

Advik

Capital Limited

(formerly known as Advik Industries Limited)



33rd
ANNUAL
REPORT



Advik

Capital Limited

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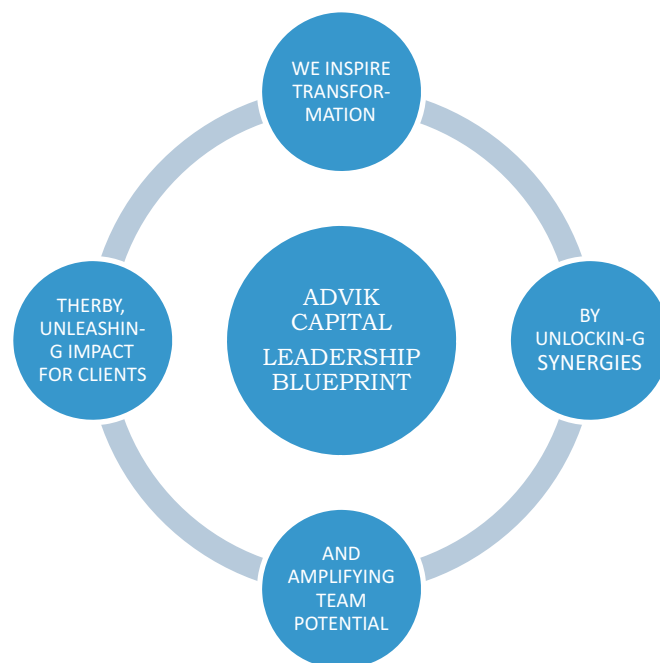
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DETERMINATION IS A KEY TO SUCCESS

Advik Capital growth story is unique in the scope and dimension of its contribution to nation building. Over the past 33 Years, the achievements of the Company have catapulted it to the super league enterprises. With deeply embedded values of integrity, safety and excellence, Advik capital is committed to sustainable growth through creating value for the nation and enhancing quality of life across the socio-economic spectrum. Advik Capital endorses inclusive development for all stakeholders and society at large.



INDUSTRY OVERVIEW

NBFCs continued to grow their share in the financial services industry. Data published by the RBI in its Financial Stability Reports dated 30 June 2017 and 21 December 2017 show that the NBFCs have outperformed scheduled commercial banks (SCBs) on growth in advances, asset quality and profitability. This growth momentum of NBFCs should result in their share in the financial services sector increasing in the near future.

Particulars	30 June 2017		30 September 2017	
	NBFCs	SCBs	NBFCs	SCBs
Growth in Advances	16.4%	4.4%	15.7%	6.2%
Gross Non-Performing Assets	4.4%	9.6%	4.9%	10.2%
Net Non-Performing Assets	2.2%	5.5%	2.4%	5.7%
Return on Assets (ROA)	1.8%	0.4%	1.9%	0.4%
Return on Equity (ROE)	6.8%	4.3%	7.6%	4.2%

Source: RBI's Financial Stability Reports dated 30 June 2017 and 21 December 2017.

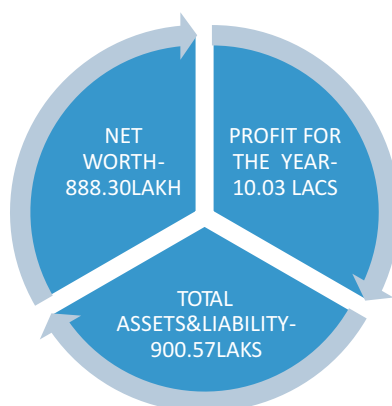


ADVIK CAPITAL AT A GLANCE

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

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.

MESSAGE FROM CHAIRMAN

Advik Capital Limited has undoubtedly emerged as one of the leading diversified non-banking financial companies of India. I am, as you must also be, proud of its achievements — especially its ability to outperform itself quarter after quarter and year after year to post excellent results, and maintain some of the most robust operations and business practices in the Country.

Generating such superior performance on a regular and sustainable basis emphasises the capabilities and strengths of your Company's management team. 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.

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.

In this journey, the Spirit of Advik Capital Limited continues to guide us as we walk with our clients to partner with them on their transformational journeys. It keeps us alert, aware of and aligned to our core values, and enables us to deal with a multitude of situations in a uniform manner, while we ensure the success of our clients, employees and other stakeholders in a social and responsible manner.

"I have no doubts that your Company will perform at least as well in FY2018 as it has in FY2017." It has. Now let me raise the bar. We, the Shareholders, want Advik Capital Limited to perform even better in FY2019. Because we know that it can.

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 :

www.advikgroup.com/ail

NOTICE

NOTICE is hereby given that the **33rd** Annual General Meeting of the members of **ADVIK CAPITAL LIMITED (FORMERLY KNOWN AS ADVIK INDUSTRIES LIMITED)** will be held on Wednesday the 26th day of September, 2018 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, 2018 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, 2018 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, 2018 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, 2018 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. Virender 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. Virender Kumar Agarwal (DIN: 00531255)**, who retires by rotation at this meeting and being eligible has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, **M/s Garg Anil & Co., Chartered Accountants, (ICAI Firm Registration No. 6308N)** be and is hereby appointed as the Statutory Auditor of the Company to hold office for a period of five consecutive years starting from 2018-19 till the conclusion of the Annual General Meeting to be held in 2023 at such remuneration as decided by the Board of Directors of the Company."

SPECIAL BUSINESS:

4. To re-appoint **Mr. Shakul Kumar Agarwal (DIN-03590891)** as Whole time Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following as Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint **Mr. Shakul Kumar Agarwal (DIN: 03590891)** as Whole-Time Director of the Company, for a period of 5 years w.e.f. 01.04.2018 which was duly approved in the Board Meeting held on 22.01.2018, from the expiry of his present term of office, that is, 31.03.2018 on such terms and conditions as mentioned below including remuneration as decided by the Board of Directors (hereinafter referred as "the Board" which term shall include the Nomination and Remuneration Committee of the Board) and to alter and vary the terms and conditions of the said re-appointment and /or remuneration as it may deem fit:

- a) **Term of appointment:** 5 years w.e.f. 01/04/2018 to 31.03.2023
- b) **Salary:** Rs. 1,00,000/- (Rupees One Lakh Only) payable on monthly basis. The Annual increment will be decided by the Board of Directors of the Company.

c) Perquisites:

1. Leave travel allowance (within India or outside India) for self and family once in a year as per rules of the Company.
2. Medical expenses actually incurred by him and his family subject to maximum of one month salary.
3. Club fees.
4. Provision for use of car with driver for official business- personal use of the car will be billed to him.
5. Payment/Reimbursement of Telephone including mobile expense.
6. Medical and Personal Insurance.

d) The Company will provide Rent Free Accommodation to the Whole-time Director of the Company.

e) The Company will make suitable contribution towards Provident Fund, Superannuation Fund etc. as per Rules of the Company.

f) Gratuity will be payable as per rules of the Company.

g) Leave as per rules of the Company including encashment of un-availed leave at the end of tenure.

RESOLVED FURTHER THAT Mr. Shakul Kumar Agarwal, shall not be entitled to any sitting fees for attending the meeting of the Board of Directors and/or Committee of Directors.

RESOLVED FURTHER THAT where in any Financial Year, the Company has no profits or its profits are inadequate during the term of office of Mr. Shakul Kumar Agarwal, the remuneration aforesaid, shall be paid subject to maximum remuneration in terms of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT all the members of the Board be and are hereby severally authorized authorised to sign documents, papers, file e-forms with Registrar of Companies NCT Delhi & Harayana and to do all such acts deeds and things which may be necessary in this behalf."

5. 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 2018-2019 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 2018-2019."

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: 10-08-2018

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