

“Restoring NPAs back to health”



*9th Annual Report
2015-16*



**UV ASSET RECONSTRUCTION
COMPANY LIMITED**

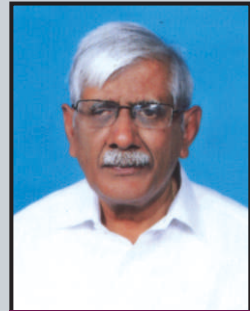
BOARD OF DIRECTORS



Mr. P. J. Vincent
Chairman



Ms. Shilpi Sharma
Director



Mr. K.K. Gupta
Director



Mr. U.S. Kohli
Director



Justice S. S. Parkar (Retd.)
Director



Mr. D. G. Rajpal
Nominee Director

SENIOR EXECUTIVES



Mr. Ashwani Kr. Chadha
Chief Executive Officer



Mr. N. K. Mittal
Chief Financial Officer

CORPORATE INFORMATION

Board of Directors

Mr. P. J. Vincent
Chairman

Ms. Shilpi Sharma
Promoter & Non-executive Director

Mr. K.K. Gupta
Independent Director

Mr. U.S. Kohli
Independent Director

Justice S.S. Parkar
Independent Director

Mr. D. G. Rajpal
Nominee Director

Committees of Board

- Audit Committee
- Nomination & Remuneration Committee
- Credit Committee
- HR Committee
- Share Allotment & Transfer Committee

Key Managerial Personnel

Mr. Ashwani Kumar Chadha
Manager & CEO

Mr. Nirmal Kumar Mittal
CFO

Ms. Gurpreet Kaur
Company Secretary

Auditors

M/s Dinesh K. Sharma & Associates
Chartered Accountants
55, Office No. 207, Daryaganj
New Delhi-110002

Registrar & Share Transfer Agent

MCS Share Transfer Agent Limited

Bankers

- Punjab National Bank
- Central Bank of India
- IDBI Bank Limited

Registered Office:

704, 7th Floor, Deepali Building,
92 Nehru Place, New Delhi-110019

Corporate Office:

1304/1304A, Chiranjeev Tower,
43 Nehru Place, New Delhi-110019

Strategic Business Unit (SBU)- Mumbai:

Office No.5, Ground Floor, Corporate Annex
Building, Near Udyog Bhawan, Sonawala Lane,
Goregaon (East), Mumbai -400063

CIN No: U74900DL2007PLC167329

Email : uvarcl@gmail.com

Contact No: 011-41055576, 26482050

Fax No: 011-40501824

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About UVARCL

UV Asset Reconstruction Company Ltd. is a Securitization Company / Reconstruction Company (SC/RC) registered with Reserve Bank of India having its registered office at Nehru Place, New Delhi. The company operates from its corporate office in New Delhi and a Strategic Business Unit in Mumbai.

The company prides itself to have investments in its equity by 7 Public sector Banks and 2 Public Sector Insurance Companies. The company is one of the best performing ARCs in the country in terms of the Return on Equity. It is one of the few ARCs consistently paying dividend each year.

The company's executive management team is led by experienced professionals from banking having vast experience in NPA management. The company has carved a niche for itself in the resolution of NPAs in SME sector.

Mission

Help distressed enterprises in their turnaround efforts of economically viable and technically feasible units leading to restoring economy value. Create win-win situations for all stakeholders.

Vision

To be the most preferred partner to Enterprises in times of their stress.

Chairman's Letter



Mr. P. J. Vincent
Chairman

Dear Shareholders,

I, on behalf of myself and the Board of Directors, welcome you all to this 9th Annual General Meeting of your Company.

At the outset, I place on record my sincere thanks for your reposing continuous trust and confidence in the company and its management.

In the present scenario, when stressed Assets in the Indian Banking Industry have seen substantial increase, the role of ARC Industry is very critical for economy in general and banks in particular, as this is one of the best option for revival of NPAs and reducing NPAs for Banks/FIs. Despite this sale to ARCs is not reached upto potential mainly because of pricing issue between Banks/FIs and ARCs. However, I strongly believe that with the recent direction/ guidelines formulated by Government of India and Reserve Bank of India the pricing will be fair beneficial for each player.

This year with the change in strategy, your company has shown substantial growth in Asset under Management (AUM) due to which balance sheet size also increased. The impact of this will be reflected in the Profit & Loss and financial parameters of accounts of coming years. I assure all the members that the way forward is promising and encouraging as with the change in strategy and new initiatives taken by Government of India and Reserve Bank of India, company will be in a position to show good results in the current financial year and subsequent years.

In line with the trend, this year also I have the pleasure to announce that company has declared dividend though @ Rs. 0.25 per share.

I also take this opportunity to thank Government of India (Ministry of Finance) and Reserve Bank of India for their timely direction and guidelines to ease the business for Banks and ARCs. I also express my sincere thanks to our bankers and clients and also to our board and its committees for giving timely direction and guidance. I also place on records my appreciation to company's management and dedicated employees for putting desired efforts in company's progress.

Finally, I also thank to all of you for your kind presence and continuous support to company and its management.

With Best Wishes

P. J. Vincent

NOTICE

Notice is hereby given that the Ninth Annual General Meeting (AGM) of the Members of the Company will be held on Monday, the 26th day of September, 2016 at 12:30 PM at **Vivanta Ambassador (Taj), Sujan Singh Park, Subramania Bharti Marg, New Delhi-110003** to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2016 and Profit and Loss Account for the year ended on that date, together with the Reports of the Auditor's and Directors' thereon.
2. To consider and declare pro-rata dividend on Equity Shares for the year ended on 31st March 2016.
3. To appoint a Director in place of Mr. P.J. Vincent (DIN: 00096857) who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors for the financial year 2016-17 and fix their remuneration and, for the purpose, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, M/s Dinesh K. Sharma & Associates Chartered Accountants, be and are hereby appointed as Auditors of the Company from the conclusion of Present Annual General Meeting until the conclusion of Next Annual General Meeting of the Company at a remuneration amount to be decided by the Board of Directors of the Company, in addition to reimbursement of out-of-pocket expenses in connection with audit and Review of Accounts of the Company on Quarterly Basis”.

Special Business

5. To Consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules thereof (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the members of the Company be and is hereby accorded for following agreement and/ or transaction with Related Parties as defined under the Act with respect to the services availing with related parties, as per details set out below:

Particulars of arrangements/ transactions for the purpose of approval under Section 188 of the Companies Act, 2013	
Name and Nature of Relationship with related parties	Arrangements and transactions
Mr. Pramod Sharma Relative : Ms Shilpi Sharma(Director)	Increase the maximum remuneration limit of Mr. Pramod Sharma, as Corporate Advisor of the Company including such enhancements/incentives from time to time as may be desirable and justified keeping in view his overall contribution, from Rs. 36 lakhs per annum to Rs. 72 lakhs per annum.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary in relation to the above and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolution”.

For and on Behalf of the Board
For UV Asset Reconstruction Company Limited

Place: New Delhi
Date: 22.08.2016

Sd/-
Gurpreet Kaur
Company Secretary
Membership No -8237
Regd. Office: 704, 7th Floor, Deepali
Building, 92, Nehru Place,
New Delhi-110019

Notes:

- A. The Explanatory statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed thereto.**
- B. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The proxy form in order to be effective must be deposited with the Company not less than 48 hours before the time fixed for commencement of the meeting.**
- C. Members/Proxies attending the meeting are requested to bring duly filled attendance slips sent herewith to attend the meeting.
- D. Queries proposed to be raised at Annual General Meeting may be sent to the Company at its registered office or at gurpreet@uvarcl.com at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the query in the meeting.
- E. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.
- F. Members are requested to notify any change in their address/ mandate/ bank details immediately to the Company at its Registered Office.
- G. All documents referred to in the accompanying Notice and the Explanatory statement shall be open for inspection at the registered office of the Company at all working days except Saturdays between 11 a.m. to 2 p.m. up to the date of Annual General Meeting.
- H. Members may also note that the Notice of the 9th Annual General Meeting and the Annual report for the financial period ended on March 31, 2016 will also be available on the Company's website www.uvarcl.com for their download. The physical copies of the aforesaid documents will also be available at the Company's registered office.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013
("THE ACT")**

RESOLUTION NO. 5

Shareholders vide their meeting dated September 25, 2014 duly ratified under mentioned related party transaction by Shareholders of the Company.

<p>Mr. Pramod Sharma Relative : Ms Shilpi Sharma(Director)</p>	<p>Appointment of Mr. Pramod Sharma as Corporate Advisor of the Company w.e.f. July 15, 2011 on a fees of Rs. 1,50,000/- (One Lac Fifty Thousand only) per month with such enhancements/incentives from time to time as may be desirable and justified keeping in view his overall contribution, subject to a maximum Rs. 36 Lacs per annum.</p>
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Presently, Mr. Pramod Sharma, Corporate advisor's remuneration is approved upto Rs. 36 Lacs per annum.

Now, Company proposes to increase the maximum remuneration limit of Mr. Pramod Sharma as Corporate Advisor of the Company including such enhancements/incentives from time to time as may be desirable and justified keeping in view his overall contribution, from Rs. 36 lakhs per annum to Rs. 72 lakhs per annum. Accordingly, same is placed for shareholder approval.

Details of proposed transaction will be as follows:

Particulars of arrangements/ transactions for the purpose of approval under Section 188 of the Companies Act, 2013	
Name and Nature of Relationship with related parties	Arrangements and transactions
<p>Mr. Pramod Sharma Relative : Ms. Shilpi Sharma(Director)</p>	<p>Mr. Pramod Sharma is an expert in the field of Finance, Marketing and Public Relations (PR). On account of his strong forte in Public Relations and marketing he is instrumental in garnering good business opportunities thereby contributing in building Company's Balance Sheet.</p> <p>His marketing and financial skill has helped the Company in the past to receive Capital Contributions from major Public sector Banks i.e. Central Bank of India, Bank of Maharashtra,</p>

Allahabad Bank, United bank of India, Union Bank of India, Bank of India, Punjab National Bank and also from the Public Sector Insurance Companies viz. National Insurance Company Ltd. and United India Insurance Company Ltd. It speaks about his persuasive skills and his powerful presentation coupled with strength and image of our Board that Company got Capital Contribution from these financial giants except Punjab National Bank even before Company could obtain mandatory RBI Registration to commence Asset Reconstruction Business.

Mr. Pramod Sharma is giving his full cooperation and working with full dedication and sincerity for any assignments given to him. His working hours towards Company's business and fund raising also increased substantially.

Mr. Pramod Sharma played a very important role in achieving recent milestone of raising Company's Net Worth to Rs. 100 Crores. He is also helping in creating business opportunities for the Company and resolution of various NPA Accounts.

All these traits are continuously helping the Company to get more and more business opportunities to strengthen the Company's financials.

Professional fees of Mr. Pramod Sharma as Corporate advisor is Rs. 3,00,000/- (Rupees Three Lacs) per month i.e. Rs. 36 Lacs per annum, which is within the shareholder approval vide its meeting dated September 25, 2014.

Company proposing to increase the maximum fee of Mr. Pramod Sharma as Corporate Advisor from Rs. 36 Lakhs per annum with such enhancements/incentives from time to time as may be desirable and justified keeping in view his overall contribution subject to a maximum of Rs. 72 Lacs per annum.

The key responsibility of Mr. Sharma will be to advise the Company on its business prospects, liaise with Prospective Clients/ Banks / FIs and other Institution for raising further capital, garnering/growth in Company's business for business promotion of the Company.

- a) Nature, material terms, monetary value and particulars of contract or arrangement - as mentioned in above table.
- b) Any advance paid or received for the contract or arrangement if any: Nil
- c) Any other information relevant or important for the members to take decision on the proposed resolution: See the above table.

The proposal outlined above is in the interest of the Company and the Board recommends the resolution set out in accompanying Notice as Special Resolution.

Members are hereby informed that pursuant to second proviso to Section 188(1) of the Companies Act, 2013, no member of the Company shall vote on such resolution to approve any contract or arrangement which may be entered into by the Company, if such member is related party.

Except Ms. Shilpi Sharma, none of the Directors or Key Managerial Personnel or their relatives are concerned or interested in the resolution set out at Item No. 5 of the above notice.

**For and behalf of Board of Directors of
UV Asset Reconstruction Company Limited**

Date: 22.08.2016
Place: New Delhi

**Sd/-
Gurpreet Kaur
Company Secretary
Membership No -8237
Regd. Office: 704, 7th Floor, Deepali
Building, 92, Nehru Place,
New Delhi-110019**

DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting their Ninth Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2016.

(A) Financial summary or highlights/Performance of the Company

The company's Financial Performance (standalone basis) is summarized below:

(Amount in Lacs)

Particulars	Financial Year Ended	
	31st March 2016	31st March 2015
Total Income	707.13	875.80
Total Expenditure	413.19	507.46
Profit before tax	293.94	368.35
Provision for tax	98.04	120.45
Profit after tax	195.90	247.90
Transfer to Reserve	29.38	37.18
Paid-up Share Capital	1675.00	1285.00
Reserves and Surplus (excluding revaluation reserve)	786.80	261.22

During the year, your Company continued to focus on delivery of strong performance and further strengthened its position in ARC industry. Company also focused to create value for our stakeholders in long term. Your Company has a strong legacy of high standards of ethical conduct, transparency and corporate governance as an integral part of its corporate philosophy. Your Company has adhered to the applicable norms of corporate governance as also regulatory compliance- both in letter and spirit.

The Company's Net worth as on March 31, 2016 stood at Rs. 2461.80 lacs (comprising Rs. 1675.00 lacs of paid up capital and Rs. 786.80 lacs of Reserves and Surplus) as against Rs.1546.22 lacs in the previous year. With Company's strong performance, Company issued shares at premium during the year which resulted in increase in Reserves and Surplus and consequential increase in Net Worth. The total income of the Company remained Rs. 707.13 Lacs as against Rs. 875.80 Lacs in the previous year. Company was able to reduce its total expenses to Rs. 413.19 Lacs from Rs. 507.46 of previous year.

On business growth, Company has participated in bids in respect of sale of NPAs and acquired Financial assets worth Rs. 9862.50 Lacs and resolved Financial assets amounting Rs. 1868.82 Lacs during the year, taking outstanding total Financial Assets amounting to Rs. 13035.94 Lacs.

(B) Material changes and commitments subsequent to the Balance sheet

There were no changes, which affects the financial position of the company subsequent to the close of the financial year till the signing of the Board's report.

(C) Industry Scenario

With RBI's clear and unambiguous direction to Banks and Financial Institutions to clean their Balance Sheets within given time frame, Financial Year 2015-16 recorded unprecedented increase in the NPAs of Banking Industry. With such spurt in NPAs, the role of ARCs to cope up with the expectation of regulator and also Ministry of Finance (GOI) increased manifold. Government and Reserve Bank of India also felt urgent need to make certain amendments so that infusion of capital in ARCs can be substantially increased, besides initiating the process of rolling various legal measures to strengthen the speedy resolution process to curb the NPAs.

All these was considered mainly because of record growth of NPAs in the last few years, which saw increasing Gross and Net NPAs substantially not only in percentage terms but also in absolute terms. The problem of distress and stressed assets is further aggravated in case the quantum of "Standard Restructured Advances" of banking industry is added. The situation is so alarming for few banks as their Net NPAs are higher than their Tangible Net Worth. The problem is posing the biggest ever challenge for banks in managing their Accounts and Asset quality. For Country's economy such precarious situation is causing serious difficulty in retaining the economic value of various borrowing units.

In the backdrop of this scenario, role of ARCs is very significant as banks and financial institutions are putting large number / amount of NPAs for sale to ARCs. However, the price mismatch between Banking industry and ARCs, result in lower sale of NPAs. Banks/ FIs are yet to factor in the impact of mandated increased stake of ARCs w.e.f. August, 2014, besides fixing unrealistic higher price of NPAs which are put on sale amongst ARCs, not based on realisability of underlying secured assets and likely timeline of their realization based on various prevailing attendant factors.

Another important factor of lower off take of NPAs to ARCs is the limited resources at the command of ARCs. Further, resource mobilization is hindered by ceiling on investment in equities by FIIs / FIPs and restrictions to Non-QIBs.

Government of India and Regulator understand the seriousness of situation and has taken and also in the process of taking various measures to tackle the situation. All these measures are going to support Banking and ARC industry to enable them for speedy resolution and putting the distressed but financially viable units back on the tracks. Important of these measures are:

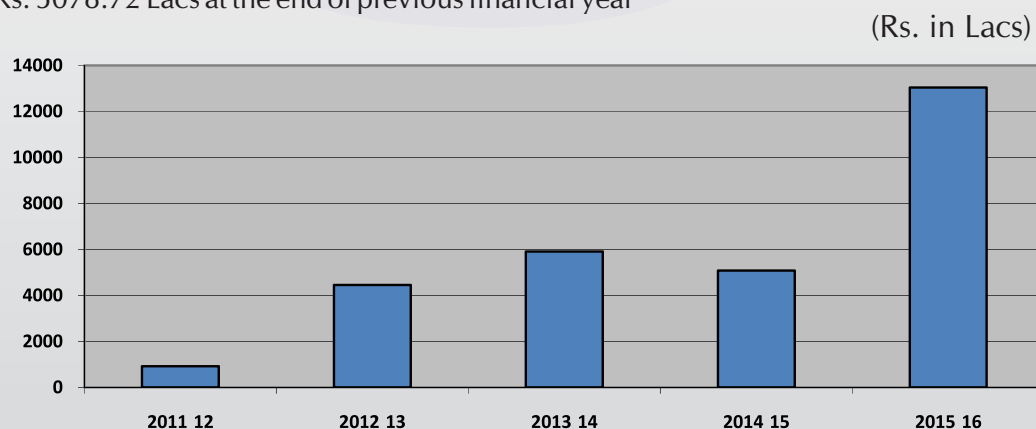
- ✓ Passing of Insolvency and Bankruptcy Code by Parliament.
- ✓ Amending SARFAESI Act and RDDBFI Act.
- ✓ Removing existing cap on investment by Sponsor.
- ✓ Prior approval of RBI not required for investment by Non-sponsors.
- ✓ Broadening scope of QIBs for investors.
- ✓ Exempting stamp duty on Assignment Agreements executed between Banks and ARCs.
- ✓ Allowing acquisitions of irregular accounts not being NPAs.
- ✓ Fixing time period for passing orders by DM/CMM for facilitating possession of secured assets.
- ✓ DM to assist in taking over the management of the borrower company.
- ✓ Depositing minimum 25% of the debt for appealing before DRATs.

With above measures either taken or are in the process of adoption, coupled with the stress in corporate India showing no signs of letting up, future business prospect of ARC industry looks promising. The only major concern need to be addressed is “pricing” of assets put on sale by Banks / FIs. The regulator/ GOI can take measures of liberally allowing changing of provisions in Profit & Loss Account in a deferred manner. It is expected that such a step of RBI would certainly help Bank's to sell and ARC's to acquire the stressed assets by addressing pricing mismatch.

(D) Business Overview

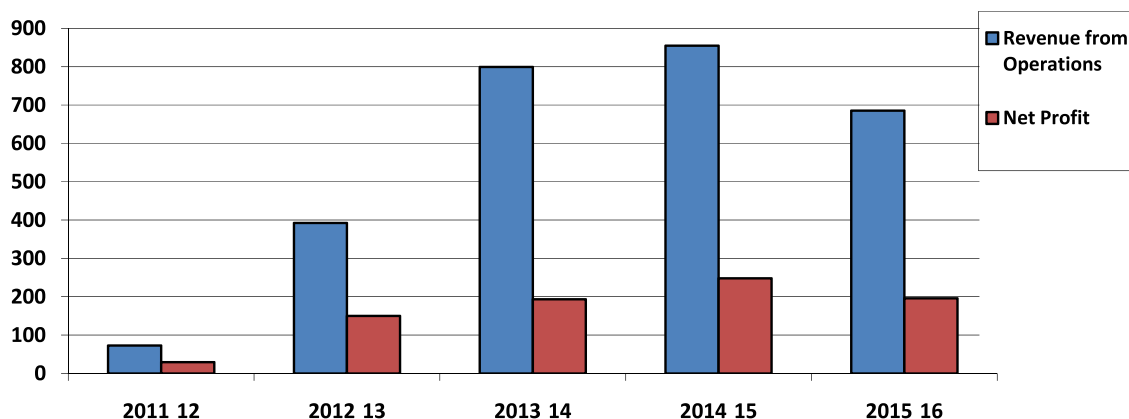
Your company acquired financial assets for Rs. 9862.50 Lacs in 2015-16.

As at March 31, 2016 the company's asset book stood at Rs. 13035.94 Lacs as against Rs. 5078.72 Lacs at the end of previous financial year



(E) Profitability

During the year under review, Revenue from operations of the Company decreased from Rs. 854.58 Lacs to Rs. 685.44 Lacs and Net profit of the Company decreased from Rs. 248 Lacs to Rs. 196.00 Lacs.



(F) Dividend

Your Directors have immense pleasure in recommending a dividend of Re 0.25 per equity share of Rs. 10/- each on pro-rata basis, aggregating to Rs. 42.36 Lacs (inclusive of dividend distribution tax) for the financial year ended 31st March, 2016. The Company, therefore, confirmed with trend of declaring dividend every year to its shareholders.

Percentage of dividend proposed is reduced compared to earlier years is mainly to increase retained profits thus strengthening the Net worth of the Company thereby increasing book value of shares. Such a measure will help company to issue shares at premium.

(G) Reserves

The Board proposes to transfer 15% of PAT i.e. Rs. 29.38 Lacs to the general reserve out of the amount available for appropriation thereby taking General Reserve at a level of Rs. 131.40 Lacs and balance in Profit & Loss Account amounting Rs. 280.40 Lac.

(H) Corporate Governance

Your Directors are enforcing high standards of Corporate Governance in the overall functioning of the Company which, in turn, helps to enhance the economic efficiency of its operations for the benefit of the society as a whole. Director's Report on Corporate Governance is at **Annexure I**.

(J) Share Capital

(i) Equity shares:

The Company has only one kind of Shares i.e. Equity shares with same voting rights.

As at 31st March 2016, Company`s paid-up equity capital is Rs. 16,75,00,000 divided into 1,67,50,000/- shares of Rs. 10/- each

(ii) Sweat Equity shares:

The Company has not issued any sweat equity shares during the financial year under review.

(iii) Issue of further Share Capital - (Preferential Allotment):

During the financial Year, the Company has issued / made following allotments of shares:

S. No.	Date of Allotment	No. of Shares allotted	Price per Share	Date of Approval of Shareholders
1	15.10.2015	20,20,000	Rs. 10 per share	January 30, 2015
2	23.12.2015	6,30,000	Rs. 10 per share	January 30, 2015
3	26.02.2016	12,50,000	Rs. 10 per share at a premium of Rs. 30/- per share	January 22, 2016

(iv) Buy back of Shares:

During the year under review, rather till date, the Company has not made any offer to buy back its shares.

(K) Directors and Key Managerial Personnel

(i) Directors:

In terms of the provisions of Section 152 of the Companies Act, 2013, Mr. P. J. Vincent, Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for reappointment. Your Directors recommend their re-appointment.

Pursuant to the provisions of Section 149 of the Act, which came into effect from April 1, 2014, Mr. Madhukar, Mr. Kamal Kishore Gupta, Mr. Upkar Singh Kohli, Mr. Shafi Sayeed Parkar and Mr. Pavan Kumar Gupta were appointed as independent directors at the Annual General Meeting of the Company held on September 25, 2014. Subsequently, Mr. Madhukar and Mr. Pavan Kumar Gupta have resigned from the Board of the Company w.e.f. April 23, 2015 and September 17, 2015 respectively. There has been no change in the circumstances which may affect the status as independent director of other directors during the year.

None of the Directors of the company are disqualified from being appointed as Directors as specified under Section 164 of the Companies Act, 2013.

(ii) Declaration of independency of independent directors, their meeting and evaluation.

The Company has received the requisite declarations under section 149(7) of the Companies Act, 2013 from each of the Independent directors at the time of their appointment stating that they meet the criteria of independence as mentioned under Section 149(6) of the Act.

A separate meeting of Independent Directors was held on March 23, 2016. In the separate meeting of independent Directors, performance of non-independent directors, performance of the Chairman and performance of the Management was evaluated and appreciated.

Evaluation of Independent Directors of the Company has been carried out by Board of Directors of the Company as per the criterion laid down in the Nomination & Remuneration Policy of the Company and appreciated.

(iii) Board Evaluation

The evaluation of Board of Directors of the Company has been carried out as per the criterion laid down in the Nomination & Remuneration Policy of the Company.

The Performance of the Board was evaluated by the Nomination & Remuneration Committee of the Board of Directors in terms of the provisions of Section 178 of the Companies Act, 2013. The performance of every Director was evaluated by scoring the evaluation sheets for every Director.

The evaluation sheets for every director are in the custody of Company Secretary of the Company.

(iv) Policy on Directors appointment & remuneration:

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the directors' report.

(v) **Key- Managerial Personnel:**

Mr. A.K. Chadha, Chief Executive Officer & Manager, Mr. Hari Hara Mishra, Chief Financial Officer and Ms. Gurpreet Kaur, Company Secretary have been appointed as Key Managerial Personnel in pursuance of section 203 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules of the Companies Act, 2013 with effect from March 30, 2015. However, Mr. Hari Hara Mishra has resigned as Chief Financial Officer with effect from August 4, 2015 and Company has appointed Mr. Rajesh Chawla as a Chief Financial Officer w.e.f. February 1, 2016, who has also resigned as Chief Financial Officer with effect from April 26, 2016, now Company has appointed Mr. Nirmal Kumar Mittal as Chief Financial Officer (KMP) w.e.f. June 1, 2016.

(L) **Particulars of Employees**

During the financial year under review, none of the Company's employee was in receipt of remuneration as prescribed under section 134 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and hence no particulars are required to be disclosed in this Report.

(M) **Meetings**

In all, sixteen meetings of Directors were held during the financial year 2015-16 which includes four Board meetings, four Audit Committee meetings, two HR Committee meetings, three Credit Committee meetings, two Nomination & Remuneration committee meetings and one Share Allotment and Transfer Committee meeting.

The details are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

(N) **Auditors**

M/s Dinesh K Sharma & Associates, Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Company has also received the written consent of the auditor and a certificate from them to the effect that their appointment, if made would be in accordance with the applicable provisions of the Companies Act, 2013.

Board's explanation and Comments on Auditor's Report:

There are no explanations and comments given by the Board as the auditor's report given by auditors of the Company is self explanatory and doesn't contain any qualification, reservation or adverse remarks.

(O) Internal Audit & Controls

Your Company is following proper internal Audit & control system and has also appointed the Internal Auditors. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the financial assets of the Company, all cases of asset acquisition and resolution, Compliance culture on Board-approved business policies, MIS framework etc. Internal Auditors findings are discussed and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

(P) Risk Management

The distressed asset business entails taking risks at every stage from pre-acquisition to post acquisition and finally to resolution /recovery from the acquired assets. In order to properly measuring, monitoring and mitigating such risk in business, your Company has formulated its Risk Management Policy to ensure sustainable business growth with stability.

(Q) Vigil Mechansim

Company has established the vigil mechanism under sub-section (9) of Section 177 of the Companies Act, 2013 for providing for adequate safeguards against victimisation of persons who use such mechanism and directly access to the chairperson of the Audit Committee in appropriate or exceptional cases.

(R) Extracts of Annual Return

The extracts of Annual Return pursuant to the provisions of Section 92 read with rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Form MGT-9 (**Annexure -II**) and is attached to this report.

(S) Public Deposits

During the year under report, your Company did not accept any deposits from the public in terms of the provisions of Section 73 of the Companies Act, 2013 and in compliance with the provisions of SARFAESI Act, 2002.

(T) Particulars of contracts or arrangements with related parties

The particulars of contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 has been disclosed in Form No. AOC-2 as (**Annexure III**) attached to this report.

(U) Loans, Guarantees or investments

The Company has not granted any loan or extended any Guarantees and has not made any investments, to any individual or Corporates u/s 186 of the Companies Act, 2013 during the financial year under review.

(V) Corporate Social Responsibility

The provisions of Corporate Social Responsibility are not applicable to the Company.

(W) Transfer of Amounts to Investor Education and Protection Fund

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

(X) Key Changes during the year:

(i) Changes in Nature of Business: Nil

(ii) Key Changes during the year in Directors and KMPs:

S. No.	Name of Director/KMP	Date of Appointment/ Resignation	Designation
1.	Mr. Madhukar	Resigned on 23.04.2015	Non-Executive & Independent Director
2.	Mr. P.K. Gupta	Resigned on 17.09.2015	Non-Executive & Independent Director
3.	Mr. Hari Hara Mishra	Resigned on 04.08.2015	CFO
4.	Mr. Rajesh Chawla	Appointed as CFO on 01.02.2016	CFO

(i) Changes in Subsidiaries, Joint Ventures or Associate Companies: Not Applicable

(ii) Details of Order Passed by the Regulators: Nil

(Y) Conservation of energy, technology absorption and foreign exchange earnings and outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

- (i) **Conservation of Energy & Technology Absorption:** Since the Company is not engaged in any manufacturing activity, issues relating to conservation of energy and technology absorption are not relevant to its functioning.
- (ii) **Export Activities:** There was no export activity in the Company during the year under review. The Company is not in the line of exports and therefore not contemplating any export.
- (iii) **Foreign Exchange Earnings and Outgo:** During the year under review there have been no earnings in foreign exchange, however, there has been foreign exchange outgo of 7000 Singapore Dollars amounting Rs. 3.46 Lacs.

(Z) Directors' Responsibility Statement

In terms of the provisions of Section 134(5) of the Companies Act, 2013 and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon and to the best of their knowledge and belief, your Directors confirm that:

- a in preparation of the annual accounts, the applicable accounting standards had been followed;
- a the Directors had adopted such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the profit or loss of the Company for the year ended on that date;
- a the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and the Directors had prepared the Annual Accounts on a going concern basis.
- a 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.

Acknowledgements

Your Directors take this opportunity to place on record their sincere appreciation for the co-operation and assistance the Company has received from the Reserve Bank of India, Government of India and the Banks / FIs. The Board also places on record its appreciation of the devoted services of employees of the Company and also like to sincerely thank the Shareholders for their continuous support to the Company.

**For and behalf of Board of Directors of
UV Asset Reconstruction Company Limited**

**Sd/-
(P. J. Vincent)
Chairman
DIN: 00096587**

**Sd/-
(Shilpi Sharma)
Director
DIN: 01680321**

Place: New Delhi
Date: August 22, 2016

ANNEXURE INDEX	
Annexure	Content
I	Corporate Governance Report
II	Annual Return Extracts in MGT 9
III	AOC 2 – Related Party Transactions disclosure

Annexure I

Report on Corporate Governance for the year ended on March 31, 2016

1) **Company's Philosophy on Corporate Governance**

The basic philosophy of the Company towards corporate governance is to protect and enhance the long- term value of all its stakeholders viz. shareholders, creditors, employees, and to demonstrate that the shareholders are the ultimate beneficiaries of our economic activity, besides meeting compliance standards of Regulatory Authorities.

Our corporate governance philosophy encompasses several voluntary practices aimed at a high level of business ethics, and enhancement in shareholders' value

2) **Board of Directors**

As on March 31, 2016, Board of Directors comprised of 6 Directors. Their position on the Board as Independent Director or otherwise is indicated below:

i) **Board of Directors**

Sr. No.	Name	Designation	Category
1.	Mr. P.J Vincent (DIN:00096857)	Chairman	Non- Executive and Promoter
2.	Ms. Shilpi Sharma (DIN:01680321)	Director	Non- Executive and Promoter
3.	Mr. K.K Gupta (DIN:01746444)	Director	Non- Executive and Independent
4.	Mr. U.S. Kohli (DIN: 02528045)	Director	Non- Executive and Independent
7.	Justice S.S. Parkar (Retired) (DIN:02661621)	Director	Non- Executive and Independent
8.	Mr. Sita Ram Khatik * (DIN:06954541)	Nominee Director of Sponsor Bank. (Central Bank of India)	Nominee Director

**Mr. S.R. Khatik, Nominee Director, Central Bank of India, has resigned from the Board of Directors of the Company w.e.f. June 1, 2016 and Mr. D. G. Rajpal has been appointed as Nominee Director, Central Bank of India on the Board of Directors of the Company w.e.f. August 22, 2016.*

ii) Attendance of Directors

Four Board Meetings were held during the year and the gap between two meetings did not exceed one hundred twenty days. The said meetings were held on June 15, 2015 August 26, 2015; December 23, 2015 and March 23, 2016.

The necessary quorum was present in all the meetings.

The overall attendance of Directors for the financial year 2015- 2016 is shown hereunder:

Name	Numbers of meetings during financial Year 2015-16		Attendance at the last AGM held on September 28, 2015
	Held	Attended	
Mr. P.J Vincent	4	4	Yes
Ms. Shilpi Sharma	4	4	Yes
Mr. Madhukar*	-	-	NA
Mr. K.K Gupta	4	4	Yes
Mr. U.S. Kohli	4	3	Yes
Mr. P.K. Gupta*	2	1	NA
Mr. S.S. Parkar	4	4	No
Mr. S.R. Khatik	4	3	No

Mr. Madhukar and Mr. P.K. Gupta resigned from the Board of Directors of the Company w.e.f. April 23, 2015 and September 17, 2015

iii) Other directorship

The number of Directorships held in other bodies corporate by the Directors is as follows:-

Name of Directors	No. of Directorship in other Companies			No. of Chairmanship Membership of Committees	
	Private	Public	Foreign	Chairmanship	Membership
Mr. P.J Vincent	-	2	-	-	-
Ms. Shilpi Sharma	-	1	-	-	-
Mr. K.K Gupta	1	2	-	-	-
Mr. U.S. Kohli	-	2	-	-	-
Mr. P.K. Gupta	-	1	-	-	-
Mr. S.S. Parkar	1	1	-	-	-
Mr. S.R. Khatik	-	-	-	-	-

iv) Scheduling and selection of agenda items for Board meetings

- (a) The Company holds minimum of four Board meetings in a financial year. Apart from the four Board meetings, additional Board meetings are also convened as and when required to address the specific needs of the Company by giving appropriate notice to the Directors.
- (b) All departments in the Company are encouraged to plan their functions well in advance particularly with regard to matters requiring discussion/ approval in the Board/ Committee meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the agenda for the Board Meeting.
- (c) The Company Secretary in consultation with top management, finalize the agenda papers for the Board meeting.

(v) Board material distributed in advance

- (i) Agenda papers are circulated to the Directors in advance both by physical and electronic mode. All material information is incorporated in the agenda papers for facilitating meaningful, informed and focused discussions at the meeting.
- (ii) With the permission of Chairman additional or supplementary item(s) on the agenda are permitted.

(vi) Recording minutes of proceedings at Board meetings

The Company Secretary records the minutes of the proceedings of each Board and Committee meetings. The minutes of the proceedings of a meeting are entered in the minutes book within thirty days from the conclusion of the meeting and signed by the Chairman of the Board/ Committee meeting in next Board meeting.

(vii) Post-Meeting follow up mechanism

There is an effective post meeting follow-up, review and reporting process for the action taken on decisions of the Board and Committees.

(viii) Committee of Directors

The Board of Directors has constituted committees of Directors of your Company in line with the best practices in corporate governance:

1. Audit Committee:

Board has constituted a Committee of Board of Directors named as Audit Committee on 18th December 2010 which comprises three directors out of which 2 Directors namely Mr. K.K. Gupta and Mr. P.K. Gupta were non-executive and Independent Directors and Ms. Shilpi Sharma is Non-Executive Promoter Director. The Composition of the Audit Committee meets the requirement of Section 177 of the Companies Act, 2013 and Section 292A of the erstwhile Companies Act, 1956. However, Mr. P.K. Gupta has resigned from the Board of Directors of the Company on September 17, 2015; therefore Company has appointed Mr. S.S. Parkar as the member of the Audit Committee w.e.f. December 23, 2015.

During the financial year 2015-2016 four meetings were held on June 15, 2015, August 26, 2015, December 23, 2015 and March 23, 2016.

Details of Meeting attended by the members are given below:

Sr. No.	Committee Members	Category	Numbers of meetings during financial Year 2015-16	
			Held	Attended
1.	Mr. K.K. Gupta (Chairman)	Non- Executive and Independent	4	4
2.	Ms. Shilpi Sharma	Non- Executive and Promoter	4	4
3.	Mr. P. K. Gupta	Non-Executive and Independent	2	1
4.	Mr. S.S. Parkar	Non-Executive and Independent	1	1

2. Share Allotment and Transfer Committee

To ensure the efficient and timely allotment, transfer, transmission of shares and share Certificates, Share Allotment and Transfer Committee was constituted on 27th July 2010 comprising following members:

1. Mr. P. J. Vincent - Chairman
2. Ms. Shilpi Sharma - Member

During the financial year 2015-2016 one meeting was held of Share Allotment and Transfer Committee on February 27, 2016.

Details of Meeting attended by the members are given below:

Sr. No.	Committee Members	Category	Numbers of meetings during financial Year 2015-16	
			Held	Attended
1.	Mr. P. J. Vincent	Non- Executive and Promoter	1	1
2.	Ms. Shilpi Sharma	Non- Executive and Promoter	1	1

3. Nomination & Remuneration Committee

To consider and approve the remunerations of KMPs of the Company, Remuneration Committee was constituted on 29th June, 2011, but as per provision of Companies Act, 2013, Company has to reconstitute its remuneration committee as Nomination and Remuneration Committee which was reconstituted on August 26, 2014, However, due to resignation of Mr. Madhukar and Mr. P. K. Gupta from the board and its Committee. Company again reconstituted its Nomination & Remuneration Committee and Mr. U. S. Kohli was appointed as Chairman of this Committee. As on March 31, 2016, Nomination & Remuneration Committee comprises following members

1. Mr. U.S. Kohli - Chairman
2. Ms. Shilpi Sharma - Member
3. Justice S.S. Parkar(Retd) - Member
4. Mr. P. J. Vincent - Member

During the financial year 2015-16, two meetings of Nomination & Remuneration Committee were held on August 26, 2015 and December 23, 2015.

Details of Meeting attended by the members are given below:

Sr. No.	Committee Members	Category	Numbers of meetings during financial Year 2015-16	
			Held	Attended
1.	Mr. U. S. Kohli	Non- Executive and Independent	2	1
2.	Ms. Shilpi Sharma	Non- Executive and Promoter	2	2
3.	Justice S. S. Parkar (Retd)	Non- Executive and Independent	2	2
4.	Mr. Madhukar	Non- Executive and Independent	-	-
5.	Mr. P. J. Vincent	Non- Executive and Promoter	2	2
6.	Mr. P. K. Gupta	Non- Executive and Independent	1	-

Nomination and Remuneration Policy:

Company has also got approved the policy at the Meeting of Board of Directors held on August 26, 2015. The major terms of Nomination and Remuneration Policy are:

1.2 ROLE AND POWERS OF THE NOMINATION & REMUNERATION COMMITTEE:

- (i) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- (ii) To identify persons who qualify to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this Policy.

- (iii) To recommend to the Board the appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- (iv) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- (v) To ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- (vi) To formulate criteria for evaluation of Independent Directors and the Board.
- (vii) To carry out evaluation of every Director's performance.
- (viii) To carry out any other function as is mandated by the Board from time to time and /or enforced by the regulatory and statutory notification, amendment or modification, as may be applicable.

1.3 APPOINTMENT OF MANAGERIAL PERSONNEL, DIRECTOR, KMP AND SENIOR MANAGEMENT:

- (i) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Managerial Personnel, Director or KMP or Senior Management and recommend to the Board his /her appointment. A person should possess adequate qualification, expertise and experience for the position he /she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient /satisfactory for the concerned position.
- (ii) Appointment of Independent Directors is also subject to compliance of provisions of section 149 of the Companies Act, 2013, read with Schedule IV and rules thereunder.

1.4 REMUNERATION

I. Remuneration Policy for Directors and Key Managerial Personnel :

- i. The remuneration / compensation / commission etc. to the Whole-time Directors, KMPs will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and/ or Central Government, wherever required.
- ii. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- iii. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

- iv. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Remuneration to Whole-time / Executive / Managing Director and KMP:

(i) Fixed pay:

The Whole-time Director and KMP shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and/ or Central Government, wherever required.

(ii) Minimum Remuneration:

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

v. Remuneration to Executive/ Non-Executive Directors/Independent Directors:

- (i) Executive/ Non-Executive Directors/Independent Directors shall be paid a sitting fee of Rs. 20,000/- for every meeting of the Board and Rs. 5,000/- for every committee thereof attended by them as member.
- (ii) The company has no stock options plans and no payment by way of commission, bonus, pension, incentives etc. shall be made.

4. Credit Committee

For considering the asset acquisition cases and as per the requirement of RBI, Credit Committee was constituted on 29th June, 2011. However, due to resignation of Mr. Madhukar and Mr. P.K. Gupta from the board and its Committee. Company had reconstituted its Credit Committee. As on March 31, 2016, Credit Committee comprising of:

- | | | | |
|----|-------------------|---|----------|
| 1. | Mr. P. J. Vincent | - | Chairman |
| 2. | Ms. Shilpi Sharma | - | Member |
| 3. | Mr. K. K. Gupta | - | Member |

During the financial year 2015-16 three meetings were held on August 26, 2015, February 27, 2016 and March 23, 2016.

Details of Meeting attended by the members are given below:

Sr. No.	Committee Members	Category	Numbers of meetings during financial Year 2015-16	
			Held	Attended
1.	Mr. P. J. Vincent	Non- Executive and Promoter	3	3
2.	Ms. Shilpi Sharma	Non- Executive and Promoter	3	3
3.	Mr. K.K.Gupta	Non- Executive and Independent	3	3
4.	Mr. P.K. Gupta	Non- Executive and Independent	1	-
5.	Mr. Madhukar	Non- Executive and Independent	-	-

5. HR Committee

To consider and approve the appointment of senior officials of the Company, HR Committee was constituted on 18th June, 2012, however, Mr. Madhukar has tendered his resignation w.e.f April 23, 2015, therefore; Company has reconstituted Committee by appointing Mr. Kamal Kishore Gupta as a member of the Committee w.e.f. June 15, 2015. On March 31, 2016 HR Committee of the Company comprises following members:

1. Mr. P. J. Vincent - Chairman
2. Ms. Shilpi Sharma - Member
3. Mr. K. K. Gupta - Member

During the financial year 2015-16, two meetings were held on April 17, 2015 and May 13, 2015.

Details of Meeting attended by the members are given below:

Sr. No.	Committee Members	Category	Numbers of meetings during financial Year 2015-16	
			Held	Attended
1.	Mr. P.J. Vincent	Non- Executive and Promoter	2	2
2.	Ms. Shilpi Sharma	Non- Executive and Promoter	2	2
3.	Mr. Madhukar	Non- Executive and Independent	1	1
4.	Mr. K.K. Gupta	Non- Executive and Independent	-	-

3) Annual General Meeting (AGM)

The last Annual General Meeting of the Company was held at Hotel Vivanta Ambassador (Taj), Sujan Singh Park, Subramania Bharti Marg, New Delhi-110003 on the following dates and time:-

AGM	Year	Venue	Day & Date	Time
8th	2015-16	Hotel Vivanta Ambassador (Taj), Sujan Singh Park, Subramania Bharti Marg, New Delhi-110003.	Monday, September 28, 2015	12.30 P.M.

4) Extra-ordinary General Meeting (EGM)

The Company held its 9th Extraordinary General Meeting (EGM) at Hotel Vivanta Ambassador (Taj), Sujan Singh Park, Subramania Bharti Marg, New Delhi-110003 on the following date and time:-

EGM	Year	Venue	Day & Date	Time	Purpose
9th	2015-16	Hotel Vivanta Ambassador (Taj), Sujan Singh Park, Subramania Bharti Marg, New Delhi-110003.	Friday, January 22, 2016	12.30 P.M.	To create, offer, issue and allot 27, 50,000 (Twenty Seven Lakhs Fifty Thousand Shares) equity shares having a face value of Rs 10/- each at a premium of Rs. 30 per share in one or more tranches on preferential allotment basis.

5) General Shareholding Information

Company's paid-up capital as on March 31, 2016 is Rs. 16.75 Crores and following is the distribution pattern of the shares:-

Promoters, individual & others

S. No.	Name	No. of Shares	%age of total Paid-up capital
1.	Ms. Shilpi Sharma	75,18,250	44.88%
2.	Mr. P.J. Vincent	15,90,000	9.49%
3.	Mr. S.L. Sharma	14,70,000	8.78%
4.	Mr. Niranjn Lal Sharma	13,00,000	7.76%
5.	Ms. Rajni Chawla	7,50,000	4.48%
6.	Mr. B.S. Negi	4,61,750	2.76%
7.	Ms. Harmeet Negi	2,51,000	1.50%
8.	Mr. K. N. Singhal	5,000	0.03%
9.	Mr. K. K. Gupta	1,000	0.006%
10.	Mr. Upkar Singh Kohli	1,000	0.006%
11.	Justice Shafi Sayeed Parkar (Retired) & Ms. Yasmeen Shafi Parkar	1,000	0.006%
12.	Mr. Pramod Sharma	1,000	0.006%
	Total	1,33,50,000	79.70%

Banks & Insurance Companies:

S. No.	Name	No. of Shares	%age of total Paid-up capital
1.	Central Bank of India	20,00,000	11.94%
2.	Bank of Maharashtra	3,00,000	1.78%
3.	Union Bank of India	2,50,000	1.49%
4.	Punjab National Bank	2,50,000	1.49%
5.	Bank of India	1,50,000	0.90%
6.	United Bank of India	1,50,000	0.90%
7.	Allahabad Bank	1,00,000	0.60%
8.	United India Insurance Company Limited	1,00,000	0.60%
9.	National Insurance Company Limited	1,00,000	0.60%
	Total	34,00,000	20.30%

Sponsors' Details:-

S. No	Name	Percentage of Shareholding
1.	Ms. Shilpi Sharma	44.88%
2.	Central Bank of India	11.49%

Investor correspondence

Company Secretary

UV Asset Reconstruction Company Limited
Corp Office: 1304/1304A, Chiranjeev Tower
 43, Nehru Place, New Delhi-110019

Regd. Office: 704, 7th Floor, Deepali Building,
 92, Nehru Place, New Delhi-110019
 Phone: 011-41038918, Fax: 011-40501824
 Email: uvarcl@gmail.com

For and behalf of Board of Directors of
 UV Asset Reconstruction Company Limited

Sd/-
 (P. J. Vincent)
 Chairman
 DIN - 00096587

Sd/-
 (Shilpi Sharma)
 Director
 DIN - 01680321

Place: New Delhi
 Date: August 22, 2016

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2016

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U74900DL2007PLC167329
2.	Registration Date	August 23, 2007
3.	Name of the Company	UV Asset Reconstruction Company Limited
4.	Category/Sub-category of the Company	Company Limited by Shares
5.	Address of the Registered office & contact details	704, 7th Floor, Deepali Building 92 Nehru Place, New Delhi-110019
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	MCS Share Transfer Agent Limited F-65 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -
All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
Not Applicable			

IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity Category-wise Share Holding)

Category-wise Share Holding	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% of change during year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	57,61,000	16,97,250	74,58,250	58.04%	74,11,000	16,97,250	91,08,250	54.38%	(3.66%)
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	57,61,000	16,97,250	74,58,250	58.04%	74,11,000	16,97,250	91,08,250	54.38%	(3.66%)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	32,00,000	-	32,00,000	24.90%	32,00,000	-	32,00,000	19.10%	(5.80%)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	2,00,000	-	2,00,000	1.56%	2,00,000	-	2,00,000	1.20%	(0.36%)
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	34,00,000	-	34,00,000	26.46%	34,00,000	-	34,00,000	20.30%	(6.16%)
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	9,000	9,000	0.07%	-	9,000	9,000	0.05%	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	7,70,000	12,12,750	19,82,750	15.43%	9,00,000	33,32,750	42,32,750	25.27%	9.84%

Category-wise Share Holding	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year[As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):- Total Public	7,70,000	12,21,750	19,91,750	15.50%	9,00,000	33,41,750	42,41,750	25.32%	9.82%
Shareholding (B) = (B)(1) + (B)(2)	41,70,000	12,21,750	53,91,750	41.96%	43,00,000	33,41,750	76,41,750	45.62%	3.7%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A + B + C)	99,31,000	29,19,000	1,28,50,000	100%	1,17,11,000	50,39,000	1,67,50,000	100%	-

B) Shareholding of Promoter-

S.No.	Shareholder's 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 the company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total Shares	
1	Ms. Shilpi Sharma	58,68,250	45.67%	-	75,18,250	44.88%	-	(0.79%)
2	Mr. P. J. Vincent	15,90,000	12.37%	-	15,90,000	9.49%	-	(2.88%)

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

Sr. No	Shareholder's Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of Shares at the beginning (01.04.2015)/ end of the year (31.03.2016)	% of total shares of the Company				No. Of shares	% of total shares of the Company
1.	Ms. Shilpi Sharma	58,68,250	45.67%	01.04.2015				
				15.10.2015	9,00,000	Allotment	67,68,250	45.52%
				23.12.2015	2,50,000	Allotment	70,18,250	45.28%
		75,18,250	44.88%	26.02.2016 31.03.2016	5,00,000	Allotment	75,18,250	44.88%
2.	Mr. P. J. Vincent	15,90,000	12.37%	01.04.2015	0	No movement during the year	15,90,000	9.49%
		15,90,000	9.49%	31.03.2016				

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No	Shareholder's Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)		
		No. Of Shares at the beginning (01.04.2015)/ end of the year(31.03.2016)	% of total shares of the Company				No. Of shares	% of total shares of the Company	
1.	Central Bank of India	20,00,000	15.56%	01.04.2015	0	No Movement during the year	20,00,000	11.94%	
		20,00,000	11.94%	31.03.2016					
2.	Mr. S.L. Sharma	1,00,000	0.78%	01.04.2015	0	Allotment	12,20,000	8.20%	
				15.10.2015	11,20,000			14,70,000	9.48%
				23.12.2015	2,50,000				
		14,70,000	8.78%	31.03.2015					
3.	Mr. Niranjn Lal Sharma	11,70,000	9.11%	01.04.2015		Allotment	13,00,000	7.76%	
				23.12.2015	1,30,000				
		13,00,000	7.76%	31.03.2015					
4.	Ms. Rajni Chawla	0	0	01.04.2015		Allotment	7,50,000	4.48%	
				26.02.2016	7,50,000				
		7,50,000	4.48%	31.03.2016					
5.	Bank of Maharashtra	3,00,000 3,00,000	2.33% 1.79%	01.04.2015 31.03.2016	0	No Movement during the year	3,00,000	1.79%	

Sr. No	Shareholder's Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of Shares at the beginning (01.04.2015)/ end of the year(31.03.2016)	%of total shares of the Company				No. Of shares	%of total shares of the Company
6.	Mr. B.S. Negi	4,61,750 4,61,750	3.59% 2.76%	01.04.2015 31.03.2016	0	No Movement during the year	4,61,750	2.76%
7.	Mr. Hameet Negi	2,51,000 2,51,000	1.95% 1.50%	01.04.2015 31.03.2016	0	No Movement during the year	2,51,000	1.50%
8.	Union Bank of India	2,50,000 2,50,000	1.95% 1.49%	01.04.2015 31.03.2016	0	No Movement during the year	2,50,000	1.49%
9.	Punjab National Bank	2,50,000 2,50,000	1.95% 1.49%	01.04.2015 31.03.2016	0	No Movement during the year	2,50,000	1.49%
10.	Bank of India	1,50,000 1,50,000	1.17% 0.90%	01.04.2015 31.03.2016	0	No Movement during the year	1,50,000	0.90%
11.	United Bank of India	1,50,000 1,50,000	1.17% 0.90%	01.04.2015 31.03.2016	0	No Movement during the year	1,50,000	0.90%

E) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Shareholder's Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of Shares at the beginning (01.04.2015)/ end of the year(31.03.2016)	%of total shares of the Company				No. Of shares	% of total shares of the Company

Shareholding of Directors

1.	Ms. Shilpi Sharma (Non- Executive Director)	58,68,250	45.67%	01.04.2015	9,00,000 2,50,000 5,00,000	Allotment Allotment Allotment	67,68,250	45.52%
				15.10.2015			70,18,250	45.28%
				23.12.2015			75,18,250	44.88%
				26.02.2016				
				31.03.2016				
2.	Mr. P.J. Vincent (Non- Executive Director)	15,90,000	12.37%	01.04.2015	0	No Movement during the year	15,90,000	9.49%
		15,90,000	9.49%	31.03.2016				
3.	Mr. Kamal Kishore Gupta (Independent Director)	1,000	0.008%	01.04.2015	0	No Movement during the year	1,000	0.006%
		1,000	0.006%	31.03.2016				
4.	Mr. Upkar Singh Kohli (Independent Director)	1,000	0.008%	01.04.2015	0	No Movement during the year	1,000	0.006%
		1,000	0.006%	31.03.2016				
5.	Justice Shafi Sayeed Parkar (Retd.) and Ms. Yasmeen Shafi Parkar (Independent Director)	1,000	0.008%	01.04.2015	0	No Movement during the year	1,000	0.006%
		1,000	0.006%	31.03.2016				
6.	Mr. Sita Ram Khatik (Nominee Director)	-	-	-	-	-	-	-

Shareholding of KMP's

1.	Mr. Ashwani Kumar Chadha (Chief Executive Officer)	-	-	-	-	-	-	-
2.	Mr. Rajesh Chawla (Chief Financial Officer)	-	-	-	-	-	-	-
3.	Ms. Gurpreet Kaur (Company Secretary)	-	-	-	-	-	-	-

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	18,33,24,164	-	-	18,33,24,164
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	18,33,24,164	-	-	18,33,24,164
Change in Indebtedness during the financial year				
* Addition	-	16,00,00,000	-	16,00,00,000
* Reduction	-	-	-	-
Net Change		16,00,00,000		16,00,00,000
Indebtedness at the end of the financial year				
i) Principal Amount	53,04,90,846	16,00,00,000	-	69,04,90,846
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	53,04,90,846	16,00,00,000	-	69,04,90,846

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

S.No.	Particulars of Remuneration		
		Manager	Total
1	Gross salary	17,00,000	17,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	others, specify...	-	-
5	Others, please specify	-	-
	Total	17,00,000	17,00,000

B. Remuneration to other directors

1. Non Executive & Independent Directors				
Name of Director	Fee for attending Board/ Committee Meetings	Commission	Others	Total
Mr. Madhukar	5,000	-	-	5,000
Mr. Kamal Kishore Gupta	1,15,000	-	-	1,15,000
Mr. Upkar Singh Kohli	65,000	-	-	65,000
Mr. Shafi Sayeed Parkar	95,000	-	-	95,000
Mr. P. K. Gupta	25,000	-	-	25,000
2. Non- Executive Director & Promoter				
Ms. Shilpi Sharma	1,40,000	-	-	1,40,000
Mr. P. J. Vincent	1,20,000	-	-	1,20,000
3. Nominee Director				
Mr. S. R. Khatik	60,000	-	-	60,000
Total	6,25,000	-	-	6,25,000

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

S.No.	Particulars of Remuneration	CFO	CS	Total
1	Gross salary	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13,39,355	10,30,000	23,69,355
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	13,39,355	10,30,000	23,69,355

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/ punishment / Compounding of offences as per Companies Act, 2013.

For and behalf of Board of Directors of
UV Asset Reconstruction Company Limited

Sd/-
(P.J. Vincent)
Chairman
DIN - 00096587

Sd/-
(Shilpi Sharma)
Director
DIN - 01680321

Place: New Delhi
Date: August 22, 2016

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in Sub Section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

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

SL. No.	Particulars	Details
		Transaction 1
a)	Name (s) of the related party & nature of relationship	Mr. Pramod Sharma (Spouse of Ms. Shilpi Sharma)
b)	Nature of contracts/ arrangements/transaction	Appointment of Mr. Pramod Sharma- (Relative of Ms. Shilpi Sharma (Director) as corporate Advisor.
c)	Duration of the contracts/arrangements/transaction	N.A
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Appointment of Mr. Pramod Sharma as a Corporate Advisor of the Company w.e.f July 15, 2011 on a fee of Rs. 1,50,000/- per month with such enhancement / incentives from time to time as may be desirable and justified keeping in view his overall contribution, subject to maximum Rs. 36 lacs per annum.
e)	Justification for entering into such contracts or arrangements or transactions'	Mr. Pramod Sharma is an expert in the field of Finance, Marketing and Public Relations (PR). On account of his strong forte in Public Relations and marketing he is instrumental in garnering good business opportunities thereby contributing in building Company's Balance Sheet.
f)	Date of approval by the Board	June 29, 2011.
g)	Amount paid as advances, if any	---
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	September 25, 2014

2. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
		Transaction 1
i)	Name (s) of the related party & nature of relationship	Ms. Shilpi Sharma (Director)
j)	Nature of contracts/arrangements/transaction	Lease Agreement
k)	Duration of the contracts/arrangements/transaction	3years
l)	Salient terms of the contracts or arrangements or transaction including the value, if any	Lease Agreement with Ms. Shilpi Sharma for the registered office of the Company at 704, 7th Floor, 92 Deepali Building, Nehru Place, New Delhi for 3 years i.e. April 1, 2015 to March 31, 2018 @ Rs. 70/- per sq. ft
m)	Justification for entering into such contracts or arrangements or transactions'	Lease agreement with Ms. Shilpi Sharma for the registered office of the Company at 704, 7th Floor, 92 Deepali Building, Nehru Place, New Delhi, for 3 years i.e. 1st April , 2015 to 31st March,2018 @ Rs. 70/- per sq.ft along with the security deposit of Rs. 4,80,000/-. The transaction is at the prevailing market price and is also on Arm Length basis thereby complying with provisions of Section 188 of the Companies Act, 2013.
n)	Date of approval by the Board	June 15, 2015
o)	Amount paid as advances, if any	Security deposit of Rs. 4,80,000/-

For and behalf of Board of Directors of
UV Asset Reconstruction Company Limited

Sd/-
(P.J. Vincent)
Chairman
DIN - 00096587

Sd/-
(Shilpi Sharma)
Director
DIN - 01680321

Place: New Delhi
Date: August 22, 2016

DINESH K. SHARMA & ASSOCIATES

Chartered Accountants
55, Off. No.-207, Daryaganj,
New Delhi-110002
Ph.- 011-23258696/97
Web- www.cadineshsharma.com
Email Id- ca.dksharma@gmail.com

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
M/s UV Asset Reconstruction Company Ltd,
New Delhi

REPORT ON THE FINANCIAL STATEMENTS

1. We have audited the accompanying financial statements of UV Asset Reconstruction Company Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITORS' RESPONSIBILITY

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.

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

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

OPINION

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

5. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure-A, a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
6. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 15.06.2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Dinesh K. Sharma & Associates
Chartered Accountants
Firm's Registration No. N-11115**

**Sd/-
(Dinesh Kumar Sharma)
Proprietor
M. No.: 089695**

ANNEXURE - A TO AUDITORS' REPORT

The annexure referred to in paragraph 1 under the heading of 'Report on Other Legal and Regulatory Requirements' of our report of even date, to the members of M/s UV Asset Reconstruction Company Limited, Delhi for the year ended 31st March, 2016.

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Fixed Assets.
 - (b) The fixed Assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of two years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
 - (c) In our opinion, and according to the information and explanations given to us and on the basis of our examination of the records of the Company.
 - (d) The provisions related to title deeds are not applicable on the Company as the Company do not own any immovable property.
2. The Company does not hold any Inventory during the year, therefore, para3(ii) of the Order is not applicable to the Company.
3. (a) During the year, the company has not granted any loans, secured or unsecured to companies, limited liability partnerships, firms or other parties covered in the register maintained under section 189 of the Companies Act.
 - (b) In view of our comment in para (a) above, clause (III) (a), (b) and (c) of paragraph 3 above.
4. In our opinion and according to the information and explanation given to us, there are a d e q u a t e internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of fixed assets and for sale of services. Further, during the course of our audit we have neither come across nor have we been informed of any major weakness in the internal controls.
5. In our opinion, and according to the information and explanation given to us, the company has not accepted deposits from public, therefore, the para 3 (v) of the order is not applicable.
6. According to the information and explanations given to us the maintenance of cost records have not been prescribed for any of the product/service of the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.
7. (a) According to the records maintained, the Company is regular in depositing undisputed statutory dues including Provident Fund, employee's insurance, Income Tax, Sales Tax, Service Tax, duty of customs, duty of excise, VAT, Professional Tax, Cess and any other material statutory dues applicable to it with the appropriate authorities and there were no arrears of statutory dues as at March, 2016 for a period of more than six months from the date the become payable.

- b) According to the records of the Company and the information and explanations given to us, there were no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues have not been deposited on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions and banks. There were no overdue balances pending as on 31st March, 2016.
9. There is no money raised by way of initial offer including debt instruments during the year by the company. In our opinion and according to the information and explanations given to us, the Company applied the term loans proceeds for the purpose for which those were raised;
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year;
11. In our opinion and according to the information and explanations given to us, the 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;
12. The Company is not a Nidhi Company, therefore para xii of the order is not applicable;
13. In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with the section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standard;
14. In our opinion and according to the information and explanations given to us, the Company has made preferential allotment on private placement basis of shares or fully or partly convertible debentures has made during the year under review. The requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purpose for which the funds raised via preferential allotment during the year;
15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him;
16. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Dinesh K. Sharma & Associates
Chartered Accountants
Firm's Registration No.: N-11115

Dinesh Kumar Sharma
Proprietor
M.No-089695

ANNEXURE - B TO AUDITORS' REPORT

Report on the Internal Financial Controls 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 UV Asset Reconstruction Company Ltd. ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in

accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Dinesh K. Sharma & Associates
Chartered Accountants
Firm's Registration Number: N-11115

Dinesh Kumar Sharma
Proprietor
M.No-089695

Date: August 22, 2016



UV ASSET RECONSTRUCTION COMPANY LIMITED

BALANCE SHEET AS AT 31st MARCH, 2016

AMOUNT (Rs.)

	Note No.	As at 31st March 2016	As at 31st March 2015
I. EQUITY AND LIABILITIES			
1) Shareholder's Funds			
a) Share capital	1	167,500,000	128,500,000
b) Reserves and surplus	2	78,680,095	26,122,429
		246,180,095	154,622,429
2) Share application money pending allotment			
3) Non Current Liabilities			
a) Long Term Borrowings	3	654,110,764	130,760,655
b) Deferred tax liability (net)		-	-
c) Other Non-current liabilities	4	122,216,330	122,216,330
		776,327,094	252,976,985
4) Current Liabilities			
a) Short Term Borrowings	3	36,380,082	52,563,510
b) Trade Payables		-	-
c) Other Current Liabilities	4	77,139,783	74,516,723
d) Short-term Provisions	5	12,242,003	29,370,555
		125,761,868	156,450,788
TOTAL		1,148,269,057	564,050,202
II. ASSETS			
(1) Non-current assets			
a) Fixed Assets			
(i) Tangible Assets	6	2,521,785	2,481,727
(ii) Intangible Assets	6	11,326	24,193
		2,533,111	2,505,920
b) Non-Current Investment	7	39,000,000	-
c) Deferred Tax Assets (net)	8	1,188,928	3,014,424
d) Long-term loans and advances	9	953,117,155	348,792,751
e) Other non-current assets	10	983,300	1,023,300
		996,822,493	355,336,395
2) Current assets			
a) Current Investment			
b) Inventories			
c) Trade receivables	11	30,295	140,082
d) Cash and cash equivalents	12	47,669,163	36,688,234
e) Short-term loans and advances	9	90,476,517	159,079,782
f) Other current assets	13	13,270,588	12,805,709
		151,446,563	208,713,807
TOTAL		1,148,269,057	564,050,202
Significant accounting policies	21		
Notes to accounts	22		

For Dinesh K Sharma & Associates
CHARTERED ACCOUNTANTS

Sd/-
Dinesh K Sharma
Proprietor

Place : New Delhi
Date : August 22, 2016

For UV Asset Reconstruction Company Limited

Sd/-
P. J. Vincent
Chairman

Sd/-
Shilpi Sharma
Director

Sd/-
K. K. Gupta
Director

Sd/-
A. K. Chadha
Manager & CEO

Sd/-
N. K. Mittal
CFO

Sd/-
Gurpreet Kaur
Company Secretary



UV ASSET RECONSTRUCTION COMPANY LIMITED
STATEMENT OF PROFIT & LOSS
FOR THE PERIOD ENDED 31st MARCH, 2016

AMOUNT (RS.)

PARTICULARS	Note No.	For the period ended	
		31st March 2016	31st March 2015
I REVENUE			
Revenue from Operations	14	68,544,872	85,458,534
Other income	15	2,168,333	2,121,946
Total Revenue		70,713,205	87,580,480
II EXPENSES			
Employee benefits expense	16	9,755,640	9,498,763
Operative Expenses	17	2,505,277	4,678,235
Administrative and other expenses	18 & 19	15,244,969	15,931,176
Finance Cost	20	13,342,545	20,329,633
Depreciation /amortisation	6	470,568	308,003
		41,319,000	50,745,810
III Profit / (loss) before exceptional and extraordinary items and tax		29,394,205	36,834,670
IV Prior period adjustments (net)		-	-
V Profit/(Loss) before tax		29,394,205	36,834,670
VI Provision for taxes			
a) Current taxes		7,978,921	14,448,020
b) Deferred taxes		1,825,496	2,403,104
VII Profit/(loss) after tax / Profit for the year		19,589,788	24,789,754
VIII Earnings per share - basic & diluted		1.39	2.00
Significant accounting policies	21		
Notes to the accounts	22		

For UV Asset Reconstruction Company Limited

For Dinesh K Sharma & Associates

CHARTERED ACCOUNTANTS

Sd/-

Dinesh K Sharma

Proprietor

Place : New Delhi

Date : August 22, 2016

Sd/-
P. J. Vincent
Chairman

Sd/-
A. K. Chadha
Manager & CEO

Sd/-
Shilpi Sharma
Director

Sd/-
N. K. Mittal
CFO

Sd/-
K. K. Gupta
Director

Sd/-
Gurpreet Kaur
Company Secretary



UV ASSET RECONSTRUCTION COMPANY LIMITED
Cash Flow Statement for the period ended 31st March, 2016

(Amount in Rs.)

	AS AT 31ST MARCH, 2016	AS AT 31ST MARCH, 2015
Cash Flow From Operating Activities		
Net Profit/(loss) before tax	29,394,205	36,834,670
Adjustment for :-		
Depreciation and Amortization	470,568	308,003
Preliminary & Deferred expense w/o	-	-
Operating profit/(loss) before working capital changes	29,864,773	37,142,673
Adjustment for changes in working capital:		
Increase/(Decrease) in Short-term Borrowings	(16,183,428)	(34,824,807)
Increase/(Decrease) in Short-term Provisions	(17,128,552)	6,787,818
Increase/(Decrease) in other Current Liabilities	2,623,062	62,887,769
Increase/(Decrease) in other Non-Current Liabilities	-	(115,063,915)
(Increase)/Decrease in Trade receivable	109,787	1,08,667
(Increase)/Decrease in Short-term Loans & Advances(Financial Assets)	68,603,265	(18,707,356)
(Increase)/Decrease in other Current Assets	(464,879)	(1,147,037)
	67,424,028	(62,816,188)
(Increase)/Decrease in long term Loans & Advances (Financial Assets)	(604,324,404)	102,121,510
Net cash flow from/(Used in) operating activities	(536,900,376)	39,305,322
Income tax paid	(7,978,921)	(14,448,020)
Provision for Dividend & Dividend Tax	(4,235,913)	(14,922,535)
Adjustment on account of P.Y. Income tax refund due to non deposit of TDS	(296,209)	(210,230)
Net cash flow from/(Used in) operating activities (A)	(549,411,419)	9,724,537
Cash Flow from Investing activities		
Purchase of Fixed Assets	(497,760)	(1,865,193)
Investments	(39,000,000)	-
Other non-current Assets	40,000	(533,300)
Net cash flow from/(Used in) Investing activities (B)	(39,457,760)	(2,398,493)
Cash Flow from Financing activities		
Proceeds from issue of Equity Share Capital	39,000,000	8,000,000
Proceeds from Security Premium on Equity Share Capital	37,500,000	-
Proceeds from Long term borrowings	523,350,109	(12,284,589)
Net cash flow from/(Used in) Financing activities (C)	599,850,109	(4,284,589)
Net Increase/(Decrease) in Cash & Cash Equivalents during the year (A + B + C)	10,980,929	3,041,455
Cash & Cash Equivalent at the beginning of the year	36,688,234	33,646,779
Cash & Cash Equivalent at the end of the year	47,669,163	36,688,234
Net Increase/(Decrease) in Cash & Cash Equivalents	10,980,929	3,041,455

For UV Asset Reconstruction Company Limited

For Dinesh K Sharma & Associates

CHARTERED ACCOUNTANTS

Sd/-

Dinesh K Sharma

Proprietor

Place : New Delhi

Date : August 22, 2016

Sd/-
P. J. Vincent
Chairman

Sd/-
A. K. Chadha
Manager & CEO

Sd/-
Shilpi Sharma
Director

Sd/-
N. K. Mittal
CFO

Sd/-
K. K. Gupta
Director

Sd/-
Gurpreet Kaur
Company Secretary

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements

Note No. '1'
SHARE CAPITAL

(Amount in Rs.)

	As at 31st March, 2016		As at 31st March, 2015	
	Number	Rupees	Number	Rupees
(a) Authorised				
Equity shares of Rs. 10 each	20,000,000	200,000,000	20,000,000	200,000,000
(b) Issued, Subscribed and Fully Paid up				
Equity shares of Rs. 10 each	16,750,000	167,500,000	12,850,000	128,500,000
TOTAL	16,750,000	167,500,000	12,850,000	128,500,000

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

(Amount in Rs.)

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number	Rupees	Number	Rupees
Equity Shares with voting rights				
Shares outstanding at the beginning of the year	12,850,000	128,500,000	12,050,000	120,500,000
Shares issued during the year	3,900,000	39,000,000	800,000	8,000,000
Shares outstanding at the end of the year	16,750,000	167,500,000	12,850,000	128,500,000

(ii) 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. The Company declared dividend consecutively Fourth Year in 2015-16 in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2016, the amount of per share dividend recognised as distribution to equity share holders is Re. 0.25/- Per Share on weighted Average basis. (31st March 2015 - Rs. 1,23,98,493/-)

(ii) Details of shares held by each Shareholder holding more than 5% shares:

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares held	% Holding	No. of Shares held	% Holding
Ms. Shilpi Sharma	7,518,250	44.89	5,868,250	45.67
Mr. P.J. Vincent	1,590,000	9.49	1,590,000	12.37
Central Bank of India	2,000,000	11.94	2,000,000	15.56
Mr. Niranjana Lal Sharma	1,300,000	7.76	1,170,000	9.11
Mr. S.L. Sharma	1,470,000	8.78	100,000	0.78

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements

Note No. '2' RESERVES AND SURPLUS	(Amount in Rs.)	
	As at 31st March, 2016	As at 31st March, 2015
General Reserve Account		
Opening Balance	10,201,609	6,483,146
Addition during the year	<u>2,938,468</u>	<u>3,718,463</u>
	13,140,077	10,201,609
Share Premium Account		
Opening Balance	-	-
Addition during the year	<u>37,500,000</u>	<u>-</u>
	37,500,000	-
Profit and Loss Account		
Opening Balance	15,920,820	9,799,995
Add: Profit/(loss) for the year	19,589,788	24,789,754
Less : Appropriations		
Add: Adjustment on a/c of Increase in value of assets due to change in Depreciation method	-	(182,299)
Adjustment on account of Earlier Year income		
Tax refund due to non deposit of TDS	296,209	210,230
Transfer to General reserve	2,938,468	3,718,463
Proposed Dividend	3,519,438	12,398,493
Dividend Distribution Tax	716,475	2,524,042
Total Appropriations	<u>7,470,590</u>	<u>18,668,929</u>
	28,040,017	15,920,820
Total	<u>78,680,095</u>	<u>26,122,429</u>

Note No. '3'
LONG TERM & SHORT TERM LIABILITIES

	Non Current Liabilities		Current Liabilities	
	As at	As at	As at	As at
	31st March 2016	31st March 2015	31st March 2016	31st March 2015
Secured Loans:				
- Overdraft facility from PNB against Hyp. Of Book Debts and Financial Assets acquired from Banks/ Financial Institutions and Personal Guarantee of Mr. P. J. Vincent and Ms. Shilpi Sharma.	241,410,530	71,812,687	17,774,425	28,867,452
- Overdraft facility from CBI against Hyp. Of Book Debts and Financial Assets acquired from Banks/ Financial Institutions and Personal Guarantee of Mr. P. J. Vincent and Ms. Shilpi Sharma.	252,700,234	58,947,968	18,605,657	23,696,058
Unsecured Loans:				
Inter Corporate Deposit	160,000,000	-	-	-
TOTAL	<u>654,110,764</u>	<u>130,760,655</u>	<u>36,380,082</u>	<u>52,563,510</u>

Notes:-

(i) Overdraft facility from PNB and CBI is against Hyp. Of Book Debts and Financial Assets acquired from Banks/ Financial Institutions in the ordinary course of business and Personal Guarantee of Mr. P. J. Vincent and Ms. Shilpi Sharma, directors of the Company.

(ii) Division of Secured Loans as Non- current Liabilities and Current Liabilities as per the nature of Non- current Assets and Current Assets for which the loan was utilized.

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements

Note No.'4'
OTHER LIABILITIES

(Amount in Rs.)

	Non Current Liabilities		Current Liabilities	
	As at		As at	
	31st March 2016	31st March 2015	31st March 2016	31st March 2015
(a) Advance / Margin money received from Clients	122,216,330	122,216,330	29,299,464	68,062,171
(b) Advance received for expenses	-	-	211,309	-
(c) EMD by Successful Bider	-	-	47,115,000	5,725,000
(d) Others				
- Statutory dues payables			25	568,891
- Expenses Payable			513,985	160,661
TOTAL	122,216,330	122,216,330	77,139,783	74,516,723

Note No.'5'
SHORT TERM PROVISIONS

	As at	As at
	31st March, 2016	31st March, 2015
(a) Others		
- Income taxes	7,978,921	14,448,020
- Proposed Dividend	3,519,438	12,398,493
- Provision for Dividend Distribution Tax	716,475	2,524,042
- Provision for Gartuity	27,169	
TOTAL	12,242,003	29,370,555

Note No. '7'
NON-CURRENT INVESTMENTS

	As at	As at
	31st March, 2016	31st March, 2015
<u>Investment in special purpose vehicles</u> <u>(valued at cost unless stated otherwise)</u>		
<u>Unquoted security receipts</u>		
Investment in UVARCL -I TRUST - 39,000 SRs of Rs. 1000/- each (31st March 2015 Nil)	39,000,000	-
TOTAL	39,000,000	-

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements

Note No. '8'

DEFERRED TAX BALANCES

In compliance with the Accounting Standard relating to "Accounting for Taxes on Income" (AS-22), the Company has recognised deferred tax Asset (Net) arising on account of timing differences. Major components of deferred tax assets arising on account of timing differences are:

	As at 31st March, 2016		As at 31st March, 2015	
Opening Balance	3,014,424		611,320	
(a) Deferred tax assets (net)				
(i) Depreciation and amortisation	55,548	18,366	(36,209)	(11,748)
(ii) Provisions for NPAs (including change in tax rate)	(5,777,644)	(1,852,845)	7,625,208	2,473,999
(iii) Adjustment on a/c of change in Depreciation method	-	-	(182,299)	(59,147)
(iv) Provision for Gratuity	27,169	8,983	-	-
Closing Balance	1,188,928		3,014,424	

Note No. '9'

Loans & Advances

(Amount in Rs.)

	Non Current Assets		Current Assets	
	As at 31st March 2016	31st March 2015	As at 31st March 2016	31st March 2015
Secured, Considered good Financial Asset	953,117,155	348,792,751	56,691,723	149,548,272
Total	953,117,155	348,792,751	56,691,723	149,548,272
Secured, Considered NPA	-	-	37,538,660	19,063,021
	953,117,155	348,792,751	94,230,383	168,611,293
Less: Provision for NPAs	-	-	3,753,866	9,531,511
TOTAL	953,117,155	348,792,751	90,476,517	159,079,782

Note No. '10'

OTHER NON CURRENT ASSETS

(Amount in Rs.)

	As at 31st March, 2016	As at 31st March, 2015
(a) Unsecured, considered good Security Deposits	983,300	1,023,300
TOTAL	983,300	1,023,300

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements

(Amount in Rs.)

Note No.'11'
TRADE RECEIVABLES

	As at 31st March, 2016	As at 31st March, 2015
Trade receivables		
Unsecured, Considered good		
Outstanding for more than six months	30,295	-
Other debts	-	140,082
TOTAL	30,295	140,082

Note No. '12'
CASH AND CASH EQUIVALENTS

	As at 31st March, 2016	As at 31st March, 2015
(a) Cash and cash equivalents		
(i) Balances with banks		
In current accounts	26,976,810	17,044,263
In Fixed deposit accounts	20,673,881	19,623,648
(ii) Cash in hand	47,650,691	36,667,911
	18,472	20,323
TOTAL	47,669,163	36,688,234

Fixed deposit of Rs. 135.47 Lacs is under lien of Central Bank of India, Parliament Street, New Delhi against OD facility availed from them

Note No.'13'
OTHER CURRENT ASSETS

	As at 31st March, 2016	As at 31st March, 2015
Tax deducted at sources	4,855,086	5,870,629
Cenvat Credit	72,721	18,540
Income tax refund recoverable	6,080	5,178
Amount receivable from clients	611,578	1,531,833
Amount receivable from others	74,936	-
Amount receivable from Trust	343,363	-
Expenses paid in advance	156,824	279,529
Advance Income Tax	7,150,000	5,100,000
TOTAL	13,270,588	12,805,709

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements

Note No. '14' (Amount in Rs.)
REVENUE FROM OPERATIONS

	For the period ended on 31st March, 2016	For the period ended on 31st March, 2015
(a) Interest income on restructuring (T.D.S. - 19,04,132/- , P.Y. Rs. 37,12,123/-)	21,898,674	45,980,639
(b) Non- interest income (T.D.S. - 25,93,436/-, P.Y. Rs. 17,52,775/-)	24,785,783	22,950,666
(c) Profit on Resolution of Financial Assets (T.D.S. - Nil)	19,894,215	14,552,460
(d) Commission received from Banks for recovery of accounts (T.D.S. -2,13,260/- , P.Y. Rs. 2,01,226/-)	1,966,200	1,974,769
TOTAL	68,544,872	85,458,534

Note No.'15'
OTHER INCOME

	For the period ended on 31st March, 2016	For the period ended on 31st March, 2015
(a) Interest on : - Deposits with Banks	2,082,564	2,031,446
(b) Miscellaneous Income	85,769	90,500
TOTAL	2,168,333	2,121,946

Note No.'16'
EMPLOYEE BENEFIT EXPENSES

	For the period ended on 31st March, 2016	For the period ended on 31st March, 2015
(a) Salaries, Wages and Allowances	8,616,826	8,692,281
(b) Staff Welfare Expenses	972,415	691,529
(c) Contribution to gratuity fund	166,399	114,953
TOTAL	9,755,640	9,498,763

Note No.'17'
OPERATIVE EXPENSES

	For the period ended on 31st March, 2016	For the period ended on 31st March, 2015
Valuation, Due Diligence & Legal Expenses	133,500	433,000
Assignment Deed Registration Charges	1,651,234	2,911,615
Travelling Expenses	294,260	469,967
Legal & Professional Expenses-Direct	426,200	430,600
Professional Fees	-	375,000
Other Direct Expense	83	58,053
TOTAL	2,505,277	4,678,235

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements

(Amount in Rs.)

Note No. '18' ADMINISTRATIVE AND OTHER EXPENSES	For the period ended on 31st March, 2016	For the period ended on 31st March, 2015
Auditor's fees		
- Statutory Audit	100,000	90,000
- Internal Audit	75,000	60,000
- Secretarial Audit	30,000	-
Bank Charges	11,622	18,133
Books & periodicals & Newspaper	37,142	7,837
Business Promotion Expenses	1,409,047	496,847
Commission & Brokerage	44,000	131,100
Consultancy Expenses	2,400,000	1,800,000
Directors sitting Fees	625,000	605,000
Electricity Expenses	337,030	265,774
Finance Charges		
- Car Loan	-	2,278
Insurance expenses	28,742	20,302
Legal & Professional Expenses	560,516	901,985
Membership & Subscription	30,000	50,000
Miscellaneous expenses	678,968	514,318
Repair & Maintenance	288,453	264,269
Postages, Courier & Stamps	36,162	36,720
Printing & Stationery	192,202	210,249
Rates & Taxes	3,70,237	92,855
Rent	3,145,049	1,913,356
Telephone & Communication Expenses	201,898	175,202
Travelling And Conveyance Expenses	700,252	428,177
Vehicle Running And Maintenance Expenses	189,783	221,566
TOTAL	11,491,103	8,305,968

Note No. '19' Provision for NPA	For the Period ended on 31st March, 2016	For the Period ended on 31st March, 2015
Secured, Considered NPA		
M/s Raman Industries	-	19,063,021
M/s. Jai Mata Agro Industries	37,000,000	37,000,000
M/s. P. Madan Lal & Co. Pvt. Ltd.	538,660	53,866
TOTAL	3,753,866	7,625,208

The provision for NPA @ 10% in aggregate is created as per RBI Circular DNBR.(PD).CC.No. 03./SCRC/26.03.001/2015-2016 dated July 1, 2015

Note No. '20' FINANCE COSTS	For the Period ended on 31st March, 2016	For the Period ended on 31st March, 2015
(a) Interest expenses on bank borrowings	12,463,547	18,482,325
(b) Interest expenses on ICDs	72,330	-
(b) Processing Charges on OD facility	806,668	1,847,308
TOTAL	13,342,545	20,329,633

Note No. '6'
FIXED ASSETS
Movable Assets

DESCRIPTION	GROSS BLOCK		(AT COST)		DEPRECIATION			NET BLOCK	
	As at 01.04.2015	Additions/ Adjustments during the Year	Sales / Adjustments during the Year	As at 31.03.2016	Upto 01.04.2015	For the Period	Adjustments during the Year	As at 31.03.2016	As at 31.03.2015
Tangible Assets (A)									
Office Equipment	409,741	102,240		511,981	161,973	79,298	-	241,271	270,710
Data Processing Equipment	436,537	31,500		468,037	280,991	62,377	-	343,368	155,546
Vehicles	1,435,226	-		1,435,226	410,301	170,433	-	580,734	1,024,925
Furniture & Fixture	1,145,146	340,720		1,485,866	91,658	122,294	-	213,952	1,053,488
T O T A L (A)	3,426,650	474,460	-	3,901,110	944,923	434,402	-	1,379,325	2,521,785
Intangible Assets (B)									
Software	93,932	23,300		117,232	69,739	36,167	-	105,906	24,193
Total (B)	93,932	23,300	-	117,232	69,739	36,167	-	105,906	24,193
TOTAL (A+B)	3,520,582	497,760	-	4,018,342	1,014,662	470,568	-	1,485,231	2,505,920
Previous Year	1,655,389	1,865,193	-	3,520,582	888,958	308,003	182,299	1,014,662	766,431

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements

Note No. - '20'. SIGNIFICANT ACCOUNTING POLICIES

(I) Background:

The Company was incorporated under the Companies Act, 1956 on August 23, 2007, as a public limited company in India and the Registrar of Companies, New Delhi has issued a "Certificate of Commencement of Business" dated 17th September, 2007.

UV Asset Reconstruction Company Limited is registered with Reserve Bank of India as an Asset Reconstruction Company (ARC) to carry on the business of Securitisation or Reconstruction under the provisions of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) since 17th June, 2011. The Company commenced its Business as an Asset Reconstruction Company w.e.f. 15th July, 2011.

(II) SIGNIFICANT ACCOUNTING POLICIES:

(i) Basis for preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP) in India, the provisions of the Companies Act, 2013 and applicable accounting standards specified under section 133 of the Companies Act, 2013 ("the 2013 Act"), as applicable and the guidelines/directions issued by the Reserve Bank of India (RBI) from time to time. The financial statements are presented in Indian Rupees rounded off to the nearest rupees. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(ii) Fixed Assets/ Intangible Assets and Depreciation/Amortization:

Tangible fixed assets and depreciation

Tangible fixed assets acquired by the Company are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any.

The acquisition cost of Fixed Assets includes the purchase price and expenses, such as delivery and handling costs, installation, directly attributable to bringing the asset in working condition for its intended use.

Depreciation on fixed assets is provided for on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

The residual value of all the assets is retained at 5% of Purchase Price.

Intangible assets and Amortization

Intangible assets comprise mostly computer softwares.

Intangible assets are reported at acquisition cost with deductions for accumulated amortization and impairment losses, if any.

Intangible assets are amortized on "Write down Value" basis over their estimated useful lives.

All categories of assets costing up to Rs. 5,000 each are fully depreciated in the year of purchase.

(iii) Revenue recognition

Revenue is recognised when it is realised and earned. Revenue is considered as realised or realisable and earned when it has persuasive evidence of an arrangement. Processing fees or Management/Consultancy Income and Commission received for recovery of accounts is recognized on actual basis. Interest on bank deposits placed with banks is accounted on accrual basis.

(iv) Taxation

Income tax expenses comprise current tax (i.e. the amount of tax for the period determined in accordance with the income tax laws) and deferred tax charge or credit (reflecting the tax effects of timing differences between the accounting income and the taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using tax rates that have been enacted, or substantively enacted, at the Balance Sheet date. Deferred tax assets/liabilities are recognised and carried forward only to the extent that there is a virtual certainty that the assets can be realised in the future.

(v) Earning Per Share

EPS is calculated by dividing net profit or loss for the period attributable to equity shareholders by weighted average of equity shares outstanding during the period.

(vi) Leases

A finance lease is one where risks and rewards incident to the ownership are transferred substantially; otherwise it is an operating lease.

(vii) Employee Benefits

Gratuity – Contribution is deposited with Life Insurance Corporation of India as per actuarial valuation on the Projected Unit Credit method and on intimation being received from them.

(viii) Cash Flow Statements

Cash flow statement is prepared in accordance with “indirect method” for operating activities and “direct method” for investing and financing activities.

(ix) Preliminary Expenses

Preliminary expenses are written off to the extent admissible under the Income Tax Act, 1961.

(x) Operating Cycle

All the liabilities due within one year are "current liabilities" and assets maturing within one year are "current assets".

Note No. – '21'. Notes to Accounts:

(I) Earnings per share

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Net Profit after Tax (Rs.)	1,95,89,788	2,47,89,754
Weighted average number of equity shares outstanding during the year	1,40,77,753	1,23,98,493
Nominal value of the share (Rs)	10	10
Basic earnings per share (Rs.)	1.39	2.00

(II) Leasing Arrangements:

The Company has entered into operating lease arrangement of office space for registered office for 3 years w.e.f. April, 2015 to March, 2018, Corporate Office for 3 years w.e.f. September, 2014 to August, 2017 and Strategic Business Unit of the Company for 33 months w.e.f. 1st November, 2015 to 30th July, 2018.

Lease payments charged during the year to the Profit and Loss Account amounting to Rs.31,45,049/- (previous period Rs. 19,13,356/-).

(III) Related party disclosures

(i) Related parties and nature of related party relationship with whom transactions have taken place during the current and previous period:	
Key Managerial personnel	Mr. A.K. Chadha, Manager & CEO Mr. Hari Hara Mishra, President, COO & CFO (Resigned on 04.08.2015) Mr. Rajesh Chawla, CFO (Appointed w.e.f 01.02.2016) Ms. Gurpreet Kaur, Company Secretary
Related Parties	Mr. P J Vincent, Chairman Ms. Shilpi Sharma, Director Mr. Pramod Sharma, Corporate Advisor
Associates	Central Bank of India

Transactions with Key Managerial Personnel:

(Amount in Rs.)

Type of Transaction	2015-16				2014-15		
	Key Management personnel				Key Management personnel		
	Mr. A. K. Chadha	Mr. Hari Hara Mishra	Mr. Rajesh Chawla	Ms. Gurpreet Kaur	Mr. A. K. Chadha	Mr. Hari Hara Mishra	Ms. Gurpreet Kaur
Managerial Remuneration	17,00,000	11,39,355	2,00,000	10,30,000	17,07,300	23,64,032	8,91,618

Transactions with related parties:
(Amount in Rs.)

Type of Transaction	2015-16				2014-15			
	Related Parties				Related Parties			
	Mr. P. J. Vincent	Ms. Shilpi Sharma	Mr. Pramod Sharma	Central Bank of India	Mr. P. J. Vincent	Ms. Shilpi Sharma	Mr. Pramod Sharma	Central Bank of India
Managerial remuneration	-	-	-	-	-	-	-	-
Sitting Fees	1,20,000	1,40,000	-	-	1,00,000	1,25,000	-	-
Salary	-	-	-	-	-	-	-	-
Consultancy Fees/ Professional Retainership Charges	-	-	24,00,000	-	-	-	18,00,000	-
Rent Paid	-	7,85,998	-	-	-	6,47,192	-	-
Allotment of Equity Shares	-	16,50,000	-	-	-	2,50,000	-	-
Borrowings (Overdraft Facility)				27,13,05,891				8,26,44,026
Processing Charges Paid				86,77,775				1,26,24,270
Deposit with Banks				1,43,82,840				1,25,09,302
Interest received				11,69,379				9,15,165

- (IV) There is no disclosure as required by sub-section 4 of section 186 of the Companies Act, 2013 during Financial Year 2015-16.
- (V) These financial statements have been prepared in the format prescribed by the Schedule III to the Companies Act, 2013. Previous period figures have been recast/ restated to confirm the classification of the current period.
- (VI) The Security Receipts issued by the Trusts which are managed by the Company as managing trustee are being rated by Brickwork Ratings India Pvt. Ltd., in accordance with the guidelines issued by Reserve bank of India for credit rating of SRs' of Trusts.
- (VII) (a) Expenditure in Foreign Currency Singapore \$ 7000.00
(b) Earning in Foreign Currency NIL

UV Asset Reconstruction Company Limited

Additional disclosure

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

- (i) Names and address of the banks / financial institutions from whom financial assets were acquired and the value at which such assets was acquired from each such banks / financial institutions:

(Amount in Rs.)

Name of the selling bank/ financial institutions	Address of Banks/ FIs Head Offices	Acquisition Price as on 31 st March, 2015	Acquisition during the year	Acquisition Price as on 31 st March, 2016
Sponsors				
Central Bank of India	Chandermukhi, Nariman Point, Mumbai – 400021	5,70,00,000	Nil	5,70,00,000
Sponsors Total		5,70,00,000	Nil	5,70,00,000
Non-Sponsors				
Punjab National Bank	7, Bhikaji Cama Place, New Delhi	6,42,29,000	Nil	6,42,29,000
IDBI Bank	IDBI Tower, WTC Complex, Cuffe Parade, Mumbai- 400005	16,97,64,000	Nil	16,97,64,000
The administrator of the Specified Undertaking of the Unit Trust of India	UTI Tower, Gn Block, Bandra, Kurla Complex, Bandra (East), Mumbai- 400051	61,70,770	Nil	61,70,770
Vijaya Bank	Vijaya Bank, 41/2, Trinity Circle, M. G. Road, Bangalore -560001	4,23,92,143	Nil	4,23,92,143
Indian Overseas Bank	763, Anna Salai, Chennai- 600002	1,11,80,000	Nil	1,11,80,000
IFCI Ltd.	61, IFCI Tower, Nehru Place, New Delhi-110019	6,22,81,560	48,02,00,000	54,24,81,560
Karnataka Bank	Karnataka Bank Limited, Mahaveera Circle, Kankanady, Mangaluru, Karnataka - 575 002.	95,00,000	Nil	95,00,000
State Bank of India	Corporate Centre, Madam Cama Road, Nariman Point, Mumbai-400021	11,46,13,021	Nil	11,46,13,021
Bank Of Baroda	Baroda Corporate Centre, Plot No. C -26, G -Block, Bandra Kurla Complex, Bandra (East), Mumbai- 400051	12,95,00,000	Nil	12,95,00,000
Union Bank of India	239, Union Bank Bhavan,, Vidhan Bhavan Marg, Nariman Point Mumbai- 400 021	3,89,00,000	Nil	3,89,00,000

UV Asset Reconstruction Company Limited

Axis Bank	Axis Bank Limited, 'TRISHUL' 3 rd floor, Opp. Samartheshwar Temple, Nr. Law Garden, Ellisbridge, Ahmadabad- 380006	20,50,00,000	Nil	20,50,00,000
Allahabad Bank	N.S. Road, Kolkata-700001	Nil	26,00,00,000	26,00,00,000
State Bank of Patiala	Commercial Branch, Atlanta, 1st Floor, Jamnalal Bajaj Marg, Nariman Point, Mumbai-400021	Nil	4,35,50,000	4,35,50,000
Standard Chartered Bank	Mezzanine & Alternative Solutions Crescenzo, 7 th Floor, C-38/39, G-Block, Behind MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai-400051	Nil	15,00,00,000	15,00,00,000
SIDBI	Ground Floor, Videocon Tower, E-1 Rani Jhansi Road, Jhandewalan Extension, New Delhi- 110055.	Nil	5,25,00,000	5,25,00,000
Non Sponsors Total		85,35,30,494	98,62,50,000	183,97,80,494
Grand Total		91,05,30,494	98,62,50,000	189,67,80,494

Note: Company additionally lent Rs. 52,03,612/- to borrowers as reconstruction loan in financial year 2012-13 which got resolved. Thus, the amount of asset acquired till March 31, 2016 is Rs. 190,19,84,106/-.

(ii) Dispersion of various financial assets industry-wise:

Industry	Acquisition Price as on 31 st March, 2015		Acquisition during the year		Acquisition Price as on 31 st March, 2016	
	Amount	% to total	Amount	% to total	Amount	% to total
Textile	42,41,29,000	46.31%	-	-	42,41,29,000	22.30%
Auto & Anciliary	13,37,66,330	14.61%	4,35,50,000	4.42%	17,73,16,330	9.32%
Consumer Products	18,82,75,755	20.56%	20,25,00,000	20.53%	39,07,75,755	20.55%
Engineering	1,90,63,021	2.08%	-	-	1,90,63,021	1.00%
Animal Husbandry	8,80,00,000	9.61%	-	-	8,80,00,000	4.63%
Food Processing	4,00,00,000	4.37%	-	-	4,00,00,000	2.10%
Oil Extraction	2,25,00,000	2.46%	-	-	2,25,00,000	1.18%
Readymade Garments	-	-	26,00,00,000	26.36%	26,00,00,000	13.67%
Steels	-	-	48,02,00,000	48.69%	48,02,00,000	25.25%
Total	91,57,34,106	100%	98,62,50,000	100.00%	190,19,84,106	100.00%

UV Asset Reconstruction Company Limited

(iii) A Statement of migration of Financial assets from Standard to Non-Performing Assets:

Particulars	2015-2016	2014-15
Opening Balance	Rs. 1,90,63,021/-	Rs. 1,90,63,021/-
Add: migration of Financial assets from Standard to Non-Performing Assets during the year -M/s Jai Mata Agro Industries -M/s P Madan Lal & Co. Pvt. Ltd.	Rs. 3,75,38,660/-	Nil
Less: Non-Performing Assets resolved during the year-M/s Raman Industries	Rs. 1,90,63,021/-	Nil
Closing Balance	Rs. 3,75,38,660/-	Rs. 1,90,63,021/-

- (iv) The accounting policies adopted by the Company in preparation and presentation of the financial statements are in conformity with the applicable prudential norms prescribed by the RBI.
- (v) Details of Related parties as per Accounting Standard and guidance notes issued by ICAI is same as Note No. 21 (III) and there is no amount is due to and due from any related parties.
- (vi) The capital adequacy ratio is well above the prescribed fifteen percent ratio of its total risk weighted assets, accordingly the Company has complied with the capital adequacy norms as prescribed by the RBI.
- (vii) Additional disclosure as per RBI Notification No. DNBS.PD (SC/RC). 8/CGM (ASR) dated April 21, 2010:

Particulars	Amount in Rs. (Face Value)
Value of financial assets acquired during the financial year either in its own books or in the books of the trust	98,62,50,000
Value of financial assets realized during the financial year	18,67,74,996
Value of financial assets outstanding for realization as at the end of the financial year	1,04,73,47,538
Value of Security Receipts redeemed partly during the financial year	Nil
Value of Security Receipts redeemed fully during the financial year	Nil
Value of Security Receipts pending for redemption as at the end of the financial year	26,00,00,000
Value of Security Receipts which could not be redeemed as a result of non-realization of the financial asset as per the policy formulated by the Securitization company or Reconstruction company under Paragraph 7(6)(ii) or 7(6)(iii)	Nil
Value of land and/or building acquired in ordinary course of business of reconstruction of assets	Nil

For UV Asset Reconstruction Company Limited

For Dinesh K Sharma & Associates

CHARTERED ACCOUNTANTS

Sd/-

Dinesh K Sharma

Proprietor

Place : New Delhi

Date : August 22, 2016

Sd/-
P. J. Vincent
Chairman

Sd/-
A. K. Chadha
Manager & CEO

Sd/-
Shilpi Sharma
Director

Sd/-
N. K. Mittal
CFO

Sd/-
K. K. Gupta
Director

Sd/-
Gurpreet Kaur
Company Secretary



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]

CIN: U74900DL2007PLC167329

Name of the Company: UV Asset Reconstruction Company Limited

Registered Office: 704, Deepali Building, 92 Nehru Place, New Delhi-110019

Name of the Member(s):

Registered Address:

E-Mail Id:

Folio No:

I/ We.....,being the member(s) of UV Asset Reconstruction Company Ltd., holding..... Shares of the above named Company, hereby appoint

1. Name: Email:
Address:
Signature..... Or failing him/her

2. Name: Email:
Address:
Signature..... Or failing him/her

3. Name: Email:
Address:
Signature..... Or failing him/her

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 9th Annual General Meeting of the Company, to be held on the **26th day of September, 2016 at 12:30 PM at VIVANTA AMBASSADOR (TAJ), SUJAN SINGH PARK, SUBRAMANIA BHARTI MARG, NEW DELHI-110003** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No:	Resolutions	Optional*	
		For	Against
	Ordinary Business		
1.	To receive, consider and adopt the Audited Balance sheet of the Company as at 31st March, 2016 and Profit and Loss Account for the year ended on that date, together with the Reports of the Auditor's and Director's thereon.		
2.	To consider & declare pro-rata dividend on Equity Shares for the year ended on 31st March, 2016		
3.	To appoint a Director in Place of Mr. P. J. Vincent (DIN 00096857) who retires by rotation and being eligible, offers himself for reappointment.		
4.	To appoint of Auditors for the financial year 2016-17 and fix their remuneration.		
	Special Business		
5.	To consider and approve the agreement and/or transaction with related parties as defined under the Act.		

Signed this..... day of2016

Affix
Revenue
Stamp
Re.1

Signature of Member

Signature of Proxy holder(s)

NOTE:

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the Commencement of the meeting.
2. *It is optional to put a 'X' in the appropriate column against the Resolution indicated in the box. If you leave the 'For' and 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she think appropriate.
3. Please complete all details including details of all member(s) in above box before submission.

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP BEFORE YOU COME TO THE MEETING AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

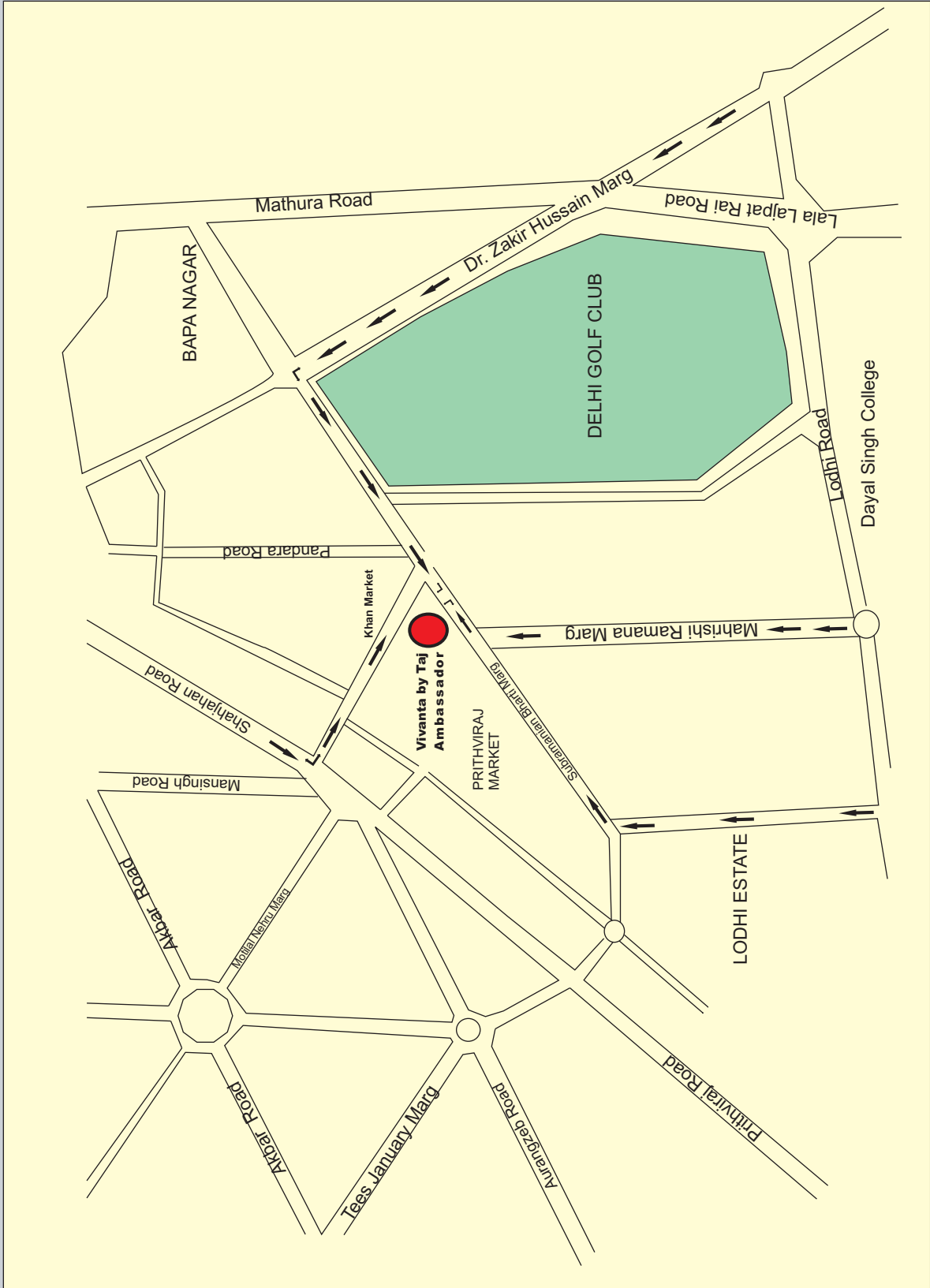
1. Name of the attending member
(In Block Letters)
2. Folio No.
3. Name of Proxy (In Block Letters)
(To be filled if the Proxy attends instead of the members)

No. of Share Held: -

I hereby record my presence at the Ninth Annual General Meeting of the Company being held at Vivanta Ambassador (Taj), Sujan Singh Park, Subramania Bharti Marg, New Delhi-110003 on Monday, 26th day of September, 2016.

.....
Member's or Proxy's Signature

ROUTE MAP





UV ASSET RECONSTRUCTION COMPANY LIMITED

“Restoring NPAs back to health”

OFFICE

Registered Office

704, Deepali Building, 92,
Nehru Place, New Delhi-110019

Corporate Office

1304/1304A, 13th Floor, Chiranjiv Tower-43
Nehru Place, New Delhi-110019

Tel: 011- 4105 5576,41038818
Fax: +91-11-40501824

Mumbai Office

Office No.5, Ground Floor,
Corporate Annex Building, Near Udyog
Bhawan, Sonawala Lane Goregaon (East),
Mumbai-400063