicle	3821622.00	190916.00	0.00	0.00	4012538.00
<b>Total</b>	<b>4454528.00</b>	<b>212509.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4667037.00</b>
<b>b. Capital Work in Progress</b>					
Building Construction	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>4454528.00</b>	<b>212509.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4667037.00</b>

Property, Plant and Equipment	Net Block	
	Balance as 01/04/2018	Balance as 31/03/2019
<b>a. Tangible Assets</b>		
Office Space at Manesar	11127800.00	11127800.00
Furniture & fixture	11807.00	8751.00
Air conditioner	32526.00	26639.00
EPBAX	2141.00	1754.00
Office Equipment	25521.00	20902.00
Computer	15725.00	14689.00
Refrigerator	13287.00	10882.00
Telephone	1704.00	1396.00
Mobile phone	21523.00	17628.00
Motor Cycle	737414.00	546498.00
<b>Total</b>	<b>11989448.00</b>	<b>11776939.00</b>
<b>b. Capital Work in Progress</b>		
Building Construction	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>11989448.00</b>	<b>11776939.00</b>

**Note No-9 Non Current Investments**

<b>Non Current Investments</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
	<b>Amount</b>	<b>Amount</b>
Advik Optoelectronics Ltd	14844000.0	14844000.0
	<b>14844000.0</b>	<b>14844000.0</b>

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

<b>Long Term Loans and Advances</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
	<b>Amount</b>	<b>Amount</b>
a Security Deposits		
Unsecured Considered Good	0.00	0.00
	<b>0.00</b>	<b>0.00</b>

**Note No-10 Inventories**

<b>Inventories</b>	<b>As at 31st March 2019</b>	<b>As at 31st March 2018</b>
	<b>Amount</b>	<b>Amount</b>
a Raw Materials	0.00	0.00
b finished Goods	601293.67	601293.67
	<b>601293.67</b>	<b>601293.67</b>

**Note No-11 Trade Receivables**

<b>Trade Receivables</b>	<b>As at 31st March 2019</b>	<b>As at 31st March 2018</b>
	<b>Amount</b>	<b>Amount</b>
Trade Receivables outstanding for a period less than six months from the date they are due for payment		
Secured, Considered good	0.00	0.00
Unsecured, Considered good	7945.65	445.65
	<b>7945.65</b>	<b>445.65</b>

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

<b>Cash and cash equivalents</b>	<b>As at 31st March 2019</b>	<b>As at 31st March 2018</b>
	<b>Amount</b>	<b>Amount</b>
a Balance with banks		
Scheduled Banks	50839.05	55486.62
b Cash on hand	32081.00	243883.50
	<b>82920.05</b>	<b>299370.12</b>

## Note No-13 Short Term Loans and Advances

Short Term Loans and Advances	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
<b>a</b>		
<b>Loans and Advances</b>		
Advik Optoelectronics Ltd	1900000.00	7525293.00
Agarwal Enterprises	2810558.00	9236304.00
<b>ii</b>		
<b>Other Parties</b>		
Basant Projects Limited	45808486.00	0.00
Empire Buildtech Pvt Ltd	11052600.00	10151284.00
AJIT INDUSTRIES PVT.LTD.	0.00	2205267.00
B.P.Oil Mills Ltd	0.00	2749139.00
EZ BUILDCON PVT.LTD.	0.00	3933399.00
EZ Realcon Pvt.Ltd.	0.00	10947040.00
High Valley Builder	0.00	1662001.00
High Valley Industrial Corporation	0.00	775600.00
Impex Metal Pvt.Ltd.	0.00	2155046.00
KSR BROTHERS	0.00	600000.00
S.Kannayalal	0.00	3023706.00
Sohan Lal & Co.	0.00	1662001.00
Tirupati Balaji Mills Limited	0.00	2226969.00
UNIEXCEL DEVELOPERS PVT.LTD.	0.00	1076932.00
	<b>61571644.00</b>	<b>59929981.00</b>
<b>b</b>		
<b>Others</b>		
Unsecured Considered Good (EMD/PG/SD)	0.00	0.00
Advance to Suppliers	15587.00	15587.00
	15587.00	15587.00
	<b>61587231.00</b>	<b>59945568.00</b>

**Note No-14 Other Current Assets**

Other Current Assets	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
a Income Tax Refundable	260730.00	328362.00
b Deffered Capital Exp.	688104.00	1376208.00
c IT Refundable A.Y. 2019-20	210555.00	626147.00
d GST Carried Forward	146869.84	46066.98
	<u>1306258.84</u>	<u>2376783.98</u>

**Note No-15 Revenue from Operations**

Revenue from Operations	For the year ended 31.03.2019	For the year ended 31.03.2018
	Amount	Amount
Interest Income	5215122.24	6320154.00
	<u>5215122.24</u>	<u>6320154.00</u>

**Note No-16 Other Income**

Other Income	For the year ended 31.03.2019	For the year ended 31.03.2018
	Amount	Amount
Dividend	9575.00	0.00
	<u>9575.00</u>	<u>0.00</u>

**Note No-17 Change in Stock**

Change in Stock	For the year ended 31.03.2019	For the year ended 31.03.2018
	Amount	Amount
Opening Stock:		
Finished Goods	601293.67	0.00
Closing Stock:		
Finished Goods	601293.67	601293.67
Change in Stock:	<u>0.00</u>	<u>-601293.67</u>

**Note No-18 Manufacturing Expenses**

Manufacturing Expenses	For the year ended 31.03.2019	For the year ended 31.03.2018
	Amount	Amount
1 Manufacturing Expenses		
a. others	0.00	0.00
	<u>0.00</u>	<u>0.00</u>

**Note No-19 Employee benefit expenses**

Employee Benefit Expenses	For the year ended 31.03.2019	For the year ended 31.03.2018
	Amount	Amount
a Salaries and incentives	889552.00	456112.00
b Director Remuneration	1500000.00	900000.00
c Conveyance Allowance	0.00	39369.00
d HRA	0.00	158833.00
e Spl. Allowances	0.00	59399.00
f Staff Welfare	1644.00	0.00
	<u>2391196.00</u>	<u>1613713.00</u>

**Note No-20 Finance Charges**

Finance Cost	For the year ended 31.03.2019	For the year ended 31.03.2018
	Amount	Amount
Bank Charges	2125.57	3405.93
	<u>2125.57</u>	<u>3405.93</u>



**Note No-21 Other Expenses**

Other Expenses	For the year ended 31.03.2019	For the year ended 31.03.2018
	Amount	Amount
<b>1. Administrative &amp; Other Expenses</b>		
Audit Fee	26000.00	34000.00
Advertisement & Publicity	78036.00	32561.00
BSE Registration Fees	250000.00	0.00
Business Promotion	0.00	1311.50
Printing & Stationery	14260.00	15295.00
Annual General Meeting Exp.	0.00	5517.00
Rate & Fees	22326.00	320055.00
Postage, Telephone, Telegram & Courier	34441.00	30482.19
Festival Expenses	0.00	11987.87
AGM exp.	13515.00	0.00
Vehicle Running & Maintenance	58531.26	116328.87
General Expenses	1500.00	3000.00
Digital Signature Exp	3900.00	
Legal & Professional Charges	166895.00	342455.50
Deferred Capital Exp. w/off	688104.00	1164160.00
Short & Excess	586.62	0.42
Insurance	41668.00	46417.00
L.T.C	0.00	178494.01
	<b>1399762.88</b>	<b>2302065.36</b>

**Note No 22 Cost of material consumed**

Opening stock	601293.67	0
Purchases of Share	0	601293.67
Total	601293.67	601293.67
Less: Closing stock	601293.67	0
Cost of Material Consumed	<b>0</b>	<b>601293.67</b>

SCHEDULE OF FIXED ASSETS AS PER INCOME TAX ACT AS ON 31.03.2019

Particulars	WDV as on 01.04.18	Addition	Sale	Total	Dep. For the year	WDV as on 31.03.19
Office Space Element -9	11127800	0	0	11127800	0	11,127,800
Furniture & fixture	30841	0	0	30841	3084	27,757
Air conditioner	35746	0	0	35746	5362	30,384
EPBAX	2274	0	0	2274	341	1,933
Office Equipment	25926	0	0	25926	3889	22,037
Computer	39086	0	0	39086	5863	33,223
Refrigertor	14113	0	0	14113	2117	11,996
Telephone	1809	0	0	1809	271	1,537
Mobile phone	22284	0	0	22284	3343	18,942
Vehicle	1587367	0	0	1587367	238105	1,349,262
<b>Total</b>	<b>12,887,245</b>			<b>12,887,245</b>	<b>262,375</b>	<b>12,624,871</b>

**Notes to the financial statements for the year ended 31st March, 2019****1. Significant accounting policies****(i) Basis for preparation of Financial Statements**

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

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

**(ii) Revenue recognition**

The Company derives its revenue from the operations of NBFC

The revenue from its operations is recorded on accrual basis.

**(iii) Expenditure**

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

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

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

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

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

**Intangible Assets**

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

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

**(v) Impairment of Assets**

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

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

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

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

**(vii) Provision for tax**

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

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

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

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

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

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

**(ix) Segment information for the year ended 31st March 2019 as per accounting standard issued by the institute for Chartered Accountants of India is as Annexure-A. Previous years figures are indicated in brackets.**

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

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

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

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

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

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

**(xvii) Earning per share**

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

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

(xviii) Deferred Capital Exp. Rs 688104/- is written off during the year

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

As per our report of even date attached.

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

(Pradeep Kumar Garg)  
M.No. 012374

Place: New Delhi  
Dated: 22.05.2019

For **Advik Capital Limited**

(Virender Kumar Agarwal)  
Managing Director  
DIN: 00531255

(Rishab Kumar Agarwal)  
CFO  
PAN: AJAPA7265J

(Shakul Kumar Agarwal)  
Director  
DIN- 03590891

(Ritika Priyam)  
Company Secretary  
PAN : BFEPP4123F

# CONSOLIDATED FINANCIAL STATEMENTS

## Independent Auditor's Report

To the Members of

ADVIK CAPITAL LIMITED

### Report on the Financial Statements

We have audited the accompanying (Consolidated) financial statements of ADVIK CAPITAL LIMITED ("the Holding Company") and ADVIK OPTOELECTRONICS LIMITED ("the subsidiary Company") together referred as "the Group" for the year ended on 31st March, 2019, 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, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

These consolidated annual financial results have been prepared from consolidated annual financial statements which are the responsibility of the Holding Company's Management.

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 annual financial results based on our audit of the annual financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is 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 also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

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 these financial Statement :

(1) a. includes the results of the following entities:

Advik Capital Limited and Advik Optoelectronic Limited

- b. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- c. gives a true and fair view in conformity with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated total comprehensive income (comprising of net [profit/loss] and other comprehensive income/ loss) and other financial information of the Group for the year ended 31.03.2019.

(2) The consolidated financial results includes the unaudited financial statements/ financial information Of Advik optoelectronics Ltd. subsidiaries, whose financial statements/ financial information reflect total assets of **Rs. 13,17,72,667.17** as at 31st March, 2019, total revenue of **Rs. 4,53,59,568.93** total net profit after tax of **Rs. 11,88,221.03**, total comprehensive income/ loss of **Rs. 4,74,99,212.82** for the year ended on that date, as considered in the consolidated financial results.

These financial statements/ financial information are unaudited and have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such audited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management.

Our opinion on the Statement is not modified in respect of the above matter 38.

### 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 GARGANIL & CO.****Chartered Accountants**

Firm Regn. No. 6308N

**(PRADEEP KUMAR GARG)**

M.NO. : 012374

Place: New Delhi

Date: 22-05-2019

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

Referred to in paragraph 1 of the Independent Auditor’s Report of even date to the members of the **ADVIK CAPITAL LIMITED** on the financial statements of the Company for the year ended March 31, 2019:

- 1) The Company is having Property, Plant Equipment as per Property, Plant Equipment Schedule for the year ended 31.03.2019 and proper records maintained by the company
- 2) (i) The company has a inventory of shares & goods only.  
(ii) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- 3) The Company has granted loans, unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.



- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Income-Tax, Sales tax, Service Tax, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable.  
b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the company has obtained registration, Reg. No. B-14.00724

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

Firm Regn. No. 6308N

**(PRADEEP KUMAR GARG)**

M.NO.: 012374

Place: New Delhi

Date: 22-05-2019

## **“Annexure B” to the Independent Auditor’s Report of even date on the Consolidated Financial Statements of ADVIK CAPITAL 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 CAPITAL LIMITED as of March 31, 2019 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Firm Regn. No. 6308N

**(PRADEEP KUMAR GARG)**

M.NO.: 012374

Place: New Delhi

Date: 22-05-2019

## CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH 2019

	Note No.	Figures as at the end of current reporting period 31.03.2019	Figures as at the end of current reporting period 31.03.2018
<b>I</b>			
<b>1</b>			
a	1	60873600.00	60873600.00
b	2	55704743.84	54306407.81
c			
<b>2</b>		<b>0.00</b>	<b>0.00</b>
<b>3</b>			
a	3	9831618.23	13373859.31
b	4	44188.00	31223.00
c		0.00	0.00
d		0.00	0.00
<b>4</b>			
a		25557.63	0.00
b	5	0.00	0.00
i		3509631.70	7186650.44
ii		0.00	0.00
c	6	1138816.60	2102486.44
d	7	644511.17	2080831.42
		<b>131772667.17</b>	<b>139955058.42</b>
<b>II</b>			
<b>1</b>			
a	8		
(i)		22572077.01	23661854.84
(ii)		0.00	0.00
(iii)		0.00	0.00
(iv)		0.00	0.00
b	9	14844000.00	14844000.00
c		299728.00	248689.00
d	9A	10434.00	10434.00
e		0.00	0.00
<b>2</b>			
a		0.00	0.00
b	10	17745594.35	20324236.23
c	11	8315732.25	12589289.37
d	12	306113.04	542715.28
e	13	64671231.00	63338417.00
f	14	3007757.52	4395422.70
		<b>131772667.17</b>	<b>139955058.42</b>

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

As per our report of even date attached.

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

For For Advik Capital Ltd. & Advik Optoelectronics Ltd

(Pradeep Kumar Garg)  
M.No. 012374

(Virender Kumar Agarwal)  
Managing Director  
DIN: 00531255

(Shakul Kumar Agarwal)  
Director  
DIN- 03590891

Place: New Delhi  
Dated: 22.05.2019

(Rishab Kumar Agarwal)  
CFO  
PAN: AJAPA7265J

(Ritika Priyam)  
Company Secretary  
PAN : BFEP4123F

**CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2019**

	Note No.	Figures as at the end of current reporting period 31.03.2019	Figures as at the end of current reporting period 31.03.2018
<b>I</b>			
<b>Revenue from Operations</b>	15	45359568.93	30887039.32
<b>II</b>			
<b>Other Income</b>	16	2139643.89	622.00
<b>III</b>			
<b>Total Revenue (I+II)</b>		<b>47499212.82</b>	<b>30887661.32</b>
<b>IV</b>			
<b>Expenses:</b>			
Cost of Materials consumed		29262563.47	16130256.21
Changes in Inventories:	17		
Finished Goods		2578641.89	(3453384.22)
Work-in- Progress and stock- in- trade		0.00	0.00
Manufacturing Expenses	18	1405702.66	802684.75
Employees benefit Expenses	19	4650759.09	3703918.37
Finance Costs	20	699911.55	2259573.47
Depreciation and amortization expenses		2458569.00	2963032.00
Other Expenses	21	4693793.12	6252994.91
Total Expenses		45749940.78	28659075.49
<b>V</b>			
<b>Profit Before Tax (VII - VIII)</b>		<b>1749272.04</b>	<b>2228585.83</b>
<b>VI</b>			
<b>Tax Expenses</b>			
(i) Current Tax		491633.00	949427.00
(ii) Deferred Tax		(38074.00)	(162909.00)
(iii) Transferred to Spl. Reserve		173005.00	286913.00
(iv) Trf. to bad & Doubtful Reserve		37110.00	149825.00
(v) Earlier Year Tax		(102622.99)	(8845.02)
<b>VII</b>			
<b>Profit for the period from continuing operations (IX-X)</b>		1188221.03	1014174.85
<b>VIII</b>			
<b>Profit from Discontinuing operations</b>		0.00	0.00
<b>IX</b>			
<b>Tax expenses of discontinuing operation</b>		0.00	0.00
<b>X</b>			
<b>Profit from Discontinuing Operations (after Tax (XII - XIII)</b>		0.00	0.00
<b>XI</b>			
<b>Profit(loss) for the period (XI + XIV)</b>		1188221.03	1014174.85
<b>XII</b>			
<b>Earning Per Equity Share</b>			
(i) Basic		0.03	0.02
(ii) Diluted			

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

As per our report of even date attached.

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

(Pradeep Kumar Garg)  
M.No. 012374

Place: New Delhi  
Dated: 22.05.2019

For **For Advik Capital Ltd. & Advik Optoelectronics Ltd**

(Virender Kumar Agarwal)  
Managing Director  
DIN: 00531255

(Rishab Kumar Agarwal)  
CFO  
PAN: AJAPA7265J

(Shakul Kumar Agarwal)  
Director  
DIN- 03590891

(Ritika Priyam)  
Company Secretary  
PAN : BFEP4123F

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

	As At 31.03.2019	As At 31.03.2018
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before Tax & Extraordinary items	1,749,272.04	2,228,585.82
Adjustments for:		
Depreciation	2,458,569.00	2,963,032.00
Other adjustment	-	-
Preliminary Expenses Written off	-	-
Operating Profit before Working Capital Change	<b>4,207,841.04</b>	<b>5,191,617.82</b>
Adjustment for:		
Trade and other receivables provision	4,273,557.12	11,325,713.56
Inventories	-1436320.25	1,855,010.46
Trade Payables	2,578,641.88	(3,453,384.21)
Other Liabilities	(3,677,018.74)	(15,691,234.26)
Loans & Advances	(963,669.84)	(2,047,513.56)
Cash generated from operations	<b>54,851.18</b>	<b>13,896,011.60</b>
Tax Paid	<b>830,041.35</b>	<b>5,884,603.59</b>
Interest Paid	(491,633.00)	(949,427.00)
Income tax adjustment	-	-
<b>Net Cash from Operating Activities</b>	<b>102,622.99</b>	<b>8,845.02</b>
<b>B. Cash Flow from Investing Activities</b>	<b>4,648,872.38</b>	<b>10,135,639.43</b>
other Receipts		
Non Current Investments	0.00	-14350000.00
unsecured loan	(3,516,683.45)	(23,825,736.69)
Capital Increase	-	14,500,000.00
Increase in premium	-	10,875,000.00
Addition / Sale of Fixed Assets	(1,368,791.17)	(384,553.78)
<b>Net Cash used in Investing activities</b>	<b>(4,885,474.62)</b>	<b>(13,185,290.47)</b>
<b>C. Cash Flow from Financing Activities</b>	<b>(236,602.24)</b>	<b>(3,049,651.04)</b>
Proceeds from Share Application Money		
<b>Minority Interest</b>		
Proceeds from Long Term Borrowings		
<b>Net Cash from Financing Activities</b>		

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

As per our report of even date attached.

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

(Pradeep Kumar Garg)  
M.No. 012374

Place: New Delhi  
Dated: 22.05.2019

For For Advik Capital Ltd. & Advik Optoelectronics Ltd

(Virender Kumar Agarwal)  
Managing Director  
DIN: 00531255

(Rishab Kumar Agarwal)  
CFO  
PAN: AJAPA7265J

(Shakul Kumar Agarwal)  
Director  
DIN- 03590891

(Ritika Priyam)  
Company Secretary  
PAN : BFEP4123F

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDING 31ST MARCH 2019**

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

Share Capital	As at 31 March 2019		As at 31 March 2018	
	Number	Amount (₹)	Number	Amount (₹)
<b>Authorised Capital</b>				
Equity Shares of Advik Capital Rs. 1/- each	47373600	60873600.00	47373600	60873600.00
Equity Shares of Advik Optoelectronics Ltd Rs. 10/- each				
<b>Issued Subscribed and paid up</b>				
Equity Shares of Advik Capital Rs. 1/- each	47373600	60873600.00	47373600	60873600.00
Equity Shares of Advik Optoelectronics Ltd Rs. 10/- each				
<b>Total</b>	<b>47373600</b>	<b>60873600.00</b>	<b>47373600.00</b>	<b>60873600</b>

**2 Reconciliation**

Particulars	Equity Shares		Preference Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	47373600	60873600.00	0	0.00
Shares issued during the year	0	0.00	0	0.00
Shares bought back during the year	0.00	0.00	0	0.00
Shares outstanding at the end of the year	47373600	60873600.00	0	0.00

**3 Shareholdings**

Share Capital	As at 31 March 2019		As at 31 March 2018	
	No. of	% of	No. of	% of
<b>Name of Shareholder</b>	<b>shares held</b>	<b>Holding</b>	<b>shares held</b>	<b>Holding</b>
List attached	47373600	100.00	50000	100.00

**Note No-2 Reserves & Surplus**

Reserves & Surplus	As at 31st March 2019		As at 31st March 2018	
	Amount		Amount	
<b>1 Securities Premium Account</b>				
Opening Balance		46595000.00		46595000.00
Add: Securities Premium credited on shares issued		0.00		0.00
Closing Balance		46595000.00		46595000.00

<b>2</b>	<b>Amalgamation reserve</b>		
	Opening Balance	4416651.00	4416651.00
	(+) Current Year Transfer		
	(-) Written back in Current Year	0.00	0.00
	Closing Balance	4416651.00	4416651.00
<b>2A</b>	<b>Spl. Reserve (1) as per RBI ACT.</b>		
	Balance B/F	348088.00	61175.00
	Amount transferred from P & LA/c	173005.00	286913.00
	Closing Balance	521093.00	348088.00
<b>2B</b>	<b>Res. For Bad &amp; Doubtful Debts</b>		
	Balance B/F	324399.00	174574.00
	Amount transferred from P & LA/c	37110.00	149825.00
	Closing Balance	361509.00	324399.00
<b>3</b>	<b>Surplus (Profit &amp; Loss A/c)</b>		
	Opening Balance	2622269.81	1608094.97
	(+) Net Profit for the Current Year	1188221.03	1014174.84
	Closing Balance	3810490.84	2622269.81
	<b>Total</b>	<b>55704743.84</b>	<b>54306407.81</b>

### Note No-3 Long Term Borrowings

Long Term Borrowings		As at 31st March 2019	As at 31st March 2018
		Amount	Amount
	<b>Secured</b>		
1	Bank OD	3718066.23	5279654.31
2	Car Loan	363552.00	568912.00
		4081618.23	5848566.31
	<b>Unsecured</b>		
1	Loans and Advances from related parties		
	Advik Capital Ltd	1900000.00	7525293.00
	Advik Global Ltd	1450000.00	0.00
		3350000.00	7525293.00
1	Other		
	Altolite Electro Signs Pvt Ltd	2400000.00	0.00
		2400000.00	0.00
	<b>Total</b>	<b>9831618.23</b>	<b>13373859.31</b>



**Note No-3A Short Term Borrowings**

Pay-U Money	25557.63	0.00
<b>Total</b>	<b>25557.63</b>	<b>0.00</b>

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

Deferred Tax Liability (net)	As at 31st March 2019	As at 31st March 2018
	Amount	Amount
(a) Deferred Tax Liability		
- Depreciation net of difference in composition of actual cost of assets	246168.00	568036
- Expenses disallowed under section 43		
(b) Deferred Tax Assets	299728.00	248689
Deferred Tax Liability (net)	<u>44188.00</u>	<u>31223</u>

**Note No-5 Trade Payables**

Trade Payables	As at 31st March 2019	As at 31st March 2018
	Amount	Amount
i total outstanding dues of micro enterprises and small enterprises	3509631.7	7186650.44
ii total outstanding dues of creditors other than micro enterprises and small enterprises	0	0
	<u>3509631.70</u>	<u>7186650.44</u>

**Note No-6 Other Current Liabilities**

Other Current Liabilities	As at 31st March 2019	As at 31st March 2018
	Amount	Amount
Advance Received from Customers	1138816.60	2102486.44
	<u>1138816.60</u>	<u>2102486.44</u>

**Note No-7 Short Term Provision**

Short Term Provision	As at 31st March 2019	As at 31st March 2018
	Amount	Amount
Exp. Payable	456878.17	1115334.42
Corporate Tax Payable	187633.00	965497.00
	<u>644511.17</u>	<u>2080831.42</u>

## Note No-8 Property, Plant and Equipment

Fixed Assets	Gross Block				
	Balance as at 01/04/2018	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ impairment	Balance as at 3/31/2019
<b>a. Tangible Assets</b>					
Office Space at Manesar	11127800.00	0.00	0.00	0.00	11127800.00
LIFT	590000.00	0.00	0.00	0.00	590000.00
Furniture & fixture	653489.46	0.00	0.00	0.00	653489.46
Plant & Machinery	10028857.12	1098167.37	0.00	0.00	11127024.49
Lab Equipment	3690872.18	14000.00	0.00	0.00	3704872.18
Office Equipment	561769.00	25338.98	0.00	0.00	587107.98
Computer / Laptop	1307419.30	0.00	0.00	0.00	1307419.30
D.G. Set 62.50 KVA	475555.00	0.00	0.00	0.00	475555.00
Mobile phone / Wireless System	388065.72	14284.82	0.00	0.00	402350.54
Dies & Tools	293877.48	217000.00	0.00	0.00	510877.48
Vehicle	6479017.00	0.00	0.00	0.00	6479017.00
UPS 30 KVA	479496.00	0.00	0.00	0.00	479496.00
Air conditioner	132072.00	0.00	0.00	0.00	132072.00
EPBAX	9565.00	0.00	0.00	0.00	9565.00
Refrigerator	59402.00	0.00	0.00	0.00	59402.00
<b>Total</b>	<b>36277257.26</b>	<b>1368791.17</b>	<b>0.00</b>	<b>0.00</b>	<b>37646048.43</b>
<b>b. Capital Work in Progress</b>					
Building Construction	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>36277257.26</b>	<b>1368791.17</b>	<b>0.00</b>	<b>0.00</b>	<b>37646048.43</b>

	Accumulated Depreciation				
	Balance as at 4/1/2018	Depreciation Charge for the year	Adjustment due to revaluation	on disposal	Balance as at 31/03/2019
<b>a. Tangible Assets</b>					
LIFT	242004.00	62987.00	0.00	0.00	304991.00
Furniture & fixture	432068.46	57325.00	0.00	0.00	489393.46
Plant & Machinery	4075718.12	1094280.00	0.00	0.00	5169998.12
Lab Equipment	1418043.18	412860.00	0.00	0.00	1830903.18
Office Equipment	293712.00	45045.00	0.00	0.00	338757.00
Computer / Laptop	709843.30	110970.00	0.00	0.00	820813.30
D.G.Set 62.50 KVA	214306.00	47286.00	0.00	0.00	261592.00
Mobile phone / Wireless System	111766.36	51086.00	0.00	0.00	162852.36
Die & Tools	109715.00	47410.00	0.00	0.00	157125.00
Vehicle	4682719.00	465061.00	0.00	0.00	5147780.00
UPS 30 KVA	172422.00	55580.00	0.00	0.00	228002.00
Air conditioner	99546.00	5887.00	0.00	0.00	105433.00
EPBAX	7424.00	387.00	0.00	0.00	7811.00
Refrigerator	46115.00	2405.00	0.00	0.00	48520.00
<b>Total</b>	<b>12615402.42</b>	<b>2458569.00</b>	<b>0.00</b>	<b>0.00</b>	<b>15073971.42</b>
<b>b. Capital Work in Progress</b>					
Building Construction	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>12615402.42</b>	<b>2458569.00</b>	<b>0.00</b>	<b>0.00</b>	<b>15073971.42</b>

Property, Plant and Equipment	Net Block	
	Balance as 01/04/2018	Balance as 31/03/2019
<b>a. Tangible Assets</b>		
Building	11127800.00	11127800.00
LIFT	347996.00	285009.00
Furniture & fixture	221421.00	164096.00
Plant & Machinery	5953139.00	5957026.37
Lab Equipment	2272829.00	1873969.00
Office Equipment	268057.00	248350.98
Computer	597576.00	486606.00
D.G. Set 62.50 KVA	261249.00	213963.00
Mobile phone / Wireless System	276299.36	239498.18
Die & Tools	184162.48	353752.48
Vehicle	1796298.00	1331237.00
UPS 30 KVA	307074.00	251494.00
Air conditioner	32526.00	26639.00
EPBAX	2141.00	1754.00
Refrigerator	13287.00	10882.00
<b>Total</b>	<b>23661854.84</b>	<b>22572077.01</b>
<b>b. Capital Work in Progress</b>		
Building Construction	0.00	0.00
Total	0.00	0.00
<b>Total</b>	<b>23661854.84</b>	<b>22572077.01</b>

### Note No-9 Non Current Investments

Long Term Loans and Advances	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
Advik Optoelectronics Ltd	14844000.0	14844000.0
	14844000.0	14844000.0

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

Long Term Loans and Advances	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
<b>a Security Deposits</b>		
Unsecured Considered Good	10434.00	10434.00
	<b>10434.00</b>	<b>10434.00</b>

**Note No-10 Inventories**

Inventories	As at 31st March 2019	As at 31st March 2018
	Amount	Amount
<b>a finished Goods</b>		
	17745594.35	20324236.23
	<b>17745594.35</b>	<b>20324236.23</b>

**Note No-11 Trade Receivables**

Trade Receivables	As at 31st March 2019	As at 31st March 2018
	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	8315732.25	12589289.37
	<b>8315732.25</b>	<b>12589289.37</b>

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

Cash and cash equivalents	As at 31st March 2019	As at 31st March 2018
	Amount	Amount
<b>a Balance with banks</b>		
Scheduled Banks	69924.50	76065.07
<b>b Paytm A/c</b>	9163.54	12400.16
<b>c Cash on hand</b>	218686.00	454250.05
<b>d USD\$</b>	8339.00	0.00
	<b>306113.04</b>	<b>542715.28</b>

## Note No-13 Short Term Loans and Advances

Short Term Loans and Advances		As at 31 March 2019	As at 31 March 2018
		Amount	Amount
<b>a</b>	<b>Loans and Advances</b>		
i	Related Parties		
	Advik Optoelectronics Ltd	1900000.00	7525293.00
	Agarwal Enterprises	2810558.00	9236304.00
ii	Other Parties		
	Basant Projects Limited	45808486.00	0.00
	Empire Buildtech Pvt Ltd	11052600.00	10151284.00
	AJIT INDUSTRIES PVT.LTD.	0.00	2205267.00
	B.P.Oil Mills Ltd	0.00	2749139.00
	EZ BUILDCON PVT.LTD.	0.00	3933399.00
	EZ Realcon Pvt.Ltd.	0.00	10947040.00
	High Valley Builder	0.00	1662001.00
	High Valley Industrial Corporation	0.00	775600.00
	Impex Metal Pvt.Ltd.	0.00	2155046.00
	KSR BROTHERS	0.00	600000.00
	S.Kannayalal	0.00	3023706.00
	Sohan Lal & Co.	0.00	1662001.00
	Tirupati Balaji Mills Limited	0.00	2226969.00
	UNIEXCEL DEVELOPERS PVT.LTD.	0.00	1076932.00
		61571644.00	59929981.00
<b>b</b>	<b>Security Deposits</b>		
	NDPL Security	75000.00	75000.00
	Rishab Kumar Aggarwal( security against property lease)	3000000.00	1600000.00
	Shakul Kumar Aggarwal (security against property lease)	0.00	1600000.00
		3075000.00	3275000.00
<b>c</b>	<b>Others</b>		
	Imprest Staff Account	0.00	102849.00
	Others	24587.00	30587.00
		24587.00	133436.00
		64671231.00	63338417.00

**Note No-14 Other Current Assets**

Other Current Assets	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
a Vat Refundable	1185134.00	1185134.00
b GST Carried forward	663234.52	863974.70
c IT TDS	0.00	15597.00
d Income Tax Refundable	260730.00	328362.00
e Deffered Capital Exp.	688104.00	1376208.00
g IT Refundable A.Y. 2019-20	210555.00	626147.00
	3007757.52	4395422.70

**Note No-15 Revenue from Operations**

Revenue from Operations	For the year ended 31.03.2019	For the year ended 31.03.2018
	Amount	Amount
Sale of Products	40141792.69	24566885.32
Scrap Sale	2654.00	0.00
Interest Income	5215122.24	6320154.00
	45359568.93	30887039.32

**Note No-16 Other Income**

Other Income	For the year ended 31.03.2019	For the year ended 31.03.2018
	Amount	Amount
Interest	0.00	622.00
Rebate & Discount	2130068.89	0.00
Dividend	9575.00	0.00
	2139643.89	622.00

**Note No-17 Change in Stock**

Change in Stock	For the year ended 31.03.2019	For the year ended 31.03.2018
	Amount	Amount
Opening Stock:		
Finished Goods	20324236.24	16870852.02
Closing Stock:		
Finished Goods	17745594.35	20324236.24
<b>Change in Stock:</b>	<b>2578641.89</b>	<b>(3453384.22)</b>

**Note No-18 Manufacturing Expenses**

Manufacturing Expenses	For the year ended 31.03.2019	For the year ended 31.03.2018
	Amount	Amount
<b>1 Manufacturing Expenses</b>		
Fright & Cartage	272126.50	184913.28
Consumables	104280.00	33403.00
Electricity Exp.	942118.12	578966.47
Packing Exp.	0.00	5402.00
Job Work	30000.00	0.00
Production cost Expenses	2000.00	0.00
Clearing & Forwarding Expenses	55178.04	0.00
	1405702.66	802684.75

**Note No-19 Employee benefit expenses**

Employee Benefit Expenses	For the year ended 31.03.2019	For the year ended 31.03.2018
	Amount	Amount
a Salaries and incentives	2175400.00	1573748.00
b Director Remuneration	2010000.00	1200000.00
c Staff Welfare	134913.00	101392.37
d HRA	51806.00	449645.00
e SPL Allowance	119088.00	168948.00
f Conveyance Allowance	29503.00	134808.00
g Medical Allowance	16607.00	75377.00
h Uniform to Staff	113442.09	0.00
	4650759.09	3703918.37

**Note No-20 Finance Cost**

Finance Cost	For the year ended 31.03.2019	For the year ended 31.03.2018
	Amount	Amount
Bank Charges	74575.21	61919.47
Interest Paid	625336.34	2197654.00
	699911.55	2259573.47



## Note No-21 Other Expenses

Other Expenses	For the year ended 31.03.2019	For the year ended 31.03.2018
	Amount	Amount
<b>1. Administrative &amp; Other Expenses</b>		
Audit Fee	52000.00	60000.00
Advertisement Exp.	89286.00	275348.00
BSE Registration Fees	250000.00	0.00
Business Promotion	104423.88	102608.21
Website Exp.	24405.00	47126.31
Lift Repair & Maint.	1600.00	38984.36
Compter Repair & Maint.	19745.50	22746.31
Conveyance Exp.	63226.70	24200.00
Paper Sticker	0.00	22844.00
Printing & Stationery	29450.00	116416.00
Annual Genral Meeding Exp.	13515.00	5517.00
Fees & Subscription	5000.00	5807.50
House Tax	0.00	48396.35
Internet Exp.	24000.00	34876.00
Office Expenses & Maint.	41128.00	6901.00
Postage, Telephone, Telegram & Courier	78298.75	87750.04
Label Warranty / QC/ Barcode	0.00	35980.00
Travelling & Conveyance	168147.86	287107.61
Legal & Professional Fee	263395.00	494455.50
Insurance charges	120642.00	95175.00
Deffered Capital Exp. w/off	688104.00	1164160.00
Rent 1200000.00	1200000.00	
General Exp.	40879.24	19026.02
Digital Singature Exp	3900.00	0.00
Repair & Maint.	297908.64	124323.99
ROC Fees	11452.00	244250.00
R.O Spare Exp.	0.00	32836.84
Vehicle Running & Maint.	705559.53	450326.33
Round Off / Short & Excess	(1771.37)	(4573.97)

Prel. Expenses W/Off	0.00	8281.00
DG Set Running Exp.	81592.90	11467.40
Festival Exp.	30017.50	32212.87
Foreign Tour & Travelling	136926.99	56170.52
Rate & taxes	22326.00	347899.00
BIS Expenses	0.00	100000.00
Commission on Sale	0.00	87872.00
Charity & Donation	2200.00	6630.00
Development Expenses	0.00	14000.00
Labour Cess	0.00	7798.00
Labour Charges	750.00	17960.00
LED EXPO Exhibitions Exp.	0.00	340007.00
Books and Prudicals Exp.,	0.00	0.00
Misc. Exp.,	2632.00	1014.71
News Paper	302.00	0.00
Late fees on GST	0.00	600.00
Service Charges	30000.00	0.00
Tool Expenses	4350.00	0.00
UPS Running & Maint.,	88400.00	0.00
L.T.C	0.00	178494.01
	<b>4693793.12</b>	<b>6252994.91</b>

**Note No 22 Cost of material consumed**

Opening stock	601293.67	0
purchases of Share	0	601293.67
Total	601293.67	601293.67
Less: Closing stock	601293.67	0
Cost of Material Consumed	0	601293.67

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019****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 & Electrical Goods Supplier like LED SIGNAGES etc..

The revenue from its operations is recorded on accrual basis.

**(iii) Expenditure**

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

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

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

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

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

**Intangible Assets**

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

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

**(v) Impairment of Assets**

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

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

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

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

**(vii) Provision for tax**

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

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

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

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

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

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

**(ix) Segment information for the year ended 31st March 2019 as per accounting standard issued by the institute for Chartered Accountants of India is as Annexure-A. Previous years figures are indicated in brackets.**

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

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

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

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

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

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

**(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. Rs 688104/- is written off during the year

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

As per our report of even date attached.

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

(Pradeep Kumar Garg)  
M.No. 012374

Place: New Delhi  
Dated: 22.05.2019

For **For Advik Capital Ltd. & Advik Optoelectronics Ltd**

(Virender Kumar Agarwal)  
Managing Director  
DIN: 00531255

(Rishab Kumar Agarwal)  
CFO  
PAN: AJAPA7265J

(Shakul Kumar Agarwal)  
Director  
DIN- 03590891

(Ritika Priyam)  
Company Secretary  
PAN : BFEP4123F

**FORM NO. AOC.1**

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Part "A": Subsidiaries**

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

1. Sl.No. :	1
2. Name of the subsidiary:	ADVIK OPTOELECTRONICS LIMITED
3. The date since when subsidiary was acquired:	08/08/2013
4. Reporting period for the subsidiary concerned, if different from the holding company's reporting period:	01st April 2018 to 31st March 2019
5. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries:	N.A
6. Share capital	Rs. 15000000.00
7. Reserves & surplus:	Rs. 11752679.63
8. Total assets:	Rs. 41566078.96
9. Total Liabilities:	Rs. 41566078.96
10. Investments:	Rs. 00
11. Turnover:	Rs. 42274515.58
12. Profit before taxation:	Rs. 530168.25
13. Provision for taxation:	Rs. 127584.01
14. Profit/loss after taxation	Rs. 402584.24
15. Profit/loss after taxation	Nil
16. % of shareholding:	100%

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

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

**ADVIK CAPITAL LIMITED**

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

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

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

CIN : L65100DL1985PLC022505

**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 34TH ANNUAL GENERAL MEETING OF THE COMPANY BEING HELD ON FRIDAY, 27TH DAY OF SEPTEMBER, 2019 AT 12:30 P.M. AT PLOT NO. 84, KHASRA NO. 143/84, GROUND FLOOR, EXTENDED LAL DORA, KANJHAWLA, DELHI-110081

Member

Proxy

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

\* Applicable for investors holding shares in physical form.

\*\* Please strike out whichever is not Applicable

## Form No. MGT-11

### Proxy form

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

**CIN: L65100DL1985PLC022505**

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

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

Name of the member (s) :
Registered address :
E-mail Id:
Folio No/ Client Id:
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 **34th Annual General Meeting** of the company, to be held on the **Friday, 27th day of September, 2019 At 12:30 P.M.** at the Registered Office of the Company at Plot No. 84, Khasra No. 143/84, Ground Floor, Extended Lal Dora, Kanjhawla, Delhi-110081 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	For(Approved)	Against(Rejected)
1. Consider and adopt: a) Audited (Standalone) Financial Statements for the Financial Year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon b) Audited Consolidated Financial Statements for the Financial Year ended March 31, 2019 and the Report of Auditors thereon		
2. Re-appointment of <b>Mr. Shakul Kumar Agarwal (DIN: 03590891)</b> , a Director retiring by rotation..		
3. Increase in the Remuneration of Mr. Virender Kumar Agarwal, Managing Director of the Company to 1,50,000 pm		
4. To re-appoint <b>M/s A. K. Verma &amp; Co., Company Secretaries (Registration No., Unique Code- S1997DE019500)</b> as Secretarial Auditor for the Financial Year 2019-2020.		

Signed this.....day of September, 2019

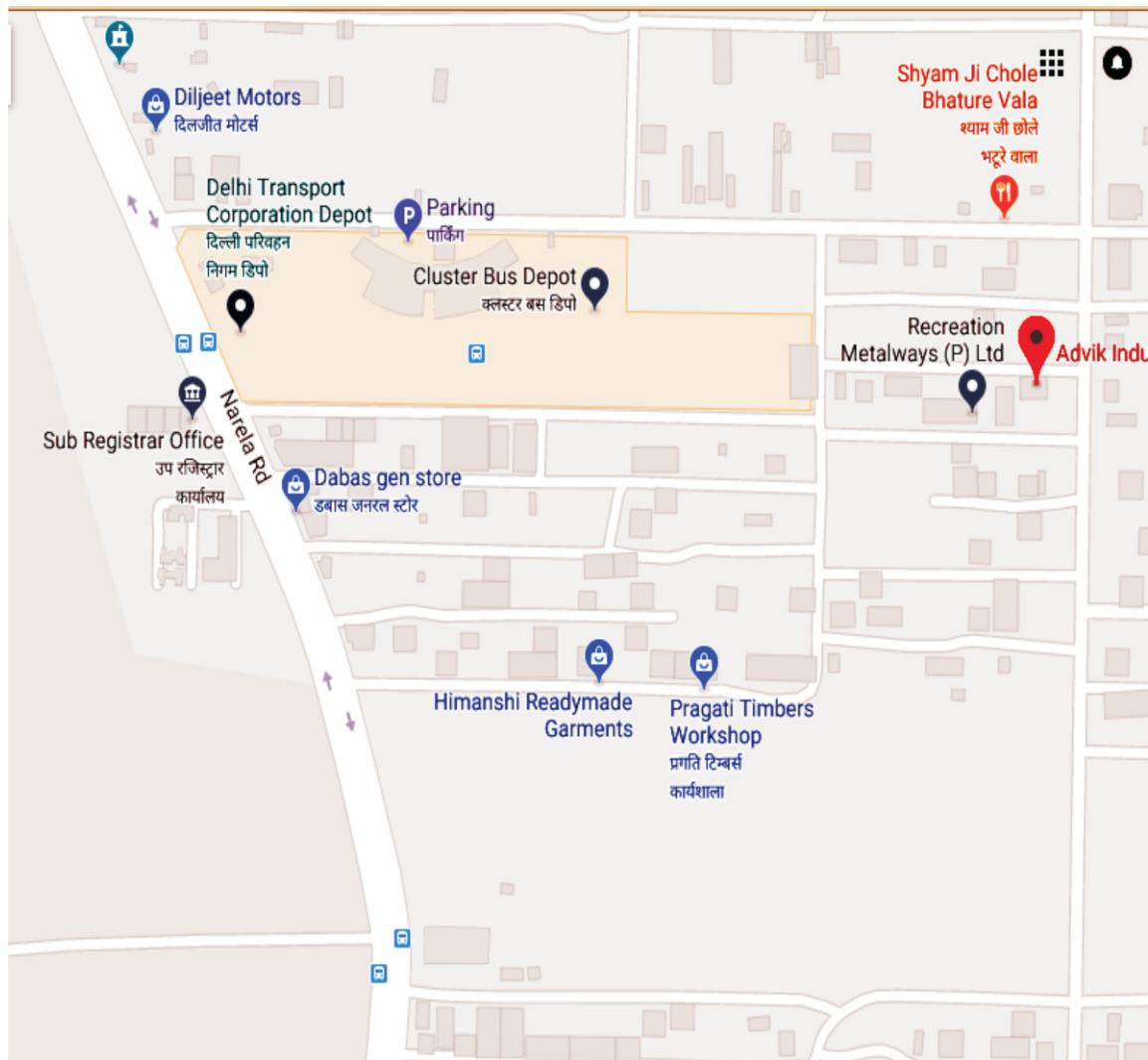
Affix Revenue Stamp
---------------------------

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

Note:

1. 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.
2. 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.
3. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
4. 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

**REGISTERED OFFICE:**

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

Ground Floor, Extended Lal Dora

Kanjhawla, Delhi-110081

CIN: L65100DL1985PLC022505

Email: [cs@advikgroup.com](mailto:cs@advikgroup.com)/[info@advikgroup.com](mailto:info@advikgroup.com)

Tel: 011-25952595