

**asREC**  
**(India) Limited**

14TH ANNUAL | **2018**  
R E P O R T

*Reconstructing For Better Future*



# BOARD OF DIRECTORS



**Shri Vijay Krishna Shunglu**

Chairman | DIN-00032683



**Shri Nirpendralal Mitra**

Director | DIN-00018514



**Shri Mukund Manohar Chitale**

Director | DIN-00101004



**Shri Ramesh Chand Thakur**

Nominee Director | DIN-07526437



**Shri B. A. Prabhakar**

Director | DIN-02101808



**Shri Dhananjay Kumar Jain**

MD & CEO | DIN-06940533



**Shri Sanjay Aggarwal**

Nominee Director | DIN-07617030

## CONTENTS

	<b>Page No.</b>
Notice .....	01
Directors' Report .....	03
Secretarial Audit Report .....	28
Auditors' Report .....	33
Comments of the Comptroller and Auditor General of India .....	40
Balance Sheet .....	41
Profit & Loss Account .....	42
Cash Flow Statement .....	43
Notes 1 to 34 .....	44

**BOARD OF DIRECTORS**

Shri Vijay Kumar Shunglu  
Prof. (Dr.) Nripendralal Mitra  
Shri Mukund M. Chitale  
Shri B. A. Prabhakar  
Shri Ramesh Chand Thakur  
Shri Sanjay Aggarwal  
Shri Dhananjay Kumar Jain

**STATUTORY AUDITORS**

CHOKSHI & CHOKSHI LLP

**INTERNAL AUDITORS**

M/s. Mithun Girish & Associates

**SECRETARIAL AUDITORS**

Pramod S. Shah & Associates

**CHIEF FINANCIAL OFFICERS**

Shri Angad Kumar Roy

**COMPANY SECRETARY**

Smt. Naina Hemant Kurane

**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  
Fax No. : (91-22) 6138 7010  
Email : [asrec@asrec.co.in](mailto:asrec@asrec.co.in)  
Website : [www.asrecindia.co.in](http://www.asrecindia.co.in)

## NOTICE

Notice is hereby given that the 14th Annual General Meeting of the ASREC (India) Limited will be held on Tuesday, September 11, 2018 at 12.30 p.m. 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 to transact the following business:

### I. Ordinary Business:

- 1 To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2018 and the Reports of the Board of Directors and the Auditors thereon.
- 2 To declare dividend for the financial year ended 31st March, 2018 as recommended by the Board of Directors.

**“RESOLVED THAT** in terms of the recommendation of the Board of Directors of the Company, the approval of the members of the Company be and is hereby granted for payment of dividend @ 5% (₹ 0.50) on the fully paid-up Equity Share of Rs. 10 each of the Company for the year 2017-18 and the same be paid out of profits of the Company for the financial year ended March 31, 2018 to all the members whose names appear in the Register of Members on date of AGM September 11, 2018 and in case of the shares held in the electronic mode to those members whose names appear in the records of the Depository Participants as on date of AGM September 11, 2018.”

- 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, 2019.

**“RESOLVED THAT** the Board of Directors of the Company be and is hereby authorized to decide and fix the remuneration of the Statutory Auditor of the Company appointed by Comptroller and Auditor General of India for the FY 2018-19.”

### 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 time for the holding of the meeting.
3. Register of Members and Share Transfer Book shall remain closed from September 05, 2018 to September 11, 2018 (both days inclusive).
4. The amount of dividend for the year 2017-18 which has not been paid or claimed within a period of 30 days from the date of declaration i.e. September 11, 2018 shall be transferred to the Unpaid Dividend Account within 7 days from expiry of the said period of 30 days as per the provisions of Section 124 of The Companies Act, 2013.
5. The amount of Dividend transferred to Unpaid Dividend Account as mentioned above shall be maintained in that account for a period of 7 years. The members, to whom the dividend could not be paid or who could not encash their dividend within in period of 30 days from the date of declaration i.e. September 11, 2018 are requested to claim their cheques / pay-orders / dividend warrants within the said period of 7 years.
6. As per the provisions of section 125 of the Companies Act, 2013, the amount of unpaid or unclaimed dividend lying in Unpaid Dividend Account for a period of 7 years as mentioned above will be transferred to the Investors Education and Protection Fund established by the Central Government. 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.

7. The dividend, if declared, will be paid on or after September 17, 2018 to the members so entitled, whose names appear in the register of members as on September 11, 2018 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.
8. Members/ Proxies are requested to bring the attendance slips duly filled in and copies of the Annual Report to the Meeting.
9. 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 : June 12, 2018

**Registered Office**

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

## DIRECTORS' REPORT

To,

The Members  
 ASREC (INDIA) LIMITED

Your Directors are pleased to present the Fourteenth Annual Report on business and operations of your Company together with the audited accounts for the year ended March 31, 2018.

### 1. FINANCIAL PERFORMANCE:

An overview of the financial performance of your Company for the Financial Year 2017-18 is as under:

(₹ in Lakh)

Particulars	Current Year April 1, 2017 to March 31, 2018	Previous Year April 1, 2016 to March 31, 2017
<b>Revenue from Operation</b>	2519.18	2319.05
Other Income	16.20	60.64
<b>Total Income</b>	<b>2535.38</b>	<b>2379.69</b>
Expenses	1587.21	991.84
<b>Profit Before Exceptional Items</b>	<b>948.17</b>	<b>1387.85</b>
Exceptional Items	-	-
<b>Profit Before Tax</b>	<b>948.17</b>	<b>1387.85</b>
Tax Expenses	344.68	499.17
<b>Profit for the year</b>	<b>603.49</b>	<b>888.68</b>
Earnings per share	0.62	0.91

### Year in Retrospect

- Your Company's Income from Operations during the year amounted to ₹ 2519.18 Lakh (₹ 2319.05 Lakh in the previous year), earned Profit Before Tax (PBT) of ₹ 948.17 Lakh (₹ 1387.85 Lakh for the previous year).
- Net Owned Funds stood at ₹ 14200.23 Lakh (₹ 14186.52 Lakh for the previous year)
- During the year under review, your Company has acquired 74 NPAs having a book value (total dues) of ₹ 82095.61 Lakh from 4 Banks and 1 Financial Institution against 24 NPAs having book value (total dues) of ₹ 56546 Lakh from 9 Banks on both cash and SR basis in the previous year.
- Total recoveries during the year ending March 31, 2018 amounted to ₹ 14036.83 Lakh from realization of Financial Assets.

### 2. DIVIDEND

Your Directors are pleased to recommend a dividend of ₹ 0.50 per equity share having face value of ₹ 10.00 each (i.e. @ 5.00%), amounting to ₹ 49000000/- for the financial year ended March 31,

2018. 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 appears in the Register of Members of the company as on September 11, 2018. The register of Members and the share transfer books will remain closed from August 28, 2018 to September 11, 2018 both days inclusive. The Annual General Meeting of the Company is scheduled to be held on September 11, 2018.

### 3. SHARE CAPITAL

As on 31st March, 2018, 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, 2018, 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, 2018 was ₹ 2388.98 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. We have submitted bids for 180 accounts and were successful in acquisitions of 74 accounts, with investment of ₹ 11279.00 Lakh.

During the year under review, your Company has acquired 74 NPAs having a book value (total dues) of ₹ 82095.61 Lakh from 4 Banks and 1 Financial Institution. Thus, overall, the position of acquisition of NPAs by your Company since inception till date works out to 769 NPAs having aggregate book value (total dues) of around ₹ 691101.00Lakh from 44 Banks/Financial Institutions at acquisition price at ₹ 133311.00 Lakh.

(₹ in Lakh)

Name of Bank/FIs	Total Dues/ AUM	Acquisition Price	% of Total Acquisition Price
Abhyudaya Co .Op Bank Ltd	815	419	0.31
Allahabad Bank	116678	14452	10.84
Andhra Bank	5448	1552	1.16
Axis Bank	22988	4320	3.24
Bank of Baroda	16,042	1,258	0.94
Bank of India	42,172	6,208	4.66
Bank of Maharashtra	16412	3412	2.56
Canara Bank	2,681	679	0.51
Central Bank of India	52,820	5,903	4.43
Consortium(BOI,BOB,IOB,CBI,DB)	3,776	2,788	2.09
Corporation Bank	109	110	0.08
Dena Bank	8778	1653	1.24
Federal Bank	995	515	0.39
ICICI Bank Ltd	1,106	395	0.30
IFCI	19,074	2,112	1.58

Contd...



Name of Bank/FIs	Total Dues/ AUM	Acquisition Price	% of Total Acquisition Price
Indian Bank	6760	3377	2.53
Indian Overseas Bank	3,913	2,270	1.70
Karnataka Bank	24904	5606	4.21
Karur Vysya Bank	6,746	4,730	3.55
Kotak Mahindra Bank Ltd.	2,720	695	0.52
Laxmi Vilas Bank	4,311	1,076	0.81
Mumbai District Central Co-op. Bank Ltd.	1,852	751	0.56
Oriental Bank of Commerce	7,171	1,696	1.27
Pune District Central Co.Op. Bank Ltd.	2,051	812	0.61
Punjab and Sind Bank	1,041	329	0.25
Punjab National Bank	94	94	0.07
Saraswat Bank	1,189	284	0.21
Standard Chartered Bank	1,374	115	0.09
State Bank of Bikaner and Jaipur	21999	3844	2.88
State Bank of Hyderabad	90,874	13,827	10.37
State Bank of India	88016	14,136	10.60
State Bank of Mysore	5,649	312	0.23
State Bank of Patiala	14,465	3,281	2.46
State Bank of Travancore	7976	2,995	2.25
Syndicate Bank	4495	1874	1.41
The Karad Janata Sahakari Bank Ltd	465	160	0.12
The Royal Bank of Scotland	2,367	500	0.38
The Shamrao Vithal Co-op Bank Ltd	290	239	0.18
The Thane District Co-op. Bank Ltd	448	289	0.22
UCO Bank	59436	16,645	12.49
United Bank of India	16,130	5,040	3.78
Vijaya Bank	2,408	1,559	1.17
Tata Capital Financial Services Ltd.	834	250	0.19
The Kalyan Janata Sahakari Bank Ltd	1230	750	0.56
<b>Grand Total</b>	<b>691101</b>	<b>133311</b>	<b>100</b>

## 6. RESOLUTION OF ASSETS

During the year under review, your Company has successfully recovered an amount of ₹ 14036.83 Lakh through resolution/recovery.

**7. 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, 2017 as detailed below:

Sr. No.	Name of Trust	Acquired From	Review Rating/ Rating Range as on 31.12. 2017 assigned on 27.02.2018
1.	ASREC PS 01/2012-13	UBI	NR-2 (100-150%)
2.	ASREC PS 04/2012-13	UBI	NR-3 (75-100%)
3.	ASREC PS 05/2012-13	UBI	NR-2 (100-150%)
4.	ASREC PS 06/2012-13	UBI	NR-3 (75-100%)
5.	ASREC PS 07/2012-13	UBI	NR-5 (25-50%)
6.	ASREC-PS 02/2013-14	UCO Bank	NR-3 (75-100%)
7.	ASREC-PS 03/2013-14	Bank of Baroda	NR-4 (50-75%)
8.	ASREC-PS 04/2013-14	Vijaya Bank	NR-3 (75-100%)
9.	ASREC-PS 05/2013-14	Indian Bank	NR-4 (50-75%)
10.	ASREC-PS 01/2014-15	OBC	NR-3 (75-100%)
11.	ASREC-PS 02/2014-15	SBBJ	NR-2 (100-150%)
12.	ASREC-PS 03/2014-15	Indian Bank	NR-3 (75-100%)
13.	ASREC-PS 04/2014-15	Vijaya Bank	NR-3 (75-100%)
14.	ASREC-PS 05/2014-15	UCO Bank	NR-5 (25-50%)
15.	ASREC-PS 06/2014-15	KVB	NR-3 (75-100%)
16.	ASREC-PS 07/2014-15	SBI	NR-3 (75-100%)
17.	ASREC-PS 08/2014-15	SBP	NR-3 (75-100%)
18.	ASREC-PS 09/2014-15	SBT	NR-3 (75-100%)
19.	ASREC-PS 10/2014-15	IOB	NR-3 (75-100%)
20.	ASREC-PS 11/2014-15	Syndicate Bank	NR-3 (75-100%)
21.	ASREC-PS 12/2014-15	KVB	NR-4 (50-75%)
22.	ASREC-PS 13/2014-15	SBP	NR-3 (75-100%)
23.	ASREC-PS 14/2014-15	SBM	NR-3 (75-100%)
24.	ASREC-PS 15/2014-15	BOM	NR-3 (75-100%)
25.	ASREC-PS 16/2014-15	SBI	NR-2 (100-150%)
26.	ASREC-PS 17/2014-15	SBH	NR-3 (75-100%)
27.	ASREC-PS 18/2014-15	SBH	NR-3 (75-100%)
28.	ASREC-PS 20/2014-15	SBT	NR-2 (100-150%)
29.	ASREC-PS 23/2014-15	SBT	NR-3 (75-100%)
30.	ASREC-PS 24/2014-15	SBI	NR-3 (75-100%)
31.	ASREC-PS 25/2014-15	BOI	NR-3 (75-100%)
32.	ASREC-PS 26/2014-15	SBI	NR-2 (100-150%)
33.	ASREC-PS 27/2014-15	SBH	NR-3 (75-100%)
34.	ASREC-PS 28/2014-15	SBI	NR-3 (75-100%)
35.	ASREC-PS 29/2014-15	SBH	NR-3 (75-100%)
36.	ASREC-PS 30/2014-15	BOM	NR-3 (75-100%)
37.	ASREC-PS 31/2014-15	UCO Bank	NR-3 (75-100%)
38.	ASREC-PS 01/2015-16	UCO Bank	NR-3 (75-100%)
39.	ASREC-PS 02/2015-16	SBH	NR-3 (75-100%)
40.	ASREC-PS 03/2015-16	SBP	NR-3 (75-100%)

Sr. No.	Name of Trust	Acquired From	Review Rating/ Rating Range as on 31.12.2017 assigned on 27.02.2018
41.	ASREC-PS 04/2015-16	SBBJ	NR-2 (100-150%)
42.	ASREC-PS 05/2015-16	SBI	NR-3 (75-100%)
43.	ASREC-PS 06/2015-16	CBI	NR-3 (75-100%)
44.	ASREC-PS 07/2015-16	BOM	NR-3 (75-100%)
45.	ASREC-PS 08/2015-16	SBT	NR-2 (100-150%)
46.	ASREC-PS 09/2015-16	OBC	NR-3 (75-100%)
47.	ASREC-PS 10/2015-16	IOB	NR-3 (75-100%)
48.	ASREC-PS 11/2015-16	SBH	NR-2 (100-150%)
49.	ASREC-PS 12/2015-16	SBH	NR-2 (100-150%)
50.	ASREC-PS 13/2015-16	SBH	NR-3 (75-100%)
51.	ASREC-PS 14/2015-16	Allahabad Bank	NR-2 (100-150%)
52.	ASREC-PS 16/2015-16	SBT	NR-2 (100-150%)
53.	ASREC-PS 17/2015-16	SBT	NR-3 (75-100%)
54.	ASREC-PS 18/2015-16	SBBJ	NR-2 (100-150%)
55.	ASREC-PS 01/2016-17	Dena Bank	NR-2 (100-150%)
56.	ASREC-PS 02/2016-17	SBBJ	NR-3 (75-100%)
57.	ASREC-PS 03/2016-17	Karnataka Bank Ltd	NR-2 (100-150%)
58.	ASREC-PS 05/2016-17	Indian Bank	NR-3 (75-100%)
59.	ASREC-PS 01/2017-18	Allahabad Bank	NR-2 (100-150%)
60.	ASREC-PS 02/2017-18	Allahabad Bank	NR-3 (75-100%)
61.	ASREC-PS 03/2017-18	Allahabad Bank	NR-2 (100-150%)
62.	ASREC-PS 04/2017-18	Allahabad Bank	NR-2 (100-150%)

As per 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, 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 following trusts as on March 31, 2018 as detailed below:

Sr. No.	Name of the Trust	Acquired From	Review Rating / Rating Range assigned as on 31.03.2018
1	ASREC-PS 05/2017-18	Allahabad Bank	NR-2 (100-150%)
2	ASREC-PS 06/2017-18	Allahabad Bank	NR-2 (100-150%)
3	ASREC-PS 07/2017-18	Allahabad Bank	NR-2 (100-150%)
4	ASREC-PS 08/2017-18	Andhra Bank	NR-3 (75-100%)

**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

## 8. ECONOMIC SCENARIO, ASSET RECONSTRUCTION INDUSTRY OUTLOOK—CHALLENGES AND OPPORTUNITIES:

The economic recovery that took hold in Q3 of FY 2017 appears to have continued through early FY 2018, which began in April. Normalization in cash conditions following the demonetization of late 2016 and the fading of disruptions from last year's launch of the Goods and Services Tax (GST) should facilitate the economic recovery this year. United Nations, The International Monetary Fund (IMF) reaffirmed that India will be the fastest growing major economy in 2018, with a growth rate of 7.4 per cent that rises to 7.8 per cent in 2019 with medium-term prospects remaining positive.

The overall risks to the banking sector remained high due to asset quality concerns. The gross non-performing advances (GNPA) ratio and the stressed advances ratio of the banking sector increased during the year. It is assumed that the GNPA of the banking sector may rise from 10.2 per cent of gross advances in September 2017 to over 11.00 percent in March 2018. In absolute terms, the gross NPA of the Indian Banking sector was ₹ 8.41 Lakh crores as on December'2017 and is likely to touch ₹ 9.50 Lakh crores for the year ended 31.03.2018 with the level of corresponding stressed assets assumed at approximately ₹ 11.50 Lakh crores. The Government has drawn up plans to infuse ₹ 2.11 Lakh crores capital to PSBs.

In spite of the staggering stressed assets of around ₹ 11.50 Lakh crores, total asset under management with ARCs is a meager approximately ₹ 80000 core. If we look at in the context of principal, the amount will be something around ₹ 1.20 Lakh crores and outstanding dues will be more.

### **Challenges of ARCs:**

- a) The total capital of all ARCs is only roughly ₹ 4900 to ₹ 5000 crores which is grossly inadequate when compared to the level of stressed assets. Owing to capital inadequacy, growth of some ARCs is expected to come down significantly.
- b) Banks are expected to make higher provisioning for stressed assets and hence they may sell the assets at lower discounts, thus increasing the capital requirement for ARCs.
- c) Another key challenge for ARCs is the inability to fund the working capital needs of stressed loans. It is hard to obtain working capital for a distressed asset and even when it is made available, the cost is very high. Therefore, there have been very few cases of genuine restructuring thus far.
- d) Valuation mismatch between ARCs and seller institutions is a never ending challenge to the ARCs.
- e) Prolonged focus on 5:95 and rely on management fees model and gradual change to fund-based model with corresponding migration from 5:95 structure to 15:85 structure to 50:50 structure and finally to 10:90 and 100% cash structure have made the acquisitions challenging in terms of proper valuation, funding, restructure and quick & profitable resolution of the acquisitions.
- f) Lack of matured secondary market for SRs.
- g) Lack of professional expertise with major ARCs for turnaround

### **Outlook:**

- a) High level of stressed assets in the banking system provides enormous opportunity size for asset reconstruction companies (ARCs) which are an important stakeholder in the NPA resolution process.
- b) Futuristic regulations like 100% sponsors equity, 100% investment by non-institutional investors in SR, 100% FDI in ARCs along with effective implementation of IBC will lead to increased acquisition and faster resolution and recovery.
- c) Recently SEBI has also approved the trading of SRs. Some draft framework has come and hopefully in

near future it is supposed to become operational. This would actually bring in liquidity in the security receipts market and more money to ARCs, thereby resolving banks' NPA issues.

- d) Owing to capital constraints, growth of some ARCs is expected to come down significantly. However the AUM (assets under management) is expected to reach Rs one Lakh crores and that is fairly sizeable.
- e) Since present capital base of ARCs will not support in absorbing stressed assets available in the market, they are expected to be a part of the multi-platform business model with co-investors/large funds to bring in capital and stay relevant.
- f) Effective implementation of the Insolvency and Bankruptcy Code (IBC) would be a remedy to the challenge of prolonged litigation and it can help improve the recovery rate of ARCs further and thus bring about investors' confidence.
- g) ARCs will open up to rehabilitation/ restructure of stressed assets with additional funding since they have a clear advantage as they are able to restructure the account in 8 years period.

Your company is in SME/ small NPA segment and is seized of the rapid changes taking place in the industry. While it has a line of credit from Bank to temporarily address the resource constraints, it is also look out for suitable partner.

#### **Risk & concerns:**

The various risks pertaining to company's business i.e. acquisition, resolution, operations are adequately addressed by robust procedures laid down in policies/ operational manual and comprehensive approval/ review by asset acquisition/ resolution committees. Regular analysis on quarterly basis is done by Board to proactively manage business risks.

Your company has very competent Board and experienced team who are well equipped to deal with the challenges and steer the company for better and consistent growth.

#### **9. CORPORATE GOVERNANCE:**

Your Company being Unlisted is not governed by Regulation 27 under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 containing mandatory provisions on 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.

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.

#### **10. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONAL**

During the year, Shri Mahavadi Nagaraju was appointed as an Additional Director (Nominee Director- Andhra Bank) of the Company after receiving RBI approval on January 25, 2018.

Shri Dhananjay Kumar Jain was reappointed as Managing Director & CEO of the Company after receiving RBI approval and Shareholders' approval in the Annual General Meeting held on September 15, 2017, for a period of 2 years from August 25, 2017 to August 24, 2019 or from and/or to such other date as may be approved by the RBI.

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 eight directors consisting of four Independent Directors, three Nominee Directors, from Bank of India and Allahabad Bank respectively, one Additional Director- Nominee of Andhra Bank and Managing Director who is not liable to retire by rotation as per Articles of the Company.

## 11. CHANGE IN BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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 Sanjay Aggarwal	Nominee Director – Allahabad Bank	Regularized in the AGM held on September 15, 2017
2.	Shri Mahavadi Nagaraju	Nominee Director(Additional) Director – Andhra Bank	Appointed Additional on January 25, 2018 after receiving RBI approval
3.	Shri A. K. Mahajan	CFO	Retired on March 31, 2018.
4.	Shri Angad Roy	CFO	Appointed as CFO w.e.f. April 01, 2018

## 12. DECLARATION 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
1.	Shri V. K. Shunglu	September 02, 2014
2.	Shri M. M. Chitale	September 02, 2014
3.	Prof. (Dr.) N. L. Mitra	September 02, 2014
4.	Shri B. A. Prabhakar	September 02, 2014

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

### 13. BOARD MEETINGS

The Board of Directors (herein after called as “the Board”) met for four (4) 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.	June 09, 2017	Mumbai & 12:45 p.m.	6	Shri Ramesh Chand Thakur Nominee Director- Bank of India
2.	Sept. 15, 2017	Mumbai & 11:30 a.m.	7	All Directors present
3.	Dec. 15, 2017	Delhi & 12:00 p.m.	7	All Directors present
4.	March 09, 2018	Mumbai & 11:50 a.m.	5	Shri Ramesh Chand Thakur Nominee Director - Bank of India, Shri Sanjay Aggarwal Nominee Director - Allahabad Bank Shri Mahavadi Raju Nominee Director - Andhra Bank

### 14. COMMITTEES OF BOARD:

#### (a) Nomination and Remuneration Committee:

In accordance with Section 178 of the Companies Act, 2013 your Company has “Nomination and Remuneration Committee” consisting of 4 non-executive independent directors.

The Composition of the Committee is as under:

Shri M. 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 four times during the Year under review:

Date of Meeting	Venue & time of the Meeting	Members Present	Directors to whom Leave of absence was granted
June 09, 2017	Mumbai & 12.30 p.m.	4	All members present
September 15, 2017	Mumbai & 10:30 a.m.	4	All members present
December 15, 2017	Delhi & 11:20 a.m.	4	All members present
March 09, 2018	Mumbai & 11:10 a.m.	4	All members present

The Nomination and Remuneration Committee has formulated policy as per sub-section (3) of section 178 and the same is placed on the Website of the Company on the below mentioned web link:

#### Weblink:

<http://www.asrecindia.co.in/files/documents/Nomination-and-Remuneration-Policy.pdf>

**(b) Audit Committee:**

In accordance with Section 177 of the Companies Act, 2013 your company has "Audit Committee" comprising of seven 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 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 B. A. Prabhakar : Chairman

Shri V. K. Shunglu : Member

Shri M. M. Chitale : Member

Prof. (Dr.) N. L. Mitra : Member

Shri R .C. Thakur : Member

Shri Sanjay Aggarwal : Member

Shri Mahavadi Nagaraju : Member (appointed as member of committee on March 09, 2018)

The Audit Committee met four 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.	June 09, 2017	Mumbai & 11.30 a.m.	6	Shri Ramesh Chand Thakur (Nominee Director - Bank of India)
2.	Sept. 15, 2017	Mumbai & 11.10 a.m.	7	All members present
3.	Dec. 15, 2017	Delhi & 11:30 a.m.	6	All members present
4.	March 09, 2018	Mumbai & 11:30 a.m.	4	Shri Ramesh Chand Thakur (Nominee Director - Bank of India) and to Shri Sanjay Aggarwal (Nominee Director - Allahabad Bank)

During the year, Shri Mahavadi Nagaraju, Nominee Director- Andhra Bank was appointed as Additional Director (Nominee Director- Andhra Bank) on the Board of the Company w.e.f. the date of RBI approval i.e. January 25, 2018 and was then appointed as member of Audit committee on March 09, 2018.

**Acceptance of recommendations of the Audit Committee:**

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



**(c) 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 Director.

The Composition of this Committee is as under:

Shri V. K. Shunglu	:	Chairman
Shri M. 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:

Date of Meeting	Venue & time of the Meeting	Members Present	Directors to whom Leave of absence was granted
September 15, 2017	Mumbai & 11:00 a.m.	5	All members present

**(d) Valuation Committee:**

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

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

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

The Valuation 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.	June 09, 2017	Mumbai & 12.15 p.m.	4	All members present
2.	Sept. 15, 2017	Mumbai & 10.40 a.m.	4	All members present
3.	Dec. 15, 2017	Mumbai & 11.10 a.m.	4	All members present

**(e) Resolution Committee:**

The Resolution Committee comprises of the following four 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 four 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.	June 09, 2017	Mumbai & 12.00 p.m.	4	All members present
2.	September 15, 2017	Mumbai & 10.50 a.m.	4	All members present
3.	December 15, 2017	Delhi & 11:00 a.m.	4	All members present
4.	March 09, 2018	Mumbai & 11:00 a.m.	4	All members present

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

**15. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has established Corporate Social Responsibility ('CSR') Committee and statutory disclosures with respect to the CSR Committee and an Annual Report on CSR Activities forms part of this Report as Annexure-I. The CSR Policy as recommended by the CSR Committee and as approved by Board is available on the website of the Company at <http://www.asrecindia.co.in/files/documents/Corporate-Social-Responsibility.pdf>

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.

**16. 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.

**17. CHANGE IN THE NATURE OF BUSINESS:**

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

**18. ANNUAL RETURN:**

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extracts of the Annual Return as at March 31, 2018, forms part of this report as "Annexure-II" and the same is available on the website of the Company at [http://www.asrecindia.co.in\\_Annual\\_Return](http://www.asrecindia.co.in_Annual_Return)

**19. 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.

**20. 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;

**21. 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 detailed Audit on Internal Financial Controls was conducted by the existing internal auditor, M/s Mithun Girish & Associates, Chartered Accountants for the F.Y. 2017-18. The Auditor has concluded that the Internal Financial control framework with respect to financial reporting is satisfactory and operating effectively.

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.

**22. AUDITORS:****1. Statutory Auditor:**

M/s. Chokshi & Chokshi LLP, 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 2017-18, 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 2017-18.

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

### **3. Internal Auditor:**

M/s Mithun Girish & Associates, Chartered Accountants, Mumbai, Company's Internal Auditors carried out internal audit for the financial year 2017-18.

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

### **23. 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.

### **24. 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 arm's length basis are detailed in "Annexure-IV".

### **25. RISK MANAGEMENT:**

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.

### **26. 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 Chairperson 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 09, 2018

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.

**27. 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.

**28. 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 woman employee through various interventions and practices.

A policy on Prevention of Sexual Harassment at Workplace was adopted during the 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 behavior. Internal Complaints Committee (ICC) was set up from the senior management with women employee constituting as Chairperson. 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 2018, 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, representations 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 as on March 31, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2017-18 and of the profit and loss of the company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis; and
- (e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are 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, support, guidance and co-operation the Company has received from all stakeholders, RBI, and other Regulatory Authorities. Your Directors would like to express a deep sense of appreciation for the commitment shown by the employees in supporting the Company in its continued robust performance on all fronts.

**For and on behalf of the Board**

  
Chairman

Place : Mumbai

Date : June 12, 2018

**ANNEXURES TO BOARD'S REPORT**
**Annexure-I**
**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**
**1. Brief outline of the Company's CSR Policy**

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 vocational skills specially among children, women, elderly and differently abled and livelihood enhancement projects.

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

The brief outline of the company's CSR Policy, including overview of projects or programs proposed to be undertaken is stated in the below mentioned web link:

<http://www.asrecindia.co.in/files/documents/Corporate-Social-Responsibility.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 D. K. Jain (MD & CEO)

**3. Average net profit of the Company for the last three financial years:**

The average net profit before tax of the Company during the financial years 2014-15, 2015-16 and 2016-17 was ₹ 1062.09 Lakh.

**4. Prescribed CSR expenditure (2 % of the above-mentioned amount in item No.3)**

During the year under review, the Company earmarked ₹ 21.24 towards CSR activities in terms of provisions of Section 135 of the Act.

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

- a. Total amount to be spent for the financial year ₹ 21.24Lakh
- b. Amount unspent, if any : NIL

S. No.	Particulars	Qty.	Rate ₹	Total ₹	CSR Amount (₹)
1.	Lenovo Desktop Computer M93P/10A6A11XIG/Q87 Intel Core i5-4590S/8GBDDR4 1TB/NoODD/Win10/19.5 Monitor 3 years Onsite Warranty along with office stad 2016 and Quick heal Total security Antivirus (3 yrs) with 18% GST	32 PC	57,820	<b>18,50,240</b>	
2.	Lenovo Think Server (1) with 18% GST	1	1,41,600	<b>1,41,600</b>	
3.	Cost of 600VA UPS with Automatic Voltage Regulation (stabilizer) with 18% GST	20	4,720	<b>94,400</b>	
4.	Cost of 1 KVA Online UPS server	1	41300	<b>41,300</b>	
	<b>Total Cost of the Project</b>			<b>*21,27,540</b>	
	<b>Total amount approved for CSR</b>				<b>*21,24,000</b>

\* ₹ 3,540 to be paid by Asmita Trust.

**\*Details of Implementing Trust: -**

**Asmita Trust**

“Asmita” is an organization registered under Public Trust Act 1950 vides Reg. No.482/77 dated 5/11/77 and society registered under Societies Registration Act, 1860. It imparts services in the field of Social, Cultural, and Educational since May 1976. The said Trust is registered under Section 80G (5) of Income Tax Act.

The Trust has 11 members on board, as trustees with Mr. P. L. Wankhede, CA by profession, as the president and Mr. Jagdish Samant as the Executive president on board. Trust has 250 members including life members.

In the journey of last 35 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 Asmita Trust in order to ensure the utilization of the funds contributed to the Trust.***

For ASREC (India) Limited



(Chairman CSR Committee)

For ASREC (India) Limited



(Managing Director & CEO)



**Annexure-II**  
**Annual return**  
**Form No. MGT-9**

EXTRACT OF ANNUAL RETURN  
as on the financial year ended **March 31, 2018**

[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, Andheri Ghatkopar Link Road, 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/Service	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)**
**(a) 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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
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	-	97500000	99.49	97500000	0	97500000	99.49	-
f) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1):-</b>	<b>97500000</b>	<b>0</b>	<b>97500000</b>	<b>99.49</b>	<b>97500000</b>	<b>0</b>	<b>97500000</b>	<b>99.49</b>	<b>0</b>
<b>(2) Foreign</b>									
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
<b>Sub-total (A) (2):-</b>	<b>500000</b>	<b>0</b>	<b>500000</b>	<b>0.51</b>	<b>500000</b>	<b>0</b>	<b>500000</b>	<b>0.51</b>	<b>0</b>
<b>Total shareholding of Promoter (A)</b>									
<b>= (A)(1)+(A)(2)</b>	<b>98000000</b>	<b>0</b>	<b>98000000</b>	<b>100.00</b>	<b>98000000</b>	<b>0</b>	<b>98000000</b>	<b>100.00</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
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
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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	
<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	0	0	0	0	0	0	0	0	0
<b>c) Others (specify)</b>	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	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
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>98000000</b>	<b>0</b>	<b>98000000</b>	<b>100.00</b>	<b>98000000</b>	<b>0</b>	<b>98000000</b>	<b>100.00</b>	<b>No Change</b>

**(b) 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
	<b>Total</b>	<b>9,80,00,000</b>	<b>100.00</b>	<b>0</b>	<b>9,80,00,000</b>	<b>100.00</b>	<b>0</b>	<b>0</b>

**(c) 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 Shareholding 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	

**(d) 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		Shareholding at the end of the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
NOT APPLICABLE				

**(e) 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 Company			
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):	None of the Directors and KMP hold shares in the Company			
At the End of the year	None of the Directors hold shares in the Company			

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in Lakhs)				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
Principal Amount (Canara bank OD a/c)	4503.97	0.00	0.00	4503.97
ii) Interest due but not paid	3.22	0.00	0.00	3.22
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	4507.19	0.00	0.00	4507.19
Change in Indebtedness during the financial year				
Addition	15226.40	0.00	0.00	15226.40
Reduction	(15332.64)	0.00	0.00	(15332.64)
Net Change	(106.24)	0.00	0.00	(106.24)
Indebtedness at the end of the financial year				
i) Principal Amount	4400.95	0.00	0.00	4400.95
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ ii+ iii)</b>	<b>4400.95</b>	<b>0.00</b>	<b>0.00</b>	<b>4400.95</b>

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

Sr. No.	Particulars of Remuneration	Shri D.K. Jain* (MD & CEO)
<b>Gross salary</b>		
1.	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	65,47,415
2.	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,51,987
3.	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
4.	Stock Option	-
5.	Sweat Equity	-
6.	Commission	-
	- as % of profit	-
	- others, specify...	-
7.	Others, please specify	-
	<b>Total (A)</b>	<b>66,99,402</b>

<b>B. Remuneration to other directors:</b>						
Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Shri V K Shunglu	Prof. N L Mitra	Shri M M Chitale	Shri B A Prabhakar	
1.	Independent Directors					
	• Fee for attending board/committee meetings	2,10,000	1,80,000	1,70,000	2,10,000	<b>7,70,000</b>
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	2,10,000	1,80,000	1,70,000	2,10,000	<b>7,70,000</b>
2.	Other Non-Executive Directors					
	• Fee for attending board/committee meetings	-	-	-	-	-
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	-
	<b>Total (B)=(1+2)</b>	2,10,000	1,80,000	1,70,000	2,10,000	<b>7,70,000</b>

<b>C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD</b>				
Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Company Secretary	CFO	
	<b>Gross salary</b>			
1.	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	11,92,068	40,12,800	52,04,868
2.	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
3.	(c) Profits in lieu of salary u/s 17(3) Income-tax Act, 1961	-	-	-
4.	Stock Option	-	-	-
5.	Sweat Equity	-	-	-
6.	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify...	-	-	-
7.	Others, please specify	-	-	-
	<b>Total</b>	<b>11,92,068</b>	<b>40,12,800</b>	<b>52,04,868</b>

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

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

Annexure-III

**Pramod S. Shah & Associates**

Practising Company Secretaries

3rd Floor, LA-SHEVA Bldg., Next to Fedex, 233, P. D'Mello Road, Opp. St. George Hospital, Near CST, Mumbai - 400 001.  
Tel. : 91-22-2271 7700 / 91-22-2270 1040 ● E-mail : saurabhshah@psaprofessionals.com ● Website : cspso.co.in

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

FOR THE YEAR ENDED MARCH 31, 2018

*[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  
Unit No. 201, 201A, 202 & 200B,  
Ground Floor, Build. No. 2, Solitaire Corporate Park,  
Andheri Kurla Road, Andheri (E), Mumbai 400 059.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ASREC (India) Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and 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 March 31, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2018 according to the provisions of :

- (1) The Companies Act, 2013 (the Act) and the rules made there under;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not Applicable to the Company during the Audit Period);**
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(Not Applicable to the Company during the Audit Period);**
- (4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder; **(Not Applicable to the Company during the Audit Period);**
- (5) The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
- (6) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act') :-



- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not Applicable to the Company during the Audit Period);**
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time **(Not Applicable to the Company during the Audit Period);**
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company during the Audit Period);**
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable to the Company during the Audit Period);**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit Period);**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not Applicable to the Company during the Audit Period);**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit Period);** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the Audit Period);**

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (SS-1 & SS-2).
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(Not Applicable to the Company during the Audit Period);**

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and no observation were found.

### **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 agenda items before the meeting and for meaningful participation at the meeting.

During the period, all the decisions in the Board meetings were carried unanimously and recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We have relied on the representation made by the Company and its Officers for the systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

**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.

**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 & Associates**  
(Practising Company Secretaries)



**Pramod S. Shah - Partner**  
**Pramod Shah & Associates**  
FCS No. : 334  
CP No. : 3804

Place : Mumbai  
Date : May 16, 2018

**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 arm's 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
Investing Party	Bank of India, Andhra Bank Allahabad Bank & Indian Bank
Subsidiary	NIL
Fellow Subsidiary	NIL
Associates/ Joint Venture	NIL
Key Management Personnel	Shri D. K. Jain, MD & CEO  Shri Ashok Kumar Mahajan, Chief Financial Officer (up to March 31, 2018)  Shri Angad Kumar Roy, Chief Financial Officer (since April 01, 2018)  Smt. Naina Hemant Kurane, Company Secretary
Relative of Key Management Personnel	NIL

(b) Nature of contracts/arrangements/transactions:

(₹ In Lakh)

Type of Transactions	Investing Party		Key Management Personnel	
	Current Year	Previous Year	Current Year	Previous Year
Interest Income from FDs	4.82	47.27	-	-
Purchase of Financial Assets	1085.00	747.00	-	-
Remuneration	-	-	119.04	84.73
<b>Total</b>	<b>1089.82</b>	<b>794.27</b>	<b>119.04</b>	<b>84.73</b>

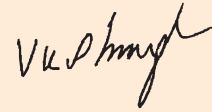
(c) Duration of the contracts / arrangements/transactions: April 1, 2017 to March 31, 2018

(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

For and on behalf of the Board



**V. K. Shunglu**  
Chairman

Date : June 12, 2018

Place : Mumbai

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## **CHOKSHI & CHOKSHI LLP**

Chartered Accountants

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### **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 31st March 2018 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 of 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 the Rules made there under.

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. 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.

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, 2018, 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in **Annexure-I**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
6. 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, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure II**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (*as amended by Notification no- G.S.R. 307(E); dated 30th March, 2017*), 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 21 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.
7. In terms of directions u/s. 143 (5) of the Act, issued by Comptroller and auditor general of India and based on information as available with us we state;
- i. According to the information and explanations given to us and the records examined by us, the Company has clear title deeds for freehold properties. The Company has not held any lease property.
  - ii. According to the information and explanations given to us there are no cases of waiver/ write off of debts/loans/Interest etc.
  - iii. According to the information and explanations given to us, there are no inventories lying with any third party. As per the information furnished to us, there are no assets received as gifts from Government or other Authorities.

For and on behalf of  
CHOKSHI & CHOKSHI LLP  
Chartered Accountants  
Firm Reg. No. : 101872W/W100045



Hardik K. Chokshi  
Partner  
Membership No. 115774  
Place : Mumbai  
Date : June 12, 2018

**ANNEXURES TO THE AUDITOR'S REPORT****Annexure I****REFERRED TO IN PARAGRAPH 5 UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE.**

- i. In respect of its fixed assets:
  - (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) According to the information and explanations given to us, the fixed assets are being physically verified by the Management at all its offices in a phased manner at reasonable intervals which in our opinion is reasonable having regard to the size of the Company and nature of assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the company.
- ii. In respect of inventories the Company's nature of operations does not require it to hold inventories. Consequently, clause 3(ii) of the order regarding physical verification of inventories and maintenance of records is not applicable.
- iii. According to the information and explanations given to us, 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), 3(iii)(b) and 3(iii)(c) of the Order are not applicable to the company.
- iv. According to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- v. According to the information and explanations given to us, 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 outstanding as at 31st March, 2018 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, 2018.
- viii. According to the information and explanations given to us and the records examined by us, the Company has not defaulted in repayment of loan or borrowing to the financial institutions, banks, government or dues to debenture holders.



- ix. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the financial year.
- x. According to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.
- xi. Managerial Remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. The Company is not a Nidhi Company; hence this clause is not applicable.
- xiii. According to the information and explanations given to us and the records examined by us, The Company has complied with the provisions of Section 177 and 188 of Companies Act, 2013 and has disclosed all transactions with related parties as required by the applicable Accounting standards - Refer Note 25 of the Notes to financial statements.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. The Company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. According to the *RBI Notification No.DNBS.3/CGM (OPA)- 2003 dated August 28, 2003*; provisions of Sections 45-IA, 45-IB and 45-IC of the Reserve Bank of India Act, 1934 (2 of 1934) shall not apply to a non-banking financial company which is a securitization company or reconstruction company registered with the Reserve Bank of India under Section 3 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. Thus, the company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934.

For and on behalf of  
CHOKSHI & CHOKSHI LLP  
Chartered Accountants  
Firm Reg. No. : 101872W/W100045



Hardik K. Chokshi  
Partner  
Membership No. 115774  
Place : Mumbai  
Date : June 12, 2018

**Annexure II****REFERRED TO IN PARAGRAPH 6(F) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE**

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of ASREC (INDIA) LIMITED ("the Company") as of 31st March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

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

**AUDITORS' RESPONSIBILITY**

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

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

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

**MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external

purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that-

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

### **OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For and on behalf of  
CHOKSHI & CHOKSHI LLP  
Chartered Accountants  
Firm Reg. No. : 101872W/W100045



Hardik K. Chokshi  
Partner  
Membership No. 115774  
Place : Mumbai  
Date : June 12, 2018

भारतीय लेखापरीक्षा तथा लेखा विभाग  
कार्यालय प्रधान निदेशक वाणिज्यिक लेखापरीक्षा  
तथा पदेन सदस्य, लेखापरीक्षा बोर्ड - I, मुंबई



**INDIAN AUDIT AND ACCOUNTS DEPARTMENT**  
OFFICE OF THE PRINCIPAL DIRECTOR OF  
COMMERCIAL AUDIT & EX-OFFICIO MEMBER,  
AUDIT BOARD-I, MUMBAI

गोपनीय/शीघ्र डाक

संख्या: जी ए/सीए-1/ASREC/लेखा/2017-18/103

**01 AUG 2018**

**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 2018**

The preparation of financial statements of ASREC (India) Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013(Act) 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 12 June 2018.

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 2018 under section 143(6)(a) 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 : 01-08-2018

**BALANCE SHEET** as at March 31, 2018

(INR Lakh)

PARTICULARS	Note No.	AS AT	
		March 31, 2018	March 31, 2017
<b>I. EQUITY AND LIABILITIES</b>			
(1) <b>Shareholders' Funds</b>			
(a) Share Capital	1	9,800.00	9,800.00
(b) Reserves and Surplus	2	4,400.23	4,386.52
		14,200.23	14,186.52
(2) <b>Non-Current Liabilities</b>			
Long-term Provisions	4	27.50	22.49
(3) <b>Current Liabilities</b>			
(a) Short-terms Borrowings	5	4,400.95	4,507.19
(b) Other Current Liabilities	6	171.69	881.41
(c) Short-term Provisions	7	26.36	25.45
		4,599.00	5,414.05
<b>TOTAL</b>		<b>18,826.73</b>	<b>19,623.06</b>
<b>II. ASSETS</b>			
(1) <b>Non-Current Assets</b>			
(a) Fixed Assets - Tangible Assets	8	1028.45	1,051.22
(b) Non-Current Investment	9	12197.68	11733.64
(c) Deferred Tax Assets (Net)	3	536.21	402.92
(d) Other Non-Current Assets	11	2.00	4.00
		13,764.34	13,191.78
(2) <b>Current Assets</b>			
(a) Current Investments	10	2,432.62	1,744.67
(b) Cash and Cash Equivalents	12	2,388.98	4,406.99
(c) Short-term Loans and Advances	13	233.94	272.09
(d) Other Current Assets	14	6.85	7.53
		5,062.39	6,431.28
<b>TOTAL</b>		<b>18,826.73</b>	<b>19,623.06</b>
Significant Accounting Policies and Notes to Financial statements	20-34		

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

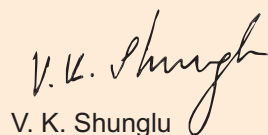
As per our report of even date

 For CHOKSHI & CHOKSHI LLP  
 Chartered Accountants  
 Firm Reg. No: 101872W/W100045



 Hardik K. Chokshi  
 (Partner)  
 Membership No: 115774

 Place: Mumbai  
 Date: June 12, 2018

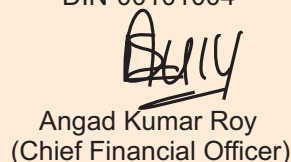


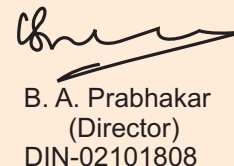
 V. K. Shunglu  
 (Chairman)  
 DIN-00032683

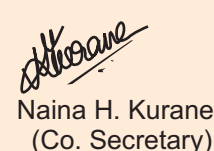

 D. K. Jain  
 (Managing Director & CEO)  
 DIN-06940533

For and on behalf of the Board of Directors


 M. M. Chitale  
 (Director)  
 DIN-00101004


 Angad Kumar Roy  
 (Chief Financial Officer)


 B. A. Prabhakar  
 (Director)  
 DIN-02101808


 Naina H. Kurane  
 (Co. Secretary)

**PROFIT AND LOSS STATEMENTS** for the year ended March 31, 2018

(INR Lakh)

PARTICULARS	Note No.	Year ended	
		March 31, 2018	March 31, 2017
I. Revenue from operations	15	2,519.18	2,319.05
II. Other Income	16	16.20	60.64
<b>III. Total Revenue (I + II)</b>		<b>2,535.38</b>	<b>2,379.69</b>
<b>IV. Expenses:</b>			
Employee benefits Expenses	17	425.26	426.01
Finance Costs	18	142.85	89.40
Depreciation and Amortization Expenses	8	31.40	31.14
Other Expenses	19	987.70	445.29
<b>Total Expenses</b>		<b>1,587.21</b>	<b>991.84</b>
<b>V. Profit before Exceptional items (III- IV)</b>		<b>948.17</b>	<b>1,387.85</b>
VI. Exceptional Items		-	-
<b>VII Profit before Tax ( V+VI)</b>		<b>948.17</b>	<b>1,387.85</b>
VIII Tax Expenses			
(1) Current Tax		476.32	536.11
(2) Deferred Tax		(133.30)	(52.36)
(3) Adjustment of prior periods		1.66	15.42
<b>IX Profit for the year (VII-VIII)</b>		<b>603.49</b>	<b>888.68</b>
<b>X Earnings per Equity Share, Basic &amp; Diluted</b> (Nominal Value INR 10 per share)		<b>0.62</b>	<b>0.91</b>
Significant Accounting Policies and Notes to Financial statements	20-34		

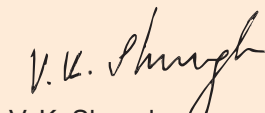
Notes referred to above form an integral part of the Financial Statements.

As per our report of even date

For CHOKSHI & CHOKSHI LLP  
Chartered Accountants  
Firm Reg. No: 101872W/W100045



Hardik K. Chokshi  
(Partner)  
Membership No: 115774



V. K. Shunglu  
(Chairman)  
DIN-00032683

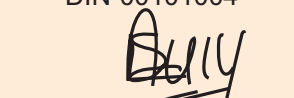


D. K. Jain  
(Managing Director & CEO)  
DIN-06940533


For and on behalf of the Board of Directors



M. M. Chitale  
(Director)  
DIN-00101004



Angad Kumar Roy  
(Chief Financial Officer)



B. A. Prabhakar  
(Director)  
DIN-02101808



Naina H. Kurane  
(Co. Secretary)

**Place: Mumbai**  
**Date: June 12, 2018**

**CASH FLOW STATEMENT** for the year ended March 31, 2018

(INR Lakh)

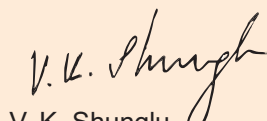
PARTICULARS	Year ended	
	March 31, 2018	March 31, 2017
<b>I CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before Exceptional items and Tax	948.17	1,387.85
Exceptional Items	-	-
Profit before Tax as per Profit & Loss Statement	948.17	1,387.85
Other items	(0.03)	(0.01)
<b>Add:</b> Finance Cost	142.85	89.40
Non-Cash Items		
- Depreciation and Amortization Expenses	31.40	31.14
- Loss on sale of Fixed Assets	1.21	-
- Impairment of Investments	712.09	178.14
<b>Profit before working capital changes</b> [A]	<b>1,835.69</b>	<b>1,686.52</b>
<b>Adjustments for Working Capital :</b>		
(Increase)/Decrease in Current Investments	(966.13)	159.41
(Increase)/Decrease in Short-term Loans & Advances	(61.03)	(43.73)
(Increase)/Decrease in Other Current Assets	0.68	(0.86)
Increase/(Decrease) in Short-terms Borrowings	(106.24)	1,801.87
Increase/(Decrease) in Other Current Liabilities	(709.72)	623.79
Increase/(Decrease) in Short-term Provisions	0.91	2.25
<b>Adjustment for Non-Current Items:</b>		
(Increase)/Decrease in Non-Current Investment	(870.25)	(219.50)
(Increase)/Decrease in Other Non Current Assets	2.00	2.00
Increase/(Decrease) in Long Term Provision	5.01	5.23
	[B]	
<b>TOTAL [A+B]</b>	<b>(2,704.77)</b>	<b>2,330.46</b>
<b>Less Income tax paid ( Net of Refund)</b>	<b>(869.08)</b>	<b>4,016.98</b>
<b>Net Cash flow from Operating Activities</b> [C]	<b>(406.49)</b>	<b>(683.79)</b>
<b>II CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed Assets : Purchase	(14.43)	(3.29)
Disposal	4.61	0.11
<b>Net Cash flow from Investing Activities</b> [D]	<b>(9.82)</b>	<b>(3.18)</b>
<b>III CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Finance Cost	(142.85)	(89.40)
Dividend Paid	(490.00)	-
Dividend Distribution Tax paid	(99.77)	-
<b>Net Cash flow from Financing Activities</b> [E]	<b>(732.62)</b>	<b>(89.40)</b>
<b>IV NET INCREASE IN CASH AND CASH EQUIVALENTS</b> [C+D+E]	<b>(2,018.01)</b>	<b>3,240.61</b>
<b>V CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>4,406.99</b>	<b>1,166.38</b>
<b>VI CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>2,388.98</b>	<b>4,406.99</b>
Significant Accounting Policies and Notes to Financial statements	20-34	

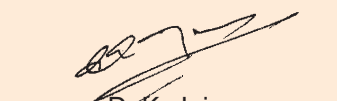
As per our report of even date

For and on behalf of the Board of Directors

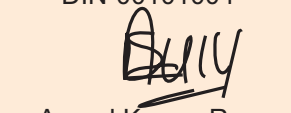
 For CHOKSHI & CHOKSHI LLP  
 Chartered Accountants  
 Firm Reg. No: 101872W/W100045

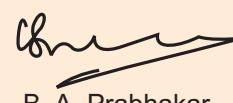



 Hardik K. Chokshi  
 (Partner)  
 Membership No: 115774  
**Place: Mumbai**  
**Date: June 12, 2018**
  
 V. K. Shunglu  
 (Chairman)  
 DIN-00032683

  
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 (Director)  
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 Angad Kumar Roy  
 (Chief Financial Officer)

  
 B. A. Prabhakar  
 (Director)  
 DIN-02101808

  
 Naina H. Kurane  
 (Co. Secretary)

**NOTES**

FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(INR Lakh)

PARTICULARS	AS AT	
	March 31, 2018	March 31, 2017
<b>NOTE - 01 : SHARE CAPITAL</b>		
<b>AUTHORISED CAPITAL:</b> 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
<b>ISSUED , SUBSCRIBED &amp; PAID UP:</b> 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
<b>TOTAL</b>	<b>9,800.00</b>	<b>9,800.00</b>

**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)	% to total Paid up Equity capital	No. of shares held (of Rs. 10/- each)	% to total Paid up Equity 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%
<b>Total</b>	<b>97,499,900</b>	<b>99.48%</b>	<b>97,499,900</b>	<b>99.48%</b>

\* 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 and has not bought back any shares during the last five years.

<b>Note - 02 : RESERVES AND SURPLUS</b>		
<b>Surplus in Statement of Profit and Loss</b>		
Balance as at the beginning of the year	4,386.52	3,497.84
Net Profit for the year	603.49	888.68
	<b>4,990.01</b>	<b>4,386.52</b>
<b>Less :</b>		
Dividend (FY 2016-17)	490.00	-
Dividend Distribution Tax	99.78	-
<b>Balance as at the end of the year</b>	<b>4,400.23</b>	<b>4,386.52</b>



(INR Lakh)

PARTICULARS	AS AT	
	March 31, 2018	March 31, 2017
<b>NOTE - 03 : DEFERRED TAX ASSETS (NET)</b>		
<b><u>Deferred Tax Assets arising on account of :</u></b>		
Provision for Impairment	676.64	565.53
Provision for Other Expenses	8.19	8.01
<b>Total (A)</b>	<b>684.83</b>	<b>573.54</b>
<b><u>Deferred Tax Liabilities arising on account of :</u></b>		
Depreciation	147.46	168.54
Prepaid Expenses	1.16	2.08
<b>Total (B)</b>	<b>148.62</b>	<b>170.62</b>
<b>Net Deferred Tax Assets (A-B)</b>	<b>536.21</b>	<b>402.92</b>
<b>NOTE - 04 : LONG TERM PROVISIONS</b>		
Provision for Employees Benefit- Leave	26.19	20.34
Provision for Employees Benefit- Gratuity	1.31	2.15
<b>TOTAL</b>	<b>27.50</b>	<b>22.49</b>
<b>NOTE - 05 : SHORT TERMS BORROWINGS</b>		
<b>Loan Repayable on demand:</b>		
<b>Secured</b> (Secured by Current Assets including hypothecation of Investment in Financial Assets and Security Receipts)		
<b>Schedule Bank</b>	4,400.95	4,507.19
<b>TOTAL</b>	<b>4,400.95</b>	<b>4,507.19</b>
<b>NOTE - 6 : OTHER CURRENT LIABILITIES</b>		
Liabilities for Expenses	76.75	135.52
Payable to Employee	-	0.84
Provident Fund payable	1.21	1.17
Profession Tax payable	0.05	0.05
Service Tax Payable	-	12.50
TDS Payable	13.60	12.66
GST Payable	62.27	-
Others	17.81	718.67
<b>TOTAL</b>	<b>171.69</b>	<b>881.41</b>
<b>NOTE - 7 : SHORT TERM PROVISIONS</b>		
Provision for Employee Benefit- Leave	0.89	0.67
Provision for Expenses	25.47	24.78
<b>TOTAL</b>	<b>26.36</b>	<b>25.45</b>

Notes are forming part of the Balance Sheet as at 31st March, 2018

**Note - 8 :**

(INR Lakh)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at April 01, 2017	Addition	Sale/ Deduction	As at March 31, 2018	Up to April 01, 2017	During the year	on Sale/ Deduction	Up to March 31, 2018	As at March 31, 2017
<b>TANGIBLE ASSETS</b>									
Building	1,141.36	-	-	1,141.36	131.83	19.05	-	150.88	1,009.52
Motor Cars	12.74	14.43	(12.74)	14.43	5.91	1.87	(6.93)	0.85	6.84
Computer	43.14	-	(0.34)	42.80	38.48	2.24	(0.34)	40.38	4.65
Office Equipment	4.90	-	-	4.90	4.10	0.16	-	4.26	0.79
Electric Equipment	11.14	-	-	11.14	6.51	1.50	-	8.01	4.63
Furniture & Fixture	54.53	-	-	54.53	30.37	6.53	-	36.90	24.16
Air Conditioner	0.68	-	-	0.68	0.05	0.05	-	0.10	0.63
<b>TOTAL (A)</b>	<b>1,268.49</b>	<b>14.43</b>	<b>(13.08)</b>	<b>1,269.84</b>	<b>217.25</b>	<b>31.40</b>	<b>(7.27)</b>	<b>241.38</b>	<b>1,051.22</b>
<b>INTANGIBLE ASSETS</b>									
Computer Softwares	2.18	-	-	2.18	2.18	-	-	2.18	0.00
<b>TOTAL (B)</b>	<b>2.18</b>	<b>-</b>	<b>-</b>	<b>2.18</b>	<b>2.18</b>	<b>-</b>	<b>-</b>	<b>2.18</b>	<b>0.00</b>
<b>TOTAL (A + B)</b>	<b>1,270.67</b>	<b>14.43</b>	<b>(13.08)</b>	<b>1,272.02</b>	<b>219.43</b>	<b>31.40</b>	<b>(7.27)</b>	<b>243.56</b>	<b>1,051.22</b>
Previous year's figures	1,267.68	3.29	0.32	1,270.65	188.45	31.14	0.17	219.43	1,051.22

(INR Lakh)

PARTICULARS	March 31, 2018			March 31, 2017		
	Cost	Provision	Net	Cost	Provision	Net
<b>NOTE - 09 : NON CURRENT INVESTMENT</b>						
<b>(i) Controlled Special Purpose Entities - Security Receipts of Trusts</b>						
ASREC PS-01/2017-18 TRUST SR	371.20	-	371.20	-	-	-
ASREC PS-02/2017-18 TRUST SR	122.40	15.30	107.10	-	-	-
ASREC PS-03/2017-18 TRUST SR	121.20	-	121.20	-	-	-
ASREC PS-04/2017-18 TRUST SR	23.00	-	23.00	-	-	-
ASREC PS-05/2017-18 TRUST SR	720.00	-	720.00	-	-	-
ASREC PS-06/2017-18 TRUST SR	414.00	-	414.00	-	-	-
ASREC PS-07/2017-18 TRUST SR	56.00	-	56.00	-	-	-
ASREC PS-08/2017-18 TRUST SR	27.75	3.47	24.28	-	-	-
ASREC PS-09/2017-18 TRUST SR	86.25	-	86.25	-	-	-
ASREC PS-10/2017-18 TRUST SR	736.95	-	736.95	-	-	-
ASREC PS-11/2017-18 TRUST SR	112.50	-	112.50	-	-	-
ASREC PS-01/2016-17 TRUST SR	44.70	-	44.70	49.50	-	49.50
ASREC PS-02/2016-17 TRUST SR	50.25	6.28	43.97	50.25	6.28	43.97
ASREC PS-03/2016-17 TRUST SR	751.50	-	751.50	825.00	-	825.00
ASREC PS-05/2016-17 TRUST SR	75.30	9.41	65.89	75.30	-	75.30
ASREC PS-01/2015-16 TRUST SR	34.00	4.25	29.75	34.00	4.25	29.75
ASREC PS-02/2015-16 TRUST SR	53.00	6.63	46.37	53.00	6.63	46.37
ASREC PS-03/2015-16 TRUST SR	242.00	30.25	211.75	317.00	39.63	277.37
ASREC PS-04/2015-16 TRUST SR	138.00	-	138.00	138.00	-	138.00
ASREC PS-05/2015-16 TRUST SR	118.00	14.75	103.25	118.00	14.75	103.25
ASREC PS-06/2015-16 TRUST SR	81.00	10.13	70.87	90.00	11.25	78.75
ASREC PS-07/2015-16 TRUST SR	136.00	17.00	119.00	136.00	17.00	119.00
ASREC PS-08/2015-16 TRUST SR	91.00	-	91.00	91.00	-	91.00
ASREC PS-09/2015-16 TRUST SR	60.00	7.50	52.50	60.00	7.50	52.50
ASREC PS-10/2015-16 TRUST SR	36.00	4.50	31.50	54.00	6.75	47.25
ASREC PS-11/2015-16 TRUST SR	314.00	-	314.00	327.00	-	327.00
ASREC PS-12/2015-16 TRUST SR	153.00	-	153.00	153.00	-	153.00
ASREC PS-13/2015-16 TRUST SR	105.00	13.13	91.87	105.00	13.13	91.87
ASREC PS-14/2015-16 TRUST SR	216.00	-	216.00	293.00	-	293.00
ASREC PS-16/2015-16 TRUST SR	21.00	-	21.00	28.00	-	28.00
ASREC PS-17/2015-16 TRUST SR	50.10	6.26	43.84	91.80	11.48	80.32
ASREC PS-18/2015-16 TRUST SR	42.75	-	42.75	70.65	-	70.65
ASREC PS-01/2014-15 TRUST SR	24.00	3.00	21.00	24.00	3.00	21.00
ASREC-PS-02/2014-15 TRUST SR	45.00	-	45.00	45.00	-	45.00
ASREC PS-03/2014-15 TRUST SR	122.00	15.25	106.75	129.00	16.13	112.87
ASREC PS-04/2014-15 TRUST SR	28.00	3.50	24.50	28.00	3.50	24.50
ASREC PS-05/2014-15 TRUST SR	11.00	6.87	4.13	11.00	6.87	4.13
ASREC PS-06/2014-15 TRUST SR	185.00	23.13	161.87	185.00	-	185.00
ASREC PS-07/2014-15 TRUST SR	87.00	10.87	76.13	91.00	11.37	79.63
ASREC PS-08/2014-15 TRUST SR	82.00	10.25	71.75	82.00	10.25	71.75
ASREC PS-09/2014-15 TRUST SR	51.00	6.37	44.63	51.00	6.37	44.63
ASREC PS-10/2014-15 TRUST SR	22.00	2.75	19.25	22.00	2.75	19.25
ASREC PS-11/2014-15 TRUST SR	141.00	17.63	123.37	158.00	19.75	138.25
ASREC PS-12/2014-15 TRUST SR	118.00	44.25	73.75	132.00	16.50	115.50
ASREC PS-13/2014-15 TRUST SR	40.00	5.00	35.00	44.00	5.50	38.50
ASREC PS-14/2014-15 TRUST SR	11.00	1.37	9.63	27.00	3.37	23.63

(INR Lakh)

PARTICULARS	March 31, 2018			March 31, 2017		
	Cost	Provision	Net	Cost	Provision	Net
ASREC PS-15/2014-15 TRUST SR	185.00	23.11	161.89	185.00	23.11	161.89
ASREC PS-16/2014-15 TRUST SR	253.00	-	253.00	253.00	-	253.00
ASREC PS-17/2014-15 TRUST SR	228.00	28.50	199.50	228.00	28.50	199.50
ASREC PS-18/2014-15 TRUST SR	207.00	25.86	181.14	210.00	26.24	183.76
ASREC PS-19/2014-15 TRUST SR	-	-	-	12.00	-	12.00
ASREC PS-20/2014-15 TRUST SR	83.00	-	83.00	83.00	-	83.00
ASREC PS-23/2014-15 TRUST SR	49.00	6.12	42.88	49.00	6.13	42.87
ASREC PS-24/2014-15 TRUST SR	148.00	18.49	129.51	156.00	19.49	136.51
ASREC PS-25/2014-15 TRUST SR	25.00	3.13	21.87	25.00	3.13	21.87
ASREC PS-26/2014-15 TRUST SR	114.00	-	114.00	114.00	-	114.00
ASREC PS-27/2014-15 TRUST SR	388.00	48.50	339.50	452.00	56.50	395.50
ASREC PS-28/2014-15 TRUST SR	5.00	0.63	4.37	97.00	12.13	84.87
ASREC PS-29/2014-15 TRUST SR	72.00	9.01	62.99	81.00	10.13	70.87
ASREC PS-30/2014-15 TRUST SR	60.00	7.50	52.50	82.00	10.25	71.75
ASREC PS-31/2014-15 TRUST SR	125.00	15.63	109.37	151.00	18.88	132.12
ASREC PS-01/2013-14 TRUST SR	-	-	-	24.00	-	24.00
ASREC PS-02/2013-14 TRUST SR	260.00	32.50	227.50	350.00	43.75	306.25
ASREC PS-03/2013-14 TRUST SR	29.00	10.88	18.12	29.00	10.88	18.12
ASREC PS-04/2013-14 TRUST SR	48.00	6.00	42.00	48.00	6.00	42.00
ASREC PS-05/2013-14 TRUST SR	47.00	17.63	29.37	47.00	17.63	29.37
ASREC PS-01/2012-13 TRUST SR	7.00	0.70	6.30	7.00	-	7.00
ASREC PS-03/2012-13 TRUST SR	-	-	-	32.00	4.00	28.00
ASREC PS-04/2012-13 TRUST SR	18.00	3.84	14.16	18.00	2.25	15.75
ASREC PS-05/2012-13 TRUST SR	29.00	2.90	26.10	29.00	-	29.00
ASREC PS-06/2012-13 TRUST SR	80.00	17.00	63.00	80.00	10.00	70.00
ASREC PS-07/2012-13 TRUST SR	35.00	23.18	11.82	35.00	21.87	13.13
ASREC PS-01/2009-10 TRUST SR	4.00	4.00	-	4.00	3.80	0.20
ASREC PS-04-2009-10 TRUST SR	8.00	8.00	-	11.00	10.45	0.55
ASREC PS-02/2008-09 TRUST SR	242.00	242.00	-	242.00	242.00	-
ASREC PS-03/2008-09 TRUST SR	12.00	12.00	-	12.00	12.00	-
ASREC PS-03/2007-08 TRUST SR	18.00	18.00	-	18.00	18.00	-
ASREC PS-05/2007-08 TRUST SR	6.00	6.00	-	6.00	6.00	-
<b>TOTAL</b>	<b>9,355.85</b>	<b>890.21</b>	<b>8,465.64</b>	<b>7,358.50</b>	<b>867.13</b>	<b>6,491.37</b>
<b>(ii) Investment in the Security Receipts of Trust of Other ARC</b>						
INVENT/1011/S4 TRUST	859.98	429.99	429.99	859.98	86.00	773.98
<b>TOTAL</b>	<b>859.98</b>	<b>429.99</b>	<b>429.99</b>	<b>859.98</b>	<b>86.00</b>	<b>773.98</b>
<b>(iii) Trusts where in all SRs have been redeemed (Rs 1 Lakh assigned for all unresolved A/c)</b>						
ASREC PS-19/2014-15 TRUST SR	1.00	1.00	-	-	-	-
ASREC PS-21/2014-15 TRUST SR	1.00	1.00	-	1.00	1.00	-
ASREC PS-22/2014-15 TRUST SR	1.00	1.00	-	1.00	1.00	-
ASREC PS-02/2009-10 TRUST SR	4.00	4.00	-	4.00	4.00	-
ASREC PS-03/2009-10 TRUST SR	4.00	4.00	-	4.00	4.00	-
ASREC PS-05/2009-10 TRUST SR	3.00	3.00	-	4.00	4.00	-
ASREC PS-06/2009-10 TRUST SR	32.00	32.00	-	33.00	33.00	-
ASREC PS-07/2009-10 TRUST SR	17.00	17.00	-	17.00	17.00	-

(INR Lakh)

PARTICULARS	March 31, 2018			March 31, 2017		
	Cost	Provision	Net	Cost	Provision	Net
ASREC PS-01/2008-09 TRUST SR	6.00	6.00	-	8.00	8.00	-
ASREC PS-01/2007-08 TRUST SR	1.00	1.00	-	1.00	1.00	-
ASREC PS 02/2007-08 TRUST SR	1.00	1.00	-	1.00	1.00	-
ASREC PS-01/06 TRUST SR	2.00	2.00	-	2.00	2.00	-
ASREC PS-04/06 TRUST SR	1.00	1.00	-	1.00	1.00	-
ASREC PS-05/06 TRUST SR	5.00	5.00	-	5.00	5.00	-
ASREC PS-07/06 TRUST SR	4.00	4.00	-	5.00	5.00	-
<b>TOTAL</b>	<b>83.00</b>	<b>83.00</b>	<b>-</b>	<b>87.00</b>	<b>87.00</b>	<b>-</b>
<b>(iv) Financial Assets acquired from various Banks and Financial Institutions (Refer Note - 32)</b>						
	3,827.40	525.35	3,302.05	4,954.50	486.21	4,468.29
<b>TOTAL ( i+ii+iii+iv)</b>	<b>14,126.23</b>	<b>1,928.55</b>	<b>12,197.68</b>	<b>13,259.98</b>	<b>1,526.34</b>	<b>11,733.64</b>
<b>NOTE - 10: CURRENT INVESTMENTS</b> Financial Assets acquired from various Banks and Financial Institutions (Refer Note - 32)	2,833.12	400.50	2,432.62	1,866.99	122.32	1,744.67

PARTICULARS	AS AT	
	31 March, 2018	31 March, 2017
<b>NOTE - 11 : OTHER NON CURRENT ASSETS</b>		
(i) <u>Long term Trade Receivables</u>	-	-
(ii) <u>Others</u>		
Prepaid Expenses	2.00	4.00
<b>TOTAL</b>	<b>2.00</b>	<b>4.00</b>
<b>NOTE - 12: CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	0.54	0.54
Balances with Banks	1,926.74	4,144.15
<b>Bank deposits -</b>		
Maturity within 12 months	461.70	262.30
<b>TOTAL</b>	<b>2,388.98</b>	<b>4,406.99</b>
<b>NOTE - 13: SHORT TERMS LOANS AND ADVANCES</b>		
<b>OTHERS:</b>		
(a) <b>Secured, Considered good</b>	-	-
(b) <b>Unsecured, Considered good</b>		
Account Receivable	0.43	0.44
Deposits	6.91	7.94
Income Tax (Net)	62.55	134.03
Service Tax Receivable	-	1.04
Receivable from Various Trusts	164.05	128.64
(c) <b>Doubtful :</b>		
Receivable from Various Trusts	100.12	72.42
Less : Provision	(100.12)	(72.42)
<b>TOTAL</b>	<b>233.94</b>	<b>272.09</b>

(INR Lakh)

PARTICULARS	AS AT	
	31 March, 2018	31 March, 2017
<b>NOTE - 14: OTHER CURRENT ASSETS</b>		
Prepaid Expenses	6.85	7.53
<b>TOTAL</b>	<b>6.85</b>	<b>7.53</b>
<b>NOTE - 15: REVENUE FROM OPERATIONS</b>		
Income From Investment in Financial Assets	1,023.81	1,011.19
Income From Investment in Security Receipts	277.60	495.58
Management Fee	1,217.77	812.28
<b>TOTAL</b>	<b>2,519.18</b>	<b>2,319.05</b>
<b>NOTE -16: Other Income</b>		
Interest Income	14.42	59.66
Processing Fee	1.74	0.87
Profit on Sale of Fixed Assets	0.03	0.06
Miscellaneous Income	0.01	0.05
<b>TOTAL</b>	<b>16.20</b>	<b>60.64</b>
<b>NOTE -17: EMPLOYEE BENEFITS EXPENSES</b>		
Salary	365.81	369.65
Contribution to provident fund	7.79	8.02
Staff welfare Expenses	38.19	28.62
Gratuity Expenses	1.41	2.66
Leave Encashment	12.06	17.06
<b>TOTAL</b>	<b>425.26</b>	<b>426.01</b>
<b>NOTE -18: FINANCE COST</b>		
Bank Interest	142.85	89.40
<b>TOTAL</b>	<b>142.85</b>	<b>89.40</b>

(INR Lakh)

PARTICULARS	AS AT	
	31 March, 2018	31 March, 2017
<b>NOTE - 19: OTHER EXPENSES</b>		
<u>Payments to the auditor</u>		
- Audit Fees	7.49	6.82
- Tax Audit Fees	1.20	1.08
- For re-imbursment of Expenditure	0.26	0.37
Rent	22.22	20.52
Bank Charges	1.19	1.06
Business Development Expenses	1.20	2.08
Demat Charges	0.06	0.06
Director Sitting Fees	8.15	8.26
Electricity Charges	11.31	9.17
Housekeeping, Security & Runner	35.19	32.51
Insurance	4.05	4.31
Internet and Web Site Expenses	7.29	5.82
Legal Expenses	12.75	10.69
Membership & Subscription	3.81	3.95
Newspaper ,books and periodicals	0.53	0.51
Postage and Courier Expenses	2.07	2.00
Printing and Stationery	7.16	6.30
Professional Fees	65.90	58.89
Registration Fees	6.54	7.11
Repairs and Maintenance	5.43	5.40
Resolution Fee	6.43	11.83
Telephone, Fax & Mobile Expenses	7.52	7.03
Traveling and Conveyance	24.20	26.77
Valuation and Due Diligence Expenses	1.84	4.12
Impairment of Investment(Net)	712.09	178.14
Rate and Taxes	7.81	7.83
CSR Expenditure (Refer Note - 31)	21.24	20.11
Miscellaneous Expenses	2.77	2.55
<b>TOTAL</b>	<b>987.70</b>	<b>445.29</b>

**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO FINANCIAL STATEMENTS****NOTE - 20: SIGNIFICANT ACCOUNTING POLICIES****i. Company Overview**

ASREC (INDIA) LIMITED is an Asset Reconstruction Company registered with Reserve Bank of India (RBI) to carry on the business of Securitization of Assets and Reconstruction there of 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.

**ii. Basis of preparation of Financial Statements**

The Financial Statements have been prepared to comply with all material aspects 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.

**iii. 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.

**iv. Property, Plant & Equipment**

**a) Tangible Assets** are stated at cost, less accumulated depreciation and impairment losses, if any. Depreciation is provided on the basis of the estimated useful life of fixed assets on a Straight line Method as stipulated by Schedule-II to the Companies Act, 2013.

**b) 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 three years.

**v. 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. In case of recognition of Management fee, significant certainty shall be construed when the Management fee is actually received.

vi. **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 Security Receipts and Financial Assets**

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

vii. **Expenses incurred for acquiring Financial Assets**

Acquisition Expenses at pre acquisition stage towards due diligence, valuation and bidding fee etc. for acquiring financial assets are shown as current year's expenses and the same are charged to Profit and Loss Statement.

viii. **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.

ix. **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.

x. **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.

xi. **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.

**xii. 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.

**xiii. 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 -**
**21. Contingent liabilities and commitments (to the extent not provided for):**

**Contingent liabilities :** NIL, (Previous year, INR 61.61 Lakh).

**22.** Provision for Impairment of Assets (other than Security Receipts and Financial Assets, 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.

**23.** Segment wise reporting as defined in Accounting Standard (AS-17) is not required, since the entire operation of the Company related to only one segment.

**24.** As per Reserve Bank of India Guidelines, the Capital Adequacy Ratio of the Company at the year end worked out at 85.94% as given below:

Particular	(INR Lakh)	
	Current Year	Previous Year
(i) Shareholders’ Fund <i>minus</i> (Deferred Tax Assets & Prepaid Expenses)	13,662.02	14,186.52
(ii) Risk Weighted Assets	15,897.54	15,246.87
(iii) Capital Adequacy Ratio	85.94%	93.05%

**25. 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 Company	NIL
2 Investing Party (Holding more than 20% shares)	Bank of India, Andhra Bank and Allahabad Bank
3 Subsidiary	NIL
4 Fellow Subsidiary	NIL
5 Associates/ Joint Venture	NIL
6 Key Management Personnel	Shri Dhananjay Kumar Jain, Managing Director and Chief Executive Officer Shri Ashok Kumar Mahajan, Chief Financial Officer (Up to 31st March, 2018) Shri Angad Kumar Roy, Chief Financial Officer (Since 1st April, 2018) Ms. Naina H. Kurane, Company Secretary
7 Relative of Key Management Personnel	NIL

(INR Lakh)

<b>b) Transaction with Related Parties</b>				
Type of Transactions	Investing Party		Key Management Personnel	
	Current Year	Previous Year	Current Year	Previous Year
Interest Income from FDs	4.82	47.27	-	-
Purchase of Financial Assets	1085.00	747.00	-	-
Remuneration	-	-	119.04	84.73
<b>Total</b>	<b>1089.82</b>	<b>794.27</b>	<b>119.04</b>	<b>84.73</b>

26. 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.
27. 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.
28. 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:**

(INR Lakh)

PARTICULARS	Current Year	Previous Year
Employers' contribution to Provident Fund	7.79	8.02

**DEFINED BENEFIT PLAN:**
**A. Actuarial Assumptions**

PARTICULARS	Gratuity (Funded)		Leave Encashment (Not Funded)	
	Current Year	Previous Year	Current Year	Previous Year
Discount Rate	7.87%	7.43%	7.87%	7.43%
Salary Escalation	6.50%	6.50%	6.50%	6.50%
Mortality Table	IALM- (2006-08) Ultimate	IALM- (2006-08) Ultimate	IALM- (2006-08) Ultimate	IALM- (2006-08) Ultimate

**B. Change in Benefit Obligation**

(INR Lakh)

PARTICULARS	Grduity (Funded)		Leave Encashment (Not Funded)	
	Current Year	Previous Year	Current Year	Previous Year
Obligation at the beginning of the year	10.78	9.26	21.01	16.43
Interest Cost	0.84	0.75	1.72	1.47
Service Cost	2.65	2.41	4.95	4.71
Benefit paid	0.00	(1.61)	(5.99)	(12.48)
Actuarial (Gain) Loss on obligations	(2.17)	(0.03)	5.38	10.88
Past Service Cost	0.60	0.00	0.00	0.00
Obligation at the end of the year	12.70	10.78	27.07	21.01

**C. Change in Fair Value of Plan Assets**

(INR Lakh)

PARTICULARS	Grduity (Funded)		Leave Encashment (Not Funded)	
	Current Year	Previous Year	Current Year	Previous Year
Fair Value at the beginning of the year	8.63	7.89	0	0
Expected Return on Plan Assets	0.72	0.55	0	0
Contributions	2.25	1.87	0	0
Benefits paid	0.00	(1.61)	0	0
Actuarial Gain/ (Loss) on plan Assets	(0.21)	(0.07)	0	0
Fair Value at the end of year	11.39	8.63	0	0

**D. The Amounts to be recognized in Balance Sheet**

(INR Lakh)

PARTICULARS	Grduity (Funded)		Leave Encashment (Not Funded)	
	Current Year	Previous Year	Current Year	Previous Year
Present Value of Obligation at the end of the year	12.70	10.78	27.07	21.01
<b>Less:</b> Fair Value of Plan Assets at the end of the year	11.39	8.63	0.00	0.00
Net Liability recognised in Balance Sheet	1.31	2.15	27.07	21.01

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

(INR Lakh)

PARTICULARS	Grduity (Funded)		Leave Encashment (Not Funded)	
	Current Year	Previous Year	Current Year	Previous Year
Current Service Cost	2.65	2.41	4.95	4.71
Interest Cost	0.84	0.75	1.72	1.47
Expected Return on Plan Assets	(0.72)	(0.55)	0.00	0.00
Net actuarial (Gain)/Loss recognised in the year	(1.96)	0.05	5.38	10.87
Past Service Cost	0.60	0.00	0.00	0.00
Expenses recognised in the Statement of Profit & Loss	1.41	2.66	12.05	17.06

**F. Asset Value, Projected Benefit Obligation (PBO), Surplus/ Deficit & Experience Gains/ Losses:**

(INR Lakh)

PARTICULARS	Graduity (Funded)		Leave Encashment (Not Funded)	
	Current Year	Previous Year	Current Year	Previous Year
Fair Value of Plan Assets, End of period	11.39	8.63	0.00	0.00
Projected Benefit obligation, End of period	12.70	10.78	27.07	21.01
(Surplus)/Deficit in the plan	2.15	1.37	27.07	21.01
Experience Adjustments on Plan Assets	(0.21)	(0.07)	0.00	0.00
(Gain)/ Losses due to change in Assumptions	(0.97)	0.39	(1.58)	1.02
Experience (Gain)/ Losses on PBO	(1.19)	(0.42)	6.96	9.86
Total (Gain)/Loss on PBO	(2.17)	(0.02)	5.38	10.88

-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.

**29. PROPOSED DIVIDEND:**

The Final Dividend proposed for the year is as follows: [on Equity Shares of INR 10 each]	Current Year	Previous Year
Amount of Dividend proposed (INR Lakh)	490.00	490.00
Tax on Dividend (INR Lakh)	100.72	99.78
Dividend (INR) per Equity Share	0.50	0.50

The Company has one class of equity shares having a par value of INR10 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.

**30. EARNINGS PER EQUITY SHARE(EPS)**

PARTICULARS	Current Year	Previous Year
Profit before Tax (INR Lakh)	948.17	1387.85
Less :		
Tax Expenses (including prior year tax adjustment); ( INR Lakh)	344.68	499.17
Net profit after tax attributable to Equity Share holder for EPS	603.49	888.68
Weighted Average no. of Equity Shares outstanding during the year for EPS 9,80,00,000	9,80,00,000	9,80,00,000
Earnings (INR) per Equity Share (Basic & Diluted)	0.62	0.91

**31. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Company has spent an amount of INR 21.24 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: INR 21.24 Lakh

(b) Amount spent during the year-

(INR Lakh)

Particulars	In Cash	Yet to be paid in cash	Total
(i) On Construction/ Acquisition of any asset	21.24	0.00	21.24
(ii) On purposes other than (i) above	0.00	0.00	0.00

**32. Financial Assets acquired from various Banks and Financial Institutions**

(INR Lakh)

Bank/Financial Institutions	Current Year			Previous Year		
	Cost	Provision	Net	Cost	Provision	Net
Andhra Bank	80.00	0.00	80.00	145.00	0.00	145.00
Allahabad Bank	1570.10	155.35	1414.75	620.10	2.10	618.00
Axis Bank	601.77	127.63	474.14	200.25	109.19	91.06
Abhyudaya Co-Op.Bank Ltd	111.30	0.00	111.30	124.30	0.00	124.30
Bank of India	1046.95	217.95	829.00	1095.95	140.98	954.97
Bank of Baroda	40.00	30.00	10.00	40.00	20.00	20.00
Bank of Maharashtra	439.00	0.00	439.00	439.00	0.00	439.00
Central Bank of India	58.50	58.50	0.00	59.50	59.50	0.00
Canara Bank	193.04	0.00	193.04	193.04	0.00	193.04
Dena Bank	263.39	197.54	65.85	397.68	166.77	230.91
Indian Overseas Bank	97.31	0.00	97.31	97.31	0.00	97.31
ICICI Bank	226.52	56.63	169.89	226.52	0.00	226.52
Kotak Mahindra Bank	625.00	0.00	625.00	625.00	0.00	625.00
Karnataka Bank	31.54	0.00	31.54	31.54	0.00	31.54
Oriental Bank of Commerce	175.00	0.00	175.00	175.00	0.00	175.00
Tata Capital Limited	250.00	0.00	250.00	0.00	0.00	0.00
State Bank of India	729.10	0.00	729.10	1754.20	0.00	1754.20
Syndicate Bank	0.00	0.00	0.00	368.10	0.00	368.10
United Bank of India	28.00	7.00	21.00	28.00	0.00	28.00
UCO Bank	94.00	75.25	18.75	201.00	109.99	91.01
<b>TOTAL</b>	<b>6660.52</b>	<b>925.85</b>	<b>5734.67</b>	<b>6821.49</b>	<b>608.53</b>	<b>6212.96</b>
Non-Current	3827.40	525.35	3302.05	4954.50	486.21	4468.29
Current	2833.12	400.50	2432.62	1866.99	122.32	1744.67
<b>TOTAL</b>	<b>6660.52</b>	<b>925.85</b>	<b>5734.67</b>	<b>6821.49</b>	<b>608.53</b>	<b>6212.96</b>

**33. 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 (INR Lakh) Cumulative as at year end	
		Current Year	Previous Year
<b>Sponsors</b>			
Allahabad Bank	2, Netaji Subhas Road, Kolkata - 700 001.	14452.00	4938.00
Bank of India	Star House, C-5, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051.	8,996.33	8,996.33
Andhra Bank	Dr. Pathabhi Bhavan, 5-9-11 Saifabad, Hyderabad - 500 00	1552.00	1,287.00
Indian Bank	254, Avvai Shanmugan Salai, Roya Pettah, Chennai - 600 014.	3,377.00	3,377.00
Sub-Total (A)		28377.33	18598.33
<b>Non Sponsors</b>			
Axis Bank	Trishul, 3 <sup>rd</sup> Floor, Opp. Samarsheshwar Temple, Law Garden, Ellisbridge, Ahmedbad- 380 006, Gujarat.	4319.78	3819.78
Abhyudaya Co-Operative Bank Ltd.	K.K.Tower, Abhyudaya Bank Lane, Off G. D. Ambekar Marg, Parel Village, Mumbai-400 012.	419.30	419.30
Bank of Baroda	C-26, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai-400 051, Maharashtra.	1258.00	1258.00
Bank of Maharashtra	Head Office, Lokmangal 1501, Shivanagar, Pune - 411 005.	3412.00	3412.00
Central Bank of India	Chander Mukhi, Nariman Point, Mumbai-400 021, Maharashtra.	5903.00	5903.00
Canara Bank	112, J C Road, Bangalore-56002.	679.31	679.31
Corporation Bank	Mangladevi Temple Road, Pandeshwar, Mangalore-575 001, Karnataka.	110.00	110.00
Dena Bank	Dena Corporate Centre, C-10, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051, Maharashtra.	1653.00	1653.00
Federal Bank	Federal Towers, Head Office, Aluva, Ernakulam-683 101, Kerala.	515.00	515.00
Indian Overseas Bank	763, Anna Salai, Chennai-600 002.	2269.54	2269.54
IFCI Limited	IFCI Tower, 61, Nehru Place, New Delhi-110 019.	2112.00	2112.00
ICICI	ICICI Bank Towers, Bandra Kurla Complex, Mumbai-400 051.	395.00	395.00
Karnataka Bank	Kankanady, Mangalore ,Karnataka-575 002.	5605.54	5605.54
Karur Vysya Bank	Erode Road, Central Office, Karur, Tamil Nadu-639 002.	4730.00	4730.00
Kotak Mahindra Bank Ltd	36-38A, Nariman Point, Mumbai-400 021.	695.00	695.00
Laxmi Vilas Bank	Kathaparai, Salem Main Road, Karur-639 006.	1076.00	1076.00
Oriental Bank of Commerce	Harsha Bhawan, E Block, Connaught Place, New Delhi, Delhi-110 001.	1696.00	1696.00

Name	Address	Acquisition Price (INR Lakh) Cumulative as at year end	
		Current Year	Previous Year
Pune District Central Co-Op. Bank Ltd.	4B, B. J. Road, Pune-411 001.	812.00	812.00
Punjab & Sind Bank	Bank House, 21, Rajendra Plakhe, New Delhi-110 008.	328.85	328.85
Punjab National Bank	7, Bhikaji Cama Place, New Delhi-110 607.	94.00	94.00
State Bank of India	Corporate Banking Group, Corporate Centre, Madam Cama Road, Mumbai-400 021.	14136.20	14136.20
State Bank of Hyderabad	Hybank Towers, Gunfoundry, Hyderabad-500 001.	13827.00	13827.00
State Bank of Mysore	Kempegowda Road, Bangalore-560 009, Karnataka.	312.00	312.00
State Bank of Bikaner & Jaipur	Tilak Marg, C Scheme, Jaipur-302 005, Rajasthan.	3844.00	3844.00
Standard Chartered Bank	90, Mahatma Gandhi Road, Mumbai- 400 001, Maharashtra.	114.50	114.50
State Bank of Patiala	Head Office Building, 4th Floor, The Mall, Patiala-147 001.	3281.00	3281.00
State Bank of Travancore	Head Office Poojappura, Thiruvananthapuram-695 012.	2995.00	2995.00
Syndicate Bank	Corporate Office, 2nd Floor, 2nd Cross, Gandhi Nagar, Bangalore- 560 009.	1873.70	1873.70
The Saraswat Co-Operative Bank Ltd.	Corporate Center, Saraswat Bank Bhawan, Plot No-753, Appasaheb Marathe Marg, Prabhadevi, Mumbai-400 025.	284.00	284.00
The Royal Bank of Scotland	No. 1 KRM Tower, Near Shoppers Stop, Harington Road, Chetpet, Chennai-600 031.	500.00	500.00
The Karad Janata Sahakari Bank Ltd.	100/101, Shivaji Nagar, Karad, Satara-415 110, Marashtra	160.00	160.00
The ShamraoVittal Co-Operative Bank Ltd.	SVC Tower, Nehru Road, Vakola Santacruz (E), Mumbai-400 055.	238.67	238.67
The Thane District Central Co-Operative Bank Ltd.	TJSB House, Plot No. 5-B, Road No. 2, Wagle Ind. Estate, Thane (W)-400 604.	289.29	289.29
The Mumbai District Central Co-Operative Bank Ltd.	Mumbai Bank Bhawan, 207, Dr. D. N. Road, Fort, Mumbai-400 001.	751.33	751.33
United Bank of India	11, Hemanta Basu Sarani, Kolkata – 700 001.	5040.00	5040.00
UCO Bank	10, BTM Sarani, Kolkata-700 001.	16645.00	16645.00
Vijaya Bank	41/2. M. G. Road, Trinity Circle, Bangalore.	1559.00	1559.00
Tata Capital Ltd.	11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013.	250.00	0.00
Kalyan Janta Sahkari Bank Ltd.	"Kalyanam_astu", Om Vijaykrishna Apt., Adharwadi, Kalyan (W)	750.00	0.00
<b>Sub Total (B)</b>		<b>104934.01</b>	<b>103434.01</b>
<b>Grand Total (A + B)</b>		<b>133311.34</b>	<b>122032.34</b>



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

Industry	No. of cases	Acquisition Price (INR Lakh)	Percentage (%) to total acquisition price
<b>Sponsor</b>			
Agro Products	4	155.00	0.12
Aluminium	1	225.00	0.17
Auto Ancillary	1	103.00	0.08
Cement	4	170.00	0.13
Chemical	3	375.00	0.28
Construction	3	2713.00	2.04
Consumer Products	5	84.80	0.06
Edible Oil	4	2092.00	1.57
Electronics	9	193.00	0.14
Engineering	5	558.00	0.42
Financial Services	2	52.00	0.04
Food Industry	8	588.10	0.44
Hospitality	1	250.00	0.19
Iron and Steel	15	808.00	0.61
Leather	3	375.00	0.28
Non Ferrous metal	1	1530.00	1.15
Others	95	12139.83	9.11
Petrochemicals	1	410.00	0.31
Pharma	4	312.00	0.23
Plastic	4	255.00	0.18
Tea	10	719.00	0.54
Textiles	18	3608.00	2.70
Trading	16	661.60	0.50
<b>Sponsor Total (A)</b>	<b>217</b>	<b>28377.33</b>	<b>21.29</b>
<b>Non-Sponsor</b>			
Agro Products	21	3496.85	2.62
Aluminium	1	390.00	0.29
Animal Husbandry	7	855.25	0.64
Auto Ancillary	8	676.00	0.51
Cement	1	21.14	0.02
Chemical	8	1038.48	0.78
Construction	12	5562.50	4.17
Consumer Products	11	1347.02	1.01
Edible Oil	15	1623.08	1.22
Electronics	8	3057.71	2.29
Engineering	12	4328.90	3.25
Entertainment	1	225.29	0.17
Financial Services	6	92.98	0.07
Food Industry	17	3401.42	2.55
Hospitality	1	50.00	0.04
Iron and Steel	31	9859.69	7.40
Jewellery	14	5721.00	4.29
Leather	11	1138.00	0.85
Others	173	25727.91	19.30
Petrochemicals	2	42.00	0.03
Pharma	17	4096.10	3.07
Plastic	6	151.10	0.11
Steel	15	3026.20	2.27
Tea	37	2649.20	1.99
Textiles	53	17178.3	12.89
Trading	59	9177.89	6.88
<b>Non Sponsor Total (B)</b>	<b>547</b>	<b>104934.01</b>	<b>78.71</b>
<b>Grand Total (A+B)</b>	<b>764</b>	<b>133311.34</b>	<b>100.00</b>

\*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:

(INR Lakh)

Bank Name	No. of Accounts	Outstanding Acquisition Price as on 31.3.2018
Axis Bank	1	50.00
Allahabad Bank	2	613.00
United Bank of India	1	28.00
ICICI Bank	1	226.52
<b>Grand Total</b>		<b>917.52</b>

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

(INR Lakh)

Name of the Banks/Financial institutions	Name of the Trusts/Company	Value of Financial asstes acquired during the financial year
Allahabad Bank	ASREC	1005.00
	01/2017-18 Trust	2480.00
	02/2017-18 Trust	765.00
	03/2017-18 Trust	1120.00
	04/2017-18 Trust	934.00
	05/2017-18 Trust	720.00
	06/2017-18 Trust	414.00
	07/2017-18 Trust	56.00
	09/2017-18 Trust	575.00
	10/2017-18 Trust	1445.00
Andhra Bank	ASREC	80.00
	08/2017-18 Trust	185.00
Axis Bank	ASREC	500.00
Kalyan Janta Sahakari Bank Ltd.	11/2017-18 Trust	750.00
Tata Capital Ltd	ASREC	250.00
<b>Grand Total</b>		<b>11279.00</b>

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

Name of the Banks/Financial institutions	Name of the Trusts/Company	(INR Lakh)
Abhyudaya Cooperative Bank Ltd	ASREC	13.00
Allahabad Bank	ASREC	69.00
	06/2009-10 Trust	61.00
	14/2015-16 Trust	614.00
	01/2017-18 Trust	261.00
	03/2017-18 Trust	367.00
	04/2017-18 Trust	916.00
	05/2017-18 Trust	30.00
	06/2017-18 Trust	16.00
07/2017-18 Trust	5.00	
Andhra Bank	ASREC	522.00
Axis Bank	ASREC	137.00
Bank of Baroda	05/2009-10 Trust	8.00

Name of the Banks/Financial institutions	Name of the Trusts/Company	(INR Lakh)
Bank of India	ASREC	49.00
Bank of Maharashtra	15/2014-15 Trust 30/2014-15 Trust 07/2015-16 Trust	37.00 185.00 30.00
Central Bank of India	ASREC 06/2015-16 Trust	24.00 75.00
Dena Bank	ASREC 01/2016-17 Trust	225.00 50.00
Indian Bank	03/2014-15 Trust	230.00
Indian Overseas Bank	10/2015-16 Trust	150.00
Karnataka Bank	03/2016-17 Trust	733.00
Karur Vysya Bank	12/2014-15 Trust 06/2014-15 Trust	116.00 269.00
Laxmi Vilas Bank	01/2013-14 Trust	505.00
State Bank of Bikaner and Jaipur	18/2015-16 Trust	208.00
State Bank of Hyderabad	11/2015-16 Trust 12/2015-16 Trust 18/2014-15 Trust 13/2015-16 Trust 27/2014-15 Trust 29/2014-15 Trust 02/2015-16 Trust	222.00 1.00 51.00 75.00 493.00 80.00 5.00
State Bank of India	05/06 Trust 07/2014-15 Trust 19/2014-15 Trust 21/2014-15 Trust 24/2014-15 Trust 28/2014-15 Trust ASREC	163.00 35.00 290.00 60.00 74.00 647.00 1085.00
State Bank of Patiala	13/2014-15 Trust 03/2015-16 Trust	25.00 633.00
State Bank of Travancore	17/2015-16 Trust 16/2015-16 Trust	302.00 70.00
State Bank of Mysore	14/2014-15 Trust	110.00
Syndicate Bank	11/2014-15 Trust ASREC	133.00 539.00
UCO Bank	01/2009-10 Trust 02/2009-10 Trust 03/2007-08 Trust 07/2009-10 Trust 02/2013-14 Trust 31/2014-15 Trust ASREC	5.00 1.00 4.00 20.00 1956.00 225.00 226.00
United Bank of India	03/2009-10 Trust 04/2009-10 Trust 03/2012-13 Trust ASREC	3.00 45.00 222.00 130.00
Vijaya Bank	04/2013-14 Trust 04/2014-15 Trust	5.00 7.00
<b>TOTAL</b>		<b>13847.00</b>

## f) Value of financial assets outstanding for realisation as at the end of the current financial year

Particulars	(INR Lakh)
Value of financial assets outstanding for realization as at 31st March, 2018	62,076 <sup>1</sup>

<sup>1</sup>Trusts : 55415, Asrec: 6661 (INR Lakh)

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

**SECURITY RECEIPTS REDEEMED FULLY:**

Name of the Trust	Name of Seller Bank/FIs	Value of Security Receipt (INR Lakh)
19/2014-15 Trust	State Bank of India	79.00
01/2013-14 Trust	Laxmi Vilas Bank	478.00
03/2012-13 Trust	United Bank of India	161.00
<b>TOTAL</b>		<b>718.00</b>

**SECURITY RECEIPTS REDEEMED PARTIALLY:**

Name of the Trust	Name of seller Bank/FIs	Value of Security Receipt (INR Lakh)
04/2009-10 Trust	United Bank of India	65.00
02/2013-14 Trust	UCO Bank	1802.00
03/2014-15 Trust	Indian Bank	115.00
07/2014-15 Trust	State Bank of India	26.00
11/2014-15 Trust	Syndicate Bank	114.00
12/2014-15 Trust	Karur Vysya Bank	90.00
13/2014-15 Trust	State Bank of Patiala	25.00
14/2014-15 Trust	State Bank of Mysore	107.00
18/2014-15 Trust	State Bank of Hyderabad	20.00
24/2014-15 Trust	State Bank of India	58.00
27/2014-15 Trust	State Bank of Hyderabad	422.00
28/2014-15 Trust	State Bank of India	610.00
29/2014-15 Trust	State Bank of Hyderabad	65.00
30/2014-15 Trust	Bank of Maharashtra	150.00
31/2014-15 Trust	UCO Bank	168.00
03/2015-16 Trust	State Bank of Patiala	498.00
06/2015-16 Trust	Central Bank	64.00
10/2015-16 Trust	Indian Overseas Bank	125.00
11/2015-16 Trust	State Bank of Hyderabad	82.00
14/2015-16 Trust	Allahabad Bank	510.00
16/2015-16 Trust	State Bank of Travancore	48.00
17/2015-16 Trust	State Bank of Travancore	278.00
18/2015-16 Trust	State Bank of Bikaner & Jaipur	186.00
01/2016-17 Trust	Dena Bank	32.00
03/2016-17 Trust	Karnataka Bank	490.00
01/2017-18 Trust	Allahabad Bank	160.00
03/2017-18 Trust	Allahabad Bank	312.00
04/2017-18 Trust	Allahabad Bank	911.00
<b>TOTAL</b>		<b>7533.00</b>

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

Name of the Trusts	Name of the Seller Banks/FIs	Value of Security Receipts pending redemption as at 31st March, 2018 (INR Lakh)
03/2007-08 Trust	UCO Bank	360.00
05/2007-08 Trust	UCO Bank	120.00
02/2008-09 Trust	United Bank of India	242.00
03/2008-09 Trust	United Bank of India	232.00
01/2009-10 Trust	UCO Bank	79.00
04/2009-10 Trust	United Bank of India	152.00
01/2012-13 Trust	United Bank of India	32.00
04/2012-13 Trust	United Bank of India	90.00
05/2012-13 Trust	United Bank of India	141.00
06/2012-13 Trust	United Bank of India	400.00
07/2012-13 Trust	United Bank of India	175.00
02/2013-14 Trust	UCO Bank	5198.00
03/2013-14 Trust	Bank of Baroda	566.00
04/2013-14 Trust	Vijaya Bank	950.00
05/2013-14 Trust	Indian Bank	935.00
01/2014-15 Trust	Oriental Bank of Commerce	472.00
02/2014-15 Trust	State Bank of Bikaner & Jaipur	900.00
03/2014-15 Trust	Indian Bank	1825.00
04/2014-15 Trust	Vijaya Bank	274.00
05/2014-15 Trust	UCO Bank	216.00
06/2014-15 Trust	Karur Vysya Bank	3662.00
07/2014-15 Trust	State Bank of India	580.00
08/2014-15 Trust	State Bank of Patiala	538.00
09/2014-15 Trust	State Bank of Travancore	340.00
10/2014-15 Trust	Indian overseas Bank	141.00
11/2014-15 Trust	Syndicate Bank	936.00
12/2014-15 Trust	Karur Vysya Bank	786.00
13/2014-15 Trust	State Bank of Patiala	265.00
14/2014-15 Trust	State Bank of Mysore	72.00
15/2014-15 Trust	Bank of Maharashtra	1222.00
16/2014-15 Trust	State Bank of India	1682.00
17/2014-15 Trust	State Bank of Hyderabad	1520.00
18/2014-15 Trust	State Bank of Hyderabad	1380.00
20/2014-15 Trust	State Bank of Travancore	550.00
23/2014-15 Trust	State Bank of Travancore	326.00
24/2014-15 Trust	State Bank of India	982.00
25/2014-15 Trust	Bank of India	165.00
26/2014-15 Trust	State Bank of India	758.00
27/2014-15 Trust	State Bank of Hyderabad	2585.00
28/2014-15 Trust	State Bank of India	33.00
29/2014-15 Trust	State Bank of Hyderabad	474.00
30/2014-15 Trust	Bank of Maharashtra	396.00
31/2014-15 Trust	UCO Bank	833.00
01/2015-16 Trust	UCO Bank	223.00
02/2015-16 Trust	State Bank of Hyderabad	347.00
03/2015-16 Trust	State Bank of Patiala	1612.00
04/2015-16 Trust	State Bank of Bikaner & Jaipur	913.00

Name of the Trusts	Name of the Seller Banks/FIs	Value of Security Receipts pending redemption as at 31st March, 2018 (INR Lakh)
05/2015-16 Trust	State Bank of India	782.00
06/2015-16 Trust	Central Bank of India	536.00
07/2015-16 Trust	Bank of Maharashtra	900.00
08/2015-16 Trust	State Bank of Travancore	602.00
09/2015-16 Trust	Oriental Bank of Commerce	400.00
10/2015-16 Trust	Indian overseas Bank	235.00
11/2015-16 Trust	State Bank of Hyderabad	2093.00
12/2015-16 Trust	State Bank of Hyderabad	1020.00
13/2015-16 Trust	State Bank of Hyderabad	700.00
14/2015-16 Trust	Allahabad Bank	1440.00
16/2015-16 Trust	State Bank of Travancore	137.00
17/2015-16 Trust	State Bank of Travancore	334.00
18/2015-16 Trust	State Bank of Bikaner & Jaipur	285.00
01/2016-17 Trust	Dena Bank	298.00
02/2016-17 Trust	State Bank of Bikaner & Jaipur	335.00
03/2016-17 Trust	Karnataka Bank	5010.00
05/2016-17 Trust	Indian Bank	502.00
01/2017-18 Trust	Allahabad Bank	2320.00
02/2017-18 Trust	Allahabad Bank	765.00
03/2017-18 Trust	Allahabad Bank	808.00
04/2017-18 Trust	Allahabad Bank	23.00
05/2017-18 Trust	Allahabad Bank	720.00
06/2017-18 Trust	Allahabad Bank	414.00
07/2017-18 Trust	Allahabad Bank	56.00
08/2017-18 Trust	Andhra Bank	185.00
09/2017-18 Trust	Allahabad Bank	575.00
10/2017-18 Trust	Allahabad Bank	1445.00
11/2017-18 Trust	Kalyan Janta Sahakari Bank Ltd	750.00
Invent/1011/S4 Trust	Federal Bank	860.00
<b>TOTAL</b>		<b>61210.00</b>

- 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 Asset Reconstruction company under Paragraph 7(6)(ii) or 7(6)(iii):

Name of the Trusts	Name of the Seller Banks/FIs	Value of Security Receipts pending redemption as at 31st March, 2018 (INR Lakh)
02/2008-09 Trust	United Bank of India	242.00
03/2008-09 Trust	United Bank of India	232.00
03/2007-08 Trust	UCO Bank	360.00
05/2007-08 Trust	UCO Bank	120.00
01/2009-10 Trust	UCO Bank	79.00
04/2009-10 Trust	United Bank of India	152.00
<b>TOTAL</b>		<b>1185.00</b>

- 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 : NIL
- l) 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:

Name of the Trusts/Assets	Seller Bank/ Financial Institution	Rating (Recovery)	Face Value of SRs (INR)	Net Asset Value as on 31st March 2018 (INR)
03/2007-08 Trust	UCO Bank	Not applicable	1,00,000	0
05/2007-08 Trust	UCO Bank	Not applicable	1,00,000	0
02/2008-09 Trust	United Bank of India	Not applicable	1,00,000	0
03/2008-09 Trust	United Bank of India	Not applicable	1,00,000	0
01/2009-10 Trust	UCO Bank	Not applicable	1,00,000	0
04/2009-10 Trust	United Bank of India	Not applicable	1,00,000	0
07/2012-13 Trust	United Bank of India	NR-5 (25-50%)	1,00,000	37,500
03/2013-14 Trust	Bank of Baroda	NR-4 (50-75%)	1,00,000	62,500
05/2013-14 Trust	Indian Bank	NR-4 (50-75%)	1,00,000	62,500
05/2014-15 Trust	UCO Bank	NR-5 (25-50%)	1,00,000	37,500
12/2014-15 Trust	Karur Vysya Bank	NR-4 (50-75%)	1,00,000	62,500

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

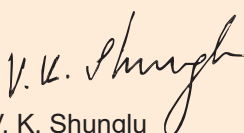
As per our report of even date

For and on behalf of the Board of Directors

For CHOKSHI & CHOKSHI LLP  
Chartered Accountants  
Firm Reg. No: 101872W/W100045



Hardik K. Chokshi  
(Partner)  
Membership No: 115774



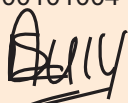
V. K. Shunglu  
(Chairman)  
DIN-00032683




D. K. Jain  
(Managing Director & CEO)  
DIN-06940533




M. M. Chitale  
(Director)  
DIN-00101004



Angad Kumar Roy  
(Chief Financial Officer)



B. A. Prabhakar  
(Director)  
DIN-02101808



Naina H. Kurane  
(Co. Secretary)

Place: Mumbai  
Date: June 12, 2018

**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 Fourteenth Annual General Meeting of the Company to be held on Tuesday, September 11, 2018 at 12.30 p.m. 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, 2018		
2.	Declaration of dividend for the financial year ended 31st March, 2018 as recommended by the Board of Directors.		
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, 2019.		



Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

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 Fourteenth Annual General Meeting of ASREC (INDIA) Ltd. on Tuesday, September 11, 2018 at 12.30 p.m. 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

## CSR Activities

Year	Beneficiary	Brief particulars of support given	Amount (Rs. in lakhs)
2015-16	ASMITA	<ol style="list-style-type: none"> <li>1. Provided computers for I to X std. students</li> <li>2. Provided 20 sewing machines under women empowerment vocational training</li> </ol>	26.43
2016-17	ASMITA	<ol style="list-style-type: none"> <li>1. Provided K-Yarn projectors</li> <li>2. Educational software E-sence for providing e-learning</li> </ol>	20.11
2017-18	ASMITA	<ol style="list-style-type: none"> <li>1. Provided 32 Lenevo Desktop computers</li> <li>2. 1 Lenovo think server</li> <li>3. 20 Automatic Voltage regulation (stabilizer) of 600VA UPS</li> <li>4. 1KVA Online for UPS Server</li> </ol>	21.24



**ASMITA Trust**



**Bus for Physically Handicapped Students 2014-15**



**Sewing Machines 2015-16**



**Computer Lab 2015-16**

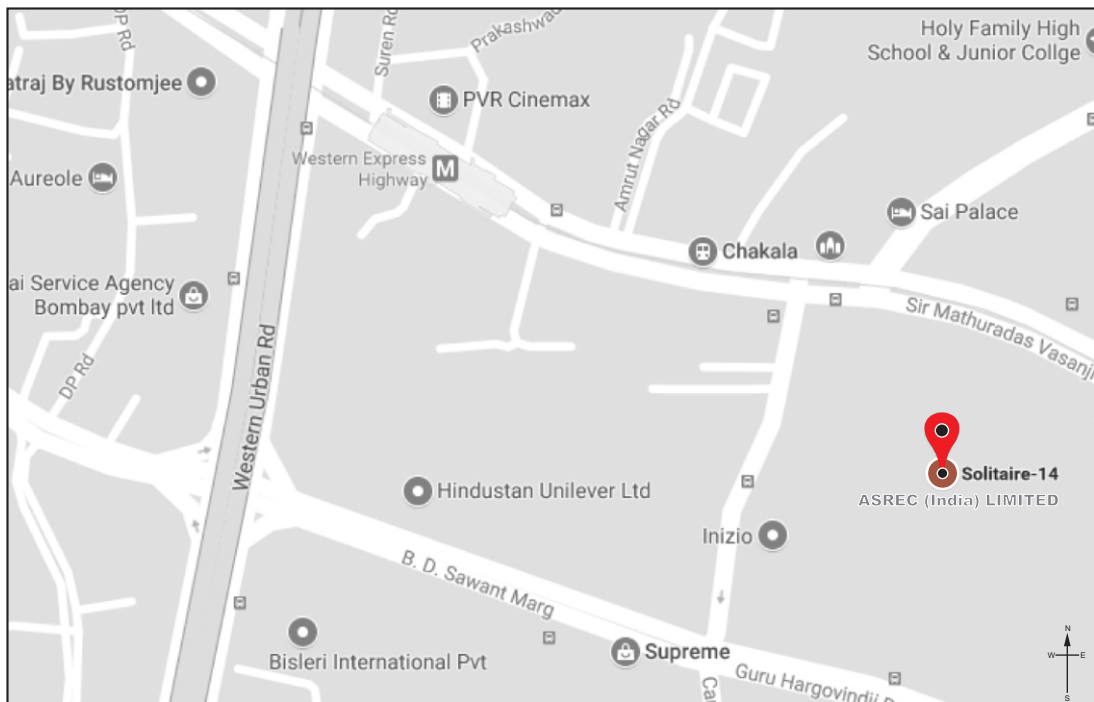


**K-Yan Projector 2016-17**



**Lenovo Desktops 2017-18**

## 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



**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.