

Advik Capital Limited

(Formerly Known as Advik Industries Limited)

CIN : L65100DL1985PLC022505

Regd. Office : G-3, Vikas House, 34/1, East Punjabi Bagh

New Delhi-110026, Mobile : +91 - 9289119981

E-mail : info@advikcapital.com | www.advikgroup.com

Tel : +91-11-25952595 | Help Line : +91-9136311500

www.advikgroup.com



November 07, 2023

Listing Compliance Department

BSE Limited

Phirozee Jeejeebhoy

Towers, Dalal Street, Fort,

Mumbai – 400 001

Scrip Code: 539773

Sub: Media Release

Advik Capital submitted Expression of Interest for Acquisition of ARC (Asset Reconstruction Company) to carry on the Business of Securitisation or Assets Reconstruction under SARFAESI Act.

Dear Sir/Ma'am,

Pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed herewith copy of Media Release titled "Advik Capital submitted Expression of Interest for Acquisition of ARC (Asset Reconstruction Company) to carry on the Business of Securitisation or Assets Reconstruction under SARFAESI Act".

Please disseminate this information on your official website and oblige.

Thanking You,

Yours faithfully,

for Advik Capital Limited

Deepika Mishra

Company Secretary and Compliance Officer

Advik Capital Limited

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MEDIA RELEASE

Advik Capital submitted Expression of Interest for Acquisition of ARC (Asset Reconstruction Company) to carry on the Business of Securitisation or Assets Reconstruction under SARFAESI Act.

Delhi, November 07, 2023: Advik Capital Limited, as a part of its business expansion strategy and with the objective of broad-basing the portfolio, and diversifying into futuristic new edge businesses, complimenting and supplementing the existing business lines of the Company, have submitted Expression of Interest for acquisition of ARC (Asset Reconstruction Company) registered with the Reserve Bank of India to carry on the Business of Securitisation or Assets Reconstruction under SARFAESI Act.

The targeted ARC is the country's first ARC supported by a large number of public sector banks and undertakings, among the total 29 ARCs operating at present in India, established under SARFAESI Act, 2002 to unlock the illiquid or Non-Performing Assets [NPAs] lying in the Financial Sector, including Banks/FIs, with a focus on the NPAs in the MSME sector, for their productive use by resorting to innovative resolution mechanisms of NPAs. which would facilitate greater and easier flow of credit from the banking sector to the MSMEs.

Asset Reconstruction Companies (ARCs) emerged post the SARFAESI Act, 2002 and have been in existence for over a decade now. ARCs are specialized companies that focus on resolution of NPAs (via recovery/restructuring/change in management) in the system. One Industry estimate suggest that 40%, 40% and 20% of the cases are resolved by one-time settlement, restructuring and enforcement via SARFAESI/DRT, respectively. From banks' perspective, ARCs play an important role of freeing up capital and management bandwidth.

Assets under management (AUM) of ARCs are set to grow 9.8 per cent to a five-year high this fiscal, driven by a few large transactions to Rs 1.19 lakh crore. The AUM stood at Rs 1.09 lakh crore in FY22 and at Rs 1.03 lakh crore in the previous two fiscals, a CRISIL team led by Mr. Krishnan Sitaraman, its senior director & deputy chief ratings officer, said in a report that was released at the ARC seminar organised by industry lobby ASSOCHAM recently.

Through this acquisition, Advik Capital Limited is eyeing the emerging opportunity wherein private corporate debt also going to ARCs, in addition to ARCs conventional businesses and this could be major boost its ARC business.

Commenting on the occasion Mr. Karan Bagga, CEO of the Advik Capital said that "through the intended acquisition we are venturing into growing ARC business wherein our primary focus would be more and more on retail assets from MSMEs and NBFCs and we are sensing a grand opportunity waiting for us. ARC business is largely dominated by few large payers so far with concentrated focus on restructuring of corporate debts, and almost negligible resolutions of private corporate debt, retail assets from MSMEs and NBFCs. Post acquisition we are aiming to do acquire these small, retail assets in most efficient and highly transparent manner and purely on commercial terms as per the provisions of the SARFAESI Act and RBI guidelines".

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About the Company: Advik Capital Limited, headquartered at New Delhi is engaged primarily in the business of providing financial loans and in providing ancillary services and is one of the emerging non-deposits taking Non-Banking Finance Company (NBFC) registered with the Reserve Bank of India bearing Registration No. B-14.00724. In addition to this the Company is a listed entity and its equity shares are frequently being traded at the Bombay Stock Exchange Ltd.

Company's wholly owned subsidiary M/s Advikca Finvest Limited is engaged in the business of making investments in Capital Markets Instruments in India and have plans to eventually make investment in abroad as well.

BSE Scrip Code: 539773 | ISIN INE178T01024

Disclaimer: Certain statements, words in this document that are not historical facts are forward looking statements. Such forward looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks and many other factors that could cause actual result to differ materially from those contemplated by these forward-looking statements. Advik Capital Limited shall not be in any way responsible for any action taken based on such statement.