



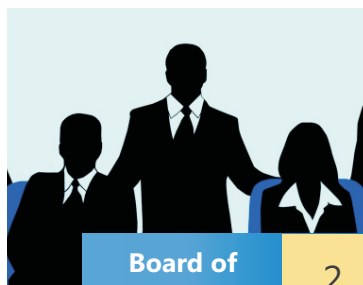
2019-2020
Annual Report
Reconstructing For Better Future

Contents



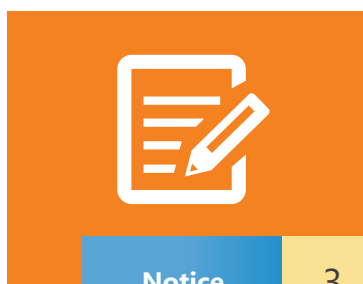
Company Information 1

Company Information 02



Board of Directors 2

Board of Directors 03



Notice 3

Notice 05



Statutory Reports 4

Directors' Report 07

Secretarial Audit Report 33



Financial Statements 5

Standalone

Independent Auditors' Report of Financial Statement 38

Comments of the Comptroller and Auditor General of India 46

Balance Sheet 47

Statement of Profit & Loss Account 48

Cash Flow Statement 49

Statement of changes in Equity 51

Notes to the Financial Statements 52

Consolidated

Independent Auditors' Report of Financial Statement 113

Comments of the Comptroller and Auditor General of India 119

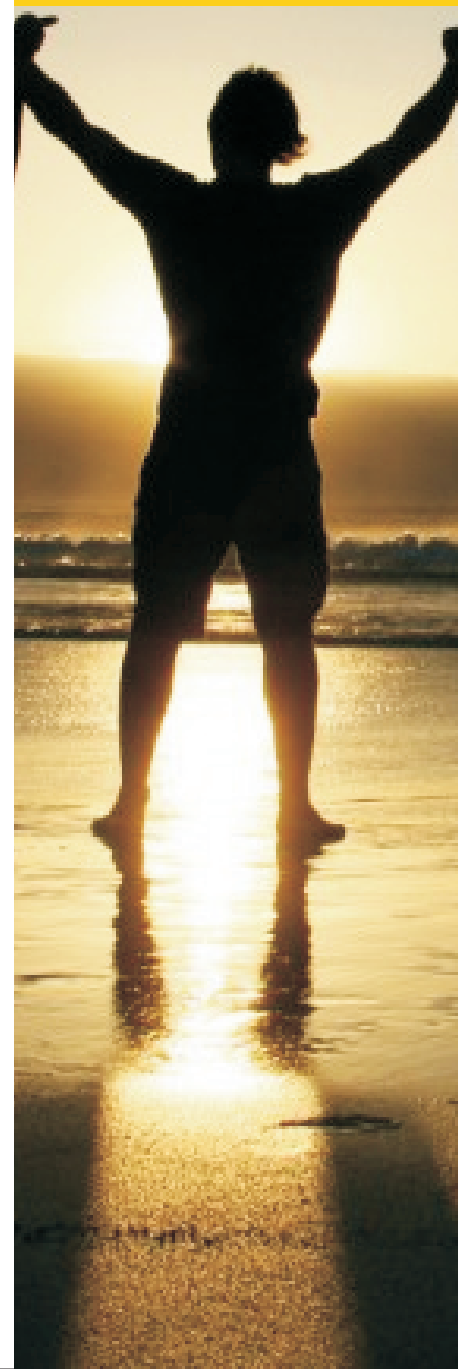
Balance Sheet 120

Statement of Profit & Loss Account 121

Cash Flow Statement 123

Statement of changes in Equity 125

Notes to the Financial Statements 126



Company Information

ASREC (India) Limited, a Public Limited Company incorporated under the Companies Act 1956 has been granted certificate of registration by RBI on October 11, 2004 to carry out activities under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002.

The Company acquires Non Performing Assets (NPAs) from the Banks / Financial Institutions at mutually agreed prices with the objective is to maximise the returns through innovative resolutions strategies.

ASREC positions itself as the multi lender ARC in the public sector aiming to earn the confidence of the financial system in the effective resolution of NPAs by operating in transparent manner with flexibility of the private sector.

Board of Directors



Shri Vijay Krishna Shunglu
Prof. (Dr.) Nripendralal Mitra
Shri Mukund M. Chitale
Shri B. A. Prabhakar
Shri Ramesh Chand Thakur
Shri Sanjay Aggarwal
Shri Bhaskara Rao Kare
Shri Girish Sharan Sinha

STATUTORY AUDITORS



M/s. Chhajer & Doshi

INTERNAL AUDITORS



M/s. Mithun Girish & Associates

SECRETARIAL AUDITORS



Shri Vishal Manseta

CHIEF FINANCIAL OFFICER



Shri Angad Kumar Roy

COMPANY SECRETARY



Kum. Pallavi Parikh

BANKERS



Axis Bank Limited
Bank of India
Canara Bank
Union Bank of India
SBM Bank (Mauritius) Limited
SBM Bank (India) Limited

REGISTRAR & SHARE TRANSFER AGENT



Satellite Corporate Services Pvt. Ltd.

REGISTERED OFFICE

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

CONTACT DETAILS

Tel. : +91 022 6138 7000
Fax : +91 022 6138 7010
Email : asrec@asrec.co.in
Website : www.asrecindia.co.in

Board of Directors



Shri Vijay Krishna Shunglu

Chairman
DIN-00032683

Shri V.K. Shunglu, IAS Retd. & Ex- Comptroller & Auditor General Of India, is the Chairman of ASREC (India) Limited. He obtained B.A. (Honors) in Economics- St. Stephens College – New Delhi & M.A. in History, University of Delhi & was conferred with “John Kandsusch” Award by INTOSAI in 1998. He is currently the Chairman of Delhi Public School. He is also a recipient of the Padma Bhushan in 2019 for this contribution to the civil services.



Prof. (Dr.) Nripendralal Mitra

Director
DIN-00018514

Prof. (Dr.) Nripendralal Mitra is Ex- Vice Chancellor of National Law University of Jodhpur. He received his Masters degree in Commerce, Masters in Law & PHD & Certificate in Human Rights from Strasbourg- France. He has been a Member of Legal Advisory Committee of SEBI, Consultant to the Governor RBI on Financial & Banking sector reforms, Member of Standing Technical Advisory Committee on Financial Regulation of RBI, Chairman/member of various Committees on Financial sector Law Reforms such as Fiscal Discipline , Bankruptcy, Financial fraud , Investor Protection etc.



Shri Mukund Manohar Chitale

Director
DIN-00101004

Shri Mukund M. Chitale is a Practising Chartered Accountant for the last 30 years & is a Partner of Mukund M. Chitale & Co. (CA Firm) He was also the President of The Institute of Chartered Accountants of India (1997-98). He has been a member on various Committees like the International Auditing Practices Committee of International Federation of Accountants. He has been appointed as a Governing council member of Banking Codes & Standards Board of India. He is also on Board of various companies.



Shri B. A. Prabhakar

Director
DIN-02101808

Shri B.A. Prabhakar is a Chartered Accountant having vast experience of 36 years, working in Bank of Baroda, Bank of India and Andhra Bank in various capacities in India and abroad. Shri B.A. Prabhakar retired as Chairman & Managing Director, Andhra Bank on attaining superannuation. He is also on Board of various companies.



Shri Girish Sharan Sinha

Managing Director & CEO
DIN-08495135

Mr. Girish Sharan Sinha has focused on Stressed Asset Management and financial market during his 14+ years career. He started his profession, in ARC industry, with M/S Asrec (India) Limited (ASREC), where he streamlined and spearheaded the asset reconstruction business of the Company. He was also instrumental in setting & implementing ASREC's IT strategy.

His wealth of experience in creating and building business models in ASREC could not escape the attention of the ARC industry and consequently he moved out of ASREC and accepted the invitation of a reputed ARC to shoulder the responsibilities of the Chief Operating Officer. Now he has rejoined ASREC as its Managing Director & Chief Executive Officer & he sets and evolves the strategic direction for the company and its business, while nurturing a strong leadership team to drive its execution. He has a strong track record of successful acquisitions of financial assets and its timely resolutions. He holds a degree in MBA – Finance (Investment & Portfolio Management). Prior to his assignment in ARCs, he worked in Central Bank of India and Bank of India in various capacities



Shri Sanjay Aggarwal

Nominee Director
DIN-07617030

Shri Sanjay Aggarwal is Nominee Director of one of the sponsor Bank- Indian Bank. Shri Sanjay Aggarwal is a post Graduate in GB Pant University of Agriculture & Technology. Presently Shri Sanjay Aggarwal is working as General Manager (CMC - II) of Indian Bank. He has vast experience of 33 years in banking sector. During his tenure in Allahabad Bank, he has held many important positions including Branch head, Zonal Head, Field General Manager and General Manager.



Shri Ramesh Chand Thakur

Nominee Director
DIN-07526437

Shri Ramesh Chand Thakur is a post Graduate in M. Sc /DIP Internal Banking Management / MBA. Presently Shri Ramesh Chand is working as General Manager of Bank of India. He has vast experience of 31 years in banking and 1 year in Recover Department of Bank.



Shri Bhaskara Rao Kare

Nominee Director
DIN-08353418

Shri Bhaskara Rao Kare is a BA, CAIIB-I and Adv. Management. Shri Bhaskara Rao Kare has vast experience of 30 years in the Banking industry. Shri Bhaskara Rao Kare is currently working as Chief General Manager in Union Bank of India.

NOTICE

Notice is hereby given that the 16th Annual General Meeting of the ASREC (India) Limited will be held on Friday, September 25, 2020 at time 12.30 p.m. through Video Conference to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements [Consolidated and standalone both prepared as per the Companies (Indian Accounting Standards) Rules, 2015] of the Company for the Financial Year ended March 31, 2020 and the Reports of the Board of Directors and the Auditors thereon.
2. 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, 2021.

“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 2020-21.”

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 19th September, 2020 to 25th September, 2020 (both days inclusive).
4. Members/ Proxies are requested to bring the attendance slips duly filled in and copies of the Annual Report to the Meeting.
5. 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

Place : Mumbai
Date : June 25, 2020

Pallavi Parikh
Company Secretary

Registered Office

Unit No. 201, 202A, Ground floor,
Building No. 2,
Solitaire Corporate Park,
Andheri Ghatkopar Link Road,
Andheri (E), Mumbai - 400 093
CIN: U67100MH2003GOI143291

DIRECTORS' **REPORT**

DIRECTORS' REPORT

To,
 The Members
 ASREC (INDIA) LIMITED

Your Directors are pleased to present the Sixteenth Annual Report on business and operations of your Company together with the audited accounts for the year ended March 31, 2020.

1. FINANCIAL PERFORMANCE:

An overview of the financial performance of your Company for the Financial Year 2019-20 is as under:

		(₹ In lakhs)	
Sr. No.	Particulars	Current Year (From April 1, 2019 to March 31, 2020)	Previous Year (From April 1, 2018 to March 31, 2019)
i.	Revenue from Operation	2747.47	2042.64
ii.	Other Income	3.45	0.02
iii.	Total Income (i+ii)	2750.47	2042.66
iv.	Expenses	1261.00	877.95
v.	Net Gain on Fair Value Changes	347.39	431.94
vi.	Total Expense (iv+v)	1608.39	1309.89
vii.	Profit Before Tax (iii-vi)	1142.08	732.78
viii.	Tax Expenses	324.22	226.29
ix.	Profit/(Loss) for the year(vii-viii)	817.86	506.49
x.	Other Comprehensive Income (OCI)	0.08	(2.66)
xi.	Total Comprehensive Income for the year (ix+x)	817.94	503.83
xii.	Earnings per share	0.83	0.52

Results of Operations and the State of Company's Affairs

- Your Company's Income from Operations during the year amounted to INR 2747.47 Lakhs (INR 2042.64 Lakhs in the previous year), earned Profit before Tax (PBT) of INR 1142.08 Lakhs (INR 732.78 Lakhs for the previous year).
- Net Owned Funds stood at INR 15418.78 Lakhs (INR 14600.84 Lakhs for the previous year)
- During the year under review, your Company has acquired 58 NPAs having a book value (total dues) of INR 104195 Lakhs from 5 Banks and 2 Financial Institution [against 17 NPAs having book value (total dues) of INR 5842 Lakhs from 6 Banks on both cash and SR basis in the previous year].
- Total recoveries during the year ending March 31, 2020 amounted to INR 15962 Lakhs from realization of Financial Assets (Previous year INR 15488 Lakhs).

2. DIVIDEND

In order to conserve resources and enhance the reserves of the company, your Directors do not recommend any dividend for the financial year ended on March 31, 2020.

3. SHARE CAPITAL

As on 31st March, 2020, the issued, subscribed and paid up share capital of your Company stood at Rs. 9800 lakhs, comprising 98000000 Equity shares of Rs. 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, 2020 Except for 50 shares each held by our Independent Director – Shri B. A. Prabhakar and Managing Director - Shri Girish Sharan Sinha, 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, 2020 was INR 1528.76 Lakhs. 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 during this year; we have

submitted bids for 148 accounts and successfully acquired 58 accounts having a book value (total dues) of INR 104195 Lakhs from 5 Banks and 2 Financial Institutions.

Thus, overall, the position of acquisition of NPAs by your Company since inception up to March 31st 2020, works out to 844 NPAs having aggregate book value (total dues) of around INR 820951 Lakhs from 47 Banks / Financial Institutions at acquisition price at INR178172 Lakhs.

(₹ In lakhs)

Seller Bank/ Fis	Total Dues/ AUM	Acquisition Cost	% of Total Acquisition Cost	Sum of No of A/c
Abhyudaya Co-operative Bank Ltd	814.92	419.30	0.24%	2
Allahabad Bank	1,28,711.92	16,764.00	9.41%	173
Andhra Bank	5,448.08	1,552.00	0.87%	4
Axis Bank	22,987.67	4,319.78	2.42%	32
Bank of Baroda	19,354.70	1,708.00	0.96%	9
Bank of India	42,171.72	6,208.00	3.48%	51
Bank of Maharashtra	16,412.67	3,412.00	1.92%	13
Canara Bank	7,805.76	951.31	0.53%	4
Central Bank of India	52,820.07	5,903.00	3.31%	55
Consortium (BOI,BOB,IOB,CBI,DB)	3,775.65	2,788.33	1.56%	1
Corporation Bank	109.31	110.00	0.06%	1
Dena Bank	9,215.22	1,774.00	1.00%	9
Federal Bank	995.25	515.00	0.29%	2
ICICI Bank Ltd	1,106.00	395.00	0.22%	1
IFCI	19,074.19	2,112.00	1.19%	2
Indian Bank	6,759.50	3,377.00	1.90%	4
Indian Overseas Bank	3,912.65	2,269.54	1.27%	7
Karnataka Bank	24,904.20	5,605.54	3.15%	12
Karur Vysya Bank	6,745.60	4,730.00	2.65%	25
Kotak Mahindra Bank Ltd	2,719.73	695.00	0.39%	1
Laxmi Vilas Bank	4,310.89	1,076.00	0.60%	24
Mumbai District Central Co-op. Bank Ltd.	1,851.66	751.33	0.42%	1
Oriental Bank of Commerce	7,171.28	1,696.00	0.95%	7
Pune District Central Co-op. Bank Ltd.	2,051.33	812.00	0.46%	1
Punjab and Sind Bank	1,040.74	328.85	0.18%	1

(₹ In lakhs)

Seller Bank/ Fis	Total Dues/ AUM	Acquisition Cost	% of Total Acquisition Cost	Sum of No of A/c
Punjab National Bank	3,476.87	444.00	0.25%	2
Saraswat Bank	1,188.69	284.00	0.16%	2
Standard Chartered Bank	1,374.00	114.50	0.06%	1
State Bank of Bikaner and Jaipur	21,998.56	3,844.00	2.16%	23
State Bank of Hyderabad	90,874.11	13,827.00	7.76%	40
State Bank of India	1,25,168.97	18,956.30	10.64%	51
State Bank of Mysore	5,649.12	312.00	0.18%	9
State Bank of Patiala	14,465.40	3,281.00	1.84%	9
State Bank of Travancore	7,976.18	2,995.00	1.68%	9
Syndicate Bank	4,494.96	1,873.70	1.05%	4
The Karad Janata Sahakari Bank Ltd	465.25	160.00	0.09%	1
The Royal Bank of Scotland	2,367.40	500.00	0.28%	1
The Shamrao Vithal Co-operative Bank Limited	289.79	238.67	0.13%	1
The Thane District Co-op. Bank Ltd	448.10	289.29	0.16%	1
UCO Bank	59,435.95	16,645.00	9.34%	120
United Bank of India	16,130.41	5,040.00	2.83%	72
Vijaya Bank	2,407.63	1,559.00	0.87%	3
Tata Capital Ltd.	1,461.19	455.00	0.26%	2
Kalyan Janta Sahkari Bank Ltd.	1,230.00	750.00	0.42%	1
Dombivali Nagar Sahkari Bank	10,188.44	6,980.69	3.92%	11
Bharat Co-operative Bank Ltd.	37,690.00	20,350.00	11.42%	23
Jalgaon Co-operative Bank Ltd.	19,899.08	9,000.00	5.05%	16
Grand Total	8,20,950.81	1,78,172.13	100.00%	844

6. RESOLUTION OF ASSETS

During the year under review, your Company has successfully recovered an amount of INR 15962 Lakhs 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, 2019 as detailed below:

Sr. No.	Name of the Trust	Acquired from	Review Rating / Rating Range as on 31.12. 2019 assigned on 28.02.2020
1.	ASREC-PS 04/2012-13	UBI	NR-4 (50-75%)
2.	ASREC-PS 05/2012-13	UBI	NR-3 (75-100%)
3.	ASREC-PS 06/2012-13	UBI	NR-4 (50-75%)
4.	ASREC-PS 07/2012-13	UBI	NR-6 (0-25%)
5.	ASREC-PS 02/2013-14	UCO Bank	NR-3 (75-100%)
6.	ASREC-PS 03/2013-14	Bank of Baroda	NR-4 (50-75%)
7.	ASREC-PS 04/2013-14	Vijaya Bank	NR-3 (75-100%)
8.	ASREC-PS 05/2013-14	Indian Bank	NR-4 (50-75%)
9.	ASREC-PS 01/2014-15	OBC	NR-3 (75-100%)
10.	ASREC-PS 02/2014-15	SBBJ	NR-3 (75-100%)
11.	ASREC-PS 03/2014-15	Indian Bank	NR-3 (75-100%)

Sr. No.	Name of the Trust	Acquired from	Review Rating / Rating Range as on 31.12. 2019 assigned on 28.02.2020
12.	ASREC-PS 04/2014-15	Vijaya Bank	NR-3 (75-100%)
13.	ASREC-PS 05/2014-15	UCO Bank	NR-5 (25-50%)
14.	ASREC-PS 06/2014-15	KVB	NR-4 (50-75%)
15.	ASREC-PS 07/2014-15	SBI	NR-3 (75-100%)
16.	ASREC-PS 08/2014-15	SBP (Now SBI)	NR-4(50-75%)
17.	ASREC-PS 09/2014-15	SBT (Now SBI)	NR-3 (75-100%)
18.	ASREC-PS 10/2014-15	IOB	NR-3 (75-100%)
19.	ASREC-PS 11/2014-15	Syndicate Bank	NR-3 (75-100%)
20.	ASREC-PS 12/2014-15	KVB	NR-4 (50-75%)
21.	ASREC-PS 13/2014-15	SBP (Now SBI)	NR-3 (75-100%)
22.	ASREC-PS 15/2014-15	BOM	NR-4 (50-75%)
23.	ASREC-PS 16/2014-15	SBI	NR-2 (100-150%)
24.	ASREC-PS 17/2014-15	SBH (Now SBI)	NR-3 (75-100%)
25.	ASREC-PS 18/2014-15	SBH (Now SBI)	NR-2 (100-150%)
26.	ASREC-PS 20/2014-15	SBT (Now SBI)	NR-2 (100-150%)
27.	ASREC-PS 23/2014-15	SBT (Now SBI)	NR-3 (75-100%)
28.	ASREC-PS 25/2014-15	BOI	NR-3 (75-100%)
29.	ASREC-PS 26/2014-15	SBI	NR-3 (75-100%)
30.	ASREC-PS 27/2014-15	SBH (Now SBI)	NR-3 (75-100%)
31.	ASREC-PS 28/2014-15	SBI	NR-3 (75-100%)
32.	ASREC-PS 29/2014-15	SBH (Now SBI)	NR-3 (75-100%)
33.	ASREC-PS 30/2014-15	BOM	NR-3 (75-100%)
34.	ASREC-PS 01/2015-16	UCO Bank	NR-3 (75-100%)
35.	ASREC-PS 03/2015-16	SBP (Now SBI)	NR-3 (75-100%)
36.	ASREC-PS 04/2015-16	SBBJ (Now SBI)	NR-3 (75-100%)
37.	ASREC-PS 05/2015-16	SBI	NR-3 (75-100%)
38.	ASREC-PS 06/2015-16	CBI	NR-3 (75-100%)
39.	ASREC-PS 07/2015-16	BOM	NR-4 (50-75%)
40.	ASREC-PS 08/2015-16	SBT (Now SBI)	NR-2 (100-150%)
41.	ASREC-PS 09/2015-16	OBC	NR-3 (75-100%)
42.	ASREC-PS 10/2015-16	IOB	NR-3 (75-100%)
43.	ASREC-PS 11/2015-16	SBH (Now SBI)	NR-2 (100-150%)
44.	ASREC-PS 12/2015-16	SBH (Now SBI)	NR-2 (100-150%)
45.	ASREC-PS 13/2015-16	SBH (Now SBI)	NR-4 (50-75%)
46.	ASREC-PS 14/2015-16	Allahabad Bank (Now Indian Bank)	NR-2 (100-150%)
47.	ASREC-PS 17/2015-16	SBT (Now SBI)	NR-3 (75-100%)
48.	ASREC-PS 18/2015-16	SBBJ (Now SBI)	NR-2 (100-150%)
49.	ASREC-PS 01/2016-17	Dena Bank	NR-2 (100-150%)
50.	ASREC-PS 02/2016-17	SBBJ (Now SBI)	NR-4 (50-75%)
51.	ASREC-PS 03/2016-17	Karnataka Bank ltd	NR-2 (100-150%)
52.	ASREC-PS 05/2016-17	Indian Bank	NR-3 (75-100%)
53.	ASREC-PS 01/2017-18	Allahabad Bank (Now Indian Bank)	NR-2 (100-150%)
54.	ASREC-PS 02/2017-18	Allahabad Bank (Now Indian Bank)	NR-3 (75-100%)

Sr. No.	Name of the Trust	Acquired from	Review Rating / Rating Range as on 31.12. 2019 assigned on 28.02.2020
55.	ASREC-PS 03/2017-18	Allahabad Bank (Now Indian Bank)	NR-3 (75-100%)
56.	ASREC-PS 05/2017-18	Allahabad Bank (Now Indian Bank)	NR-2 (100-150%)
57.	ASREC-PS 06/2017-18	Allahabad Bank (Now Indian Bank)	NR-2 (100-150%)
58.	ASREC-PS 08/2017-18	Andhra Bank (Now Union Bank of India)	NR-3 (75-100%)
59.	ASREC-PS 09/2017-18	Allahabad Bank (Now Indian Bank)	NR-2 (100-150%)
60.	ASREC-PS 10/2017-18	Allahabad Bank (Now Indian Bank)	NR-2 (100-150%)
61.	ASREC-PS 11/2017-18	Kalyan Janta Sahkari Bank	NR-3 (75-100%)
63.	ASREC-PS 01/2018-19	Dena Bank	NR-2 (100-150%)
63.	ASREC-PS 03/2018-19	Allahabad Bank (Now Indian Bank)	NR-2 (100-150%)
64.	ASREC-PS 04/2018-19	SBI	NR-2 (100-150%)
65.	ASREC-PS 05/2018-19	DNS 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 after the close of financial year, as detailed below:

Sr. No.	Name of the Trust	Acquired from	Review Rating / Rating Range assigned
1.	ASREC-PS 01/2019-20	DNS Bank	Under Process
2.	ASREC-PS 02/2019-20	SBI	Under Process
3.	ASREC-PS 03/2019-20	BOB	Under Process

Rating Scale:

NR-1 - Expected Recovery more than 150% of the Acquisition Price

NR-2 - Expected Recovery between 100% to 150% of the Acquisition Price

NR-3 - Expected Recovery between 75% to 100% of the Acquisition Price

NR-4 - Expected Recovery between 50% to 75% of the Acquisition Price

NR-5 - Expected Recovery between 25% to 50% of the Acquisition Price

NR-6 - Expected Recovery between 0% to 25% of the Acquisition Price

8. ECONOMIC SCENARIO, ARC INDUSTRY OUTLOOK-CHALLENGES AND OPPORTUNITIES:

The economic impact of the 2020 coronavirus pandemic in India has been largely disruptive. India's growth in the fourth quarter of the fiscal year 2020 went down to 3.1% according to Ministry of Statistics. The drop is mainly due to the coronavirus pandemic effect on the Indian economy. Notably India had also been witnessing a pre-pandemic slowdown. The World Bank and rating agencies had initially revised India's growth for FY2021 with the lowest figures India has seen in three decades since India's economic liberalization in the 1990s. However after the announcement of the economic package in mid-

May, India's GDP estimates were downgraded even more to negative figures, signaling a deep recession. (The ratings of over 30 countries have been downgraded during this period.) This will perhaps be India's worst recession since independence.

The world is slowly limping back to work. There is some slowdown in infections and death rates in many developed countries, but the coronavirus is not done with the world yet. Till now, more than 74 lakh people have been infected by the virus globally, with over 4.19 lakh deaths. That is the human cost. The economic and social impact is unprecedented. This is one of the worst global economic declines ever since records have been kept. Most of the countries are going to witness negative growth ranging from 5-15%. But there is enough resilience in the system with new technologies and global connectivity in financial markets. Let us be confident and hope India will survive and grow in the post-Covid-19 world.

The banking sector showed improvement with the gross non-performing assets (GNPA) ratio of Scheduled Commercial Banks (SCBs) declining from 11.2 per cent in March 2018 to 9.1 per cent in March 2019 and a return to profitability in H1: 2019-20. However, Banks in the country are likely to witness a spike in their Non-Performing Assets ratio by 1.90% and credit cost by 130 basis points in 2020, following the economic slowdown on account of COVID – 19 crisis. This will deepen the economic pain we already anticipated for 2020.

This turnaround in the banking sector, during the above period has been facilitated by a conducive policy environment underpinned by the traction in insolvency and bankruptcy code (IBC).

In the co-operative banking arena, the financial health of state co-operative banks and district central co-operative banks weakened with an increase in the non-performing assets and slowdown in profitability.

CHALLENGES TO ARCs

Being a capital-intensive business, ARCs have not been able to take on bad loans from banks at an aggressive pace. The issue of insufficient capital only became more pronounced after the RBI's directive on higher down payment (15 per cent) in August 2014. While there have been several measures undertaken by the government to ease the flow of capital, they have not made a significant impact. Despite there being 29 ARCs currently in existence, just the top three still command over 70 per cent of the market.

Above all, the biggest challenge in drawing capital into the distressed asset space in India up until now has been the undue delays in the recovery process. Ironing out the chinks in the IBC process and hastening recovery will be critical to kindle investor interest and help capital flow into the India's distressed asset sector.

Higher provisioning requirements for banks has also increased cash settlement by banks. New RBI norms effective from April 2017 said that if SRs make more than 50% of the value of the asset under consideration, banks have to continue to provide for these loans as if the loans continue in the books of the bank, increasing provisioning requirements for banks and making it less lucrative to put fresh stock of bad loans on the block. This has pushed banks towards cash settlements. Cash as a portion of total acquisition cost for the fiscal 2019 was around 90%, up from 28% last fiscal.

With selling banks unwilling to invest more than 10% in most cases, the business model for ARCs has become more capital intensive, with a need to either put in their own funds, or bring in other investors. In such a scenario, quicker recoveries by ARCs becomes even more critical as it helps free the capital deployed by them to make way for newer acquisitions and also attract new and repeat investors.

AUM of ARCs in India has crossed Rs.1 lakh crore in fiscal March 2019 but the pace of growth has eased as asset reconstruction companies face challenges due to higher cash portion in acquisition of bad loans.

Debt aggregation is another important challenge to the ARCs. Unless a majority of debt is aggregated in one ARC, expeditious and efficient resolution will be difficult to achieve.

The Government has suspended fresh bankruptcy proceedings against borrowers for at least 6 months, up to a maximum of 1 year in order to stop companies into being forced into insolvency during such trying times. It will have a major impact on suppliers and lenders including, ARCs. However, any default that occurred before 25th March, 2020 can still be resolved via the bankruptcy code.

Transparency on the part of the institutions while showcasing NPAs for sale to ARCs; lack of skill set with ARCs in restructure, rehabilitation and turnaround of acquired units; provision of fresh financial support by ARCs for revival of the units; rating framework and valuation of Security Receipts (SRs); prolonged

litigations etc. are persistent challenges that are faced by the ARCs.

OUTLOOK:

Indian Bank Association (IBA) has once again pitched the idea of creating a 'Bad Bank' to help lighten the load of stressed assets, worth Rs.75,000 crore at book value, in the books of the Public Sector Banks with aim to turnaround these assets to protect and enhance value. The proposal envisages to set up Government owned Asset Reconstruction Company (ARC); Asset Management Company (AMC) and an Alternate Investment Fund (AIF) with participation of public as well as private sector.

Existing ARCs ability to tap the Rs.9.40 lakh crore NPA opportunity and grow sustainably will hinge on their ability to collaborate with other investors and accelerate their pace of recoveries.

During 2016, ownership norms were also eased, allowing foreign investors to take 100% stake in ARCs. This together with a functioning bankruptcy law has led to an increase in foreign fund interest in the bad loan market in India. As such, ARCs that can source such funds will be benefited and will be in a position to participate in high value profitable acquisitions with large capital commitments.

Threshold for invoking insolvency has been raised to Rs.1 crore from the existing Rs.1 lakh. Further, Government is coming out with special Insolvency Resolution Framework for MSMEs, which might hasten the resolution of MSME NPAs.

Owing to COVID-19, the slump in the economy will continue and will have an adverse impact on valuation of financial assets. As such, NPA acquisition transactions have to be looked up with a fresh valuation matrix. This is likely to further widen the mismatch between the selling banks and buying ARCs. However, if banks show flexibility to accept SRs, it will serve the purpose of the banks and ARCs and help in revival of the bad loan business.

In a little over three years, IBC has shown its effectiveness. During 2018-2019, more than half of the total amount recovered was possible through resolution under IBC. While the temporary suspension of IBC is welcome to mitigate the impact of COVID-19, however, in the short term, it would have an adverse influence on resolution of NPAs.

The banks have been quite successful in orienting their lending from corporate to relatively stress-free retail, but the slowdown in private consumption spending, on account of COVID-19 has imposed limits to this growth strategy in future even as the possibility of defaults among retail segments rises as growth slows down. Hence, large scale NPAs in the retail segment cannot be ruled out.

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 constraint, it has also started working with co-investors for acquiring financial assets.

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 competitive 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, reinforce 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

The composition of the Directors is in accordance with the RBI guidelines issued for Asset Reconstruction / Securitization 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 Director from Bank of India and Allahabad Bank and Andhra Bank and Managing Director who is not liable to retire by rotation as per Articles of the Company.

• 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 personal	Designation	Event date
1.	Shri V. K. Shunglu	Independent Director	Regularized as Independent Director w.e.f. September 23, 2019
2.	Prof. (Dr.) Nripendralal Mitra	Independent Director	Regularized as Independent Director w.e.f. September 23, 2019
3.	Shri Mukund M. Chitale	Independent Director	Regularized as Independent Director w.e.f. September 23, 2019
4.	Shri Banavar Anantharamaiah Prabhakar	Independent Director	Retired as Independent Director w.e.f. August 31, 2019 and Re-appointment as Additional Independent Director w.e.f. September 1 st , 2019
5.	Shri Banavar Anantharamaiah Prabhakar	Independent Director	Regularized as Independent Director w.e.f. September 23, 2019
6.	Shri Bhaskara Rao Kare	Nominee Director	Regularized as Nominee Director w.e.f. September 23, 2019
7.	Shri Dhananjay Kumar Jain	Managing Director & CEO	Retired as Managing Director & CEO w.e.f. August 24, 2019
8.	Shri Girish Sharan Sinha	Managing Director & CEO	Appointed as Managing Director & CEO w.e.f. October 01, 2019

• DECLARATION BY THE INDEPENDENT DIRECTORS UNDER SECTION 149 (7) 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 Director	Date of appointment / Reappointment
1.	Shri V. K. Shunglu	April 01, 2019
2.	Shri M. M. Chitale	April 01, 2019
3.	Prof. (Dr.) N. L. Mitra	April 01, 2019
4.	Shri B. A. Prabhakar	September 01, 2019

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

11. 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 Meetings	Venue and time of the meeting	Directors Present	Directors to whom Leave of absence was granted
1.	June 12, 2019	Mumbai & 12.15 p.m.	8	All Directors present
2.	Sept. 23 2019	Mumbai & 11.30 a.m.	7	All Directors present
3.	Dec. 20, 2019	Delhi & 12.00 noon	5	Shri M. M. Chitale - Director, Shri Sanjay Aggarwal Nominee Director of Allahabad Bank and Shri Bhaskara Rao Kare Nominee Director of Andhra Bank.
4.	Mar. 17, 2020	Mumbai & 12.30 p.m.	7	Shri V. K. Shunglu, Chairman

12. COMMITTEES OF BOARD:

1. 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:

Sr. No.	Date of Meetings	Venue and time of the meeting	Member Present	Members to whom Leave of absence was granted
1.	June 12, 2019	Mumbai & 11.15 a.m.	4	All members present
2.	Sept. 23, 2019	Mumbai & 10.45 a.m.	4	All members present
3.	Dec. 20, 2019	Delhi & 11.15 a.m.	3	Shri M. M. Chitale Chairman of the Committee
4.	March 17, 2020	Mumbai & 11.45 a.m.	3	Shri V. K. Shunglu - Director/Member

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 weblink:

<http://asrecindia.co.in/wp-content/uploads/2019/11/Nomination-and-Remuneration-Policy.pdf>

2. 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 Bhaskara Rao Kare	: Member (Appointed on April 16, 2019)

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

Sr. No.	Date of Meetings	Venue and time of the meeting	Directors Present	Directors to whom Leave of absence was granted
1.	June 12, 2019	Mumbai & 11.45 a.m.	6	All Directors present
2.	Sept. 23, 2019	Mumbai & 11.00 a.m.	7	All Directors present
3.	Dec. 20, 2019	Delhi & 11.30 a.m.	4	Shri M. M. Chitale Director, Shri Sanjay Aggarwal Nominee Director of Allahabad Bank and Shri Bhaskara Rao Kare Nominee Director
4.	March 17, 2020	Mumbai & 12.00 noon	6	Shri V. K. Shunglu, Director/Member

Acceptance of recommendations of the Audit Committee

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

3. Corporate Social Responsibility Committee

In accordance with Section 135 of the Companies Act, 2013 your Company has constituted a Corporate Social Responsibility Committee consisting of Five Directors out of which four directors are independent 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 D. K. Jain	: Member (Retired on 24.08.2019)
Shri Girish Sharan Sinha	: Member (Appointed since 01.10.2019)

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

Sr. No.	Date of Meetings	Venue and time of the meeting	Member Present	Members to whom Leave of absence was granted
1.	June 12, 2019	Mumbai & 11.30 a.m.	5	All members present
2.	March 17, 2020	Mumbai & 11.35 a.m.	4	Shri V. K. Shunglu, Chairman of the Committee.

Corporate Social Responsibility Initiatives

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

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

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

Sr. No.	Particulars	Qty	Unit	Rate (Rs)	Amount	CSR Amount (Rs.)
1.	FULL HT. PARTITION FOR CABINS 10'0"X15'3"X2 CABINS WITH GLASS PANEL OR SOLID PARTITION LAMINATE FINISHED	505	SQFT	550	2,77,750	
2.	HALF HEIGHT PARTITION FOR CUBICAL	800	SQFT	560	4,48,000	
3.	EXECUTIVE TABLE FOR H.O.D. [5'0"X2'6"]	5	RNFT	4,500	22,500	
4.	TABLE FOR OCCUPATION THERAPIST [5'0"X2'6"]	5	RNFT	4,500	22,500	
5.	TABLE FOR STAFF	20	RNFT	3,500	70,000	
6.	EXECUTIVE TABLES FOR CABIN NO. 1, 2 AND 3 [4'0"X2'6"]	12	RNFT	4,500	54,000	
7.	SOFA FOR WAITING AREA	30	RNFT	5,500	1,65,000	
8.	PROVIDING AND MAKING THE LOFT ABOVE THE CABINS 32'0"X40'0 [FIFTY PERCENT OF TOTAL AREA]	1280	SQFT	450	5,76,000	
9.	A/C MFC. OF 2 TONNES	3	TON	57,000	1,70,000	
	TOTAL AMOUNT				18,06,750	
	GST 18% OF TOTAL				3,25,215	
	TOTAL AMOUNT WITH TAX				21,31,965	
	TOTAL AMOUNT APPROVED FOR CSR					20,84,000

* Rs. 47,965 to be paid by Asmita Trust.

4. 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 (Retired on 24.08.2019)
Shri Girish Sharan Sinha	: Member (Appointed since 01.10.2019)

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

The Valuation Committee met once during the Year under review:

Sr. No.	Date of Meetings	Venue	Members Present	Members to whom Leave of absence was granted
1.	March 17, 2020	Mumbai & 11.25 a.m.	3	Shri V. K. Shunglu, Chairman of the Committee

5. 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 (Retired on 24.08.2019)
Shri Girish Sharan Sinha	: Member (Appointed since 01.10.2019)

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

Sr. No.	Date of Meetings	Venue	Members Present	Members to whom Leave of absence was granted
1.	June 12, 2019	Mumbai & 11.00 a.m.	4	All members present
2.	Sept. 23, 2019	Mumbai & 10.30 a.m.	3	All members present
3.	Dec. 20, 2019	Delhi & 11.00 a.m.	4	All members present
4.	March 17, 2020	Mumbai & 11.15 a.m.	3	Shri V. K. Shunglu, Chairman of the Committee

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

13. 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 1. The CSR Policy as recommended by the CSR Committee and as approved by Board is available on the website of the Company at <http://asrecindia.co.in/wp-content/uploads/2019/11/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-able and livelihood enhancement projects. These projects are in accordance with Schedule VII of the Companies Act, 2013.

14. 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 Review.

15. MATERIAL CHANGES AFFECTING THE COMPANY AND CHANGE IN THE NATURE OF BUSINESS.

There have been on material changes and commitments affecting the financial position of the company between the end of the financial year and the date of the report. Also

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

16. 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, 2020, forms part of this report as "Annexure 2" and the same is available on the website of the Company at <http://asrecindia.co.in/about/annual-report/>

17. DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES

In Accordance with the provisions of Section 129 read with Section 2 (6) and 2 (87) of the Companies Act, 2013, your Company does not have any Subsidiary/Joint Ventures/Associate Company.

However, pursuant to the provisions of the Companies (Indian Accounting Standards) Rule 2015, your Company has implemented Indian Accounting Standards for preparation of its Financial Statement and the following Securitization Trusts (floated by your Company) have been considered as 'subsidiaries' for consolidation of Financial Statements:

Sr. No.	Name	Sr. No.	Name
1.	ASREC PS 01/2019-20 TRUST	35.	ASREC PS 09/2015-16 TRUST
2.	ASREC PS 02/2019-20 TRUST	36.	ASREC PS 10/2015-16 TRUST
3.	ASREC PS 03/2019-20 TRUST	37.	ASREC PS 11/2015-16 TRUST
4.	ASREC PS 04/2019-20 TRUST	38.	ASREC PS 12/2015-16 TRUST
5.	ASREC PS 05/2019-20 TRUST	39.	ASREC PS 13/2015-16 TRUST
6.	ASREC PS 06/2019-20 TRUST	40.	ASREC PS 14/2015-16 TRUST
7.	ASREC PS 07/2019-20 TRUST	41.	ASREC PS 16/2015-16 TRUST
8.	ASREC PS 01/2018-19 TRUST	42.	ASREC PS 17/2015-16 TRUST
9.	ASREC PS 02/2018-19 TRUST	43.	ASREC PS 18/2015-16 TRUST
10.	ASREC PS 03/2018-19 TRUST	44.	ASREC PS 01/2014-15 TRUST
11.	ASREC PS 04/2018-19 TRUST	45.	ASREC PS 02/2014-15 TRUST
12.	ASREC PS 05/2018-19 TRUST	46.	ASREC PS 03/2014-15 TRUST
13.	ASREC PS 01/2017-18 TRUST	47.	ASREC PS 04/2014-15 TRUST
14.	ASREC PS 02/2017-18 TRUST	48.	ASREC PS 05/2014-15 TRUST
15.	ASREC PS 03/2017-18 TRUST	49.	ASREC PS 06/2014-15 TRUST
16.	ASREC PS 04/2017-18 TRUST	50.	ASREC PS 07/2014-15 TRUST
17.	ASREC PS 05/2017-18 TRUST	51.	ASREC PS 08/2014-15 TRUST
18.	ASREC PS 06/2017-18 TRUST	52.	ASREC PS 09/2014-15 TRUST
19.	ASREC PS 08/2017-18 TRUST	53.	ASREC PS 10/2014-15 TRUST
20.	ASREC PS 09/2017-18 TRUST	54.	ASREC PS 11/2014-15 TRUST
21.	ASREC PS 10/2017-18 TRUST	55.	ASREC PS 12/2014-15 TRUST
22.	ASREC PS 11/2017-18 TRUST	56.	ASREC PS 13/2014-15 TRUST
23.	ASREC PS 01/2016-17 TRUST	57.	ASREC PS 14/2014-15 TRUST
24.	ASREC PS 02/2016-17 TRUST	58.	ASREC PS 15/2014-15 TRUST
25.	ASREC PS 03/2016-17 TRUST	59.	ASREC PS 16/2014-15 TRUST
26.	ASREC PS 05/2016-17 TRUST	60.	ASREC PS 17/2014-15 TRUST
27.	ASREC PS 01/2015-16 TRUST	61.	ASREC PS 18/2014-15 TRUST
28.	ASREC PS 02/2015-16 TRUST	62.	ASREC PS 20/2014-15 TRUST
29.	ASREC PS 03/2015-16 TRUST	63.	ASREC PS 22/2014-15 TRUST
30.	ASREC PS 04/2015-16 TRUST	64.	ASREC PS 23/2014-15 TRUST
31.	ASREC PS 05/2015-16 TRUST	65.	ASREC PS 24/2014-15 TRUST
32.	ASREC PS 06/2015-16 TRUST	66.	ASREC PS 25/2014-15 TRUST
33.	ASREC PS 07/2015-16 TRUST	67.	ASREC PS 26/2014-15 TRUST
34.	ASREC PS 08/2015-16 TRUST	68.	ASREC PS 27/2014-15 TRUST

Sr. No.	Name	Sr. No.	Name
69.	ASREC PS 28/2014-15 TRUST	86.	ASREC PS 04/2009-10 TRUST
70.	ASREC PS 29/2014-15 TRUST	87.	ASREC-PS 05/2009-10 TRUST
71.	ASREC PS 30/2014-15 TRUST	88.	ASREC-PS 06/2009-10 TRUST
72.	ASREC PS 31/2014-15 TRUST	89.	ASREC-PS 07/2009-10 TRUST
73.	ASREC PS 01/2013-14 TRUST	90.	ASREC PS 01/2008-09 TRUST
74.	ASREC PS 02/2013-14 TRUST	91.	ASREC-PS 02/2008-09 TRUST
75.	ASREC PS 03/2013-14 TRUST	92.	ASREC PS 03/2008-09 TRUST
76.	ASREC PS 04/2013-14 TRUST	93.	ASREC PS-01/2007-08 TRUST
77.	ASREC PS 05/2013-14 TRUST	94.	ASREC PS-02/2007-08 TRUST
78.	ASREC PS 01/2012-13 TRUST	95.	ASREC PS 03/2007-08 TRUST
79.	ASREC PS 04/2012-13 TRUST	96.	ASREC PS-04/2007-08 TRUST
80.	ASREC PS 05/2012-13 TRUST	97.	ASREC PS 05/2007-08 TRUST
81.	ASREC PS 06/2012-13 TRUST	98.	ASREC-PS 01/06 TRUST
82.	ASREC PS 07/2012-13 TRUST	99.	ASREC PS 02/06 TRUST
83.	ASREC PS 01/2009-10 TRUST	100.	ASREC-PS 04/06 TRUST
84.	ASREC-PS 02/2009-10 TRUST	101.	ASREC PS 05/06 TRUST
85.	ASREC-PS 03/2009-10 TRUST	102.	ASREC-PS 07/06 TRUST

18. 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;

19. 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. 2019-20. 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.

20. AUDITORS:

1. Statutory Auditors:

M/s. Chhajer & Doshi, 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 2019-20, 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 Mr. Vishal Manseta, Practising Company Secretary 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 2019-20.

Mr. Vishal Manseta have issued the Audit report which is attached in "Annexure 3".

3. Internal Auditors:

M/s Mithun Girish & Associates, Chartered Accountants, Mumbai, Company's Internal Auditors carried out internal audit for the financial year 2019-20.

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

21. 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

22. 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 - 4"

23. RISK MANAGEMENT

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

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

24. 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.

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.

25. 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.

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

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

A policy on Prevention of Sexual Harassment at Workplace was adopted during the 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 employees 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 2020, no complaints were received by the ICC pertaining to sexual harassment.

OTHER DISCLOSURES:

- The Company is in compliance with applicable Secretarial Standards issued by Institute of Company Secretaries of India
- No significant or material orders were passed by the Regulators/Courts/Tribunals in respect to the Company during the financial year
- The Provisions of maintenance of cost records and Cost Audit as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to the Company
- Your Company did not transfer any sum to the General Reserve for the financial year under review
- There have been no instances of any fraud reported by the Statutory Auditors under Section 143(12) of the Act

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) in the preparation of the annual accounts/financial statements as on March 31, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) that such accounting policies as mentioned in Note 1 of the Standalone Balance Sheet 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 2019-20 and of the profit and loss of the company for that period;
- (c) that proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) that the annual accounts on a going concern basis; and
- (e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively
- (f) 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

Place: Mumbai
Date: June 25, 2020

Chariman

ANNEXURES TO BOARD'S REPORT

ANNEXTURE I

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

CSR Policy is stated herein below:

Weblink:

<http://asrecindia.co.in/wp-content/uploads/2019/11/Corporate-Social-Responsibility.pdf>

2. The Composition of the CSR Committee:
 - Shri V. K. Shunglu (Independent Director/Chairman)
 - Shri Mukund M. Chitale (Independent Director)
 - Prof. (Dr.) N. L. Mitra (Independent Director)

- Shri B. A. Prabhakar (Independent Director)
 - Shri Girish Sharan Sinha (MD & CEO)
3. The average net profit of the Company for the last three financial years is INR 1042.06 Lakhs.
 4. Accordingly, the prescribed CSR expenditure (2 % of the above-mentioned amount in item No.3)

The Company is required to spend INR 20.84 Lakhs towards CSR
 5. Details of CSR expenditure spent during the financial year:
 - a. Total amount to be spent for the financial year INR 20.84 Lakhs
 - b. Amount unspent, if any: NIL
 - c. Manner in which the amount spent during the financial year is detailed below:

1	2	3	4	5	6	7	8
SI. No.	CSR project or activity Identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) -Overheads-	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
1.	*Asmita Social, Culture & Educational Trust	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently-able and livelihood enhancement projects	Asmita Bhavan, Ajgaonkar Maidan, Western Express highway, Jogeshwari (East), Mumbai - 400060, Maharashtra	20,84,000	21,31,965	20,84,000	Implementing Agency
Total				20,84,000	21,31,965**	20,84,000	-

** Rs. 47,965 to be paid by Asmita Trust.

***Details of Implementing Trust: -**

Asmita Trust

Asmita is an organization registered under Public Trust Act 1950 vide 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 14 members on board, as trustees with Shri Chandrashekhar Jagannath Parkhi, as the President, Shri Vishnu Ganesh Patwardhan and Shri Sudhir Sadashiv Daddikar as Vice President on board. Trust has 155 members including life members.

In the journey of last 43 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)

ANNEXURES II

Form No. MGT-9 EXTRACT OF ANNUAL RETURN

as on the financial year ended March 31, 2020

[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

i	CIN	U67100MH2003GOI143291
ii	Registration Date	November 25, 2003
iii	Name of the Company	ASREC (INDIA) LIMITED
iv	Category / Sub-Category of the Company	Company limited by shares/Union Govt. Company
v	Address of the Registered office and contact details	Unit No. 201, 200A, 202 & 200B, Ground Floor, Build No. 2, Solitaire Corporate Park, Andheri (E), Andheri Kurla Road, Chakala, Mumbai- 400 093
vi	Whether listed company	Unlisted
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Satellite Corporate Services Pvt. Ltd. Unit No. 49, Building No. 13A B, Shamita Commercial Co-Operative Society Ltd, Off Andheri-Kurla Road, MTNL Lane, 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:-

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
			NA		

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

I. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year	
	Demat	Physical	Total	% of total shares	Demat	Physical		Total
A. Promoters								
(1) Indian								
a) Individual/HUF	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Central Govt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) State Govt (s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Bodies Corp.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Banks / FI	97499900	-	97499900	99.49	97499900	-	97499900	99.49
f) Any Other....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total (A) (1):-	97499900	-	97499900	99.49	97499900	-	97499900	99.49
(2) Foreign								
a) NRIs - Individuals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Other - Individuals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Bodies Corp.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Banks / FI	500000	-	500000	0.51	500000	-	500000	0.51
e) Any Other....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total (A) (2):-	500000	-	500000	0.51	500000	-	500000	0.51
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	97999900	-	97999900	100	97999900	-	97999900	100
B. Public Shareholding								
(1) Institutions								
a) Mutual Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Banks / FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Central Govt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) State Govt(s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Insurance Companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g) FIIs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h) Foreign Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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	
i) Others (specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total (B)(1):-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(2) Non-Institutions							
a) Bodies Corp.							
i) Indian	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ii) Overseas	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Individuals							
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	100.00	0.00	100.00	0.00	100.00	0.00	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Others (specify)							
Sub-total (B)(2):-	100.00	0.00	100.00	0.00	100.00	0.00	0.00
Total Public Shareholding (B) = (B)(1) + (B)(2)	100.00	0.00	100.00	0.00	100.00	0.00	0.00
C. Shares held by Custodian for GDRs & ADRs	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grand Total (A + B + C)	98000000	-	98000000	100	98000000	-	No Change

ii. Shareholding of promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year				Shareholding at the end of the year				% change in share holding during the year
		No of Shares	% of total shares of company	% of Shares Pledged / encumbered to total shares	No of Shares	% of total shares of company	% of Shares Pledged / encumbered to total shares	No of Shares		
1.	Allahabad Bank	2,64,99,900	27.04	0.00	2,64,99,900	27.04	0.00	0.00	0.00	
2.	Andhra Bank	2,55,00,000	26.02	0.00	2,55,00,000	26.02	0.00	0.00	0.00	
3.	Bank of India	2,55,00,000	26.02	0.00	2,55,00,000	26.02	0.00	0.00	0.00	
4.	Indian Bank	1,10,00,000	11.22	0.00	1,10,00,000	11.22	0.00	0.00	0.00	
5.	Life Insurance Corporation of India	90,00,000	9.18	0.00	90,00,000	9.18	0.00	0.00	0.00	
6.	Deutsche Bank	5,00,000	0.51	0.00	5,00,000	0.51	0.00	0.00	0.00	
	Total	9,79,99,900	100.00	0.00	9,79,99,900	100.00	0.00	0.00	0.00	

*Fraction is compensated by fraction of % shares of other investors.

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

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

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

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		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				

v. Shareholding of Directors and key managerial personnel:

Shri Dhananjay Kumar Jain

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	100	0.00	100	0.00
Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	(100)	0.00	(100)	0.00
Transfer to Shri Girish Sharan Sinha w.e.f. 29.11.2019				
At the End of the year	0	0.00	0	0.00

Shri Girish Sharan Sinha

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	0	0.00	0	0.00
Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Transferred by Shri Dhananjay Kumar Jain w.e.f. 29.11.2019	100	0.00	100	0.0

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
Transfer to Shri B. A. Prabhakar w.e.f. 17.03.2020	(50)	0.00	(50)	0.00
At the End of the year	50	0.00	50	0.00

Shri B. A. Prabhakar

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	0	0.00	0	0.00
Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	50	0.00	50	0.00
Transferred by Shri Girish Sharan Sinha w.e.f. 17.03.2020				
At the End of the year	50	0.00	50	0.00

V. INDEBTEDNES

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(INR lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal	2,478.96	0.00	0.00	2,478.96
ii) Interest due but not paid	11.60	0.00	0.00	11.60
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	2,490.56	0.00	0.00	2,490.56
Change in Indebtedness during the financial year				
Addition	4,488.01	671.91	0.00	5,159.92
Reduction	2831.17	310.60	0.00	3,141.77
Net Change	1,656.84	361.31	0.00	2,018.15
Indebtedness at the end of the financial year				
i) Principal Amount	4,145.21	349.73	0.00	4,494.94
ii) Interest due but not paid	2.19	11.58	0.00	13.77
iii) Interest accrued but not due	0.63	0	0.00	0.63
Total (i+ ii+ iii)	4,148.03	361.31	0.00	4,509.34

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sr. No.	Particulars of Remuneration	Shri Dhananjay Kumar Jain (MD & CEO)	Shri Girish Sharan Sinha (MD & CEO)
Gross salary			
1.	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	28,60,296	28,68,781
2.	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	49,864	21,997
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...	-	-
	Others, please specify	-	-
	Total (A)	29,10,160	28,90,778

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Shri. V K Shunglu	Prof. N L Mitra	Shri M M Chitale	Shri B A Prabhakar	Total Amount
1.	Independent Directors					
	• Fee for attending board/committee meetings	2,10,000	3,05,000	2,10,000	3,20,000	10,45,000
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (1)	2,10,000	3,05,000	2,10,000	3,20,000	10,45,000
2.	Other Non-Executive Directors					
	• Fee for attending board/committee meetings	-	-	-	-	-
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	2,10,000	3,05,000	2,10,000	3,20,000	10,45,000

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
Gross salary				
1.	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5,66,786	25,65,221	31,32,007
2.	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
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	-	-	-
	Total	5,66,786	25,65,221	31,32,007

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

ANNEXURES III

Form No. MR-3 SECRETARIAL AUDIT REPORT for the financial year ended march 31, 2020

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

To,
The Members,
ASREC (INDIA) LIMITED
Unit No. 201, 200A, 202 & 200B,
Ground Floor, Build No. 2,
Solitaire Corporate Park, Andheri (E),
Andheri Kurla Road, Mumbai – 400 059

I/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 me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the **ASREC (INDIA) LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I/We hereby report that in my/our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 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:

I/we have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the financial year ended on March 31, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- As per information and explanation given to me and documents provided for inspection, the Company has maintained minutes book, statutory registers as required by the Act. The Company has filed various E-Forms during the year as a part of Compliance with the Act. The list of forms filed and date on which meeting was held is given in Annexure – I to this report. The company has paid applicable additional fees while

filing these forms as the case may be.

- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- The shares of the Company are in demat form and Company complies with the Depositories Act. The RTA of the Company's Satellite Corporate Services Pvt. Ltd.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- During the period under review the Company has done External Commercial Borrowing, in respect of which FEMA Compliances are complied.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; → Not Applicable
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; → Not Applicable
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; → Not Applicable
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; → Not Applicable
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; → Not Applicable

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; → Not Applicable

(iv) The list of other acts applicable is as under:

- RBI Act

The company is an Asset Reconstruction Company duly registered with Reserve Bank of India ("RBI"). During the year under review the company has taken over NPA's after following due process. The company has followed due process for resolution and in case of delay same has been appraised to the Board of the Company. As per information and explanation given the Company has complied with the Regulations as issued by RBI from time to time.

Provident Fund and other Employee Benefit related Statutes

The Company is regular in depositing Provident Fund. The Company has separate gratuity Fund, and management for leave encashment for which the fund management is done by the company and as per information and explanation given it is sufficiently funded.

- TDS and Indirect Tax related statutes

The Company has regularly deposited Tax under respective Statutes within time and returns were also periodically filed. The calculation of Tax is considered upon as given by the Company relying upon the Internal Control and Internal Audit System of the Company. In case of delay the tax is paid with interest. The company has done requisite compliance under Goods and Service Tax Act from the time to time. The table disclosing date of deposit of tax is annexed to this report as Annexure - II & annexure - III for TDS and GST respectively.

- The Maharashtra Shops and Establishment Act, 1948.
- Prevention of Money Laundering Act
- The Information Technology Act, 2000.
- The Indian Stamp Act, 1899/Bombay Stamp Act.
- Negotiable Instruments Act, 1881.

- Registration of any property purchase/sale/long lease.
- Maharashtra Profession Tax under various state level legislations
- Indian Contract Act, 1872

I/we have also examined compliance with the applicable clauses of the following:

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

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

I/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. In accordance with changes in the board of directors the committees were also reconstituted.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. There was no gap of more than 120 days between two board meetings. KYC of all the present director is completed.

All the decisions in the meeting of the board of directors were passed with the consent of majority of directors present and voting and in case of resolutions involving interest of any one of the directors present in the meeting, the respective director has abstained from discussion and voting on such resolution.

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

For Vishal N. Manseta
(Practicing Company Secretary)

(Vishal N. Manseta)
M. No : A25183
CP.No.: 8981

Place: Mumbai

Date: June 12, 2020

ANNEXURES I

Form Name	Date
MGT-14	17/10/2019
DIR-12	17/10/2019
DIR-12	07/11/2019
ADT-1	04/10/2019
MGT-7	27/12/2019

ANNEXURES II

Details of TDS deposited during the year			
Sr. No.	Period	Date of depositing Tax	Whether payment made within due date
1.	April – 2019	06/05/2019	Yes
2.	May – 2019	04/06/2019	Yes
3.	June – 2019	04/07/2019	Yes
4.	July – 2019	05/08/2019	Yes
5.	August – 2019	06/09/2019	Yes
6.	September – 2019	04/10/2019	Yes
7.	October – 2019	06/11/2019	Yes
8.	November – 2019	03/12/2019	Yes
9.	December – 2019	03/01/2020	Yes
10.	January – 2020	03/02/2020	Yes
11.	February – 2020	05/03/2020	Yes

ANNEXURES III

Details of GST deposited during the year			
Sr. No.	Period	GSTR - 3B	GSTR - 1
1.	April – 2019	16/05/2019	10/05/2019
2.	May – 2019	19/06/2019	11/06/2019
3.	June – 2019	18/07/2019	05/07/2019
4.	July – 2019	20/08/2019	09/08/2019
5.	August – 2019	19/09/2019	09/09/2019
6.	September – 2019	18/10/2019	09/10/2019
7.	October – 2019	20/11/2019	08/11/2019
8.	November – 2019	19/12/2019	10/12/2019
9.	December – 2019	17/01/2020	09/01/2020
10.	January – 2020	20/02/2020	11/02/2020
11.	February – 2020	19/03/2020	11/03/2020

ANNEXURES 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	Indian Bank, Bank of India & Union Bank of India
Subsidiary	NIL
Fellow Subsidiary	NIL
Associates/ Joint Venture	NIL
Key Management Personnel	Shri Girish Sharan Sinha, Managing Director & Chief Executive Officer Shri Angad Kumar Roy, Chief Financial Officer Kum. Pallavi Parikh, Company Secretary
Relative of Key Management Personnel	NIL

- (b) Nature of contracts/arrangements/transactions:

(₹ In lakhs)

Type of Transactions	Investing Party		Key Management Personnel	
	Current Year	Previous Year	Current Year	Previous Year
Interest Income from FDs	20.51	3.44	-	-
Interest on Overdraft	7.17	-	-	-
Purchase of Financial Assets	-	271.000	-	-
Remuneration	-	-	60.42	97.21
Total	27.68	274.44	60.42	97.21

- (c) Duration of the contracts / arrangements / transactions: April 1, 2019 to March 31, 2020
- (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

Place: Mumbai
Date: June 25, 2020

Chariman

CHHAJED & DOSHI

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of ASREC (INDIA) LIMITED

Report on the Audit of the Standalone IND AS Financial Statements

1. Opinion

We have audited the standalone IND AS financial statements of ASREC (India) Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the statement of Profit and Loss (including Other Comprehensive Income), the statement of changes in equity, statement of cash flows for the year ended on that date and the summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting standards) Rules, 2015, as amended, ("IndAS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

3. Emphasis of Matter

We draw attention to Note No 45 of the standalone financials wherein in the management, based on its initial assessment believes that there is no significant impact of COVID-19 on the Financial Statements. In view of the highly uncertain economic environment, a definitive assessment of the impact is highly dependent upon the circumstances as it may evolve.

Our opinion is not modified in respect of this matter.

4. Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the management discussion and analysis, Board's Report including annexures to Board's Report, Corporate Governance and Shareholder's information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

5. Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone financial statements that give a true and fair view of the

financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the IndAS and other accounting principles generally accepted in India. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

6. Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial

statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone IND AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements

may be influenced. We consider quantitative materiality and qualitative factors in.

- (i) planning the scope of our audit work and in evaluating the results of our work; and.
- (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

7. Report on Other Legal and Regulatory Requirements

7.1 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 (including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the IndAS 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified

as on 31st March, 2020 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 A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) 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, 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 standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

7.2 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 Act, we give in the "Annexure-B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

7.3 In terms of directions in terms of sub-section (5) of section 143 of the Act, issued by Comptroller and auditor general of India and based on information as available with us we state;

- a) The company has Accounting software / system in place to process all the accounting transactions through IT system. In our opinion and to the best of our information and according to the explanations given to us, the Company has not processed any transaction outside the IT system.
- b) There were no cases of restructuring of an existing loan or waiver/write off of debts /loans/interest etc. made by a lender to the company during the period under audit.
- c) The Company has not received funds from any central/ state agencies during the period under audit.

For CHHAJED & DOSHI

Chartered Accountants
Firm Reg. No: 101794W

M.P. Chhajed

(Partner)
Membership No: 049357
UDIN: 20049357AAAAEU1846

Place: Mumbai

Date: 3rd July, 2020

ANNEXURES TO THE INDEPENDENT AUDITOR'S REPORT

ANNEXURES - A

(Referred to in paragraph 7.1(f) under 'Report on Other Legal and Regulatory Requirements section of our report to the members of ASREC (India) Limited 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 2020 in conjunction with our audit of the standalone 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 2020, 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 CHHAJED & DOSHI

Chartered Accountants
Firm Reg. No: 101794W

M.P. Chhajed

(Partner)
Membership No: 049357
UDIN: 20049357AAAAEU1846

Place: Mumbai

Date: 3rd July, 2020

ANNEXURES - B

(Referred to in paragraph 7.2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of ASREC (India) Limited of even date.)

Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2016:

- i. (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. 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, 2020 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, 2020.
- 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.
- 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 CHHAJED & DOSHI

Chartered Accountants
Firm Reg. No: 101794W

M.P. Chhajed

(Partner)
Membership No: 049357
UDIN: 20049357AAAAEU1846

Place: Mumbai

Date: 3rd July, 2020

Extract of CAG Comments

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 2020

The preparation of financial statements of ASREC (India) Limited for the year ended 31 March 2020 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 3 July 2020.

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 2020 under section 143 (6) (a) of the Act.

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

Sd/-
(P. V. Hari Krishna)
Principal Director of Audit (Shipping), Mumbai

Place: Mumbai
Date: 28.08.2020

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Standalone Balance Sheet as at 31 March 2020

PARTICULARS	Note No.	As at 31 March 2020	As at 31 March 2019
ASSETS			
Financial assets			
(a) Cash and cash equivalents	4	1,528.76	1,218.28
(b) Bank balances other than cash and cash equivalents	5	531.95	-
(c) Receivables	6		
- Other receivables		279.90	1,060.70
(d) Investments	7	16,748.74	14,283.83
(e) Other financial assets	8	5.66	6.25
Non-financial assets			
(a) Current tax assets (net)	9	200.36	166.94
(b) Deferred tax assets (net)	10	418.89	336.88
(c) Property, plant and equipment	12	974.06	1,000.47
(d) Other non-financial assets	11	7.72	8.55
Total assets		20,696.04	18,081.90
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
(a) Payables			
- Trade payables	13		
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro, small and medium enterprises		29.03	16.84
(b) Borrowings (other than debt securities)	14	4,509.34	2,490.56
(c) Other financial liabilities	15	595.08	856.22
Non-financial liabilities			
(a) Current tax liabilities (net)	16	1.87	1.87
(b) Provisions	17	47.75	40.79
(c) Other non-financial liabilities	18	94.19	74.78
EQUITY			
(a) Equity share capital	19	9,800.00	9,800.00
(b) Other equity	20	5,618.78	4,800.84
Total liabilities and equity		20,696.04	18,081.90

Significant accounting policies

3

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

As per our report of even date

 For **CHHAJED & DOSHI**

 Chartered Accountants
 Firm Reg. No.: 101794W

M. P. Chhajed

 (Partner)
 M.No: 049357

Place: Mumbai

Date: 3rd July, 2020

For and on behalf of the Board of Directors

ASREC (India) Limited
V. K. Shunglu

 (Chairman)
 DIN : 00032683
 Noida

Girish Sharan Sinha
 (Managing Director &
 Chief Executive Officer)
 DIN : 08495135

M. M. Chitale

 (Director)
 DIN : 00101004

Angad Kumar Roy
 (Chief Financial Officer)

B. A. Prabhakar

 (Director)
 DIN : 02101808
 Bengaluru

Pallavi Parikh
 (Company Secretary)

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Standalone Statement of Profit and Loss for the year ended 31 March 2020

PARTICULARS	Note No.	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
(a) Revenue from operations			
(i) Revenue from contract with customers	21	1,510.78	1,286.26
(ii) Income from investment in financial assets		767.95	162.83
(iii) Income from investment in security receipts		441.74	546.91
(iv) Interest income	22	26.55	46.64
Total revenue from operations		2,747.02	2,042.64
(b) Other income	23	3.45	0.02
Total income		2,750.47	2,042.66
Expenses			
(a) Finance cost	24	173.25	156.10
(b) Fees and commission expenses	25	368.55	116.45
(c) Net loss on fair value changes		347.39	431.94
(d) Employee benefits expense	26	393.18	383.48
(e) Depreciation, amortisation and impairment	12	33.08	32.21
(f) Other expenses	27	292.94	189.70
Total expenses		1,608.39	1,309.87
Profit before tax		1,142.08	732.78
Tax expense:			
Current tax		402.01	212.27
Adjustment in respect of current tax of previous years		4.22	1.55
Deferred tax		(82.01)	12.46
		324.22	226.29
Profit for the year		817.86	506.49
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss - Remeasurement gain / (loss) on defined benefit plans		0.11	(3.68)
(ii) Income tax relating to items that will not be reclassified to profit and loss		(0.03)	1.02
Other comprehensive income for the year		0.08	(2.66)
Total comprehensive income for the year		817.94	503.83
Earnings per equity share (face value of Rs 10/- per equity share)			
Basic (Rs.)		0.83	0.52
Diluted (Rs.)		0.83	0.52

Significant accounting policies

3

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

As per our report of even date

For **CHHAJED & DOSHI**

Chartered Accountants

Firm Reg. No.: 101794W

M. P. Chhajed

(Partner)

M.No: 049357

Place: Mumbai

Date: 3rd July, 2020

For and on behalf of the Board of Directors

ASREC (India) Limited

V. K. Shunglu

(Chairman)

DIN : 00032683

Noida

Girish Sharan Sinha

(Managing Director &
Chief Executive Officer)

DIN : 08495135

M. M. Chitale

(Director)

DIN : 00101004

Angad Kumar Roy

(Chief Financial Officer)

B. A. Prabhakar

(Director)

DIN : 02101808

Bengaluru

Pallavi Parikh

(Company Secretary)

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Standalone Cash flows statement for the year ended 31 March 2020

PARTICULARS	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Cash flows from operating activities		
Profit before tax for the year	1,142.08	732.78
Adjustments:		
Depreciation, amortization and impairment	33.08	32.21
Net loss on fair value changes	347.39	431.94
Net loss on foreign currency transaction and translation	80.96	-
Provision for trust expenses	30.66	3.08
Finance costs	173.25	156.10
Implied interest on lease deposits	(0.54)	(0.53)
Actuarial gains or losses on employee benefits	0.11	(3.68)
Allocation of advance lease rental for the period	0.57	0.54
Operating cash flows before working capital changes	1,807.55	1,352.44
Working capital movements:		
(Decrease) / Increase in payables	12.19	6.46
(Decrease) / Increase in other financial liabilities	(270.57)	789.85
(Decrease) / Increase in provision	6.94	(17.44)
(Decrease) / Increase in other non-financial liabilities	19.41	(18.18)
Decrease / (Increase) in bank balances other than cash and cash equivalents	(531.95)	-
Decrease / (Increase) in other receivables	750.14	(899.29)
Decrease / (Increase) in investments	(2,812.30)	589.94
Decrease / (Increase) in other financial assets	1.14	-
Decrease / (Increase) in other non-financial assets	0.27	3.33
Cash generated from operations	(1,017.19)	1,807.11
Income taxes paid, net	(439.65)	(316.35)
Net cash flows (used in) generated from operating activities (A)	(1,456.84)	1,490.76
Cash flows from investing activities		
Purchase of property, plant and equipment including capital advances	(6.95)	(4.25)
Sale of property, plant and equipment	0.28	-
Net cash flows used in investing activities (B)	(6.67)	(4.25)
Cash flows from financing activities		
Proceeds from inter corporate loans	661.56	-
Repayment of inter corporate loans	(300.25)	-
Proceeds from external commercial borrowings	3,644.88	-
Repayment of bank overdraft (Refer note 2 below)	(2,068.37)	(1,910.39)
Finance costs paid	(163.82)	(156.10)
Dividend paid including dividend distribution tax	-	(590.72)
Net cash flows generated from (used in) financing activities (C)	1,773.99	(2,657.21)

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Standalone Cash flows statement for the year ended 31 March 2020

PARTICULARS	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Net increase / (decrease) in cash and cash equivalents (A+B+C)	310.48	(1,170.70)
Cash and cash equivalents at beginning of the year	1,218.28	2,388.98
Cash and cash equivalents at end of the year	1,528.76	1,218.28
Component of cash and cash equivalents		
Cash on hand	0.33	0.42
Balances with banks		
- in current accounts	38.58	744.63
- in fixed deposits with original maturity less than 3 months	1,489.85	473.23
Total cash and cash equivalents	1,528.76	1,218.28

Notes:

1. The above cash flow statement has been prepared under the indirect method as set out in Ind AS 7 Statement of Cash Flows u/s 133 of Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015 and the relevant provisions of the Act.
2. Net figures have been reported on account of volume of transactions.

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

As per our report of even date

For **CHHAJED & DOSHI**
Chartered Accountants
Firm Reg. No.: 101794W

M. P. Chhajed
(Partner)
M.No: 049357

Place: Mumbai
Date: 3rd July, 2020

For and on behalf of the Board of Directors
ASREC (India) Limited

V. K. Shunglu
(Chairman)
DIN : 00032683
Noida

Girish Sharan Sinha
(Managing Director &
Chief Executive Officer)
DIN : 08495135

M. M. Chitale
(Director)
DIN : 00101004

Angad Kumar Roy
(Chief Financial Officer)

B. A. Prabhakar
(Director)
DIN : 02101808
Bengaluru

Pallavi Parikh
(Company Secretary)

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Standalone Statement of changes in equity for the year ended 31 March 2020
A. Equity Share Capital

PARTICULARS	As at 31 March 2020	As at 31 March 2019
As at the beginning of year	9,800.00	9,800.00
Changes in equity share capital during the year	-	-
As at the end of year	9,800.00	9,800.00

B. Other Equity

PARTICULARS	Retained Earnings	Total
Balance as at 1 April 2018	4,887.73	4,887.73
Profit for the year	506.49	506.49
Other comprehensive income (loss) for the year	(2.66)	(2.66)
Dividend paid including dividend distribution tax	(590.72)	(590.72)
Balance as at 31 March 2019	4,800.84	4,800.84
Balance as at 1 April 2019	4,800.84	4,800.84
Profit for the year	817.86	817.86
Other comprehensive income (loss) for the year	0.08	0.08
Dividend paid including dividend distribution tax	-	-
Balance as at 31 March 2020	5,618.78	5,618.78

Notes to the Standalone financial statements for the year ended 31 March 2020

1. Company information

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 thereof under the provisions of Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) and the various guidelines issued by RBI from time to time. The Company is engaged in the business of acquiring Loan Portfolios, Loan Accounts, Non-Performing Assets (NPA) from the Banks and Financial Institutions and resolving them through appropriate resolutions strategies enunciated in SARFAESI.

The Company's registered office is at Solitaire Corporate Park, Bldg. No. 2, Unit No. 201-202 B Gr. Floor, Andheri Ghatkopar Link Rd., Chakala, Andheri (East), Mumbai - 400093.

2. Statement of compliance and basis of preparation and presentation

2.1 Statement of compliance

The financial statements of the Company have been prepared in all material aspects in accordance with Indian Accounting Standards (Ind AS) as per Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013 ('the Act') and other relevant provisions of the act and guidelines issued by the Reserve Bank of India (RBI) from time to time under SARFAESI Act.

These financial statements for the year ended 31 March 2020 are approved by the Board of Directors at its meeting held on 25 June 2020.

2.2 Basis of preparation and measurement

The financial statements have been prepared on an accrual basis and under the historical cost convention except for certain financial instruments which are measured at fair values (Refer note 3.5).

Measurement of fair value:

The Company measures investment in credit impaired financial assets as well as investment in security receipts of securitization trusts, at

fair value at each reporting date.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.3 Basis of presentation

The Company presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to the Companies Act, 2013. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 38.

Notes to the Standalone financial statements for the year ended 31 March 2020

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without it being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the company and or its counterparties

The financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

2.4 Significant accounting judgements, estimates and assumptions

In the application of the Company's accounting policies, the management is required to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities, about the carrying amounts of assets and liabilities that are not readily available from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements, apart from those involving estimations, that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the

amounts recognised in the financial statements.

Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

For Investments made into Security receipts (SRs) and purchased impaired financial assets, Company uses discounted cash flow model. Expected cash flow levels including timing of cash flows are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets including default rates, nature & value of collaterals, manner of resolution and other economic drivers. For any valuation which are based on models, Judgements and estimates are applied, which include considerations of liquidity, credit risk (both own and counterparty), funding value adjustments, correlation and volatility. Further, the Management also involves credit rating agencies for valuation of SRs.

Provisions and other contingent liabilities

When the company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Notes to the Standalone financial statements for the year ended 31 March 2020

Given the subjectivity and uncertainty of determining the probability and amount of losses, the company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

2.5 New accounting standards and recent accounting pronouncements

Standards issued and effective during the year:

A number of new or amended standards became applicable for the current reporting period starting from 01 April 2019. The following standards have been adopted by the Company in the year:

- Ind AS 116 "Leases"
- Amendment to Ind AS 12 "Income tax"
- Amendment to Ind AS 109 "Prepayment features with negative compensation"
- Amendment to Ind AS 19 "Employee benefits"
- Amendment to Ind AS 23 "Borrowing costs"

The Company has changed its accounting policies as a result of adopting Ind AS 116 "Leases".

The adoption of new standards and amendments to Ind AS did not have any impact on the Company's financial statements and not expected to significantly affect the future periods.

Standards issued but not yet effective:

Certain new standards, amendments to standards and interpretations are not yet effective for annual period beginning after April 1, 2019 and have not been applied in preparing these financial statements. The new standards and amendments to standards are proposed to be effective for reporting periods beginning on or after 1 April 2020. The Company intends to adopt these standards and amendments when they became effective.

The Standards that are issued, but not yet

effective, are disclosed below:

A. Issuance of new standard

Ind AS 117 – Insurance Contracts

Ind AS 117 supersedes Ind AS 104 Insurance contracts. It establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. Under the Ind AS 117 model, insurance contract liabilities will be calculated as the present value of future insurance cash flows with a provision for risk.

Application of this standard is not expected to have any significant impact on the Company's financial statements.

B. Amendments to existing Standards

Ministry of Corporate Affairs has carried out amendments of the following accounting standards:

(i) Ind AS 103 - Business Combination

The amendment is in connection with clarification of business definition, which help in determining whether an acquisition made is of a business or a group of assets. The amendment added a test that makes it easier to conclude that a Company has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets.

The adoption of amendment to Ind AS 103 is not expected to have any significant impact on the Company's financial statements.

(ii) Ind AS 1, Presentation of Financial Statements and Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors

The amendment is in connection with refinements to the definition of 'Material' and aligns this definition with other Ind AS. These refinements are intended to make the definition

Notes to the Standalone financial statements for the year ended 31 March 2020

easier to understand and are not intended to alter the concept of materiality in Ind AS. The amended definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

The adoption of amendment to Ind AS 1 and Ind AS 8 is not expected to have any significant impact on the Company's financial statements.

(iii) Ind AS 40 – Investment Property

Ind AS 40 states that an investment property shall be measured initially at cost and for measurement after recognition, cost model shall be adopted for all the investment property. The amendment is in connection with an addition of option to measure all investment property after recognition as per fair value model. However, the amendment also gives an exception which states that an entity may:

- (a) choose either the fair value model or the cost model for all investment property backing liabilities that pay a return linked directly to the fair value of, or returns from, specified assets including that investment property; and
- (b) choose either the fair value model or the cost model for all other investment property, regardless of the choice made in (a).

The adoption of amendment to Ind AS 40 is not expected to have any significant impact on the Company's financial statements.

3. Significant accounting policies

3.1 Revenue recognition

a) Revenue from contract with customers:

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is recognized upon transfer of control of promised goods and services to customers in an amount that reflects transaction price i.e. the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third parties. The Company consider the terms of the contract and its customary business practices to determine the transaction price. Where the consideration promised is variable, the Company excludes the estimates of variable consideration that are constrained. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

Deferred contract costs are incremental costs of obtaining a contract which are recognize as assets and amortized over the term of the contract. Revenue in excess of invoicing are classified as contract assets which invoicing in excess of revenues are classified as contract liabilities.

The fee income comprises of management fees. The Company receives management fee from trusts declared by it for acquisition of financial assets and the same is accounted for on accrual basis as per terms of the relevant trust deeds and offer document issued by the Trust. Management fees are calculated and charged as a percentage of the Net Assets Value (NAV) at the lower end of the range of the NAV specified by the Credit Rating Agency.

b) Other revenue:

i) Income from investment in credit impaired financial assets

Notes to the Standalone financial statements for the year ended 31 March 2020

Amount realized on resolution / realization of credit impaired financial assets is credited to respective assets till the value of that asset become nil. Amount realized from resolution subsequent to that is credited to the statement of profit or loss. Similarly, if the total amount realized from resolution is less than its cost, the short fall is treated as loss and debited to the statement of profit and loss. In case of credit impaired financial assets acquired / resolved under policy for Acquisition of "Negotiated Financial Assets for Restructuring", interest on amount funded is recognized on actual realization.

ii) **Income from investment in security receipts of securitisation trusts**

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

iii) **Fair value gain or Loss**

Fair value of investment in credit impaired financial assets as well as investment in security receipts of various securitisation trusts is assessed on each reporting date and gain or loss arising on such assessment is recognised in the statement of profit and loss.

c) **Other income**

- i) Interest on bank deposits and receivable from Trusts are accounted for on accrual basis as per the terms of the deposits or Trust deed respectively.
- ii) Dividend income is recognized with right to receive of dividend established.
- iii) 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 received.

3.2 **Expenses incurred by the Company on behalf of the trust**

Expenses incurred at pre-acquisition stage are recognised as expenses for the period in which such costs are incurred. If such expenses are contracted to be recovered from the trusts the same are shown as other receivables from trust in the Balance Sheet and grouped under other receivable from Trust. These expenses are reimbursed to the Company in terms of the provisions of relevant trust deed and offer document of the trusts.

3.3 **Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any.

Cost includes cost of acquisition, installation, other direct expenses incurred to bring the assets to its working condition and finance costs incurred up to the date the asset is ready for its intended use and excludes taxes eligible for credit / setoff.

Subsequent costs incurred on an item of property, plant and equipment is recognised in the carrying amount thereof when those costs meet the recognition criteria i.e. it is probable that future economic benefits will flow to the entity and cost can be measured reliably. Repairs and maintenance are recognised in statement of profit and loss as incurred.

Depreciation on the property, plant and equipment is provided on straight line method, over the useful life of the assets, as specified in Part C of Schedule II to the Companies Act, 2013. For property, plant and equipment which are added / disposed of during the year, depreciation is provided on pro-rata basis.

Gains or losses arising from derecognition of property, plant and

Notes to the Standalone financial statements for the year ended 31 March 2020

equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.4 Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably.

Intangible assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebate less accumulated amortisation and impairment loss, if any. Such cost includes cost of acquisition, installation, other direct expenses incurred to bring the assets to its working condition and finance costs incurred up to the date the asset is ready for its intended use and excludes taxes eligible for credit / setoff.

As per amortisation policy of the Company, software is amortised over a period of 3 years on straight line basis from the date they are available for intended use, subject to impairment test. One-time license fees paid for use of software are amortised over the period of the license agreement or 10 years whichever is shorter.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

3.5 Financial instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through

profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction cost that are directly attributable to the acquisition or issue of financial assets which are measured at fair value through profit or loss are charged to statement of profit or loss as and when incurred.

(i) Financial assets

Subsequent measurement

Financial assets at fair value through profit and loss (FVTPL)

At the end of each reporting period, the financial assets comprising of investment in credit impaired financial assets and investment in security receipts are measured at fair value through profit or loss ("FVTPL") and fair value gains or losses are recognised in the statement of profit and loss.

Financial assets at amortized cost

The financial assets which are classified at amortized cost, subsequently measured at amortized cost through effective interest rate method.

Investment in Equity Instruments

All equity investments covered within the scope of Ind-AS 109 are measured at fair value and the changes in value are recognised in the statement of profit and loss except for those equity instruments which the Company has chosen to recognise the value changes in 'Other Comprehensive Income'. The classification of recognising the value changes either through FVTPL or FVTOCI is made on initial recognition and is irrevocable.

The income earned on equity instruments those are measured through FVTPL are recognised in statement of profit and loss.

Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and

Notes to the Standalone financial statements for the year ended 31 March 2020

substantially all the risks and rewards of ownership of the asset to another party or when it has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on loans measured at amortised cost and FVOCI and other debt financial assets not held at FVTPL.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is calculated to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

The Company performs an assessment, at the end of each reporting period, of whether a financial assets credit risk has increased significantly since initial recognition. When making the assessment, the change in the risk of a default occurring over the expected life of the financial instrument is used instead of the change in the amount of expected credit losses.

Estimation of Expected Credit Loss (ECL):

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of default (PD): The Probability of Default is an estimate of the likelihood of default over a given time horizon. The Company uses historical

information where available to determine PD.

Exposure of default (ED): The Exposure at Default is an estimate of the exposure at a future default date.

Loss Given default (LGD): The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral.

Forward looking information: While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

Based on the above process, the Company categorizes its loans and receivables into three stages as described below:

Stage 1: When loans and receivables are first recognised, the Company recognises an allowance based on 12 months ECL. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. These expected 12-month default probabilities are applied to an ED and multiplied by the expected LGD. Stage 1 loans and receivables also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

Notes to the Standalone financial statements for the year ended 31 March 2020

Stage 2: When a loan and receivables has shown a significant increase in credit risk since origination, the Company records an allowance for the life time ECL. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3: Financial assets are classified as stage 3 when there is objective evidence of impairment as result of one or more loss events that have occurred after the initial recognition. The Company records an allowance for the life time ECL. The method is similar to that for Stage 2 assets, with the PD set at 100%.

(ii) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

Financial liabilities are carried at amortised cost using effective interest rate method. For trade and other payables maturing within one year from the balance sheet date the carrying amounts approximate fair value due to the short maturity of these instruments.

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in profit or loss.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost. Similarly, interest bearing loans and borrowings are subsequently measured at amortised cost using effective interest method.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of

Notes to the Standalone financial statements for the year ended 31 March 2020

an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.6 Financial risk management

The company's main business is of acquisition of financial assets (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.

3.7 Employee benefits:

Short-term benefits

Short term employee benefits including accumulating compensated absences are recognised at an undiscounted amount in the statement of profit and Loss for the year in which the related services are rendered. Payments made to State Bank of India towards emoluments of their employees who are on deputation to the Company are regarded as the Employees' Cost of the Company.

Long term benefits:

Other long-term employee benefits comprise of leave encashment and are provided for based on the independent actuarial valuation. The classifications between current and non-current liabilities are based on actuarial valuation. The actuarial valuation is done as per the projected unit credit method as at the reporting date.

Post-retirement benefits:

Gratuity:

The Company's gratuity scheme is a defined benefit plan. 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. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted. The present value of the obligation under such benefit plan is determined based on independent actuarial valuation using the Projected Unit Credit Method.

Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the statement of profit and loss in the period in which they occur. Remeasurements, comprising of actuarial gains and losses, the effect of changes to the asset ceiling (excluding amounts included in net interest or the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with corresponding debit or credit to retained earnings through OCI in the period in which it occurs.

Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Past service costs are recognised in the statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

Notes to the Standalone financial statements for the year ended 31 March 2020

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Leave encashment:

The liability on account of employees' leave encashment is not funded. The Company recognises the charge in the statement of profit and loss and corresponding liability on such non-vesting accumulated leave entitlement based on a valuation by an independent actuary. The cost of providing annual leave benefits is determined using the projected unit credit method.

Provident fund:

The Company has a provident fund scheme which is a defined contribution Scheme. Defined contribution is charged to the statement of profit and loss.

3.8 Taxation

Tax on Income comprises current tax and deferred tax. These are recognised in statement of profit and loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss, either in other comprehensive income or directly in equity. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

Presentation of current and deferred tax:

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3.9 Impairment of assets other than financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal / external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount

Notes to the Standalone financial statements for the year ended 31 March 2020

of cash generating unit which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

3.10 Borrowings costs

Borrowing costs other than those directly attributable to qualifying assets are recognised as expenses in the statement of profit and loss in the period in which they are incurred. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of the asset.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalisation.

3.11 Provisions and contingencies

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of time value of money is material, provisions are discounted using a current pre-

tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. Contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognized but are disclosed in the notes where an inflow of economic benefits is probable.

3.12 Leases

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

The company as a lessee:

The company recognises a right-of-use asset

Notes to the Standalone financial statements for the year ended 31 March 2020

and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination

of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets. The company has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Under Ind AS 17:

In the comparative period, as a lessee the company classified leases that transfer substantially all of the risks and rewards of ownership as finance leases. Assets held under other leases were classified as operating leases.

Leased assets held under finance leases are initially recognised as assets of the company at their fair value at the inception of the lease, or if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease

Notes to the Standalone financial statements for the year ended 31 March 2020

obligation so as to achieve a constant rate of interest on remaining balance of liability. Finance expenses are recognised immediately in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalised. Contingent rentals are recognised as expenses in the period in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Rental expense from operating lease is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

3.13 Cash and cash equivalents

The Company considers all highly liquid financial instruments which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of 3 months or less from the date of purchase to be cash equivalents. Cash and cash equivalents

consist of bank balances which are unrestricted for withdrawal and usage.

3.14 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, Investing and financing activities of the Company are segregated based on the available information.

3.15 Earnings per share

Basic earnings per share is computed by dividing the net profit or loss after tax for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
4 Cash and Cash Equivalents

	As at 31 March 2020	As at 31 March 2019
Cash on hand	0.33	0.42
Balances with Banks		
- in Current Accounts	38.58	744.63
- in fixed deposits with original maturity less than 3 months	1,489.85	473.23
	1,528.76	1,218.28

5 Bank balances other than cash and cash equivalents

Fixed deposits, held as margin money or security against bank overdraft	523.85	-
Accrued interest on fixed deposits	8.10	-
	531.95	-

6 Other Receivables
Receivable from trusts

- Receivables considered good - Unsecured	127.66	106.40
- Receivables - credit impaired	133.86	103.20
Less: Allowance for impairment loss	(133.86)	(103.20)

Other receivables

- Receivables considered good - Unsecured	152.24	954.30
	279.90	1,060.70

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms, including limited liability partnerships (LLPs) or private companies respectively in which any director is a partner, a director or a member.

7 Investments

Particulars	As at 31 March 2020	As at 31 March 2019
	Measured at fair value through profit or loss	Measured at fair value through profit or loss
Investments in subsidiaries		
- Investments in structured entities	13,580.05	9,614.87
Other investments		
- Financial assets acquired from banks and financial institutions	3,168.69	4,668.96
Total - (A)	16,748.74	14,283.83
Investments outside India	-	-
Investments in India	16,748.74	14,283.83
Total - (B)	16,748.74	14,283.83

During the year, the company has written-off investment in financial assets amounting to Rs Nil (Previous year: Rs 374.55 lakhs) on account of non-recovery for more than 5 years in such accounts.

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020

8 Other Financial Assets

	As at 31 March 2020	As at 31 March 2019
Lease deposits	5.08	5.68
Other deposits	0.58	0.57
	5.66	6.25

9 Current tax assets (net)

Advance tax and tax deducted at source (net of provision for tax)	200.36	166.94
	200.36	166.94

10 Deferred Tax Assets (Net)

Deferred tax assets on account of:

Fair valuation of investments	540.18	452.06
Implied interest on lease deposits	0.35	0.18
Provision for employee benefits	5.36	3.97
Provision for other receivables	37.24	28.71
Total deferred tax assets - (A)	583.13	484.92

Deferred tax liability on account of:

Property, plant and equipment	152.46	147.87
Borrowings at amortised cost	11.45	-
Allocation of advance lease rental	0.33	0.17
Total deferred tax liabilities - (B)	164.24	148.04
Deferred tax assets (net) - (A-B)	418.89	336.88

11 Other Non-Financial Assets

Gratuity plan asset net off plan liability (Refer note 36)	1.42	4.39
Prepaid expenses	5.10	3.53
Prepaid lease rentals	1.20	0.63
Total	7.72	8.55

Notes to the Standalone financial statements for the year ended 31 March 2020

12 Property plant and equipment

Particulars	Building	Vehicles	Computer equipment	Office equipment	Electrical equipments	Furniture and fixtures	Air conditioner	Total
Gross block								
As at 01 April 2019	1,141.36	14.43	46.54	4.90	11.64	54.53	0.68	1,274.07
Additions	-	-	4.26	-	-	2.70	-	6.95
Disposals	-	-	(0.47)	-	-	-	-	(0.47)
As at 31 March 2020	1,141.36	14.43	50.32	4.90	11.64	57.23	0.68	1,280.55
As at 01 April 2018	1,141.36	14.43	42.79	4.90	11.14	54.53	0.68	1,269.82
Additions	-	-	3.74	-	0.50	-	-	4.25
Disposals	-	-	-	-	-	-	-	-
As at 31 March 2019	1,141.36	14.43	46.54	4.90	11.64	54.53	0.68	1,274.07
Accumulated depreciation								
As at 01 April 2019	169.94	2.65	43.47	4.43	9.54	43.43	0.14	273.60
For the year	19.10	1.81	3.78	0.16	1.54	6.63	0.05	33.08
Disposals	-	-	(0.19)	-	-	-	-	(0.19)
As at 31 March 2020	189.04	4.46	47.06	4.59	11.08	50.07	0.19	306.49
As at 01 April 2018	150.88	0.85	40.38	4.26	8.01	36.90	0.10	241.39
Additions	19.05	1.80	3.08	0.16	1.53	6.53	0.05	32.21
Disposals	-	-	-	-	-	-	-	-
As at 31 March 2019	169.94	2.65	43.47	4.43	9.54	43.43	0.14	273.60
Net block								
As at 31 March 2020	952.32	9.97	3.26	0.31	0.56	7.16	0.49	974.06
As at 31 March 2019	971.42	11.78	3.07	0.47	2.10	11.09	0.54	1,000.47

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020

13 Payables

Particulars	As at 31 March 2020	As at 31 March 2019
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro, small and medium enterprises	29.03	16.84
	29.03	16.84

14 Borrowings (other than debt securities)

Particulars	As at 31 March 2020	As at 31 March 2019
	Measured at amortised cost	Measured at amortised cost
a. Term loans		
(i) Secured:		
- From banks - External commercial borrowings (Refer note iii below)	3,725.84	-
(ii) Unsecured:		
- From other parties - Inter corporate loans (Refer note iv below)	361.31	-
b. Loans repayable on demand		
(i) Secured:		
- Bank overdrafts (Refer note v below)	422.19	2,490.56
Total - (A)	4,509.34	2,490.56
Borrowings in India	783.50	2,490.56
Borrowings outside India	3,725.84	-
Total - (B)	4,509.34	2,490.56

Notes:

- (i) There are no borrowings measured at FVTPL or designated at FVTPL.
- (ii) The Company has not defaulted in repayment of principal and interest.
- (iii) The secured external commercial borrowings are secured by way of hypothecation for USD 5,000,000 on all financial assets including security receipts of the borrower. The loan is repayable in 8 half yearly equal installments of USD 625,000 each. The loan carries interest rate of 6 months USD LIBOR plus 3.70% per annum. The initial direct cost of USD 55,479 consisting of processing fees, FX fees and legal fees is netted of against the said borrowing.
- (iv) The unsecured inter-corporate loans from other parties are repayable within a year from the date of availment. The loan carries interest rate of 15.00% per annum.
- (v) Bank overdrafts is secured against term deposit receipts and is repayable on demand. The loan carries interest rate of 1.00% over deposit rate.

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
15 Other financial liabilities

	As at 31 March 2020	As at 31 March 2019
Interest accrued but not due	9.43	-
Balance in no lien account	2.80	816.50
Salary payable	50.00	39.72
Payable to trusts	532.85	-
Total	595.08	856.22

16 Current tax liabilities (net)

Provision for income tax (net of advance tax and tax deducted at source)	1.87	1.87
Total	1.87	1.87

17 Provisions

Provision for employee benefits (Refer note 36):	-	-
- Leave encashment	20.69	18.64
Provision for expenses	27.06	22.15
Total	47.75	40.79

18 Other non-financial liabilities

Statutory dues payable:		
- Goods and service tax	54.76	40.56
- Tax deducted at source	20.19	14.60
- Tax collected at source	-	0.49
- Profession tax	0.10	0.06
- Provident fund	19.13	19.07
	94.19	74.78

19 Equity share capital

	As at 31 March 2020	As at 31 March 2019
Authorised share capital:		
12,50,00,000 (Previous year: 12,50,00,000) equity shares of Rs 10/- each	12,500.00	12,500.00
Issued, subscribed and paid-up:		
9,80,00,000 (Previous year: 9,80,00,000) equity shares of Rs 10/- each, fully paid-up	9,800.00	9,800.00
	9,800.00	9,800.00

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020

a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	9,80,00,000	9,800.00	9,80,00,000	9,800.00
Add : Issued during the year	-	-	-	-
Balance at the end of the year	9,80,00,000	9,800.00	9,80,00,000	9,800.00

b) Terms / rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) List of shareholders holding more than 5% shares of a class of shares

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number of shares	% holding	Number of shares	% holding
Allahabad Bank (Now Indian Bank) *	-	0.00%	2,64,99,900	27.04%
Bank of India	2,55,00,000	26.02%	2,55,00,000	26.02%
Andhra Bank (Now Union Bank of India)	2,55,00,000	26.02%	2,55,00,000	26.02%
Indian Bank *	3,74,99,900	38.27%	1,10,00,000	11.22%
Life Insurance Corporation of India	90,00,000	9.18%	90,00,000	9.18%
	9,74,99,900	99.49%	9,74,99,900	99.49%

* During the current financial year, Allahabad bank has been merged with Indian bank and accordingly shares of the Company held by Allahabad bank has been merged with shares held by Indian Bank.

d) 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.

20 Other equity

Particulars	As at 31 March 2020	As at 31 March 2019
Retained earnings	5,618.78	4,800.84
	5,618.78	4,800.84

Retained earnings

Balance at the beginning of the year	4,800.84	4,887.73
Add: Profit for the year	817.86	506.49
Add: Other comprehensive income (loss) for the year	0.08	(2.66)
Less: Dividend paid including dividend distribution tax	-	(590.72)
Balance at the end of the year	(5,618.78)	(4,800.84)

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
Retained earnings

Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

21 Revenue from contract with customers

	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Disaggregation of the revenue from contracts with customers and its reconciliation to amounts reported in statement of profit and loss:		
Particulars		
Service transferred at a point in time	-	-
Service transferred over time:		
i) Management fees		
- from related parties (refer note 37)	835.78	1,224.86
- from others	675.00	-
ii) Incentives	-	61.40
Total revenue from contract with customers	1,510.78	1,286.26

22 Interest income

Particulars	For the Year Ended 31 March 2020	
	On financial assets measured at amortised cost	On financial assets measured at FVTPL
Interest on deposit with banks	21.34	-
Other interest	0.54	-
Interest income from investments	-	4.66
Total	21.88	4.66

Particulars	For the Year Ended 31 March 2019	
	On financial assets measured at amortised cost	On financial assets measured at FVTPL
Interest on deposit with banks	4.23	-
Other interest	21.93	-
Interest income from investments	-	20.47
Total	26.16	20.47

23 Other Income

Miscellaneous income	3.45	0.02
	3.45	0.02

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020

24 Finance costs

	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
	On financial liabilities measured at amortised cost	On financial liabilities measured at amortised cost
Interest on borrowings	173.25	156.10
Total	173.25	156.10

25 Fees and commission expense

Legal expenses	10.79	7.12
Professional fees	347.36	103.78
Resolution fees	6.34	3.65
Valuation and due diligence expenses	4.06	1.90
	368.55	116.45

26 Employee benefits expense

Salaries and wages	341.56	333.82
Contribution to provident fund (Refer note 36)	8.22	7.99
Staff welfare expenses	31.33	32.27
Gratuity expense (Refer note 36)	3.33	2.72
Leave encashment (Refer note 36)	8.74	6.68
	393.18	383.48

27 Other expenses

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Payment to auditors		
- Audit fees	7.94	7.87
- Tax audit fees	1.16	1.26
- Reimbursement of expenditure	0.44	0.43
Lease rental (Refer note 29)	26.46	24.64
Bank charges	0.67	1.22
Business development expenses	1.53	1.40
Demat charges	0.05	0.05
Director sitting fees	11.12	10.74
Meeting expenses	-	0.08
Electricity charges	10.05	10.36
Housekeeping, security and runner	53.27	38.66
Insurance	4.23	3.31
Internet and website expenses	4.98	6.94
Membership and subscription	3.93	6.43
Newspaper, books and periodicals	0.57	0.47
Postage and courier expense	1.94	1.96

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Printing and stationery	8.09	6.39
Registration fees	1.10	6.50
Repairs and maintenance	8.51	6.02
Telephone, fax and mobile expenses	4.10	3.98
Traveling and conveyance	28.12	22.41
Rates and taxes	7.87	7.68
Corporate social responsibility expenditure (Refer note 34)	20.84	18.09
Net loss on foreign currency transaction and translation	80.96	-
Miscellaneous expenses	5.01	2.80
	292.94	189.70

28 Contingent liabilities and commitments
a Contingent liabilities:

Claims against the Company not acknowledged as debts: Nil (Previous year: Nil)

The Supreme Court delivered its ruling on the composition of basic wages for the purpose of deduction and contribution to the employee provident and pension funds. As the management of the company does not envisage any significant impact, considering the materiality of liability arising out of said ruling, thereof in its financial statement for the year ended 31 March 2020 and 31 March 2019, no provision for the same has been made in its books of account.

b Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for: Nil (Previous year: Nil)

29 Leases

Except as specified below, the Company has consistently applied the accounting policies to all periods presented in this financial statements. The Company has applied Ind AS 116 with the date of initial application of 01 April 2019. As a result, the Company has changed its accounting policy for lease contracts.

Company as a lessee

The Company has taken various commercial / residential premises under finance leases arrangements. These lease arrangements are normally renewed on expiry, wherever required.

Particulars	For the Year Ended 31 March 2020
Expense relating to short-term leases and low value assets	26.46
	26.46

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020

30 Earnings Per Share ("EPS")

Particulars	As at 31 March 2020	As at 31 March 2019
Face value per equity share (Rs.)	10.00	10.00
Basic earnings per share (Rs.)	0.83	0.52
Net profit after tax as per statement of profit and loss attributable to equity shareholders	817.86	506.49
Weighted average number of equity shares used as denominator for calculating Basic EPS	9,80,00,000	9,80,00,000
Diluted earnings per share (Rs.)	0.83	0.52
Net profit after tax as per statement of profit and loss attributable to equity shareholders	817.86	506.49
Weighted average number of equity shares used as denominator for calculating Diluted EPS	9,80,00,000	9,80,00,000
Reconciliation of weighted average number of shares outstanding		
Weighted average number of equity shares used as denominator for calculating Basic EPS	9,80,00,000	9,80,00,000
Total weighted average potential equity shares	-	-
Weighted average number of equity shares used as denominator for calculating Diluted EPS	9,80,00,000	9,80,00,000

31 Segment information

The Company is in the business of acquisition and resolution of non-performing assets. All other activities of the Company revolve around the main business. Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment. Segment wise reporting as defined in Ind-AS 108 is not required, since the entire operation of the Company is related only to one segment.

32 Capital management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

The funding requirements are met through a mixture of equity, internal fund generation and other long-term borrowings. The Company's policy is to use short-term and long-term borrowings to meet anticipated funding requirements.

Capital Risk Adequacy Ratio (CRAR)

As at 31 March 2020	As at 31 March 2019
80.46%	84.56%

As per Reserve Bank of India guidelines, the capital adequacy ratio of the Company at the year-end worked out as given below:

Particulars	Current Year	Previous Year
(i) Shareholders' fund less deferred tax assets, prepaid expenses and net unrealised gain on fair valuation of financial instruments	14,994.79	14,260.43
(ii) Risk weighted assets	18,635.34	16,863.62
(iii) Capital adequacy ratio	80.46%	84.56%

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
33 Valuation

All financial instruments are initially recognised and subsequently re-measured at fair value as described below:

- a) The fair value of investment in security receipts of securitisation trusts is arrived by applying the mid-value of rating scale under which the SRs of those particular trusts are rated by rating agencies.
- b) The fair value of investment in credit impaired financial assets is arrived at by applying the fair value model devised by the company for this purpose.

34 Expenditure on Corporate Social Responsibility (CSR)

The Company has spent an amount of Rs 20.84 lakhs towards Corporate Social Responsibility (CSR) activities as per the provision of Section 135 of Companies Act 2013 and rules made thereunder(as amended from time to time), and the same has been recognized as a separate line item as "Corporate social responsibility expenditure" in the statement of profit and loss.

The details of CSR expenditures are as under:

	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
a Gross amount required to be spent by the Company during the year	20.84	18.09

b. Amount spent during the year ended 31 March 2020

Particulars	Paid in cash	Yet to be paid in cash
(i) On construction/acquisition of any asset	20.84	-
(ii) On purposes other than (i) above	-	-
Total	20.84	-

Amount spent during the year ended 31 March 2019

Particulars	Paid in cash	Yet to be paid in cash
(i) On construction/acquisition of any asset	18.09	-
(ii) On purposes other than (i) above	-	-
Total	18.09	-

35 Income tax

The major components of income tax expense for the years ended 31 March 2020 and 31 March 2019 are:

Statement of profit and loss section

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Current income tax:		
Current income tax charge	402.01	212.27
Adjustment in respect of current tax of previous years	4.22	1.55
Deferred tax:		
Relating to origination and reversal of temporary differences	(82.01)	12.46
Income tax expense reported in the statement of profit and loss	324.22	226.29

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020

OCI Section

Deferred tax related to items recognised in OCI during the year:

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Statement to Other Comprehensive Income (OCI)		
Deferred tax related to items recognised in OCI during the year	(0.03)	1.02
	(0.03)	1.02

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Accounting profit before tax	1,142.08	732.78
Computed tax expense	317.73	203.86
At India's statutory income tax rate of 27.82% (31 March 2019: 27.82%)		
Adjustments for:		
Tax effect of amounts which are not deductible (taxable) in calculating income	2.90	2.51
Adjustment in respect of current tax of previous years	4.22	1.55
Change in tax rate	-	17.24
Others	(0.63)	1.13
At the effective income tax rate of 28.39% [31 March 2019: 30.88%]	324.22	226.29
Income tax expense reported in the statement of profit and loss	324.22	226.29

Deferred tax relates to the following

Particulars	Balance sheet		Statement of profit and loss	
	As at 31 March 2020	As at 31 March 2019	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Property, plant and equipment	(152.46)	(147.87)	(4.60)	(0.42)
Fair valuation of investments	540.18	452.06	88.10	(7.97)
Impact of expenditure allowed for tax purposes on payment basis	42.60	32.68	9.92	(3.06)
Implied interest on lease deposits	0.35	0.18	0.17	0.18
Allocation of advance lease rental	(0.33)	(0.17)	(0.16)	(0.17)
Borrowings at amortised cost	(11.45)	-	(11.45)	-
Deferred tax related to OCI items			0.03	(1.02)
Net deferred tax expense / (income)			82.01	(12.46)
Net deferred tax assets / (liabilities)	418.89	336.88		

Reflected in the balance sheet as follows

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred tax liability	(164.24)	(148.04)
Deferred tax assets	583.13	484.92
Deferred tax assets, net	418.89	336.88

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
Reconciliation of deferred tax (liabilities) / assets, net

Particulars	As at 31 March 2020	As at 31 March 2019
Opening balance as of April 1	336.88	348.31
Tax (income)/expense during the period recognised in profit or loss	(82.01)	12.46
Tax (income)/expense during the period recognised in equity	0.03	(1.02)
Closing balance	418.89	336.88

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

36 Employee benefits

The Company contributes to the following post-employment plans:

A Defined contribution plans

Contribution to defined contribution plans, recognised as expense for the year is as under:

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Employer's contribution to provident fund	8.22	7.99

B Defined benefit plans
a) Reconciliation of opening and closing balances of defined benefit obligations

Particulars	Gratuity (Funded)		Leave encashment (Unfunded)	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Defined benefit obligation at beginning of the period	13.96	12.70	18.64	27.07
Net current service cost	3.74	2.58	4.81	5.04
Interest cost on defined benefit obligation	1.01	1.04	1.61	2.29
Actuarial (gains)/losses	(0.51)	3.23	2.31	(0.66)
Benefits paid	(4.59)	(5.60)	(6.69)	(15.11)
Past service cost	-	-	-	-
Defined benefit obligation at end of the period	13.61	13.96	20.69	18.64

b) Reconciliation of opening and closing balances of fair value of plan assets

Particulars	Gratuity (Funded)		Leave encashment (Unfunded)	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Fair value of plan assets at beginning of the period	18.34	11.39	-	-
Interest income on plan assets	1.43	0.90	-	-
Actual company contributions	0.25	12.10	-	-
Actuarial gains (losses)	(0.40)	(0.45)	-	-
Benefits paid	(4.59)	(5.60)	-	-
Fair value of plan assets at end of the period	15.04	18.34	-	-

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020

c) Reconciliation of fair value of assets and obligations

Particulars	Gratuity (Funded)		Leave encashment (Unfunded)	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Fair value of plan assets	15.04	18.34	-	-
Present value of obligation	13.61	13.96	20.69	18.64
Amount recognised in Balance Sheet [Surplus / (Deficit)]	1.42	4.39	(20.69)	(18.64)

d) Expense recognised during the period

Particulars	Gratuity (Funded)		Leave encashment (Unfunded)	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
In statement of profit or loss				
Current service cost	3.74	2.58	4.81	5.04
Interest cost	(0.42)	0.14	1.61	2.29
Past service cost	-	-	-	-
Remeasurements	-	-	2.31	(0.66)
Net cost	3.33	2.72	8.74	6.68
In other comprehensive income				
Actuarial gain or loss	(0.51)	3.23	-	-
Return on plant asset (excluding interest)	0.40	0.45	-	-
Net (income) / expense for the year recognised in OCI	(0.11)	3.68	-	-

e) Investment details

Particulars	Gratuity (Funded)			
	As at 31 March 2020		As at 31 March 2019	
	Quoted Value	Unquoted Value	Quoted Value	Unquoted Value
Government of India securities (Central and State)	0%	0%	0%	0%
High quality corporate bonds (including Public Sector Bonds)	0%	0%	0%	0%
Equity shares of the Company	0%	0%	0%	0%
Insurer managed funds and T-bills	0%	100%	0%	100%
Cash (including bank balance, special deposit scheme)	0%	0%	0%	0%
Others	0%	0%	0%	0%
Total	0%	100%	0%	100%

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
f) Actuarial assumptions

Particulars	Gratuity (Funded)		Leave encashment (Unfunded)	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Economic assumptions				
Discount rate	6.76%	7.78%	6.76%	7.78%
Salary escalation rate	6.50%	6.50%	6.50%	6.50%
Expected return on plan assets	6.76%	7.78%	N.A.	N.A.
Demographic assumptions				
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Employee turnover/withdrawal rate	1.00%	1.00%	1.00%	1.00%
Leave availment ratio	N.A.	N.A.	2.00%	2.00%
Retirement age	65 years	65 years	65 years	65 years

g) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, salary escalation rate and employee turnover/withdrawal rate. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

Particulars	Gratuity (Funded)	
	As at 31 March 2020	
	Decrease	Increase
Change in discount rate (delta effect of +/- 100 basis points)	1.68	(1.56)
Change in salary escalation rate (delta effect of +/- 100 basis points)	(0.47)	0.48
Change in withdrawal rate (delta effect of +/- 100 basis points)	(0.42)	0.33

These plans typically expose the Company to actuarial risks such as: Investment Risk, Interest Risk, Longevity Risk and Salary Risk

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest Risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

Longevity Risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk: The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020

37 Related Party Disclosures

a) List of Related Party Relationships

Sr. No.	Name of the Related Party	Relationship
1.	Bank of India	Investor - holding more than 20% of equity shares in the Company
2.	Andhra Bank (Now Union Bank of India)	Investor - holding more than 20% of equity shares in the Company
3.	Allahabad Bank (Now Indian bank)	Investor - holding more than 20% of equity shares in the Company
4.	Mr. Dhananjay Kumar Jain	Key Management Personnel - Managing Director and Chief Executive Officer (upto 24 August 2019)
5.	Mr. Girish Sharan Sinha	Key Management Personnel - Managing Director and Chief Executive Officer (from 01 October 2019)
6.	Mr. Angad Kumar Roy	Key Management Personnel - Chief Financial Officer
7.	Ms. Pallavi Parikh	Key Management Personnel - Company Secretary
8.	ASREC PS 01/06 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
9.	ASREC PS 02/06 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
10.	ASREC PS 04/06 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
11.	ASREC PS 05/06 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
12.	ASREC PS 07/06 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
13.	ASREC PS 01/2007-08 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
14.	ASREC PS 02/2007-08 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
15.	ASREC PS 03/2007-08 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
16.	ASREC PS 04/2007-08 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
17.	ASREC PS 05/2007-08 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
18.	ASREC PS 01/2008-09 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
19.	ASREC PS 02/2008-09 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
20.	ASREC PS 03/2008-09 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
21.	ASREC PS 04/2008-09 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust) - upto 31 March 2019
22.	ASREC PS 01/2009-10 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
23.	ASREC PS 02/2009-10 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
24.	ASREC PS 03/2009-10 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
25.	ASREC PS 04/2009-10 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
26.	ASREC PS 05/2009-10 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
27.	ASREC PS 06/2009-10 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
28.	ASREC PS 07/2009-10 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
29.	ASREC PS 01/2012-13 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
30.	ASREC PS 02/2012-13 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust) - upto 31 March 2019
31.	ASREC PS 03/2012-13 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust) - upto 31 March 2019
32.	ASREC PS 04/2012-13 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
33.	ASREC PS 05/2012-13 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
34.	ASREC PS 06/2012-13 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020

Sr. No.	Name of the Related Party	Relationship
35.	ASREC PS 07/2012-13 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
36.	ASREC PS 01/2013-14 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
37.	ASREC PS 02/2013-14 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
38.	ASREC PS 03/2013-14 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
39.	ASREC PS 04/2013-14 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
40.	ASREC PS 05/2013-14 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
41.	ASREC PS 01/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
42.	ASREC PS 02/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
43.	ASREC PS 03/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
44.	ASREC PS 04/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
45.	ASREC PS 05/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
46.	ASREC PS 06/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
47.	ASREC PS 07/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
48.	ASREC PS 08/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
49.	ASREC PS 09/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
50.	ASREC PS 10/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
51.	ASREC PS 11/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
52.	ASREC PS 12/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
53.	ASREC PS 13/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
54.	ASREC PS 14/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
55.	ASREC PS 15/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
56.	ASREC PS 16/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
57.	ASREC PS 17/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
58.	ASREC PS 18/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
59.	ASREC PS 19/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust) - upto 31 March 2019
60.	ASREC PS 20/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
61.	ASREC PS 21/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust) - upto 31 March 2019
62.	ASREC PS 22/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
63.	ASREC PS 23/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
64.	ASREC PS 24/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
65.	ASREC PS 25/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
66.	ASREC PS 26/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
67.	ASREC PS 27/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
68.	ASREC PS 28/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
69.	ASREC PS 29/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
70.	ASREC PS 30/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
71.	ASREC PS 31/2014-15 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
72.	ASREC PS 01/2015-16 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
73.	ASREC PS 02/2015-16 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
74.	ASREC PS 03/2015-16 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020

Sr. No.	Name of the Related Party	Relationship
75.	ASREC PS 04/2015-16 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
76.	ASREC PS 05/2015-16 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
77.	ASREC PS 06/2015-16 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
78.	ASREC PS 07/2015-16 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
79.	ASREC PS 08/2015-16 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
80.	ASREC PS 09/2015-16 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
81.	ASREC PS 10/2015-16 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
82.	ASREC PS 11/2015-16 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
83.	ASREC PS 12/2015-16 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
84.	ASREC PS 13/2015-16 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
85.	ASREC PS 14/2015-16 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
86.	ASREC PS 16/2015-16 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
87.	ASREC PS 17/2015-16 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
88.	ASREC PS 18/2015-16 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
89.	ASREC PS 01/2016-17 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
90.	ASREC PS 02/2016-17 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
91.	ASREC PS 03/2016-17 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
92.	ASREC PS 05/2016-17 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
93.	ASREC PS 01/2017-18 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
94.	ASREC PS 02/2017-18 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
95.	ASREC PS 03/2017-18 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
96.	ASREC PS 04/2017-18 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
97.	ASREC PS 05/2017-18 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
98.	ASREC PS 06/2017-18 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
99.	ASREC PS 07/2017-18 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust) -upto 31 March 2019
100.	ASREC PS 08/2017-18 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
101.	ASREC PS 09/2017-18 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
102.	ASREC PS 10/2017-18 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
103.	ASREC PS 11/2017-18 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
104.	ASREC PS 01/2018-19 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
105.	ASREC PS 02/2018-19 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
106.	ASREC PS 03/2018-19 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
107.	ASREC PS 04/2018-19 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
108.	ASREC PS 05/2018-19 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
109.	ASREC-PS 01/2019-20 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
110.	ASREC-PS 02/2019-20 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
111.	ASREC-PS 03/2019-20 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
112.	ASREC-PS 04/2019-20 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
113.	ASREC-PS 05/2019-20 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
114.	ASREC-PS 06/2019-20 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
115.	ASREC-PS 07/2019-20 TRUST	Subsidiary - Controlled structured entity (Securitisation Trust)
116.	INVENT/1011/S4 TRUST	Associate - Securitisation Trust in which the company holds 50% of the capital

Notes to the Standalone financial statements for the year ended 31 March 2020
b) Transactions with Related Parties

Particulars	Investors		Key Management Personnel		Subsidiaries	
	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Interest on deposits with banks	20.51	3.44	-	-	-	-
Interest on borrowings	7.17	-	-	-	-	-
Purchase of credit impaired financial assets	-	271.00	-	-	-	-
Remuneration	-	-	60.42	97.21	-	-
Income from investment in security receipts	-	-	-	-	441.74	546.91
Interest income	-	-	-	-	4.66	20.47
Management fee (including incentives)	-	-	-	-	835.78	1,286.26

c) Balances with Related Parties

Particulars	Investors		Subsidiaries		Associates	
	As at	As at	As at	As at	As at	As at
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Bank deposits	2,059.02	848.98	-	-	-	-
Bank overdraft	422.19	-	-	-	-	-
Investment	-	-	13,580.05	9,614.87	-	-
Receivables	-	-	127.66	106.40	-	-
Payables	-	-	532.85	-	-	-

Notes to the Standalone financial statements for the year ended 31 March 2020
38 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled:

Particulars	31 March 2020			31 March 2019		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	1,528.76	-	1,528.76	1,218.28	-	1,218.28
Bank balances other than cash and cash equivalents	531.95	-	531.95	-	-	-
Other receivables	279.90	-	279.90	1,060.70	-	1,060.70
Investments	1,463.89	15,284.85	16,748.74	2,567.51	11,716.32	14,283.83
Other financial assets	-	5.66	5.66	-	6.25	6.25
Sub-total (A)	3,804.49	15,290.51	19,095.00	4,846.49	11,722.58	16,569.06
Non-financial assets						
Current tax assets (net)	-	200.36	200.36	-	166.94	166.94
Deferred tax assets (net)	-	418.89	418.89	-	336.88	336.88
Property, plant and equipment	-	974.06	974.06	-	1,000.47	1,000.47
Other non-financial assets	7.04	0.68	7.72	8.22	0.33	8.55
Sub-total (B)	7.04	1,593.99	1,601.04	8.22	1,504.62	1,512.84
Total (A + B)	3,811.53	16,884.50	20,696.04	4,854.71	13,227.20	18,081.90
Particulars	31 March 2020			31 March 2019		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial liabilities						
Trade payables	29.03	-	29.03	16.84	-	16.84
Borrowings (other than debt securities)	783.49	3,725.84	4,509.34	2,490.56	-	2,490.56
Other financial liabilities	595.08	-	595.08	856.22	-	856.22
Sub-total (A)	1,407.61	3,725.84	5,133.45	3,363.62	-	3,363.62
Non-financial liabilities						
Current tax liabilities (net)	1.87	-	1.87	1.87	-	1.87
Provisions	27.68	20.07	47.75	22.75	18.04	40.79
Other non-financial liabilities	94.19	-	94.19	74.78	-	74.78
Sub-total (B)	123.75	20.07	143.82	99.40	18.04	117.44
Total (A + B)	1,531.35	3,745.91	5,277.27	3,463.02	18.04	3,481.06

Notes to the Standalone financial statements for the year ended 31 March 2020

39 Change in liabilities arising from financing activities

Particulars	01 April 2019	Cash flows	Changes in fair values	Exchange difference	Interest accrued but not due	31 March 2020
Borrowings (other than debt securities)	2,490.56	1,937.82	-	80.96	-	4,509.34
Other financial liabilities	856.22	(270.56)	-	-	9.43	595.08
Total liabilities from financing activities	3,346.78	(1,667.25)	-	80.96	9.43	5,104.42

Particulars	01 April 2018	Cash flows	Changes in fair values	Exchange difference	Interest accrued but not due	31 March 2019
Borrowings (other than debt securities)	4,400.95	(1,910.39)	-	-	-	2,490.56
Other financial liabilities	66.37	789.85	-	-	-	856.22
Total liabilities from financing activities	4,467.32	(1,120.54)	-	-	-	3,346.78

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020

40 Financial instruments

A Fair values

(a) The carrying value of financial instruments by categories as at 31 March 2020 is as follows:

Particulars	Fair value through profit or loss	Amortised cost	Fair value through other comprehensive income	Total
Financial assets				
Cash and cash equivalents	-	1,528.76	-	1,528.76
Bank balances other than cash and cash equivalents	-	531.95	-	531.95
Other receivables	-	279.90	-	279.90
Investments in structured entities	13,580.05	-	-	13,580.05
Financial assets acquired from banks and financial institutions	3,168.69	-	-	3,168.69
Other financial assets	-	5.66	-	5.66
Total	16,748.74	2,346.26	-	19,095.00
Financial liabilities				
Trade payables	-	29.03	-	29.03
Borrowings (other than debt securities)	-	4,509.34	-	4,509.34
Other financial liabilities	-	595.08	-	595.08
Total	-	5,133.45	-	5,133.45

(b) The carrying value of financial instruments by categories as at 31 March 2019 is as follows:

Particulars	Fair value through profit or loss	Amortised cost	Fair value through other comprehensive income	Total
Financial assets				
Cash and cash equivalents	-	1,218.28	-	1,218.28
Bank balances other than cash and cash equivalents	-	-	-	-
Other receivables	-	1,060.70	-	1,060.70
Investments in structured entities	9,614.87	-	-	9,614.87
Financial assets acquired from banks and financial institutions	4,668.96	-	-	4,668.96
Other financial assets	-	6.25	-	6.25
Total	14,283.83	2,285.23	-	16,569.06
Financial liabilities				
Trade payables	-	16.84	-	16.84
Borrowings (other than debt securities)	-	2,490.56	-	2,490.56
Other financial liabilities	-	856.22	-	856.22
Total	-	3,363.62	-	3,363.62

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
40 Financial instruments (continued)
B Fair values hierarchy

Particulars	As at 31 March 2020			
	Carrying Amount	Level 1	Level 2	Level 3
(A) Financial assets				
At amortised cost				
Cash and cash equivalents	1,528.76	-	-	-
Bank balances other than cash and cash equivalents	531.95	-	-	-
Other receivables	279.90	-	-	-
Other financial assets	5.66	-	-	-
Sub-total (A)	2,346.26	-	-	-
(B) At fair value through profit or loss				
Investment in structured entities	13,580.05	-	-	13,580.05
Financial assets acquired from banks and financial institutions	3,168.69	-	-	3,168.69
Sub-total (B)	16,748.74	-	-	16,748.74
Total financial assets (A+B)	19,095.00	-	-	16,748.74
(C) Financial liabilities				
At amortised cost				
Trade payables	29.03	-	-	-
Borrowings	4,509.34	-	-	-
Other financial liabilities	595.08	-	-	-
Total financial liabilities	5,133.45	-	-	-

Particulars	As at 31 March 2019			
	Carrying Amount	Level 1	Level 2	Level 3
(A) Financial assets				
At amortised cost				
Cash and cash equivalents	1,218.28	-	-	-
Bank balances other than cash and cash equivalents	-	-	-	-
Other receivables	1,060.70	-	-	-
Other financial assets	6.25	-	-	-
Sub-total (A)	2,285.23	-	-	-
(B) At fair value through profit or loss				
Investment in structured entities	9,614.87	-	-	9,614.87
Financial assets acquired from banks and financial institutions	4,668.96	-	-	4,668.96
Sub-total (B)	14,283.83	-	-	14,283.83
Total financial assets (A+B)	16,569.06	-	-	14,283.83

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020

Particulars	As at 31 March 2019			
	Carrying Amount	Level 1	Level 2	Level 3
(C) Financial liabilities				
At amortised cost				
Trade payables	16.84	-	-	-
Borrowings	2,490.56	-	-	-
Other financial liabilities	856.22	-	-	-
Total financial liabilities	3,363.62	-	-	-

The Company measures investment in credit impaired financial assets as well as investment in security receipts of securitisation trusts, at fair value at each reporting date.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Movement in level 3 financial instruments measured at fair value

The following table shows a reconciliation of the opening balances and the closing balances for fair value measurements in Level 3 of the fair value hierarchy.

Particulars	Investment in structured entities		Financial assets acquired from banks and financial institutions	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Opening balance	9,614.87	9,873.14	4,668.96	5,002.58
Investments	7,884.99	1,362.76	205.00	974.00
Redemptions / Recoveries	(3,508.17)	(1,950.37)	(3,009.86)	(1,259.15)
Write-offs	-	-	-	(374.55)
Gains / (loss) for the year recognised in statement of profit and loss	(411.64)	329.34	1,304.60	326.08
Closing balance	13,580.05	9,614.87	3,168.69	4,668.96
Unrealised gains / (losses) related to balances held at the end of year	(123.67)	679.46	(958.03))	(1,494.68)

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
40 Financial instruments (continued)
C. Risk management

The Company has exposure to the following risks arising from financial instruments: credit risk (refer note (b) below); liquidity risk (refer note (c) below); market risk (refer note (d) below).

(a) Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(b) Credit risk

Credit risk on cash and cash equivalent and bank balances is not significant as it majorly includes deposits with banks with high credit ratings assigned by credit rating agencies. The Company considers that its cash and cash equivalents have low credit risk.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company's primary sources of liquidity are cash generated from operations. The cash flows from operating activities are driven primarily by operating results and changes in the working capital requirements.

The Company believe that its liquidity position is adequate to fund the operating and investing needs and to provide with flexibility to respond to further changes in the business environment.

Maturities analysis of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted contractual cash flow, and include contractual interest payments and exclude the impact of netting agreements.

Particulars	Carrying Amount	Total	0-12 Months	1-2 Years	3-5 Years	> 5 Years
As at 31 March 2020						
Trade payables	29.03	29.03	29.03	-	-	-
Borrowings (other than debt securities)	4,509.34	4,509.34	783.49	917.05	2,808.79	-
Other financial liabilities	595.08	595.08	595.08	-	-	-
	5,133.45	5,133.45	1,407.61	917.05	2,808.79	-

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020

Particulars	Carrying Amount	Total	0-12 Months	1-2 Years	3-5 Years	> 5 Years
As at 31 March 2019						
Trade payables	16.84	16.84	16.84	-	-	-
Borrowings (other than debt securities)	2,490.56	2,490.56	2,490.56	-	-	-
Other financial liabilities	856.22	856.22	856.22	-	-	-
	3,363.62	3,363.62	3,363.62	-	-	-

(d) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i) Currency risk

Majority of the transactions entered into by the Company are denominated in Indian Rupees. Accordingly the Company does not have any currency risk.

ii) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss and equity:

Particulars	As at 31 March 2020	As at 31 March 2019
Variable rate borrowings	4,148.03	2,490.56
Total borrowings	4,148.03	2,490.56

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) profit /loss by the amounts as under:

Particulars	Profit or loss		Equity, net of tax	
	1% increase	1% decrease	1% increase	1% decrease
Variable rate borrowings as at 31 March 2020	41	(41)	30	(30)
Variable rate borrowings as at 31 March 2019	25	(25)	18	(18)

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
41 Significant investment in subsidiaries and associates as required by Ind AS 27 - 'Separate Financial Statements'

Trust	Relationship	Principal Place of Business	Proportion of Ownership Interest	Method used for accounting of Investment
ASREC PS 01/06 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	100.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 02/06 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	5.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 04/06 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	100.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 05/06 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	100.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 07/06 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	100.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 01/2007-08 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	100.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 02/2007-08 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	100.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 03/2007-08 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	5.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 04/2007-08 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	100.00%	Fair Value through Profit or Loss in accordance with Ind AS 109

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
41 Significant investment in subsidiaries and associates as required by Ind AS 27 - 'Separate Financial Statements'

Trust	Relationship	Principal Place of Business	Proportion of Ownership Interest	Method used for accounting of Investment
ASREC PS 05/2007-08 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	5.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 01/2008-09 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	100.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 02/2008-09 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	100.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 03/2008-09 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	5.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 01/2009-10 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	5.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 02/2009-10 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	100.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 03/2009-10 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	100.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 04/2009-10 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	5.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 05/2009-10 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	100.00%	Fair Value through Profit or Loss in accordance with Ind AS 109

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
41 Significant investment in subsidiaries and associates as required by Ind AS 27 - 'Separate Financial Statements'

Trust	Relationship	Principal Place of Business	Proportion of Ownership Interest	Method used for accounting of Investment
ASREC PS 06/2009-10 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	100.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 07/2009-10 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	100.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 01/2012-13 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	20.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 04/2012-13 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	20.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 05/2012-13 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	20.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 06/2012-13 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	20.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 07/2012-13 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	20.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 01/2013-14 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	5.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 02/2013-14 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	5.00%	Fair Value through Profit or Loss in accordance with Ind AS 109

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
41 Significant investment in subsidiaries and associates as required by Ind AS 27 - 'Separate Financial Statements'

Trust	Relationship	Principal Place of Business	Proportion of Ownership Interest	Method used for accounting of Investment
ASREC PS 03/2013-14 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	5.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 04/2013-14 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	5.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 05/2013-14 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	5.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 01/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	5.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 02/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	5.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 03/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	6.65%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 04/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	10.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 05/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	5.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 06/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	5.00%	Fair Value through Profit or Loss in accordance with Ind AS 109

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
41 Significant investment in subsidiaries and associates as required by Ind AS 27 - 'Separate Financial Statements'

Trust	Relationship	Principal Place of Business	Proportion of Ownership Interest	Method used for accounting of Investment
ASREC PS 07/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 08/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 09/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 10/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 11/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 12/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 13/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 14/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 15/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
41 Significant investment in subsidiaries and associates as required by Ind AS 27 - 'Separate Financial Statements'

Trust	Relationship	Principal Place of Business	Proportion of Ownership Interest	Method used for accounting of Investment
ASREC PS 16/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 17/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 18/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 20/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 22/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 23/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 24/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 25/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 26/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
41 Significant investment in subsidiaries and associates as required by Ind AS 27 - 'Separate Financial Statements'

Trust	Relationship	Principal Place of Business	Proportion of Ownership Interest	Method used for accounting of Investment
ASREC PS 27/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 28/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 29/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 30/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 31/2014-15 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 01/2015-16 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 02/2015-16 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 03/2015-16 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 04/2015-16 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
41 Significant investment in subsidiaries and associates as required by Ind AS 27 - 'Separate Financial Statements'

Trust	Relationship	Principal Place of Business	Proportion of Ownership Interest	Method used for accounting of Investment
ASREC PS 05/2015-16 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 06/2015-16 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 07/2015-16 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 08/2015-16 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 09/2015-16 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 10/2015-16 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 11/2015-16 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 12/2015-16 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 13/2015-16 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
41 Significant investment in subsidiaries and associates as required by Ind AS 27 - 'Separate Financial Statements'

Trust	Relationship	Principal Place of Business	Proportion of Ownership Interest	Method used for accounting of Investment
ASREC PS 14/2015-16 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 16/2015-16 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 17/2015-16 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 18/2015-16 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 01/2016-17 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 02/2016-17 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 03/2016-17 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 05/2016-17 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 01/2017-18 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	16.00%	Fair Value through Profit or Loss in accordance with Ind AS 109

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
41 Significant investment in subsidiaries and associates as required by Ind AS 27 - 'Separate Financial Statements'

Trust	Relationship	Principal Place of Business	Proportion of Ownership Interest	Method used for accounting of Investment
ASREC PS 02/2017-18 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	16.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 03/2017-18 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 04/2017-18 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	100.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 05/2017-18 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	100.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 06/2017-18 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	100.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 08/2017-18 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 09/2017-18 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 10/2017-18 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	51.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 11/2017-18 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
41 Significant investment in subsidiaries and associates as required by Ind AS 27 - 'Separate Financial Statements'

Trust	Relationship	Principal Place of Business	Proportion of Ownership Interest	Method used for accounting of Investment
ASREC-PS 01/2018-19 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	50.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 02/2018-19 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	50.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 03/2018-19 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	40.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 04/2018-19 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	44.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 05/2018-19 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC-PS 01/2019-20 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC-PS 02/2019-20 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	50.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC-PS 03/2019-20 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	71.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 04/2019-20 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020

41 Significant investment in subsidiaries and associates as required by Ind AS 27 - 'Separate Financial Statements'

Trust	Relationship	Principal Place of Business	Proportion of Ownership Interest	Method used for accounting of Investment
ASREC PS 05/2019-20 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	73.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 06/2019-20 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
ASREC PS 07/2019-20 TRUST	Subsidiary	Solitaire Corporate Park, Building No.2, Unit No. 201-202A & 200-202 B, Gr Floor, Andheri Ghatkopar Link Road, Chakala, Andheri (E), Mumbai 400093.	15.00%	Fair Value through Profit or Loss in accordance with Ind AS 109
INVENT/1011/S4 TRUST	Associate	Invent Assets Securitisation & Reconstruction Private Limited, Bakhtawar, Suite 'B', Ground floor, Backbay Reclamation Scheme, Nariman Point, Mumbai-21	50.00%	Fair Value through Profit or Loss in accordance with Ind AS 109

Notes to the Standalone financial statements for the year ended 31 March 2020

42 Additional disclosures pursuant to the RBI Guidelines

The following additional disclosures have been made considering 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	Cumulative acquisition price	
		As at 31 March 2020	As at 31 March 2019
Sponsors			
Allahabad Bank	2, Netaji Subhas Road, Kolkata - 700 001.	16,764.00	16,764.00
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 - 50000.	1,552.00	1,552.00
Indian Bank	254, Awai Shanmugan Salai, Royappa Pettah, Chennai - 600 014.	3,377.00	3,377.00
Sub-total (A)		30,689.33	30,689.33
Non sponsors			
Axis Bank	Trishul, 3rd Floor, Opp. Samaratheshwar Temple, Law Garden, Ellisbridge, Ahmedabad - 380 006, Gujarat.	4,319.78	4,319.78
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.	1,708.00	1,258.00
Bank of Maharashtra	Head Office, Lokmangal 1501, Shivanagar, Pune - 411005	3,412.00	3,412.00
Bharat Co-Operative Bank LTD.	Mohan Terrace, 64/72, Mody Street, Fort, Mumbai - 400001.	20,350.00	-
Central Bank of India	Chander Mukhi, Nariman Point, Mumbai - 400 021, Maharashtra.	5,903.00	5,903.00
Canara Bank	112, J C Road, Bangalore - 56002.	951.31	951.31
Corporation Bank	Mangladevi Temple Road, Pandeshwar, Mangalore - 575001, Karnataka.	110.00	110.00
Dena Bank	Dena Corporate Centre, C-10, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051, Maharashtra.	1,774.00	1,774.00
Dombivali Nagar Sahkari Bank Ltd	"Madhukunj" P-52, M.I.D.C. KalyanShil Road, Sonarpada, Dombivli (East) - 421 204. Thane.	6,980.69	2,705.69
Federal Bank	Federal Towers, Head Office, Aluva, Ernakulam - 683 101, Kerala.	515.00	515.00
Indian Overseas Bank	763, Anna Salai, Chennai - 600002.	2,269.54	2,269.54
IFCI Limited	IFCI Tower, 61, Nehru Place, New Delhi - 110 019.	2,112.00	2,112.00
ICICI	ICICI Bank Towers, Bandra Kurla Complex, Mumbai - 400051.	395.00	395.00

Notes to the Standalone financial statements for the year ended 31 March 2020
42 Additional disclosures pursuant to the RBI Guidelines (Continued)

Name	Address	Cumulative acquisition price	
		As at 31 March 2020	As at 31 March 2019
Jalgaon Co-Operative Bank LTD.	152, Polan Peth, Dana Bazar Jalgaon Maharashtra (India).	9,000.00	-
Karnataka Bank	Kankanady, Mangalore, Karnataka - 575002.	5,605.54	5,605.54
Karur Vysya Bank	Erode Road, Central Office, Karur, Tamil Nadu, 639002.	4,730.00	4,730.00
Kotak Mahindra Bank Ltd.	36-38A, Nariman Point, Mumbai - 21.	695.00	695.00
Kalyan Janta Sahkari Bank Ltd	"Kalyanam_astu", Om Vijaykrishna Apt., Adharwadi, Kalyan (W)	750.00	750.00
Laxmi Vilas Bank	Kathapara, Salem Main Road, Karur - 639 006.	1,076.00	1,076.00
Oriental Bank of Commerce	Harsha Bhawan, E Block, Connaught Place, New Delhi, Delhi - 110001.	1,696.00	1,696.00
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 - 110607.	444.00	444.00
State Bank of India	Corporate Banking Group, Corporate Centre, Madam Cama Road, Mumbai - 400 021.	18,956.30	14,217.20
State Bank of Hyderabad	Hybank Towers, Gunfoundry, Hyderabad - 500 001.	13,827.00	13,827.00
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.	3,844.00	3,844.00
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 - 147001.	3,281.00	3,281.00
State Bank of Travancore	Head Office Poojappura, Thiruvananthapuram - 695012.	2995.00	2995.00
Syndicate Bank	Corporate Office, 2nd Floor, 2nd Cross, Gandhi Nagar, Bangalor E - 560009.	1,873.70	1,873.70
The Saraswat Bank Co-Operative Bank Ltd.	Corporate Center, Saraswat Bank Bhawan, Plot No-753, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400025.	284.00	284.00
The Royal Bank of Scotland	No-1 Krm Tower, Near Shoppers Stop, Harington Road, Chetpet, Chennai - 600031.	500.00	500.00
The Karad Janata Sahakari Bank Ltd.	100/101, Shivaji Nagar, Karad, Satara - 415110, Maharashtra.	160.00	160.00
The Shamrao Vittal Co-Operative Bank Ltd.	SVC Tower, Nehru Road, Vakola Santacruz (E), Mumbai - 400055.	238.67	238.67
The Thane District Central Co-Operative Bank Ltd.	TJSB House, Plot No-5B, Road No-2, Wagle Ind. Estate, Thane (W) - 400604.	289.29	289.29
The Mumbai District Central Co-Operative Bank Ltd.	Mumbai Bank Bhawan, 207, Dr. D.N Road, Fort, Mumbai - 400001.	751.33	751.33
United Bank of India	11, Hemanta Basu Sarani, Kolkata - 700 001.	5,040.00	5,040.00

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020**42 Additional disclosures pursuant to the RBI Guidelines (Continued)**

Name	Address	Cumulative acquisition price	
		As at 31 March 2020	As at 31 March 2019
UCO Bank	10, BTM Sarani, Kolkata - 700 001.	16,645.00	16,645.00
Vijaya Bank	41/2. M. G. Road, Trinity Circle, Bangalore.	1,559.00	1,559.00
Tata Capital Ltd.	11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013.	455.00	250.00
Sub-total (B)		1,47,482.80	1,08,463.70
Grand total (A + B)		1,78,172.13	1,39,153.03

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
b. Dispersion of various financial assets industry-wise and sponsor-wise:

Industry	As at 31 March 2020		As at 31 March 2019	
	Acquisition price	Percentage (%) to total acquisition price	Acquisition price	Percentage (%) to total acquisition price
Sponsors				
Agro Products	155.00	0.09	155.00	0.11
Aluminium	225.00	0.13	225.00	0.16
Auto Ancillary	103.00	0.06	103.00	0.07
Cement	170.00	0.10	170.00	0.12
Chemical	375.00	0.21	375.00	0.27
Construction	2,713.00	1.52	2,713.00	1.95
Consumer Products	84.80	0.05	84.80	0.06
Edible Oil	2,092.00	1.17	2,092.00	1.50
Electronics	273.00	0.15	273.00	0.20
Engineering	558.00	0.31	558.00	0.40
Financial Services	52.00	0.03	52.00	0.04
Food Industry	588.10	0.33	588.10	0.42
Hospitality	841.00	0.47	841.00	0.60
Iron and Steel	808.00	0.45	808.00	0.58
Leather	375.00	0.21	375.00	0.27
Non-Ferrous metal	1,530.00	0.86	1,530.00	1.10
Others	12,139.83	6.81	12,139.83	8.72
Petrochemicals	410.00	0.23	410.00	0.29
Pharma	1,112.00	0.62	1,112.00	0.80
Plastic	255.00	0.14	255.00	0.18
Tea	719.00	0.40	719.00	0.52
Textiles	3,928.00	2.20	3,928.00	2.82
Trading	1,121.60	0.63	1,121.60	0.81
Logistics	-	-	-	-
Paper	61.00	0.03	61.00	0.04
Total (A)	30,689.33	17.22	30,689.33	22.05
Non sponsors				
Agro Products	3,496.85	1.96	3,496.85	2.51
Aluminium	390.00	0.22	390.00	0.28
Animal Husbandry	855.25	0.48	855.25	0.61
Auto Ancillary	1,086.00	0.61	676.00	0.49
Cement	21.14	0.01	21.14	0.02
Chemical	5,948.48	3.34	1,038.48	0.75
Construction	8,202.50	4.60	5,562.50	4.00
Consumer Products	2,267.02	1.27	1,347.02	0.97
Educational	2,064.24	1.16	2,064.24	1.48
Edible Oil	1,688.08	0.95	1,623.08	1.17
Electronics	3,800.71	2.13	3,800.71	2.73

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020

Industry	As at 31 March 2020		As at 31 March 2019	
	Acquisition price	Percentage (%) to total acquisition price	Acquisition price	Percentage (%) to total acquisition price
Engineering	4,328.90	2.43	4,328.90	3.11
Entertainment	225.29	0.13	225.29	0.16
Financial Services	92.98	0.05	92.98	0.07
Food Industry	5,561.42	3.12	3,401.42	2.44
Hospitality	3,055.00	1.71	50.00	0.04
Iron and Steel	9,859.69	5.53	9,859.69	7.09
Jewellery	9,666.00	5.43	5,721.00	4.11
Leather	1,138.00	0.64	1,138.00	0.82
Others	29,062.91	16.31	25,727.91	18.49
Petrochemicals	42.00	0.02	42.00	0.03
Pharma	4,096.10	2.30	4,096.10	2.94
Plastic	151.10	0.08	151.10	0.11
Steel	7,226.20	4.06	3,026.20	2.17
Tea	2,649.20	1.49	2,649.20	1.90
Textiles	25,917.40	14.55	17,178.30	12.34
Trading	14,590.34	8.19	9,900.34	7.11
Total (B)	1,47,482.80	82.78	1,08,463.70	77.95
Grand total (A+B)	1,78,172.13	100.00	1,39,153.03	100.00

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

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

Bank Name	No of accounts	Outstanding acquisition price as on 31 March 2020	Outstanding acquisition price as on 31 March 2019
Allahabad Bank	2	-	613.00
United Bank of India	1	-	28.00
ICICI Bank	1	-	226.52
Bank of India	1	243.00	-
Indian Overseas Bank	1	42.54	-
Kotak Mahindra Bank	1	625.00	-
Total		910.54	867.52

- d) Value of financial assets acquired (acquisition price) during the financial year either on its own books or in the books of the trusts: Rs 39,019.10 lakhs (Previous year: Rs 5,849.61 lakhs)
- e) Value of financial assets realized during the current financial year: Rs 15,962.19 lakhs (Previous year: Rs 15,488 lakhs)

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
f) Value of financial assets outstanding for realisation as at the end of the current financial year:

Particulars	As at 31 March 2020	As at 31 March 2019
Value of financial assets outstanding for realization	78,426	53,250

Trusts: Rs 74,299 lakhs (Previous year: Rs 47,086 lakhs), ASREC: Rs 4,127 lakhs (Previous year: Rs 6,164 lakhs)

g) Value of security receipts redeemed partially and redeemed fully during the current financial year:
Security receipts redeemed fully:

Name of the trust	Name of seller bank / Fis	As at 31 March 2020	As at 31 March 2019
03/2008-09 Trust	United Bank of India	-	232.00
01/2012-13 Trust	United Bank of India	-	32.00
02/2015-16 Trust	State Bank of Hyderabad	-	347.00
04/2017-18 Trust	Allahabad Bank	-	23.00
07/2017-18 Trust	Allahabad Bank	-	56.00
24/2014-15 Trust	State Bank of India	412.00	-
09/2015-16 Trust	Oriental Bank of Commerce	400.00	-
16/2015-16 Trust	State Bank of Travancore	137.00	-
06/2017-18 Trust	Allahabad Bank	334.60	-
02/2018-19 Trust	Omkaara ARC	273.00	-
Total		1,556.60	690.00

Security receipts redeemed partially:

Name of the trust	Name of seller bank / Fis	As at 31 March 2020	As at 31 March 2019
02/2013-14 Trust	UCO Bank	514.00	603.00
05/2013-14 Trust	Indian Bank	-	270.00
01/2014-15 Trust	Oriental Bank	-	257.00
03/2014-15 Trust	Indian Bank	323.00	-
06/2014-15 Trust	Karur Vysya Bank	371.00	1,257.00
07/2014-15 Trust	State Bank of India	-	135.00
10/2014-15 Trust	India Overseas Bank	-	40.00
11/2014-15 Trust	Syndicate Bank	-	52.00
12/2014-15 Trust	Karur Vysya Bank	29.00	292.00
14/2014-15 Trust	State Bank of Mysore	-	66.00
16/2014-15 Trust	State Bank of India	285.00	87.00
18/2014-15 Trust	State Bank of Hyderabad	343.00	894.00
20/2014-15 Trust	State Bank of Travancore	-	35.00
24/2014-15 Trust	State Bank of India	-	570.00
27/2014-15 Trust	State Bank of Hyderabad	1,793.00	406.00

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020

Name of the trust	Name of seller bank / Fis	As at 31 March 2020	As at 31 March 2019
29/2014-15 Trust	State Bank of Hyderabad	199.00	-
31/2014-15 Trust	UCO Bank	335.00	490.00
03/2015-16 Trust	State Bank of Patiala	104.00	352.00
04/2015-16 Trust	State Bank of Bikaner & Jaipur	-	130.00
06/2015-16 Trust	Central Bank	-	260.00
07/2015-16 Trust	Bank of Maharashtra	-	576.00
11/2015-16 Trust	State Bank of Hyderabad	24.00	20.00
12/2015-16 Trust	State Bank of Hyderabad	117.00	173.00
13/2015-16 Trust	State Bank of Hyderabad	90.00	-
14/2015-16 Trust	Allahabad Bank	660.00	200.00
18/2015-16 Trust	State Bank of Bikaner & Jaipur	87.00	-
01/2016-17 Trust	Dena Bank	-	172.00
03/2016-17 Trust	Karnataka Bank Ltd	287.00	2,460.00
01/2017-18 Trust	Allahabad Bank	25.00	-
03/2017-18 Trust	Allahabad Bank	20.00	284.00
05/2017-18 Trust	Allahabad Bank	96.50	223.50
06/2017-18 Trust	Allahabad Bank	-	79.40
10/2017-18 Trust	Allahabad Bank	80.00	115.00
01/2018-19 Trust	Omkara ARCs	47.50	-
02/2018-19 Trust	Omkara ARCs	-	47.00
03/2018-19 Trust	Allahabad Bank	122.00	60.00
04/2018-19 Trust	Areion Special Situation Fund	1,042.50	-
05/2018-19 Trust	DNSB	34.00	-
01/2019-20 Trust	DNSB	110.00	-
02/2019-20 Trust	Areion Special Situation Fund	1,859.00	-
03/2019-20 Trust	Areion Special Situation Fund	107.00	-
Total		9,104.50	10,605.90

h) Value of security receipts pending redemption as at the end of year: Rs 82,074.79 lakhs (Previous year: Rs 54,781.79 lakhs)

i) Value of security receipts which could not be redeemed as a result of non-realization of the financial assets:

Name of the trust	Name of seller bank / Fis	As at 31 March 2020	As at 31 March 2019
02/2008-09 Trust	United Bank of India	242.00	242.00
03/2007-08 Trust	UCO Bank	360.00	360.00
05/2007-08 Trust	UCO Bank	120.00	120.00
01/2009-10 Trust	UCO Bank	79.00	79.00
04/2009-10 Trust	United Bank of India	152.00	152.00
Total		953.00	953.00

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020

- j) Value of land and/or building acquired in ordinary course of business of reconstruction of assets: Nil (Previous year: Nil)
- k) The basis of valuation of assets if the acquisition value of the assets is more than the book value: Nil (Previous year: 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 thereof: Nil (Previous year: Nil)
- m) The detail of the assets where the value of the SRs has declined more than 20% below the acquisition value:

For the year ended 31 March 2020

Name of the trust / assets	Name of the seller bank / FI	Rating (Recovery)	Face value of SRs (Rs)	Net Asset Value as on 31 March 2020
03/2007-08 Trust	UCO Bank	Not applicable	1,00,000	-
05/2007-08 Trust	UCO Bank	Not applicable	1,00,000	-
02/2008-09 Trust	United Bank of India	Not applicable	1,00,000	-
01/2009-10 Trust	UCO Bank	Not applicable	1,00,000	-
04/2009-10 Trust	United Bank of India	Not applicable	1,00,000	-
04/2012-13 Trust	United Bank of India	NR-4 (50-75%)	1,00,000	62,500
06/2012-13 Trust	United Bank of India	NR-4 (50-75%)	1,00,000	62,500
07/2012-13 Trust	United Bank of India	NR-6 (0-25%)	1,00,000	12,500
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
06/2014-15 Trust	Karur Vysya Bank	NR-4 (50-75%)	1,00,000	62,500
08/2014-15 Trust	State Bank of Patiala	NR-4 (50-75%)	1,00,000	62,500
12/2014-15 Trust	Karur Vysya Bank	NR-4 (50-75%)	1,00,000	62,500
15/2014-15 Trust	Bank of Maharashtra	NR-4 (50-75%)	1,00,000	62,500
07/2015-16 Trust	Bank of Maharashtra	NR-4 (50-75%)	1,00,000	62,500
13/2015-16 Trust	State Bank of Hyderabad	NR-4 (50-75%)	1,00,000	62,500
02/2016-17 Trust	SBBJ	NR-4 (50-75%)	1,000	625

For the year ended 31 March 2019

Name of the trust / assets	Name of the seller bank / FI	Rating (Recovery)	Face value of SRs (Rs)	Net Asset Value as on 31 March 2019
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
08/2014-15 Trust	State Bank of Patiala	NR-4 (50-75%)	1,00,000	62,500
09/2014-15 Trust	State Bank of Travancore	NR-4 (50-75%)	1,00,000	62,500
12/2014-15 Trust	Karur Vysya Bank	NR-4 (50-75%)	1,00,000	62,500
13/2015-16 Trust	State Bank of Hyderabad	NR-4 (50-75%)	1,00,000	62,500

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020
43 Trusts where in all SRs have been redeemed (Rs 1 Lakh assigned for all unresolved A/c)

Name of the Trust	As at 31 March 2020		As at 31 March 2019	
	Cost	Provision	Cost	Provision
09/2015-16 Trust	1.00	1.00	-	-
22/2014-15 Trust	-	-	1.00	1.00
02/2009-10 Trust	3.00	3.00	4.00	4.00
03/2009-10 Trust	3.00	3.00	4.00	4.00
05/2009-10 Trust	3.00	3.00	3.00	3.00
06/2009-10 Trust	29.00	29.00	32.00	32.00
07/2009-10 Trust	14.00	14.00	16.00	16.00
01/2008-09 Trust	5.00	5.00	6.00	6.00
01/2007-08 Trust	1.00	1.00	1.00	1.00
02/2007-08 Trust	1.00	1.00	1.00	1.00
01/06 Trust	2.00	2.00	2.00	2.00
04/06 Trust	1.00	1.00	1.00	1.00
05/06 Trust	3.00	3.00	5.00	5.00
07/06 Trust	2.00	2.00	4.00	4.00
01/2012-13 Trust	2.00	2.00	3.00	3.00
03/2008-09 Trust	3.00	3.00	5.00	5.00
06/2017-18 Trust	13.00	13.00	-	-
Total	86.00	86.00	88.00	88.00

44 Additional disclosures pursuant to the RBI notification RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020

As per Notification number "RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20" issued by Reserve Bank of India ("RBI") on dated 13 March 2020, the Company shall also be required to compute expected credit loss ("ECL" "Impairment allowance") under Ind AS 109 for those financial assets which are either classified under amortized cost or fair value through other comprehensive income (FVTOCI). Further, if impairment allowance under Ind AS 109 is lower than provision required as per prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP), the Company shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'. In the case of Investment in Trust's Security Receipts (SR) and credit impaired financial assets purchase from Banks are measured at fair value through profit or loss ("FVTPL"), the above RBI disclosure requirement will not be applicable as there is impairment allowance under Ind AS 109.

However, RBI disclosure to the extent applicable to other receivables from Trust as expenses incurred by the Company on behalf of Trusts are considered as financial assets measured at amortized cost.

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5) = (3)-(4)	6	(7) = (4)-(6)
Non-Performing Assets (NPA)						
Substandard	Stage 3	133.86	133.86	-	133.86	-
Total		133.86	133.86	-	133.86	-

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Standalone financial statements for the year ended 31 March 2020

45 Events after reporting date

The Company has evaluated the possible impact of Covid-19, a global health pandemic, on the business operations and the financial position of the Company and based on its initial assessment, believes that there is no significant impact on the financial statements of the Company, as at and for the year ended 31 March 2020. However, the impact assessment of COVID-19 is an on-going process given the uncertainties associated with its nature and duration. Given the uncertainty because of COVID-19, the final impact on the Company's operations may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes resulting from the future economic conditions and future uncertainty, if any.

46 Previous year figures have been regrouped and reclassified wherever necessary to correspond with current year.

As per our report of even date

For **CHHAJED & DOSHI**

Chartered Accountants

Firm Reg. No.: 101794W

M. P. Chhajed

(Partner)

M.No: 049357

Place: Mumbai

Date: 3rd July, 2020

For and on behalf of the Board of Directors

ASREC (India) Limited

V. K. Shunglu

(Chairman)

DIN : 00032683

Noida

Girish Sharan Sinha

(Managing Director &
Chief Executive Officer)

DIN : 08495135

M. M. Chitale

(Director)

DIN : 00101004

Angad Kumar Roy

(Chief Financial Officer)

B. A. Prabhakar

(Director)

DIN : 02101808

Bengaluru

Pallavi Parikh

(Company Secretary)

CHHAJED & DOSHI

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of ASREC (INDIA) LIMITED

Report on the Audit of the Consolidated IND AS Financial Statements

1. Opinion

We have audited the accompanying consolidated Ind AS financial statements of ASREC (India) Limited ("the Company") and its associate trusts, which comprise the consolidated Balance Sheet as at 31st March 2020, the consolidated statement of Profit and Loss (including Other Comprehensive Income), the consolidated statement of changes in equity, the consolidated statement of cash flows for the year ended on that date and notes to the financial statements, including a the summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at 31st March, 2020, the consolidated profit and consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities

in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

3. Emphasis of Matter

We draw attention to Note No 40 of the consolidated financial statements, wherein based on management's initial assessment, there is no significant impact of COVID - 19 on the Financial Statements. In view of the highly uncertain economic environment, a definitive assessment of the impact is highly dependent upon the circumstances as it may evolve.

Our opinion is not modified in respect of this matter.

4. Other Matter

We did not audit the financial statements of 102 trusts whose Ind AS financial statements reflect total assets of Rs. 76,633.11 lakhs as at 31st March 2020, total revenue of Rs. 2,283.30 lakhs and net cash outflow of Rs. 908.36 lakhs for the year ended 31st March 2020. The consolidated financial statements have been prepared by the management of the Company based on the financial statements as approved by the respective Board of Trustees of these Trusts which have been furnished to us by the management of the Company and our opinion on the consolidated financial statements in so far as it relates to the amounts included in respect of these Trusts is based solely on such board approved financial statements.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of our reliance on the financial statements / financial information approved by the Board.

5. Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report

including annexures to Board's Report, Secretarial Audit Report and Shareholder's information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

6. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the Company and Board of Trustees of the Trusts included in the

consolidation, are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors and Board of Trustees are also responsible for overseeing the company's financial reporting process.

7. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company and Trusts included in the consolidation have internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated IND AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

8. Report on Other Legal and Regulatory Requirements

8.1 As required by Section 143(3) of the Act, based on our audit 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 of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, including Other Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the existence of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is within the limit laid down in section 197 of the Act.

- h) 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company and Trusts included in the consolidation do not have any pending litigations which may have impact on consolidated financial position in the consolidated financial statements.
 - ii. The Company and Trusts included in the consolidation 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.
- 8.2 In terms of directions in terms of sub-section (5) of section 143 of the Act, issued by Comptroller and auditor general of India and based on information as available with us we state;
- a) The company has Accounting software / system in place to process all the accounting transactions through IT system. In our opinion and to the best of our information and according to the explanations given to us, the Company has not processed any transaction outside the IT system.
 - b) There were no cases of restructuring of an existing loan or waiver/write off of debts /loans/interest etc. made by a lender to the company during the period under audit.
 - c) The Company has not received funds from any central/ state agencies during the period under audit.

For CHHAJED & DOSHI

Chartered Accountants
Firm Reg. No: 101794W

M.P. Chhajed

(Partner)
Membership No: 049357
UDIN: 20049357AAAAEV1916

Place: Mumbai

Date: 3rd July, 2020

ANNEXURES - A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 8(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of ASREC (India) Limited 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 2020 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors are 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 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 of the Company and Trusts included in the consolidation 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 existence of 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 existence 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 internal financial controls system over financial reporting of the Company and Trusts included in the consolidation.

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 and Trusts included in the consolidation 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.

For CHHAJED & DOSHI

Chartered Accountants
Firm Reg. No: 101794W

M.P. Chhajed

(Partner)
Membership No: 049357
UDIN: 20049357AAAAEV1916

Place: Mumbai

Date: 3rd July, 2020

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company have 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 2020, 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.

Extract of CAG Comments

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ASREC (India) Limited FOR THE YEAR ENDED 31 MARCH 2020

The preparation of Consolidated financial statements of ASREC (India) Limited for the year ended 31 March 2020 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) read with section 129 (4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) 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 3 July 2020.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the Consolidated financial statements of ASREC (India) Limited for the year ended 31 March 2019 under section 143 (6) (a) read with section 129 (4) of the Act.

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

Sd/-
(P. V. Hari Krishna)
Principal Director of Audit (Shipping), Mumbai

Place: Mumbai
Date: 28.08.2020

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Consolidated Balance Sheet as at 31 March 2020

PARTICULARS	Note No.	As at 31 March 2020	As at 31 March 2019
ASSETS			
Financial assets			
(a) Cash and cash equivalents	4	2,109.87	2,707.75
(b) Bank balances other than cash and cash equivalents	5	581.95	1,977.46
(c) Receivables	6		
- Other receivables		145.98	954.30
(d) Investments	7	75,359.77	53,356.98
(e) Other financial assets	8	5.66	6.25
Non-financial assets			
(a) Current tax assets (net)	9	232.19	192.50
(b) Deferred tax assets (net)	10	418.89	336.88
(c) Property, plant and equipment	12	974.06	1,000.47
(d) Other non-financial assets	11	16.97	16.07
Total assets		79,845.34	60,548.66
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
(a) Payables			
- Trade payables	13		
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro, small and medium enterprises		31.19	18.07
(b) Borrowings (other than debt securities)	14	4,509.34	2,490.56
(c) Other financial liabilities	15	618.90	3,801.60
Non-financial liabilities			
(a) Current tax liabilities (net)	16	1.87	1.87
(b) Provisions	17	239.96	158.06
(c) Other non-financial liabilities	18	179.97	105.21
EQUITY			
(a) Equity share capital	19	9,800.00	9,800.00
(b) Other equity	20	4,500.46	4,094.55
(c) Non-Controlling Interest		59,963.65	40,078.74
Total liabilities and equity		79,845.34	60,548.66

Significant accounting policies 3

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

As per our report of even date

For **CHHAJED & DOSHI**

Chartered Accountants
Firm Reg. No.: 101794W

M. P. Chhajed

(Partner)
M.No: 049357

Place: Mumbai

Date: 3rd July, 2020

For and on behalf of the Board of Directors

ASREC (India) Limited

V. K. Shunglu

(Chairman)
DIN : 00032683
Noida

Girish Sharan Sinha

(Managing Director &
Chief Executive Officer)
DIN : 08495135

M. M. Chitale

(Director)
DIN : 00101004

Angad Kumar Roy

(Chief Financial Officer)

B. A. Prabhakar

(Director)
DIN : 02101808
Bengaluru

Pallavi Parikh

(Company Secretary)

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Consolidated Statement of Profit and Loss for the year ended 31 March 2020

PARTICULARS	Note No.	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
(a) Revenue from operations			
(i) Revenue from contract with customers	21	675.00	-
(ii) Income from investment in financial assets		2,119.93	1,864.37
(iii) Interest income	22	127.72	37.52
Total revenue from operations		2,922.65	1,901.89
(b) Other income	23	3.55	1,017.63
Total income		2,926.20	2,919.52
Expenses			
(a) Finance cost	24	173.25	156.10
(b) Fees and commission expenses	25	731.21	479.25
(c) Net loss on fair value changes		3,172.70	834.79
(d) Employee benefits expense	26	393.18	383.48
(e) Depreciation, amortisation and impairment	12	33.08	32.21
(f) Other expenses	27	673.05	756.19
Total expenses		5,176.47	2,642.03
Profit before tax		(2,250.27)	277.51
Tax expense:			
Current tax		402.01	212.27
Adjustment in respect of current tax of previous years		4.22	1.55
Deferred tax		(82.01)	12.46
		324.22	226.29
Profit for the year		(2,574.49)	51.22
Non-controlling interest		(2,980.32)	(647.78)
Attributable to the owners of the parent		405.83	699.00
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement gain / (loss) on defined benefit plans		0.11	(3.68)
(ii) Income tax relating to items that will not be reclassified to profit and loss		(0.03)	1.02
Other comprehensive income for the year		0.08	(2.66)
Non-controlling interest		-	-
Attributable to the owners of the parent		0.08	(2.66)
Total comprehensive income for the year		(2,574.41)	48.56
Non-controlling interest		(2,980.32)	(647.78)
Attributable to the owners of the parent		405.91	696.34
Earnings per equity share (face value of Rs 10/- per equity share)			
Basic (Rs.)		0.41	0.71
Diluted (Rs.)		0.41	0.71

Significant accounting policies

3

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

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Consolidated Statement of Profit and Loss for the year ended 31 March 2020

As per our report of even date

For **CHHAJED & DOSHI**

Chartered Accountants

Firm Reg. No.: 101794W

M. P. Chhajed

(Partner)

M.No: 049357

Place: Mumbai

Date: 3rd July, 2020

For and on behalf of the Board of Directors

ASREC (India) Limited

V. K. Shunglu

(Chairman)

DIN : 00032683

Noida

Girish Sharan Sinha

(Managing Director &
Chief Executive Officer)

DIN : 08495135

M. M. Chitale

(Director)

DIN : 00101004

Angad Kumar Roy

(Chief Financial Officer)

B. A. Prabhakar

(Director)

DIN : 02101808

Bengaluru

Pallavi Parikh

(Company Secretary)

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Consolidated Cash flows statement for the year ended 31 March 2020

PARTICULARS	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Cash flows from operating activities		
Profit before tax for the yea	(2,250.27)	277.51
Adjustments:		
Depreciation, amortization and impairment	33.08	32.21
Net loss on fair value changes	3,172.70	834.79
Net loss on foreign currency transaction and translation	80.96	-
Provision for trust expenses	30.66	3.08
Finance costs	173.25	156.10
Implied interest on lease deposits	(0.54)	(0.53)
Actuarial gains or losses on employee benefits	0.11	(3.68)
Allocation of advance lease rental for the period	0.57	0.54
Operating cash flows before working capital changes	1,240.53	1,300.02
Working capital movements:		
(Decrease) / Increase in payables	13.12	6.96
(Decrease) / Increase in other financial liabilities	(3,192.13)	3,423.72
(Decrease) / Increase in provision	81.86	14.22
(Decrease) / Increase in other non-financial liabilities	74.76	(46.64)
Decrease / (Increase) in bank balances other than cash and cash equivalents	1,395.51	(1,977.46)
Decrease / (Increase) in other receivable	777.66	(956.94)
Decrease / (Increase) in investments	(25,175.49)	7,433.55
Decrease / (Increase) in other financial assets	1.13	-
Decrease / (Increase) in other non-financial asset	(1.47)	9.48
Cash generated from operations	(24,784.52)	9,206.91
Income taxes paid, net	(445.92)	(316.35)
Net cash flows (used in) generated from operating activities (A)	(25,230.44)	8,890.56
Cash flows from investing activities		
Purchase of property, plant and equipment including capital advances	(6.95)	(4.25)
Sale of property, plant and equipment	0.28	-
Net cash flows used in investing activities (B)	(6.67)	(4.25)
Cash flows from financing activities		
Proceeds from inter corporate loans	661.56	-
Repayment of inter corporate loans	(300.25)	-
Proceeds from external commercial borrowings	3,644.88	-
Repayment of bank overdraft (Refer note 2 below)	(2,068.37)	(1,910.39)
Finance costs paid	(163.82)	(156.10)
Dividend paid including dividend distribution tax	-	(590.72)
Increase/(Decrease) in security receipts holder's fund	23,334.44	(5,957.52)
Profit distributed to SR holders	(469.21)	(800.32)
Net cash flows generated from (used in) financing activities (C)	24,639.22	(9,415.05)

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Consolidated Cash flows statement for the year ended 31 March 2020

PARTICULARS	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(597.88)	(528.73)
Cash and cash equivalents at beginning of the year	2,707.75	3,236.48
Cash and cash equivalents at end of the year	2,109.87	2,707.75
Component of cash and cash equivalents		
Cash on hand	0.33	0.42
Balances with banks		
- in current account	619.69	2,234.10
- in fixed deposits with original maturity less than 3 months	1,489.85	473.23
Total cash and cash equivalents	2,109.87	2,707.75

Notes:

- The above cash flow statement has been prepared under the indirect method as set out in Ind AS 7 Statement of Cash Flows u/s 133 of Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015 and the relevant provisions of the Act.
- Net figures have been reported on account of volume of transactions.

Notes referred to above form an integral part of the consolidated financial statements

As per our report of even date

For **CHHAJED & DOSHI**

Chartered Accountants

Firm Reg. No.: 101794W

For and on behalf of the Board of Directors

ASREC (India) Limited

M. P. Chhajed

(Partner)

M.No: 049357

V. K. Shunglu

(Chairman)

DIN : 00032683

Noida

M. M. Chitale

(Director)

DIN : 00101004

B. A. Prabhakar

(Director)

DIN : 02101808

Bengaluru

Place: Mumbai

Date: 3rd July, 2020

Girish Sharan Sinha

(Managing Director &
Chief Executive Officer)

DIN : 08495135

Angad Kumar Roy

(Chief Financial Officer)

Pallavi Parikh

(Company Secretary)

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Consolidated Statement of changes in equity for the year ended 31 March 2020
A. Equity Share Capital

PARTICULARS	As at 31 March 2020	As at 31 March 2019
As at the beginning of year	9,800.00	9,800.00
Changes in equity share capital during the year	-	-
As at the end of year	9,800.00	9,800.00

B. Security Receipt Holder's Fund (in Structured entities)

PARTICULARS	As at 31 March 2020	As at 31 March 2019
As at the beginning of year	45,036.63	50,994.15
Changes in fund during the year	23,334.44	(5,957.52)
As at the end of year	68,371.07	45,036.63

C. Other Equity

PARTICULARS	Retained Earnings	Total
Balance as at 1 April 2018	479.14	479.14
Profit for the year	51.22	51.22
Other comprehensive income (loss) for the year	(2.66)	(2.66)
Dividend paid including dividend distribution tax	(590.72)	(590.72)
Profit distributed to SR Holders	(800.32)	(800.32)
Balance as at 31 March 2019	(863.34)	(863.34)
Balance as at 1 April 2019	(863.34)	(863.34)
Profit for the year	(2,574.49)	(2,574.49)
Other comprehensive income (loss) for the year	0.08	0.08
Dividend paid including dividend distribution tax	-	-
Profit distributed to SR Holders	(469.21)	(469.21)
Balance as at 31 March 2020	(3,906.96)	(3,906.96)

Notes to the Consolidated financial statements for the year ended 31 March 2020

1. Corporate information

The consolidated financial statements comprise financial statements of "ASREC (India) Limited" ("the Holding Company"), its subsidiaries and associates (collectively referred to as "the Group") for the year ended 31st March 2020.

The principal activity of the Group is to carry on the business of Securitization of Assets and Reconstruction thereof under the provisions of Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) and the various guidelines issued by RBI from time to time. The Group is engaged in the business of acquiring Loan Portfolios, Loan Accounts, Non-Performing Assets (NPA) from the Banks and Financial Institutions and resolving them through appropriate resolutions strategies enunciated in SARFAESI.

The Holding Company's registered office is at Solitaire Corporate Park, Bldg. No. 2, Unit No. 201-202 B Gr. Floor, Andheri Ghatkopar Link Rd., Chakala, Andheri (East), Mumbai - 400093.

2. Statement of compliance and basis of preparation and presentation

2.1 Statement of compliance

The consolidated financial statements of the Group have been prepared in all material aspects in accordance with Indian Accounting Standards (Ind AS) as per Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013 ('the Act') and other relevant provisions of the act and guidelines issued by the Reserve Bank of India (RBI) from time to time under SARFAESI Act.

These consolidated financial statements for the year ended 31 March 2020 are approved by the Board of Directors at its meeting held on 25 June, 2020.

2.2 Basis of preparation and measurement

The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention except for certain financial instruments which are measured at fair values (Refer note 3.4).

The consolidated financial statements comprise of ASREC (India) Limited and all its subsidiaries and associates, being the entities that it controls. Controls are assessed in accordance with the requirement of Ind AS 110 - Consolidated Financial Statements.

Measurement of fair value:

The Group measures investment in credit impaired financial assets at fair value at each reporting date.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Notes to the Consolidated financial statements for the year ended 31 March 2020

2.3 Basis of presentation

The Group presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to the Companies Act, 2013. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 37.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without it being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Group and or its counterparties

The consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

2.4 Principles of Consolidation

The financial statements of the Holding Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, income, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

The differences in accounting policies of the Holding Company and its subsidiaries / associates are not material.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The carrying amount of the parent's investment in each subsidiary is offset (eliminated) against the parent's portion of equity in each subsidiary.

Investment in associate has been accounted under Equity Method as per Ind AS 28 - Investment in Associates and Joint Ventures.

Non-controlling interest's share of profit or loss of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Holding Company.

Non-controlling interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet.

2.5 Significant accounting judgements, estimates and assumptions

In the application of the Group's accounting policies, the management is required to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities, about the carrying amounts of assets and liabilities that are not readily available from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements, apart from those involving estimations, that the management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly

Notes to the Consolidated financial statements for the year ended 31 March 2020

transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

For and purchased impaired financial assets, Group uses discounted cash flow model. Expected cash flow levels including timing of cash flows are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets including default rates, nature & value of collaterals, manner of resolution and other economic drivers. For any valuation which are based on models, judgements and estimates are applied, which include considerations of liquidity, credit risk (both own and counterparty), funding value adjustments, correlation and volatility. Further, the Management also involves credit rating agencies for valuation of SRs.

Provisions and other contingent liabilities

When the Group can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Group records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Group takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

2.6 New accounting standards and recent accounting pronouncements

Standards issued and effective during the year:

A number of new or amended standards became applicable for the current reporting period starting from 01 April 2019. The following standards have been adopted by the Group in the year:

- Ind AS 116 "Leases"
- Amendment to Ind AS 12 "Income tax"
- Amendment to Ind AS 109 "Prepayment features with negative compensation"
- Amendment to Ind AS 19 "Employee benefits"
- Amendment to Ind AS 23 "Borrowing costs"

The Group has changed its accounting policies as a result of adopting Ind AS 116 "Leases".

The adoption of new standards and amendments to Ind AS did not have any impact on the Group's financial statements and not expected to significantly affect the future periods.

Standards issued but not yet effective:

Certain new standards, amendments to standards and interpretations are not yet effective for annual period beginning after April 1, 2019 and have not been applied in preparing these consolidated financial statements. The new standards and amendments to standards are proposed to be effective for reporting periods beginning on or after 1 April 2020. The Group intends to adopt these standards and amendments when they became effective.

The Standards that are issued, but not yet effective, are disclosed below:

A. Issuance of new standard

Ind AS 117 – Insurance Contracts

Ind AS 117 supersedes Ind AS 104 Insurance contracts. It establishes the

Notes to the Consolidated financial statements for the year ended 31 March 2020

principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. Under the Ind AS 117 model, insurance contract liabilities will be calculated as the present value of future insurance cash flows with a provision for risk.

Application of this standard is not expected to have any significant impact on the Group's financial statements.

B. Amendments to existing Standards

Ministry of Corporate Affairs has carried out amendments of the following accounting standards:

(i) Ind AS 103 - Business Combination

The amendment is in connection with clarification of business definition, which help in determining whether an acquisition made is of a business or a group of assets. The amendment added a test that makes it easier to conclude that a Company has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets.

The adoption of amendment to Ind AS 103 is not expected to have any significant impact on the Group's financial statements.

(ii) Ind AS 1, Presentation of Financial Statements and Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors

The amendment is in connection with refinements to the definition of 'Material' and aligns this definition with other Ind AS. These refinements are intended to make the definition easier to understand and are not intended to alter the concept of materiality in Ind AS. The amended definition states that information is material if omitting, misstating or

obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

The adoption of amendment to Ind AS 1 and Ind AS 8 is not expected to have any significant impact on the Group's financial statements.

(iii) Ind AS 40 - Investment Property

Ind AS 40 states that an investment property shall be measured initially at cost and for measurement after recognition, cost model shall be adopted for all the investment property. The amendment is in connection with an addition of option to measure all investment property after recognition as per fair value model. However, the amendment also gives an exception which states that an entity may:

- (a) choose either the fair value model or the cost model for all investment property backing liabilities that pay a return linked directly to the fair value of, or returns from, specified assets including that investment property; and
- (b) choose either the fair value model or the cost model for all other investment property, regardless of the choice made in (a).

The adoption of amendment to Ind AS 40 is not expected to have any significant impact on the Group's financial statements.

3. Significant accounting policies

3.1 Revenue recognition

a) Revenue from operations:

i) **Income from investment in credit impaired financial assets**

Amount realized on resolution /

Notes to the Consolidated financial statements for the year ended 31 March 2020

realization of credit impaired financial assets is credited to respective assets till the value of that asset become nil. Amount realized from resolution subsequent to that is credited to the statement of profit or loss. Similarly, if the total amount realized from resolution is less than its cost, the short fall is treated as loss and debited to the statement of profit and loss. In case of credit impaired financial assets acquired / resolved under policy for Acquisition of "Negotiated Financial Assets for Restructuring", interest on amount funded is recognized on actual realization.

ii) Fair value gain or Loss

Fair value of investment in credit impaired financial assets is assessed on each reporting date and gain or loss arising on such assessment is recognised in the statement of profit and loss.

b) Other income

- i) Interest on bank deposits are accounted for on accrual basis as per the terms of the deposits.
- ii) Dividend income is recognized with right to receive of dividend established.
- iii) 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.

3.2 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any.

Cost includes cost of acquisition, installation, other direct expenses incurred to bring the assets to its working condition and finance costs incurred up to the date the asset is ready for its intended use and excludes taxes eligible for credit / setoff.

Subsequent costs incurred on an item of property, plant and equipment is recognised in the carrying amount thereof when those costs meet the recognition criteria i.e. it is probable that future economic benefits will flow to the entity and cost can be measured reliably. Repairs and maintenance are recognised in statement of profit and loss as incurred.

Depreciation on the property, plant and equipment is provided on straight line method, over the useful life of the assets, as specified in Part C of Schedule II to the Companies Act, 2013. For property, plant and equipment which are added / disposed of during the year, depreciation is provided on pro-rata basis.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.3 Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the assets can be measured reliably.

Intangible assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebate less accumulated amortisation and impairment loss, if any. Such cost includes cost of acquisition, installation, other direct expenses incurred to bring the assets to its working condition and finance costs incurred up to the date the asset is ready for its intended use and excludes taxes eligible for credit / setoff.

As per amortisation policy of the Group, software is amortised over a period of 3 years on straight line basis from the date they are available for intended use, subject to impairment test. One-time license fees paid for use of software are amortised over the period

Notes to the Consolidated financial statements for the year ended 31 March 2020

of the license agreement or 10 years whichever is shorter.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

3.4 Financial instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction cost that are directly attributable to the acquisition or issue of financial assets which are measured at fair value through profit or loss are charged to statement of profit or loss as and when incurred.

(I) Financial assets

Subsequent measurement

Financial assets at fair value through profit and loss (FVTPL)

At the end of each reporting period, the financial assets comprising of investment in credit impaired financial assets are measured at fair value through profit or loss ("FVTPL") and fair value gains or losses are recognised in the statement of profit and loss.

Financial assets at amortized cost

The financial assets which are classified at amortized cost, subsequently measured at amortized cost through effective interest rate method.

Investment in Equity Instruments

All equity investments covered within the scope of Ind-AS 109 are measured at fair value and the changes in value are recognised in the statement of profit and loss except for those equity instruments

which the Group has chosen to recognise the value changes in 'Other Comprehensive Income'. The classification of recognising the value changes either through FVTPL or FVTOCI is made on initial recognition and is irrevocable.

The income earned on equity instruments those are measured through FVTPL are recognised in statement of profit and loss.

Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party or when it has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Impairment of financial assets

The Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on loans measured at amortised cost and FVOCI and other debt financial assets not held at FVTPL.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is calculated to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognizing impairment loss allowance based on 12-month ECL.

The Group performs an assessment, at the end of each reporting period, of whether a financial assets credit risk has increased significantly since initial recognition. When making the assessment, the change in the

Notes to the Consolidated financial statements for the year ended 31 March 2020

risk of a default occurring over the expected life of the financial instrument is used instead of the change in the amount of expected credit losses.

Estimation of Expected Credit Loss (ECL):

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of default (PD): The Probability of Default is an estimate of the likelihood of default over a given time horizon. The Group uses historical information where available to determine PD.

Exposure of default (ED): The Exposure at Default is an estimate of the exposure at a future default date.

Loss Given default (LGD): The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral.

Forward looking information: While estimating the expected credit losses, the Group reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Group analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Group based on its internal data. While the internal estimates of PD, LGD rates by the Group may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

Based on the above process, the Group categorizes its loans and receivables into three stages as described below:

Stage 1: When loans and receivables are first recognised, the Group recognises an allowance based on 12 months ECL. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. These expected 12-month default probabilities are applied to an ED and multiplied by the expected LGD. Stage 1 loans and receivables also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

Stage 2: When a loan and receivables has shown a significant increase in credit risk since origination, the Group records an allowance for the life time ECL. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3: Financial assets are classified as stage 3 when there is objective evidence of impairment as result of one or more loss events that have occurred after the initial recognition. The Group records an allowance for the life time ECL. The method is similar to that for Stage 2 assets, with the PD set at 100%.

(ii) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

Financial liabilities are carried at amortised cost using effective interest rate method. For trade and other payables maturing within one year from the balance sheet date the carrying amounts approximate fair value due to the short maturity of these instruments.

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with

Notes to the Consolidated financial statements for the year ended 31 March 2020

the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in profit or loss.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost. Similarly, interest bearing loans and borrowings are subsequently measured at amortised cost using effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.5 Financial risk management

The Group's main business is of acquisition of financial assets (NPA's), resolution thereof and investment of its surplus funds. The Group has well defined board approved acquisition, resolution and investment policies along with delegation of power encompassing various risk mitigation measure.

3.6 Employee benefits:

Short-term benefits

Short term employee benefits including accumulating compensated absences are recognised at an undiscounted amount in the statement of profit and Loss for the year in which the related services are rendered. Payments made to State Bank of India towards emoluments of their employees who are on deputation to the Group are regarded as the Employees' Cost of the Group.

Long term benefits:

Other long-term employee benefits comprise of leave encashment and are provided for based on the independent actuarial valuation. The classifications between current and non-current liabilities are based on actuarial valuation. The actuarial valuation is done as per

Notes to the Consolidated financial statements for the year ended 31 March 2020

the projected unit credit method as at the reporting date.

Post-retirement benefits:

Gratuity:

The Group's gratuity scheme is a defined benefit plan. The gratuity liability of the Group is funded through a Group Gratuity Scheme with Life Insurance Corporation of India (LIC) under which the annual contribution is paid to LIC. The Group's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted. The present value of the obligation under such benefit plan is determined based on independent actuarial valuation using the Projected Unit Credit Method.

Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the statement of profit and loss in the period in which they occur. Remeasurements, comprising of actuarial gains and losses, the effect of changes to the asset ceiling (excluding amounts included in net interest or the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with corresponding debit or credit to retained earnings through OCI in the period in which it occurs.

Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Past service costs are recognised in the statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Leave encashment:

The liability on account of employees' leave encashment is not funded. The Group recognises the charge in the statement of profit and loss and corresponding liability on such non-vesting accumulated leave entitlement based on a valuation by an independent actuary. The cost of providing annual leave benefits is determined using the projected unit credit method.

Provident fund:

The Group has a provident fund scheme which is a defined contribution Scheme. Defined contribution is charged to the statement of profit and loss.

3.7 Taxation

Tax on Income comprises current tax and deferred tax. These are recognised in statement of profit and loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Notes to the Consolidated financial statements for the year ended 31 March 2020

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss, either in other comprehensive income or directly in equity. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

Presentation of current and deferred tax:

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3.8 Impairment of assets other than financial assets

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

3.9 Borrowings costs

Borrowing costs other than those directly attributable to qualifying assets are recognised as expenses in the statement of profit and loss in the period in which they are incurred. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of the asset.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalisation.

3.10 Provisions and contingencies

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

Notes to the Consolidated financial statements for the year ended 31 March 2020

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. Contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognized but are disclosed in the notes where an inflow of economic benefits is probable.

3.11 Leases

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

As a lessee:

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the

Notes to the Consolidated financial statements for the year ended 31 March 2020

index or rate as at the commencement date;

- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets. The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Under Ind AS 17:

In the comparative period, as a lessee the Group classified leases that transfer substantially all of the risks and rewards of ownership as finance leases. Assets held

under other leases were classified as operating leases.

Leased assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease, or if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on remaining balance of liability. Finance expenses are recognised immediately in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalised. Contingent rentals are recognised as expenses in the period in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Rental expense from operating lease is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

3.12 Cash and cash equivalents

The Group considers all highly liquid financial instruments which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of 3 months or less from the date of purchase to be cash equivalents. Cash and cash equivalents consist of bank balances which are unrestricted for withdrawal and usage.

Notes to the Consolidated financial statements for the year ended 31 March 2020

3.13 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, Investing and financing activities of the Group are segregated based on the available information.

3.14 Earnings per share

Basic earnings per share is computed by dividing the net profit or loss after tax for the period attributable to the equity shareholders

of the Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Consolidated financial statements for the year ended 31 March 2020
4 Cash and Cash Equivalents

	As at 31 March 2020	As at 31 March 2019
Cash on hand	0.33	0.42
Balances with Banks		
- in Current Accounts	619.69	2,234.10
- in fixed deposits with original maturity less than 3 months	1,489.85	473.23
	2,109.87	2,707.75

5 Bank balances other than cash and cash equivalents

	As at 31 March 2020	As at 31 March 2019
Balances with Banks		
- in fixed deposit accounts	50.00	1,977.46
Fixed deposits, held as margin money or security against bank overdraft	523.85	-
Accrued interest on fixed deposits	8.10	-
	581.95	1,977.46

6 Other Receivables

	As at 31 March 2020	As at 31 March 2019
Other receivables	-	
' - Receivables considered good - Unsecured	145.98	954.30
	145.98	954.30

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms, including limited liability partnerships (LLPs) or private companies respectively in which any director is a partner, a director or a member.

7 Investments

	As at 31 March 2020	As at 31 March 2019
	Measured at fair value through profit or loss	Measured at fair value through profit or loss
Other investments		-
- Financial assets acquired from banks and financial institutions	75359.77	53356.98
Total - (A)	75359.77	53356.98
Investments outside India	-	-
Investments in India	75,359.77	53,356.98
Total - (B)	75,359.77	53,356.98

During the year, the Holding Company has written-off investment in financial assets amounting to Rs Nil (Previous year: Rs 374.55 lakhs) on account of non-recovery for more than 5 years in such accounts.

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Consolidated financial statements for the year ended 31 March 2020

8 Other Financial Assets

Lease deposits	5.08	5.68
Other deposits	0.58	0.57
	5.66	6.25

9 Current tax assets (net)

Advance tax and tax deducted at source (net of provision for tax)	232.19	192.50
	232.19	192.50

10 Deferred Tax Assets (Net)

Deferred tax assets on account of:

Fair valuation of investments	540.18	452.06
Implied interest on lease deposits	0.35	0.18
Provision for employee benefits	5.36	3.97
Provision for other receivables	37.24	28.71
Total deferred tax assets - (A)	583.13	484.92

Deferred tax liability on account of:

Property, plant and equipment	152.46	147.87
Borrowings at amortised cost	11.45	-
Allocation of advance lease rental	0.33	0.17
Total deferred tax liabilities - (B)	164.24	148.04
Deferred tax assets (net) - (A-B)	418.89	336.88

11 Other Non-Financial Assets

Gratuity plan asset net off plan liability (Refer note 35)	1.42	4.39
Prepaid expenses	14.36	11.05
Prepaid lease rentals	1.20	0.63
Total	16.97	16.07

Notes to the Consolidated financial statements for the year ended 31 March 2020

12 Property plant and equipment

Particulars	Building	Vehicles	Computer equipment	Electrical equipments	Furniture and fixtures	Air conditioner	Total
Gross block							
As at 01 April 2019	1,141.36	14.43	46.54	11.64	54.53	0.68	1,274.07
Additions	-	-	4.26	-	2.70	-	6.95
Disposals	-	-	(0.47)	-	-	-	(0.47)
As at 31 March 2020	1,141.36	14.43	50.32	11.64	57.23	0.68	1,280.55
As at 01 April 2018	1,141.36	14.43	42.79	11.14	54.53	0.68	1,269.82
Additions	-	-	3.74	0.50	-	-	4.25
Disposals	-	-	-	-	-	-	-
As at 31 March 2019	1,141.36	14.43	46.54	11.64	54.53	0.68	1,274.07
Accumulated depreciation							
As at 01 April 2019	169.94	2.65	43.47	9.54	43.43	0.14	273.60
For the year	19.10	1.81	3.78	1.54	6.63	0.05	33.08
Disposals	-	-	(0.19)	-	-	-	(0.19)
As at 31 March 2020	189.04	4.46	47.06	11.08	50.07	0.19	306.49
As at 01 April 2018	150.88	0.85	40.38	8.01	36.90	0.10	241.39
Additions	19.05	1.80	3.08	1.53	6.53	0.05	32.21
Disposals	-	-	-	-	-	-	-
As at 31 March 2019	169.94	2.65	43.47	9.54	43.43	0.14	273.60
Net block							
As at 31 March 2020	952.32	9.97	3.26	0.56	7.16	0.49	974.06
As at 31 March 2019	971.42	11.78	3.07	2.10	11.09	0.54	1,000.47

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Consolidated financial statements for the year ended 31 March 2020

13 Payables

	As at 31 March 2020	As at 31 March 2019
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro, small and medium enterprises	31.19	18.07
	31.19	18.07

14 Borrowings (other than debt securities)

Particulars	As at 31 March 2020	As at 31 March 2019
	Measured at amortised cost	Measured at amortised cost
a. Term loans		
(i) Secured:		
- From banks - External commercial borrowings (Refer note iii below)	3,725.84	-
(ii) Unsecured:		
- From other parties - Inter corporate loans (Refer note iv below)	361.31	-
b. Loans repayable on demand		
(i) Secured:		
- Bank overdrafts (Refer note v below)	422.19	2,490.56
Total - (A)	4,509.34	2,490.56
Borrowings in India	783.50	2,490.56
Borrowings outside India	3,725.84	-
Total - (B)	4,509.34	2,490.56

Notes:

- (i) There are no borrowings measured at FVTPL or designated at FVTPL.
- (ii) The Holding Company has not defaulted in repayment of principal and interest.
- (iii) The secured external commercial borrowings are secured by way of hypothecation for USD 5,000,000 on all financial assets including security receipts of the borrower i.e. Holding Company. The loan is repayable in 8 half yearly equal installments of USD 625,000 each. The loan carries interest rate of 6 months USD LIBOR plus 3.70% per annum. The initial direct cost of USD 55,479 consisting of processing fees, FX fees and legal fees is netted of against the said borrowing.
- (iv) The unsecured inter-corporate loans from other parties are repayable within a year from the date of availment. The loan carries interest rate of 15.00% per annum.
- (v) Bank overdrafts is secured against term deposit receipts and is repayable on demand. The loan carries interest rate of 1.00% over deposit rate.

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Consolidated financial statements for the year ended 31 March 2020
15 Other financial liabilities

	As at 31 March 2020	As at 31 March 2019
Interest accrued but not due	9.43	-
Balance in no lien account	559.47	3,761.88
Salary payable	50.00	39.72
	618.90	3,801.60

16 Current tax liabilities (net)

Provision for income tax (net of advance tax and tax deducted at source)	1.87	1.87
	1.87	1.87

17 Provisions

Provision for employee benefits (Refer note 35):	-	-
- Leave encashment	20.96	18.64
Provision for expenses	219.27	139.42
	239.96	158.06

18 Other non-financial liabilities

Statutory dues payable:		
- Goods and service tax	54.76	40.56
- Tax deducted at source	105.98	45.03
- Tax collected at source	-	0.49
- Profession tax	0.10	0.06
- Provident fund	19.13	19.07
	179.97	105.21

19 Equity share capital

	As at 31 March 2020	As at 31 March 2019
Authorised share capital:		
12,50,00,000 (Previous year: 12,50,00,000) equity shares of Rs 10/- each	12,500.00	12,500.00
Issued, subscribed and paid-up:		
9,80,00,000 (Previous year: 9,80,00,000) equity shares of Rs 10/- each, fully paid-up	9,800.00	9,800.00
Total (A)	9,800.00	9,800.00
Security Receipt Holder's Fund (in structured entities):		
Security Receipt		
- Held by Other Qualified Investors	68,371.07	45,036.63
Total (B)	68,371.07	45,036.63
Total (A+B)	78,171.07	54,836.63

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Consolidated financial statements for the year ended 31 March 2020
a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	9,80,00,000	9,800.00	9,80,00,000	9,800.00
Add : Issued during the year	-	-	-	-
Balance at the end of the year	9,80,00,000	9,800.00	9,80,00,000	9,800.00

b) Terms / rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) List of shareholders holding more than 5% shares of a class of shares

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number of shares	% holding	Number of shares	% holding
Allahabad Bank (Now Indian Bank) *	-	0.00%	2,64,99,900	27.04%
Bank of India	2,55,00,000	26.02%	2,55,00,000	26.02%
Andhra Bank (Now Union Bank of India)	2,55,00,000	26.02%	2,55,00,000	26.02%
Indian Bank *	3,74,99,900	38.27%	1,10,00,000	11.22%
Life Insurance Corporation of India	90,00,000	9.18%	90,00,000	9.18%
	9,74,99,900	99.49%	9,74,99,900	99.49%

* During the current financial year, Allahabad bank has been merged with Indian bank and accordingly shares of the Company held by Allahabad bank has been merged with shares held by Indian Bank.

d) 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.

20 Other equity

	As at 31 March 2020	As at 31 March 2019
Retained earnings	(3,906.96)	(863.34)
	(3,906.96)	(863.34)
Non-controlling interest	(8,407.42)	(4,957.89)
Attributable to the owners of the parent	4,500.46	4,094.55
	(3,906.96)	(863.34)
Retained earnings		
Balance at the beginning of the year	(863.34)	479.14
Add: Profit for the year	(2,574.49)	51.22
Add: Other comprehensive income (loss) for the year	0.08	(2.66)
Less: Dividend paid including dividend distribution tax	-	(590.72)
Less: Profit distributed to SR holders	(469.21)	(800.32)
Balance at the end of the year	(3,906.96)	(863.34)

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Consolidated financial statements for the year ended 31 March 2020
Retained earnings

Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

21 Revenue from contract with customers

	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Revenue from contract with customers		
Disaggregation of the revenue from contracts with customers and its reconciliation to amounts reported in statement of profit and loss:		
Particulars		
Service transferred at a point in time	-	-
Service transferred over time:		
- Management fees		
- From others	675.00	-
Total revenue from contract with customers	675.00	-

22 Interest income

Particulars	On financial assets measured at amortised cost	
	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Interest on deposit with banks	127.16	15.59
Other interest	0.56	21.93
Total	127.72	37.52

23 Other Income

Miscellaneous income	3.55	1,017.63
	3.55	1,017.63

24 Finance costs

Particulars	On financial assets measured at amortised cost	
	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Interest on borrowings	173.25	156.10
Total	173.25	156.10

25 Fees and commission expense

Legal expenses	38.41	54.48
Professional fees	493.31	219.13
Resolution fees	188.18	186.79
Valuation and due diligence expenses	11.33	18.85
	731.21	479.25

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Consolidated financial statements for the year ended 31 March 2020

26 Employee benefits expense

Salaries and wages	341.56	333.82
Contribution to provident fund (Refer note 35)	8.22	7.99
Staff welfare expenses	31.33	32.27
Gratuity expense (Refer note 35)	3.33	2.72
Leave encashment (Refer note 35)	8.74	6.68
	393.18	383.48

27 Other expenses

	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Payment to auditors		
- Audit fees	7.94	7.87
- Tax audit fees	2.25	2.08
- Reimbursement of expenditure	0.44	0.43
Lease rental (Refer note 29)	26.46	24.64
Bank charges	1.67	1.40
Business development expenses	1.53	1.40
Demat charges	1.37	1.55
Director sitting fees	11.12	10.74
Meeting expenses	-	0.08
Electricity charges	10.05	10.36
Housekeeping, security and runner	249.26	239.65
Insurance	23.13	23.76
Internet and website expenses	4.98	6.94
Membership and subscription	3.93	6.48
Newspaper, books and periodicals	0.57	0.47
Postage and courier expense	1.95	1.97
Printing and stationer	8.20	6.39
Registration fees	9.26	13.81
Repairs and maintenance	8.51	6.02
Telephone, fax and mobile expenses	4.10	3.98
Traveling and conveyance	36.79	37.78
Rates and taxes	150.53	239.21
Corporate social responsibility expenditure (Refer note 33)	20.84	18.09
Net loss on foreign currency transaction and translation	80.96	-
Miscellaneous expenses	7.20	91.10
	673.05	756.19

28 Contingent liabilities and commitments

a Contingent liabilities:

Claims against the Group not acknowledged as debts: Nil (Previous year: Nil)

The Supreme Court delivered its ruling on the composition of basic wages for the purpose of deduction and contribution to the employee provident and pension funds. As the management of the Group does not envisage any significant impact,

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Consolidated financial statements for the year ended 31 March 2020

considering the materiality of liability arising out of said ruling, thereof in its financial statement for the year ended 31 March 2020 and 31 March 2019, no provision for the same has been made in its books of account.

b Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for: Nil (Previous year: Nil)

29 Leases

Except as specified below, the Group has consistently applied the accounting policies to all periods presented in this financial statements. The Group has applied Ind AS 116 with the date of initial application of 01 April 2019. As a result, the Group has changed its accounting policy for lease contracts.

As a lessee

The Group has taken various commercial / residential premises under finance leases arrangements. These lease arrangements are normally renewed on expiry, wherever required.

PARTICULARS	For the Year Ended 31 March 2020
Expense relating to short-term leases and low value assets	26.46
	26.46

30 Earnings Per Share ("EPS")

Particulars	As at 31 March 2020	As at 31 March 2019
Face value per equity share (Rs.)	10.00	10.00
Basic earnings per share (Rs.)	0.41	0.71
Net profit after tax as per statement of profit and loss attributable to equity shareholders	405.83	699.00
Weighted average number of equity shares used as denominator for calculating Basic EPS	9,80,00,000	9,80,00,000
Diluted earnings per share (Rs.)	0.41	0.71
Net profit after tax as per statement of profit and loss attributable to equity shareholders	405.83	699.00
Weighted average number of equity shares used as denominator for calculating Diluted EPS	9,80,00,000	9,80,00,000
Reconciliation of weighted average number of shares outstanding		
Weighted average number of equity shares used as denominator for calculating Basic EPS	9,80,00,000	9,80,00,000
Total weighted average potential equity shares	-	-
Weighted average number of equity shares used as denominator for calculating Diluted EPS	9,80,00,000	9,80,00,000

31 Segment information

The Group is in the business of acquisition and resolution of non-performing assets. All other activities of the Group revolve around the main business. Since the business operations of the Group are primarily concentrated in India, the Group is considered to operate only in the domestic segment. Segment wise reporting as defined in Ind-AS 108 is not required, since the entire operation of the Group is related only to one segment.

32 Valuation

All financial instruments are initially recognised and subsequently re-measured at fair value as described below:

The fair value of investment in credit impaired financial assets is arrived at by applying the fair value model devised by the Group for this purpose.

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Consolidated financial statements for the year ended 31 March 2020

33 Expenditure on Corporate Social Responsibility (CSR)

The Group has spent an amount of Rs 20.84 lakhs towards Corporate Social Responsibility (CSR) activities as per the provision of Section 135 of Companies Act 2013 and rules made thereunder(as amended from time to time), and the same has been recognized as a separate line item as "Corporate social responsibility expenditure" in the statement of profit and loss.

The details of CSR expenditures are as under:

	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
a Gross amount required to be spent by the Group during the year	20.84	18.09

b. Amount spent during the year ended 31 March 2020

Particulars	Paid in cash	Yet to be paid in cash
(i) On construction/acquisition of any asset	20.84	-
(ii) On purposes other than (i) above	-	-
Total	20.84	-

Amount spent during the year ended 31 March 2019

Particulars	Paid in cash	Yet to be paid in cash
(i) On construction/acquisition of any asset	18.09	-
(ii) On purposes other than (i) above	-	-
Total	18.09	-

34 Income tax

The major components of income tax expense for the years ended 31 March 2020 and 31 March 2019 are:

Statement of profit and loss section

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Current income tax:		
Current income tax charge	402.01	212.27
Adjustment in respect of current tax of previous years	4.22	1.55
Deferred tax:		
Relating to origination and reversal of temporary differences	(82.01)	12.46
Income tax expense reported in the statement of profit and loss	324.22	226.29

OCI Section

Deferred tax related to items recognised in OCI during the year:

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Statement to Other Comprehensive Income (OCI)		
Deferred tax related to items recognised in OCI during the year	(0.03)	1.02
	(0.03)	1.02

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Consolidated financial statements for the year ended 31 March 2020
Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Accounting profit before tax	(2,250.27)	277.51
Computed tax expense	(626.02)	77.20
At India's statutory income tax rate of 27.82% (31 March 2019: 27.82%)		
Adjustments for:		
Tax effect of amounts which are not deductible (taxable) in calculating income	2.90	2.51
Adjustment in respect of current tax of previous years	4.22	1.55
Change in tax rate	-	17.24
Tax effect on loss of structured entities consolidated for which deferred tax asset has not been considered	943.75	126.66
Others	(0.63)	1.13
Income tax expense reported in the statement of profit and loss	324.22	226.29

Deferred tax relates to the following

Particulars	Balance sheet		Statement of profit and loss	
	As at 31 March 2020	As at 31 March 2019	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Property, plant and equipment	(152.46)	(147.87)	(4.60)	(0.42)
Fair valuation of investments	540.18	452.06	88.10	(7.97)
Impact of expenditure allowed for tax purposes on payment basis	42.60	32.68	9.92	(3.06)
Implied interest on lease deposits	0.35	0.18	0.17	0.18
Allocation of advance lease rental	(0.33)	(0.17)	(0.16)	(0.17)
Borrowings at amortised cost	(11.45)	-	(11.45)	-
Deferred tax related to OCI items			0.03	(1.02)
Net deferred tax expense / (income)			82.01	(12.46)
Net deferred tax assets / (liabilities)	418.89	336.88		

Reflected in the balance sheet as follows

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred tax liability	(164.24)	(148.04)
Deferred tax assets	583.13	484.92
Deferred tax assets, net	418.89	336.88

Reconciliation of deferred tax (liabilities) / assets, net

Particulars	As at 31 March 2020	As at 31 March 2019
Opening balance as of April 1	336.88	348.31
Tax (income)/expense during the period recognised in profit or loss	(82.01)	12.46
Tax (income)/expense during the period recognised in equity	0.03	(1.02)
Closing balance	418.89	336.88

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Consolidated financial statements for the year ended 31 March 2020

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

35 Employee benefits

The Group contributes to the following post-employment plans:

A Defined contribution plans

Contribution to defined contribution plans, recognised as expense for the year is as under:

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Employer's contribution to provident fund	8.22	7.99

B Defined benefit plans

a) Reconciliation of opening and closing balances of defined benefit obligations

Particulars	Gratuity (Funded)		Leave encashment (Unfunded)	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Defined benefit obligation at beginning of the period	13.96	12.70	18.64	27.07
Net current service cost	3.74	2.58	4.81	5.04
Interest cost on defined benefit obligation	1.01	1.04	1.61	2.29
Actuarial (gains)/losses	(0.51)	3.23	2.31	(0.66)
Benefits paid	(4.59)	(5.60)	(6.69)	(15.11)
Past service cost	-	-	-	-
Defined benefit obligation at end of the period	13.61	13.96	20.69	18.64

b) Reconciliation of opening and closing balances of fair value of plan assets

Particulars	Gratuity (Funded)		Leave encashment (Unfunded)	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Fair value of plan assets at beginning of the period	18.34	11.39	-	-
Interest income on plan assets	1.43	0.90	-	-
Actual company contributions	0.25	12.10	-	-
Actuarial gains (losses)	(0.40)	(0.45)	-	-
Benefits paid	(4.59)	(5.60)	-	-
Fair value of plan assets at end of the period	15.04	18.34	-	-

c) Reconciliation of fair value of assets and obligations

Particulars	Gratuity (Funded)		Leave encashment (Unfunded)	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Fair value of plan assets	15.04	18.34	-	-
Present value of obligation	13.61	13.96	20.69	18.64
Amount recognised in Balance Sheet [Surplus / (Deficit)]	1.42	4.39	(20.69)	(18.64)

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Consolidated financial statements for the year ended 31 March 2020
35 Employee benefits (Continued)
d) Expense recognised during the period

Particulars	Gratuity (Funded)		Leave encashment (Unfunded)	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
In statement of profit or loss				
Current service cost	3.74	2.58	4.81	5.04
Interest cost	(0.42)	0.14	1.61	2.29
Past service cost	-	-	-	-
Remeasurements	-	-	2.31	(0.66)
Net cost	3.33	2.72	8.74	6.68
In other comprehensive income				
Actuarial gain or loss	(0.51)	3.23	-	-
Return on plant asset (excluding interest)	0.40	0.45	-	-
Net (income) / expense for the year recognised in OCI	(0.11)	3.68	-	-

e) Investment details

Particulars	Gratuity (Funded)			
	As at 31 March 2020		As at 31 March 2019	
	Quoted Value	Unquoted Value	Quoted Value	Unquoted Value
Government of India securities (Central and State)	0%	0%	0%	0%
High quality corporate bonds (including Public Sector Bonds)	0%	0%	0%	0%
Equity shares of the Company	0%	0%	0%	0%
Insurer managed funds and T-bills	0%	100%	0%	100%
Cash (including bank balance, special deposit scheme)	0%	0%	0%	0%
Others	0%	0%	0%	0%
Total	0%	100%	0%	100%

f) Actuarial assumptions

Particulars	Gratuity (Funded)		Leave encashment (Unfunded)	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Economic assumptions				
Discount rate	6.76%	7.78%	6.76%	7.78%
Salary escalation rate	6.50%	6.50%	6.50%	6.50%
Expected return on plan assets	6.76%	7.78%	N.A.	N.A.
Demographic assumptions				
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Employee turnover/withdrawal rate	1.00%	1.00%	1.00%	1.00%
Leave availment ratio	N.A.	N.A.	2.00%	2.00%
Retirement age	65 years	65 years	65 years	65 years

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Consolidated financial statements for the year ended 31 March 2020

g) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, salary escalation rate and employee turnover/withdrawal rate. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

Particulars	Gratuity (Funded)	
	As at 31 March 2020	
	Decrease	Increase
Change in discount rate (delta effect of +/- 100 basis points)	1.68	(1.56)
Change in salary escalation rate (delta effect of +/- 100 basis points)	(0.47)	0.48
Change in withdrawal rate (delta effect of +/- 100 basis points)	(0.42)	0.33

These plans typically expose the Group to actuarial risks such as: Investment Risk, Interest Risk, Longevity Risk and Salary Risk

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest Risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

Longevity Risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk: The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

36 Related party disclosures

A) List of related party relationships

Name of the related party	Relationship
Bank of India	Investor - holding more than 20% of equity shares in the Company
Andhra Bank (Now Union Bank of India)	Investor - holding more than 20% of equity shares in the Company
Allahabad Bank (Now Indian bank)	Investor - holding more than 20% of equity shares in the Company
Mr. Dhananjay Kumar Jain	Key Management Personnel - Managing Director and Chief Executive Officer (upto 24 August 2019)
Mr. Girish Sharan Sinha	Key Management Personnel - Managing Director and Chief Executive Officer (from 01 October 2019)
Mr. Angad Kumar Roy	Key Management Personnel - Chief Financial Officer
Ms. Pallavi Parikh	Key Management Personnel - Company Secretary
INVENT/1011/S4 TRUST	Associate - Securitisation Trust in which the company holds 50% of the capital

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Consolidated financial statements for the year ended 31 March 2020
B) Transactions with related parties

Type of transaction	Investors		Key Management Personnel	
	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Interest on deposits with banks	20.51	3.44	-	-
Interest on borrowings	7.17	-	-	-
Purchase of credit impaired financial assets	-	271.00	-	-
Remuneration	-	-	60.42	97.21

C) Balances with related parties

Nature of balances	Investors	
	As at 31 March 2020	As at 31 March 2019
Bank deposits	2,059.45	1,074.30
Bank overdraft	422.19	-
Bank balances in no lien accounts	50.00	50.00

Notes to the Consolidated financial statements for the year ended 31 March 2020
37 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled:

Particulars	31 March 2020			31 March 2019		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	2,109.87	-	2,109.87	2,707.75	-	2,707.75
Bank balances other than cash and cash equivalents	581.95	-	581.95	1,977.46	-	1,977.46
Other receivables	145.98	-	145.98	954.30	-	954.30
Investments	31,078.00	44,281.77	75,359.77	20,542.50	32,814.48	53,356.98
Other financial assets	-	5.66	5.66	-	6.25	6.25
Sub-total (A)	33,915.80	44,287.43	78,203.23	26,182.01	32,820.73	59,002.74
Non-financial assets						
Current tax assets (net)	-	232.19	232.19	-	192.50	192.50
Deferred tax assets (net)	-	418.89	418.89	-	336.88	336.88
Property, plant and equipment	-	974.06	974.06	-	1,000.47	1,000.47
Other non-financial assets	16.29	0.68	16.97	15.74	0.33	16.07
Sub-total (B)	16.29	1,625.82	1,642.11	15.74	1,530.18	1,545.92
Total (A+B)	33,932.09	45,913.25	79,845.34	26,197.75	34,350.91	60,548.66
Particulars	31 March 2020			31 March 2019		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial liabilities						
Trade payables	31.19	-	31.19	18.07	-	18.07
Borrowings (other than debt securities)	783.49	3,725.84	4,509.34	2,490.56	-	2,490.56
Other financial liabilities	618.90	-	618.90	3,801.60	-	3,801.60
Sub-total (A)	1,433.58	3,725.84	5,159.43	6,310.23	-	6,310.23
Non-financial liabilities						
Current tax liabilities (net)	1.87	-	1.87	1.87	-	1.87
Provisions	219.89	20.07	239.96	140.02	18.04	158.06
Other non-financial liabilities	179.97	-	179.97	105.21	-	105.21
Sub-total (B)	401.73	20.07	421.80	247.11	18.04	265.15
Total (A+B)	1,835.31	3,745.91	5,581.23	6,557.34	18.04	6,575.38

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Consolidated financial statements for the year ended 31 March 2020**38 Change in liabilities arising from financing activities**

Particulars	01 April 2019	Cash flows	Changes in fair values	Exchange difference	Interest accrued but not due	31 March 2020
Borrowings (other than debt securities)	2,490.56	1,937.81	-	80.96	-	4,509.34
Other financial liabilities	3,801.60	(3,192.12)	-	-	9.43	618.90
Total liabilities from financing activities	6,292.16	(1,254.31)	-	80.96	9.43	5,128.24

Particulars	01 April 2018	Cash flows	Changes in fair values	Exchange difference	Interest accrued but not due	31 March 2019
Borrowings (other than debt securities)	4,400.95	(1,910.39)	-	-	-	2,490.56
Other financial liabilities	377.88	3,423.72	-	-	-	3,801.60
Total liabilities from financing activities	4,778.83	1,513.33	-	-	-	6,292.16

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Consolidated financial statements for the year ended 31 March 2020

39 Financial instruments

A Fair values

(a) The carrying value of financial instruments by categories as at 31 March 2020 is as follows:

Particulars	Fair value through profit or loss	Amortised cost	Fair value through other comprehensive income	Total
Financial assets				
Cash and cash equivalents	-	2,109.87	-	2,109.87
Bank balances other than cash and cash equivalents	-	581.95	-	581.95
Other receivables	-	145.98	-	145.98
Financial assets acquired from banks and financial institutions	75,359.77	-	-	75,359.77
Other financial assets	-	5.66	-	5.66
Total	75,359.77	2,843.45	-	78,203.23
Financial liabilities				
Trade payables	-	31.19	-	31.19
Borrowings (other than debt securities)	-	4,509.34	-	4,509.34
Other financial liabilities	-	618.90	-	618.90
Total	-	5,159.43	-	5,159.43

(b) The carrying value of financial instruments by categories as at 31 March 2019 is as follows:

Particulars	Fair value through profit or loss	Amortised cost	Fair value through other comprehensive income	Total
Financial assets				
Cash and cash equivalents	-	2,707.75	-	2,707.75
Bank balances other than cash and cash equivalents	-	1,977.46	-	1,977.46
Other receivables	-	954.30	-	954.30
Financial assets acquired from banks and financial institutions	53,356.98	-	-	53,356.98
Other financial assets	-	6.25	-	6.25
Total	53,356.98	5,645.76	-	59,002.74
Financial liabilities				
Trade payables	-	18.07	-	18.07
Other payables	-	-	-	-
Borrowings (other than debt securities)	-	2,490.56	-	2,490.56
Other financial liabilities	-	3,801.60	-	3,801.60
Total	-	6,310.23	-	6,310.23

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Consolidated financial statements for the year ended 31 March 2020
39 Financial instruments (continued)
B Fair values hierarchy

Particulars	As at 31 March 2020			
	Carrying Amount	Level 1	Level 2	Level 3
(A) Financial assets				
At amortised cost				
Cash and cash equivalents	2,109.87	-	-	-
Bank balances other than cash and cash equivalents	581.95	-	-	-
Other receivables	145.98	-	-	-
Other financial assets	5.66	-	-	-
Sub-total (A)	2,843.45	-	-	-
(B) At fair value through profit or loss				
Financial assets acquired from banks and financial institutions	75,359.77	-	-	75,359.77
Sub-total (B)	75,359.77	-	-	75,359.77
Total financial assets (A+B)	78,203.23	-	-	75,359.77
(C) Financial liabilities				
At amortised cost				
Trade payables	31.19	-	-	-
Borrowings	4,509.34	-	-	-
Other financial liabilities	618.90	-	-	-
Total financial liabilities	5,159.43	-	-	-

Particulars	As at 31 March 2019			
	Carrying Amount	Level 1	Level 2	Level 3
(A) Financial Assets				
At Amortised Cost				
Cash and cash equivalents	2,707.75	-	-	-
Bank balances other than cash and cash equivalents	1,977.46	-	-	-
Other Receivables	954.30	-	-	-
Other Financial Assets	6.25	-	-	-
Sub-total (A)	5,645.77	-	-	-
(B) At Fair Value through Profit or Loss				
Financial Assets acquired from various Banks and Financial Institutions	53,356.98	-	-	53,356.98
Sub-total (B)	53,356.98	-	-	53,356.98
Total Financial Assets (A+B)	59,002.75	-	-	53,356.98
(C) Financial Liabilities				
At Amortised Cost				
Trade Payables	18.07	-	-	-
Other Payables	-	-	-	-

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Consolidated financial statements for the year ended 31 March 2020

Particulars	As at 31 March 2019			
	Carrying Amount	Level 1	Level 2	Level 3
Borrowings	2,490.56	-	-	-
Other Financial Liabilities	3,801.60	-	-	-
Total Financial Liabilities	6,310.22	-	-	-

The Group measures investment in credit impaired financial assets at fair value at each reporting date.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Movement in level 3 financial instruments measured at fair value

The following table shows a reconciliation of the opening balances and the closing balances for fair value measurements in Level 3 of the fair value hierarchy.

Particulars	Financial assets acquired from banks and financial institutions	
	As at 31 March 2020	As at 31 March 2019
Opening balance	53,356.98	56,192.76
Investments	39,019.10	5,841.69
Recoveries	(15,962.19)	(15,488.07)
Write-offs	-	(374.55)
Gains / (loss) for the year recognised in statement of profit and loss	(1,054.12)	7,185.15
Closing balance	75,359.77	53,356.98
Unrealised gains / (losses) related to balances held at the end of year	(3,065.85)	106.85

C Risk management

The Group has exposure to the following risks arising from financial instruments: credit risk (refer note (b) below); liquidity risk (refer note (c) below); market risk (refer note (d) below).

(a) Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Consolidated financial statements for the year ended 31 March 2020

faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's board oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(b) Credit risk

Credit risk on cash and cash equivalent and bank balances is not significant as it majorly includes deposits with banks with high credit ratings assigned by credit rating agencies. The Group considers that its cash and cash equivalents have low credit risk.

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group's primary sources of liquidity are cash generated from operations. The cash flows from operating activities are driven primarily by operating results and changes in the working capital requirements.

The Group believe that its liquidity position is adequate to fund the operating and investing needs and to provide with flexibility to respond to further changes in the business environment.

Maturities analysis of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted contractual cash flow and include contractual interest payments and exclude the impact of netting agreements.

Particulars	Carrying Amount	Total	0-12 Months	1-2 Years	3-5 Years	> 5 Years
As at 31 March 2020						
Trade payables	31.19	31.19	31.19	-	-	-
Borrowings (other than debt securities)	4,509.34	4,509.34	783.49	917.05	2,808.79	-
Other financial liabilities	618.90	618.90	618.90	-	-	-
	5,159.43	5,159.43	1,433.58	917.05	2,808.79	-

Particulars	Carrying Amount	Total	0-12 Months	1-2 Years	3-5 Years	> 5 Years
As at 31 March 2019						
Trade payables	18.07	18.07	18.07	-	-	-
Borrowings (other than debt securities)	2,490.56	2,490.56	2,490.56	-	-	-
Other financial liabilities	3,801.60	3,801.60	3,801.60	-	-	-
	6,310.23	6,310.23	6,310.23	-	-	-

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Consolidated financial statements for the year ended 31 March 2020

(d) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i) Currency risk

Majority of the transactions entered into by the Company are denominated in Indian Rupees. Accordingly the Company does not have any currency risk.

ii) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Group's statement of profit and loss and equity:

Particulars	As at 31 March 2020	As at 31 March 2019
Variable rate borrowings	4,148.03	2,490.56
Total borrowings	4,148.03	2,490.56

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) profit /loss by the amounts as under:

Particulars	Profit or loss		Equity, net of tax	
	1% increase	1% decrease	1% increase	1% decrease
Variable rate borrowings as at 31 March 2020	41	(41)	30	(30)
Variable rate borrowings as at 31 March 2019	25	(25)	18	(18)

40 Events after reporting date

The Group has evaluated the possible impact of Covid-19, a global health pandemic, on the business operations and the financial position of the Group and based on its initial assessment, believes that there is no significant impact on the financial statements of the Group, as at and for the year ended 31 March 2020. However, the impact assessment of COVID-19 is an on-going process given the uncertainties associated with its nature and duration. Given the uncertainty because of COVID-19, the final impact on the Group's operations may be different from that estimated as at the date of approval of these financial statements and the Group will continue to closely monitor any material changes resulting from the future economic conditions and future uncertainty, if any.

41 Previous year figures have been regrouped and reclassified wherever necessary to correspond with current year.

ASREC (India) Limited

(All Amount are in INR lakhs, unless otherwise stated)

Notes to the Consolidated financial statements for the year ended 31 March 2020

As per our report of even date

For **CHHAJED & DOSHI**

Chartered Accountants

Firm Reg. No.: 101794W

For and on behalf of the Board of Directors

ASREC (India) Limited

M. P. Chhajed

(Partner)

M.No: 049357

V. K. Shunglu

(Chairman)

DIN : 00032683

Noida

M. M. Chitale

(Director)

DIN : 00101004

B. A. Prabhakar

(Director)

DIN : 02101808

Bengaluru

Place: Mumbai

Date: 3rd July, 2020

Girish Sharan Sinha

(Managing Director &
Chief Executive Officer)

DIN : 08495135

Angad Kumar Roy

(Chief Financial Officer)

Pallavi Parikh

(Company Secretary)

This page has intentionally been left blank

PROXY FORM

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 Sixteenth Annual General Meeting of the Company to be held on Friday, September 25, 2020 at 12.30 p.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Rse. No.	Description	For*	Against*
1	Adoption of Financial Statements and Reports thereon for the financial year ended 31 st March, 2020		
2	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, 2021		

Signed this _____ day of _____, 2020

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 submitted through the registered email id of shareholder to the Company Secretary of the Company at 'pallavi.parikh@asrec.co.in' 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 Sixteenth Annual General Meeting of ASREC (INDIA) Limited on Friday, September 25, 2020 at 12.30 p.m. through Video Conference.

Member's /Proxy Signature



asREC

(India) Limited

CIN - U67100MH2003GOI143291

Regd. Office :

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

T: +91 022 6138 7000

F: +91 022 6138 7010

E: asrec@asrec.co.in

www.asrecindia.co.in