



22nd Annual Report
2015 – 2016

ADVIK
LABORATORIES
LIMITED

Corporate Information**BOARD OF DIRECTORS**

Mr. Peeyush Kumar Aggarwal
Mr. SachinGarg
Mr. Kamal Kishore Sharma
Mr. BrahmDutt Sharma
Mr. Manoj Kumar Jain
Ms. Madhu Sharma

Director
Managing Director
Independent Director
Independent Director
Independent Director
Director

COMPANY SECRETARY

Ms. PoojaChuni
Company Secretary

CHIEF FINANCIAL OFFICER

Mr. Manoj Kumar Bhatia
Chief Financial Officer (CFO)

AUDITORS

M/s RMA & Associates,
Chartered Accountants
(Firm Registration No. 000978N)

BANKERS

Indian Overseas Bank, New Delhi
HDFC Bank, New Delhi

REGISTRAR & SHARE TRANSFER AGENTS

Beetal Financial & Computer Services (P) Ltd.
Beetal House, 3rd Floor, 99, Madangir
Behind Local Shopping Centre,
Near Dada HarsukhdasMandir
New Delhi -110 062
Tel: 91-11-29961281/82
Fax: 91-11-29961284
E-mail: beetalrta@gmail.com

CORPORATE OFFICE:

807, Arunachal Building, 19
Barakhamba Road, Connaught Place,
New Delhi-110 001(INDIA)
Tel No.: 91-11-43571040-45
FAX : 91-11-42424884
E-Mail: mail@advikindia.com
Website: www.advikindia.com

REGISTERED OFFICE & PLANT:

138, Roz-Ka-Meo, Industrial Area,
Sohna, Distt. -Mewat (Haryana) INDIA
Tel. No.: 0124-2362471,+91-9813179885

CIN: L74899HR1994PLC038300

Notice

Notice is hereby given that the 22nd(Twenty second) Annual General Meeting of the Members of **ADVIK LABORATORIES LIMITED** will be held on Friday, 30th September, 2016 at 11.30 A.M. at its Registered Office at 138, Roz- Ka - Meo, Industrial Area Sohna, Distt. Mewat-122 103 (Haryana) INDIA to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the company including the Balance Sheet of the Company as at 31st March, 2016 and the Statement of Profit and Loss of the Company for the financial year ended 31st March, 2016 together with the Cash Flow Statement & other Annexures thereof and the Reports of the Board of Directors and Auditorsthereon.
2. To appoint a Director in place of Ms. Madhu Sharma (DIN 06947852),the Director of the Company, who is liable to retire by rotation and being eligible, offers herself for re-appointment pursuant to the provisions of Section 152 of the Companies Act, 2013.
3. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to the ordinary resolution passed by the Members at the 20th Annual General Meeting at the Company and the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment of M/s RMA & Associates, Chartered Accountants, New Delhi, (Registration No. 000978N) as the Statutory Auditors of the Company for the financial year ending 31st March, 2017, at such remuneration as may be approved by the Board of Directors of the Company, be and is hereby ratified.”

Special Business:

4. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution.

“**RESOLVED THAT** pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 (including any amendment, modification or re-enactment thereof), and subject to such other approvals from such Authorities as may be required in this regard, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to sale, purchase or supply of any goods or materials, selling or otherwise disposing of, or buying, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or otherwise disposing of any goods, materials or property or availing or rendering any services from related parties or appointment of such related party to any office or place of profit in the company or its associate companies, if any or reimbursement of any transaction or any other transaction of whatever nature with related parties:

Sr. No	Name of the Related Party	Relationship	Maximum Value of Transactions per annum with effect from April 01, 2016 (Rs. in lacs)
1	Mr. Peeyush Kumar Aggarwal	Promoter & Director of the Company	100.00*
2	Omkam Global Capital Pvt. Ltd.	Mr. Peeyush Kumar Aggarwal, Promoter & Director of the Company is also a Promoter & Director of Omkam Global Capital Pvt. Ltd.	200.00*
3	Omkam Developers Limited	Mr. Peeyush Kumar Aggarwal, Promoter & Director of the Company is also a Promoter & Director of Omkam Developers Limited.	800.00*
4	MPS Exim Pvt Ltd	Mr. Peeyush Kumar Aggarwal, Promoter & Director of the Company is also a Promoter & Director of MPS Exim Pvt Ltd.	100.00*

* Expected maximum annual value of transactions per related party over the year

“RESOLVED FURTHER THAT the board of directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effects to this Resolution.”

**For and on Behalf of the Board of Directors
of Advik Laboratories Ltd.**

**Sd/-
(Peeyush Kumar Aggarwal)
Chairman
DIN : 00090423**

Date 03rd September, 2016

Place: New Delhi

Notes:

1. Explanatory Statement as required under Section 102(1) of the Companies Act, 2013 (the Act), relating to the Special Business to be transacted at the meeting is annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM IS ENCLOSED. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act proxy for any other person or member.

3. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send at the Registered Office of the Company, a duly certified copy of the Board Resolution, authorising their representative to attend and vote on their behalf at this General Meeting.
4. Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of Annual General Meeting to enable the management to keep the information ready at the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 24th September, 2016 to Friday, 30th September, 2016 (both days inclusive) for the purpose of the AGM.
- 6. Members / Proxies should fill-in the attendance slip for attending the Meeting and bring their attendance slip along with their copy of the Annual Report to the Meeting.**
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
8. Members who are holding Company's shares in dematerialized form are required to bring details of their Depository Account Number for identification.
9. The members are requested to intimate changes, if any, in their registered address to the Registrar & Share Transfer Agents for shares held in physical form & to their respective Depository participants for shares held in electronic form.
10. All documents referred to in the accompanying Notice are opened for inspection at the Registered Office of the Company on all working days, except Sunday between 2 P.M. to 4 P.M. upto the date of the Annual General Meeting.
11. Members are requested :
 - i) To quote their folio Nos. in all correspondence.
 - ii) To note that no gifts will be distributed at the meeting.
 - iii) 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.
- 12. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circulars, etc from the Company electronically.**
13. In terms of Section 72 of the Companies Act, 2013, a Member of the Company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Member(s) desirous of availing this facility may submit nomination in the prescribed Form SH – 13 to the Company/RTA in case shares are held in Physical form, and to their respective depository participant, if held in electronic form.
- 14. Members holding shares in demat form are requested to submit their Permanent Account Number (PAN) to their respective Depository Participant and those holding shares in physical form are requested to submit their PAN details to the company / RTA in order to comply with the SEBI guidelines.**

15. Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the e-voting facility to the members to exercise their right to vote by electronic means. The Company has fixed 23rd September, 2016 as a cut – off date to record the entitlement of the shareholders to cast their vote electronically at the 22nd Annual General Meeting (AGM) by electronic means under the Companies Act, 2013 and rules thereunder. Consequently, the same cut off date, i.e., 23rd September, 2016 would record entitlement of the shareholders, who do not cast their vote electronically, to cast their vote at the 22nd AGM on 30th September, 2016.

The e-voting period will commence at 9.00 A.M. on 27th September, 2016 and will end at 05.00 P.M. on 29th September, 2016. The Company has appointed Mr. Kundan Agrawal (Membership No. FCS- 7631 & CP No. 8325), Company Secretary in Practice to act as Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given as Annexure to the Notice.

The Company has engaged the services of Beetal Financial & Computer Services (P) Ltd. and CDSL as the Authorised Agencies to provide e-voting facilities.

**For and on Behalf of the Board of Directors
Of Advik Laboratories Ltd.**

**Sd/-
(Peeyush Kumar Aggarwal)
Chairman
DIN : 00090423**

**Date: 03rd September, 2016
Place: New Delhi**

VOTING THROUGH ELECTRONIC MEANS

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 27th September, 2016 (9:00 AM) and ends on 29th September, 2016 (5:00 PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

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

- (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 for the relevant **ADVIK LABORATORIES LIMITED** on which you choose to vote.
- (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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login 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) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xx) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a 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.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (i) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 23rd September, 2016 may follow the same instructions as mentioned above for e-Voting.
- (ii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

Pursuant to Section 107 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, voting through polling paper shall also be made available to those Members who attends the Annual general Meeting and have not already cast their vote by e-voting.

Mr.KundanAgrawal(Membership No.FCS- 7631 & CP No. 8325), Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.The Results of e-voting shall be declared on or after the AGM of the Company and the Results declared with Scrutinizer Report shall be placed on the Website of the Company i.e. viz. www.advikindia.com and also on the website of CDSL viz. www.cdslindia.com within three days of passing of the Resolution of the AGM of the Company.

**For and on Behalf of the Board of Directors of
Advik Laboratories Ltd.**

**Sd/-
(Peeyush Kumar Aggarwal)
Chairman
DIN : 00090423**

**Date 03rd September, 2016
Place: New Delhi**

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013****Item No. 4:**

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings with the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 that govern the Related Party Transactions, require that for entering into any contract or arrangement as mentioned hereinbelow with the related party, the Company must obtain prior approval of the Board of Directors and in case of the Company having a paid up capital of Rs. Ten Crores or more, prior approval of shareholders must be obtained for entering into following Related Party Transactions:

1. Sale, purchase or supply of any goods or materials,
2. Selling or otherwise disposing of, or buying, leasing of property of any kind,
3. Availing or rendering of any services,
4. Appointment of any agent for purchase or sale of goods, materials, services or property or otherwise disposing of any goods, materials or property or availing or rendering any services from related parties,
5. Appointment of such related party to any office or place of profit in the company or its associate companies, if any or reimbursement of any transaction or any other transaction of whatever nature with related parties.

The proviso to Section 188(1) also states that nothing in Section 188(1) will apply to any transaction entered into by the Company in the ordinary course of business and at arm's length basis. Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 has also prescribed seeking of shareholders' approval for material related party transactions.

The Company is inter alia engaged in the business of manufacturing, trading, import and export of pharmaceutical products. For the smooth functioning of the operations of the company, the company, from time to time, needs funds. Further, at times the excess funds are deployed in companies in which the Director(s) of the Company are interested. The deployments of funds in such companies are at an arm's length basis. The Promoter Director of the Company and his associate companies had been infusing and intends to infuse funds and intends to involve in other transactions as are mentioned in Section 188(1) of the Companies Act, 2013 and Rules 15 and 16 of Companies (Meetings of Board and its Powers) Rules, 2014 that may become material in nature as these transactions are likely to exceed 10% of the net worth of the Company or may exceed the other perimeters/criteria's as are mentioned in applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and amendments thereto.

All the proposed transactions put up for approval are in the ordinary course of business and at arm's length. Pursuant to the provisions of Section 188(1) of the Companies Act, 2013 and applicable Rules made thereunder and the SEBI (Listing and Disclosure) Regulations, 2015, the following contracts/arrangements/transactions are material in nature and require the approval of the unrelated shareholders of the Company by way of Ordinary resolution:

Sr. No	Name of the Related Party	Relationship	Maximum Value of Transactions per annum with effect from April 01, 2016 (Rs. in lacs)
1	Mr. Peeyush Kumar Aggarwal	Promoter & Director of the Company	100.00*
2	Omkam Global Capital Pvt. Ltd.	Mr. Peeyush Kumar Aggarwal, Promoter & Director of the Company is also a Promoter & Director	200.00*

		of Omkam Global Capital Pvt. Ltd.	
3	Omkam Developers Limited	Mr. Peeyush Kumar Aggarwal, Promoter & Director of the Company is also a Promoter & Director of Omkam Developers Limited.	800.00*
4	MPS Exim Pvt Ltd	Mr. Peeyush Kumar Aggarwal, Promoter & Director of the Company is also a Promoter & Director of MPS Exim Pvt Ltd.	100.00*

The annual value of the transactions proposed is estimated on the basis of the Company's current transactions and future business projections.

The members are further informed that members of the Company being a related party or having any interest in the resolution as set out in Item No. 4 shall abstain on voting on this resolution whether the entity is a related party to the particular transaction or not.

The Board of Directors recommends the resolution set forth in Item No. 4 for approval of the Member as an Ordinary Resolution.

Except Promoter Director and other related parties to the extent of their shareholding interest in the Company, no other Director or Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise, in passing of this resolution.

**For and on Behalf of the Board of Directors of
Advik Laboratories Ltd.**

**Sd/-
(Peeyush Kumar Aggarwal)
Chairman
DIN : 00090423**

**Date 03rd September, 2016
Place: New Delhi**

Director's Report

Dear Members,

Your Directors are delighted to present the 22nd Annual Report of your Company together with the Audited Annual Accounts for the financial year ended 31st March, 2016.

1. Financial Results:

The Financial Performance of your Company for the year ended March 31, 2016 is summarized below

Particulars	(Amount in Lacs)	
	For the year ended	
	31.03.2016	31.03.2015
Revenue from operations	135.47	1223.86
Profit/(Loss) before Depreciation & Income Tax	(57.18)	(26.53)
Less: Depreciation	62.49	64.90
Profit/(Loss) after depreciation	(119.67)	(91.43)
Less: Provision for Income Tax/Deferred Tax	(0.67)	(23.92)
Profit/(Loss) After Taxation	(119.00)	(67.51)
Add: Profit brought Forward	106.15	234.86
Less: Adjustment on account of Depreciation	--	61.20
Balance Carried over to Balance Sheet	(12.85)	106.15

2. Dividend:

In view of insufficiency of profits, your Directors regret their inability to recommended dividend on equity shares for the year under review.

3. Reserves:

In view of insufficiency of profits, no amount is proposed to be transferred to Reserves for the year under review.

4. Brief description of the Company's working during the year:

During the year under review, company could not get export orders from its overseas buyers, due to that total revenue of the Company was Rs. 135.47 lacs as against Rs. 1223.86 lacs in the previous year. Net Loss (before tax) was Rs. (119.67) Lacs as compared to Net Loss (before tax) of Rs. (91.43) Lacs in the previous year. However, your Directors are putting their best efforts to improve the profitability of the Company.

The dream of Indian Pharmaceutical manufacturing Companies for making their presence globally and competing with the pharmaceutical companies from the developed countries like the United States, Europe and Japan is now coming true with new growth opportunities emerging in the pharmaceutical world, the overseas pharmaceutical industry has shown the great interest in India due to its sustained economic growth, health care reforms and patent related legislation. The Indian government's decision to allow 74 percent foreign direct investment into the drugs & pharmaceutical industry is expected to aid the growth of pharmaceutical industry in the country.

Your company is putting all its eyes to tap the overseas market and putting all its efforts to get export order from existing and prospective foreign buyers. Your company expects to get overseas order soon.

5. Change in the nature of business, if any:

During the year, there is no change in the nature of business activity of the company.

6. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report:

During the period between the end of the financial year of the company and the date of the report, there are no material changes and commitments which affect the financial position of the company.

7. Details of significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future:

During the year, there is no significant and material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and company's operations in future.

8. Details in respect of adequacy of internal financial controls with reference to the Financial Statements:

The Board has adopted policies and procedure for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its asset, the prevention and detection of fraud and error, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosure.

9. Details of Subsidiary/Joint Ventures/Associate Companies:

The Company has no Subsidiary. During the year, no company has become or ceased as subsidiary/Joint-venture/Associate of the company.

10. Performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement:

During the year, no consolidated financial statements have been prepared by the company as the Company has no subsidiary company.

11. Public Deposits:

Your Company has not accepted any deposits from public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014, during the year under review. The details relating to deposits, covered under Chapter V of the Act is as under-

(a)		accepted during the year	Rs Nil
(b)		remained unpaid or unclaimed as at the end of the year	Rs Nil
(c)		whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved	No
	(i)	at the beginning of the year	Rs Nil
	(ii)	maximum during the year	Rs Nil
	(iii)	at the end of the year	Rs Nil

12. Auditors:

M/s. RMA & Associates, Chartered Accountants, New Delhi, the Statutory Auditors of the Company (Registration No. 000978N), had been appointed for four consecutive financial years, i.e. from the conclusion of the 20th AGM till the conclusion of the 24th AGM of the shareholders of the Company as per the provisions of Section 139(1) of the Companies Act, 2013.

Section 139(1) further provides that the appointment of statutory auditors shall be placed before the members at every AGM for ratification.

The Company has received a certificate from the auditors confirming that they are eligible for appointment as auditors of the Company under Section 139 of the Companies Act, 2013 and meet the criteria for appointment specified in Section 141 of the Companies Act, 2013 and SEBI Listing Regulations, 2015.

Based on the recommendations of the Audit Committee and as per the provisions of Section 139(1) of the Companies Act, 2013, the Board of Directors of your Company proposes to ratify the appointment of M/s RMA & Associates, Chartered Accountants, as the Statutory Auditors of the Company for F.Y. 2016-17.

COST AUDIT

Pursuant to the various circulars issued by the Ministry of Corporate Affairs, the Company is required to maintain cost records for all the products being manufactured by it and get the same audited by a cost auditor. But due to turnover based criteria as prescribed by Central Government, cost audit is not required on our company for the year 2015-16 as per notification no. F.No.1/40/2013-CL-V dated 31.12.2014.

13. Auditors' Report:

The company always strives to present a unqualified Financial Statement. However, there are some observations on Auditor's Report at point no. 8 for bank dues. In this regard, board would like to clarify that this is a temporary phenomenon as due to some financial constraints company could not make the payment & the Company is putting all its efforts to repay the same soon.

14. Share Capital:

A	Issue of equity shares with differential rights:	During the year, company has not issued any equity shares with differential rights.
B	Issue of sweat equity shares	During the year, company has not issued any Sweat equity shares.
C	Issue of employee stock options	During the year, company has not issued employee stock options.
D	Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees	Rs Nil
E	Bonus Shares	No bonus shares were issued during the year under review.
F	Conversion of Warrants	On 15/05/2015, the Board of Directors of your Company has converted 40,82,650 share warrants into equitable number of equity shares issued earlier to promoters and non-promoters on 21/11/2013. Hence, the paid up capital of the Company stands increased from Rs. 15,02,87,500 i.e, 1,50,28,750 equity shares of Rs. 10/- each to Rs. 19,11,14,000, i.e, 1,91,11,400 equity shares of Rs. 10/- each.

15. Extract of the annual return (MGT-9):

The extract of the annual return in Form No. MGT-9 is annexed herewith (**Annexure-1**).

16. Conservation of energy, technology absorption and foreign exchange earnings and outgo:

The Company lay focus on Conservation of energy with studies, discussions and analysis, which are undertaken regularly for further improvement. In terms of requirement of Section 134 (3) (a) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014 the required information relating to conservation of energy, technology absorptions and foreign exchange earnings and outgo are Annexed hereto as **Annexure-2**.

17. Corporate Social Responsibility (CSR) :

In terms of section 135(1) of the Companies Act, 2013, the provisions of Corporate Social Responsibility are not applicable to the Company.

18. Directors And Key Managerial Personnel:

A) Changes in Directors and Key Managerial Personnel

Retirement by Rotation

In accordance with the provisions of the Companies Act, 2013, Ms. Madhu Sharma (DIN 06947852), Director of the Company, retires by rotation at the forthcoming AGM, and being eligible, offers herself for re-appointment.

Considering the background and experience of Ms.Madhu Sharma, the Board is of the opinion that her reappointment will immensely benefit your Company. The Board recommends her reappointment.

Brief resume of the Ms.Madhu Sharma, Director of the Company who is proposed to be re-appointed is mentioned hereinbelow:

Ms. Madhu Sharma, aged 55 years, is a Bachelor of Arts from prestigious University. She has extensive experience of almost 20 Years in various aspects of management, viz., the field of marketing and general administration. She has always demonstrated a certain dynamism and foresight seen in the most pragmatic of professional.

Ms. Madhu Sharma does not hold any shares in the Company. Details of her Directorship in other companies is as follows:-

Sl. No.	Directorships in other Public Companies	Committee Membership/Chairmanship	
1	M/s B.P.Capital Limited	-	-
2.	M/s Polar Marmo Agglomerates Limited	Audit Committee Nomination and Remuneration Committee Stakeholder's Relationship Committee	Chairman Chairman Chairman
		Risk Management Committee	Member
3.	M/s MPS Infotechnics Limited	-	-

4.	M/s Interworld Digital Limited	Nomination and Remuneration Committee	Member
		Stakeholder's Relationship Committee	Member
		Risk Management Committee	Member
5	M/s RCC Cements Limited	Nomination and Remuneration Committee	Member

Appointment of KMP

During the year under review, Ms. PoojaChuni was appointed as a Company Secretary and the Compliance officer of the Company w.e.f. 01/10/2015 in the Board Meeting held on 29/09/2015.

Cessation of KMP

During the year under review, Ms. VaishaliAnand, Company Secretary of the Company has tendered her resignation w.e.f. 10th April, 2015. The Board puts its sincere appreciation towards the valuable contribution shown by her in meeting out the Statutory Compliances of the Company.

B. Declaration by Independent Directors:

Your Company has received necessary declaration from each Independent Director of the Company under Section 149(6) of the Companies Act, 2013 read with Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, confirming that they meet with the criteria of independence as prescribed under the aforesaid Section and Regulation.

C. Formal Annual Evaluation:

In compliance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the year, the Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and Individual Directors including the Chairman of the Board. Structured questionnaires were used in the overall Board evaluation comprising various aspects of Board function.

The evaluation of Independent Directors was carried out by the entire Board and that of the Chairman and Non – Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

19. Number of meetings of the Board of Directors:

Ten meetings of the Board of Directors were held during the year on 15th May, 2015, 30th May, 2015, 04th June, 2015, 13th August, 2015, 03rd September, 2015, 29th September, 2015, 14th November, 2015, 20th November, 2015, 13th February, 2016 & 31st March, 2016 .

A separate meeting of the Independent Directors was held on 31.03.2016. .

20. Committees of the Board:

During the year under, in accordance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board reconstituted some of its Committees. The Committees are as follows:

- * Audit Committee
- * Stakeholders' Relationship Committee
- * Nomination and Remuneration Committee
- * Risk Management Committee

Details of the said Committees alongwith their charters, compositions and meetings held during the year are provided in the Report of Corporate Governance as a part of this Annual Report.

21. Board Evaluation:

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board shall monitor and review the Board Evaluation framework. The Companies Act, 2013 provides that a formal annual evaluation needs to be made by the Board of its own performance and that of its Committees and individual directors. Schedule IV of the Companies Act, 2013, states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual directors pursuant to the provisions of the Companies Act, 2013 and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Structured questionnaires were used in the overall Board evaluation comprising various aspects of Board function.

The performance of the Board was evaluated by the Board on the basis of Performance Evaluation Policy formulated by the Board and after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of committees, effectiveness of Committee meetings, etc. and on such further criteria as is set out in the Performance Evaluation Policy (**as per Annexure -3**) formulated by the Nomination and Remuneration Committee and approved by the Board to evaluate the performance of the Board and its Committees.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors held on 31.03.2016, performance of non-Independent Directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

Based on the outcome of performance evaluation for the financial year 2015-16, further measures/actions have been suggested to improve and strengthen the effectiveness of the Board and its Committees.

22. Policy on Directors' Appointment and Remuneration:

Your Company has a policy to have an appropriate mix of executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As on March 31, 2016, the Board consisted of 6 members and out of which 1 (One) is an Executive Director, 3 are Independent Directors and 2 are non-Independent Directors including 1 woman Non-Executive Director and 1 Non Executive Promoter Director.

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director, and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013, of the Companies Act, 2013, adopted by the Board, is attached as **Annexure – 4** to the Board Report. Further the remuneration paid to the Directors is as per the terms laid out in the nomination and remuneration policy of the Company.

23. Risk management policy and Internal Control:

The Company has adopted a Risk Management Policy duly approved by the Board and also has in place a mechanism to identify, access, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

24. Whistle Blower Policy and Vigil Mechanism:

Your Company has established a "Whistle Blower Policy" and Vigil Mechanism for directors and employees to report to the appropriate authorities concerns about the unethical behavior actual or suspected, fraud or violation of the Company's code of conduct policy and provides safeguards against victimization of employees who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the company. The same can be accessed at the website of the Company under the Investment Information head at the link http://www.advikindia.com/index.php?option=com_content&view=article&id=56&Itemid=57.

25. Particulars of loans, guarantees or investments under Section 186 :

Particulars and details of loans given, investments made or guarantees given and securities provided, if any, are given in the Notes to the Financial Statements.

26. Contracts and arrangements with related parties:

During the year under review, the Company had not entered into any transactions with related parties which could be considered as material in accordance with the policy of the Company on materiality of related party transactions.

The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the <http://www.advikindia.com/images/pdf/related%20party%20transaction.pdf>

However, as a matter of Company's policy, all contracts/arrangements/transactions, if any, which have been entered/will be entered by the company with related parties would be in the ordinary course of business and on an arm's length basis and details and prescribed particulars of all such transactions (if any), will be contained in the Notes to the Financial Statements.

27. Secretarial Audit Report :

In terms of Section 204(1) of the Companies Act, 2013 and the rules made thereunder, M/s.A.K. Friends & Company was appointed as the Secretarial Auditor to undertake the Secretarial Audit of the Company for the F.Y. 2015-16. The report of the Secretarial Audit in Form MR -3 is annexed to and forms part of this Report as per **Annexure –5**

There are no qualifications, reservations, adverse remarks or disclaimers given by the Secretarial Auditor in the Report.

28. Corporate Governance:

Your Company has been benchmarking itself with well established Corporate Governance practices besides strictly complying with the requirements of Regulation 17 to 27 and any other applicable Regulation of the SEBI under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

A separate "Report on Corporate Governance" together with requisite certificate obtained from Statutory Auditors of the Company, confirming compliance with the provisions of Corporate Governance as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Report.

29. Directors' Responsibility Statement:

Pursuant to Section 134(3)(c) read with 134(5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and belief confirm that:

- (a) in the preparation of the annual accounts for the financial year ended 31st March, 2016, the applicable accounting standards had been followed and no material departures have been made from the same;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year i.e. on 31st March, 2016 and of the profit or loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the 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 fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis;
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating efficiently; and
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

30. Particulars of Employees:

There are no employees employed throughout the financial year who were in receipt of remuneration of Rs. 60 Lacs or more or employed for part of the year who were in receipt of remuneration of Rs. 5 lacs or more a month under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Remuneration) Rules, 2014.

Disclosure u/s 197(12) and Rule 5(1) of the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed herewith as **Annexure – 6**.

During the year under review, none of the Directors of the Company has received remuneration from the Company.

The Nomination and Remuneration Committee of the Company has affirmed in its meeting held on March 31, 2016 that the remuneration paid to the Senior Management Employee/KMPs is as per the remuneration policy of the Company

31. Internal Auditors & Their Report:

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and Rules made thereunder, the Company had appointed M/s Sanghi & Co. as Internal Auditor for the financial year 2015-16.

Internal Financial Control and Their Adequacy

The Board has adopted policies and procedure for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its asset, the prevention and detection of fraud and error, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosure.

The Company has an adequate internal controls system commensurate with its size and the nature of its business. All the transactions entered into by the Company are duly authorized and recorded correctly. All operating parameters are monitored and controlled. The top management and the Audit Committee of the Board of Directors review the adequacy and effectiveness of internal control systems from time to time.

32. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with Rules thereunder:

Pursuant to the provisions of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with Rules thereunder, the Company has not received any complaint of sexual harassment during the year under review.

33. Human Resources:

Your Company treats its “human resources” as one of its most important assets. We focus on all aspects of the employee lifecycle. This provides holistic experience for the employees as well. During their tenure at the Company, employees are motivated through various skill development programs. We create effective dialogue through our communication channels to ensure effective dialogue through our communication channels to ensure that feedback reach the relevant team, including leadership.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

34. Segment-wise performance:

The Company is into single reportable segment only.

35. Management Discussion and Analysis:

The Management Discussion and Analysis Report on the business of the Company and performance review for the year ended March 31, 2016, as stipulated in Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate report which forms part of the Report.

36. Acknowledgements:

Your Directors are grateful to the Government of India, the Reserve Bank of India, the Securities and Exchange Board of India, the Stock Exchanges and other regulatory authorities for their valuable guidance and support and wish to express their sincere appreciation for their continues co-operation and assistance. We look forward for their continued support in future.

Your directors would like to express their sincere appreciation for the assistance and cooperation received from banks, customers, vendors, Government, members and employees during the year under review.

Finally, the Directors thank you for your continued trust and support.

**For and on Behalf of the Board of Directors
of Advik Laboratories Ltd.**

Sd/-
(Peeyush Kumar Aggarwal)
Chairman
DIN : 00090423

Date 03rd September, 2016
Place: New Delhi

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian pharmaceuticals market is the third largest in terms of volume and thirteenth largest in terms of value. Branded generics dominate the pharmaceuticals market, constituting nearly 70 to 80 per cent of the market. India is the largest provider of generic drugs globally with the Indian generics accounting for 20 per cent of global exports in terms of volume. Of late, consolidation has become an important characteristic of the Indian pharmaceutical market as the industry is highly fragmented.

The Indian Pharmaceutical market (IPM) accounts for approx. 1.4% of the global pharmaceutical industry in value terms and 10% in the volume terms. The IPM is valued at Rs 860 bn for the year ending March 2016. The growth in 2015 stood at 12.9%. Owing to robust historical growth and future prospects, many MNC companies have active presence in the Indian pharma space.

The Indian pharma industry, which is expected to grow over 15 per cent per annum between 2015 and 2020, will outperform the global pharma industry, which is set to grow at an annual rate of 5 per cent between the same period. The market is expected to grow to US\$ 55 billion by 2020, thereby emerging as the sixth largest pharmaceutical market globally by absolute size.

Besides the domestic market, Indian pharma companies also have a large chunk of their revenues coming from exports. Major companies are focusing on the generics market in the US, Europe and semi-regulated markets; others are focusing on custom manufacturing for innovator companies. Biopharmaceuticals is also increasingly becoming an area of interest given the complexity in manufacture and limited competition.

India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers who have the potential to steer the industry ahead to an even higher level.

Overall drug approvals given by the US Food and Drug Administration (USFDA) to Indian companies have nearly doubled to 201 in FY 2015-16 from 109 in FY 2014-15 an increase of 84 per cent as per analysis by USFDA.

Factors influencing growth of the industry

The Indian pharmaceutical industry ranks 14th in the world by value of pharmaceutical products. With a well-established domestic manufacturing base and low-cost skilled manpower, India is emerging as a global hub for pharma products and the industry continues to be on a growth trajectory. Moreover, India is significantly ahead in providing chemistry services such as analogue preparation, analytical chemistry, and structural drug design, thereby offering ample scope in contract research and other emerging segments in the pharmaceutical industry. Some of the major factors that would drive growth in the industry are as follows:

- **Increase in domestic demand:** More than half of India's population does not have access to advanced medical services and depend on traditional medicine practices. However, with increase in awareness levels, rising per capita income, change in lifestyle due to urbanization, and increase in literacy levels, demand for advanced medical treatment is expected to rise. Moreover, growth in the middle-class population would further influence demand for pharmaceutical products.
- **Rise in outsourcing activities:** Increase in the outsourcing business to India would also drive growth of the Indian pharmaceutical industry. Some of the factors that are likely to influence clinical data management and bio-statistics markets in India in the near future include: 1) its cost efficient research vis-à-vis other countries 2) highly-skilled

labour base 3) cheaper cost of skilled labour 4) presence in end-to-end solutions across the drug-development spectrum and 5) robust growth in the IT industry.

- **Growth in healthcare financing products:** Development in the Indian financial industry has eased healthcare financing with products such as health insurance policy becoming popular. This has resulted in increase in healthcare spending, which in turn, has benefitted the pharmaceutical industry.

- **Demand from emerging segments:** Some of the emerging segments such as contract research and development, bio-pharma, clinical trials, bio-generics, medical tourism, and pharma packaging are also expected to drive growth of the Indian pharmaceutical industry.

SWOT ANALYSIS OF THE INDUSTRY

The SWOT analysis of the industry reveals the position of the Indian pharmaceutical industry in respect to its internal and external environment.

a) Strengths

- Higher GDP growth leading to increased disposable income in the hands of general public and their positive attitude towards spending on healthcare.
- Low-cost, highly skilled set of English speaking labour force and proven track record in design of high technology manufacturing devices.
- Growing treatment naive patient population.
- Low cost of innovation, manufacturing and operations.

b) Weaknesses

- Stringent pricing regulations affecting the profitability of pharma companies.
- Poor all-round infrastructure is a major challenge.
- Presence of more un-organised players versus the organised ones, resulting in an increasingly competitive environment, characterised by stiff price competition.
- Poor health insurance coverage.

c) Opportunities

- Global demand for generics rising.
- Rapid OTC and generic market growth.
- Increased penetration in the non - metro markets.
- Large demand for quality diagnostic services.
- Significant investment from MNCs.
- Public-Private Partnerships for strengthening Infrastructure.
- Opening of the health insurance sector and increase in per capita income - the growth drivers for the pharmaceutical industry.
- India, a potentially preferred global outsourcing hub for pharmaceutical products due to low cost of skilled labour.

d) Threats / Risks and Concerns

- Wage inflation.
- Government expanding the umbrella of the Drugs Price Control Order (DPCO).
- Other low-cost countries such as China and Israel affecting outsourcing demand for Indian pharmaceutical products
- Entry of foreign players (well equipped technology-based products) into the Indian market.

GOVERNMENT INITIATIVES

The Addendum 2015 of the Indian Pharmacopoeia (IP) 2014, published by the Indian Pharmacopoeia Commission (IPC) on behalf of the Ministry of Health & Family Welfare, is expected to play a significant role in enhancing the quality of medicines that would in turn promote public health and accelerate the growth and development of pharmaceutical sector.

The Government of India unveiled 'Pharma Vision 2020' aimed at making India a global leader in end-to-end drug manufacture. Approval time for new facilities has been reduced to boost investments. Further, the government introduced mechanisms such as the Drug Price Control Order and the National Pharmaceutical Pricing Authority to deal with the issue of affordability and availability of medicines.

Some of the major initiatives taken by the government to promote the pharmaceutical sector in India are as follows:

- Government of India's decision to increase Foreign Direct Investment (FDI) in existing pharmaceuticals companies to 74 per cent is expected to boost Mergers and Acquisitions (M&As) and Private Equity (PE) investments in the pharmaceuticals sector in the country.
- Indian Pharmaceutical Association (IPA), the professional association of pharmaceutical companies in India, plans to prepare data integrity guidelines which will help to measure and benchmark the quality of Indian companies with global peers.
- The Government of India plans to incentivise bulk drug manufacturers, including both state-run and private companies, to encourage 'Make in India' programme and reduce dependence on imports of Active Pharmaceutical Ingredients (API), nearly 85 per cent of which come from China.
- The Department of Pharmaceuticals has set up an inter-ministerial co-ordination committee, which would periodically review, coordinate and facilitate the resolution of the issues and constraints faced by the Indian pharmaceutical companies.
- The Department of Pharmaceuticals has planned to launch a venture capital fund of Rs 1,000 crore (US\$ 148 million) to support start-ups in the research and development in the pharmaceutical and biotech industry.
- Indian and global companies have expressed 175 investment intentions worth Rs 1,000 crore (US\$ 148 million) in the pharmaceutical sector of Gujarat. The memorandums of understanding (MoU's) would be signed during the Vibrant Gujarat Summit.
- Telangana has proposed to set up India's largest integrated pharmaceutical city spread over 11,000 acres near Hyderabad, complete with effluent treatment plants and a township for employees, in a bid to attract investment of Rs 30,000 crore (US\$ 4.48 billion) in phases. Hyderabad, which is known as the bulk drug capital of India, accounts for nearly a fifth of India's exports of drugs, which stood at Rs 95,000 crore (US\$ 14.08 billion) in 2014-15.
- At the launch of Cluster Development Programme of pharmaceutical sector, Mr Ananth Kumar, Minister of Fertiliser and Chemicals, announced that six pharmaceutical parks will be approved and established this year which will have sufficient infrastructure and facilities for testing and treatment of drugs and also for imparting training to industry professionals.

OUTLOOK

Overall growth outlook for the Indian drugs and pharmaceutical industry appears positive. Pharma manufacturers are likely to benefit from rise in demand for generic products. Some of the factors that would drive growth in the domestic pharma industry are:

- 1) low cost operations
- 2) research-based processes
- 3) improvements in API and,
- 4) availability of skilled manpower.

The domestic formulations and bulk drugs markets are currently facing price pressure as benefits of cheaper drugs have been shifted to end-users and trade channels. Hence, consolidation, partnership and alliances are expected to gather momentum in the near future. Off patenting of branded drugs would increase demand for generic drugs. This provides immense opportunities to the Indian pharmaceutical companies especially given their prior experience in generic drug development. Some other factors such as high penetration in the global markets and increase of share in Abbreviated New Drug Application (ANDA) filings are likely to power growth of the formulations market. Major growth drivers for the Indian bulk drug industry include rise in demand for contract manufacturing, increase of share in Drug Master Files (DMF) filings and process innovation.

SEGMENT WISE PERFORMANCE

The Company is into single reportable segment only.

INTERNAL CONTROL SYSTEM

The Company has adequate internal audit and control systems. Internal auditors comprising of professional firm of Chartered Accountants has been entrusted with the job to regular conduct the internal audit and report to the management the lapses, if any. Both internal auditors and statutory auditors independently evaluate the adequacy of internal control system. Based on the audit observations and suggestions, follow up, remedial measures are being taken including review thereof. The Audit Committee of Directors in its periodical meetings, review the adequacy of internal control systems and procedures and suggests areas of improvements.

In view of the changes in Companies Act, the Company has taken additional measures from the financial year 2014-15 to strengthen its internal control systems. Some of the additional measures in this regard are strengthening background verification process of new joiners, whistle blower policy and strengthening the process of risk assessment.

The organization is well structured and the policy guidelines are well documented with pre defined authority. The Company has also implemented suitable controls to ensure that all resources are utilized optimally, financial transactions are reported with accuracy and there is strict adherence to applicable laws and regulations. The Company has put in place adequate systems to ensure that assets are safeguarded against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported.

The Audit Committee of Directors in its periodical meetings reviews the adequacy of internal control systems and procedures and suggests areas of improvements. Needless to mention, that ensuring maintenance of proper accounting records, safeguarding assets against loss and misappropriation, compliance of applicable laws, rules and regulations and providing reasonable assurance against fraud and errors will continue to remain central point of the entire control system.

HUMAN RESOURCES

Human resource is considered as key to the future growth strategy of the Company and looks upon to focus its efforts to further align human resource policies and processes to meet its business needs. The Company aims to develop the potential of every individual associated with the Company as a part of its business goal. Respecting the experienced and mentoring the young talent has been the bedrock for the Company's growth.

Human resources are the principal drivers of change. They push the levers that take futuristic businesses to the next level of excellence and achievement.

CAUTIONARY STATEMENT

Investors are cautioned that this discussion contains statements that involve risks and uncertainties. Words like anticipate, believe, estimate intend, will, expect and other similar expressions are intended to identify

“Forward Looking Statements”. The company assumes no responsibility to amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events. Actual results could differ materially from those expressed or implied. Important factors that could make the difference to the Company’s operations include cyclical demand and pricing in the Company’s principal markets, changes in Government Regulations, tax regimes, economic developments within India and other incidental factors.

**For and on Behalf of the Board of Directors of
Advik Laboratories Ltd.**

**Sd/-
(Peeyush Kumar Aggarwal)
Chairman
DIN : 00090423**

**Date 03rd September, 2016
Place: New Delhi**

Annexure - 1

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2016

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

I.REGISTRATION & OTHER DETAILS:

1.	CIN	L74899HR1994PLC038300
2.	Registration Date	09/09/1994
3.	Name of the Company	Advik Laboratories Limited
4.	Category/Sub-category of the Company	Company Limited by Shares/Indian Non- Government Company
5.	Address of the Registered office & contact details	138, Roz Ka-Meo Industrial, SohnaDistt. Mewat, Haryana – 122103 Tel nos. : 0124-2362471, 09813179885
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Beetal Financial & Computer Services Pvt. Ltd. Beetal House, 3 rd Floor, 99, Madangir, Behind Local Shopping Centre, near Dada HarsukhdasMandir, New Delhi-110062 Tele no. : 011-29961281

II.PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company are as given below :

Sno.	Name & Description of main products	NIC Code of the product	% to total turnover of the Company
1.	Pharmaceuticals Products	24232	100%

III.PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NOT APPLICABLE

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares Held
--	--	--	--	--

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 1st-April-2015]				No. of Shares held at the end of the year[As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	835984	-	835984	5.56	1957159	-	1957159	10.24	4.68
b) Central	-	-	-	-	-	-	-	-	-

Govt									
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	3944637	-	3944637	26.25	4902322	-	4902322	25.65	(0.6)
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	4780621	-	4780621	31.81	6859481	-	6859481	35.89	4.08
(2) Foreign									
a)NRIs-Individual	-	-	-	-	-	-	-	-	-
b)Other-Individuals	-	-	-	-	-	-	-	-	-
c)Bodies Corporates	-	-	-	-	-	-	-	-	-
d)Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	4780621	-	4780621	31.81	6859481	-	6859481	35.89	4.08
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-	-	-	-

(B)(1):-									
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	4029145	-	4029145	26.81	6001411	-	6001411	31.40	4.59
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	3326060	10280	3336340	22.20	3322006	11280	3333286	17.44	(4.76)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2666123	-	2666123	17.74	2714824	-	2714824	14.21	(3.53)
c) Others (specify)									
Non Resident Indians	16509	-	16509	0.11	15481	-	15481	0.08	(0.03)
Hindu Undivided Family	199961	-	199961	1.33	179651	-	179651	0.94	(0.39)
Clearing Members	51	-	51	0.00	7266	-	7266	0.04	0.04
Sub-total (B)(2):-	10237849	10280	10248129	68.19	12240639	11280	12251919	64.11	(4.08)
Total Public Shareholding (B)=(B)(1)+(B)(2)	10237849	10280	10248129	68.19	12240639	11280	12251919	64.11	(4.08)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	15018470	10280	15028750	100	19100120	11280	19111400	100.00	-

II) Shareholding of Promoter-

Sn o.	Shareholder's Name	Shareholding at the beginning of the year [As on 1st-April-2015]	Shareholding at the end of the year [As on 31st-March-2016]	% chan
-------	--------------------	--	---	--------

		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	Change in share holding during the year
1	Omkam Pharmaceuticals Pvt Ltd	3944637	26.25	-	4902322	25.65	-	(0.6)
2	Peeyush Kumar Aggarwal	835984	5.56	-	1957159	10.24	-	4.68
	Total	4780621	31.81	-	6859481	35.89	-	4.08

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

Sl.No.	Particulars	Shareholding at the beginning of the year [As on 1st-April-2015]		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the Year (1st-April-2015 to 31 st -March, 2016)	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1.M/s. Omkam Pharmaceuticals Private Limited								
	At the beginning of the year	3944637	26.25					
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Nil	Nil	15-May-15 21-Aug-15 28-Aug-15 04-Sep-15	1121175 (105000) (48900) (9590)	Allotment Transfer Transfer Transfer	5065812 4960812 4911912 4902322	26.51 25.96 25.70 25.65
	At the end of the year	4902322	25.65				4902322	25.65
2. Mr. Peeyush Kumar Aggarwal								
	At the beginning of the year	835984	5.56					
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /	Nil	Nil	31-Jul-15	1121175	Allotment	1957159	10.24

	transfer / bonus/ sweat equity etc.)							
	At the end of the year	1957159	10.24	Nil	Nil	Nil	1957159	10.24

iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 1st-April-2015]		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the Year (1st-April-2015 to 31 st -March, 2016)	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1.M/s. Pataliputra International Limited								
	At the beginning of the year	1708850	11.37					
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Nil	Nil	15-May-15	920150	Purchase	2629000	13.76
	At the end of the year	2629000	13.76				2629000	13.76
2. M/s. Dhiru Builders And Promoters Pvt. Ltd.								
	At the beginning of the year	1708850	11.37	Nil	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Nil	Nil	15-May-15	920150	Purchase	2629000	13.76
	At the end of the year	2629000	13.76	Nil	Nil	Nil	2629000	13.76
3. Mr. Sathya S								
	At the beginning of the year	525412	3.50	Nil	Nil	Nil	525412	2.75
	Date wise Increase /	Nil	Nil	Nil	Nil	Nil	Nil	Nil

	Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):							
	At the end of the year	525412	2.75	Nil	Nil	Nil	525412	2.75
4. Ms. Sangeetha S								
	At the beginning of the year	498670	3.32	Nil	Nil	Nil	498670	2.61
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	At the end of the year	498670	2.61	Nil	Nil	Nil	498670	2.61
5. M/s.Sampark Securities Pvt Ltd								
	At the beginning of the year	203129	1.35	Nil	Nil	Nil	203129	1.06
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	At the end of the year	203129	1.06	Nil	Nil	Nil	203129	1.06
6. Ms. Pinky Sachdeva								
	At the beginning of the year	161150	1.07	Nil	Nil	Nil	161150	0.84
	Date wise Increase / Decrease in Shareholding	Nil	Nil	Nil	Nil	Nil	Nil	Nil

	during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)							
	At the end of the year	161150	0.84	Nil	Nil	Nil	161150	0.84
7. Ms.Savitha S								
	At the beginning of the year	140470	0.93					
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Nil	Nil	26-Jun-15	8750	Purchase	149220	0.78
	At the end of the year	149220	0.78				149220	0.78
8. M/s. Shanthi General Finance P Limited								
	At the beginning of the year	109300	0.72					
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Nil	Nil	01-May-15 08-May-15 19-Jun-15	6315 4665 (10000)	Purchase Purchase Sale	115615 120280 110280	0.61 0.63 0.58
	At the end of the year	110280	0.58				110280	0.58
9. Mr. KaramVir Singh								
	At the beginning of the year	118789	0.79					
	Date wise Increase / Decrease in Shareholding during the year specifying the	Nil	Nil	07-Aug-15 14-Aug-15 21-Aug-15 16-Oct-15	7595 500 2840 10	Purchase Purchase Purchase Purchase	126384 126884 129724 129734	0.66 0.66 0.68 0.68

	reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)			20-Nov-15	(10000)	Sale	119734	0.63
				31-Dec-15	(8550)	Sale	111184	0.58
				15-Jan-16	(1120)	Sale	110064	0.58
				18-Mar-16	(4000)	Sale	106064	0.56
				25-Mar-16	(6000)	Sale	100064	0.52
				31-Mar-16	(1250)	Sale	98814	0.52
	At the end of the year	98814	0.52				98814	0.52
10.Mr. Subramanian P								
	At the beginning of the year	Nil	Nil					
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Nil	Nil	23-Oct-15	3916	Purchase	3916	0.02
				30-Oct-15	19330	Purchase	23246	0.12
				06-Nov-15	6461	Purchase	29707	0.16
				13-Nov-15	12613	Purchase	42320	0.22
				20-Nov-15	3896	Purchase	46216	0.24
				27-Nov-15	1000	Purchase	47216	0.25
				11-Dec-15	2000	Purchase	49216	0.26
				18-Dec-15	12600	Purchase	61816	0.32
				25-Dec-15	5000	Purchase	66816	0.35
				31-Dec-15	9000	Purchase	75816	0.40
				08-Jan-16	5060	Purchase	80876	0.42
				15-Jan-16	2000	Purchase	82876	0.43
				29-Jan-16	4000	Purchase	86876	0.45
				12-Feb-16	3000	Purchase	89876	0.47
				18-Mar-16	2964	Purchase	92840	0.49
				25-Mar-16	1000	Purchase	93840	0.49
	At the end of the year	93840	0.49				93840	0.49
11. Mr. Harminder Singh								
	At the beginning of the year	102671	0.68					
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Nil	Nil	31-Dec-15	(17000)	Sale	85671	0.45
				18-Mar-16	(8566)	Sale	77105	0.40
	At the end of the year	77105	0.40				77105	0.40

V) Shareholding of Directors and Key Managerial Personnel:

Sl.No.	Shareholding of each Directors and each Key Managerial Personnel*	Shareholding at the beginning of the year [As on 1st-April-2015]		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the Year (1st-April-2015 to 31 st -March, 2016)	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1.Mr. Peeyush Kumar Aggarwal (Director)								
	At the beginning of the year	835984	5.56					
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Nil	Nil	31-Jul-15	1121175	Allotment	1957159	10.24
	At the end of the year	1957159	10.24	Nil	Nil	Nil	1957159	10.24
2. Mr. Manoj Kumar Bhatia (Key Managerial Personnel)								
	At the beginning of the year	450	0.00	Nil	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	At the end of the year	450	0.00	Nil	Nil	Nil	450	0.00

No other Directors/KMP hold Shares in the Company as on 31.03.2016.

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	77474750	0	0	77474750

ii) Interest due but not paid	6158577	0	0	6158577
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	83633327	0	0	83633327
Change in Indebtedness during the financial year				
* Addition	532443			532443
* Reduction	11556450	0	0	11556450
Net Change	(11024007)	0	0	(11024007)
Indebtedness at the end of the fin. year				
i) Principal Amount	66450743	0	0	66450743
ii) Interest due but not paid	6158577	0	0	6158577
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	72609320	0	0	72609320

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

Sl.No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amt.
		----	---	---	---	
1	Gross salary	----	---	---	---	----
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	----	---	---	---	----
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	----	---	---	---	----
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	----	---	---	---	----
2	Stock Option	----	---	---	---	----
3	Sweat Equity	----	---	---	---	----
4	Commission - as % of profit & others	----	---	---	---	----
5	Others, please specify	----	---	---	---	----
	Total (A)	----	---	---	---	----
	Ceiling as per the Act	----	---	---	---	----

B. Remuneration to other directors

Sl.No..	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	----	---	---	---	----
	Fee for attending board committee meetings	----	---	---	---	----
	Commission	----	---	---	---	----
	Others, please specify	----	---	---	---	----
	Total (1)	----	---	---	---	----
2	Other Non-Executive Directors	----	---	---	---	----
	Fee for attending board committee meetings	----	---	---	---	----
	Commission	----	---	---	---	----
	Others, please specify	----	---	---	---	----
	Total (2)	----	---	---	---	----
	Total (B)=(1+2)	----	---	---	---	----
	Total Managerial Remuneration	----	---	---	---	----
	Overall Ceiling as per the Act	----	---	---	---	----

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

Sl.No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	120000	462000	582000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) 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
	Total	0	120000	462000	582000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For and on Behalf of the Board of Directors of Advik Laboratories Ltd.

Sd/-
(Peeyush Kumar Aggarwal)
Chairman
DIN : 00090423

Date: 03rd September, 2016
Place: New Delhi

Annexure-2

ANNEXURE "2" TO THE DIRECTOR'S REPORT

Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange earnings & Outgo pursuant to Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988, forming part of Directors Report.

		Current Year	Previous Year
		2015-2016	2014-2015
A) CONSERVATION OF ENERGY			
I) Power and Fuel Consumption			
1) Electricity			
a) Purchased Unit (kwh)		113560	132330
Total amount		1296185	1296901
Rate/ Unit (Rs/Kwh)		11.41	9.80
b) Own generation			
i) Through Diesel			
Generator Unit (Kwh)		2000	6720
Unit per litre of Diesel oil (Kwh)		2.00	2.80
Cost/Unit (Rs/ Kwh)		24.69	19.27
ii) Through Steam Turbine		-	-
Generator Unit (Lakh kwh)		-	-
Unit per tonne of fuel (kwh)		-	-
Cost/unit (Rs/kwh)		-	-
2) Coal		-	-
3) Furnace Oil		-	-
4) Others/internal generation		-	-
B) TECHNOLOGY ABSORPTION			
I) Research & Development (R & D)		NIL	NIL
II) Technology absorption, adoption & Innovation		NIL	NIL
C) FOREIGN EXCHANGE EARNINGS AND OUTGO			
Foreign Exchange Earned	(Rs in lacs)	--	120.00
Foreign Exchange used	(Rs in lacs)	--	1.02

Performance Evaluation Policy

1. Introduction

The Advik Laboratories Limited (**"The Company"**) conducts its operations as per the directions provided by the Board of Directors within the framework laid down by the Companies Act, 2013 (**"the Act"**), the Articles of Association, Listing Agreement with stock exchanges and Code of Conduct and policies formulated by the Company for its internal execution. The Company's Board of Directors is dedicated to act in good faith; exercise their judgment on an informed basis, in the best interest of the company and its stakeholders.

The Act provides that the Nomination and Remuneration Committee shall formulate the criteria for evaluation of performance of Independent Directors and the Board. Such an evaluation procedure will provide a fine system of checks and balances on the performance of the directors and will ensure that they exercise their powers in a rational manner. The Act further casts an obligation on part of the board of directors for evaluating the performance of independent directors. All the directors on the board of a company, except the independent director whose performance is being evaluated, will assess the performance of the independent director. Accordingly, a report of performance evaluation of each independent director of the company would be prepared, which would determine whether to extend or continue the term of appointment of the concerned independent director or not.

As one of the most important functions of the Board of Directors is to oversee the functioning of Company's top management, this Board Performance Evaluation process aims to ensure individual directors (**"Directors"**) and the Board of Directors of the Company (**"Board"**) as a whole work efficiently and effectively in achieving their functions. This policy aims at establishing a procedure for conducting periodical evaluation of its own performance and individual directors. Hence, it is important that every individual Board Member effectively contributes in the Board deliberations.

2. Role of Board and Independent Directors

In conformity with the requirement of the Act, the performance evaluation of all the Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The Independent Directors are duty bound to evaluate the performance of non – independent directors and Board as a whole. The independent directors of the Company shall meet at least once in a year to review the performance of the non- independent directors, performance of Chairperson of the Company and Board as a whole, taking into account the views of executive directors and non-executive directors.

3. Evaluation Criteria

The Board of Directors shall pay regards to the following parameters for the purpose of evaluating the performance of a particular director. In respect of each of the evaluation factors, various aspects have been provided to assist with the evaluation process in respect of performance of Board itself, and individual directors. Such evaluation factors may vary in accordance with their respective functions and duties. Evaluation of Independent Director shall be carried on by the entire Board in the same way as it is done for the Executive Directors of the Company except the Director being evaluated.

Appraisal of each Director of the Company shall be based on the criteria as mentioned hereinbelow.

Rating Scale:

Performance	Rating
Excellent	4
Very Good	3
Good	2
Satisfactory	1
Not Satisfactory	0

Evaluation of Independent Directors

While evaluating the performance of Independent Directors following points needs to be Considered.

Name of the Director being assessed: _____

Sr. No.	Assessment Criteria	Rating	Remarks/ Comments
1.	Attendance and participations in the meetings		
2.	Raising of concerns to the Board		
3.	Safeguard of confidential information		
4.	Rendering independent, unbiased opinion and resolution of issues at meetings.		
5.	Initiative in terms of new ideas and planning for the Company.		
6.	Safeguarding interest of whistle-blowers under vigil mechanism.		
7.	Timely inputs on the minutes of the meetings of the Board and Committee's, if any		
8.	Compliance with Article of Association, Companies Act, Listing Regulations & other laws applicable to the Company		
9.	Contribution to development of strategy and to risk management		
10.	Updatons with latest developments		
11	Communications with Board members, senior management and others		

Evaluation of Non Independent/ Executive Directors

While evaluating the performance of Non-Independent Directors/ Executive Directors following point's needs to be considered:

Name of the Director being assessed: _____

Sr. No.	Assessment Criteria	Rating	Remarks/ Comments
1.	Leadership initiative		
2.	Initiative in terms of new ideas and planning for the Company		
3.	Professional skills, problem solving and decision making		
4.	Compliance with policies of the Company, ethics, Code of Conduct etc.		
5.	Reporting of frauds, violations etc.		
6.	Motivating employees, providing assistance & directions		
7.	Attendance and presence in meeting of Board, Committee and General Meeting.		
8.	Safeguarding of interest of whistle blowers under vigil mechanism.		
9.	Timely inputs of the minutes of the meetings of the Board and Committee, if any.		

10.	Compliance with Article of Association, Companies Act, Listing Regulations & other laws applicable to the Company		
11.	Contribution to development of strategy and to risk management		
12.	Updates with latest developments		
13.	Communications with Board members, senior management and others		

Evaluation of Board of Directors

While evaluating the Performance of the Board of Directors as a whole, following points needs to be considered:

Sr. No.	Assessment Criteria	Rating	Remarks/ Comments
1.	The Board of Directors of the company is effective in decision making		
2.	The Board of Directors is effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.		
3.	The Company’s systems of control are effective for identifying material risks and reporting material violations of policies and law.		
4.	The Board reviews the organization’s performance in carrying out the stated mission on a regular basis.		
5.	The Board of Directors is effective in providing necessary advice and suggestions to the company’s management.		
6.	Is the board as a whole up to date with latest developments in the regulatory environment and the market?		
7.	The information provided to directors prior to Board meetings meets your expectations in terms of length and level of detail.		
8.	Board meetings are conducted in a manner that encourages open communication, meaningful participation, and timely resolution of issues.		
9.	The Board Chairman effectively and appropriately leads and facilitates the Board meetings and the policy and governance work of the board.		
10.	The Board appropriately considers internal audit reports, management’s responses, and steps towards improvement.		
11.	The Board oversees the role of the independent auditor from selection to termination and has an effective process to evaluate the independent auditor’s qualifications and performance.		
12.	The Board considers the independent audit plan and provides recommendations.		

COMMITTEES OF BOARD

The Board has constituted the following committees:

1. Audit Committee;
2. Stakeholders Relationship Committee;
3. Nomination and Remuneration Committee;
4. Risk Management Committee

For evaluating the performance of each committee, the Board of Directors shall pay regards to the following aspects:

Sr. No.	Assessment Criteria	Rating	Remarks/ Comments
1.	Compliance with Article of Association, Companies Act, Listing Regulations & other laws applicable to the Company		
2.	Compliance with ethical standards & code of conduct of Company		
3.	Committee’s accomplishments w.r.t. performance objectives		
4.	Redressal of complaints & grievances		
5.	Coordination with other committees and Board of Directors		
6.	Fulfillment of roles & responsibilities assigned to them		
7.	Adherence to Company’s policies and internal procedures		

Evaluation of Key Management Personnel and Senior Executives

While evaluating the performance of Key Management Personnel and Senior Executives (other than Directors) following points shall be kept in mind:

Sr. No.	Assessment Criteria	Rating	Remarks/ Comments
1.	Abidance and behavior in accordance with ethical standards & code of conduct of Company.		
2.	Compliance with Article of Association, Companies Act, Listing Regulations & other laws. Applicable to the Company		
3.	Interpersonal and communication skills		
4.	Team work attributes		
5.	Safeguard of confidential information		
6.	Compliance with policies of the Company, ethics, code of conduct, etc.		
7.	Punctuality and other personality related aspects		

4. Review of the Policy

The Committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company.

5. Disclosure

Company will disclose details of its Board Performance Evaluation processes in its Board’s report. The Board’s report containing such statement shall indicate the manner in which formal evaluation has been made by the Board of its own performance and individual directors of the Company.

For and on Behalf of the Board of Directors of Advik Laboratories Ltd.

**Sd/-
(Peeyush Kumar Aggarwal)
Chairman
DIN : 00090423**

Date: 03rd September, 2016

Place: New Delhi

NOMINATION & REMUNERATION POLICY

(As amended w.e.f. 10th November, 2015)

1. Introduction

Pursuant to Section 178 of the Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of had constituted the Nomination and Remuneration Committee. The Company considers human resources as its invaluable assets. This policy on nomination and remuneration of Directors, Key Managerial Personnel (KMPs) and other employees has been formulated in terms of the provisions of the Companies Act, 2013 read along with the applicable rules thereto and Listing Regulations, 2015, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

2. Objective and purpose of the policy

The objectives and purpose of this policy are:

1. To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive / Non-Executive) and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees. This includes, reviewing and approving corporate goals and objectives relevant to the compensation of the Chief Executive Officer ("CEO"), evaluating the CEO's performance in light of those goals and objectives, and either as a committee or together with the other independent directors (as directed by the board), determine and approve the CEO's compensation level based on this evaluation; and making recommendations to the board with respect to non-CEO executive officer compensation, and incentive-compensation and equity-based plans that are subject to board approval;
2. The policy also addresses the following items: Committee member qualifications; Committee member appointment and removal; Committee structure and operations; and Committee reporting to the Board.
3. To formulate the criteria for evaluation of performance of all the Directors on the Board;
4. To devise a policy on Board diversity; and
5. To lay out remuneration principles for employees linked to their effort, performance and achievement relating to the Company's goals.

Definitions

- 'Board' means Board of Directors of the Company.
- 'Directors' means Directors of the Company.
- 'Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and applicable SEBI listing Regulations, 2015 and/or any other Act/Regulations.
- 'Company' means Advik Laboratories Limited.
- 'Independent Director' means a Director referred to in Section 149(6) of the Companies Act, 2013 and rules.

- 'Key Managerial Personnel (KMP)' means-
- (i) the Managing Director or the Chief Executive Officer or the manager and in their absence, a Whole-time Director;
 - (ii) the Company Secretary; and
 - (iii) the Chief Financial Officer

Senior Management means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and Listing as may be amended from time to time shall have the meaning respectively assigned to them therein.

General

This Policy is divided in three parts: -

Part – A covers the matters to be dealt with and recommended by the Committee to the Board;

Part – B covers the appointment and nomination; and

Part – C covers remuneration and perquisites etc.

Part – A

Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The following matters shall be dealt by the Committee:-

(a) Size and composition of the Board:

Periodically reviewing the size and composition of the Board to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company as a whole and ensure compliance of various provision of applicable laws and SEBI listing Regulations, 2015;

(b) Directors:

Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board, when circumstances warrant the appointment of a new Director, having regard to the range of skills, experience and expertise, on the Board and who will best complement the Board;

(c) Succession plans:

Establishing and reviewing Board and senior executive succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management;

(d) Evaluation of performance:

Make recommendations to the Board on appropriate performance criteria for the Directors.

Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company.

Identify ongoing training and education programs for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the options of the business, the industry and their legal responsibilities and duties.

(e) Remuneration framework and policies:

The Committee is responsible for reviewing and making recommendations to the Board on:

- (i) the remuneration of the Managing Director, Whole-time Directors and KMPs
- (ii) the total level of remuneration of Non-Executive Directors and for individual remuneration for Non-Executive Directors and the Chairman, including any additional fees payable for membership of Board committees;
- (iii) the remuneration policies for all employees including KMPs, senior management and other employees including base pay, incentive payments, equity awards, retirement rights and service contracts having

regard to the need to

- (iv) attract and motivate talent to pursue the Company's long term growth;
- (v) demonstrate a clear relationship between executive compensation and performance; and
- (vi) be reasonable and fair, having regard to best governance practices and legal requirements.
- (vii) The Company's superannuation arrangements and compliance with relevant laws and regulations in relation to superannuation arrangements; and
- (viii) the Company's remuneration reporting in the financial statements.

PART – B

Policy for appointment and removal of Director, KMPs and Senior Management

I. Appointment criteria and qualifications

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or senior management level and recommend to the Board his / her appointment.
2. A person to be appointed as Director, KMP or senior management level should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
3. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth, complementary skills in relation to the other Board members.
4. The Company shall not appoint or continue the employment of any person as Managing Director / Executive Director who has attained the age of seventy years and shall not appoint Independent Director who is below age of 21 years. Provided that the term of the person holding this position may be extended at the discretion of the committee beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond Seventy years as the case may be.
5. A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.

II. Term / Tenure

1. Managing Director / Whole-time Director

The Company shall appoint or re-appoint any person as its Managing Director and CEO or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time (Executive) Director of a listed company.

III. Retirement

The Whole-time Directors, KMP and senior management personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Whole-time Directors, KMP and senior management personnel in the same position / remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company with the approval of shareholders by passing a special resolution at the general meeting of the Company.

PART – C

Policy relating to the remuneration for Directors, KMPs and other employees

A. General

1. The remuneration / compensation / commission etc. to Directors will be determined by the Committee and recommended to the Board for approval.
2. The remuneration and commission to be paid to the Managing Director shall be in accordance with the provisions of Chapter xiii of the Companies Act, 2013 read with schedule v, and the rules made thereunder.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director.
4. Where any insurance is taken by the Company on behalf of its Managing Director, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

B. Remuneration to KMPs and other employees

The policy on remuneration for KMPs and other employees is as below:-

1. Fixed pay

The remuneration and reward structure for employees comprises two broad components - annual remuneration and long-term rewards. The Committee would determine the remuneration of the Directors and formulate guidelines for remuneration payable to the employees.

These guidelines are as under:

a) Annual remuneration

Annual remuneration refers to the annual compensation payable to the employees of the Company. This comprises two parts - a fixed component, and a performance-linked variable component based on the extent of achievement of the individual's objectives and performance of the business unit. Employee is required to determine his/her key result areas for that particular defined role. The performance-linked variable pay will be directly linked to the performance on individual components of the performance and the overall performance of the business. An employee's variable pay would, therefore, be directly dependent on key performance measures that represent the best interests of shareholders.

The objective is to set the total remuneration at levels to attract, motivate, and retain high-caliber, and high potential personnel in a competitive global market. The total remuneration level is to be reset annually based on a comparison with the relevant peer group globally, established through independent compensation surveys, from time to time.

b) Long-term rewards

Long-term rewards may be granted to eligible key employees based on their contribution to the performance of the Company, relative position in the organization, and length of service under the supervision and approval of the Committee.

The grant, vesting and other scheme details would be formulated from time to time.

These long-term reward schemes are implemented to attract and retain key talent in the industry.

2. Minimum remuneration to Managing Director/ Chief Executive officer

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

C. Remuneration/ Setting Fees / Commission to Non-Executive / Independent Directors

1. Remuneration/ Setting Fees / Commission

The remuneration payable to each Non-Executive Director is based on the remuneration structure as determined by the Board, and is revised from time to time, depending on individual contribution, the Company's performance, and the provisions of the Companies Act, 2013 and the rules made there under.

The remuneration to the Non-executive Directors (including Independent Directors) may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

Non-Executive Directors/ Independent Director shall be paid a Setting Fees / Commission as may be decided by the Board of Directors from time to time subject to the limits specified in Companies Act, 2013 and other applicable laws/ Regulations.

2. Stock options

The Independent Directors shall not be entitled to any stock option of the Company.

Policy review

This policy is framed based on the provisions of the Companies Act, 2013 and rules there under and the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.

This policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification on the policy as recommended by the Committee would be given for approval of the Board of Directors.

**For and on Behalf of the Board of Directors of
Advik Laboratories Ltd.**

**Sd/-
(Peeyush Kumar Aggarwal)
Chairman
DIN : 00090423**

**Date: 03rd September, 2016
Place: New Delhi**

Annexure-5

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2016

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

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31,2016

To,
The Members,
ADVIK LABORATORIESLIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ADVIK LABORATORIES 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 31.03.2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31/03/2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) 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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - (i) The Securities and Exchange Board of India (Listing obligations and Disclosures requirements) Regulations, 2015 applicable w.e.f. December 01, 2015 ;

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India.

- (b) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited & Ahmadabad stock Exchange Limited; (applicable upto 30th November, 2015) and thereafter fresh agreements with the said stock exchanges were executed.

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

* The Company has delayed in filing of some documents with the Registrar of Companies for which additional fees were duly paid as per the provisions of the Companies Act, 2013.

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

For A.K.Friends & Co.

Sd/-

Ashish Kumar Friends

Practising Company Secretary

C.P. No. 4056

Membership No. FCS-5129

Place : New Delhi

Dated : 30th May, 2016

This report is to be read with our letter of even date which is annexed as "**Annexure-A**" and form an integral part of this report.

Annexure - A

To,
The Members,
ADVIK LABORATORIES LIMITED

Our Report Of even date is to be Read along with this Letter.

1. Maintenance of Secretarial records 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 process 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 process 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. Wherever required, we have obtain 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 the management. Our examination was limited to the verifications 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.Friends& Co.

Sd/-
Ashish Kumar Friends
Practising Company Secretary
C.P. No. 4056
Membership No. FCS-5129

Place : New Delhi
Dated :30th May, 2016

Annexure – 6**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial Year 2015-16 (Rs. In Lacs)	% Increase in Remuneration in the Financial Year 2015-16	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Mr. Sachin Garg Managing Director	NIL	Not Applicable	Not Applicable	Loss for the financial year 2015-16 is Rs. 119.00 Lacs as compare to loss of Rs. 67.50 Lacs for the financial year 2014-15.
2.	Mr. Peeyush Kumar Aggarwal Non Executive Director	NIL	Not Applicable	Not Applicable	
3.	Mr. Kamal Kishore Sharma Independent Director	Not Applicable	Not Applicable	Not Applicable	
4.	Mr. BrahmDutt Sharma Independent Director	Not Applicable	Not Applicable	Not Applicable	
5.	Mr. Manoj Kumar Jain Independent Director	Not Applicable	Not Applicable	Not Applicable	
6.	Ms. Madhu Sharma Non Executive Director	NIL	Not Applicable	Not Applicable	
7.	Mr. Manoj Bhatia Chief Financial Officer	4.29Lacs to 4.62Lacs	8%	Not Applicable	Loss for the financial year 2015-16 is Rs. 119.00 Lacs as compare to loss of Rs. 67.50 Lacs for the financial year 2014-15.
8.	Ms. Vaishali Anand (From 01.04.2015 to 10.04.2015) Ms. Pooja Chuni (From 01.10.2015 to 31.03.2016)	NIL 1.20Lacs.	NIL	Not Applicable	Loss for the financial year 2015-16 is Rs. 119.00 Lacs as compare to loss of Rs. 67.50 Lacs for the financial year 2014-15.

No sitting fee was paid to any of the Directors for attending Board Meeting/Committee Meetings.

- ii. In the financial year, there was an increase of 8% in the median remuneration of employees;
- iii. There were 25 permanent employees on rolls of Company as on March 31, 2016;
- iv. Relationship between average increase in remuneration and company performance – The Company incurred a net loss for the year 2015-16 of 119.00lacs, whereas the increase in median remuneration was 82%. The average increase in median remuneration was in line with the performance of the Company.
- v.
 - a) Variations in the market capitalization of the Company: The market capitalization as on March 31, 2016 was Rs. 1102.73lacs as compared to market capitalization of Rs. 713.87 lacs on March 31, 2015.
 - b) Price Earnings ratio of Company was (9.31) as at March 31, 2016 and was (10.56) as at March 31, 2015.
 - c) The closing price of the Company's equity shares on the BSE as on March 31, 2016 was Rs. 5.77 per share.
- vi. The Key Parameters for any variable component of remuneration availed by the Directors – Please refer to the salient features of Remuneration Policy annexed and forming part of this Report.
- vii. Average percentage in increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2015-16 was 8%
- viii. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and
- ix. It is hereby affirmed that the remuneration paid to KMP and other employees is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- x. None of the employees of the Company are related to any Director of the Company.

**For and on Behalf of the Board of Directors of
Advik Laboratories Ltd.**

**Sd/-
(Peeyush Kumar Aggarwal)
Chairman
DIN : 00090423**

**Date 03rd September, 2016
Place: New Delhi**

Report on Corporate Governance

Philosophy on Code of Corporate Governance

Your Company stand committed to good Corporate Governance - transparency, accountability, disclosure and independent supervision to increase the value to the stakeholders. The Company is committed to transparency in all its dealings with shareholders, employees, the Government and other parties and places high emphasis on business ethics. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and increasing long-term shareholder value, keeping in view the interests of the company's stakeholders. Your company believes that Corporate Governance is a powerful tool for building trust and long-term relationship with stakeholders, employees, customers and suppliers. The Company has consistently endeavored to be transparent in all areas of its operations.

Corporate Governance to the Company is not just a compliance issue but central guiding principle for everything it does. It's a way of thinking, way of conducting business and a way to steer the organization to take on challenges for now and for the future. The following report on the implementation of the Corporate Governance code is a sincere effort of the Company to follow the Corporate Governance Principles in its letter and spirit.

Your Directors are committed to good Governance practices and the company has been sharing all important information about its various business segments and operations of the company through Directors Report, Quarterly Results, Chairman's Statement and Annual Reports. Further as required by the listing agreement, report on Corporate Governance is given below:

Board of Directors

The Company is managed by well- qualified professionals. All directors are suitably qualified, experienced and competent .The members of the Board of Directors are persons with considerable experience and expertise in Audit, Accounts, Finance, Administration and Marketing. The Company is benefited by the experience and skills of the Board of Directors.

The Board of Directors consists of six members, comprising of one Managing Director, one Non Executive Promoter Director, one Non-Executive Women Director and three Non-Executive Independent Directors. The Board's composition meets the stipulated requirements of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors hold directorship in more than ten public limited companies or act as an Independent Director in more than seven Listed Companies, none of the Directors acts as a member of more than ten or Chairman of more than five Committees as on 31st March, 2016 across all public limited companies in which they are Directors.

Board Meetings

The Board of Directors formulates the business policies of the company, reviews the performance and decides on the main issues concerning the company. During the year under review, Ten Board Meetings were held on 15th May, 2015, 30th May, 2015, 04th June 2015, 13th August, 2015, 03rd September, 2015, 29th September 2015, 14th November, 2015, 20th November 2015, 13th February, 2016 and 31st March, 2016.

Details of attendance of each Director at various meetings of the Company are as follows:

Name	Category and Designation	No. of Board Meeting		Whether attended last AGM Yes/No	No. of Committees Chairmanship/ Membership of other Board Committees*		Number of other Directorships Held		No. of Shares and convertible instruments held by Executive/ Non-Executive Directors
		Held	Attended		Chair man	Memb ers	Public	Private	
Mr. Peeyush Kumar Aggarwal	Non Executive, Non-Independent and Promoter Director	10	10	Yes	3	4	6	12	19,57,159
Mr. SachinGarg	Executive Director	10	10	Yes	0	0	3	15	NIL
Mr. Kamal Kishore Sharma	Non Executive and Independent Director	10	10	Yes	0	0	0	5	NIL
Mr. Manoj Kumar Jain	Non Executive& Independent Director	10	10	Yes	2	1	2	3	NIL
Mr. BrahmDutt Sharma	Non Executive& Independent Director	10	10	Yes	1	4	2	0	NIL
Ms. Madhu Sharma	Non ExecutiveDirector	10	10	Yes	2	1	5	0	NIL

* As per the requirements of Clause 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Chairmanship and Membership of the Audit Committee and Stakeholders' Relationship Committees in other Public Limited Companies is mentioned only.

The Board of Directors has complete access to any information within the Company. At the Board Meetings, Directors are provided with all the relevant information on important matters, working of the Company as well as related details that require deliberations by the members of the Board.

Relationship between Directors

None of the Directors are related to each other.

Induction and Familiarization Programme for Independent Directors

On appointment, the concerned Directors is issued a letter of Appointment setting out in detail, the terms of appointment, duties and responsibilities. Each newly appointed Independent Director is taken through a

familiarization programme. The programme aims to familiarize the Directors with their role, rights and responsibilities, nature of business model of the Company, etc.

The Details of the familiarisation programme held for the Independent Directors are available on the Company's website i.e. http://www.advikindia.com/index.php?option=com_content&view=article&id=56&Itemid=57

Independent Directors' Meeting

In compliance with Section 149(8) of the Companies Act, 2013, read alongwith Schedule IV of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, one separate meeting of Independent Directors of the Company was held on 31st March, 2016.

All the Independent Directors were present at the meeting.

Performance Evaluation

In compliance with the provisions of the Companies Act, 2013 and as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has adopted a formal mechanism for evaluation of its performances as well as that of its committees and Individual Directors, including the Chairman of the Board. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance and other criteria as set out in Performance Evaluation Policy.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board. The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

Board Committees

I. Audit Committee

The role and terms of reference of the Audit Committee are in accordance with Regulation 18 and Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. This, inter alia, includes the overview of Company's financial reporting process, review of quarterly, half yearly and annual financial statements, review of internal control and internal audit systems, engage consultants who can analyze/review the internal practices and give a report thereon to the audit committee from time to time in respect of Company's Financial Reporting and controls thereto, recommendation for appointment, remuneration and terms of appointment of auditors of the company, review and monitor the auditors' independence, approval of any subsequent modification of transactions with the related parties, scrutiny of inter corporate loans and investments, etc.

During the year under review, Six Audit Committee Meetings were held on 30th May, 2015, 13th August, 2015, 03rd September, 2015, 14th November, 2015, 13th February, 2016 and 31st March, 2016. The Committee is headed by a Non-Executive Independent Director. The Chairman of the Audit Committee was present at the last AGM held on 29.09.2015.

Details of attendance of each members of the Audit Committee are as under:

Name of the Director	Category	Number of meetings during the financial year 2015-16	
		Held	Attended
Mr. Kamal Kishore Sharma	Chairman Non-Executive & Independent Director	6	6
Mr. BrahmDutt Sharma	Non-Executive & Independent Director	6	6
Mr. SachinGarg	Executive Director	6	6

The Company Secretary of the Company also acts as the Secretary of the Audit Committee.

II. Nomination and Remuneration Committee

The constitution and terms of reference of the Committee are as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 and Part D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The broad terms of reference of the Nomination and Remuneration Committee (NRC), inter alia, are as follows:

- a. Formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of directors, key managerial personnel and other employees..
- b. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- c. Devising a policy on diversity of board of directors.
- d. 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 of Directors their appointment and removal
- e. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

Two meetings of Nomination and Remuneration Committee were held on 29th September, 2015 and 31st March, 2016.

The Composition of the Nomination and Remuneration Committee (NRC) as on March 31, 2016 and the attendance of each member at the Committee Meetings are as given below:

Name of Members	Status	Number of meetings during the financial year 2015-16	
		Held	Attended
Mr. Kamal Kishore Sharma	Chairman	2	2
Mr. BrahmDutt Sharma	Member	2	2
Ms. Madhu Sharma	Member	2	2

Performance Evaluation

The Nomination and Remuneration Committee had laid down the criteria for performance evaluation of Independent Directors and other Directors, Board of Directors and Committees of the Board of Directors. The assessment was carried on the basis of following criteria:

- 1. Valuable Input Provided;
- 2. Dedication and Commitment;
- 3. Industry Knowledge;
- 4. Raising of Concern;
- 5. Compliances under Companies Act;

6. Contribution to development of strategy and to risk management.
7. Updates with the latest developments.
8. Communication with other Board members, senior management and others

Remuneration of Directors

During the year under review, none of the Non-Executive Directors has entered into pecuniary relationship or transaction with the Company.

The detailed criteria for making remuneration to Non- executive Director is mentioned in the Nomination and Remuneration Policy of the Company and is displayed at the website of the Company at <http://www.advikindia.com/images/pdf/Advik-Nomination-and-Remuneration-Policy.pdf>. At present, none of the Non- Executive Directors is drawing any remuneration from the Company.

Mr. Peeyush Kumar Aggarwal, Non-Executive Promoter Director of the Company holds 1957159 equity shares of the Company as on 31st March, 2016. Apart from the Peeyush Kumar Aggarwal, none of the Directors hold any equity shares of the Company.

During the financial year 2015-16, no Stock Options were granted to any of the Directors. Further, none of the Directors is getting remuneration from the Company.

III. Stakeholders' Relationship Committee:

In Compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations, the Board has formed an "Stakeholders' Relationship Committee". Stakeholders' Relationship Committee reviews the redressal of grievances of stakeholders pertaining to the requests/complaints of the shareholders related to transfer/transmission of shares, Dematerialization/ Rematerialisation of shares, non-receipt of annual reports, non-receipt of dividend, recording the change of address and to deal with all related matters. The Minutes of the Committee are circulated to the Board of Directors.

The committee met 4 times during the year i.e as on 03rd September, 2015, 21st September, 2015, 20th October, 2015 and 31st March, 2016.

The Composition of the Committee as on 31st March, 2016 and details of attendance of the Committee members at the meetings are given in the following table:

Name of Members	Status	Number of meetings during the financial year 2015-16	
		Held	Attended
Mr. Kamal Kishore Sharma	Chairman	4	4
Mr. BrahmDutt Sharma	Member	4	4
Mr. SachinGarg	Member	4	4

Ms.PoojaChuni, the Company Secretary is the Compliance Officer of the Companyw.e.f. 01/10/2015.

Details of Investor complaints received and redressed during the Financial Year 2015-16 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
NIL	4	3*	NIL

* The investor's complaint pending on 31st March, 2016 has been suitably disposed off immediately after the end of the quarter ending 31st March, 2016. As on date no investor complaint is pending.

IV. Risk Management Committee

The Risk Management Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has a risk management programme which comprises of a series of processes, structures and guidelines to assist the Company to identify, assess, monitor and manage its business risks, including any material changes to its risk profile. The objectives and scope of the Risk Management Committee broadly comprises:

- (i) Oversight of the risk management performed by the executive management,
- (ii) Review of the risk management policy,
- (iii) Reviewing risks and initiating mitigation activities,
- (iv) Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.

During the Financial Year 2015-16, the Risk Management Committee met once on 31st March, 2016.

The Composition of the Risk management Committee as at March 31, 2016 and the attendance of each member at the Committee Meetings are as given below:

Name of Members	Status	Number of meetings during the financial year 2015-16	
		Held	Attended
Mr. SachinGarg	Chairman	1	1
Mr. Peeyush Kumar Aggarwal	Member	1	1
Mr. Kamal Kishore Sharma	Member	1	1

Annual General Meetings

The details of last three Annual General Meetings are as follows:

Year	Date	Venue	Time
2013	27.09.2013	138, Roz KaMeo Industrial Area, Sohna, Distt.Mewat, Haryana- 122103	10.00 A.M.
2014	30.09.2014	138, Roz KaMeo Industrial Area, Sohna, Distt.Mewat, Haryana- 122103	10.00 A.M.
2015	29.09.2015	138, Roz KaMeo Industrial Area, Sohna, Distt.Mewat, Haryana- 122103	10.00 A.M.

Special Resolutions passed during the last three Annual General Meetings:

The following special resolutions have been passed by the shareholders of the company in the previous three Annual General Meeting:

Sr. No.	Particulars of Special Resolutions passed	AGM Details
1.	Preferential allotment of equity shares and warrants to promoters and Non- Promoters.	19th AGM held on 27.09.2013
1.	Appointment of Mr. SachinGarg as a Managing Director	20th AGM held on 30.09.2014
2.	Creation of mortgage/ Hypothecation/ charge etc on the movable and immovable properties of the Company.	20th AGM held on 30.09.2014
3.	Authorisation for the borrowing limits u/s 180(1)(c) of the Companies Act, 2013	21st AGM held on 29.09.2015

Postal Ballot

During the year under review, no resolution was passed through Postal Ballot. None of the Businesses proposed to be transacted at the ensuing Annual General Meeting require passing of a special resolution through Postal Ballot.

Means of Communication

The quarterly audited/un-audited financial results are sent to all the Stock Exchanges where the Company’s shares are listed i.e. BSE & ASE immediately after the conclusion of the Board Meetings.

The Company regularly publishes its Audited/Unaudited Financial Results, Notices of Board Meeting, E voting Notice and other Communications in either of the following Newspapers:

- For English Edition- Business Standard and Financial Express.
- For Hindi Edition- Business Standard and Jansatta.

The Company’s website www.advikindia.com contains a separate section “Investor Information” where information for shareholders is available. The Company’s website displays the information as stipulated under Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2016 such as Quarterly/Annual Financial Results, Annual Reports, Quarterly Corporate Governance Report, Shareholding Pattern, Policies, Investors’ Contact details etc.

In addition, the Company makes use of this website for publishing official news release, if any.

General Shareholders’ Information

Details of 22nd Annual General Meeting of the Company

Day & Date	Friday 30 th September, 2016
Time	11:30 A.M.
Venue	138, Roz KaMeo Industrial Area, Sohna, Distt. Mewat, Haryana- 122103

Calendar for the financial year ending 31st March, 2017

Financial Reporting for the	Tentative time frame
First quarter ended 30th June, 2016	First fortnight of August, 2016
Second quarter ending 30th September, 2016	First fortnight of November, 2016
Third quarter ending 31st December, 2016	First fortnight of February, 2017
Fourth quarter ending 31st March, 2017	By the end of May, 2017

Date of Book Closure

From 24th September, 2016 to 30th September, 2016 (both days Inclusive) for the purpose of Annual General Meeting.

Listing on Stock Exchanges

Name and Address of the Stock Exchanges	Stock Code
The Bombay Stock Exchange Ltd (BSE) 1st Floor, P.J. Towers, Dalal Street, Mumbai-400001	Scrip Code– 531686
Ahmedabad Stock Exchange Limited, 1st Floor, Kamdhenu Complex, Opp. Sahajanand College Panjara Pole Ahmedabad – 380015	Scrip Code– 01636

Listing Fees

The Listing Fees of the Bombay Stock Exchange (BSE) for the Financial Year 2016-17 is pending. The Company is in the process of making the payment of the same.

CIN Number: L74899HR1994PLC038300

ISIN No.

The Company’s Demat International Security Identification Number (ISIN) for its equity shares in NSDL and CDSL is INE 537C 01019.

Stock Market Data

The Company’s equity shares are listed at Bombay Stock Exchange Ltd. (BSE) and Ahmedabad Stock Exchange Ltd. (ASE). Since there was no trading in the shares of the company at ASE, the share price market data is not available from ASE.

The monthly high and low quotations of equity shares traded on the Bombay Stock Exchange Limited during the financial year 2015-16 are as follows:

Share prices on Bombay Stock Exchange Limited (BSE Ltd.)* are as under:-

Month	High Price (Rs.)	Low Price (Rs.)	Total No. of Equity Shares traded
Apr 15	7.14	4.70	25,194
May 15	7.61	5.06	20,198
Jun 15	5.75	4.82	21,262
Jul 15	6.32	4.80	29,306
Aug 15	9.99	5.76	2,75,168
Sep 15	8.25	7.03	1,80,048
Oct 15	8.90	6.77	2,35,259
Nov 15	10.97	7.53	3,30,942
Dec 15	15.10	10.50	6,68,369
Jan 16	15.42	9.13	3,37,923
Feb 16	10.44	6.32	90,245
Mar 16	8.48	5.50	1,16,625

***Source: BSE 's Website**

The Equity Shares of the company have not been suspended from trading by SEBI and/or Exchanges, where the shares of the Company are listed.

Name and Address of the Registrar and Share Transfer Agent (RTA):

Beetal Financial & Computer Services (P) Ltd.
 Beetal House, 3rd Floor, 99, Madangir
 Behind Local Shopping Centre,
 Near Dada HarsukhdasMandir
 New Delhi -110 062
 Tel: 91-11-29961281/82
 Fax: 91-11-29961284
 Email id: beetalrta@gmail.com

Share Transfer System:

The Company's equity shares which are in dematerialized form are transferable through the dematerialized system. Equity Shares in physical form are processed by Registrar and Share Transfer Agent, M/s. Beetal Financial & Computer Services (P) Ltd and approved by the Shareholders' Relationship Committee of the Board.

Reconciliation of Share Capital Audit Report:

A practicing Company Secretary carried out reconciliation of share capital audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit report confirms that the total issued/ paid up capital is in consonance with the total number of shares in physical form and the total number of dematerialized shares held with the depositories.

Distribution of Shareholding as on 31st March, 2016:

Nominal Value of Each Share : Rs. 10

Share or Debenture holding Nominal Value (Rs.)	Number of Shareholders	% to Total Numbers	Share or Debenture holding Amount (Rs.)	% to Total Amount
1	2	3	4	5
Up To 5,000	4862	96.87	30498930	15.96
5001 To 10,000	85	1.69	6215610	3.25
10001 To 20,000	30	0.60	4004890	2.10
20001 To 30,000	14	0.28	3548810	1.86
30001 To 40,000	6	0.12	1978660	1.04
40001 To 50,000	2	0.04	941890	0.49
50001 To 1,00,000	9	0.18	62711790	3.28
1,00,000 and Above	11	0.22	137653420	72.03
Total	5019	100	191114000	100

Dematerialisation of Shares and Liquidity

The Company shares are traded in dematerialized form and have to be delivered in the dematerialized form to all Stock Exchanges. To enable shareholders an easy access to the de-mat system, the Company has executed agreements with both existing Depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). M/s. Beetal Financial & Computer Services (P) Ltd. is the Registrar and Transfer Agent of the Company for the purposes of electronic connectivity for effective dematerialization of shares. As of 31st March, 2016 shares comprising approximately 99.94% of the Company's Equity Share Capital have been dematerialized.

Status of Dematerialised Shares as on 31st March, 2016 (Equity ISIN No. INE 537C 01019)

Shares Held through	No. of Shares	Percentage of Holding
NSDL	11666205	61.04
CDSL	7433915	38.90
Physical	11280	0.06
Total	19111400	100.00

Shareholding Pattern of the Company as on 31st March, 2016

Category	No. of Shares held	% of share holding
A. Promoters' holding		
Promoters		
Indian Promoters		
• Individual	19,57,159	10.24
• Bodies Corporates	49,02,322	25.65
Foreign Promoters	Nil	Nil
2. Persons Acting in Concert		
	Nil	Nil
Sub-total (A)	6859481	35.89
B. Non-Promoters' holding		
3. Institutional Investors		
a. Mutual Funds & UTI	Nil	Nil
b. Banks, Financial Institutions, Insurance Companies (Central/State Government Institutions/Non-government Institutions)	Nil	Nil
c. FIs	Nil	Nil
Sub-total	Nil	Nil
4. Non Institutional Investors		
a. Bodies Corporate	60,01,411	31.40
b. individuals	36,72,091	19.21
-Individual shareholders holding nominal share capital up to Rs. 2 Lakhs		
-Individual shareholders holding nominal share capital up in excess of Rs. 2 Lakhs	23,76,019	12.43
c. Any Other		
NRI	15,481	0.08
Hindu Undivided Family	1,79,651	0.94
Clearing Members	7,266	0.04
Sub-total (B)	1,22,51,919	64.11
Grand Total (A)+(B)	1,91,11,400	100.00

ADRs/GDRs/Warrant:

The Company has not issued any ADRs/GDRs/Warrants or any other convertible instruments during the year under review.

However, during the year under review, the company has converted 40,82,650 warrants of Rs. 10/- each into equal number of equity shares issued on November 21, 2013 on preferential basis to the persons belonging to the Promoters and the Non- Promoters Category in accordance with the provisions of Chapter VII of SEBI (ICDR) Regulations, 2009.

Commodity Price Risk or Foreign Exchange Risk And Hedging Activities:

The Company is not involved into any activities relating to commodities price risks and hedging thereof.

Brief profile of the Directors liable to retire by rotation and others:

Brief resumes of the Directors who are proposed to be appointed/ re-appointed is furnished in the explanatory statement to the notice of the ensuing Annual General Meeting forming part of this Annual Report.

Address for Correspondence**Corporate Office:-**

Advik Laboratories Limited
807, Arunachal Building,
19, Barakhamba Road,
Connaught Place,
New Delhi – 110001
Phones: 011 – 42424884
Fax: 011 – 43571047
Email id: mail@advikindia.com

Investor's Correspondence may be addressed to

The shareholders desiring to communicate with the Company on any matter relating to their shares of the Company may either visit in person or write quoting their Folio Number at the following address:

The Company Secretary,
Advik Laboratories Limited
807, Arunachal Building,
19, Barakhamba Road,
Connaught Place,
New Delhi – 110001
Phones: 011 – 42424884
Fax: 011 – 43571047
Email id: mail@advikindia.com

The Company is also maintaining a separate e-mail id. investor@advikindia.com for registering the investor Complaints and grievances.

SEBI Complaints Redress System (SCORES):

SCORES, i.e., a Sebi Complaints Redress System is a centralized web based complaints redress system which serves as a centralised database of all Complaints received enables uploading of Action Taken Reports (ATR's) by the concerned Companies & online viewing by the investors of actions taken on the Complaint & its current status. Your Company is registered with SEBI under the SCORES system.

Prohibition of Insider Trading:

In compliance with SEBI's Regulations on Prevention of Insider Trading, the Company has formulated a Code of Conduct for prohibition and prevention of Insider Trading for all the Directors, Officers and the designated employees of the Company. The Code lays down the Guidelines and procedures to be followed and disclosures to be made while dealing with equity shares of the Company.

CEO/CFO Certification:

The Managing Director and Chief Financial Officer of the company has issued certificate pursuant to Regulation 17(8) read with Part B of Schedule II of the Listing Regulations certifying that the financial statements and the cash flow statement do not contain any untrue statements and these statements represent a true and fair view of the Company's affairs. The same is annexed to this Report.

Auditors' Certificate on Corporate Governance

A Certificate has been obtained from the Auditors of the Company regarding compliance with the provisions relating to Corporate Governance laid down in Clause 49 of the Listing Agreement with the Stock Exchanges and as per the Schedule V (E) of the SEBI (LODR) Regulations, 2015. The same is annexed to this report.

Disclosures:

- (i) There were no transactions of the material nature with the related parties during the year that may have potential conflict with the interests of the Company at large. The policy on related party transaction is available in the website of the Company i.e. http://www.advikindia.com/index.php?option=com_content&view=article&id=56&Itemid=57.
- (ii) There was no instance of non-compliance and no penalties or strictures were imposed on the Company by any Stock Exchanges or SEBI or any other Statutory Authorities on any matter related to the Capital Markets during the last three years.
- (iii) The Company has formulated a Whistle Blower Policy to establish a Vigil Mechanism for directors and employees of the Company. The Whistle Blower Policy/Vigil Mechanism policy is available in the website of the Company i.e. http://www.advikindia.com/index.php?option=com_content&view=article&id=56&Itemid=57. Further, no employee has been denied access to the Audit Committee.
- (iv) The Company has complied with all the mandatory requirements of Corporate Governance of the Listing Regulations as are applicable to the company. The Company also endeavors to follow Non-Mandatory requirements.
- (v) The Company is not involved into activities relating to commodity price risks and hedging thereof

Details of Compliance with mandatory requirements and adoption of non-mandatory requirements of the Listing Regulations:

The Company has complied with all the Mandatory requirements as prescribed under the erstwhile Listing Agreement and Listing Regulations, to the extent applicable, including Corporate Governance requirements as specified under Regulation 17 to 27 and Clause (b) to (i) of Sub- Regulation (2) of Regulation 46 of the Listing Regulations as applicable to the Company.

A Certificate from M/s. RMA and Associates, the statutory auditors of the company confirming compliance with the conditions of corporate governance as specified under Schedule V (E) of the Listing Regulations is annexed to this Report. Further, the Company has also complied with all requirements about disclosures in the Corporate Governance Report, as specified in sub para (2) to (10) of Clause C of Schedule V of the Listing Regulations.

Non- Mandatory requirements of Regulation 27(1) and Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

1. The quarterly/half yearly results are not sent to the shareholders. However, the same are published in the newspapers and also posted on the Company's website.
2. The Company's Financial Statement for the Financial Year 2015-16 do not contain any audit qualification.
3. The Internal Auditors report to the Audit Committee.

Disclosure of Accounting Treatment:

There is no deviation in following the treatment prescribed in the Accounting Standards in preparation of Financial Statements of the Company for the year ended on March 31, 2016.

Green Initiative in Corporate Governance:

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" by allowing service of documents by a Company to its Members through electronic mode. The move of the Ministry allows public at large to contribute to the green movement.

Keeping in view the underlying theme, the Company will continue to send various communications and documents like notice calling general meetings, audited financial statements, directors' report, auditor's report etc., in electronic form, to the email address provided by the members to the Depositories or to the Company.

To support this green initiative in full measure, members who have not registered their E-mail address and PAN Number. so far, are requested to register their E-mail address and PAN Number, in respect of electronic holdings with the Depository through their concerned Depository Participant. Members who hold shares in physical form are requested to fill their e-mail address and PAN Number for our records in the registration form which can be downloaded from the Company's website i.e. www.advikindia.com for sending the documents in electronic form or else sent a request letter directly to the Company mentioning their E-mail address and PAN No. alongwithself-attested copy of their PAN Card.

Dematerialization of Shares:

Shareholders are requested to convert their physical holding to demat/electronic form through any of the Depository Participants to avoid any possibility of loss, mutilation etc. of physical share certificates and also to ensure safe and speedy transaction in securities.

Consolidation of Multiple Folios:

Shareholders, who have multiple folios in identical names, are requested to apply for consolidation of such folios and the relevant share certificates to the Company/its Registrar and Transfer Agent.

Updation of Registered Address with the Company:

Shareholders are requested to update their addresses registered with the Company directly through the Share Transfer Agent, to receive all communications promptly. Shareholders holding shares in electronic form are requested to deal only with their Depository Participants in respect of change of address.

Code of Conduct

The Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel. The Code of Conduct is also available on the website of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year under review.

Declaration of Compliance of the Code of Conduct in terms of Schedule V of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

" In terms of Schedule V of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and as per affirmation received from the Directors and the Members of Senior Management Personnel of the Company, I hereby declare that Directors & the Members of Senior Management of the Company have complied with the Code Of Conduct during the F.Y. 2015-16.

**For and on Behalf of the Board of Directors
of Advik Laboratories Ltd.**

Sd/-
(Peeyush Kumar Aggarwal)
Chairman
DIN : 00090423

Date 03rd September, 2016
Place: New Delhi

AUDITOR' S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To,

**The Members of
Advik Laboratories Limited**

We have examined the compliance of conditions of Corporate Governance by Advik Laboratories Limited for the year ended 31st March, 2016 as stipulated in Clause 49 of the Listing Agreement of the said company with the stock exchanges for the period from April 1, 2015 to November 30, 2015 and as per the provisions of SEBI (Listing Obligations & Disclosures Requirement) Regulations, 2015 (Listing Regulations) as referred to in Regulation 15(2) and Regulations 17 to 27 and other applicable Regulations and Schedules thereof of the Listing Regulations for the period from 01st December, 2015 to 31st March, 2016.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement/Listing Regulations, as applicable.

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

**For M/s. RMA & Associates
Chartered Accountants
Firm Reg. No. 000978N**

**Sd/-
Santosh Kumar
Partner
Membership No. 533944**

**Place : New Delhi
Dated :30th May, 2016**

CEO/CFO Certification

This is to certify to the Board that:

- a. We have reviewed the Financial Statements and the Cash Flow Statement for the year ended March 31, 2016 and that to the best of our knowledge and belief state that:
 - 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. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.
- c. We accept 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, whenever applicable;
 - ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. that there were no 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.

For Advik Laboratories Limited

Sd/-
Sachin Garg
Managing Director
(DIN: 00175301)

Sd/-
Manoj Kumar Bhatia
Chief Financial Officer
(PAN: AAZPB5897R)

Place : New Delhi
Dated : 30th May, 2016

INDEPENDENT AUDITOR'S REPORT

The Members of Advik Laboratories Limited,

Report on the Financial Statements

We have audited the accompanying financial statements of **ADVIK LABORATORIES LIMITED**, New Delhi ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance and Cash Flow Statement 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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 financial statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") Issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid 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 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in "Annexure B"; and
 - g) With respect to the other matters to be included in the Auditors' 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 has disclosed the impact of pending litigations on its financial position in its financial statements-Refer Note no. 22 to the financial statements.
 - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2016

**For M/s. RMA & Associates
Chartered Accountants
Firm Regn. No. 000978N**

**Sd/-
Santosh Kumar
Partner
Membership No. 533944**

**Place: New Delhi
Dated : 30th May, 2016**

ANNEXURE "A" TO THE INDEPENDENT AUDITORS'

The Annexure referred to in our report of even date

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its. Certain fixed assets were verified during this year as per this program. No material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the Company.
2. The inventories have been physically verified by the management during the year. In our opinion, the frequency of physical verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book stocks were not material and have been properly dealt with in the books of account.
3. Accordingly to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) of the order is not applicable.
4. Provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, are not applicable.
5. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the provision of Clause (v) of the Para 3 of the Order are not applicable to the Company.
6. As per notification no. F.No.1/40/2013-CL-V dated 31.12.2014 maintenance of cost records has not been prescribed by the Central Government U/s. 148(1) of the Companies Act, 2013.
7. (a) According to the information and explanations given to us and on the basis of our examination of the books of account of Company, the company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable with the appropriate authorities. According to the information and explanation given to us, no other undisputed amounts are payable on account of provident fund, employees state insurance, income-tax, service tax, duty of customs, duty of excise, value added tax, as at 31.03.2016 for a period of more than six months from the date they become payable.
- (b) According to the information's and explanations given to us there are no pending dues in respect of Sales Tax, Wealth Tax, Service Tax, Value Added Tax, Duty of Customs and Cess which has not been deposited on account of any dispute.
8. According to information & explanation given to us and the records of the Company examined by us, the Company has defaulted in payment of dues to Indian Overseas bank. The details of default are as under:-

Sno.	Amount in lacs	Nature of Dues	Period of default of repayment
1.	105.61	Interest (Term loans)	01.06.14 to 31.03.16 (22 months)
2.	179.34	Principal (Term loans)	01.06.14 to 31.03.16 (22 months)
3.	106.55	Interest (Cash credit)	01.10.14 to 31.03.16(18 months)

9. According to the information & explanation given to us and the records of the Company examined by us the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year.
10. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the Management, no material fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
11. No Managerial Remuneration is paid by the company during the year hence provisions of Section 197 read with Schedule V to Companies Act, 2013 are not applicable.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanation given to us, the Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. The requirement of Section 42 of the Companies Act, 2013 in relation to preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review have been complied with and the amount raised have been used for the purposes for which the funds were raised.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with its Directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

**For M/s. RMA & Associates
Chartered Accountants
Firm Regn. No. 000978N**

**Sd/-
Santosh Kumar
Partner
Membership No. 533944**

**Place: New Delhi
Dated : 30th May, 2016**

ANNEXURE “B” To THE INDEPENDENT AUDITOR’S REPORT OF “ADVIK LABORATORIES LIMITED” FOR THE YEAR ENDED 31st MARCH 2016.

Report on the internal Financial Controls under Clause (i) of Sub-Section 143 of the Companies Act 2013.

Report on the Internal Financial Controls

We have audited the Internal Finance Controls over Financial reporting of “ADVIK LABORATORIES LIMITED” (the Company) as of 31st March 2016 in conjunction with our audit of the 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 Controls over Financial Reporting issued by the institute of Chartered Accountants of India (ICAI) 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, 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

Auditor’s 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 Accounts 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 and 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 risk of material misstatement of the financial statement, where 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 purpose 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: New Delhi
Dated : 30th May, 2016

**For M/s. RMA & Associates
Chartered Accountants
Firm Regn. No. 000978N**

**Sd/-
Santosh Kumar
Partner
Membership No. 533944**

Balance Sheet as at March 31, 2016

I. EQUITY AND LIABILITIES	NOTE NO.	For the year ended 31.03.16	For the year ended 31.03.15
<u>Share Holders Funds</u>			
Share Capital A/c	2	191,114,000	150,287,500
Money received agt. Share warrants		-	31,124,250
Reserve and Surplus	3	<u>(1,284,943)</u>	<u>10,615,480</u>
		189,829,057	192,027,230
<u>Non- current liabilities</u>			
Long-term borrowings	4	9,760,531	19,564,531
Long-term Provisions	5	1,841,682	1,526,348
Deferred Tax Liability	6	<u>9,799,655</u>	<u>9,866,115</u>
		21,401,868	30,956,994
<u>Current Liabilities</u>			
Short Term Borrowings	7	28,952,213	39,936,220
Trade Payables		6,441,604	33,015,044
Other Current Liabilities	8	<u>39,109,687</u>	<u>25,825,044</u>
Short Term Provisions		-	1,832,965
		74,503,504	100,609,273
	TOTAL	<u>285,734,429</u>	<u>323,593,497</u>
<u>ASSETS</u>			
<u>Non-Current Assets</u>			
Tangible Assets	9	76,351,118	82,053,134
Capital Work In progress	9	61,520,184	61,520,184
Non-Current Investments	10	9,230,000	9,230,000
<u>Current Assets</u>			
Inventories	11	75,310,138	73,574,909
Trade Receivables	12	42,718,847	76,842,598
Cash & Cash Equivalents	13	311,881	241,692
Short Term Loans & Advances	14	20,252,217	20,102,200
Other Current Assets	15	40,044	28,780
		138,633,127	170,790,179
	TOTAL	<u>285,734,429</u>	<u>323,593,497</u>

For RMA & Associates
Chartered Accountants
Firm Regn. No. : 000978N

For and on behalf of the Board of Directors of Advik Laboratories Ltd.

Sd/-
(Santosh Kumar)
Partner

Sd/-
(Peeyush Kumar Aggarwal)
Chairman
DIN:00090423

Sd/-
(Sachin Garg)
Managing Director
DIN:03320351

Sd/-
(Manoj Bhatia)
CFO

Sd/-
(Pooja Chuni)
Company Secretary

Membership No. 533944

Place: New Delhi

Date: 30th May, 2016

Statement of Profit and Loss Account for the year ended March 31, 2016

PARTICULARS	NOTE NO.	For the year ended 31.03.16 (Rs.)	For the year ended 31.03.15 (Rs.)
INCOME			
Revenue from operations	16	13,546,763	122,386,230
Other Income	17	35,410	10,188
Total		13,582,173	122,396,418
EXPENSES			
Cost of Material Consumed	18	4,278,744	103,185,952
Change in Inventories of Finished Goods & Work in Progress	19	(143,075)	(5,327,623)
Employees Benefit	20	7,807,519	7,805,589
Finance Charges	21	822,136	10,738,853
Depreciation & Amortizations	9	6,248,709	6,489,621
Other Expenses	22	6,535,023	8,646,579
Total		25,549,056	131,538,971
Profit Before Tax		(11,966,883)	(9,142,553)
Tax Expense:			
a) Provision for Income Tax(MAT)		-	
b) Deferred Tax Liabilities/(Assets)		(66,460)	(2,392,472)
c) Tax Paid for prior years			
Net Profit after Tax transferred to Balance Sheet		(11,900,423)	(6,750,081)
Earning per equity shares in Rs.		(0.623)	(0.449)
Basic & Diluted in Rs.		(0.623)	(0.353)

For RMA & Associates

For and on behalf of the Board of Directors of Advik Laboratories Ltd.

Chartered Accountants

Firm Regn. No. : 000978N

Sd/-

Sd/-

Sd/-

Sd/-

Sd/-

(Santosh Kumar)

(Peeyush Kumar Aggarwal)

(Sachin Garg)

(Manoj Bhatia)

(Pooja Chuni)

Partner

Chairman

Managing Director

CFO

Company Secretary

Membership No. 533944

DIN:00090423

DIN:03320351

Place: New Delhi

Date: 30th May, 2016

Cash Flow Statement for the year ended March 31, 2016

Particulars	As at 31.03.2016 (Rs.)	As at 31.03.2015 (Rs.)
A. Cash Flow from operating activities		
Net profit before tax and extraordinary items	(11,966,883)	(9,142,553)
Add: Adjustment for Depreciation	6,248,709	6,489,621
Provision for Gratuity	252,655	258,807
Provision for Leave Encashment	62,679	54,963
Interest & Other Costs	822,136	10,738,853
Interest Received	(15,368)	
Operating profit before working capital changes	(4,596,072)	8,399,691
Adjustment for:		
Increase / (Decrease) in Trade Payables	(26,573,440)	(11,800,845)
Increase / (Decrease) in Current Liabilities	13,284,643	8,948,772
(Increase) / Decrease in Trade Receivables	34,123,751	9,643,405
(Increase) / Decrease in Short Term Loans & Advances	(150,017)	6,436,342
(Increase) / Decrease in Other Current Assets	(11,264)	5,603,550
(Increase) / Decrease in Inventories	(1,735,229)	(5,589,434)
Cash Generated From Operations		
Direct Taxes Paid	(1,832,965)	-
Net Cash from operating activities (A)	12,509,407	21,641,481
B. Cash flow from investing activities		
Purchase of Fixed Assets	(546,692)	(4,388,999)
Interest Received	15,368	-
Net cash outflow from investing activities (B)	(531,324)	(4,388,999)
C. Cash Flow from financing activities		
Proceeds from issue of share capital	9,702,250	-
Proceeds from issue of share warrants	-	4,100,000
Repayment of short term borrowings	(10,984,007)	(530,724)
Repayment of long term borrowings	(9,804,000)	(10,367,023)
Interest Paid	(822,136)	(10,738,853)
Net cash used in financial Activities ©	(11,907,893)	(17,536,600)
Net Increase/ (Decrease) in cash (A+B+C)	70,190	(284,118)
Cash & Cash Equivalents (Opening balance)	241,692	525,810
Cash & Cash Equivalents (Closing balance)	311,882	241,692

For RMA & Associates

For and on behalf of the Board of Directors of Advik Laboratories Ltd.

Chartered Accountants

Firm Regn. No. : 000978N

Sd/-

Sd/-

Sd/-

Sd/-

Sd/-

(Santosh Kumar)

(Peeyush Kumar Aggarwal)

(SachinGarg)

(Manoj Bhatia)

(PoojaChuni)

Partner

Chairman

Managing Director

CFO

Company Secretary

Membership No. 533944

DIN:00090423

DIN:03320351

Place: New Delhi

Date: 30th May, 2016

NOTES TO ACCOUNTS**NOTE NO. 1****1. Corporate Information**

The Company is Public limited company, incorporated under the Indian Companies Act, 1913, having its registered office in Sohna, Haryana and is listing on BSE Ltd & ASE Ltd. The Company is engaged in manufacturing, marketing, trading and export of Pharmaceutical Products. The Company has its own manufacturing facility at Sohna. The Company has various independent contract/third party manufacturers based across the country.

2. SIGNIFICANT ACCOUNTING POLICIES**a) Basis of preparation of financial statements**

These financial statements have been prepared in accordance with the generally Accepted accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 as applicable. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

b) Uses of Estimates

The preparation of financial statements requires the management of the company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Example of such estimates include provision for doubtful receivables, employee benefits, provision for income taxes, accounting for contract cost expected to incurred, the useful lives of depreciable fixed assets and provision for impairment. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognized in the period in which the results are known/materialise..

c) Current and Non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in schedule III of the Companies Act, 2013. Based on the nature of it's activates and the time between the acquisition of assets for processing and their realization in cash or cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

d) Revenue Recognition

Revenue from sale of goods in the course of ordinary activities is recognized when property in the goods or all significant risks and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection. The amount recognized as revenue is exclusive of sales tax, value added taxes (VAT) and service tax and is net of returns and discounts. Revenue from services is recognized as and when services are rendered and related costs are incurred.

e) **Tangible Fixed Assets and Depreciation**

Tangible Fixed Assets

Tangible fixed assets are stated at the cost of acquisition or construction, less accumulated depreciation and impairment losses, if any. The cost of an item or tangible fixed asset comprises its purchase price excluding cenvat credit but including of non-refundable taxes or levies and any attributable cost of bringing the asset to its working condition for its intended use. Advances paid towards acquisition of tangible fixed assets outstanding at each Balance sheet date, are shown in fixed assets schedule as advances paid.

Depreciation

In respect of fixed assets (other than capital work in progress) acquired during the year, depreciation is charged on a straight line basis so as to write off the cost of the assets over the useful lives and for the assets acquired prior to April 1, 2014, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life based on an evaluation. Depreciation on assets are provided at :-

Type of Asset	Period
Factory Building	30 years
Plant & Machinery	15 years
Computer Equipment	3 years
Vehicle	8 years
Furniture & Fixture	10 years

The policy of company is to provide depreciation on the Building, Plant & Machinery and Other Fixed Assets from the date of commercial production/put to use.

f) **Impairment of Assets**

In accordance with Accounting Standard 28(AS 28) an "Impairment of assets" where there is an indication of impairment of the Company's assets, the carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of the assets, (or where applicable that of the cash generating unit to which the asset belongs) is estimated at the higher of its net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the contributing use of the assets and from its disposal at the end of its useful life. An impairment loss is recognized whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. Impairment loss is recognized in the statement of profit & loss.

g) **Borrowing Costs**

Borrowing costs are interest and other costs incurred by the Company in connection with the borrowing of funds. Borrowing cost directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use is capitalized. All other borrowing costs are treated as period cost and charged to the profit and loss account in the year in which it was incurred.

h) **Inventories**

Raw materials, stock-in-trade, work-in-progress, finished goods and packing materials are valued at the lower of weighted average cost and net realizable value. Cost of finished goods and work-in-progress includes cost of materials, direct labour and an appropriate portion of overheads to bring the inventory to the present location and condition. Stores and maintenance spares are valued at average cost.

The net realizable value of work-in-progress is determined with reference to the selling price of related finished goods. Raw materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

Finished goods expiring within 90 days(near expiry inventory) as at the balance sheet date have been fully provided for.

i) Employee benefits
Short term employee benefits

All employee benefits payable wholly twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, bonus, short term compensated absences and the expected cost of ex-gratia is recognized in the period in which the employee renders the related service.

Long term employee benefits

(i) Defined contribution plan

The Company's contribution towards employees' ESIC, Labour Welfare Fund is recognized as an expense during the year.

(ii) Defined benefits plan

Provident Fund

In accordance with law, all employees of the company are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employees and the company contribute monthly at a pre-determined rate. Contribution to provident fund is recognized as expense as and when the services are rendered. The company has no liability for future provident fund benefits other than its annual contribution.

Gratuity

The company provides for gratuity, a defined benefit retirement plan, covering eligible employees. The plan provides for lump sum payments to vested employees at retirement of upon death while in employment or on termination of employment for an amount equivalent to 15 days' eligible salary payable for each completed year of service if the service is more than 5 years. The Company accounts for the liability for future gratuity benefits using the projected unit cost method based on annual actuarial valuation. Company recognized the actuarial gains and losses during the year in which the same are incurred.

j) Foreign Exchange Transactions

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign currency transaction settled during the period are recognized in the statement of Profit & Loss.

Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date are transacted at period end rates. The resultant exchange differences are recognized in the Statement of Profit & Loss. Non-monetary assets are at the rate prevailing on the date of transaction.

k) Income taxes

Tax expense comprises current and deferred tax. Current tax comprises of the amount of tax for the period determined in accordance with the Income Tax Act, 1961 and the rules framed there under. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences between the carrying values of assets and liabilities and their respective tax bases, and operating loss carry forwards. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates at the balance sheet date.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future. In case of unabsorbed depreciation or carried forward loss under taxation laws, all deferred tax assets are recognized only if there is virtual certainty of realization of such assets supported by convincing evidence. Deferred tax assets are reviewed at each balance sheet date and appropriately adjusted to reflect the amount that is reasonable/virtually certain to be realized.

l) Investments

Long Term Investments and current maturities of long term investments are stated at cost, less provisions for other than temporary diminution in value. Current investments, except for current maturities of long-term investments, comprising investments in shares are stated at the lower of cost and fair value.

m) Cash Flow Statement

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

n) Provisions & Contingent Liabilities

The Company creates a provision when there exists a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are neither recognized nor disclosed in the financial statements.

These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

o) Earning per share

In accordance with the Accounting Standard-20 (AS-20) "Earning Per Share" as notified by the Companies Accounting Standard (Rules) 2006, Basic and diluted earnings per share are computed by dividing the net profit after tax attributable to equity shareholders for the year, with the weighted number of equity shares outstanding during the year.

p) Other Accounting policies

Accounting Policies not specifically referred to are in accordance with generally accepted accounting principles.

NOTE NO. 2

Notes forming part of the Accounts	As at 31.03.16 (Rs.)	As at 31.03.15 (Rs.)
SHARE CAPITAL		
A) <u>AUTHORISED</u> 2,00,00,000 Equity Shares of Rs. 10/- each (Previous year 2,00,00,000 Equity Shares of Rs. 10/- each)	200,000,000	200,000,000
B) <u>ISSUED, SUBSCRIBED AND PAID UP</u> 1,91,11,400 Equity Shares of Rs. 10/- each (Previous year 1,50,28,750 Equity Shares of Rs. 10/- each)	191,114,000	150,287,500
	191,114,000	150,287,500

- a) Reconciliation of number of shares and amount outstanding at the commencement and at the end of reporting year

Particulars	As at 31.03.2016		As at 31.03.2015	
	Number of shares	Amount	Number of shares	Amount
Balance at the commencement of the year	1,50,28,750	15,02,87,500.00	1,50,28,750	15,02,87,500.00
Add :Equity Shares issued in pursuant to conversion of fully convertible warrants to promoters & non promoters.	40,82,650	4,08,26,500.00	--	--
Balance at the end of the year	1,91,11,400	19,11,14,000.00	1,50,28,750	15,02,87,500.00

- b) The Company has allotted 40,82,650 Equity Shares at an issue price of Rs. 10/- on May 15, 2015 to the persons belonging to the Promoters and Non-promoters Category pursuant to conversion of equivalent number of fully convertible warrants on a preferential basis in accordance with the provisions of Chapter VII of the SEBI (ICDR) Regulations, 2009.
- c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the company :-

Name of Shareholder	As at 31.03.2016		As at 31.03.2015	
	No. of shares	%	No. of shares	%
M/s Omkam Pharmaceuticals Pvt Ltd	49,02,322	25.65%	39,44,637	26.25%
M/s Dhiru Builders & Promoters Pvt Ltd	26,29,000	13.76%	17,08,850	11.37%
M/s Patliputra International Ltd.	26,29,000	13.76%	17,08,850	11.37%
Mr. Peeyush Kumar Aggarwal	19,57,159	10.24%	8,35,984	5.56%

- d) The Company has one class of equity shares having a par value of Rs. 10/- each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes forming part of Accounts	As at 31.03.16 (Rs.)	As at 31.03.15 (Rs.)
NOTE NO. 3		
RESERVES AND SURPLUS		
Profit & Loss Account (As per last Balance Sheet)	10,587,980	23,457,933
Add: Net Profit/Loss during the current year	(11,900,423)	(6,750,081)
Less: Adjustment on account of Depreciation(Refer note 8)	--	6,119,872
<u>Capital Reserve Account</u>		
Share Forfeiture Account	27,500	27,500
Total Reserve & Surplus carried forwarded to Balance Sheet	(1,284,943)	10,615,480

Schedule forming part of the Accounts	As at 31.03.16 (Rs.)		As at 31.03.15 (Rs.)	
	Non-Current	Current	Non-Current	Current
NOTE NO. 4				
<u>Long-term borrowings</u>				
SECURED LOANS				
Term Loan	9,760,531	27,738,000	19,564,531	17,974,000
Indian Overseas Bank (secured by first charge on Building, Plant & Machinery)				
Current maturities of Long Term Debts are classified under other current liabilities.				
HDFC Bank Ltd.	-	-	-	275,297
(secured by hypothecation charges on vehicle financed by them)				
	9,760,531	27,738,000	19,564,531	18,249,297

- (a) Term loan consisting three loans, financed by Indian Overseas Bank are secured on first pari passu charge basis (a) by way of hypothecation of movable fixed assets of the company and (b) by mortgage of immovable properties of the Company; situated at 138, Roz KaMeo Industrial Area, Sohna, Gurgaon, Haryana. These loans are also collaterally secured (a) by way of second pari passu charge on stocks & book debts of company and (b) by personal guarantee of one of the director of the company.
- (b) These Term Loans are repayable in consolidated equivalent monthly installment of Rs. 8,17,000/- starting from October, 2012, but due to some financial resistant's, company could not pay few of instalments of Term loans, due to that CC account with IOB become NPA. However, the company is in the process of filing the restructuring proposal with the bank.
- (c) Loan from HDFC Bank has been fully repaid during the year under review & NOC has been received from the bank.

Schedule forming part of the Accounts	As at 31.03.16 (Rs.)	As at 31.03.15 (Rs.)
NOTE NO. 5		
Long Term Provisions		
Provision for Employee Benefits		
- Gratuity	1,362,020	1,109,365
- Leave Encashment	479,662	416,983
	1,841,682	1,526,348

NOTE NO. 6

DEFERRED TAX LIABILITIES (NET)

In accordance with Accounting Standard-22 (AS-22) "Accounting for Taxes on Income" as notified by the Companies Accounting Standard (Rules) 2006, the Cumulative Tax effects of significant timing differences, that resulted in Deferred Tax Asset and Liabilities and description of item thereof that creates these differences are as follows:

Schedule forming part of the Accounts	As at 31.03.16	As at 31.03.15
<u>Deferred Tax Liabilities</u>		
Excess of Book WDV of Fixed Assets over Tax WDV of Fixed Assets	(98,97,093)	(99,63,070)
<u>Deferred Tax Assets</u>		
Provisions for employee benefits	97,438	96,955
Deferred Liabilities (net)	(97,99,655)	(98,66,115)

NOTE NO. 7

Short Term Borrowings

SECURED LOANS

Working Capital Loan	28,952,213	39,936,220
Indian Overseas Bank		
(Secured by first charge on stocks of Finished Goods, Raw Materials. W.I.P & Sundry Debtors	28,952,213	39,936,220

Working Capital loan availed from Indian Overseas bank are secured on first Parripassu charges basis by way of hypothecation of stock and book debts (present & future) of the company; and collaterally secured on second paripassu charge (a) by way of hypothecation of fixed assets; (b) by mortgage of immovable properties of the company situated at Roz kaMeo, Sohna, Gurgaon, Haryana and (c) by personal guarantee of one of the Director of the Company.

Notes forming part of Accounts	As at 31.03.16 (Rs.)	As at 31.03.15 (Rs.)
NOTE NO. 8		
Other Current Liabilities		
Current Maturities of long term debt of IOB	27,738,000	18,249,297
Interest due on borrowings	6,158,578	6,158,578
Salary Payable	476,298	660,038
Advance received from Customers	4,199,596	252,233
TDS payable	25,538	60,000
VAT Payable	-	15,430
Statutory dues payable	54,006	30,367
Others payable	457,671	399,101
	<u>39,109,687</u>	<u>25,825,044</u>

NOTE NO. 09

FIXED ASSETS (TANGIBLE ASSETS)

Description	Gross Block			Depreciation					Net block		
	As at 01.04.2015	Additions	Adjustment	As at 31-mar-2016	Up to 31-mar-2015	During the year	Dep. In reserves	Adjustment	As at 31-3-2016	As at 31-3-2016	As at 31-3-2015
Land	4,840,000	-	-	4,840,000	-	-			-	4,840,000	4,840,000
Building	50,430,770	-	-	50,430,770	21,724,434	1,431,728			23,156,162	27,274,608	28,706,336
computer & printer	145,007	-	-	145,007	96,086	24,066		-	120,152	24,855	48,921
Furniture & fixtures	247,184	-	-	247,184	220,846	2,026		-	222,872	24,312	26,338
vehicles	5,713,418	-	-	5,713,418	1,107,812	695,531			1,803,343	3,910,075	4,605,606
plant & machinery	99,558,919	546,692	-	100,105,611	55,732,986	4,095,357		-	59,828,343	40,277,268	43,825,933
Total Intangible Assets	160,935,298	546,692	-	161,481,990	78,882,164	6,248,708	-	-	85,130,872	76,351,118	82,053,134
Advance agt. Godown under pogress	58,403,000	-	-	58,403,000	-	-			-	58,403,000	58,403,000
Capital WIP	3,117,184			3,117,184					-	3,117,184	3,117,184
Total Capital WIP	61,520,184			61,520,184						61,520,184	61,520,184
This Year	222,455,482	546,692	-	223,002,174	78,882,164	6,248,708	-	-	85,130,872	137,871,302	143,573,318
Previous Year	218,066,483	4,388,999	-	222,455,482	66,272,671	6,489,621	6,119,872		78,882,164	143,573,318	151,793,812

Schedule forming part of the Accounts	As at 31.03.16(Rs.)	As at 31.03.15(Rs.)
NOTE NO. 10		
Non-Current Investments		
Shares of Un-quoted Companies:		
25000 equity shares of A.G.Fats Ltd. of Rs. 100/- per share	2,500,000	2,500,000
50000 equity shares of Braham Hosiery P Ltd. of Rs.10/- per share	500,000	500,000
85000 equity Shares of R.N.Knitfab (P) Ltd. of Rs. 10/- per share	850,000	850,000
538000 equity Shares of India Securities Ltd. of Rs. 10/- per share	5,380,000	5,380,000
	9,230,000	9,230,000
NOTE NO. 11		
INVENTORIES		
(As valued and certified by the Management at lower of cost or net realisable value)		
Raw Materials & Packing Materials	28,929,949	27,325,053
Store & Spares	5,050,689	5,063,431
Finished Goods	39,285,500	39,836,425
Work in Process	2,044,000	1,350,000
	75,310,138	73,574,909
NOTE NO. 12		
Trade Receivables		
(Unsecured and considered Good)		
Exceeding Six months	35,134,372	65,618,711
Less than Six months	7,584,475	11,223,887
	42,718,847	76,842,598
NOTE NO. 13		
Cash & Cash Equivalent		
Cash in hand	280,855	197,086
Balance with scheduled Banks - in Current Accounts	31,026	44,606
	311,881	241,692
NOTE NO. 14		
Short Term Loans & Advances		
(Unsecured considered good)		
Advances recoverable in cash or in kind or for value to be received	15,195,162	15,285,325
Excise Duty Deposit A/c	4,332,831	3,893,104
Tax Deducted at Source	218,665	461,421
Security Deposit	298,279	298,279
VAT Inputs receivable a/c	207,280	164,071
	20,252,217	20,102,200

Notes forming part of the Accounts	As at 31.03.16 (Rs.)	As at 31.03.15 (Rs.)
NOTE NO. 15		
Other Current Assets		
Service Tax Receivable A/c	10,506	10,506
Prepaid Expenses	29,538	18,274
Income receivables against exports	-	-
	40,044	28,780
NOTE NO. 16		
Revenue from operations		
Gross Sales	2,812,713	105,079,929
Less : Excise Duty	159,210	115,471
Other Operating Revenue		
- Income from Job work	10,893,260	16,858,600
- Income from Export Incentives	-	563,172
	13,546,763	122,386,230
Net Sales		
NOTE NO. 17		
Misc. Income		
Other Misc. Income	35,410	10,188
	35,410	10,188
NOTE NO. 18		
Cost of Material Consumed		
Raw,Packing& Store & spares inventory at the beginning of the year	32,388,484	32,126,673
Purchases during the year	5,831,790	103,445,185
Inventory at the end of the year	(33,980,638)	(32,388,484)
Freight & Cartage Inward	39,108	2,578
T O T A L	4,278,744	103,185,952
NOTE NO. 19		
Change in Inventories of Finished Goods & WIP		
Change in Work in Progress	(694,000)	-
Charges in Stock of Finished Goods	550,925	(5,327,623)
T O T A L	(143,075)	(5,327,623)
NOTE NO. 20		
Employees Benefit		
Salary & Wages	5,855,368	5,517,991
Other allowance & benefits to employees	1,623,935	1,780,358
Employer contribution to PF, ESI & welfare fund	224,931	189,131
Staff welfare	93,885	317,859
Medical expenses	9,400	250
	7,807,519	7,805,589

Schedule forming part of the Accounts	As at 31.03.16 (Rs.)	As at 31.03.15 (Rs.)
NOTE NO. 21		
FINANCE CHARGES		
Interest on Working Capital Loan	-	5,174,279
Interest on Term Loans	-	5,172,964
Interest on Finance of Vehicle	11,081	43,681
Others	811,055	12,658
Foreign Exchange Fluctuation a/c	-	335,271
	822,136	10,738,853
NOTE NO. 22		
Other Expenses		
Advertisement	90,533	40,245
AGM exps.	769	2,727
Audit fee	97,325	85,000
Bank Charges	5,911	36,562
Books, Newspapers & Periodicals	1,570	4,417
Business Promotion Expenses	10,420	15,621
Consumables	28,045	129,346
Conveyance expenses	162,667	438,139
Director Travelling expenses	-	764,500
Diwali Expenses	241,265	241,506
Factory & General Insurance	108,501	144,637
General repair & maintenance	206,889	302,782
Legal & Professional expenses	267,084	388,005
Miscellaneous expenses	456,979	256,970
Packing & Forwarding Expenses	25,465	25,695
Postage & telegram	14,834	27,964
Power & Fuel	1,348,750	1,434,012
Printing & Stationery	45,224	91,941
Rates & Taxes & other fee's	384,859	1,044,982
Rent	1,861,336	1,806,336
Repair & maintenance to building	51,410	41,301
Repair & maintenance to Plant & Machineries	203,735	283,207
Security Service	575,833	503,269
Telephone expenses	94,324	108,917
Testing Charges	40,952	37,369
Travelling expenses	78,403	278,193
Vehicle expenses	69,256	56,235
Water & Electricity	62,684	56,701
	6,535,023	8,646,579

NOTE NO. 23

CONTINGENT LIABILITIES (to the extent not provided for)

(Rs. In lacs)

Particulars	As at 31.03.2016	As at 31.03.2015
Bank Interest on CC & Term Loan (not acknowledge as debts)	168.70	14.58

NOTE NO. 24 Employee Benefits: The Disclosure required as per the revised AS-15

Brief description of the Plans: The Company has various schemes for long term benefits such as Provident Fund, Gratuity, and Leave Encashment. The Company’s defined contribution plans are Provident Funds, Employee’s State Insurance Fund & Employee’s Pension Scheme (under the provision of Provident Funds & Miscellaneous Provisions Act, 1952). The Company has no further obligation beyond making the contributions. The Company’s defined benefit plans include Gratuity & Leave Encashment Plan. In accordance with the applicable Indian Laws, the company provides for gratuity for all employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on respective employee’s last drawn salary & for the years of employment with the Company. During the year company could not computed his liability through Actuarial Valuar. The amounts charges to Profit & Loss Account based on estimated basis are as under:-

Particulars	Gratuity A/c (Rs. In lacs)	Leave Encashment A/c
Obligation as on 31.03.2016	2.53	0.63

NOTE NO. 25 The disclosure as per Accounting Standard (AS-17) “Segment Reporting” Issued by the Institute of Chartered Accountants of India:

(a) Business Segment:

The Company is engaged primarily in pharmaceuticals business and there are no separate reportable segments as per AS-17.

(b) Geographical Segment:

(Rs. in lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Sales revenue(net)		
-In India	26.54	1049.65
-Outside India	--	—
	26.54	1049.65

26. During the year, due to some financial constraints company could not pay instalments& Interest of Term Loan & Cash Credit a/c,due to which its bank account with Indian Overseas Bankhas become NPA. IOB has not booked any interest on Term Loan & Cash Credit a/c for the year under review; accordingly company also has not debited any interest in Profit & Loss Account. However, company has deposited Rs. 100.00 lacs to revive the accounts &is in process of filing the restructuring proposal with IOB.

27. Necessary disclosures under Micro, Small and Medium Enterprises Development Act 2006, can only be considered once the relevant information to identify the suppliers who are covered under the said Act are received from such parties.
28. These financial statements have been prepared in the format prescribed by the Schedule III to the Companies Act, 2013. Previous Year figures have been recasted/restated to conform to the classification of the Current Period.
29. In the opinion of the Board, the Current Assets, Loan & Advances shown in the Balance Sheet have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated. However, Company has started its efforts to realize the advances (given to the parties) which are more than one year old.
30. Payment to Auditors'

Particulars	As on 31 st March, 2016 (Rs.)	As on 31 st March, 2015 (Rs.)
Audit Fee	60,000	60,000
Taxation matters	25,000	25,000
Total (exclusive of Service tax)	85,000	85,000

31. **INVESTMENTS**

Company has sent various notices to the Companies in which the company has made an investment, as neither they are sending duplicate shares certificates nor replying to the letters of the company. The company has misplaced/lost the share certificates of the investments made by it during the shifting of records. As such these shares certificates are not physically held by the company as on 31st March, 2016.

32.

Earning in Foreign Exchange

(Rs. in lacs)

Particulars	As at 31.03.16	As at 31.03.15
Export of Goods	--	120.00

Expenditure in Foreign Currency

(Rs. in lacs)

Particulars	As at 31.03.16	As at 31.03.15
Tour & Travelling	--	1.02

33. Related Party Disclosures

“Related party disclosures as required under Accounting Standard (AS)-18

“Related Party Disclosures”.

(a). Related parties and nature of related party relationships where control exists

Name of the party	Relationship
Mr. SachinGarg	Managing Director
Mr. Peeyush Kumar Aggarwal	Director
Mr. Kamal Kishore Sharma	Director
Mr. BrahmDutt Sharma	Director
Mr. Manoj Kumar Jain	Director
Ms. Madhu Sharma	Director
Ms. PoojaChuni	Company Secretary
Mr. Manoj Bhatia	CFO

(b). Related party and nature of related party relationship with whom transactions have taken place:

Name of the party	Relationship
Mr. Manoj Bhatia	Key Managerial Personnel
Ms. PoojaChuni	Key Managerial Personnel

Transactions during the year with related parties

	Key Managerial Person	Nature of Transactions
Mr. Manoj Bhatia	Rs. 4,62,000/-	Salary
Ms. PoojaChuni(w.e.f 01.10.15)	Rs. 1,20,000/-	Salary

34. “Earning per share” computed accordance with Accounting Standard (AS) – 20

(Rs. in lacs)

Particulars	As at 31.03.2016	As at 31.03.2015
a) Numerator:		
Loss after tax before extraordinary items	(119.00)	(67.50)
Loss after tax after extraordinary items	(119.00)	(67.50)

b) Denominator:		
No. of shares at the beginning of the year	1,50,28,750	1,50,28,750
Add : Warrants issued to Promoters & Non Promoters on preferential basis on 21.11.13	—	40,82,650
Add : Equity shares issued to Promoters & Non Promoters pursuant to conversion of equivalent number of fully convertible warrants	40,82,650	—
Weighted average number of equity shares outstanding during the year	1,91,11,400	1,50,28,750
Weighted average number of diluted shares outstanding during the year	1,91,11,400	1,91,11,400
Face Value per share (InRs.)	10/-	10/-
Earnings per share(EPS)		
- Basic (In Rs.)	(0.62)	(0.45)
- Diluted (InRs.)	(0.62)	(0.35)

35. The balances of loans & advances, sundry debtors and sundry creditors are subject to the confirmation and consequential reconciliation/adjustments arising there from, if any. The management, however, does not accept any material variation.
36. Previous year figures have been regrouped, rearranged wherever necessary to correspond with the current year’s classification/disclosure.

For RMA & Associates
Chartered Accountants
Firm Regn. No. : 000978N

For and on behalf of the Board of Directors of Advik Laboratories Ltd.

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
(Santosh Kumar)	(Peeyush Kumar Aggarwal)	(SachinGarg)	(Manoj Bhatia)	(PoojaChuni)
Partner	Chairman	Managing Director	CFO	Company Secretary
Membership No. 533944	DIN:00090423	DIN:03320351		
Place: New Delhi				
Date: 30 th May, 2016				

**ADVIK LABORATORIES LIMITED
CIN: L74899HR1994PLC038300**

Regd. Office: 138, Roz- Ka - Meo, Industrial Area Sohna, Distt. Mewat-122103 (Haryana)
Phone: 0124-2362471, Email : mail@advikindia.com, Website : www.advikindia.com

E-COMMUNICATION REGISTRATION FORM

Dear Shareholders,

You are aware that majority of the provisions of Companies Act, 2013 have been made effective from 1st April, 2014. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules issued there under, Companies can serve Annual Reports, Notices and other communications through electronic mode to those shareholders who have registered their email address either with the Company/RTA or with the Depository.

It is a welcome move that would benefit the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a greener environment. This provides a golden opportunity to every shareholder of Advik Laboratories Limited to contribute to the cause of 'Green Initiative' by giving their consent to receive various communications from the Company through electronic mode.

We therefore invite all our shareholders to contribute to the cause by filling up the form given below to receive communication from the Company in electronic mode. You can also download the appended registration form from the website of the Company www.advikindia.in

[Please note that as a Member of the Company, you will be entitled to receive all such communication in physical form, upon request.]

To support this green initiative in full measure, members who have not registered their E-mail address and PAN Number so far, are requested to registered their E-mail address and PAN Number along with self-attested copy of their PAN Card.

**Best Regards,
Sd/-
PoojaChuni
Company Secretary**

E-COMMUNICATION REGISTRATION FORM	
Folio No. /DP ID & Client ID:.....	
Name of the 1st Registered Holder:.....	
Name of the Joint Holder[s]: (1).....(2).....	
Registered Address:.....	
E-mail ID (to be registered):..... Mob./Tel. No.:.....	
PAN:	
I/We shareholder(s) of B.P. Capital Limited hereby agree to receive communications from the Company in electronic mode. Please register my above E-mail ID in your records for sending communications in electronic form.	
Date:	Signature:
Note: Shareholder(s) are requested to keep the Company informed as and when there is any change in the e-mail address.	

**ADVIK LABORATORIES LIMITED
CIN: L74899HR1994PLC038300**

Regd. Office: 138, Roz- Ka - Meo, Industrial Area Sohna, Distt. Mewat-122103 (Haryana)
Phone: 0124-2362471, Email : mail@advikindia.com, Website : www.advikindia.com

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting venue)

Name of the Member(s) / Proxy*:	(*Strike off whichever is not applicable)
Registered address:.....	
E-mail Id: Folio No. /DP ID & Client ID:.....	

I/We, being the member (s) of shares of the above named company, hereby record my/our presence at the 22nd Annual General Meeting of the Company, to be held on Friday, the 30th day of September, 2016 at 11.30 a.m. at 138, Roz- Ka - Meo, Industrial Area Sohna, Distt. Mewat-122103 (Haryana) and at any adjournment thereof.

Signature of the Member/Proxy*:
(*strike out whichever is not applicable)

NOTES:

- 1) Members/Proxies are requested to bring the duly signed attendance slip to the meeting and hand it over at the entrance.
- 2) 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.
- 3) For the convenience of Members, persons other than Members/Proxies will not be admitted.

**ADVIK LABORATORIES LIMITED
CIN: L74899HR1994PLC038300**

Regd. Office: 138, Roz- Ka - Meo, Industrial Area Sohna, Distt. Mewat-122103 (Haryana)
Phone: 0124-2362471, Email : mail@advikindia.com, Website : www.advikindia.com

**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]

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

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

1) Name: **E-mail Id:**

Address:

..... **Signature:**

or failing him/her

2) Name: **E-mail Id:**

Address:

..... **Signature:****or failing him/her**

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company, to be held on Friday, the 30th day of September, 2016 at 11.30 a.m. at 138, Roz- Ka - Meo, Industrial Area Sohna, Distt. Mewat-122103 (Haryana) and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

Res. No.	Description	For	Against
1.	Adoption of Financial Statements, Board and Auditors' Report for the Financial Year 2015-16.		
2.	Re-appointment of Ms. Madhu Sharma, Director of the Company as a Director liable to retire by Rotation.		
3.	Ratification of Appointment of Statutory Auditors of the Company for the Financial Year 2016-17.		
4.	Approval of Related Parties U/s 188 of Companies Act, 2013		

Signed this day of..... 2016. Signature of Shareholder:.....

Affix Revenue Stamp

NOTES:

- 1) Please put a 'X' in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- 2) Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in the aggregate not more than ten percent (10%) of the total Share Capital of the Company carrying voting rights. A member holding more than ten percent (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 proxy for any other member.
- 3) This form of Proxy in order to be effective should be duly completed, stamped, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.