

ANNUAL REPORT
2014-15

Reconstructing for Better Future



BOARD OF DIRECTORS

Shri V. K. Shunglu
Prof. (Dr.) N. L. Mitra
Shri Mukund M. Chitale
Shri B. A. Prabhakar
Shri Dhananjay Kumar Jain

STATUTORY AUDITORS

Chandabhoy & Jassoobhoy

INTERNAL AUDITORS

Gokhale & Sathe

SECRETARIAL AUDITORS

Pramod S. Shah & Associates

BANKERS

Axis Bank Limited
Bank of India
Canara Bank
Union Bank of India

REGISTRAR & SHARE TRANSFER AGENT

Satellite Corporate Services Pvt. Ltd.

REGISTERED OFFICE

Solitaire Corporate Park,
Bldg. No. 2, Unit No. 201-202B
Gr. Floor, Andheri Ghatkopar Link Rd.
Chakala, Andheri (East),
Mumbai – 400 093.
CIN - U67100MH2003GOI143291

CONTACT DETAILS

Tel No. : (91-22) 6138 7000
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Website : www.asrecindia.co.in

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NOTICE

Notice is hereby given that the 11th Annual General Meeting of the ASREC (India) Limited will be held on Thursday, September 10, 2015 at 12 noon at the Registered Office of the Company at Unit No. 201, 202A, Ground floor, Building No. 2, Solitaire Corporate Park, Andheri Ghatkopar Link Road, Andheri (E), Mumbai – 400093 to transact the following business:

Ordinary Business :

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2015 and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend for the financial year ended 31st March, 2015 as recommended by the Board of Directors.
3. To authorize the Board of Directors to fix the remuneration of Statutory Auditors appointed by the Comptroller and Auditor-General of India for the financial year ending March, 2016.

Notes :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. The proxy form should be deposited at the Registered Office of the Company at least forty-eight hours before the commencement of the meeting.
3. Register of Members and Share Transfer Book shall remain closed from August 27, 2015 to September 10, 2015 (both days inclusive).
4. The amount of dividend for the year 2014-15 lying unpaid in the unpaid dividend account will be transferred to the Investors Education and Protection Fund as per the provisions of section 125 of the Companies Act, 2013. Members, who will not be able to encash their cheques/pay-orders/dividend warrants for the year 2014-15, are thereafter requested to lodge their claim with the company immediately. It may be noted that once the unclaimed dividend is transferred to the Investors Education and Protection Fund, as above, no claim shall be entertained in respect thereof.
5. The dividend, if declared, will be paid on or after September 16, 2015 to the members so entitled, whose names appear in the register of members as on September 10, 2015 being the date of Annual General Meeting of the company. In respect of shares held in electronic form, the dividend will be paid to those beneficial owners whose name appears in the statement furnished by the depositories for the purpose.
6. Members are requested to notify immediately any change of address:
 - (i) to their Depository Participants (DPs) in respect of their electronic share accounts; and
 - (ii) to the Company and to its Share Transfer Agents in respect of their physical share folios, if any.

By the Order of the Board
For ASREC (India) Limited



Naina Hemant Kurane
Company Secretary

Place : Mumbai
Date : May 26, 2015

Registered Office:

Unit No. 201, 202A, Ground floor,
Building No. 2,
Solitaire Corporate Park,
Andheri Ghatkopar Link Road,
Andheri (E), Mumbai – 400 093.

ASREC (INDIA) LTD.

CIN: U67100MH2003GOI143291

Regd. Office: Unit No. 201, 202A, Ground floor, Building No. 2, Solitaire Corporate Park, Andheri Ghatkopar Link Road, Andheri (E), Mumbai – 400 093. Tel. No.: 022-61387000, Web: www.asrecindia.co.in

**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 : _____
Email Id : _____
Folio No./ Client Id : _____
DP ID : _____

I/We, being a member (s) of _____ shares of the above named Company, hereby appoint

1. Name : _____
Address : _____
Email Id : _____
Signature : _____ , or falling him
2. Name : _____
Address : _____
Email Id : _____
Signature : _____ , or falling him
3. Name : _____
Address : _____
Email Id : _____
Signature : _____ , or falling him

as my /our proxy to attend and vote (on a poll) for me/us on my/our behalf at the Eleventh Annual General Meeting of the Company to be held on Thursday, September 10, 2015 at 12 noon and at any adjournment thereof in respect of such resolutions as are indicated below:

Reso. No.	Description	For *	Against*
1	Adoption of Financial Statements and Reports thereon for the financial year ended 31st March, 2015		
2	Declaration of dividend for the Financial year ended 31 st March, 2015		
3	Authorize the Board of Directors to fix the remuneration of Statutory Auditors to be appointed by the Comptroller and Auditor-General of India for the financial year ending March, 2016.		

Signed this _____ day of _____ 2015

Signature of Shareholder _____

Signature of Proxy Holder (s) _____

Affix Revenue Stamp

Notes:

- *1. Please put a 'X' in the Box 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. A Proxy need not be a Member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as Proxy on behalf of not more than fifty Members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as Proxy, who shall not act as Proxy for any other Member.
3. This form of Proxy, to be effective, should be deposited at the Registered Office of the Company at Unit No. 201, 202A, Ground floor, Building No. 2, Solitaire Corporate Park, Andheri Ghatkopar Link Road, Andheri (E), Mumbai – 400 093 not later than FORTY-EIGHT HOURS before the commencement of the aforesaid meeting.

ATTENDANCE SLIP

Name of the Attending Member _____

Member's Folio No. _____ No of shares held _____

Name of Proxy _____

(To be filled in if the Proxy attends instead of the Member)

I hereby record my presence at the Eleventh Annual General Meeting of ASREC (INDIA) Ltd. on September 10, 2015 at 12 noon at Unit No. 201, 202A, Ground floor, Building No. 2, Solitaire Corporate Park, Andheri Ghatkopar Link Road, Andheri (E), Mumbai – 400 093.

Members'/Proxy Signature

DIRECTORS' REPORT

To,
 The Members
 ASREC (INDIA) LIMITED

Your Directors are pleased to present the Eleventh Annual Report along with Audited Financial Statements, Auditors' Report and Report on business and operations of your Company for the Financial Year ended 31st March, 2015.

1. FINANCIAL PERFORMANCE:

An overview of the financial performance of your Company for the Financial Year 2014-15 is as under

(₹ In Lakh)

Particulars	Current Year April 1, 2014 to March 31, 2015	Previous Year April 1, 2013 to March 31, 2014
Revenue from Operation	2,178.98	1,850.91
Other Income	99.29	183.56
Total Income	2278.27	2,034.47
Expenses	1019.68	815.65
Profit Before Exceptional Items	1258.59	1219.38
Exceptional Items	162.70	(0.56)
Profit Before Tax	1421.29	1218.82
Tax Expenses	492.91	409.44
Adjustment of prior periods	4.94	23.37
Profit for the year	923.43	786.02
Earnings per share	0.94	0.80
Appropriations :		
Proposed Dividend	490.00	490.00
Tax on Proposed Dividend	97.97	83.28

Year in Retrospect

- The Overall financial performance of your company, during the financial year 2014-15 was satisfactory. Your Company's Income from Operations during the year increased to ₹ 2179 lacs from ₹1851 lacs in the previous year, Your Company earned Profit Before Tax (PBT) of ₹1421.29 Lakh (PBT of ₹1259 lakh before exceptional items) as compared to ₹1219 Lakh for the previous year.
- Net Owned Funds stood at ₹13039 Lakh (₹12703 Lakh for the previous year)
- During the year under review, your Company has acquired 105 NPAs having a book value of ₹78921.52 Lakh from 20 Banks against 45 NPAs having book value of ₹ 49426.70 lakhs from 13 Banks on both cash and SR basis in the previous year.
- Total recoveries increased to ₹8959.76 during the year ending March 31, 2015 from ₹8048.98 lakh in previous year from realization of Financial Assets.

2. DIVIDEND

Your Directors are pleased to recommend a dividend of ₹0.50 per Equity Share for the financial year ended March 31, 2015 amounting to ₹4,90,00,000/-. This recommendation takes into account the need to conserve the resources of the company for its operations.

The payment of the final dividend is subject to the approval of the members which is being sought at the ensuing Annual General Meeting and shall be paid to those members whose names appear in the Register of Members of the Company as on September 10, 2015. The Register of Members and the share transfer books will remain closed from August 27, 2015 to September 10, 2015, both days inclusive. The Annual General Meeting of the Company is scheduled to be held on September 10, 2015.

3. SHARE CAPITAL

As on 31st March, 2015, the issued, subscribed and paid up share capital of your Company stood at ₹9800 lakh, comprising 98000000 Equity shares of ₹10/- each. During the year under review, the Company has not issued further Shares, shares with differential voting rights nor granted stock options or sweat equity. As on March 31, 2015, none of the Directors of the Company hold shares or convertible instruments in the Company

4. FINANCE

Cash and cash equivalent as at March 31, 2015 was ₹3475.49 lakh. The Company continues to focus on judicious management of its working capital and strict check through continuous monitoring

5. ACQUISITION OF NON PERFORMING ASSETS

Your Company has actively participated in various Bids/Auction processes conducted by various Banks and Financial Institutions. Its success rate as being the highest bidder among the participating ARC's was reasonably good. As a result, good number and amount of acquisitions both on bilateral/auction basis were concluded as evident from notes under Para-1.

During the year under review, your Company has acquired 105 NPAs having a book value of ₹78921.52 Lakh from 20 Banks. Thus, overall, the position of acquisition of NPAs by your Company since inception till date works out to 645 NPAs having aggregate book value of around ₹416419 Lakh from 41 Banks/Financial Institutions at acquisition price at ₹ 92349 Lakh.

(₹ In Lakhs)

Sr. No.	Name	Outstanding Principal of Assets acquired	Acquisition Price	% of Total Acquisition Price
1	Abhyudaya Co-Op Bank	320.08	210.00	0.23
2	Allahabad Bank	32338.97	2816.00	3.05
3	Andhra Bank	876.00	540.00	0.58
4	Axis Bank	15933.47	3819.78	4.14
5	Bank of Baroda	11427.90	2013.93	2.18
6	Bank of India	42935.98	7086.83	7.67
7	Bank of Maharashtra	3238.26	2312.00	2.50
8	Canara Bank	2175.44	679.31	0.74
9	Central Bank of India	52060.05	5606.85	6.07
10	Corporation Bank	91.21	110.00	0.12
11	Dena Bank	8772.11	1902.50	2.06
12	Federal Bank	872.27	515.00	0.56
13	ICICI Bank Ltd.	1050.10	395.00	0.43
14	IFCI Ltd.	19074.19	2112.00	2.29
15	Indian Bank	3419.00	2875.00	3.11
16	Indian Overseas Bank	3059.27	2343.76	2.54

Contd..

Sr. No.	Name	Outstanding Principal of Assets acquired	Acquisition Price	% of Total Acquisition Price
17	Kotak Mahindra Bank	936.37	695.00	0.75
18	Karnataka Bank	128.53	105.54	0.11
19	Karur Vysya Bank	5086.66	4730.00	5.12
20	Lakshmi Vilas Bank	5878.89	1076.00	1.17
21	Mumbai District Central Co-Op Bank Ltd.	1851.66	751.33	0.81
22	Oriental Bank of Commerce	3632.64	1122.00	1.21
23	Punjab & Sind Bank	1040.74	329.00	0.36
24	Punjab National Bank	93.62	94.00	0.10
25	Pune District Central Co.op Bank Ltd.	1690.47	812.00	0.88
26	Saraswat Bank	686.63	284.00	0.31
27	State Bank of Bikaner & Jaipur	11189.04	1370.00	1.48
28	Standard Chartered Bank	1374.00	114.50	0.12
29	State Bank of Hyderabad	58911.59	9259.00	10.03
30	State Bank of India	35324.16	8201.00	8.88
31	State Bank of Mysore	5654.47	312.00	0.34
32	State Bank of Patiala	2687.07	1171.00	1.27
33	State Bank of Travancore	2628.36	1516.00	1.64
34	Syndicate Bank	1434.34	1347.35	1.46
35	The Karad Janata Sahakari Bank Ltd.	465.25	160.00	0.17
36	The Royal Bank of Scotland	3319.20	500.00	0.54
37	The Shamrao Vittal Co-Op. Bank Ltd.	426.91	238.67	0.26
38	The Thane District Co-Op Bank Ltd.	448.10	289.29	0.31
39	UCO Bank	57449.28	16244.00	17.59
40	United Bank of India	15363.29	4730.00	5.12
41	Vijaya Bank	1073.63	1559.00	1.69
		416419.20	92348.64	100.00

6. RESOLUTION OF ASSETS

During the year under review, your Company has successfully recovered an amount of ₹8959.76 Lakh through resolution/recovery.

7. RESOLUTION AGENCY (RA) BUSINESS

During the year under review, your company made aggregate recovery of ₹583.64 lacs in various accounts allotted by different Banks for recovery on commission basis under Resolution Agency Business. Your company could receive claim of commission of ₹36.37 lacs from 4 public sector banks.

8. RATING OF SECURITY RECEIPTS (SRs)

As per the guidelines prescribed by the RBI, India Ratings and Research Pvt. Ltd, Fitch Group, (Rating Agency) has carried out the Review Ratings of SRs issued by the respective live Trusts as on December 31, 2014, as detailed below:

Sr. No.	Name of Trust	Acquired From	Review Rating / Rating Range assigned as on 31.12.2014
1.	ASREC PS 01/2012-13 TRUST	United Bank of India	NR-2
2.	ASREC PS 02/2012-13 TRUST	United Bank of India	NR-2
3.	ASREC PS 03/2012-13 TRUST	United Bank of India	NR-3
4.	ASREC PS 04/2012-13 TRUST	United Bank of India	NR-3
5.	ASREC PS 05/2012-13 TRUST	United Bank of India	NR-2
6.	ASREC PS 06/2012-13 TRUST	United Bank of India	NR-2
7.	ASREC PS 07/2012-13 TRUST	United Bank of India	NR-4
8.	ASREC PS 03/2007/2008	UCO Bank	NR-6
9.	ASREC PS 04/2007/2008	State Bank of Bikaner & Jaipur	NR-3
10.	ASREC PS 05/2007/2008	UCO Bank	NR-6
11.	ASREC PS 02/2008-09	United Bank of India	NR-4
12.	ASREC PS 03/2008-09	United Bank of India	NR-4
13.	ASREC PS 04/2008-09	Allahabad Bank	NR-4
14.	ASREC PS 01/2009-10	UCO Bank	NR-6
15.	ASREC PS 02/2009-10	ASREC	NR-3
16.	ASREC PS 04/2009-10	United Bank of India	NR-5
17.	ASREC PS 06/2009-10	Allahabad Bank	NR-2

During the year RBI circular, RBI/2014-2015/164 DNBS (PD) CC. No. 41/ SCRC / 26.03.001/ 2014-2015 dated August 05, 2014 and RBI/2014-2015/169 DNBS (PD) CC. No. 42/SCRC/26.03.001/2014-2015 August 07, 2014 was issued, accordingly initial rating/grading would be assigned within six months of acquiring the assets by SC/RC. In view of the said circular, India Ratings and Research Pvt. Ltd, Fitch Group, (Rating Agency) has carried out the initial Ratings of SRs in the respective trusts as on March 31, 2015, as detailed below:

Sr. No.	Name of Trust	Acquired From	Review Rating / Rating Range assigned as on 31.03.2015
1.	ASREC PS 01/2013-14 Trust	Laxmi Vilas Bank	NR-2
2.	ASREC PS 02/2013-14 Trust	UCO Bank	NR-3
3.	ASREC PS 03/2013-14 Trust	Bank of Baroda	NR-4
4.	ASREC PS 04/2013-14 Trust	Vijaya Bank	NR-3
5.	ASREC PS 05/2013-14 Trust	Indian Bank	NR-4
6.	ASREC PS 10/2014-15 Trust	Indian Overseas Bank	NR-3
7.	ASREC PS 11/2014-15 Trust	Syndicate Bank	NR-3
8.	ASREC PS 12/2014-15 Trust	Kayur Vysya Bank	NR-3
9.	ASREC PS 13/2014-15 Trust	State Bank of Patiala	NR-3
10.	ASREC PS 14/2014-15 Trust	State Bank of Mysore	NR-3
11.	ASREC PS 15/2014-15 Trust	Bank of Maharashtra	NR-3
12.	ASREC PS 16/2014-15 Trust	Sate Bank of India	NR-2
13.	ASREC PS 17/2014-15 Trust	State Bank of Hyderabad	NR-3
14.	ASREC PS 18/2014-15 Trust	State Bank of Hyderabad	NR-3

Rating Scale:

NR1 - Expected Recovery more than 150% of the Acquisition Price

NR2 - Expected Recovery between 100% to 150% of the Acquisition Price

NR3 - Expected Recovery between 75% to 100% of the Acquisition Price

NR4 - Expected Recovery between 50% to 75% of the Acquisition Price

NR5 - Expected Recovery between 25% to 50% of the Acquisition Price

NR6 - Expected Recovery between 0% to 25% of the Acquisition Price

9. ECONOMIC SCENARIO, ASSET RECONSTRUCTION INDUSTRY OUTLOOK --CHALLENGES AND OPPORTUNITIES:

Indian economic growth in 2014 rose to 5.2% from 4.7% last year as a result of the improving macro-economic situation. The low economic growth appears to have bottomed out and a gradual increase in economic activity is expected in 2015. The medium term to long term growth prospects look positive in view of the Government's determination to bring in reforms. For the year 2015, the economy is expected to grow at a higher rate than in 2014. The long term prospects for the economy are optimistic.

However bad debts of Public Sector Banks have surged to a 10 year high. Bad debts of all PSBs reached to 5.17% (4.45% for Industry) of total advances as on March 2015, as against 4.4 % (4.1%for Industry) on March 2014. The same is expected at 5.5%-6.5% by June 2015. The asset quality of PSBs will remain a concern.

With a sharp rise in bad loans, commercial banks began to put a large chunk of these bad loans on the block. As the profit model of the most of ARCs was based on Mgt fee, the first quarter of the last financial year, witnessed surge in the sale of bad loans to ARCs at very ambitious pricing.

In order to address market imperfections, improve discipline and bring about transparency in the sale of bad loans, RBI vide notification dated 05.08.2014 made significant changes in the norms for asset buying and selling to ensure the process was more stringent and transparent. ARCs will have to pay upfront 15% of bid value against 5% earlier.

Management fees are now linked to NAV of the acquired assets rather than the outstanding value of security receipts. ARCs will now get reduced planning period for acquired assets from one year to six months. This is also the time frame within which the acquired asset needs to be rated and revalued. RBI has also increased reporting and disclosure requirements for ARCs especially for acquisition of assets above book value and for asset sale at a significant discount. Uniform accounting norms to be adopted by ARCs from 01.04.2014 have also been finalized and introduced. The rationale behind these regulatory changes is to incentivize realizations/resolutions of NPAs and thereby expediting the process of recoveries as NAV of SRs is calculated on the likely rate of recovery. It will no longer be possible for ARCs to base their profit model solely on management fees.

These changes have resulted in moderating, the growth of sale of NPAs and the ambitious pricing frequent till first quarter of last financial year is expected to give way to a reasonable and rationale approach for bidding. Keeping in view rising pile of bad loans, huge capital required to support the growth; inability of Government to provide funds, banks will remain under pressure to offload growing bad loans. Banks are therefore likely to come out with sale of bad loans in a big way at reasonable prices in the ensuing year also. The recent trend also indicates some of the sales happening on cash basis only.

These latest amendments have increased ARCs risk in acquiring assets. Therefore in order to remain in business and also profitable/viable in the long run they need to address the following challenges on ongoing basis:

- 1) Capital needs of ARCs have increased because the minimum investment has been tripled to 15%. Therefore focus will be on raising capital and funds for running business.
- 2) The recovery levels of ARCs have not been up to the expected levels and as the new guidelines incentive realizations, therefore recovery functions need to be strengthened including team of specialists

Notwithstanding the challenging environment and the latest regulatory amendments, your company has done well both in acquisitions/resolutions. It is heartening to note that company has very eminent board and experienced team who are well equipped to deal with the challenges and steer the company for better and consistent growth.

10. CORPORATE GOVERNANCE:

Your Company being Unlisted is not governed under Clause 49 of Listing Agreement containing mandatory provisions of Corporate Governance. However, its earnest endeavor has always been to benchmark its Corporate Governance practices with the best in the world. Integrity, transparency, accountability and compliance with laws which are the columns of good governance are cemented in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and at the Management level.

It also aims to align as nearly as possible the interests of individuals, corporate and society and enhancing the stakeholders' value. Best results are achieved when companies begin to treat the Corporate Governance system not as a mere structure but as a way of corporate life. The Company's Code of Business Conduct, its Management Policies and its well structured internal control systems which are subjected to regular assessment for its effectiveness, reinforces integrity of Management and fairness in dealing with the Company's stakeholders.

Good corporate governance practices have always been an integral part of your Company's philosophy and your company is committed to achieving and maintaining the highest standards of corporate governance by separation of the Board's supervisory role from the Executive management and the constitution of Board committees comprising a majority of Independent Directors and chaired by an Independent Director, to oversee critical areas and functions.

11. DIRECTORS

During the year, Shri Dhananjay Kumar Jain was appointed as Managing Director and Chief Executive Officer of the Company after receiving RBI approval and approval in the 10th Annual General Meeting of the Company held on September 02, 2014. Shri Epili Narasingh erstwhile Managing Director and Chief Executive Officer of the Company resigned on July 01, 2014 and was relieved on July 19, 2014.

During the year, Shri B. A. Prabhakar was appointed as Director of the Company by the Shareholders' in the 10th Annual General Meeting of the Company held on September 02, 2014. According to the Section 149 and other applicable provisions of the Companies Act, 2013, Shri V. K. Shunglu, Shri Mukund M. Chitale, Prof. (Dr.) N. L. Mitra and Shri B. A. Prabhakar were appointed as Independent Directors for five consecutive years upto 31 March, 2019 in the 10th Annual General Meeting of the Company held on September 02, 2014.

The composition of the Directors is in accordance with the RBI guidelines issued for Asset Reconstruction/Securitisation Companies.

None of the Directors will retire by rotation in the ensuing Annual General Meeting, as at present Company's Board has five directors consisting of four Independent Directors and one Managing Director.

As per section 149 & 152 of Companies Act, 2013 Independent Directors are not liable to retire by rotation and Managing Director is appointed for the period of three years.

12. CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL(KMP).

Changes in Directors and Key managerial personnel are as follows:

Sr. No.	Name of the Director/ Key managerial personnel	Particulars	Date of Appointment and resignation
1	Shri Epili Narasingh	Managing Director &CEO	Resigned on July 01, 2014
2	Shri Dhananjay Kumar Jain	Managing Director &CEO	Appointed on August 25, 2014
3	Shri Ashok Kumar Mahajan	CFO/KMP	Appointed as KMP on July 15, 2014
4	Smt. Naina Hemant Kurane	CS/KMP	Appointed as KMP on July 15, 2014

13. BOARD MEETINGS

The Board of Directors (herein after called as "the Board") met for five (5) number of times during the Year under review:

Sr. No.	Date of Meeting	Venue & time of the Meeting	Directors Present	Directors to whom Leave of absence was granted
1	May 14, 2014	Mumbai & 12 p.m.	3	Shri Epili Narasingh, MD & CEO
2	July 15, 2014	Mumbai & 11:30 a.m.	3	Shri Epili Narasingh, MD & CEO
3	September 02, 2014	Mumbai & 11:00 a.m.	5	All Directors present
4	December 23, 2014	Delhi & 12:30 p.m.	4	Prof (Dr.) N. L. Mitra, Director
5	March 4, 2015	Mumbai & 03:15 p.m.	5	All Directors present

14. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

As part of its initiatives under "Corporate Social Responsibility (CSR), the Company has contributed for projects in the areas of Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects. These projects are in accordance with Schedule VII of the Companies Act, 2013.

The Annual Report on CSR activities is annexed herewith as Annexure "1".

15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars required as per Section 134 of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014 (Disclosure of Particulars in the Report of Board)

A. **Conservation of Energy** : The Company is in the service sector; hence this part of the Disclosures is not applicable.

- B. Technology Absorption :The Company is in the service sector; hence this part of the Disclosures is not applicable.
- C. Foreign Exchange Earnings and Outgo : There has been no foreign exchange earnings and outgo during the period under Report.

16. CHANGE IN THE NATURE OF BUSINESS.

There has been no change in the nature of business of the Company during the year under review.

17. ANNUAL RETURN

The extract of annual return for the financial year 2014-15 is attached in **Annexure “II”**

18. DETAILS OF NEW SUBSIDIARY/ JOINT VENTURES/ASSOCIATE COMPANIES

During the year no Company became Subsidiary/ Joint Ventures/Associate Companies or ceased to be Subsidiary/ Joint Ventures/Associate Companies of your Company

19. FIXED DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73(1) of the Companies Act, 2013 and the Rules made thereunder;

20. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a well defined Internal Control System, commensurate with the nature, scale and intricacy of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Management monitors and evaluates the efficiency and adequacy of internal control system in the Company, its compliance with operating systems, internal financial controls, accounting procedures, regulators policies and Company policies. Based on the suggestions, recommendation and reports of internal audit function; management undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

21. STATEMENT ON DECLARATION GIVEN BY THE INDEPENDENT DIRECTORS UNDER SECTION 149 (6) OF THE COMPANIES ACT, 2013:

Pursuant to Section 149 (4) of the Companies Act, 2013 read with The Companies (Appointment and Qualifications of Directors) Rules, 2014 the Central Government has prescribed that your Company shall have minimum two Independent Directors.

In view of the above provisions, your Company has following Independent Directors:

Sr. No.	Name of the Independent Director	Date of appointment / Reappointment	Date of passing of special resolution (if any)
1	Shri V. K. Shunglu	September 2, 2014	NA
2	Shri Mukund M. Chitale	September 2, 2014	NA
3	Prof. (Dr.) N. L. Mitra	September 2, 2014	NA
4	Shri B. A. Prabhakar	September 2, 2014	NA

All the above Independent Directors meet the criteria of 'independence' prescribed under section 149(6) and have submitted declaration to the effect that they meet with the criteria of 'independence' as required under section 149(7) of the Companies Act, 2013

22. COMMITTEES OF BOARD:

1. Nomination and Remuneration Committee:

During the year, in accordance with Section 178 of the Companies Act, 2013 your Company re-constituted Recruitment committee of Board as "Nomination and Remuneration Committee" consisting of 4 non-executive independent directors.

The Composition of the Committee is as under:

Shri Mukund M. Chitale	: Chairman
Shri V. K. Shunglu	: Member
Prof. (Dr.) N.L. Mitra	: Member
Shri B.A. Prabhakar	: Member

The Nomination and Remuneration Committee met one time during the Year under review:

Sr. No.	Date of Meeting	Venue & time of the Meeting	Directors Present	Directors to whom Leave of absence was granted
1	September 2, 2014	Mumbai & 10.30 a.m.	3	All members present

The Nomination and Remuneration Committee has formulated policy 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 and the policy formulated by the Committee is as under:

- Identifying persons qualified to be directors and Key Managerial personnel
- Recommend to the Board the appointment and removal of directors and Key Managerial persons.
- Formulate criteria for determining qualifications, positive attributes and independence of a director
- Evaluation of Directors performance
- Recommend to the Board policy relating to remuneration for the directors, Key Managerial personnel and other employees
- Appointment and promotion of employees for grades of Sr. Vice President and President;
- Fixing the No. of employees for grades of Sr. Vice President and President;
- Fixing the remuneration package (CTC) for the employees for grades of Sr. Vice President/CFO and President;

2. Audit Committee:

Your Company under the provisions of Section 177 of the Companies Act, 2013 has re-constituted and redefined the scope of the "Audit Committee" comprising of five directors, of which four directors are independent directors forming a majority. The Audit Committee acts in accordance with the Terms of Reference specified by the Board in writing as well as the regulatory requirements of Section 177 of the Companies Act, 2013. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and

internal audit activities.

The Composition of the Committee is as under:

Shri V. K. Shunglu : Chairman
 Shri Mukund M. Chitale : Member
 Prof. (Dr.) N. L. Mitra : Member
 Shri B. A. Prabhakar : Member
 Shri Dhananjay Kumar Jain : Member

The Audit Committee met three times during the Year under review:

Sr. No.	Date of Meeting	Venue & time of the Meeting	Members Present	Members to whom Leave of absence was granted
1	May14, 2014	Mumbai & 11.00 a.m.	3	All members present
2	December 23, 2014	Delhi & 11.30 a.m.	4	Prof (Dr.) N. L. Mitra, Director
3	March 4, 2015	Mumbai & 2:45 p.m.	5	All members present

Acceptance of recommendations of the Audit Committee

The Management acted upon the observations and suggestions of the Audit Committee.

3. Corporate Social Responsibility Committee

In accordance with Section 135 of the Companies Act, 2013, your Company has constituted a Corporate Social Responsibility Committee consisting of Five Directors out of which four directors are independent Directors.

The Composition of this Committee is as under.

Shri V. K. Shunglu : Chairman
 Shri Mukund M. Chitale : Member
 Prof. (Dr.) N. L. Mitra : Member
 Shri B. A. Prabhakar : Member
 Shri Dhananjay Kumar Jain : Member

The Corporate Social Responsibility Committee met once during the Year under review:

Sr. No.	Date of Meeting	Venue & time of the Meeting	Members Present	Members to whom Leave of absence was granted
1	September 2, 2014	Mumbai & 10.45 a.m.	4	All members present

Corporate Social Responsibility Initiatives

As part of its initiatives under “Corporate Social Responsibility (CSR), the Company has undertaken projects in the areas of “Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects”

These projects are largely in accordance with Schedule VII of the Companies Act, 2013.

During the year your Company has contributed to the following projects under CSR:

Sr. No.	Trust Name	Projects to be under taken
1	Asmita Trust	a. Contribution towards Construction of three additional floors above the existing building of Asmita Bhavan which will accommodate Skill Development centre, counseling Centre and Knowledge Centre
		b. Sponsoring Hope on Wheels (Bus)- Transport Facility for differently abled children to Borivali centre to learn basic life Skills and vocational skills
2	Astitva Trust	a. Contribution to Audiometry Speech Therapy Portable Room
		b. Contribution towards Expansion of Existing faculties on 2 floor of the existing structure for deaf and mute people.

4. Valuation Committee

The Valuation Committee of the Board comprises of the following Directors:-

Shri V. K. Shunglu	: Chairman
Shri Mukund M. Chitale	: Member
Shri B. A. Prabhakar	: Member
Shri Dhananjay Kumar Jain	: Member

During the year, Shri Dhananjay Kumar Jain was appointed as Managing Director and Chief Executive Officer of the Company after receiving RBI approval on August 25, 2014 and approval in the 10th Annual General Meeting of the Company held on September 02, 2014 and Shri B. A. Prabhakar was appointed as Director of the Company by the Shareholders' in the 10th Annual General Meeting of the Company held on September 02, 2014.

The scope of the Valuation Committee envisages deciding the values and acquisition of the various financial assets offered for sale.

The Valuation Committee met seven times during the Year under review:

Sr. No.	Date of Meeting	Venue	Members Present	Members to whom Leave of absence was granted
1	June 9, 2014	Mumbai	2	All members present
2	August 4, 2014	Mumbai	3	All members present
3	August 14, 2014	Mumbai	2	All members present
4	August 25, 2014	Mumbai	3	All members present
5	August 26, 2014	Mumbai	3	All members present
6	December 23, 2014	Delhi	4	All members present
7	March 04, 2015	Mumbai	4	All members present

5. Resolution Committee

The Resolution Committee comprises of the following Directors:

Shri V. K. Shunglu	:	Chairman
Prof. (Dr.) N.L. Mitra	:	Member
Shri B. A. Prabhakar	:	Member
Shri Dhananjay Kumar Jain	:	Member

The Resolution Committee met six times during the Year under review:

Sr. No.	Date of Meeting	Venue	Members Present	Members to whom Leave of absence was granted
1	April 21, 2014	Mumbai	3	All members present
2	June 13, 2014	Mumbai	2	All members present
3	June 19, 2014	Mumbai	2	All members present
4	July 10, 2014	Mumbai	2	All members present
5	December 23, 2014	Delhi	3	Prof (Dr.) N. L. Mitra, Director
6	March 4, 2015	Mumbai	4	All members present

The scope of the Resolution Committee envisages resolution of various financial assets acquired.

23. AUDITORS:

1. Statutory Auditors:

M/s. Chandabhoj & Jassoobhoj Chartered Accountants, Mumbai were appointed as Company's Statutory Auditors by the office of the Comptroller and Auditor General of India (CAG) for the financial year 2014-15, who have completed their independent audit of Company's accounts and accounts of various Trusts set up by the company successfully. Their appointment was in accordance with the provisions of Section 139(5) and that they meet with the criteria prescribed under section 141 of the Companies Act, 2013.

2. Secretarial Auditor

Your Company has appointed M/s. Pramod S. Shah and Associates as a Secretarial Auditor of the Company, according to the provision of section 204 of the Companies, Act 2013 for conducting secretarial audit of Company for the financial year 2014 – 15.

M/s. Pramod S. Shah and Associates have issued the Audit report which is attached in Annexure III.

3. Internal Auditors:

M/s. Gokhale & Sathe, Chartered Accountants, Mumbai, Company's Internal Auditors carried out internal audit for the financial year 2014-15.

None of the auditors (Secretarial/Internal/ Statutory) have given any qualification, reservation or adverse remark or disclaimer in their report.

24. LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

During the year under review, your Company has not given any loan to any person or other body corporate, given any guarantee or provide security in connection with a loan to any other body corporate or person and acquired by way of subscription, purchase or otherwise, the securities of any other body corporate under

Section 186 of the Companies Act, 2013

25. CONTRACT OR ARRANGEMENT WITH RELATED PARTIES

During the year under review there were no contracts or arrangements with related parties falling under the preview of Section 188 of the Companies Act, 2013. However contracts entered with related parties in its ordinary course of business and on arms length basis are detailed in “Annexure – IV”

26. RISK MANAGEMENT

The Board of Director of your Company have identified industry specific risk and other external, internal, political and technological risk which in opinion of the board are threat to the Company. The Company's main business is of acquisition of Financial Asset (NPA's), resolution thereof and investment of its surplus funds.

The Company has well defined Board approved acquisition, resolution and Investment policies along with delegation of power encompassing various risk mitigation measures.

27. ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

As required under section 178(2) of the Companies Act, 2013 and under Schedule IV to the Companies Act, 2013 on Code of conduct for Independent Directors, a comprehensive exercise for evaluation of the performances of every individual director, of the Board as a whole and its Committees and of the Chairman of the Company has been carried out by your company during the year under review as per the evaluation criteria approved by the Board and based on guidelines given in Schedule IV to the Companies Act, 2013.

For the purpose of carrying out performance evaluation exercise, Evaluation forms were devised in which the evaluating authority has allotted to the individual Director, the Board as a whole, its Committees and the Chairman appropriate rating as Excellent, Very Good, Good or Satisfactory depending upon the performance.

Such evaluation exercise has been carried out of the Board as a whole and its Committees by all the Independent Directors and Board by itself in separate meeting held for the purpose on March 04, 2015

Having regard to the industry, size and nature of business, your company is engaged in, the evaluation methodology adopted is, in the opinion of the Board, sufficient, appropriate and is found to be serving the purpose.

28. PARTICULARS OF EMPLOYEES

None of the employees of the Company is drawing remuneration in excess of the limits prescribed under Rule (5) (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

29. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company is committed to provide a work environment that ensures every woman employee is treated with dignity and respect and afforded equitable treatment. Your Company has always endeavored in providing a safe and harassment free workplace environment that is free from unfairness, discrimination and harassment including sexual harassment for every employee through various interventions and practices.

A policy on Prevention of Sexual Harassment at Workplace was adopted during the last financial year 2014-15

by the Board. The policy aims at prevention of harassment of women and lays down the guidelines for identification, reporting and prevention of undesired behaviour. Internal Complaints Committee (ICC) was set up from the senior management with women employees constituting as Chair person. The ICC is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the Policy.

During the year ended 31 March 2015, no complaints were received by the ICC pertaining to sexual harassment.

DIRECTORS' RESPONSIBILITY STATEMENT

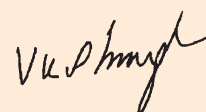
Pursuant to sub-section (5) of Section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained /received from the operating management, your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013 and confirm that:

- (a) in the preparation of the annual accounts/financial statements as on March 31, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) that such accounting policies as mentioned in Note 22 point No. 2 of Significant 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 2014-15 and of the profit and loss of the company for that period;
- (c) that proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) that the annual accounts on a going concern basis; and
- (e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgement

Your Directors place on record their sincere gratitude for the assistance, guidance and co-operation the Company has received from all stake holders. The Board further places on record its appreciation for the dedicated services rendered by the employees of the Company.

For and on behalf of the Board



V. K. Shunglu
Chairman

Date : May 26, 2015

Place : Mumbai

ANNEXURES TO BOARD'S REPORT

Annexure I

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

CSR Policy is stated herein below:

Weblink : <http://www.asrec.co.in>

CSR Policy 2014_ Approved by Board.pdf

2. The Composition of the CSR Committee:

1. Shri V. K. Shunglu (Independent Director/Chairman)
2. Shri Mukund M. Chitale (Independent Director)
3. Prof. (Dr.) N. L. Mitra (Independent Director)
4. Shri B. A. Prabhakar (Independent Director)
5. Shri Dhananjay Kumar Jain (MD & CEO)

3. The average net profit of the Company for the last three financial years is ₹ 1271.07 lakh.

4. Accordingly, the prescribed CSR expenditure (2 % of the above-mentioned amount in item No.3) The Company is required to spend ₹ 25.42 lakh towards CSR

5. Details of CSR expenditure spent during the financial year:

a. Total amount to be spent for the financial year : ₹ 25.42 lakh

b. Amount unspent, if any : NIL

c. Manner in which the amount spent during the financial year is detailed below :

Sr. No.	CSR project or activity identified	Sector	Location : District/ State	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs	Cumulative expenditure upto the reporting period	Amount spent: Directly or through implementing agency
1.	*Asmita Trust a. Contribution to Construction of three additional floors above the existing building of Asmita Bhavan which will accommodate Skill Development centre, counseling Centre and Knowledge Centre	Promoting Education/ Literacy	Mumbai (Maharashtra)	2,26,232	2,26,232	2,26,232	2,26,232
2.	*Asmita Trust b. Sponsoring Hope on Wheels (Bus)-Transport Facility for differently abled children to Borivali centre to learn basic life Skills and vocational skills	Promoting Education/ Literacy	Mumbai (Maharashtra)	10,44,768	10,44,768	10,44,768	10,44,768

Sr. No.	CSR project or activity identified	Sector	Location : District/ State	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs	Cumulative expenditure upto the reporting period	Amount spent: Directly or through implementing agency
3.	*Astitva Trust d. Contribution to Audiometry Speech Therapy Portable Room	Promoting Education/ Literacy	Dombivali (Maharashtra)	3,72,094	3,72,094	3,72,094	3,72,094
4.	*Astitva Trust e. Contribution to Expansion of Existing faculties on 2nd floors of the existing structure for deaf and mute people	Promoting Education/ Literacy	Dombivali (Maharashtra)	8,98,906	8,98,906	8,98,906	8,98,906
TOTAL				25,42,000	25,42,000	25,42,000	25,42,000

***Details of Implementing Trust:-**

1. Astitva - the trust wedded to the cause of education, training & rehabilitation of the mentally retarded & other categories of handicaps like deaf and mute, blind & physically handicapped.

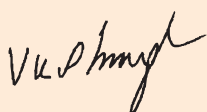
Astitva is registered as Society under Societies Registration Act, 1860 (No. Mah/922/Thane) dated 5th December, 1981 and registered as trust under The Bombay Public Trust Act, 1950 (No. F/829/Thane) dated 12th January, 1982 situated at Dombivali. Astitva is the institution imparting education & training to the mentally retarded children & other categories of handicaps in the industrially & commercially developed as well as populous regions of Thane, Dombivli, Kalyan, Ambarnath etc.

2. Asmita :-

Social, Cultural and Educational Institution, a registered trust and society registered under Societies Registration Act, 1860. In the journey of last 34 years established land marks are Asmita Bhavan on western express highway, Chhatrapati Shivaji Shishu Vikas Mandir in Bandrekarwadi, Manohar Hariram Chogle Centre for Physically Challenged.

The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company. Further the Company has obtained utilization certificate form Astitva Trust and Asmita Trust in order to ensure the utilization of the funds contributed to the respective Trusts.

For ASREC (India) Limited



V. K. Shunglu
(Chairman CSR Committee)



Dhananjay Kumar Jain
(Managing Director & CEO)

Annexure II
Annual return
Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended **March 31, 2015**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

CIN	:	U67100MH2003GOI143291
Registration Date	:	November 25, 2003
Name of the Company	:	ASREC (INDIA) LIMITED
Category / Sub-Category of the Company	:	Company limited by shares/Union Govt. Company
Address of the Registered office and contact details	:	Unit No. 201, 200A, 202 & 200B, Ground Floor, Building No. 2, Solitaire Corporate Park, Chakala, Andheri (E), Mumbai-400 093
Whether listed company	:	Unlisted
Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Satellite Corporate Services Pvt. Ltd. B-302, Sony Apartment, Opp. St Jude High School, Jarimari, Sakinaka, Mumbai- 400072.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1	Securitization and Reconstruction company registered under the SARFAESI	64990	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
NOT APPLICABLE					

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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	97500000	0	97500000	99.49	975000000	0	975000000	99.49	0
f) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	97500000	0	97500000	99.49	975000000	0	975000000	99.49	0
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	500000	0	500000	0.51	500000	0	500000	0.51	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-									
Total shareholding of Promoter (A)									
= (A)(1)+(A)(2)	98000000	0	98000000	100.00	980000000	0	980000000	100.00	0
B. Public Shareholding									
(1) Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
2. Non-Institutions									
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto R 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of R 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	98000000	0	98000000	100.00	98000000	0	98000000	100.00	No Change

(ii) Shareholding of promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of Total Shares of company	% of Shares Pledged / encumbered	No. of Shares	% of Total Shares of company	% of Shares Pledged / encumbered	
1.	Allahabad Bank	2,64,99,900	27.04	0	2,64,99,900	27.04	0	0
2.	Andhra Bank	2,55,00,000	26.02	0	2,55,00,000	26.02	0	0
3.	Bank of India	2,55,00,000	26.02	0	2,55,00,000	26.02	0	0
4.	Indian Bank	1,10,00,000	11.22	0	1,10,00,000	11.22	0	0
5.	Life Insurance Corporation of India	90,00,000	9.18	0	90,00,000	9.18	0	0
6.	Deutsche Bank	5,00,000	0.51	0	5,00,000	0.51	0	0
7.	Specified Undertaking of Unit Trust of India (SUUTI)	100	0.00*	0	100	0.00*	0	0
	Total	9,80,00,000	100.00	0	9,80,00,000	100.00	0	0

(iii) Change in Promoter's Shareholdings (please specify, if there is no change)

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	No Change during the year		No Change during the year	
Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g.allotment / transfer / bonus/ sweat equity etc)	No Change during the year		No Change during the year	
At the end of the year	No Change during the year		No Change during the year	

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
NOT APPLICABLE				

v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	None of the Directors and KMP hold shares in the			
CompanyDate wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	None of the Directors and KMP hold shares in the			
At the End of the year	None of the Directors and KMP hold shares in the Company			

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
I) Principal Amount	30,35,13,942.00	0.00	0.00	30,35,13,942.00
ii) Interest due but not paid	0.00	0.00	0.00	
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	30,35,13,942.00	0.00	0.00	30,35,13,942.00
Change in Indebtedness during the financial year				
Addition	16,15,45,273.00	0.00	0.00	16,15,45,273.00
Reduction	0.00	0.00	0.00	0.00
Net Change	16,15,45,273.00	0.00	0.00	16,15,45,273.00
Indebtedness at the end of the financial year				
i) Principal Amount	46,43,97,726.00	0.00	0.00	46,43,97,726.00
ii) Interest due but not paid	6,61,489.00	0.00	0.00	6,61,489.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ ii+ iii)	46,50,59,215.00	0.00	0.00	46,50,59,215.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL(KMP)
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Shri Dhananjay Kumar Jain* (MD & CEO)	Shri Narasingh* (MD & CEO)	Total Amount
Gross salary				
1.	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	25,85,640.00	23,77,467.00	49,63,107.00
2.	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,89,005.00	0.00	1,89,005.00
3.	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00
4.	Stock Option	0.00	0.00	0.00
5.	Sweat Equity	0.00	0.00	0.00
6.	Commission	0.00	0.00	0.00
	- as % of profit	0.00	0.00	0.00
	- others, specify...	0.00	0.00	0.00
7.	Others, please specify	0.00	0.00	0.00
	Total (A)	27,74,645.00	23,77,467.00	51,52,112.00

● * Shri Dhananjay Kumar Jain , MD &CEO was appointed w.e.f. August 25, 2014

● * Shri Narasingh , Former MD & CEO resigned on July 01, 2014 and was relieved on July 19, 2014

B. Remuneration to other directors:						
Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Shri V. K. Shunglu	Prof. N. L. Mitra	Shri Mukund M. Chitale	Shri B. A. Prabhakar	
1.	Independent Directors	1,50,000.00	90,000.00	1,40,000.00	1,10,000.00	4,90,000.00
	• Fee for attending board/committee meetings					
	• Commission					
	• Others, please specify	0.00	0.00	0.00	0.00	0.00
	Total (1)	1,50,000.00	90,000.00	1,40,000.00	1,10,000.00	4,90,000.00
2.	Other Non-Executive Directors	0.00	0.00	0.00	0.00	0.00
	• Fee for attending board/committee meetings	0.00	0.00	0.00	0.00	0.00
	• Commission	0.00	0.00	0.00	0.00	0.00
	• Others, please specify	0.00	0.00	0.00	0.00	0.00
	Total (2)	0.00	0.00	0.00	0.00	0.00
	Total (B)=(1+2)	1,50,000	90,000	1,40,000	1,10,000	4,90,000

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD				
Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Company Secretary	CFO	
	Gross salary			
1.	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,50,089.00	33,68,710.00	40,18,799.00
2.	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00
3.	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00
4.	Stock Option	0.00	0.00	0.00
5.	Sweat Equity	0.00	0.00	0.00
6.	Commission - as % of profit - Other Specify	0.00	0.00	0.00
7.	Other, please specify	0.00	0.00	0.00
	Total	6,50,089.00	33,68,710.00	40,18,799.00

VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD / NCLT/ COURT)	Appeal made, if any (give Details)
A. COMPANY					
Penalty Punishment Compounding			None		
B. DIRECTORS					
Penalty Punishment Compounding			None		
C. OTHER OFFICERS IN DEFAULT					
Penalty Punishment Compounding			None		

PRAMOD S. SHAH & ASSOCIATES

Practising Company Secretary

Mani Bhuwan, 1st Floor, Office No. 5, 54, Huges Road, (Opp. Dharam Palace), Mumbai - 400 007.
Tel. : (O) +91(022) 2367 8570, 2368 0263, 2368 2139, 2368 0256 ● Fax : +91(022) 2367 8571
Mobile : 98211 06410/98211 06217 ● E-mail : saurabhshah361@gmail.com

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015

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

To,
The Members,
ASREC (India) Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ASREC (India) Limited (herein after 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 Companies 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 authorised representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2015, 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 hereunder :

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 31st March, 2015 and according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made hereunder;
- (ii) The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and the rules made there under.

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

We further report that

The 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.

During the period, all the decisions in the Board Meeting were carried out unanimously.

We have relied on the representation made by the Company, its Officers and Reports of the Statutory Auditors, Internal Auditor for the systems and mechanism framed by the Company for the compliances under Acts, Laws and Regulations applicable to the Company as listed in Annexure I.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, (as mentioned above and listed in Annexure I).

We further report that during the audit period there were no specific events / actions having a major bearing on the Company's affairs.



Pramod Shah
Pramod S. Shah Associates
FCS No. : 334
CP No. : 3804

Place : Mumbai
Date : 08/05/2015

Annexure I

1. Employees' Provident Fund Act, 1952 and Rules
2. Professional Tax Act, 1975 and Rules
3. Payment of Gratuity Act, 1972
4. Employees' Provident Fund & Misc Provisions Act, 1952
5. Equal Remuneration Act, 1976
6. Minimum Wages Act, 1948
7. Shop and Establishment Act, 1948
8. Income Tax Act, 1961
9. Finance Act, 1994

Annexure – IV
Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

- (a) Name(s) of the related party and nature of relationship : NA
- (b) Nature of contracts/arrangements/transactions : NA
- (c) Duration of the contracts / arrangements/transactions : NA
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any : NA
- (e) Justification for entering into such contracts or arrangements or transactions : NA
- (f) Date(s) of approval by the Board : NA
- (g) Amount paid as advances, if any : NA
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 : NA

2. Details of material contracts or arrangement or transactions at arm's length basis

- (a) Name(s) of the related party and nature of relationship:

Holding Co.	NIL
Subsidiary	NIL
Fellow Subsidiary	NIL
Associates/ Joint Venture	Bank of India, Andhra Bank & Allahabad Bank
Key Management Personnel	Shri E. Narasingh , MD& CEO (up to July 19,2014) Shri Dhananjay Kumar Jain, MD & CEO (Since August 25, 2014) Shri A.K Mahajan, CFO Smt. Naina Hemant Kurane, CS
Relative of Key Management Personnel	NIL

(b) Nature of contracts/arrangements/transactions:

(₹ In Lakh)

Sr. No.	Type of Transactions	Associates & JVs	Key Management Personnel	Total	Remarks
1	Interest Income from Fixed Deposits	71.30	0.00	71.30	Interest on FDs from BOI
2	Purchase of Financial Assets	751.00	0.00	751.00	Acq of FA from BOI (Crystal Mirage Pvt. Ltd.) through auction.
3	Remuneration	0.00	91.71	91.71	Being Remuneration of KMP
4	Receipts of Resolution fee	11.86	0.00	11.86	Resolution fee received from Allahabad Bank under "RA business agreement"
	TOTAL	834.16	91.71	925.87	
	<i>Previous year's figures</i>	<i>4025.80</i>	<i>48.20</i>	<i>4074.00</i>	

(c) Duration of the contracts / arrangements/transactions: April 1, 2014 to March 31, 2015

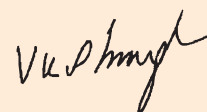
(d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA

(e) Date(s) of approval by the Board, if any: NA

(f) Amount paid as advances, if any: NA

Note- This form shall be signed by the persons who have signed the Board's report.

For and on behalf of the Board



V. K. Shunglu
Chairman

Date : May 26, 2015

Place: Mumbai

S M Chinoy
B T Nagda
B S Chandrasekar
S P Hansraj
A A Dave
M D Shah

CHANDABHOY & JASSOBHOY
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To
The Members of
ASREC (INDIA) LIMITED

REPORT ON THE FINANCIAL STATEMENTS

1. We have audited the accompanying financial statements of ASREC (INDIA) LIMITED, which comprise the Balance Sheet as at March 31, 2015 and the Statement of Profit and Loss, the 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

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

AUDITOR'S RESPONSIBILITY

3. 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 Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

— CHANDABHOY & JASSOBHOY —

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

4. 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, 2015, and its profit and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

5. As required by the Companies (Auditor's Report) Order, 2015 ("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 Annexure-I a statement on the matters specified in paragraphs 3 and 4 of the Order.
6. As required by 'Directions' issued by The Comptroller and Auditor General of India in terms of sub-section (5) of section 143 of the Act and according to the information and explanations given to us, we give in Annexure-II a statement on the matters specified in said Directions.
7. 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 it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid 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 the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note 22(15) 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of

Chandabhoy & Jassoobhoy
Chartered Accountants
Firm Reg. No: 101647W



Ambesh A. Dave
Partner
Membership No.: 049289
Mumbai : May 26, 2015

ANNEXURES TO THE AUDITORS' REPORT

Annexure I

(REFERRED TO IN PARAGRAPH 5 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF ASREC (INDIA) LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2015.)

- i. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. We were informed that physical verification of fixed assets was conducted by the management during the year and no discrepancies were noticed on such verification. In our opinion, the frequency of verification of fixed assets is reasonable having regard to the size of the Company and nature of its assets.
- ii. As the Company does not have inventories, Clauses 3 (ii) (a to c) of the Order is not applicable.
- iii. The Company has not granted any loan secured or unsecured to any companies, firms or other parties that needs to be entered in the register maintained under section 189 of the Companies Act, 2013 and consequently provision of clause 3(iii)(a) and 3(iii)(b) of the Order are not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for purchase of fixed assets and for the sale of services. Further during the course of our audit, we have neither come across nor have been informed of any instances of major weakness in the aforesaid internal control procedures and continuing failure on the part of the management to take corrective action in this regard.
- v. The Company has not accepted any deposits during the year from the public in contravention of Section 73 to 76 of the Companies Act, 2013 and rules made there under.
- vi. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 148 (1) of the Companies Act, 2013.
- vii. a. According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing the statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed statutory dues is out standing as at 31st March, 2015 for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, there are no statutory dues outstanding on account of any dispute as of 31st March, 2015 except as stated below:

Period	Amount (Rs.)	Forum, where dispute is pending
A.Y. 2008 – 09	61,60,688	ITAT, However the same has been adjusted by the Department against Refund due for A.Y. 2007-08
- c. According to the information and explanations given to us, no amounts were required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- viii. The Company does not have any accumulated losses at the end of the financial year and has not incurred any cash losses during the year covered by our audit or in the immediately preceding financial year

— CHANDABHOY & JASSOBHOY —

- ix. According to the information and explanations given to us and the records examined by us, the Company has not defaulted in repayment of dues to the financial institutions or banks.
- x. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi. The Company has not taken any term loan during the year.
- xii. According to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

Annexure II

(REFERRED TO IN PARAGRAPH 6 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF ASREC (INDIA) LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2015.)

- (a) The Company has not been selected for disinvestment.
- (b) There are no cases of waiver/ write off of debts/loans/Interest etc.
- (c) There is no inventory lying with third parties & Assets received as gift from Govt. or other authorities.
- (d) There is no pending legal/arbitration case except an appeal filed with ITAT for penalty of Rs.61.61 lacs levied by ITO for A.Y. 2008-09 as referred in Note No. 22(15).

For and on behalf of

Chandabhoy & Jassoobhoy
Chartered Accountants
Firm Reg. No: 101647W



Ambesh A. Dave
Partner
Membership No.: 049289

Mumbai : May 26, 2015



भारतीय लेखा तथा लेखापरीक्षा विभाग

कार्यालय प्रधान निदेशक वाणिज्यिक लेखापरीक्षा तथा पदेन सदस्य, लेखापरीक्षा बोर्ड - I, मुम्बई

INDIAN AUDIT AND ACCOUNTS DEPARTMENT

OFFICE OF THE PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT & EX-OFFICIO MEMBER, AUDIT BOARD-I, MUMBAI

Confidential

No. GA/R-I/A/Cs/ASREC/2014-15/33

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL
OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT,
2013 ON THE FINANCIAL STATEMENTS OF ASREC (INDIA)
LIMITED FOR THE YEAR ENDED 31 MARCH 2015**

The preparation of financial statements of ASREC (India) Limited for the year ended 31 March, 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 26 May 2015.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of ASREC (India) Limited for the year ended 31 March 2015 and as such have no comments to make under section 143(6)(b) of the Act.

For and on the behalf of the
Comptroller and Auditor General of India

(Roop Rashi)

Principal Director of Commercial Audit and
ex-officio Member, Audit Board-I, Mumbai

Place : Mumbai

Date : 25 June, 2015

BALANCE SHEET
AS AT MARCH 31, 2015

(₹ in Lakh)

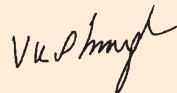
PARTICULARS	Note No.	AS AT	
		March 31, 2015	March 31, 2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	9,800.00	9,800.00
(b) Reserves and Surplus	2	3,238.53	2,903.06
(2) Non-Current Liabilities			
Long-term Provisions	4	17.02	21.36
(3) Current Liabilities			
(a) Short-terms Borrowings	5	4,650.59	3,035.14
(b) Other Current Liabilities	6	461.18	374.05
(c) Short-term Provisions	7	1,118.02	999.49
TOTAL		19,285.34	17,133.10
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets - <i>Tangible Assets</i>	8	1109.64	983.47
- <i>Intangible Assets</i>	8	0.45	0.95
(b) Non-Current Investment	9	5899.84	2572.64
(c) Deferred Tax Assets (Net)	3	104.07	101.08
(d) Other Non-Current Assets	10	10.00	12.00
(2) Current Assets			
(a) Current Investments	11	8,044.34	8,632.26
(b) Cash and Cash Equivalents	12	3,475.49	4,023.82
(c) Short-term Loans & Advances	13	635.77	796.99
(d) Other Current Assets	14	5.74	9.88
TOTAL		19,285.34	17,133.10
Significant Accounting Policies and Other Notes to Accounts	22		

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date

For and on behalf of the Board of Directors

For CHANDABHOY & JASSOOBHOY
Chartered Accountants
Firm Reg.No. : 101647W



V. K. Shunglu
(Chairman)



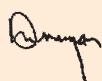
Mukund M. Chitale
(Director)



Dhananjay Kumar Jain
(MD & CEO)



Ambesh A. Dave
(Partner)
M.No: 049289



A. K. Mahajan
(Chief Financial Officer)



Naina H. Kurane
(Co. Secretary)

Place: Mumbai
Date: May 26, 2015

STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED MARCH 31, 2015

(₹ in Lakh)

PARTICULARS	Note No.	Year Ended	
		March 31, 2015	March 31, 2014
I. Revenue from operations	15	2,178.98	1,850.91
II. Other Income	16	99.29	183.56
III. Total Revenue (I + II)		2,278.27	2,034.47
IV. Expenses:			
Employee benefits Expenses	17	437.93	422.41
Finance Costs	18	12.76	15.11
Depreciation and Amortization Expenses	8	44.95	65.31
Other Expenses	19	524.04	312.26
Total Expenses		1,019.68	815.09
V. Profit before Exceptional items (III- IV)		1,258.59	1,219.38
VI. Exceptional Items	20 & 22(3)	162.70	(0.56)
VII Profit before Tax (V+VI)		1,421.29	1,218.82
VIII Tax Expenses	21		
(1) Current Tax		495.90	409.33
(2) Deferred Tax		(2.99)	0.11
IX Adjustment of prior periods		4.94	23.37
X Profit for the year (VII-VIII-IX)		923.43	786.02
XI Earnings per Equity Share, Basic & Diluted (Nominal Value Rs 10/-per share)		0.94	0.80

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date

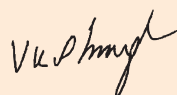
For and on behalf of the Board of Directors

For CHANDABHOY & JASSOOBHOY
Chartered Accountants
Firm Reg.No. : 101647W



Ambesh A. Dave
(Partner)
M.No: 049289

Place: Mumbai
Date: May 26, 2015



V. K. Shunglu
(Chairman)



A. K. Mahajan
(Chief Financial Officer)



Mukund M. Chitale
(Director)



Naina H. Kurane
(Co. Secretary)



Dhananjay Kumar Jain
(MD & CEO)

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2015

(₹ in Lakh)

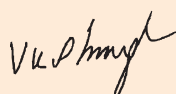
PARTICULARS	Year Ended	
	March 31,2015	March 31,2014
I CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before Exceptional items and Tax	1,258.59	1,219.38
Exceptional Items	162.70	(0.56)
Profit before Tax as per Profit & Loss Statement	1,421.29	1,218.82
Other Non cash items	(162.70)	-
Add: Finance Cost	12.76	15.11
Non-Cash Items		
- Depreciation and Amortization Expenses	44.95	65.31
- Other Non cash items	-	(0.04)
- Impairment of Investments	215.76	9.69
Profit before working capital changes [A]	1,532.06	1,308.89
Adjustments for Working Capital :		
(Increase)/Decrease in Current Investments	435.13	(78.19)
(Increase)/Decrease in Short-term Loans & Advances	256.56	(335.62)
(Increase)/Decrease in Other Current Assets	4.14	7.66
Increase/(Decrease) in Short-terms Borrowings	1,615.45	560.72
Increase/(Decrease) in Other Current Liabilities	87.13	(87.52)
Increase/(Decrease) in Short-term Provisions	17.42	5.27
Adjustment for Non-Current Items:		
(Increase)/Decrease in Non-Current Investment	(3,378.51)	(147.53)
(Increase)/Decrease in Other Non Current Assets	2.00	2.00
Increase/(Decrease) in Long Term Prov	(4.34)	(6.67)
TOTAL [B]	(965.02)	(79.88)
	[A+B]	567.04
Less Income tax paid (Net of Refund)	(521.41)	(490.83)
Net Cash flow from Operating Activities [C]	45.63	738.18
II CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed Assets : Purchase	(8.05)	(15.64)
Disposal	0.13	6.94
TOTAL [D]	(7.92)	(8.70)
III CASH FLOWS FROM FINANCING ACTIVITIES		
Finance Cost	(12.76)	(15.11)
Dividend Paid	(490.00)	(490.00)
Dividend Distribution Tax paid	(83.28)	(83.28)
TOTAL [E]	(586.04)	(588.39)
IV NET INCREASE IN CASH AND CASH EQUIVALENTS [C+D+E]	(548.33)	141.09
V CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	4,023.82	3,882.72
VI CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR*	3,475.49	4,023.82

*(Note: Cash and Cash Equivalents consist of Cash on Hand , FDs & Bank Balances)

As per our report of even date

For and on behalf of the Board of Directors

For CHANDABHOY & JASSOOBHOY
Chartered Accountants
Firm Reg.No. : 101647W



V. K. Shunglu
(Chairman)




Mukund M. Chitale
(Director)




Dhananjay Kumar Jain
(MD & CEO)

Ambesh A.Dave
(Partner)
M.No: 049289
Place: Mumbai
Date: May 26,2015



A. K. Mahajan
(Chief Financial Officer)



Naina H. Kurane
(Co. Secretary)

NOTES

FORMING PART OF BALANCE SHEET FOR THE YEAR ENDED MARCH 31, 2015

(₹ in Lakh)

PARTICULARS	As At	
	March 31, 2015	March 31, 2014
NOTE - 01 : SHARE CAPITAL		
AUTHORISED CAPITAL:		
12,50,00,000 Equity Shares of Rs 10/-each (Previous year - 12,50,00,000 Equity Shares of Rs 10/-each)	12,500.00	12,500.00
ISSUED , SUBSCRIBED & PAID UP :		
Equity Share Capital 9,80,00,000 Equity Shares of Rs 10/-each, fully paidup (Previous year - 9,80,00,000 Equity Shares of Rs 10/-each)	9,800.00	9,800.00
TOTAL	9,800.00	9,800.00

STATEMENT OF SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES

Name of Shareholder	Current Year		Previous Year	
	No. of shares held (of Rs. 10/- each)	% of total Paid up capital	No. of shares held (of Rs. 10/- each)	% of total Paid up capital
Allahabad Bank	26,499,900	27.04%	26,499,900	27.04%
Bank of India	25,500,000	26.02%	25,500,000	26.02%
Andhra Bank	25,500,000	26.02%	25,500,000	26.02%
Indian Bank	11,000,000	11.22%	11,000,000	11.22%
Life Insurance Corporation of India	9,000,000	9.18%	9,000,000	9.18%
Total	97,499,900	99.48%	97,499,900	99.48%

* There is no change in the number of shares outstanding hence reconciliation not required.

* The Company has not issued any bonus shares or shares for consideration other than cash or has not bought back any shares during the last five years.

NOTE - 02 : RESERVES AND SURPLUS		
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	2,903.06	2,690.32
Net Profit for the year	923.43	786.02
	3,826.50	3,476.34
Less:-		
Proposed Dividend	490.00	490.00
Dividend Distribution Tax	97.97	83.28
Balance as at the end of the year	3,238.53	2,903.06

(₹ in Lakh)

PARTICULARS	As at March 31, 2015	As at March 31, 2014
NOTE - 03: DEFERRED TAX ASSETS (NET)		
Deferred Tax Assets	247.68	177.27
Less: Deferred Tax Liabilities	143.61	76.19
TOTAL	104.07	101.08
NOTE - 04 : LONG TERM PROVISIONS		
<u>Provision for Employee Benefits:</u>		
Prov. for Long Term Employee Benefit-Leave	16.09	16.76
Prov. for Employee Benefit-Gratuity	0.93	4.60
TOTAL	17.02	21.36
NOTE - 05 : SHORT TERMS BORROWINGS		
Secured:		
Loan Repayable on demand		
Canara Bank		
<i>(Secured by Current Assets including hypothecation of Investment in Financial Assets and Security Receipts)</i>		
TOTAL	4,650.59	3,035.14
NOTE - 6 : OTHER CURRENT LIABILITIES		
<u>Other payables:</u>		
Liabilities for Expenses	81.39	85.57
Payable to Employee	-	0.62
Advance Against OTS	15.00	98.95
Provident Fund payable	1.34	-
Profession Tax payable	0.05	0.05
Service Tax Payable	2.10	-
TDS Payable	3.78	9.45
Other Payables	357.52	179.41
TOTAL	461.18	374.05
NOTE - 7: SHORT TERM PROVISIONS		
Provision for Employee benefits:		
Provision for Short Term Employee Benefit- Leave	0.55	0.41
Others:		
Provision for Dividend Distribution Tax	97.97	83.28
Provision for Proposed Dividend	490.00	490.00
Provision for Income Tax AY 2009-10	-	0.15
Provision for Income Tax AY 2010-11	9.22	9.22
Provision for Income Tax AY 2014-15	-	409.33
Provision for Income Tax AY 2015-16	495.90	-
Provision for Expenses	24.38	7.10
TOTAL	1,118.02	999.49

Note - 8 :

Notes are forming part of the Balance Sheet as on 31st March, 2015

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	As at 01-Apr -14	Addition	Sale/ Deduction	As at 31-Mar-15	Up to 01-Apr -14	During the year	on Sale/ Deduction	adj due to change in Dep. method	Up to 31-Mar-15	As at 31-Mar-15	As at 31-Mar-14	
TANGIBLE ASSETS												
Building	1,141.36	-	-	1,141.36	212.10	19.05	-	(137.48)	93.67	1,047.68	929.26	
Motor Cars	12.74	-	-	12.74	2.70	1.64	-	(1.71)	2.63	10.11	10.04	
Computer	35.51	6.35	1.13	40.73	25.59	13.80	1.13	(6.23)	32.03	8.70	9.93	
Office Equipment	4.08	-	-	4.08	1.92	2.27	-	(0.66)	3.53	0.55	2.16	
Electric Equipment	11.14	0.05	-	11.19	4.88	1.49	-	(2.83)	3.54	7.65	6.25	
Furniture & Fixture	51.26	1.65	0.32	52.59	25.43	6.21	0.19	(13.79)	17.66	34.93	25.83	
TOTAL (A)	1,256.10	8.05	1.46	1,262.69	272.62	44.45	1.32	(162.70)	153.06	1,109.64	983.47	
INTANGIBLE ASSETS												
Computer Softwares	2.18	-	-	2.18	1.22	0.50	-	0.00	1.72	0.45	0.95	
TOTAL (B)	2.18	-	-	2.18	1.22	0.50	-	0.00	1.72	0.45	0.95	
TOTAL (A + B)	1,258.27	8.05	1.46	1,264.87	273.85	44.95	1.32	(162.70)	154.78	1,110.09	984.43	
Previous year's figures	1,259.38	15.64	16.74	1,258.27	218.46	65.31	9.91	-	273.85	984.43		

(₹ in Lakh)

PARTICULARS	As at March 31, 2015	As at March 31, 2014
NOTE - 9 : NON CURRENT INVESTMENT		
Investments in Government or Trust Securities (Unquoted)		
(I) Controlled Special Purpose Entities		
Security Receipts of Trusts		
ASREC PS 01/2014-15 TRUST SR	42.00	-
ASREC-PS 02/2014-15 TRUST SR	45.00	-
ASREC PS 03/2014-15 TRUST SR	129.00	-
ASREC PS 04/2014-15 TRUST SR	62.00	-
ASREC PS 05/2014-15 TRUST SR	16.00	-
ASREC PS 06/2014-15 TRUST SR	185.00	-
ASREC PS 07/2014-15 TRUST SR	94.00	-
ASREC PS-08/2014-15 TRUST SR	82.00	-
ASREC PS-09/2014-15 TRUST SR	51.00	-
ASREC PS-10/2014-15 TRUST SR	22.00	-
ASREC PS 11/2014-15 TRUST SR	170.00	-
ASREC PS-12/2014-15 TRUST SR	149.00	-
ASREC PS-13/2014-15 TRUST SR	96.00	-
ASREC PS-14/2014-15 TRUST SR	29.00	-
ASREC PS 15/2014-15 TRUST SR	185.00	-
ASREC PS-16/2014-15 TRUST SR	266.00	-
ASREC PS-17/2014-15 TRUST SR	228.00	-
ASREC PS-18/2014-15 TRUST SR	318.00	-
ASREC PS-19/2014-15 TRUST SR	115.00	-
ASREC PS-20/2014-15 TRUST SR	83.00	-
ASREC PS-21/2014-15 TRUST SR	46.00	-
ASREC PS-22/2014-15 TRUST SR	41.00	-
ASREC PS-23/2014-15 TRUST SR	94.00	-
ASREC PS-24/2014-15 TRUST SR	198.00	-
ASREC PS-25/2014-15 TRUST SR	25.00	-
ASREC PS-26/2014-15 TRUST SR	116.00	-
ASREC PS-27/2014-15 TRUST SR	513.00	-
ASREC PS-28/2014-15 TRUST SR	116.00	-
ASREC PS-29/2014-15 TRUST SR	180.00	-
ASREC PS-30/2014-15 TRUST SR	129.00	-
ASREC PS-31/2014-15 TRUST SR	151.00	-
ASREC-PS 01/2013-14 TRUST SR	29.00	29.00
ASREC-PS 02/2013-14 TRUST SR	523.00	605.00
ASREC PS-03/2013-14 TRUST SR	38.00	38.00
ASREC PS-04/2013-14 TRUST SR	48.00	48.00
ASREC PS-05/2013-14 TRUST SR	47.00	47.00
ASREC PS-01/2012-13 TRUST SR	57.00	61.00
ASREC PS-02/2012-13 TRUST SR	13.00	48.00
ASREC PS-03/2012-13 TRUST SR	32.00	32.00
ASREC PS-04/2012-13 TRUST SR	24.00	24.00
ASREC PS-05/2012-13 TRUST SR	29.00	29.00
ASREC PS -06/2012-13 TRUST SR	80.00	80.00
ASREC PS-07/2012-13 TRUST SR	35.00	35.00
ASREC PS-01/2009-10 TRUST SR	4.00	4.00

(₹ in Lakh)

PARTICULARS	As at March 31, 2015	As at March 31, 2014
ASREC PS-02/2009-10 TRUST SR	8.00	8.00
ASREC PS-04-2009-10 TRUST SR	11.00	11.00
ASREC PS-06/2009-10 TRUST SR	71.00	255.00
ASREC PS-02/2008-09 TRUST SR	363.00	397.00
ASREC PS-03/2008-09 TRUST SR	14.00	20.00
ASREC PS-04/2008-09 TRUST SR	132.00	132.00
ASREC PS 02/2007-08 TRUST SR	-	154.00
ASREC PS-03/2007-08 TRUST SR	20.00	22.00
ASREC PS-04/2007-08 TRUST SR	-	54.00
ASREC PS-05/2007-08 TRUST SR	7.00	8.00
ASREC PS-02/06 TRUST SR	-	1.00
TOTAL (a)	5,561.00	2,142.00
(ii) Investment in the SRs of Trust of Other ARC		
INVENT/1011/S4 TRUST	859.98	900.50
TOTAL (b)	859.98	900.50
Provision for Impairment-SRs		
Provision for Impairment ASREC PS 10/2014-15 TRUST	2.75	-
Provision for Impairment ASREC PS 11/2014-15 TRUST	21.25	-
Provision for Impairment ASREC PS 12/2014-15 TRUST	18.63	-
Provision for Impairment ASREC PS 13/2014-15 TRUST	12.00	-
Provision for Impairment ASREC PS 14/2014-15 TRUST	3.63	-
Provision for Impairment ASREC PS 15/2014-15 TRUST	23.13	-
Provision for Impairment ASREC PS 17/2014-15 TRUST	28.50	-
Provision for Impairment ASREC PS 18/2014-15 TRUST	39.75	-
Provision for Impairment ASREC PS 02/2013-14 TRUST	65.38	-
Provision for Impairment ASREC PS 03/2013-14 TRUST	14.25	-
Provision for Impairment ASREC PS 04/2013-14 TRUST	18.00	-
Provision for Impairment ASREC PS 05/2013-14 TRUST	17.63	-
Provision for Impairment ASREC PS 03/2012-13 TRUST	4.00	4.00
Provision for Impairment ASREC PS 04/2012-13 TRUST	3.00	3.00
Provision for Impairment ASREC PS 07/2012-13 TRUST	13.13	13.13
Provision for Impairment ASREC PS 01/2009-10 TRUST	3.50	3.50
Provision for Impairment ASREC PS 02/2009-10 TRUST	1.00	1.00
Provision for Impairment ASREC PS 04/2009-10 TRUST	6.88	6.88
Provision for Impairment-ASREC PS 02/2008-09 TRUST	136.13	173.69
Provision for Impairment ASREC PS 03/2008-09 TRUST	5.25	7.50
Provision for Impairment ASREC PS 04/2008-09 TRUST	57.75	57.75
Provision for Impairment ASREC PS 02/2007-08 TRUST	-	130.90
Provision for Impairment ASREC PS 03/2007-08 TRUST	19.00	20.90
Provision for Impairment ASREC PS 04/2007-08 TRUST	-	40.50
Provision for Impairment ASREC PS 05/2007-08 TRUST	6.66	7.11
<i>Adj. of fractions</i>	(0.06)	-
TOTAL (c)	521.14	469.86
NET INVESTMENT IN SRs OF TRUST (a + b - c)	[A]	2,572.64

(₹ in Lakh)

PARTICULARS	As at 31 March, 2015	As at 31 March, 2014
(iii) Trusts where in all SRs have been redeemed (Rs 1 Lakh assigned for all unresolved A/c)		
ASREC PS-03/2009-10 TRUST SR	6.00	7.00
ASREC PS-05/2009-10 TRUST SR	5.00	5.00
ASREC PS-07/2009-10 TRUST SR	18.00	19.00
ASREC PS-01/2008-09 TRUST SR	10.00	17.00
ASREC PS-01/2007-08 TRUST SR	1.00	6.00
ASREC PS 02/2007-08 TRUST SR	2.00	-
ASREC PS-04/2007-08 TRUST SR	5.00	-
ASREC PS-01/06 TRUST SR	2.00	4.00
ASREC PS-04/06 TRUST SR	2.00	3.00
ASREC PS-05/06 TRUST SR	6.00	7.00
ASREC PS-07/06 TRUST SR	5.00	5.00
TOTAL (d)	62.00	73.00
Less: Provision (e)		
Provision for Investment in SRs (Redeemed Trust)	62.00	73.00
NET TOTAL (d- e)	[B]	-
TOTAL [A+B]	5,899.84	2,572.64
NOTE - 10 : OTHER NON CURRENT ASSETS		
Prepaid Expenses	10.00	12.00
TOTAL	10.00	12.00
NOTE - 11: CURRENT INVESTMENTS		
Financial Assets acquired from various Banks & Financial Institutions		
Andhra Bank	490.00	490.00
Allahabad Bank	662.20	787.65
Axis Bank	635.68	999.03
The Abhyudaya Co-Op.Bank Ltd.	70.67	129.17
Bank of India	1,267.25	1,372.66
Bank of Baroda	250.00	250.00
Bank of Maharashtra	244.00	-
Central Bank of India	69.00	84.00
Consortium (BOI,BOB,IOB,CBI&Dena Bank)	760.50	1,390.33
Canara Bank	565.00	365.00
Corporation Bank	32.00	95.00
Dena Bank	500.21	509.50
Federal Bank	-	194.25
Indian Overseas Bank	453.40	435.14
ICICI Bank	326.52	395.00
Kotak Mahindra Bank	625.00	625.00
Karnataka Bank	98.54	-
Oriental Bank of Commerce	175.00	-
Pune District Central Co-Op. Bank Ltd.	300.00	-
The Royal Bank of Scotland	-	10.00

(₹ in Lakh)

PARTICULARS	As at 31 March, 2015	As at 31 March, 2014
The Shamrao Vithal Co-Op. Bank Ltd.	0.99	59.49
The Karad Janata Sahakari Bank Ltd.	11.81	47.79
Saraswat Co.Op.Bank Ltd.	125.00	-
Syndicate Bank	166.61	-
United Bank of India	133.00	133.00
UCO Bank	256.00	281.50
TOTAL	8,218.38	8,653.51
Less : Provision for Impairment	174.04	21.25
Net investment in Financial Institutes	8044.34	8632.26
NOTE - 12: CASH AND CASH EQUIVALENTS		
Cash on Hand	0.37	0.21
Balances with Banks	1,756.50	1,618.13
Bank deposits		
a) Maturity within 12 months	1,718.62	2,405.48
b) Maturity morethan 12 months	-	-
TOTAL	3,475.49	4,023.82
NOTE - 13: SHORT TERMS LOANS & ADVANCES		
(a) Secured, Considered good		
(b) Unsecured, Considered good		
Account Receivable	0.03	-
Deposits	6.44	311.32
Advance Income Tax	425.00	339.00
Income Tax Deducted at Source	58.72	37.72
Income Tax Refund	62.56	62.56
Service Tax Receivable	0.46	-
Receivable from Various Trusts (On account of Management Fee and Expenditure such as Legal fee, Security Charges etc. incurred on behalf of various trusts)	82.56	46.39
(c) Doubtful :		
Receivable from Various Trusts	15.92	8.69
Less : Provision	(15.92)	(8.69)
TOTAL	635.77	796.99
NOTE - 14: OTHER CURRENT ASSETS		
Accrued Interest on FDR	-	3.85
Prepaid Expenses	5.74	6.03
TOTAL	5.74	9.88

(₹ in Lakh)

PARTICULARS	As at 31 March, 2015	As at 31 March, 2014
NOTE -15: REVENUE FROM OPERATIONS		
Income From Investment in Financial Assets	1,742.23	1,388.16
Income From Investment in SRs	157.31	273.48
Income From Agency Business	35.61	50.28
Management Fee	243.83	138.99
TOTAL	2,178.98	1,850.91
NOTE - 16: Other Income		
Interest Income From Fixed Deposits	91.46	167.87
Miscellaneous Income	0.02	0.28
Processing Fee	7.69	15.29
Profit on Sale of Fixed Assets	0.12	0.12
TOTAL	99.29	183.56
NOTE - 17: EMPLOYEE BENEFITS EXPENSES		
Salary	376.41	392.62
Employers Cont. to PF	9.76	9.89
Staff Welfare Exp.	44.09	25.85
Gratuity Expense	0.11	(0.70)
Leave Encashment	7.56	(5.25)
TOTAL	437.93	422.41
NOTE - 18: FINANCE COST		
Bank Interest	12.76	15.11
TOTAL	12.76	15.11
NOTE - 19 : OTHER EXPENSES		
<u>Payments to the auditor</u>		
-Audit Fees	4.67	4.00
-Tax Audit Fees	0.58	0.50
-For Taxation matters	0.95	-
-For re-imbursment of Expenditure	0.14	0.11
Rent	15.20	17.26
Bank Charges	0.30	1.26
Bidding Fees	0.20	0.85
Business Development Expenses	1.32	0.91
Demat Charges	0.05	0.05
Directors Sitting Fees	5.20	2.53
Electricity Charges	7.80	7.02
Housekeeping, Security & Runner	35.02	21.57
Insurance	7.54	8.72
Internet & Web Site Expenses	5.87	6.18
Legal Expenses	7.90	22.27
Membership & Subscription	3.76	3.65

(₹ in Lakh)

PARTICULARS	As at 31 March, 2015	As at 31 March, 2014
Miscellaneous Expenses	4.90	4.23
News Paper ,Books & Periodicals	0.39	0.35
Postage & Courier Expenses	1.87	1.84
Printing & Stationery	5.16	5.32
Professional Fees	55.95	34.79
Profession Tax	-	0.38
Registration Fees	17.23	7.81
Repairs & Maintenance	6.35	3.63
Resolution Fee	45.43	79.85
Telephone, Fax & Mobile Expenses	7.02	7.82
Training & Development Exp's	0.06	0.06
Travelling & Conveyance	31.60	37.39
Valuation & Due Diligence Expenses	3.66	3.20
Interest Expenses	-	2.40
Impairment of Investment(Net)	215.76	9.69
Rate & Taxes	6.74	16.62
CSR Expenditure	25.42	-
TOTAL	524.04	312.26
NOTE - 20: EXCEPTIONAL ITEMS		
Prior Period Expenses	-	0.56
Adjustment due to change in Depreciation Method	162.70	-
TOTAL	162.70	0.56
NOTE - 21: TAX EXPENSES		
Current Tax	495.90	409.33
Deffered Tax	(2.99)	0.11
TOTAL	492.91	409.44

NOTE 22: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**SIGNIFICANT ACCOUNTING POLICIES****1. Company Overview:**

ASREC (INDIA) LIMITED is a Securitization and Reconstruction Company registered with Reserve Bank of India (RBI) to carry on the business of Securitization of Assets and Reconstruction thereof under the provisions of Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) and the various guidelines issued by RBI from time to time. The Financial Assets are acquired from Banks and Financial Institutions either in the Trusts set up for the purpose or in its own books.

2. Basis of preparation of Financial Statements:

The Financial Statements have been prepared to comply in all material respects of Notified accounting standards as prescribed by Companies (Accounting Standards) Rules, 2006 (as amended), read with Rule-7 of Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 and guidelines issued by the Reserve Bank of India (RBI) from time to time under SARFAESI Act. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy referred in Note- 22(3).

3. Change in accounting policy:

Effective April 01, 2014, the Company has with retrospective effect changed its method of providing depreciation on fixed assets from the "Written Down Value (WDV) Method" to the "Straight Line Method (SLM)". As a result of enactment of the Companies Act, 2013, Management believes that this change will result in more appropriate presentation and will give a systematic basis of depreciation charge, representative of the time pattern in which the economic benefits will be derived from the use of these assets. Accordingly, the Company has made an adjustment of depreciation charges of Rs 162.70 Lakh & the same has been disclosed as an exceptional item to the credit of the Statement of Profit and Loss.

Had the Company continued to use the earlier method of depreciation, the profit after tax for the current year would have been lower by Rs 128.10 Lakh.

4. Use of Estimates:

The preparation of financial statement requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in accordance with the requirements of the respective accounting standards.

5. Fixed Assets and Depreciation:**FIXED ASSETS:**

Tangible Assets are stated at cost, less accumulated depreciation and impairment losses, if any. Intangible Assets are measured at cost of acquisition/ development and amortized over their estimated economic life on a Straight line Method. Estimated useful life of Computer Software is assumed to be 3 years.

DEPRECIATION:

Consequent to the provisions of the Companies Act, 2013 (The Act) and its applicability for accounting periods commencing on or after April 01, 2014, the company has adopted the estimated useful life of fixed assets as stipulated by Schedule-II to the Act. Accordingly, the company has worked out depreciation applying Straight Line Method with reference to the estimated useful lives of fixed assets as prescribed by Schedule II to the Act. In case of assets whose useful life have been completed based on such estimates, the carrying value as at April 1, 2014, amounting to Rs 2.32 lakh has been adjusted to the depreciation charge for the year and in other cases the carrying value is being depreciated over the remaining useful life of the assets. Residual Value of the Assets is considered as insignificant and regarded as nil.

6. Income Recognition:**a) Income from Investment in Financial Assets (FAs):**

Income from Investment in Financial Assets is recognized as follows:

Amount realized on resolution / realization of FAs is credited to respective FAs till the value of FAs become nil. Amount realized from resolution of FAs subsequent to FA value becoming nil is credited to Profit and Loss Statement. Similarly, if the total amount realized from resolution of FAs is less than its cost, the short fall is treated as loss and debited to Profit and Loss Statement. In case of Financial Assets acquired / resolved under policy for Acquisition of "Negotiated Financial Assets for Restructuring", interest on amount funded is recognized on actual realization.

b) Income from Investment in Security Receipts (SRs) of Trusts:

Income from Investment in SRs is recognized when all SRs are redeemed by the Trusts. Surplus arising from sale of unresolved Assets subsequent to redemption of all SRs is recognized, as and when distributed by respective trusts.

c) Other Income:

All other incomes are recognized on accrual basis. Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection.

7. Investment:

Investments in Security Receipts are classified under Non Current Investment and Investments in Financial Assets are treated as Current Investment. All the Investments are valued at Cost *Net of Impairments (if any)*.

Provision for impairment on investment in SRs and Financial Assets:

Impairment / Diminution in respect of SRs are based on valuation guidelines issued by Reserve Bank of India. The Impairment / provision in respect of SRs / Financial Assets are charged to the Profit and Loss Statement. In case of Trusts which have completed more than 5 year, an additional provision for Impairment has been made as per Board Guidelines.

8. Expenses incurred for Financial Assets not acquired:

Acquisition expenses (i.e. valuation & due diligence expenses and Bidding fees) relating to financial Assets not acquired are shown as current year's expenses and the same are charged to Profit and Loss Statement.

9. Tax Expenses:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax assets is recognized and carried forward only to the extent that there is reasonable / virtual certainty that asset will be realized in future.

10. Earnings Per Share:

The Company reports Earnings Per Share (EPS) in accordance with the Accounting Standard -20 "EARNINGS PER SHARE" to the Companies (Accounting Standards) Rules, 2006 .

11. Provision :

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

12. Retirement Benefits:

A) Gratuity: The gratuity liability of the company is funded through a Group Gratuity Scheme with Life Insurance Corporation of India (LIC) under which the annual contribution is paid to LIC. Gratuity liability is accrued on the basis of actuarial valuation at the year end.

B) Leave Encashment: The liability on account of Employees' Leave Encashment is provided on the basis of Actuarial Valuation, and is not funded.

C) Provident Fund: The Company has a provident fund scheme which is a defined contribution Scheme. Defined contribution is charged to the Profit and Loss statement.

13. Prior Period Adjustments:

In respect of transactions pertaining to the period prior to the current accounting year, the company follows the practice in conformity with the Accounting Standard.

14. Cash Flow Statement:

Cash Flow Statement is prepared in accordance with the Indirect Method as prescribed in The Accounting Standard-3 "CASH FLOW STATEMENTS" to the Companies (Accounting Standards) Rules, 2006.

OTHER NOTES**15. Contingent liabilities and commitments (to the extent not provided for):**

Contingent liabilities: Income Tax Dues Rs 61.61 Lakh (P.Y Rs 146.36 Lakh).

16. Provision for Impairment of Assets (other than SRs and FAs, forming part of investments) as required under the Accounting Standard-28 "Impairment of Assets" to the Companies (Accounting Standards) Rules, 2006 (as amended) is not necessary as in the opinion of Management there is no impairment of the Company's assets in terms of the said Standards. Provision for impairment in respect of SRs and FAs are made on the basis of RBI norms of Income Recognition and Assets Classification.

17. Segment wise reporting as defined in Accounting Standard (AS-17) is not applicable, since the entire operation of the Company related to only one segment.
18. As per Reserve Bank of India Guidelines, the Capital Adequacy Ratio of the Company at the year end worked out at 82.47% as given below:

(₹ in Lakh)

Particular	Current Year	Previous Year
(i) Paid up Capital & Res	13,038.53	12,703.06
(ii) Risk Weighted Assets	15,809.85	13,109.29
(iii) Capital Adequacy Ratio	82.47%	96.90%

19. **Related Party Transactions** : A list of Related Party and Transactions with Related Parties as required by the Accounting Standard-18 "RELATED PARTY DISCLOSURES" to the Companies (Accounting Standards) Rules, 2006 has been given below:

a) List of Related Party	
1 Holding Co.	NIL
2 Subsidiary	NIL
3 Fellow Subsidiary	NIL
4 Associates/ Joint Venture	Bank of India, Andhra Bank & Allahabad Bank
5 Key Management Personnel	Shri E. Narasing , MD & CEO (up to July 19, 2014) Shri Dhananjay Kumar Jain, MD & CEO(Since August 25, 2014) Shri A. K. Mahajan, CFO Ms. Naina H. Kurane, CS
6 Relative of Key Management Personnel	NIL

(₹ in Lakh)

b) Transaction with Related Party (ies)			
Type of Transactions	Associates & JVs	Key Management Personnel	Total
1 Interest Income from Fixed Deposits	71.30	0.00	71.30
2 Purchase of Financial Assets	751.00	0.00	751.00
3 Remuneration	0.00	91.71	91.71
4 Receipts of Resolution fee	11.86	0.00	11.86
TOTAL	834.16	91.71	925.87
Previous year's figures	4,025.80	48.20	4,074.00

20. In the opinion of the Management, the Current Assets, Loans and Advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of what is required.

21. Net Deferred Tax Assets comprises of :

(₹ in Lakh)

S.No.	PARTICULARS	Current Year	Previous Year
A.	Deferred Tax Assets arising on account of:		
	Provision for Impairment	240.26	166.92
	Provision for Other Expenses	7.42	10.34
	Total	247.68	177.27
B.	Deferred Tax Liabilities arising on account of:		
	Depreciation	140.21	72.11
	Other Items	3.40	4.08
	Total	143.61	76.19
	Net Deferred Tax Assets	104.07	101.08

22. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said act have not been given.

23. Liability for employee benefits has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in Accounting Standards-15 (Revised).

The Employee' Gratuity fund scheme is, managed by Life Insurance Corporation of India (LIC), a defined benefit plan. The present value of obligation is determined based on actuarial valuation using projected unit credit method, which recognize each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

DEFINED CONTRIBUTION PLAN:

(₹ in Lakh)

PARTICULARS	Current Year	Previous Year
Employers' contribution to Provident Fund	9.76	9.89

DEFINED BENEFIT PLAN:

A. Actuarial Assumptions

(₹ in Lakh)

PARTICULARS	Gratuity (Funded)		Leave Encashment (Non-Funded)	
	Current Year	Previous Year	Current Year	Previous Year
Discount Rate	7.95%	9.00%	7.95%	9.00%
Salary Escalation	6.50%	6.50%	6.50%	6.50%
Mortality Table	IALM-Mortality-Tables (2006-08) Ultimate	IALM-Mortality-Tables (2006-08) Ultimate	IALM-Mortality-Tables (2006-08) Ultimate	IALM-Mortality-Tables (2006-08) Ultimate

B. Change in benefit obligation

(Amount in ₹)

PARTICULARS	Graduity (Funded)		Leave Encashment (Non-Funded)	
	Current Year	Previous Year	Current Year	Previous Year
Obligation at the beginning of the year	9,38,485.00	10,74,809.00	17,17,072.00	23,76,927.00
Interest Cost	93,971.00	88,672.00	1,79,239.00	1,96,096.00
Service Cost	2,33,736.00	2,64,632.00	5,89,696.00	7,05,938.00
Benefit paid	(72,115.00)	(1,10,769.00)	(8,08,602.00)	(1,35,300.00)
Actuarial (Gain) Loss on obligations	(2,76,476.00)	(3,78,860.00)	(13,079.00)	(14,26,589.00)
Obligation at the end of the year	9,17,601.00	9,38,485.00	16,64,325.00	17,17,072.00

C. Change in Fair Value of Plan Assets

(Amount in ₹)

PARTICULARS	Graduity (Funded)		Leave Encashment (Non-Funded)	
	Current Year	Previous Year	Current Year	Previous Year
Fair Value at the beginning of the year	4,78,152.00	5,34,426.00	0.00	0.00
Expected Return on Plan Assets	48,813.00	44,814.00	0.00	0.00
Contributions	3,77,857.00	9,681.00	0.00	0.00
Benefits paid	(72,115.00)	(1,10,769.00)	0.00	0.00
Actuarial Gain/ (Loss) on plan Assets	(8,417.00)	0.00	0.00	0.00
Fair Value at the end of year	8,24,290.00	4,78,152.00	0.00	0.00

D. The Amounts to be recognized in Balance Sheet

(Amount in ₹)

PARTICULARS	Graduity (Funded)		Leave Encashment (Non-Funded)	
	Current Year	Previous Year	Current Year	Previous Year
Present Value of Obligation at the end of the year	9,17,601.00	9,38,485.00	16,64,325.00	17,17,072.00
Less: Fair Value of Plan Assets at the end of the year	8,24,290.00	4,78,152.00	0.00	0.00
Net Liability recognised in Balance Sheet	93,311.00	4,60,333.00	16,64,325.00	17,17,072.00

E. Amount to be recognized in the statement of Profit and Loss (Net periodic cost)

(Amount in ₹)

PARTICULARS	Graduity (Funded)		Leave Encashment (Non-Funded)	
	Current Year	Previous Year	Current Year	Previous Year
Current Service Cost	2,33,736.00	2,64,632.00	5,89,696.00	7,05,938.00
Interest Cost	93,971.00	88,672.00	1,79,239.00	1,96,096.00
Expected Return on Plan Assets	(48,813.00)	(44,814.00)	0.00	0.00
Net actuarial (Gain) Loss recognised in the year	(2,68,059.00)	(3,78,860.00)	(13,079.00)	(14,26,589.00)
Expenses recognised in the Statement of Profit & Loss	10,835.00	(70,369.00)	7,55,855.00	(5,24,555.00)

F. Experience Adjustment on Actuarial Gain/ (Loss)

(Amount in ₹)

PARTICULARS	Graduity (Funded)		Leave Encashment (Non-Funded)	
	Current Year	Previous Year	Current Year	Previous Year
Plan Liability	4,15,401.00	4,05,466.00	0.00	0.00
Plan Assets	8,417.00	0.00	0.00	0.00

-The details of experience adjustments arising on account of plan assets and liabilities as required by paragraph 120(n)(ii) of AS-15 (Revised) on "Employee Benefits" are not available in the valuation report and hence, are not furnished.

-In the absence of detailed informations regarding plan assets which is funded with Life Insurance Corporation of India, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

-The estimate of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above is certified by the actuary.

24. PROPOSED DIVIDEND:

The Final Dividend proposed for the year is as follows: [on Equity Shares of ₹ 10 each]	Current Year	Previous Year
Amount of Dividend proposed (₹ in Lakh)	490.00	490.00
Dividend per Equity Share (in ₹)	0.50	0.50

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend.

25. EARNINGS PER EQUITY SHARE

PARTICULARS	Current Year	Previous Year
Profit before Tax	1,421.29	1,218.82
Less : Tax Expenses (including prior year tax adjustment)	497.86	432.80
Net profit after tax attributable to Equity Share holder for EPS	923.43	786.02
Weighted Average no. of Equity Shares outstanding during the year for EPS	980,00,000	980,00,000
Earnings per Equity Share (Basic & Diluted)	0.94	0.80

26. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has spent an amount of Rs 25.42 Lakh towards Corporate Social Responsibility (CSR) activities as per the provision of Section 135 of Companies Act 2013 and rules made there under (*as amended from time to time*), and the same has been recognized as a separate line item as "CSR Expenditure" in the Statement of Profit and Loss.

The details of CSR Expenditures are as under

(a) Gross amount required to be spent by the company during the year: Rs 25.42 Lakh

(b) Amount spent during the year-

(₹ in Lakh)

Particulars	In Cash	Yet to be paid cash	Total
(i) On Construction/ Acquisition of any asset	25.42	0.00	25.42
(ii) On purposes other than (i) above	0.00	0.00	0.00

27. Additional Disclosures pursuant to the RBI Guidelines has been given below:

The following additional disclosures have been made taking into account RBI guidelines in this regard

a) Names and addresses of the banks/ financial institutions from whom financial assets were acquired and the value at which such assets was acquired from each such bank / financial institution:

Name	Address	Acquisition Price (₹ in Crore), Cumulative as at year end	
		Current Year	Previous Year
Sponsors			
Allahabad Bank	2, Netaji Subhas Road, Kolkata-700 001.	28.16	28.16
Bank of India	Star House, C-5, G Block, Bandra Kurla Complex, Bandra (East), Mumbai-400 051.	70.87	61.71
Andhra Bank	Dr. Pathabhi Bhavan, 5-9-11 Saifabad, Hyderabad-500 004.	5.40	5.40
Indian Bank	254, Avvai Shanmugan Salai, Royya Pettah, Chennai-600 014.	28.75	9.35
Sub Total (A)		133.18	104.62
Non Sponsors			
Axis Bank	Trishul, 3 rd Floor, Opp. Samartheshwar Temple, Law Garden, Ellisbridge, Ahmedbad- 380 006, Gujarat.	38.20	37.69
Abhyudaya Co.Op. Bank Ltd.	K.K.Tower, Abhyudaya Bank Lane. off G. D. Ambekar Marg, Parel Village, Mumbai-400 012.	2.10	2.10
Bank of Baroda	C-26, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai-400 051, Maharashtra.	20.14	20.14
Bank of Maharashtra	Head Office, Lokmangal 1501, Shivanagar, Pune-411 005.	23.12	-
Central Bank of India	Chander Mukhi, Nariman Point, Mumbai-400 021, Maharashtra.	56.07	56.07
Canara Bank	112, J C Road, Bangalore-560 002	6.79	4.79
Corporation Bank	Mangladevi Temple Road, Pandeshwar, Mangalore- 575 001, Karnataka.	1.10	1.10

Name	Address	Acquisition Price (₹ in Crore), Cumulative as at year end	
		Current Year	Previous Year
Dena Bank	Dena Corporate Centre, C-10, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051, Maharashtra	19.03	19.03
Federal Bank	Federal Towers, Head Office, Aluva, Ernakulam-683 101, Kerala.	5.15	5.15
Indian Overseas Bank	763, Anna Salai, Chennai-600002	23.44	17.87
IFCI Limited	IFCI Tower, 61, Nehru Plakhe, New Delhi-110 019.	21.12	21.12
ICICI	ICICI Bank Towers, Bandra Kurla Complex, Mumbai-400 051.	3.95	3.95
Karnataka Bank	Kankanady, Mangalore, Karnataka, 575 002.	1.06	-
Karur Vysya Bank	Erode Road, Central Office, Karur, Tamilnadu, 639 002.	47.30	-
Kotak Mahindra Bank Ltd	36-38A, Nariman Point, Mumbai- 400 021.	6.95	6.95
Laxmi Vilas Bank	Kathaparai, Salem Main Road, Karur-639 006.	10.76	10.76
Oriental Bank of Commerce	Harsha Bhawan, E Block, Connaught Place, New Delhi, Delhi-110 001.	11.22	-
Pune District Central Co-Op. Bank Ltd.	4B B. J. Road, Pune-411 001.	8.12	-
Punjab & Sind Bank	Bank House, 21, Rajendra Plakhe, New Delhi-100 008.	3.29	3.29
Punjab National Bank	7, Bhikaji Cama Place, New Delhi-110 607.	0.94	0.94
State Bank of India	Corporate Banking Group, Corporate Centre, Madam Cama Road, Mumbai-400 021.	82.01	16.35
State Bank of Hyderabad	Hybank Towers, Gunfoundry, Hyderabad-500 001.	92.59	7.50
State Bank of Mysore	Kempegowda Road, Bangalore-560 009, Karnataka.	3.12	1.22
State Bank of Bikaner & Jaipur	Tilak Marg, C Scheme, Jaipur-302 005, Rajasthan.	13.70	4.70
Standard Chartered Bank	90, Mahatma Gandhi Road, Mumbai-400 001, Maharashtra.	1.15	1.15
State Bank of Patiala	Head Office Building, 4th Floor, The Mall, Patiala-147 001.	11.71	-
State Bank of Travancore	Head Office Poojappura, Thiruvananthapuram-695 012.	15.16	-
Syndicate Bank	Corporate Office, 2nd Floor, 2nd Cross, Gandhi Nagar, Bangalore-560 009.	13.47	-
The Saraswat Bank Co-Operative Bank Ltd.	Corporate Center, Saraswat Bank Bhawan, Plot No. 753, Appasaheb Marathe Marg, Prabhadevi, Mumbai-400 025.	2.84	1.59

Name	Address	Acquisition Price (₹in Crore), Cumulative as at year end	
		Current Year	Previous Year
The Royal Bank of Scotland	No-1 Krm Tower, Near Shoppers Stop, Harington Road,Chetpet, Chennai-600 031.	5.00	5.00
The Karad Janata Sahakari Bank Ltd.	100/101, Shivaji Nagar, Karad, Satara-415 110, Marashtra.	1.60	1.60
The Shamrao Vittal Co-Op. Bank Ltd.	SVC Tower, Nehru Road,Vakola Santacruz (E), Mumbai-400 055.	2.38	2.38
The Thane District Central Co-Op. Bank Ltd.	TJSB House, Plot no-5B, Road No-2,Wagle Ind. Estate, Thane (W)-400 604.	2.89	2.89
The Mumbai District Central Co-Op. Bank Ltd.	Mumbai Bank Bhawan,207, Dr. D.N. Road, Fort, Mumbai-400 001.	7.51	7.51
United Bank of India	11, Hemanta Basu Sarani, Kolkata-700 001.	47.30	47.30
UCO Bank	10, BTM Sarani, Kolkata-700 001.	162.44	149.23
Vijaya Bank	41/2. M. G. Road, Trinity Circle, Bangalore.	15.59	9.50
	Sub Total (B)	790.31	468.87
	Grand Total (A + B)	923.49	573.49

b) Dispersion of various financial assets industry-wise and sponsor-wise

Industry	No. of cases	Acquisition Price (₹in Crore),	Percentage (%) to total acquisition price
Sponsor			
Agro Products	4	0.59	0.06
Aluminium	1	2.25	0.24
Auto Ancillary	1	1.03	0.11
Cement	3	0.30	0.03
Chemical	2	3.75	0.41
Construction	2	9.35	1.01
Consumer Products	5	0.85	0.09
Edible Oil	2	5.95	0.64
Electronics	9	1.93	0.21
Engineering	5	5.58	0.60
Financial Services	2	0.52	0.06
Food Industry	2	0.02	0.00
Iron and Steel	12	1.43	0.15
Leather	3	3.75	0.41
Non Ferrous Metal	1	15.3	1.66
Others	51	54.12	5.13
Petrochemicals	1	4.10	0.44
Pharma	1	0.20	0.02
Plastic	2	0.70	0.08
Tea	10	7.19	0.78
Textiles	10	12.65	1.37
Trading	9	1.62	0.19
Sponsor Total (A)	138	133.18	13.69
Non - Sponsor			
Agro Products	16	25.11	2.72
Aluminium	1	3.90	0.42
Animal Husbandry	7	8.55	0.93
Auto Ancillary	7	5.45	0.59
Cement	1	0.21	0.02
Chemical	7	8.29	0.90
Construction	10	30.83	3.34
Consumer Products	11	13.47	1.46
Edible Oil	15	16.23	1.76
Electronics	8	30.58	3.31
Engineering	11	42.29	4.58
Entertainment	1	2.25	0.24
Financial Services	6	0.93	0.10
Food Industry	17	34.01	3.68
Hospitality	1	0.50	0.05
Iron and Steel	29	90.10	9.76

Industry	No. of cases	Acquisition Price (₹in Crore),	Percentage (%) to total acquisition price
Jewellery	10	29.17	3.16
Leather	10	10.08	1.09
Others	156	208.92	23.36
Petrochemicals	2	0.42	0.05
Pharma	15	33.66	3.64
Plastic	5	1.51	0.16
Steel	12	22.84	2.47
Tea	37	26.49	2.87
Textiles	45	89.56	9.70
Trading	55	54.96	5.95
Non Sponsor – Total (B)	495	790.31	86.31
Grand Total (A+B)	633	923.49	100.00

*Industry-wise and Sponsor-wise dispersion of financial assets have been identified by the Management and relied upon by the auditors.

c) Statement of migration of financial assets from standard to non-performing:

Bank Name	Account Name	Outstanding Acquisition Price (Rs in Lakh) as on 31.3.2015	Outstanding Acquisition Price (Rs in Lakh) as on 31.3.2014
Bank of India	Usha Micro Processors Pvt Ltd.	10.00	10.00
Bank of India	Western India Industries	5.00	5.00
Bank of India	Western Paques	5.00	5.00
Central Bank of India	Ushakant Steels Pvt Ltd	0.00	15.00
Central Bank of India	Cross Sea Leasing & Investments Co. Pvt Ltd	23.00	23.00
Central Bank of India	Shilpi Mode	15.00	0.00
Central Bank of India	Shree Shyam Trading	20.00	0.00
Consortium	Aroma Hightech Ltd.	760.50	0.00
The Sham Rao Vittal Co-Op. Bank Ltd.	Cane Agro (SRVB)	0.99	0.00
UCO Bank	Metal Crafts	0.00	4.50
UCO Bank	Mata Motors	3.00	3.00
UCO Bank	Mata Sales Agency	3.00	3.00
UCO Bank	Arvind Project(Bengal) Limited	10.00	0.00
UCO Bank	Loknath Entrprise	3.00	0.00
Total		858.49	68.50

d) Value of financial assets acquired (acquisition price) during the financial year either on its own books or in the books of the trusts:

Sr. No.	Name of the Banks/Fl's	Name of the Trusts	Value of assets acquired during the financial (₹ in Lakh)
1	Axis Bank	Acquired in the books of ASREC	50.98
2	Bank of India	Acquired in the books of ASREC	751.00
3	Bank of India	ASREC-PS 25/2014-15TRUST	165.00
4	Bank of Maharashtra	ASREC-PS 15/2014-15 TRUST	1222.00
5	Bank of Maharashtra	ASREC-PS 30/2014-15 TRUST	846.00
6	Bank of Maharashtra	Acquired in the books of ASREC	244.00
7	Canara Bank	Acquired in the books of ASREC	200.00
8	Indian Overseas Bank	Acquired in the books of ASREC	415.00
9	Indian Overseas Bank	ASREC-PS 10/2014-15 TRUST	141.00
10	Indian Bank	ASREC-PS 03/2014-15 TRUST	1940.00
11	Karnataka Bank	Acquired in the books of ASREC	105.54
12	Karur Vysya Bank	ASREC-PS 06/2014-15TRUST	3662.00
13	Karur Vysya Bank	ASREC-PS 12/2014-15TRUST	1068.00
14	Oriental Bank of Commerce	ASREC-PS 01/2014-15 TRUST	947.00
15	Oriental Bank of Commerce	Acquired in the books of ASREC	175.00
16	Pune Dist. Central Co-op Bank	Acquired in the books of ASREC	812.00
17	State Bank of Bikaner & Jaipur	ASREC-PS 02/2014-15 TRUST	900.00
18	State Bank of Hyderabad	ASREC-PS 17/2014-15 TRUST	1520.00
19	State Bank of Hyderabad	ASREC-PS 18/2014-15 TRUST	2114.00
20	State Bank of Hyderabad	ASREC-PS 22/2014-15 TRUST	270.00
21	State Bank of Hyderabad	ASREC-PS 27/2014-15 TRUST	3410.00
22	State Bank of Hyderabad	ASREC-PS 29/2014-15 TRUST	1195.00
23	State Bank of India	ASREC-PS 07/2014-15 TRUST	622.00
24	State Bank of India	ASREC-PS 16/2014-15 TRUST	1772.00
25	State Bank of India	ASREC-PS 19/2014-15 TRUST	766.00
26	State Bank of India	ASREC-PS 21/2014-15 TRUST	301.00
27	State Bank of India	ASREC-PS 24/2014-15 TRUST	1320.00
28	State Bank of India	ASREC-PS 26/2014-15 TRUST	773.00
29	State Bank of India	ASREC-PS 28/2014-15 TRUST	761.00
30	State Bank of India	Acquired in the books of ASREC	251.00
31	State Bank of Mysore	ASREC-PS 14/2014-15 TRUST	190.00
32	State Bank of Patiala	ASREC-PS 08/2014-15 TRUST	538.00
33	State Bank of Patiala	ASREC-PS 13/2014-15 TRUST	633.00
34	State Bank of Travancore	ASREC-PS 09/2014-15 TRUST	340.00
35	State Bank of Travancore	ASREC-PS 20/2014-15 TRUST	550.00
36	State Bank of Travancore	ASREC-PS 23/2014-15 TRUST	626.00
37	Syndicate Bank	ASREC-PS 11/2014-15 TRUST	1122.00
38	Syndicate Bank	Acquired in the books of ASREC	225.35
39	The Saraswat Co-op Bank Ltd.	Acquired in the books of ASREC	125.00
40	Uco Bank	ASREC-PS 05/2014-15 TRUST	320.00
41	Uco Bank	ASREC-PS 31/2014-15 TRUST	1001.00
42	Vijaya Bank	ASREC-PS 04/2014-15 TRUST	609.00
	Total		34998.87

e) Value of Financial Assets realized during the current financial year.

Name of the Banks/FI's	Name of the Trusts	(₹ in Lakh)
Abhyudaya Co .Operative Bank Ltd	Acquired in the books of ASREC	77.16
Allahabad Bank	ASREC-PS 06/2009-10 Trust	103.13
Allahabad Bank	Acquired in the books of ASREC	194.31
Andhra Bank	Acquired in the books of ASREC	32.00
Axis Bank	Acquired in the books of ASREC	737.89
Bank of India	ASREC-PS 01/2008-09Trust	21.30
Bank of India	Acquired in the books of ASREC	1066.35
Bank of Maharashtra	ASREC-PS 15/2014-15 Trust	15.00
Canara Bank	Acquired in the books of ASREC	97.22
Central Bank of India	Acquired in the books of ASREC	51.00
Consortium(BOI,BOB,IOB,CBI,DB)	Acquired in the books of ASREC	779.83
Corporation Bank	Acquired in the books of ASREC	86.50
Dena Bank	Acquired in the books of ASREC	29.25
Federal Bank	Acquired in the books of ASREC	400.00
ICICI Bank Ltd	Acquired in the books of ASREC	200.00
Indian Overseas Bank	Acquired in the books of ASREC	633.27
Invent/1011/S4 Trust	Invent/1011/S4 Trust	40.52
Karnataka Bank	Acquired in the books of ASREC	14.04
Karur Vysya Bank	ASREC-12/2014-15Trust	94.47
Karur Vysya Bank	ASREC-06/2014-15Trust	5.00
Kotak Mahindra Bank Ltd	Acquired in the books of ASREC	67.50
Oriental Bank of Commerce	ASREC-01/2014-15Trust	146.00
Oriental Bank of Commerce	Acquired in the books of ASREC	11.00
Pune District Central Cooperative Bank	Acquired in the books of ASREC	530.89
State Bank of Bikaner and Jaipur	ASREC-PS 04/2007-08 Trust	59.00
State Bank of Bikaner and Jaipur	ASREC-PS 01/06 Trust	24.30
State Bank of Hyderabad	ASREC-PS 02/06 Trust	3.50
State Bank of Hyderabad	ASREC-18/2014-15Trust	10.00
State Bank of India	ASREC-05/06 Trust	43.02
State Bank of India	ASREC-16/2014-15Trust	15.00
State Bank of India	Acquired in the books of ASREC	265.00
State Bank of Mysore	ASREC-PS14/2014-15Trust	10.00
Syndicate Bank	ASREC-PS11/2014-15Trust	8.00
Syndicate Bank	Acquired in the books of ASREC	83.00
The Karad Janata Sahakari Bank Ltd	Acquired in the books of ASREC	42.35
The Royal Bank of Scotland	Acquired in the books of ASREC	16.94
The Shamrao Vithal Co-operative Bank LTD	.Acquired in the books of ASREC	64.89
UCO Bank	ASREC-PS 01/2009-10 Trust	1.00
UCO Bank	ASREC-PS 02/2007-08 Trust	184.56
UCO Bank	ASREC-PS 02/2009-10 Trust	5.50
UCO Bank	ASREC-PS 02/2013-14 Trust	2024.93
UCO Bank	ASREC-PS 03/2007-08 Trust	34.88
UCO Bank	ASREC-PS 05/2007-08 Trust	29.00
UCO Bank	ASREC-PS 05/2014-15 Trust	35.00
UCO Bank	ASREC-PS 07/2009-10 Trust	3.85

Name of the Banks/FI's	Name of the Trusts	(₹ in Lakh)
UCO Bank	Acquired in the books of ASREC	50.50
United Bank of India	ASREC-PS 01/2007-08 Trust	62.33
United Bank of India	ASREC-PS 01/2012-13 Trust	0.70
United Bank of India	ASREC-PS 02/2008-09Trust	56.51
United Bank of India	ASREC-PS 02/2012-13Trust	208.00
United Bank of India	ASREC-PS 03/2008-09Trust	53.00
United Bank of India	ASREC-PS 03/2009-10 Trust	0.50
United Bank of India	ASREC-PS 04/2009-10 Trust	75.17
United Bank of India	ASREC-PS 07/2012-13Trust	21.60
United Bank of India	ASREC-PS 04/2012-13Trust	14.50
Vijaya Bank	ASREC-PS 04/2013-14Trust	16.10
Vijaya Bank	ASREC-PS 04/2014-15Trust	3.50
TOTAL		8959.76

- f) Value of financial assets (acquisition price) outstanding for realisation as at the end of the current financial year

Particulars	(₹ in Lakh)
Value of financial assets outstanding for realization as at 31st March, 2015	54,994.45 ¹

¹Trusts: 46,776.06, Asrec: 8,218.39

- g) Value of Security Receipts redeemed partially and the Security Receipts redeemed fully during the current financial year :

SECURITY RECEIPTS REDEEMED FULLY:

Name of seller Bank/FI's	Name of the Trusts	Value of Security Receipt (₹ in Lakh)
State Bank of Hyderabad	ASREC PS 02/06 TRUST	20.00
State Bank of Bikaner & Jaipur	ASREC PS 04/2007-08 TRUST	54.00
UCO Bank	ASREC PS 02/2007-08 TRUST	154.00
Total		228.00

SECURITY RECEIPTS REDEEMED PARTIALLY:

Name of seller Bank/FI's	Name of the Trusts	Value of Security Receipt (₹ in Lakh)
Allahabad Bank	ASREC PS 06/2009-10 TRUST	184.00
Karur vysya Bank	ASREC PS 12/2014-15 TRUST	76.00
Oriental Bank	ASREC PS 01/2014-15 TRUST	124.00
UCO Bank	ASREC PS 03/2007-08 TRUST	35.00
UCO Bank	ASREC PS 05/2007-08 TRUST	14.00
UCO Bank	ASREC PS 02/2013-14 TRUST	1655.00
United Bank of India	ASREC PS 02/2008-09 TRUST	34.00
United Bank of India	ASREC PS 03/2008-09 TRUST	134.00
United Bank of India	ASREC PS 01/2012-13 TRUST	18.00
United Bank of India	ASREC PS 02/2012-13 TRUST	178.00
Total		2452.00

h) Value of Security Receipts pending redemption as at the end of the Current financial year:

Name of the Seller Banks/FI	Name of the Trusts	Value of Security Receipts pending redemption as at 31st March, 2015 (₹ in Lakh)
Allahabad Bank	ASREC – PS 04/2008-09 Trust	132.00
Allahabad Bank	ASREC – PS 06/2009-10 Trust	71.00
Bank of Baroda	ASREC PS-03/2013-14 Trust	760.00
Bank of India	ASREC PS-25/2014-15 Trust	165.00
Bank of Maharashtra	ASREC PS-30/2014-15 Trust	846.00
Indian Bank	ASREC PS-05/2013-14 Trust	935.00
Indian Bank	ASREC PS 03/2014-15 Trust	1940.00
India Overseas Bank	ASREC PS-10/2014-15 Trust	141.00
Karur vysya Bank	ASREC PS-06/2014-15 Trust	3662.00
Karur vysya Bank	ASREC PS-12/2014-15 Trust	992.00
Laxmi Vilas Bank	ASREC PS-01/2013-14 Trust	576.00
Oriental Bank	ASREC PS 01/2014-15 Trust	823.00
State Bank of Bikaner & Jaipur	ASREC PS 02/2014-15 Trust	900.00
State Bank of India	ASREC PS-07/2014-15 Trust	622.00
State Bank of India	ASREC PS-16/2014-15 Trust	1772.00
State Bank of India	ASREC PS-19/2014-15 Trust	766.00
State Bank of India	ASREC PS-21/2014-15 Trust	301.00
State Bank of India	ASREC PS-24/2014-15 Trust	1320.00
State Bank of India	ASREC PS-26/2014-15 Trust	773.00
State Bank of India	ASREC PS-28/2014-15 Trust	761.00
State Bank of Patiala	ASREC PS-08/2014-15 Trust	538.00
State Bank of Patiala	ASREC PS-13/2014-15 Trust	633.00
State Bank of Mysore	ASREC PS-14/2014-15 Trust	190.00
State Bank of Maharashtra	ASREC PS-15/2014-15 Trust	1222.00
State Bank of Travancore	ASREC PS-09/2014-15 Trust	340.00
State Bank of Travancore	ASREC PS-20/2014-15 Trust	550.00
State Bank of Travancore	ASREC PS-23/2014-15 Trust	626.00
State Bank of Hyderabad	ASREC PS-17/2014-15 Trust	1520.00
State Bank of Hyderabad	ASREC PS-18/2014-15 Trust	2114.00
State Bank of Hyderabad	ASREC PS-22/2014-15 Trust	270.00
State Bank of Hyderabad	ASREC PS-27/2014-15 Trust	3410.00
State Bank of Hyderabad	ASREC PS-29/2014-15 Trust	1195.00
Syndicate Bank	ASREC PS-11/2014-15 Trust	1122.00
United Bank of Bank	ASREC – PS 02/2008-09 Trust	363.00
United Bank of Bank	ASREC – PS 03/2008-09 Trust	262.00
United Bank of Bank	ASREC – PS 04/2009-10 Trust	217.00
United Bank of Bank	ASREC PS-01/2012-13 Trust	285.00
United Bank of Bank	ASREC PS-02/2012-13 Trust	62.00
United Bank of Bank	ASREC PS-03/2012-13 Trust	161.00
United Bank of Bank	ASREC PS-04/2012-13 Trust	121.00
United Bank of Bank	ASREC PS-05/2012-13 Trust	141.00
United Bank of Bank	ASREC PS-06/2012-13 Trust	400.00
United Bank of Bank	ASREC PS-07/2012-13 Trust	175.00
UCO Bank	ASREC – PS 03/2007-08 Trust	396.00

Name of the Seller Banks/FI	Name of the Trusts	Value of Security Receipts pending redemption as at 31st March, 2015 (₹ in Lakh)
UCO Bank	ASREC – PS 05/2007-08 Trust	138.00
UCO Bank	ASREC – PS 01/2009-10 Trust	88.00
UCO Bank	ASREC – PS 02/2009-10 Trust	8.00
UCO Bank	ASREC PS-02/2013-14 Trust	10445.00
UCO Bank	ASREC PS-05/2014-15 Trust	320.00
UCO Bank	ASREC PS-31/2014-15 Trust	1001.00
Vijaya Bank	ASREC PS-04/2013-14 Trust	950.00
Vijaya Bank	ASREC PS-04/2014-15 Trust	609.00
Total		48130.00

- i) Value of Security Receipts which could not be redeemed as a result of non realization of the financial assets as per the policy formulated by the Securitization company or Reconstruction company under Paragraph 7(6)(ii) or 7(6)(iii) : Nil
- j) Value of land and/or building acquired in ordinary course of business of reconstruction of assets (year wise) : Nil
- k) The basis of valuation of assets if the acquisition value of the assets is more than the Book Value. In respect of Assets acquired at value more than Book Value, from Syndicate Bank

(₹ in Lakh)

S. No.	Name of Account	Contractual Dues as on 26.09.2014	Acquisition Cost	Value of Security (MV)
1	M/s. Molycoddle Fashions Pvt. Ltd	896.30	901.00	1466.00
2	M/s. Hi Tech Generator & Engineers Limited	213.29	221.00	450.00
	TOTAL	1109.59	1122.00	1916.00

Basis of Acquisition :

The above mentioned accounts are expected to be resolved within 2 -3 years' time. The total dues are likely to exceed than the bid amount. Adequate values of charged assets are available to cover the entire dues/bid amount. The Company is entitled to incentive of 3 % on SR redeemed, in addition to Management fee of 1.5% per annum.

- i) The details of the assets disposed of (either by write off or by realisation) during the year at a discount of more than 20% of valuation as on the previous year end and the reasons there for : Nil

m) The detail of the assets where the value of the SRs has declined more than 20% below the acquisition value:

Seller Banks	Name of the Trust/Assets	Rating Recovery	Face Value of SRs (₹)	Net Asset Value as on 31st March, 2015
Allahabad Bank	ASREC-PS04/2008-09	NR-4 (50-75%)	1,00,000.00	62,500.00
Bank of Baroda	ASREC-PS 03/2013-14	NR-4 (50-75%)	1,00,000.00	62,500.00
Indian Bank	ASREC-PS 05/2013-14	NR-4 (50-75%)	1,00,000.00	62,500.00
UCO Bank	ASREC-PS01/2009-10	NR-6 (0-25%)	1,00,000.00	12,500.00
UCO Bank	ASREC PS-03/2007-08	NR-6 (0-25%)	1,00,000.00	12,500.00
UCO Bank	ASREC PS-05/2007-08	NR-6 (0-25%)	1,00,000.00	12,500.00
United Bank of India	ASREC-PS04/2009-10	NR-5 (25-50%)	1,00,000.00	37,500.00
United Bank of India	ASREC PS 07/2012-13	NR-4 (50-75%)	1,00,000.00	62,500.00
United Bank of India	ASREC-PS02/2008-09	NR-4 (50-75%)	1,00,000.00	62,500.00
United Bank of India	ASREC-PS03/2008-09	NR-4 (50-75%)	1,00,000.00	62,500.00

28. Previous year's figures have been re-grouped and/ or re-arranged wherever considered necessary to conform to current year's presentation.

As per our report of even date

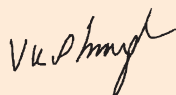
For CHANDABHOY & JASSOOBHOY
Chartered Accountants
Firm Reg.No. : 101647W



Ambesh A. Dave
(Partner)
M.No: 049289

Place: Mumbai
Date: May 26,2015

For and on behalf of the Board of Directors



V. K. Shunglu
(Chairman)



Mukund M. Chitale
(Director)



Dhananjay Kumar Jain
(MD & CEO)

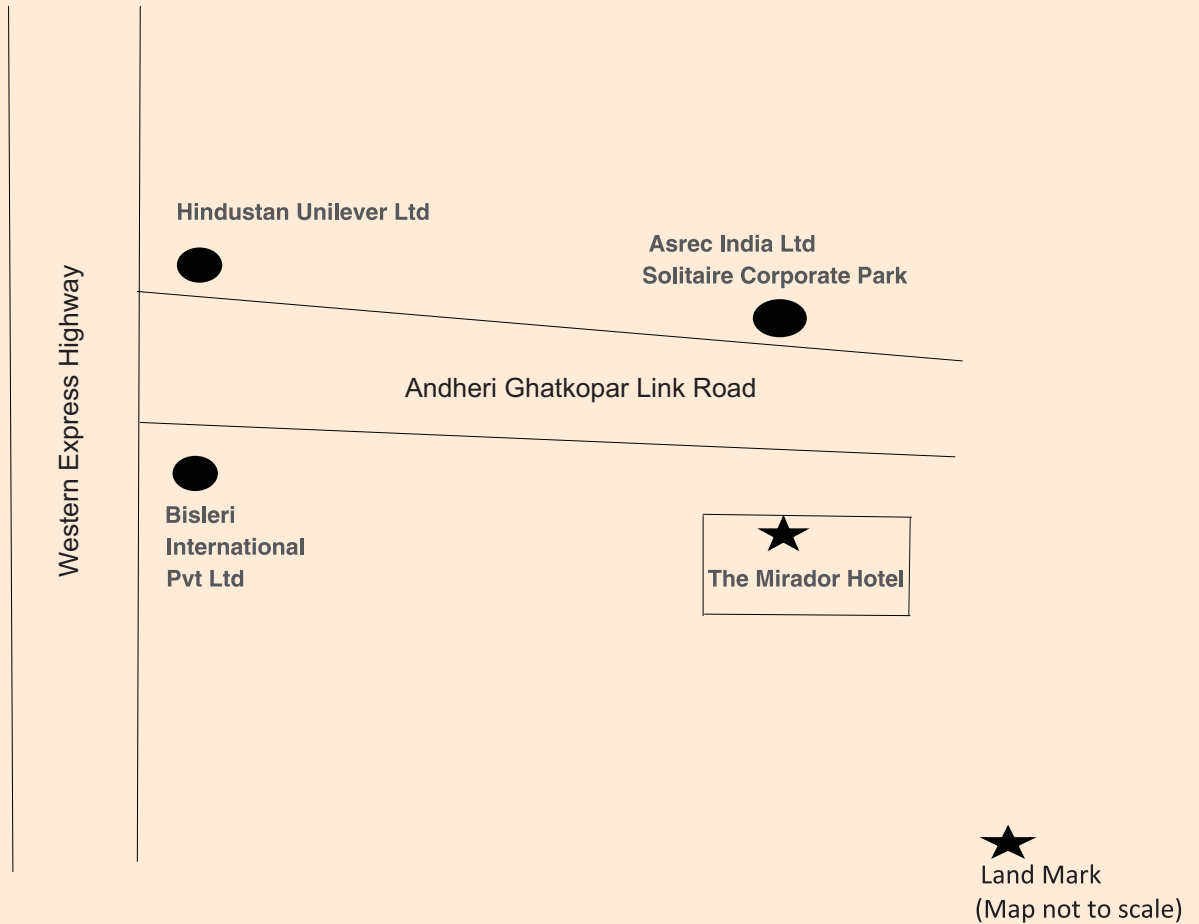


A. K. Mahajan
(Chief Financial Officer)



Naina H. Kurane
(Co. Secretary)

Route Map to AGM



AGM Venue :
ASREC (India) Limited
Unit No. 201, 202A, Ground floor,
Building No. 2, Solitaire Corporate Park,
Andheri Ghatkopar Link Road,
Andheri (E), Mumbai – 400 093

asREC
(India) Limited

CIN - U67100MH2003GOI143291

Regd. Office : Solitaire Corporate Park, Building No. 2, Unit No. 201-202A & 200-202B, Gr. Floor, Andheri Ghatkopar Link Rd.,
Chakala, Andheri (E), Mumbai 400 093.