

ANNUAL REPORT

2023 - 24



**UV ASSET
RECONSTRUCTION
COMPANY LIMITED**

"Restoring NPAs back to health"

OUR VALUES



Our Vision

To be the most trusted and leading ARC in the country with one-stop solution for all needs of distressed assets.



Our Mission

Help distressed assets with best fit solutions under given circumstances leading to value maximization for all stakeholders.

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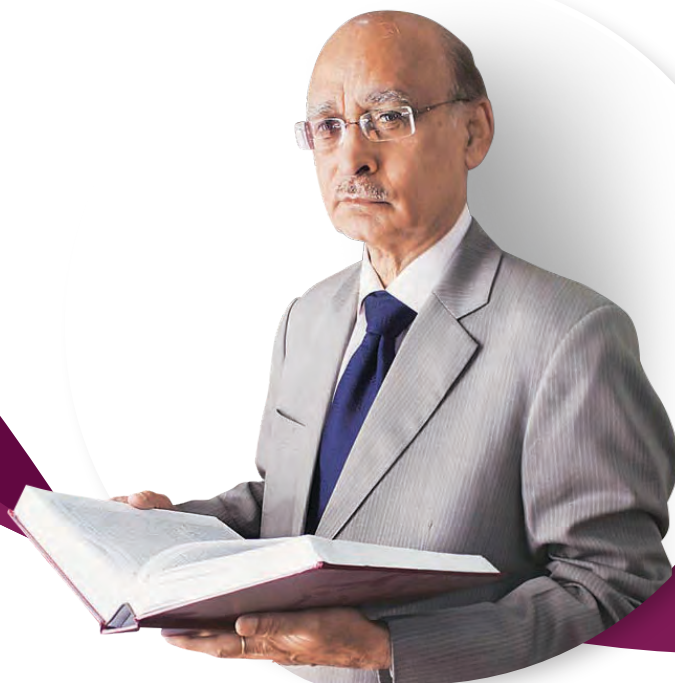
About UVARCL

UV Asset Reconstruction Company Limited (UVARCL) is an Asset Reconstruction Company (ARC) registered with the Reserve Bank of India (RBI)

UVARCL is promoted amongst others, by professionals with equity participation of 6 Public Sector Banks and 2 Insurance Companies viz. Central Bank of India, Bank of Maharashtra, Union Bank of India, Bank of India, Punjab National Bank, Indian Bank, United India Insurance Company Limited and National Insurance Company Limited.

UVARCL acquires **Non-Performing Assets (NPAs)** from various banks and financial institutions. The Company is committed to resolving distressed assets through an empathetic and analytical approach. By understanding the root causes of NPAs, UVARCL evaluates potential turnaround strategies and formulates the most appropriate solutions under the given circumstances. The Company adheres to best practices that promote honesty, transparency, and consistency, aiming to create beneficial outcomes for all stakeholders involved.

MESSAGE FROM CHAIRMAN



Dear Valued Stakeholders,

I am pleased to present our Annual Report for FY 2023-24. Looking back on the past year, I am deeply impressed by how UVARCL has skillfully maneuvered through a challenging and uncertain environment. Our ability to adapt and thrive in the face of adversity is a testament to our collective effort and strategic foresight.

I am greatly honored to be part of this remarkable legacy and am committed to advancing it in the years to come. We will continue to uphold the core values that have driven our success while relentlessly exploring new possibilities for growth and innovation.

Future Outlook

As per the Reserve Bank of India's (the "RBI") report for the FY 2023-24, there is an indication of a positive trend in asset recovery by Asset Reconstruction Companies ("ARCs"), with improved recovery rates and a higher percentage of assets resolved compared to previous years. The RBI emphasizes the need for ARCs to maintain high standards of asset quality and effective resolution strategies to ensure sustainable performance.

GNPAs have been steadily declining in percentage terms over the past few years, now standing below 3%, with net NPAs below 1% as of March 2024. In recent years, banks have successfully resolved the majority of Non-Performing Loans ("NPLs"), largely due to a robust economic environment and the strategic sale of assets to ARCs. However, the absolute number of GNPAs with banks remains high at approximately Rs. 5 Lakh Crores. Additionally, banks hold a separate pool of technically written-off accounts worth around Rs. 4 Lakh Crores, providing ample opportunities for ARCs to acquire assets.

Increased regulatory scrutiny from the RBI has further heightened the need to prioritize compliance and strengthen corporate governance measures. While the improving economic environment has been favorable for ARCs, facilitating expeditious and profitable resolution of assets, the overall outlook for the industry remains mixed—very promising for asset resolution, yet quite challenging for asset acquisition.

Best wishes

Justice (Retd.) Prakash Prabhakar Naolekar
Chairman

OUR BOARD MEMBERS



**JUSTICE (RETD.)
PRAKASH PRABHAKAR
NAOLEKAR**

CHAIRMAN AND
INDEPENDENT DIRECTOR



**MR. RITESH
AGGARWAL**

EXECUTIVE CUM
WHOLE TIME DIRECTOR
& CFO



**MS. GURPREET
KAUR**

EXECUTIVE CUM
WHOLE TIME DIRECTOR



**MR. MAYANK DINESH
SHAH**

NON-EXECUTIVE
(PROFESSIONAL) DIRECTOR



**MR. UMA SHANKAR
PALIWAL**

INDEPENDENT
DIRECTOR



**MR. KISHORE KUMAR
SANSI**

INDEPENDENT
DIRECTOR



MR. DHAN RAJ

INDEPENDENT
DIRECTOR

CORPORATE INFORMATION

◆ BOARD OF DIRECTORS

**Justice (Retd.)
Prakash Prabhakar Naolekar**
Chairman And Independent Director

Mr. Ritesh Aggarwal
Executive Cum Whole Time Director

Ms. Gurpreet Kaur
Executive Cum Whole Time Director

Mr. Uma Shankar Paliwal
Independent Director

Mr. Kishore Kumar Sansi
Independent Director

Mr. Dhan Raj
Independent Director

Mr. Mayank Dinesh Shah
Non-Executive (Professional) Director

◆ SENIOR EXECUTIVES

Mr. Ritesh Aggarwal
Chief Financial Officer

Mr. Tushar Chaudhary
Chief Investment & Strategy Officer

◆ COMPANY SECRETARY

Ms. Daljeet Kaur

◆ OTHER INFORMATION

Registrar & Share Transfer Agent
MCS Share Transfer Agent Ltd.

Statutory Auditors
M/s J. P., Kapur & Uberai
Chartered Accountant

Internal Auditors
M/s Dinesh K. Sharma & Associates
Chartered Accountant

Secretarial Auditor
M/s Iqneet Kaur & Co.
Practicing Company Secretary

◆ COMMITTEES OF BOARD

Audit Committee

**Nomination and Remuneration
Committee**

**Corporate Social Responsibility
Committee**

Credit Committee

◆ BANKERS

Punjab National Bank

Central Bank of India

NOTICE

Notice is hereby given that the 17th Annual General Meeting ("AGM") of the Members of the Company will be held on **Monday, the 30th day of September, 2024 at 11:30 AM** at **Corporate Office: 1304/1304A Chiranjeev Tower, 43, Nehru Place, New Delhi-110019** to transact the following business:

Ordinary Business:

1. **To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2024 together with the Reports of the Board of Directors and the Auditors thereon.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"Resolved that the Standalone Audited Financial Statements of the Company for the financial year ended March 31, 2024 together with the Directors' Report and the Auditor's Report thereon as presented to the members be and are hereby approved and adopted."

2. **To declare dividend on Preference shares of the Company for the financial year ended March 31, 2024.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"Resolved that in terms of the recommendation of the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded for the payment of dividend @ 0.01% per annum on 1,96,450 (One Lakh Ninety-Six Thousand Four Hundred and Fifty) Compulsorily Convertible Preference shares amounting to Rs. 19,645/- (Rupees Nineteen Thousand Six Hundred and Forty-Five Only) and 80,000 (Eighty Thousand) Series A 0.01% Compulsorily Convertible Preference shares amounting to Rs. 44/- (Rupees Forty-Four Only) having face value of Rs. 1,000/- (Rupees One Thousand Only) each fully paid up for the year ended March 31, 2024. "

Special Business:

3. **Appointment of Mr. Mayank Dinesh Shah (DIN: 08492618) as a Non-Executive (Professional) Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"Resolved that Mr. Mayank Dinesh Shah (DIN: 08492618), who was appointed by the Board of Directors as an Additional Non-Executive (Professional) Director of the Company with effect from October 06, 2023 who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013, and who is eligible for appointment be and is hereby appointed in terms of Section 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and

Qualification of Directors), Rules 2014, including any statutory modification(s) or re-enactment thereof for the time being in force as a Non-Executive (Professional) Director of the Company and shall be liable to retire by rotation.

Resolved further that Mr. Ritesh Aggarwal, Executive cum Whole Time Director & CFO and Ms. Gurpreet Kaur, Executive cum Whole Time Director of the Company be and are hereby severally authorized to sign and execute all deeds, documents, papers, agreements and take all necessary steps to give effect to the foregoing resolution"

4. To re-appoint Mr. Kishore Kumar Sansi (DIN: 07183950) as an Independent Director of the Company for a second consecutive term.

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 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors), Rules 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, the consent of the members be and is hereby accorded to appoint Mr. Kishore Kumar Sansi (DIN: 07183950) as an Independent Director of the Company, whose period of office is liable to expire on the conclusion of this 17th Annual General Meeting and who has submitted a declaration that he meets the criteria of Independence under Section 149(6) of the Companies Act, 2013 and being eligible for re-appointment for a second consecutive term under the provisions of the Companies Act, 2013 and rules made thereunder, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (Five) consecutive years on the Board of the Company to hold office till the 22nd Annual General Meeting of the Company to be held in the year 2029 subject to the approval of the RBI.

Resolved further that Mr. Ritesh Aggarwal, Executive cum Whole Time Director & CFO or Ms. Gurpreet Kaur, Executive cum Whole Time Director of the Company be and are hereby severally authorized to sign and execute all deeds, documents, papers, agreements and take all necessary steps to give effect to the foregoing resolution."

**By the order of the Board of Directors
For UV Asset Reconstruction Company Limited**

Sd/-

(Daljeet Kaur)

Company Secretary

Membership No: A-66266

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

Date: August 31, 2024

Place: Kazakhstan

Notes:

- A. The Explanatory statement pursuant to Section 102(1) 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. A person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A Member holding more than ten percent of total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- D. Members/Proxies/Authorised Representatives are requested to bring the attendance slips duly filled in for attending the Meeting. Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
- E. Queries proposed to be raised at Annual General Meeting may be sent to the Company at its registered office to Ms. Daljeet Kaur, Company Secretary or by an email at daljeet@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.
- F. A Corporate Member intending to send its authorised representatives to attend the Meeting in terms of Section 113 of the Companies Act, 2013 is requested to send to the Company a certified copy of the Board Resolution/Authority letter authorizing such representative to attend and vote on its behalf at the Meeting.
- G. Members are requested to notify any change in their address/ mandate/ bank details quoting their Registered Folio immediately to the Company at its Registered Office, to enable the company to address future communication.
- H. Members who still hold share certificates in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization.
- I. **Unclaimed / Unpaid Dividend:**

Pursuant to Section 124 of the Companies Act, 2013, dividend for the financial year ended March 31, 2019 which remains unpaid or unclaimed for a period of seven years, become due for transfer on November 03, 2026 to the Investor Education and Protection Fund of the Central Government. Members who have not claimed their dividend for the above-mentioned year are requested to make their claim to the Company at the Corporate office of the Company situated at **1304/ 1304A, Chiranjeev Tower, 43, Nehru Place, New Delhi-110019** as early as possible but not later than November 02, 2026.
- J. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the company. All documents referred to in the Notice and accompanying explanatory statement are open for inspection at the Registered Office of the company on all working days of the Company between 11:00 a.m. and 1:00 p.m.

upto the date of the Annual General Meeting and at the venue of the Meeting for the duration of the Meeting.

- K. Members may also note that the Notice of the 17th Annual General Meeting along with the Route Map, Attendance Slip and Proxy Form (in Form MGT-11) for the financial period ended on March 31, 2024 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.

The details of the Company Secretary are as under:

Ms. Daljeet Kaur
Company Secretary
Email id: daljeet@uvarcl.com
Phone No: 011-41038918, 011-41055576

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

Item No. 3

The Board of Directors had appointed Mr. Mayank Dinesh Shah as an Additional Non-Executive (Professional) Director on the Board of Directors of the Company, with effect from October 06, 2023.

As per the provisions of Section 161 (1) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, he holds the office of Additional Director only upto the date of the ensuing Annual General Meeting of the Company, and is eligible for appointment as Non-Executive (Professional) Director.

Mr. Mayank Dinesh Shah has worked in various branches and administrative offices of the Central Bank of India in various capacities like International Division, Credit Department, Transaction Banking Department, I.T. Department etc. He has also held Senior Regional Manager's position at Chennai and south Mumbai and position of General Manager (SAM & RECV) at Central Bank of India, Central Office, Mumbai.

Keeping in view his vast experience and knowledge, it will be in the interest of the Company that Mr. Mayank Dinesh Shah be appointed as a Non-Executive (Professional) Director. Further, he is not disqualified from being appointed as a Director in terms of Section 164(2) of the Companies Act, 2013 and has given his consent to act as Director.

In the opinion of the Board, Mr. Mayank Dinesh Shah fulfils the conditions specified in the Companies Act, 2013 and the Company (Appointment & Qualification of Directors) Rules, 2014 made thereunder. Accordingly, Board of Directors has also recommended his appointment as Non-Executive (Professional) Director effective from the date of ensuing AGM i.e. September 30, 2024 till the conclusion of the next Annual General Meeting.

The Board of Directors recommends the resolution at Item No. 3 for approval of the members by way of an **Ordinary Resolution**.

The appointment of Mr. Mayank Dinesh Shah being recommended by the Nomination & Remuneration Committee of Board of Directors of the Company, hence the candidature from any member and deposit of any amount under Section 160 is not required.

Except Mr. Mayank Dinesh Shah, being the appointee, or his relatives, none of the other Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolutions set out at Item No.3.

Brief Profile of Mr. Mayank Dinesh Shah as per Secretarial Standard 2 issued by the Institute of Company Secretaries of India is given below:

Name of the Director: Mr. Mayank Dinesh Shah

DIN: 08492618

Designation: Non-Executive Director

Age (years): 62 years

Nationality: Indian

Qualifications: B.Com, JAIIB

Experience/Profile: During his tenure at Central Bank Financial Services Limited from August 30, 2019, to September 27, 2022, Mr. Mayank Dinesh Shah brought his extensive expertise garnered from years of service at the Central Bank of India to the role of Director. His experience spanned across multiple departments including the International Division, Credit Department, Transaction Banking Department, and Information Technology Department. This breadth of experience equipped him with a deep understanding of banking operations from both administrative and strategic perspectives.

Terms and Conditions of re-appointment: Refer above

Details of remuneration sought to be paid and the remuneration last drawn by such person: Only sitting fee and Commission, if any, is being paid under the provisions of Companies Act, 2013

Date of first appointment on the Board: October 06, 2023

Shareholding in the Company: Nil

Relationship with other Directors, Manager and other Key Managerial Personnel of the Company: None

The number of Meetings of the Board attended during the year: Please refer Corporate Governance Report

Directorship held in other Companies in India: NIL

Membership / Chairmanship of Committees in other Companies in India: NIL

Item No. 4

Mr. Kishore Kumar Sansi was appointed as an Independent Director of the Company under the provisions of the Companies Act, 2013, vide resolution passed by the members of the Company at the 13th Annual General Meeting held on September 28, 2020. As per the said resolution, the term of appointment of Mr. Kishore Kumar Sansi expires on the conclusion of 17th Annual General Meeting of the Company.

In terms of the Corporate Governance Guidelines of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company passed a resolution in their meeting held on June 07, 2024 recommending to Shareholders regarding the re-appointment of Mr. Kishore Kumar Sansi as an Independent Director of the Company for a second term from conclusion of 17th Annual General Meeting till conclusion of 22nd Annual General Meeting to be held in year 2029, based on his skills, experience, knowledge and outcome of performance evaluation.

In terms of provisions of Section 149 and other applicable provisions of the Companies Act, 2013, an Independent Director shall hold office for a term up to 5 (Five) consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such appointment in Board's report.

The Company has received a declaration from Mr. Kishore Kumar Sansi confirming that he meets the criteria of independence under Section 149(6) Companies Act, 2013. The Company has also received a declaration that he's not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

In the opinion of the Board of Directors, Mr. Kishore Kumar Sansi fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder, for his re-appointment as an Independent Director of the Company and are independent of the Management.

It is proposed to re-appoint Mr. Kishore Kumar Sansi as an Independent Director of the Company who shall hold office for 5 (Five) consecutive years for a term up to conclusion of 22nd Annual General Meeting of the Company to be held in the year 2029 subject to the approval of RBI.

Copy of draft letters of appointment of Mr. Kishore Kumar Sansi setting out the terms and conditions of appointment shall be available for inspection by the Members at the registered office of the Company.

The Board of Directors recommends the resolution at Item No. 4 for approval of the members by way of a **Special Resolution**.

The re-appointment of Mr. Kishore Kumar Sansi being recommended by the Nomination & Remuneration Committee of Board of Directors of the Company, hence the candidature from any member and deposit of any amount under Section 160 is not required.

Brief Profile of Mr. Kishore Kumar Sansi as per Secretarial Standard 2 issued by the Institute of Company Secretaries of India is given below:

Name of the Director: Mr. Kishore Kumar Sansi

DIN: 07183950

Designation: Independent Director

Age (years): 67 years

Nationality: Indian

Qualifications: M. Sc (Physics), M. Tech (Comp. Science), CISA, ISACA (US)

Experience/Profile: Mr. Kishore Kumar Sansi has had a distinguished career in the banking sector. He held the position of Managing Director & CEO of Vijaya Bank from January' 2015 to August' 2017. He also held the position of Executive Director in the Punjab & Sind Bank from August' 2013 to December' 2014 and General Manager in Oriental Bank of Commerce from November' 2010 to August' 2013.

He has been working as an Independent External Monitor (IEM) in National Housing Bank (NHB), Central Bank of India and IIFCL Delhi, visiting faculty in NIBM Pune and member of the advisory board at Centre of Banking Studies at IMT Ghaziabad.

Terms and Conditions of re-appointment: Refer above

Details of remuneration sought to be paid and the remuneration last drawn by such person:
Only sitting fee and Commission, if any, is being paid under the provisions of Companies Act, 2013

Date of first appointment on the Board: 28.09.2020

Shareholding in the Company: Nil

Relationship with other Directors, Manager and other Key Managerial Personnel of the Company: None

The number of Meetings of the Board attended during the year: Please refer Corporate Governance Report

Directorship held in other Companies in India:

1. Spartan Finvoyance Private Limited
2. Reserve Bank Information Technology Private Limited
3. IKIO Lighting Limited
4. Royalux Exports Private Limited
5. National Financials Holding Company Limited
6. Canara HSBC Life Insurance Company Limited

Membership / Chairmanship of Committees in other Companies in India:

1. Reserve Bank Information Technology Private Limited

Audit Committee: Chairperson

Nomination and Remuneration Committee: Member

Corporate Social Responsibility: Member

2. Royalux Exports Private Limited

Risk Management Committee: Member

3. IKIO Lighting Limited

Audit Committee: Member

Nomination and Remuneration Committee: Chairperson

4. Canara HSBC Life Insurance Company Limited

Audit Committee: Member

Nomination and Remuneration Committee: Member

Corporate Social Responsibility: Member

Risk Management Committee: Chairperson

**By the order of the Board of Directors
For UV Asset Reconstruction Company Limited**

Sd/-

(Daljeet Kaur)

Company Secretary

Membership No: A-66266

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

Date: August 31, 2024

Place: Kazakhstan

UV ASSET RECONSTRUCTION COMPANY LIMITED

DIRECTOR'S REPORT

Dear Members,

Your Directors are pleased to present the 17th (Seventeenth) Annual Report on the business, operations and state of affairs of the Company together with the audited financial statements for the year ended on March 31, 2024.

(A) Highlights / Performance of the Company

The Standalone Financial Highlights of your Company are as follows :

(Rs. in Lakhs)

Particulars	Financial Year ended on	
	March 31, 2024	March 31, 2023
Revenue from Operations	15,149.42	5,242.07
Other Income	2,834.24	381.80
Total Income	17,983.66	5,623.87
Less : Total Expenditure	9,182.63	5,383.33
Profit before Extraordinary items and Tax	8,801.03	240.54
Extraordinary Items	(1.35)	9.99
Profit before Tax	8,802.38	230.55
Provision for Tax (Deferred Tax)	2,624.49	1.41
Profit after Tax	6,177.89	229.14
Transfer to General Reserve	-	-
Paid-up Share Capital	6,967.00	6,167.00
Reserves and Surplus (Excluding Revaluation Reserve)	14,529.56	8,351.67
Net Worth	21,496.56	14,518.67

Information on the state of affairs of the Company

We have achieved a revenue of Rs.15,149.42 Lakhs during the F.Y. 2023-24 which is 2.5 times the revenue of the previous financial year, our net worth increased by around Rs.6,977.89 Lakhs. Our PBT increased 38 times and our PAT increased almost 27 times.

One of the major highlights of F.Y. 2023-24 is reduction of debt to Nil. Against a total debt of Rs.10,586.73 Lakhs as of March 31, 2023, the Company now has zero debt as of March 31, 2024.

During the year under review, the Company has acquired financial assets worth Rs. 26,520.00 Lakhs and resolved financial assets amounting Rs. 98,190.54 Lakhs. The outstanding Financial Assets as on March 31, 2024 was Rs. 61,304.02 Lakhs.

(B) Material changes subsequent to the Balance Sheet

There were no material change(s) and commitment(s) from the close of the financial year till the signing of the Board's report affecting the financial position of the Company.

(C) Industry Scenario

Amidst an uncertain and challenging global macroeconomic environment, the Indian economy presents a picture of confidence, positivity and optimism. We have emerged from the recent spate of shocks with stronger fundamentals – inflation is easing; bank and corporate balance sheets are stronger than before; fiscal consolidation is on course and its quality has improved; and the external balances are eminently manageable with strong forex reserves. The decisive and timely monetary policy actions of the Reserve Bank of India through appropriate policy rate and liquidity measures helped India's quick and sustained recovery.

Recent growth outturns have surprised most forecasts on the upside. After clocking real Gross Domestic Product (GDP) growth of 7.2 per cent in 2022-23, real GDP is expected to grow by 7.3 per cent during 2023-24. With strong domestic demand conditions, India remains the fastest growing major economy and is now the fifth largest economy in the world. In fact, in Purchasing Power Parity (PPP) terms, India is already the third largest economy. The International Monetary Fund (IMF) has projected that India's contribution to world growth will rise from the current 16 per cent to 18 per cent by 2028.

The RBI's latest assessment of the performance of the banking sector, including co-operative banks, and non-banking financial institutions points to a steady expansion in the consolidated balance sheet of the Scheduled Commercial Banks (SCBs), driven by credit to retail and services sectors. Higher net interest income and lower provisioning boosted Net Interest Margins (NIMs) and profitability. SCBs' Gross Non-Performing Assets (GNPA) ratio fell to a multi-year low of 2.8 per cent and the Net Non-Performing Assets (NNPA) ratio to 0.6 per cent at end-March, 2024.

In parallel, transactions between Banks and Asset Reconstruction Companies (ARCs) have shown significant activity, reflecting the evolving dynamics of the distressed asset market. ARCs have been instrumental in relieving banks of non-performing assets, allowing them to focus on core operations.

In F.Y. 2023-24, ARCs acquired assets worth Rs. 1.2 Lakh Crores from banks, marking a 15% increase from the previous year. The number of security receipts issued by ARCs grew by 15%, reaching Rs. 2.8 Lakh Crores, with Rs. 1.5 lakh Crores currently outstanding.

"Restructuring of loans" and "Sale of Assets" remained the primary modes for recovery for the ARCs during F.Y. 2023-24. Notably, recovery through restructuring of loan assets by ARCs saw a 43% rise year-on-year, amounting to Rs. 7,948 Crores. However, recovery through asset sales saw a 13% year-on-year decline, amounting to Rs. 7,469 Crores.

The Reserve Bank has comprehensively restructured the regulatory framework for asset reconstruction companies (ARCs) to ensure it aligns with current developments and is forward-looking. This restructuring is designed to equip ARCs with the necessary tools and readiness to take proactive measures as needed. We believe this new regulatory architecture will support ARCs in navigating the evolving financial landscape effectively.

(D) Dividend

During the year under review, your Directors has not recommended any dividend for the financial year ended March 31, 2024 to the Equity Shareholders of the Company.

Further, as per the terms of issue of Compulsorily Convertible Preference Shares (CCPS) and Series A 0.01% Compulsorily Convertible Preference Shares (Series A 0.01% CCPS), the Company proposed to declare dividend @ 0.01% per annum on:

- 1,96,450 (One Lakh Ninety-Six Thousand Four Hundred and Fifty) Compulsorily Convertible Preference Shares (CCPS) amounting to Rs. 19,645/- (Rupees Nineteen Thousand Six Hundred and Forty-Five Only) for the financial year ended March 31, 2024; and
- 80,000 (Eighty Thousand) Series A 0.01% Compulsorily Convertible Preference Shares (Series A 0.01% CCPS) amounting to Rs. 44/- (Rupees Forty-Four Only) for the financial year ended March 31, 2024.

(E) Reserves

During the year under review, no amount has been transferred to General Reserve of the Company.

(F) Corporate Governance

Your Company is committed to benchmarking itself with highest standards of Corporate Governance. It has put in place an effective Corporate Governance system which ensures that provisions of the Act and RBI guidelines are duly complied with, not only in form but also in substance.

Corporate Governance is about maximizing stakeholders' value legally, ethically and sustainably. Your Directors are enforcing high standards of Corporate Governance in the overall functioning of the Company which, in turn, helps to enhance the overall efficiency of its operations for the benefit of the stakeholders and society as a whole. Director's Report on Corporate Governance is set out at **Annexure-I** of this report.

(G) Share Capital

The Authorised Share Capital of the Company is Rs.125,00,00,000/- (Rupees One Hundred and Twenty-Five Crores Only) divided into 5,00,00,000 (Five Crores) Equity Shares of Rs.10/- (Rupees Ten Only) each and 7,50,000 (Seven Lakh Fifty Thousand) Preference Shares of Rs.1,000/- (Rupees One Thousand Only) each.

(i) **Equity shares**

The Company has only one kind of Equity Shares i.e., Equity shares with same voting rights. As on March 31, 2024, Company's Paid-up Equity Capital is Rs. 42,02,50,000/- (Rupees Forty-Two Crores Two Lakhs and Fifty Thousand Only) divided into 4,20,25,000 (Four Crores Twenty Lakhs and Twenty-Five Thousand) equity shares of Rs. 10/- (Rupees Ten Only) each.

(ii) Preference Shares

As on March 31, 2024, the Company has two kinds of Preference shares:

- Rs.19,64,50,000/- (Rupees Nineteen Crores Sixty-Four Lakhs Fifty Thousand Only) divided into 1,96,450 (One Lakh Ninety-Six Thousand Four Hundred and Fifty) Compulsorily Convertible Preference shares of Rs.1,000/- (Rupees One Thousand Only) each fully paid up.
- Rs. 8,00,00,000/- (Rupees Eight Crores Only) divided into 80,000 (Eighty Thousand) Series A 0.01% Compulsorily Convertible Preference Shares of Rs.1,000/- (Rupees One Thousand Only) each fully paid up.

(iii) Sweat Equity shares

The Company has not issued any Sweat Equity Shares till date.

(iv) Issue of further Share Capital - (Preferential Allotment)

During the year under review, the Company has made a further allotment of Preference Shares i.e., 80,000 Series A 0.01% Compulsorily Convertible Preference Shares at a Face Value of Rs.1,000/- each (Rupees One Thousand Only) for an aggregate consideration of Rs. 8,00,00,000/- (Rupees Eight Crores Only).

(v) Buy back of Shares

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

(H) Directors and Key Managerial Personnel

(i) The following appointments/ resignations during the year are as under:

- Mr. Kishore Kumar Sansi (DIN: 07183950) was appointed as an Independent Director to hold office for a period of 4 (Four) consecutive years upto the conclusion of 17th Annual General Meeting of the Company to be held in year 2024 (not liable to retire by rotation). The resolution seeking approval of the members for the re-appointment of Mr. Kishore Kumar Sansi as an Independent Director has been incorporated in the notice of the forthcoming Annual General Meeting of the Company along with explanatory statement.
- Mr. Hari Hara Mishra (DIN: 07310056), Non-Executive Director (Professional) resigned from the Board of the Company with effect from April 13, 2023.
- Mr. Mayank Dinesh Shah (DIN: 08492618) was appointed as an Additional Non-Executive (Professional) Director on the Board of the Company to hold the office up to the ensuing Annual General Meeting w.e.f., October 06, 2023. The resolution seeking approval of the members for the appointment of Mr. Mayank Dinesh Shah as a Professional Director has been incorporated in the notice of the forthcoming Annual General Meeting of the Company along with explanatory statement.
- Mr. Dhan Raj (DIN: 08262126), Independent Director of the Company was re-appointed

on the Board of the Company for a second consecutive term of 5 (Five) consecutive years from the conclusion of 16th Annual General Meeting upto the conclusion of 21st Annual General Meeting of the Company to be held in the year 2028.

(ii) Key- Managerial Personnel

Whole Time Directors

Mr. Ritesh Aggarwal (DIN: 07671600) and Ms. Gurpreet Kaur (DIN: 08821946) continues to be the Whole Time Directors of the Company.

Chief Financial Officer

Mr. Ritesh Aggarwal continues to be the Chief Financial Officer the of the Company.

Company Secretary

Ms. Daljeet Kaur continues to be the Company Secretary of the Company.

(iii) Independent Directors

Declaration of independence of Independent Directors, their meeting and performance evaluation

The Company has received the following declarations from all the Independent Directors confirming that:

- They meet the criteria of independence as prescribed under the provisions of Section 149(7) of the Act, read with the schedule and rules issued thereunder. There has been no change in the circumstances affecting their status as Independent Director of the Company; and
- They have registered themselves with the data bank of Independent Directors created and maintained by the Indian Institute of Corporate Affairs, Manesar.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and that they hold highest standards of integrity. None of the directors of the Company are disqualified for being appointed as Directors as specified in Section 164(2) of the Act and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The Company has also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act read with rules issued thereunder. Brief profile of the Directors is posted on the website of the Company i.e., www.uvarcl.com.

Meeting of Independent Directors

As per Schedule IV of the Companies Act, 2013 and Secreterial Standards-1 on Meeting of the Board of Directors, the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-Independent Directors.

During the Financial year 2023-24, a separate meeting of Independent Directors was held on March 29, 2024. The Independent Directors, inter alia, discussed and reviewed performance of Non-Independent Directors, the Board as a whole and assess the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

There has been no change in the circumstances which may affect the status of Independent Directors and other Directors during the year under review.

Performance Evaluation of Directors

The Nomination and Remuneration Policy of the Company empowers the Nomination and Remuneration Committee to formulate a process for effective evaluation of the performance of Individual Directors, Committees of the Board and the Board as a whole.

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

The Performance of the Board was evaluated by the Nomination and 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 also evaluated by scoring the evaluation sheets for every Director.

The Performance of the Independent Directors of the Company was also evaluated in terms of Schedule IV of the Companies Act, 2013 and as per the criterion laid down in the Nomination and Remuneration Policy of the Company by the Board of Directors and their contribution was appreciated.

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

Fit and Proper declarations given by the Directors

In accordance with the RBI Circular dated April 24, 2024 for ARCs, the Company has obtained annual fit and proper declarations from all the Directors of the Company.

Policy on Directors' Appointment & Remuneration

The salient features of the Nomination and Remuneration Policy of the Company are set out in the Corporate Governance Report which forms part of this Annual Report.

The said policy of the Company, inter-alia, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment and re-appointment of Directors on the Board of the Company and persons holding Senior Management positions in the Company, including their remuneration and other matters as provided under the provisions of Section 178 of the Companies Act, 2013.

The remuneration paid to the Directors, Key Managerial Personnel (KMP) and Senior Management is in accordance with the Nomination and Remuneration Policy formulated in accordance with the provisions of Section 178 of the Companies Act, 2013.

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 and is also available on the website of the Company at <http://www.uvarcl.com/regulatoryframework/policies.html>.

(I) **Meetings**

In all, 11 (Eleven) meetings of Directors and its Committees were held during the Financial Year 2023-24 were convened and held, the details of which are given in the Corporate Governance Report forming part of this Board Report. The intervening gap between two consecutive meetings was not exceeding the period prescribed under the Companies Act, 2013.

All the recommendations made by the Audit Committee during the year were accepted by the Board.

(J) **Auditors**

Statutory Auditor

Pursuant to the provisions of Section 139 of Companies Act, 2013 read with corresponding rules framed thereunder, RBI Guidelines issued from time to time and based on the recommendation of the Audit Committee, the Board of Directors of the Company at its Meeting held on September 06, 2022, approved the appointment of M/s J.P., Kapur & Uberai, Chartered Accountants (Firm Registration No. 000593N) as Statutory Auditors of the Company from the conclusion 15th Annual General Meeting for 5 (Five) consecutive Financials Years till the conclusion of the 20th Annual General Meeting of the Company to be held in the year 2027.

The members of the Company had approved the appointment of M/s J.P., Kapur & Uberai, Chartered Accountants (Firm Registration No. 000593N) as Statutory Auditors of the Company on September 30, 2022.

The Auditor's Report for the Financial Year ended on March 31, 2024 on the financial statements of the Company forms part of the Annual Report.

Board's Explanation and Comments on Auditor's Report

The Auditors' report, read with notes to the accounts are self-explanatory and therefore does not require further comments/elaborations pursuant to Section 134 of the Companies Act, 2013. There is no qualification made by the Statutory Auditors in their report.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with corresponding rules framed thereunder, M/s Iqneet Kaur & Co., Practising Company Secretaries (COP No.: 7085), were appointed as the Secretarial Auditors to carry out the Secretarial Audit of the Company for the financial year ended March 31, 2024.

The Secretarial Audit Report for the financial year ended March 31, 2024 given by the

Secretarial Auditors of the Company in requisite Form No. MR-3 is set out at *Annexure-II* of this report. The Secretarial Audit Report and/or Secretarial Compliance Report does not contain any qualification, reservation or adverse remark.

(K) Internal Audit & Controls

The Company is following proper Internal Audit and Control System and has also appointed M/s Dinesh K. Sharma & Associates, Chartered Accountants (Firm Registration No. 011115N) as the Internal Auditors of the Company. During the year under review, the Company continued to implement their suggestions and recommendations to improve the control and compliances. 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 regulatory guidelines and on Board-approved business policies, MIS framework etc. Internal Auditors' findings are discussed at the highest level i.e., by Executive cum Whole Time Directors of the Company, Audit Committee and Board of the Company.

During the financial year under review, no material or serious observations have been received from the Auditors of the Company, citing inefficacy or inadequacy of such controls.

(L) Risk Management

The Board of Directors of the Company has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and its effectiveness.

The Company has Risk Management Policy to ensure sustainable business growth with stability and monitoring and mitigating the risk.

Regular meetings of the Risk Management Committee are held to review and further improve the risk management systems of the Company to ensure a consistent, efficient and effective assessment and management of risk in the achievement of the organization's objectives.

(M) Vigil Mechanism

Your Company is deeply committed to highest standards of ethical, moral and legal business conduct. It ensures that it provide a respectful work environment, not only for all our employees, but for all our external partners too. Accordingly, the Board of Directors have formulated a Vigil Mechanism Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 to provide a formal mechanism to its directors, employees and business associates to voice concerns in a responsible and effective manner regarding susceptible unethical matters involving serious malpractices, abuse or wrongdoing within the organization. Any person can use such mechanism and may even have access to the Chairperson of the Audit Committee in appropriate exceptional cases.

(N) Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return as on March 31, 2024 will be available on the Company's website i.e., www.uvarcl.com.

(O) **Details of Committee of Directors**

The Company has the following Board Committees, which have been established as a part of the corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes:

- Audit Committee
- Nomination and Remuneration Committee
- Credit Committee
- Corporate Social Responsibility Committee

The details with respect to the compositions, powers, roles, terms of reference and number of meetings held during the year of relevant committees are given in detail in the Corporate Governance Report (*Annexure-I*) which forms part of this Board Report.

(P) **Policy on Prevention of Sexual Harassment at Workplace**

The Company has in place a robust policy and framework for prevention of sexual harassment at workplace. The policy is formulated for the purpose of prevention, prohibition and redressal mechanisms of any wrongs with “sexual intent” defined under sexual harassment at the workplace and Principle of Natural Justice.

The Company also believes that all employees of the Company have the right to be treated with dignity. Sexual harassment at the work place or other than work place if involving an employee or employees is a grave offence and is therefore, punishable. There is an Internal Committee which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy.

The Company has complied with provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaint was received under the Act.

(Q) **Particulars of Contracts or Arrangements with Related Parties**

During the year under review, the Company has not entered into any contracts or arrangements with related parties as per the provisions of Section 188 of Companies Act, 2013.

(R) **Loans, Guarantees or Investments**

During the year under review, the Company has not granted any loan or extended any guarantee and has not made any investments to any individual or Corporate under the provisions of Section 186 of the Companies Act, 2013.

(S) **Particulars of Employees**

During the year under review, none of the Company's Whole Time Director was in receipt of any remuneration/commission as prescribed under the provisions of Section 197(14) of the Companies Act, 2013 read with corresponding rules framed thereunder. Hence, no particulars are required to be disclosed in this report.

Further, provisions of Section 197(12) of the Companies Act, 2013 read with corresponding rules framed thereunder is not applicable on the Company.

(T) Internal Financial Control

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

(U) Corporate Social Responsibility

As part of Company's commitment towards economic, environmental and social well-being of communities, Corporate Social Responsibility (CSR) Committee has been constituted at the Board Level.

During the financial year ended on March 31, 2024, the Company does not fall under the ambit of the provisions of the Section 135 of the Companies Act, 2013 relating to applicability of Corporate Social Responsibility. The CSR policy of the Company is available on the website of the Company at http://www.uvarcl.com/CORPORATE_SOCIAL_RESPONISIBILITY_POLICY.pdf

(V) Transfer of Funds to Investor Education and Protection Fund (IEPF)

Pursuant to applicable provisions of the Companies Act, 2013 ("the Act") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government, after completion of seven years.

Further, according to the rules, the shares in respect of which dividend has not been paid or claimed by the Members for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority.

Members are requested to ensure that they claim the dividends and shares referred above, before they are transferred to the said Fund.

Details of shares/shareholders in respect of which dividend has not been claimed, are provided on our website. The shareholders are therefore requested to verify their records and claim their dividends, if not claimed.

During the year under review, the Company has not transferred any amount to the IEPF as no amounts were due to be transferred.

(W) Key changes during the Year

(i) Changes in Nature of Business: Nil

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

(X) **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) **Expenditure and Earnings in Foreign Currency:**

Particulars	2023-24	2022-23
Expenditure in Foreign Currency	UAE Dirhams 3000 SDG 1286 EUROS 2400	UAE Dirhams 20,000 USD 3000 -
Earning in Foreign Currency	Nil	Nil

(Y) **Directors' Responsibility Statement**

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

- in preparation of the Annual Accounts, the applicable accounting standards had been followed;
- 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 on March 31, 2024 and of the profit and loss of the Company for the year ended on that date;
- 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;
- the Directors had prepared the Annual Accounts on a going concern basis.
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws/ regulatory guidelines and that such systems were adequate and operating effectively.

Other Disclosures

- During the year under review, the Company has not accepted any deposit within the meaning of Section 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

- During the year under review, the Company has complied with the provisions of the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India. The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and such systems are adequate and operating effectively.
- During the year under review, no application was made nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).
- The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof: Not Applicable
- None of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).
- The Company has not issued Equity Shares with differential rights as to dividend, voting or otherwise.
- As per Companies Act, 2013, your Company does not have any Subsidiary or Associate Company, nor has it entered into any Joint Venture Agreement.

Acknowledgement

Your Directors thank the Reserve Bank of India and Government of India for the continued help and co-operation extended by them. Your Directors also gratefully acknowledge all stakeholders of the Company viz. shareholders, customers, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

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

Sd/-
(Dhan Raj)
Director
DIN: 08262126

Sd/-
(Gurpreet Kaur)
Executive Director
DIN: 08821946

Date: August 31, 2024
Place: Kazakhstan

Annexure-I

REPORT ON CORPORATE GOVERNANCE

At UVARCL, we are committed to achieving and maintaining the highest standards of corporate governance. We believe that good corporate governance is the cornerstone of our mission to enhance stakeholder value and ensure sustainable growth.

Our Corporate Governance practices reflect our value system encompassing our culture, policies and relationship with our stakeholders. UVARCL aspires to reach the highest standards of Corporate Governance, while emphasizing transparency, creating a sustainable culture, and setting industry leading benchmarks. At UVARCL, our Board exercises its fiduciary responsibilities in the best possible way.

UVARCL always understand its responsibility toward its shareholders and all stakeholders. UVARCL has ensured that the governance framework is driven by the objective of enhancing long-term shareholder value without compromising on ethical standards, sustainability and Corporate Social Responsibility. The Company also places great emphasis on values such as empowerment and integrity of its employees, safety of the employees, transparency in decision-making process, fair and ethical dealings with all and accountability to all the stakeholders.

Effective corporate governance requires a clear and thorough understanding of the distinct roles of the Board, its Committees and the Senior Management Team. Through well-defined policies and processes and in a manner, which is dignified, distinctive & responsible, the Company conducts its business and discharges its responsibilities towards its stakeholders. Corporate Governance is essential for the growth, profitability, stability and sustainability of any business.

Your Company believes that an active, well informed independent Board is necessary to ensure the highest standard of Corporate Governance. Your Company firmly believes that the Board's independence is essential to bring objectivity and transparency in the management and in the dealings of the Company.

In conclusion, we hold ourselves to the highest standards of corporate governance and will continue to monitor our practices, making improvements where necessary. Our commitment to transparency, accountability, and ethical conduct remains unwavering. By adhering to these principles, we aim to foster trust and confidence among our stakeholders, ensuring sustainable growth and long-term success for the organization. As the corporate landscape evolves, we remain dedicated to adapting our governance frameworks to meet new challenges and opportunities, upholding the integrity and excellence that define our organization.

GOVERNANCE STRUCTURE

Board and its Composition

The Board of Directors serves as the paramount body constituted by shareholders, entrusted with governance, control, direction, and management of the Company's affairs. Providing strategic guidance, the Board steers the Company towards achieving its business objectives, guided by principles of ethics and accountability. Committed to upholding the highest standards of corporate governance, the Board ensures compliance with the Companies Act, 2013 and RBI Guidelines where applicable.

The composition of the Board adheres to these regulatory requirements, ensuring an optimal blend of professionalism, expertise, and experience. Detailed profiles of our Directors can be accessed on our website at www.uvarcl.com.

Composition of the Board as on March 31,2024:

Category	Number of Directors	% to total number of Directors
Executive Directors	2	28.57%
Independent Directors	4	57.15%
Non-Executive Non-Independent Director(s)	1	14.28%
Total	7	100.00%

The Board of Directors holds the pivotal responsibility of ensuring effective management, long-term business strategy formulation, overseeing general affairs, evaluating performance, and monitoring the Company's adherence to corporate governance standards. The Executive cum Whole Time Directors of the Company report directly to the Board and are tasked with managing the Company's operations. They play a crucial role in bridging communication between the Board and the Management team, ensuring alignment of strategic goals with operational activities.

Committee of Directors

The Board has constituted various Committees of Directors of the Company in line with the best practices in Corporate Governance with an optimum representation of its members and with specific terms of reference in accordance with the provisions of Companies Act, 2013. The Company currently has 4 (Four) Committees of the Board, namely, Audit Committee, Nomination and Remuneration Committee, Credit Committee and Corporate Social Responsibility Committee.

Further, Company has 3 (Three) internal Committees namely Risk Management Committee, Grievance Redressal Committee and Sexual Harassment Committee. These Committees are tasked with identifying, assessing, and mitigating risks, promptly and effectively addressing and resolving any grievances and maintaining a secure and supportive work environment for the employees of the Company.

Management

The management structure of the Company consists of the Executive cum Whole Time Director, Chief Financial Officer, Chief Investment and Strategy Officer and Company Secretary.

Company also has 3 (Three) Committees at the Executive Level of the Company. All these Committees are headed by Executive cum Whole Time Director of the Company namely, Executive Committee- Acquisition, Executive Committee- Resolution and Executive Committee. These Committees have been entrusted with requisite powers duly delegated by Board of Directors to carry out the operations of the Company.

BOARD OF DIRECTORS

Board Procedures and Flow of Information

In every financial year, the Company convenes a minimum of four meetings of the Board of Directors, equating to one meeting per quarter. Additional meetings are scheduled as necessary, with resolutions passed by circulation in exigent circumstances. To facilitate director participation and decision-making, the Company offers video conferencing facilities.

The Board enjoys full access to all pertinent Company information. The Company Secretary is responsible for compiling, reviewing, and distributing all papers submitted for Board and Committee consideration. Agendas for these meetings are circulated well in advance, ensuring directors have ample time to prepare. In urgent situations, meetings may be called at shorter notice, under emergent circumstances.

Embracing digitalization, the Company employs electronic platforms to circulate meeting notes, ensuring robust security and confidentiality of Board papers. Compliance with the Companies Act, 2013 and associated rules, along with Secretarial Standards, is rigorously maintained for convening and conducting Board and Committee meetings.

Meetings typically take place in Delhi, with provisions for remote participation via video conferencing as needed. The Company Secretary attends all Board and Committee meetings, overseeing the recording of minutes. Draft minutes are promptly circulated to members for review and comments in accordance with Secretarial Standards. Final minutes are entered into the Minutes Book within 30 days of meeting conclusion, following incorporation of any feedback from Directors.

During the financial year 2023-24, the Board of Directors met 4 (Four) times i.e., on 30.06.2023, 04.09.2023, 27.12.2023 and 21.02.2024. The maximum gap between any two consecutive meetings was within the maximum allowed gap, as stipulated under the Companies Act, 2013. The necessary quorum was present in all the meetings.

The overall attendance of Directors for the financial year 2023-24 is shown hereunder:

Name	Designation	Number of Board meetings attended during Financial Year 2023-24		Attendance at the last Annual General Meeting held on September 30, 2023
		Held	Attended	
Justice (Retd.) Prakash Prabhakar Naolekar	Chairman and Independent Director	4	4	No
Mr. Uma Shankar Paliwal	Independent Director	4	4	No
Mr. Dhan Raj	Independent Director	4	4	Yes

Mr. Kishore Kumar Sansi	Independent Director	4	4	No
*Mr. Mayank Dinesh Shah	Non-Executive (Professional) Director	2	2	NA
Mr. Ritesh Aggarwal	Executive cum Whole Time Director & CFO	4	4	Yes
Ms. Gurpreet Kaur	Executive cum Whole Time Director	4	4	Yes

***Mr. Mayank Dinesh Shah, Non-Executive (Professional) Director of the Company was appointed on the Board w.e.f. October 06, 2023.**

BOARD LEVEL COMMITTEES

i) Audit Committee

The Board has duly constituted the Committee of Board of Directors named as Audit Committee on December 18, 2010. As on March 31, 2024, the Audit Committee comprises of 4 (Four) Non-Executive Directors namely Mr. Dhan Raj, Mr. Kishore Kumar Sansi, Mr. Mayank Dinesh Shah, and Mr. Uma Shanker Paliwal. The Composition of the Audit Committee meets the requirement of the provisions of Section 177 of the Companies Act, 2013 read with rules made thereunder and the RBI guidelines, as applicable. All the Members have the ability to read and understand the financial statements and have relevant finance and / or audit experience.

During the year under review, the Audit Committee met 4 (Four) times, i.e., on 30.06.2023, 04.09.2023, 27.12.2023 and 29.03.2024.

Details of meeting attended by the members are given below:

S. No.	Committee Members	Category	Number of Committee meetings attended during Financial Year 2023-24	
			Held	Attended
1.	Mr. Dhan Raj	Chairman	4	4
2.	Mr. Kishore Kumar Sansi	Member	4	4
3.	Mr. Uma Shankar Paliwal	Member	4	4
4.	*Mr. Mayank Dinesh Shah	Member	1	1

***Mr. Mayank Dinesh Shah, Non-Executive (Professional) Director of the Company was appointed as the member of the Audit Committee w.e.f. 27.12.2023**

Nomination and Remuneration Committee

Pursuant to the provisions of Section 178 of the Companies Act, 2013, the Company has duly constituted the Committee of Board of Directors named as Nomination and Remuneration Committee. The Committee formulates the criteria for determining qualifications, positive attributes and independence of a director from time to time. The Committee also carries out evaluation of Directors' performance and ensures 'fit and proper' status of proposed/ existing directors and sponsors.

The Nomination and Remuneration Committee is advisory to the Board of Directors regarding remuneration payable to the members of the Board and terms of employment of the senior Executives of the Company.

As on March 31, 2024, the Nomination and Remuneration Committee comprises of 3 (Three) Non-Executive Directors namely Mr. Uma Shankar Paliwal, Mr. Dhan Raj and Mr. Kishore Kumar Sansi. The Composition of the Nomination & Remuneration Committee meets the requirement of Section 178 of the Companies Act, 2013 read with rules made thereunder and the RBI guidelines, as applicable.

During the financial year 2023-24, 2 (Two) meetings were held on 30.06.2023 and 27.12.2023.

Details of meeting attended by the members are given below:

S. No.	Committee Members	Category	Number of Committee meetings attended during Financial Year 2023-24	
			Held	Attended
1.	Mr. Uma Shankar Paliwal	Chairman	2	2
2.	Mr. Dhan Raj	Member	2	2
3	*Mr. Kishore Kumar Sansi	Member	2	2

****Mr. Kishore Kumar Sansi, Independent Director was appointed as a member of the Nomination and Remuneration Committee w.e.f. 16.04.2023.***

Nomination and Remuneration Policy

The major terms of the Nomination and Remuneration Policy are:

1. Role and Powers of the Nomination and 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 and Key Managerial Personnel.
- (iv) To recommend to the Board, policy relating to the remuneration of Directors, Key Managerial Personnel and Senior Management.

-
- (v) To ensure that the level and composition of the remuneration is reasonable and sufficient and the relationship of remuneration to the performance is clear and meets the 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 ensure that remuneration to Directors/ Key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.
 - (ix) To ensure 'fit and proper' status of proposed/ existing directors and sponsors.
 - (x) 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, as may be applicable.

2. Appointment of Managerial Personnel, Director, Key Managerial Personnel 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, Key Managerial Personnel 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. The Committee has discretion to decide whether the qualification, expertise and experience possessed by a person are 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.

3. Remuneration

I. Remuneration Policy for Directors and Key Managerial Personnel

- i. The remuneration / compensation / commission etc. to the Whole-time Directors and Key Managerial Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. 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.
- ii. In the case of Whole-time Director, 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.
- iii. 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 employee 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 person, provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

II. Remuneration to Whole-time / Executive / Managing Director and Key Managerial Personnel

(i) Fixed pay

The Whole-time Director and Key Managerial Personnel shall be eligible for monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and the 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, then with the previous approval of the Central Government.

III Remuneration to Non-Executive Directors/ Independent Directors

- (i) The Non-Executive Directors of the Company are paid a sitting fee of Rs.1,00,000/- for attending each meeting of the Board and Rs. 50,000/- for every Board Committee meeting thereof attended by them as member.
- (ii) The Company has no stock options plan and no payment by way of bonus, pension, incentives etc. shall be made.

Credit Committee

For considering the Asset Acquisition and Resolution cases, Credit Committee was constituted on June 29, 2011 as required under RBI Guidelines. As on March 31, 2024, Credit Committee comprises of 4 (Four) Directors out of which i.e., Mr. Uma Shankar Paliwal and Mr. Dhan Raj are Independent Directors and Mr. Ritesh Aggarwal and Ms. Gurpreet Kaur are Executive cum Whole Time Directors of the Company. During the financial year 2023-24, 1 (One) meeting was held on 21.02.2024.

Details of meetings attended by the members are given below:

S. No.	Committee Members	Category	Number of Committee meetings attended during Financial Year 2023-24	
			Held	Attended
1.	Mr. Uma Shankar Paliwal	Chairman	1	1
2.	Mr. Dhan Raj	Member	1	1
3.	Mr. Ritesh Aggarwal	Member	1	1
4.	Ms. Gurpreet Kaur	Member	1	1

Corporate Social Responsibility (CSR) Committee

The CSR committee is responsible to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, to recommend the amount of expenditure to be incurred on CSR activities and to monitor the Corporate Social Responsibility Policy of the Company from time-to time.

As on March 31, 2024, Corporate Social Responsibility Committee comprises of 4 (Four) Directors out of which two Directors namely Mr. Uma Shankar Paliwal and Mr. Dhan Raj are Independent Directors and Mr. Ritesh Aggarwal and Ms. Gurpreet Kaur are Executive cum Whole Time Directors of the Company.

During the financial year 2023-24, no meeting of the Corporate Social Responsibility (CSR) Committee was held. Moreover, for the financial year ended March 31, 2024, the Company doesn't fall under the ambit of the provisions of Section 135(1) of the Companies Act, 2013, relating to the applicability of Corporate Social Responsibility.

Risk Management Committee

To evaluate the Risk Management and Control System of the Company, Risk Management Committee was constituted for reviewing the risk management plan and its effectiveness. The Company also has a Risk Management Policy to ensure sustainable business growth with stability and monitoring and mitigating the risk.

As on March 31, 2024, Risk Management Committee comprises of 4 (Four) members i.e., Mr. Ritesh Aggarwal, Executive cum Whole Time Director & CFO, Ms. Gurpreet Kaur, Executive cum Whole Time Director, Mr. Tushar Choudhary, the Chief Investment Financial Officer and Mr. Harmohan Kumar Arora, External member. During the financial year 2023-24, 4 (Four) meetings were held on 15.06.2023, 23.08.2023, 16.12.2023 and 26.03.2024.

Details of meetings attended by the members are given below:

S. No.	Committee Members	Category	Number of Committee meetings attended during Financial Year 2023-24	
			Held	Attended
1.	Mr. Ritesh Aggarwal	Chairman	4	4
2.	Ms. Gurpreet Kaur	Member	4	4
3.	Mr. Tushar Choudhary	Member	4	4
4.	Mr. Harmohan Kumar Arora	External Member	2	2

Grievance Redressal Committee

In terms of the Fair Practice Code, issued by the Reserve Bank of India on July 16, 2020, Company has a Grievance Redressal Mechanism in place to ensure prompt redressal of grievances.

To establish a more structured grievance redressal mechanism aiming to provide a meaningful review process and a dedicated forum for addressing the concerns/ grievances of all Stakeholders of the Company, Grievance Redressal Committee was constituted on November 16, 2023.

As on March 31, 2024, Grievance Redressal Committee comprises of 3 (Three) members i.e., Mr. Mayank Dinesh Shah, Non-Executive (Professional) Director, Ms. Gurpreet Kaur, Executive cum Whole Time Director and Mr. Tushar Choudhary, the Chief Investment Financial Officer. During the financial year 2023-24, 2 (Two) meetings were held on 18.11.2023 and 30.03.2024.

Details of meetings attended by the members are given below:

S. No.	Committee Members	Category	Number of Committee meetings attended during Financial Year 2023-24	
			Held	Attended
1.	Mr. Mayank Dinesh Shah	Chairman	2	2
2.	Ms. Gurpreet Kaur	Member	2	2
3.	Mr. Tushar Choudhary	Member	2	2

ANNUAL GENERAL MEETING (AGM)

The 16th Annual General Meeting of the Company was held at Corporate Office: 1304/1304A, Chiranjeev Tower, 43, Nehru Place, New Delhi-110019 on the following date, time and place:

Annual General Meeting	Year	Venue	Day and Date	Time
16 th	2023-24	Corporate Office: 1304/1304A, Chiranjeev Tower, 43, Nehru Place, New Delhi-110019	Saturday, September 30, 2023	11:30 A.M.

EXTRAORDINARY GENERAL MEETING (EGM)

The 17th Extraordinary General Meeting of the Company was held at Corporate Office: 1304/1304A, Chiranjeev Tower, 43, Nehru Place, New Delhi-110019 on the following date, time and place:

Extraordinary General Meeting	Year	Venue	Day and Date	Time
17 th	2023-24	Corporate Office: 1304/1304A, Chiranjeev Tower, 43, Nehru Place, New Delhi-110019	Monday, February 05, 2024	11:30 A.M.

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

Sd/-
(Dhan Raj)
Director
DIN: 08262126

Sd/-
(Gurpreet Kaur)
Executive Director
DIN: 08821946

Date: August 31, 2024

Place: Kazakhstan

Investor Correspondence

Company Secretary
UV Asset Reconstruction Company Limited

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

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

Phone: 011-41038918, Fax: 011-40501824

Email: uvarcl@gmail.com

Annexure-II

Iqneet Kaur & Co
Office No. 328, 3rd Floor,
Vardhman Premium Mall,
Near Deepali Chowk, PitamPura Delhi-110034
(M): 9873497856

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED - MARCH 31, 2024
(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of
the Companies (Appointment and Remuneration Personnel) Rules, 2014)

To,
The Members,
UV Asset Reconstruction Company Limited
704, 7th Floor, Deepali Building,
92 Nehru Place, New Delhi – 110019

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to Good Corporate Practices by **UV ASSET RECONSTRUCTION COMPANY LIMITED (CIN : U74900DL2007PLC167329)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms And Returns filed and other records maintained by the Company and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the Audit period covering the Financial Year ended March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and compliance mechanism in place to extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, Minute Books, Forms And Returns filed and other records maintained by **(UV ASSET RECONSTRUCTION COMPANY LIMITED) (CIN: U74900DL2007PLC167329)** for the Financial Year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act,

-
- 2002 (SARFAESI), as amended, and the Rules framed, Circulars, Notifications and Guidelines issued thereunder, to the extent applicable to the Company;
- (vi) Circulars, Notifications, Directions and Guidelines issued by Reserve Bank of India to the extent applicable to the Company;
- (vii) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2015;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (viii) OTHER APPLICABLE ACTS,
- (a) Payment of Wages Act, 1936, and rules made thereunder,
 - (b) The Minimum Wages Act, 1948, and rules made thereunder,
 - (c) Employees' State Insurance Act, 1948, and rules made thereunder,
 - (d) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made thereunder,
 - (e) Maternity Benefit Act, 1961
 - (f) The State Shops & Establishment Act
 - (g) The payment of Bonus Act, 1965
- (ix) Secretarial Standards issued by the Institute of Company Secretaries of India.

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the Agenda items before the Meeting and for meaningful participation at the Meeting.

Majority decision is carried through while the dissenting Members' views are captured and recorded as part of the Minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with Applicable Laws, Rules, Regulations and Guidelines.

We further report that during the audit period, the Company has allotted 80,000 (Eighty Thousand) Series A 0.01% Compulsorily Convertible Preference Shares ("Series A 0.01% CCPS) having a face value of Rs.1,000/- per share fully paid through Private Placement on a Preferential Basis on March 28,2024.

We further report that during the audit period, there was no other event/action having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For Iqneet Kaur & Co.

**Sd/-
Iqneet Kaur
FCS No.7669
COP No : 7085**

**Place: Delhi
Date: July 27, 2024**

UDIN No. F007669F000971863

Note: This report is to be read with our letter of even date which is annexed as '**ANNEXURE A**' and forms an integral part of this report.

Iqneet Kaur & Co
Office No. 328, 3rd Floor,
Vardhman Premium Mall,
Near Deepali Chowk, PitamPura Delhi-110034
(M): 9873497856

"ANNEXURE A"

To,

The Members,
UV ASSET RECONSTRUCTION COMPANY LIMITED
704, 7th Floor, Deepali Building,
92 Nehru Place, New Delhi – 110019

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of Financial records and Books of Accounts of the Company.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The Certification of Forms by us is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Iqneet Kaur & Co.

Sd/-
Iqneet Kaur
FCS No.7669
COP No.: 7085

Place: Delhi
Date: July 27, 2024

UDIN No. F007669F000971863



J.P., KAPUR & UBERAI
CHARTERED ACCOUNTANTS

LOWER GROUND FLOOR
C-4/5, SAFDARJUNG DEVELOPMENT AREA
NEW DELHI -110016
PHONES: 49562700
(20 lines)
E-MAIL: info@jpku.com

INDEPENDENT AUDITOR'S REPORT

To the Members of UV Asset Reconstruction Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **UV Asset Reconstruction Company Limited** (the "Company"), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss and the Cash Flow Statement for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended (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 31 March 2024, its profit, and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No	Key Audit Matter	Auditor's Response
1	<p>Valuation of Investments in Security Receipts:</p> <p>The Company has net investment in SRs through various trusts amounting to Rs 8,93,270.33 thousand, as disclosed in the financial statements.</p> <p>The management has involved SEBI registered credit rating agencies for valuation of SR.</p> <p>Reserve Bank of India has specified that an ARC should carry minimum provision as identified by the credit rating agencies.</p> <p>Considering the fair valuation of investments is significant to overall financial statements and any error in the estimate could lead to material misstatement in the financial statements.</p> <p>Refer note no. 8 to the financial statements.</p>	<p>Our audit procedures included:</p> <p>An assessment of internal controls adopted by the management in determining fair values.</p> <p>We evaluated rationale of the models and accounting treatment applied.</p> <p>We compared the rating provided by the independent rating agencies.</p> <p>We discussed with management regarding resolution plan of various accounts and the roadmap ahead including additional provision that they have considered against specific accounts and their rationale.</p> <p>We assessed the disclosure related to investments in SR and fair valuation included in these financial statements.</p>
2	<p>Revenue Recognition:</p> <p>Trusteeship Fee, resolution agency fees, Recovery incentive and other operative incomes are the most significant account balances in the Statement of Profit and Loss.</p> <p>Key aspects relating to timing and recognition of revenue in respect of these are set out below:</p> <p>The calculation of investment management fees, is a percentage of NAV based on Assets Under Management ('AUM') of the funds managed by the Company, in accordance with guidelines prescribed under RBI regulations, as amended from time to time.</p> <p>Trusteeship Fee are recognised as per the provisions of the relevant trust deeds/offer documents on receipt basis. These are calculated on NAV determined on the basis of percentage of the Assets Under Management ('AUM') of the funds managed by the Company and ratings provided by credit rating agencies periodically.</p>	<p>Our audit procedures included:</p> <p>Understanding and evaluation of design and implementation of key controls in place around recognition of various fees charged by the company;</p> <p>Test checked management review controls over recognition of resolution agency fee, Trusteeship Fee, Recovery incentive etc.</p> <p>Substantive tests: Obtained credit rating certificates to check ratings provided by agency to arrive at AUM and NAV of same, subsequently reconciled various fee amounts included in the financial statements;</p> <p>Test checked Fee rates from the Trust deeds/ offer documents as agreed amongst the parties;</p> <p>Test checked Income invoices and reconciled with the accounting records; Evaluated the adequacy of disclosures relating to the Income earned by the Company.</p>

	Refer note no. 15 to the financial statements.	
3	<p>Litigations:</p> <p>The Company operates in an industry, which is heavily regulated by RBI, SARFAESI Act etc., which increases inherent litigation risk of the company. The Company is engaged in a number of legal cases.</p> <p>Refer note no. 22.11 to the financial statements.</p>	<p>Our audit procedure included:</p> <p>We evaluated and tested the design and operating effectiveness of the Company's controls with respect to determination of provisions to ensure that they operate effectively.</p> <p>We examined correspondence in respect of these cases and interacted with legal team and top management of the company.</p> <p>We read summary on litigation matters provided by the management and its legal counsels with respect to the matters included in the summary.</p>

Information Other than the Financial Statements and Auditors Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include financial statements, and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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.

In preparing the financial statements, management is responsible for assessing the Company's ability

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 and 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 31 March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2024 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) In our opinion and to the best of our information and according to the explanations given to us, we report that the remuneration paid by the company to its director is in accordance with the provisions of Section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 22.11 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The company has declared and paid dividend on preference shares during the year under Section 123 of the Act.
 - vi. Based on our examination on test check basis, as mandated by notification dated

24.03.2021 issued by the Ministry of Corporate Affairs, the company has used accounting software for maintaining its books of accounts for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility, which was enabled on 4 April, 2023 and operated thereafter throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with.

For J. P., Kapur & Uberai
Chartered Accountants
Firm Registration Number: 000593N

Sd/-
(Vinay Jain)
Partner
Membership Number : 095187
UDIN: 24095187BKDGRP9685

Place: New Delhi
Date: 7 June, 2024

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we report that:

- i.
 - (a) The Company has maintained proper records showing full particulars including quantitative details of property, plant & equipment.
 - (b) The company has maintained proper records showing full particulars of intangible assets.
 - (c) As explained to us and based on our examination of records, the Company has a regular programme of physical verification of property, plant & equipment (PPE). Discrepancies noticed on verification between physical assets and book records were not material, necessary entries for which has already been accounted for in the financial statements. In our opinion, the frequency of verification of the PPE is reasonable having regard to the size of the Company and the nature of its assets.
 - (d) As explained to us and based on our examination of records, the company does not hold any immovable properties. Accordingly, paragraph 3(i)(c) of the Order is not applicable to the Company.
 - (e) As explained to us and based on our examination of records, the company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
 - (f) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii.
 - (a) The company is an Asset Reconstruction Company and does not have any physical inventories. Accordingly, reporting on clause 3 (ii) (a) of the order is not applicable to the company.
 - (b) In our opinion and according to the information and explanations given to us, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and the monthly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- iii. The Company is registered under section 3 of 'Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002' (SARFAESI Act) under the RBI regulation, as an 'Asset Reconstruction Company'. During the year, the Company has made investments in Security Receipts and granted advances in the nature of loans to the various trusts managed by it / where it is a trustee. The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year.

- (a) During the year the company has not provided any loans or provided any advances in the nature of loans, to any party. Accordingly, reporting on paragraphs 3(iii)(a), 3(iii)(c), 3(iii)(d), 3(iii)(e), and 3(iii)(f) of the Order is not applicable to the Company.
- (b) The Company has not provided any guarantee or given any security during the year. The Investment made are not prima facie, prejudicial to the interest of the Company.
- iv. According to the information and explanation given to us, and the books of accounts and records examined by us in the normal course of audit, we state that the company has not granted any loan, made any investment or provided any guarantee or security as specified under provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security. Accordingly, reporting on paragraph 3(iv) of the Order is not applicable to the Company.
- v. According to the information and explanation given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits from the public during the year and does not have any unclaimed deposits, as at March 31, 2024. Accordingly, reporting on paragraph 3(v) of the Order is not applicable to the Company.
- vi. According to the information and explanation given to us, the maintenance of cost records has not been specified by the Central Government for the business activities carried by the company, under section 148 (1) (d) of the Act. Accordingly, reporting on paragraph 3(vi) of the Order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, professional tax, income-tax, sales tax, goods & services tax, value added tax, cess and other material statutory dues have generally been deposited regularly during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance, excise duty and customs duty. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, goods & services tax, cess and other material statutory dues were in arrears as at 31st March 2024 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material dues of income-tax, provident fund, goods & services tax, cess which have not been deposited with the appropriate authorities on account of any dispute except details mentioned below in tabulated form, which have not been deposited as on 31st March 2024, on account of disputes:

Nature of statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount (Rs. in thousands)
The Income Tax Act, 1961	Income Tax	Deputy Director of Income tax, CPC, Bengaluru	Assessment Year 2023-24	78,550.87

- viii. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix.
- (a) In our opinion and according to the information and explanation given to us by the management, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Accordingly, reporting on paragraph 3(ix)(a) of the Order is not applicable to the Company.
 - (b) According to the information and explanations given to us by the management, the company has not been declared as wilful defaulter by any bank or financial institution or other lender. Accordingly, reporting on paragraph 3(ix)(b) of the Order is not applicable to the Company.
 - (c) On an overall examination of the financial statements of the Company and according to the information and explanations given to us by the management, the company has not applied or availed any term loans during the year. Accordingly, reporting on paragraph 3(ix)(c) of the Order is not applicable to the Company.
 - (d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
 - (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, as company does not have any subsidiary.
 - (f) On an overall examination of the financial statements of the Company, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x.
- (a) The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) or term loans. Accordingly, paragraph 3(x)(a) of the Order is not applicable to the Company.
 - (b) During the year, the company has made allotment of shares by way of private placement on a preferential basis, as per the provision of the act. However, the company has not made any allotment or private placement of convertible debentures (fully, partially or optionally convertible) during the year.
- xi.
- (a) According to the information and explanations given to us, the company has not come across any other case of fraud on or by the Company involving its management or employees who have significant roles in internal control, or fraud involving others that could have a material effect on the financial information presented in the financial statements
 - (b) No report under sub-section (12) of section 143 of the Companies Act, 2013, has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

- (c) According to the information and explanations given to us, the company has not received any whistle blower complaints during the year (and up to the date of this report). Accordingly, paragraph 3(xi)(c) of the Order is not applicable to the company.
- xii. The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with provisions of section 177 and 188 of the Companies Act, 2013, wherever applicable, all transactions with related parties and the details of related party have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv.
- (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, internal audit reports for the year under audit, issued to the Company, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion and according to the information and explanations given to us, during the year the company has not entered into any non-cash transactions with Directors or persons connected to its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi.
- (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting on paragraph 3(xvi)(a) and (b) of the Order is not applicable to the Company.
- (b) In our opinion, and according to the information and explanations given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, reporting on paragraph 3(xvi)(d) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting on clause 3(xvi) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. Statutory auditors of the Company have not resigned during the year. Accordingly, reporting on paragraph 3(xviii) of the Order is not applicable to the company.
- xix. On the basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when

they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx.

- (a) According to the information and explanations given to us, the provision of sub-sections (5) and (6) of section 135 of the Act are not applicable to the company. Accordingly, reporting on paragraph 3(xx) (a) & 3(xx) (b) of the Order is not applicable to the Company.

For J. P., Kapur & Uberai
Chartered Accountants
Firm Registration Number: 000593N

Sd/-

(Vinay Jain)

Partner

Membership Number : 095187

UDIN: 24095187BKDGRP9685

Place: New Delhi

Date: 7 June, 2024

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of the **UV Asset Reconstruction Company Limited** ("the Company") as of 31 March, 2024 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 Board of Directors of the Company 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 respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 internal financial controls system over financial reporting of the Company.

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 the 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 the 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 to the best of our information and according to the explanations given to us, 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, 2024, 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 J. P., Kapur & Uberai
Chartered Accountants
Firm Registration Number: 000593N

Sd/-
(Vinay Jain)
Partner
Membership Number : 095187
UDIN: 24095187BKDGRP9685

Place: New Delhi
Date: 7 June, 2024

UV ASSET RECONSTRUCTION COMPANY LIMITED

Balance Sheet as at 31st March, 2024

(All Amounts are in (₹ '000), unless otherwise specified)

	Note No.	As at 31 st March, 2024	As at 31 st March, 2023
I. EQUITY AND LIABILITIES			
1) Shareholder's Funds			
a) Share capital	1	6,96,700.00	6,16,700.00
b) Reserves and surplus	2	14,52,956.15	8,35,167.08
		21,49,656.15	14,51,867.08
2) Non Current Liabilities			
a) Long Term Borrowings	3	-	7,67,093.86
		-	7,67,093.86
3) Current Liabilities			
a) Short Term Borrowings	3	-	2,91,579.16
b) Trade Payables			
Total outstanding due to Micro and Small Enterprises	4	2,457.83	480.73
Dues to parties other than Micro and Small Enterprises		1,561.11	903.65
c) Other Current Liabilities	5	1,04,748.10	2,19,873.84
d) Short-term Provisions	6	324.00	11,901.97
		1,09,091.05	5,24,739.34
TOTAL		22,58,747.20	27,43,700.29
II. ASSETS			
1) Non-current assets			
a) Property, Plant and Equipment and Intangible Assets	7		
(i) Property, Plant & Equipment	(a)	21,548.81	4,670.77
(ii) Intangible Assets	(b)	516.00	780.29
		22,064.81	5,451.06
b) Non-Current Investment	8	8,96,311.38	15,69,714.70
c) Deferred Tax Assets (Net)	9	78,164.69	1,35,045.23
d) Long-term loans and advances	10	92,963.38	1,94,457.58
e) Other non-current assets	11	1,633.30	1,01,246.48
		10,91,137.55	20,05,915.05
2) Current assets			
a) Current Investments	8	1,02,906.11	5,15,170.69

	Note No.	As at 31 st March, 2024	As at 31 st March, 2023
b) Trade Receivables	12	-	2,419.00
c) Cash & Cash Equivalents	13	9,36,456.96	1,85,113.29
d) Short-term loans and advances	10	-	-
e) Other current assets	14	1,28,246.58	35,082.26
		11,67,609.65	7,37,785.24
TOTAL		22,58,747.20	27,43,700.29

Significant accounting policies 21

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For UV Asset Reconstruction Company Limited

AUDITORS' REPORT

As per our separate report of even date

For J.P., Kapur & Uberai
Chartered Accountants
Firm Registration Number: 000593N

Sd/-
(P. P. Naolekar)
Chairperson
DIN: 02654305

Sd/-
(Dhan Raj)
Director
DIN: 08262126

Sd/-
(Vinay Jain)
Partner
Membership No. 095187

Sd/-
(Ritesh Aggarwal)
Executive Director & CFO
DIN: 07671600

Sd/-
(Gurpreet Kaur)
Executive Director
DIN: 08821946

Sd/-
(Daljeet Kaur)
Company Secretary
M.No.: A66266

Place: New Delhi
Date: 07.06.2024

UV ASSET RECONSTRUCTION COMPANY LIMITED
Statement of Profit & Loss for the period ended on 31st March, 2024
(All Amounts are in (₹ '000), unless otherwise specified)

	Note No.	For the year ended on	
		31 st March, 2024	31 st March, 2023
I INCOME			
Revenue from Operations	15	15,14,941.73	5,24,207.37
Other Income	16	2,83,424.79	38,180.01
Total Income		17,98,366.52	5,62,387.38
II EXPENDITURE			
Employee Benefit Expenses	17	43,339.55	36,257.20
Finance Cost	18	79,491.75	1,71,754.89
Depreciation & amortisation	7	2,230.44	1,867.65
Other expenses	19	7,93,201.59	3,28,453.29
Total Expenses		9,18,263.32	5,38,333.04
III PROFIT/(LOSS) BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX		8,80,103.20	24,054.34
EXCEPTIONAL ITEMS		-	-
IV PROFIT/(LOSS) BEFORE EXTRAORDINARY ITEMS AND TAX		8,80,103.20	24,054.34
EXTRAORDINARY ITEMS	20	(135.27)	999.75
V PROFIT/(LOSS) BEFORE TAX		8,80,238.47	23,054.59
VI TAX EXPENSE			
a) Current taxes		2,06,804.00	68,910.00
b) Previous year tax adjustment		(1,235.15)	7,204.03
c) Deferred taxes		56,880.55	(75,973.41)
VII PROFIT/(LOSS) AFTER TAX		6,17,789.07	22,913.97
VIII EARNINGS PER SHARE - BASIC AND DILUTED			
Basic		14.70	0.55
Diluted		14.23	0.53

Significant Accounting Policies

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Notes to accounts

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For UV Asset Reconstruction Company Limited

AUDITORS' REPORT

As per our separate report of even date

For J.P., Kapur & Uberai
Chartered Accountants
Firm Registration Number: 000593N

Sd/-
(P. P. Naolekar)
Chairperson
DIN: 02654305

Sd/-
(Dhan Raj)
Director
DIN: 08262126

Sd/-
(Vinay Jain)
Partner
Membership No. 095187

Sd/-
(Ritesh Aggarwal)
Executive Director & CFO
DIN: 07671600

Sd/-
(Gurpreet Kaur)
Executive Director
DIN: 08821946

Sd/-
(Daljeet Kaur)
Company Secretary
M.No.: A66266

Place: New Delhi

Date: 07.06.2024

UV ASSET RECONSTRUCTION COMPANY LIMITED
Cash Flow Statement for the year ended on 31st March, 2024
(All Amounts are in (₹ '000), unless otherwise specified)

	For the year ended on	
	31 st March, 2024	31 st March, 2023
Cash Flow From Operating Activities		
Net Profit/(loss) before tax	8,80,238.47	23,054.59
Adjustment for :-		
Depreciation and Amortization	2,230.44	1,867.65
Provision for Diminishing in Value of Investment / NPAs	90,911.78	2,35,832.58
Provision no longer required written back	(2,69,766.97)	(26,046.20)
Interest Income	(12,788.82)	(10,627.08)
Interest Expense	71,977.55	1,64,487.03
Excess depreciation written back	(135.53)	-
Loss/(Profit) on sale of Fixed Assets	0.26	-
Invocation of BCL shares pledged	-	(1,05,947.15)
Fixed Assets written off	-	429.87
Operating profit/(loss) before working capital changes	7,62,667.18	2,83,051.29
Adjustment for changes in working capital:		
Increase/(Decrease) in Short-term Provisions	99.00	90.00
Increase/(Decrease) in Trade Payables	2,634.57	(405.18)
Increase/(Decrease) in Other Current Liabilities	(1,15,125.74)	4,004.57
(Increase)/Decrease in Trade Receivables	2,419.00	2,890.13
(Increase)/Decrease in Long term Loans & Advances (Financial Assets)	1,20,799.74	(3,542.46)
(Increase)/Decrease in Short term Loans & Advances (Financial Assets)	-	19,879.90
(Increase)/Decrease in Other Non Current Assets	99,613.18	718.30
(Increase)/Decrease in Other Current Assets	(3,016.71)	6,04,732.66
Net cash flow generated from/(Used in) Operating Activities	8,70,090.22	9,11,419.21
Less : Income tax paid	3,07,393.44	23,005.45
Net cash flow from/(Used in) Operating Activities (A)	5,62,696.78	8,88,413.77
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(18,711.01)	(411.64)
Sale of Fixed Assets	2.10	-
Interest received	12,788.82	10,627.08
Net (Investment)/ Redemption of Security Receipts in UVARCL Trusts	12,45,217.55	(1,52,193.26)
Net cash flow generated from/(Used in) Investing Activities (B)	12,39,297.45	(1,41,977.83)
Cash Flow from Financing Activities		
Proceeds from issue of Preference Share Capital	80,000.00	-
Interest paid	(71,977.55)	(1,64,487.03)
Investment in Fixed Deposits	1,53,303.13	(2,662.23)
Repayment of Non Convertible Debentures	-	(3,02,940.30)
Share application money	(0.61)	(4.55)
Preference Dividend paid	-	(9.90)
Repayment of Borrowings	(10,58,673.02)	(2,77,585.14)
Proceeds from Borrowings	-	615.90

	For the year ended on	
	31 st March, 2024	31 st March, 2023
Net cash flow generated from/(Used in) Financing Activities (C)	(8,97,348.05)	(7,47,073.25)
Net Increase/(Decrease) in Cash & Cash Equivalents during the year (A+B+C)	9,04,646.19	(637.31)
Cash & Cash Equivalent (Opening)	579.43	1,216.73
Cash & Cash Equivalent (Closing)	9,05,225.62	579.43
Cash & Cash Equivalent (Note No.13)	9,36,456.96	1,85,113.29
Less:- Fixed Deposit having original maturity of more than 3 months	28,151.18	1,81,454.31
Less:- Unclaimed Dividend lying with Bank	3,075.00	3,075.00
Less:- Balance lying in Share application money account	5.16	4.55
	9,05,225.62	579.43

Note:

1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard-3 on Cash Flow Statements issued by the The Institute of Chartered Accountants of India.
2. Figures in bracket represent outgo.

For UV Asset Reconstruction Company Limited

AUDITORS' REPORT

As per our separate report of even date

For J.P., Kapur & Uberai
Chartered Accountants
Firm Registration Number: 000593N

Sd/-
(P. P. Naolekar)
 Chairperson
DIN: 02654305

Sd/-
(Dhan Raj)
 Director
DIN: 08262126

Sd/-
(Vinay Jain)
 Partner
Membership No. 095187

Sd/-
(Ritesh Aggarwal)
 Executive Director & CFO
DIN: 07671600

Sd/-
(Gurpreet Kaur)
 Executive Director
DIN: 08821946

Sd/-
(Daljeet Kaur)
 Company Secretary
M.No.: A66266

Place: New Delhi
Date: 07.06.2024

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
(All Amounts are in (₹ '000), unless otherwise specified)

Note No. '1'

SHARE CAPITAL

	As at 31 st March, 2024		As at 31 st March, 2023	
	Number	Rs.	Number	Rs.
(a) Authorised				
Equity shares of Rs. 10 each	5,00,00,000	5,00,000	5,00,00,000	5,00,000
Compulsory Convertible				
Preference Shares of Rs. 1000 each	7,50,000	7,50,000	2,00,000	2,00,000
(b) Issued, Subscribed and Fully Paid up Equity Shares				
	4,20,25,000	4,20,250	4,20,25,000	4,20,250
TOTAL	4,20,25,000	4,20,250	4,20,25,000	4,20,250

(i) 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.

During the year ended 31st March 2024, the amount of dividend paid/payable to equity share holders is NIL (31st March 2023 - NIL).

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

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	Number	Rs.	Number	Rs.
Equity Shares with voting rights				
Shares Outstanding at the beginning of the year	4,20,25,000	4,20,250	4,20,25,000	4,20,250
Shares issued during the year	-	-	-	-
Shares Outstanding at the end of the year	4,20,25,000	4,20,250	4,20,25,000	4,20,250

(iii) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	No. of Shares held	% holding	No. of Shares held	% holding
Mr. Pramod Sharma	1,37,99,750	32.84	1,37,99,750	32.84
White Lotus Investments Pvt. Ltd.	41,75,000	9.93	41,75,000	9.93
Sanmati Trading and Investment Ltd.	35,00,000	8.33	35,00,000	8.33
Anubhav Buildtech Pvt. Ltd.	35,00,000	8.33	35,00,000	8.33
Anubhav Securities Pvt. Ltd.	35,00,000	8.33	35,00,000	8.33
Kurral Infrastructure Pvt. Ltd.	41,75,000	9.93	41,75,000	9.93
	3,26,49,750	77.69	3,26,49,750	77.69

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
(All Amounts are in (₹ '000), unless otherwise specified)

(iv) Disclosure pursuant to above shares held by promoters

Particulars	As at 31 st March, 2024		As at 31 st March, 2023		% change during the year
	No. of Shares held	% holding	No. of Shares held	% holding	
Mr. Pramod Sharma	1,37,99,750	32.84%	1,37,99,750	32.84%	-
	1,37,99,750	32.84%	1,37,99,750	32.84%	-

PREFERENCE SHARE CAPITAL	As at 31 st March, 2024		As at 31 st March, 2023	
	Number	Rs.	Number	Rs.
(a) Issued, Subscribed and Fully Paid up (0.01% CCPS)	1,96,450	1,96,450	1,96,450	1,96,450
(b) Issued, Subscribed and Fully Paid up ("Series A 0.01% CCPS")	80,000	80,000	-	-
TOTAL	2,76,450	2,76,450	1,96,450	1,96,450

0.01% Compulsory Convertible Preference Share

(i) Terms/rights attached to Compulsory Convertible preference shares

- The Company has preference shares i.e Compulsory Convertible Preference Share (CCPS) having a face value of Rs. 1000/- per share.
- For the year ended 31st March 2022, the amount of proposed dividend to Compulsory Convertible preference share holders is Rs. 9.82 (amount in thousands).
- The CCPS shall convert into equity shares of the company at the end of 119 months from the date of issuance i.e 29.09.2021 or upon compulsory pre-conversion whichever is earlier, the CCPS shall be liable to be compulsory
- The CCPS shall be converted at such a price such that post conversion, the CCPS holders shall together hold 3% (three percent) in the post-conversion paid up equity capital of the Company, or such other percentage as may be
- The CCPS shall be eligible to dividend at 0.01% per annum. The CCPS shall not carry any voting rights.

(ii) Reconciliation of the number of Compulsory Convertible Preference shares and amount outstanding at the beginning and at the end of the year.

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	Number	Rs.	Number	Rs.
Compulsory Convertible Preference shares				
Shares Outstanding at the beginning of the year	1,96,450	1,96,450	1,96,450	1,96,450
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	1,96,450	1,96,450	1,96,450	1,96,450

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
(All Amounts are in (₹ '000), unless otherwise specified)

(iii) Details of shares held by each shareholder holding more than 5% shares

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	No. of Shares held	% holding	No. of Shares held	% holding
Abhi Paisa Investment Pvt. Ltd.	1,96,450	100.00%	1,96,450	100.00%
	1,96,450		1,96,450	

Compulsory Convertible Preference shares { ("Series A 0.01% CCPS")}

(i) Terms/rights attached to Compulsory Convertible preference shares {("Series A 0.01% CCPS")}

- The Company has preference shares i.e. Series A 0.01% CCPS having a face value of Rs. 1000/- per share.
- The Series A 0.01% CCPS shall convert into equity shares of the Company at the end of 119 months from the date of issuance i.e 28.03.2024 or upon compulsory pre-conversion whichever is earlier, the CCPS shall be liable to be compulsory converted into equity shares upon failure of the company to pay dividend for a period of any 2(two) consecutive years. Series A 0.01% CCPS holders will have the right to receive 4(Four) equity shares against 1(one) CCPS.
- The CCPS shall be converted at such a price such that post conversion, the Series A 0.01% CCPS holders shall not hold more than 5% in the post-conversion paid up equity capital of the Company, and aggregate holding of such holder (i.e., existing equity plus post conversion equity) shall be less than 10% of the total paid-up equity capital of the Company.
- The CCPS shall be eligible to dividend at 0.01% per annum. The CCPS shall not carry any voting rights.

(ii) Reconciliation of the number of Compulsory Convertible Preference shares and amount outstanding at the beginning and at the end of the year.

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	Number	Rs.	Number	Rs.
Compulsory Convertible Preference shares				
Shares Outstanding at the beginning of the year	-	-	-	-
Shares issued during the year	80,000	80,000	-	-
Shares outstanding at the end of the year	80,000	80,000	-	-

(iii) Details of shares held by each shareholder holding more than 5% shares

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	No. of Shares held	% holding	No. of Shares held	% holding
Hawk Capital Pvt. Ltd.	80,000	100.00%	-	-
Total	80,000		-	-

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
(All Amounts are in (₹ '000), unless otherwise specified)

Note No.'2'

RESERVES AND SURPLUS

	As at 31 st March, 2024	As at 31 st March, 2023
General Reserve Account		
Opening Balance	44,139.56	44,139.56
Addition during the period	-	-
	<u>44,139.56</u>	<u>44,139.56</u>
Share Premium Account		
Opening Balance	7,95,750.00	7,95,750.00
Addition during the period	-	-
	<u>7,95,750.00</u>	<u>7,95,750.00</u>
Profit and Loss Account		
Opening Balance	(4,722.48)	(27,636.46)
Add: Profit/(loss) for the period	6,17,789.07	22,913.97
Less : Appropriations		
Transfer to General reserve	-	-
Total Appropriations	-	-
	<u>6,13,066.59</u>	<u>(4,722.48)</u>
TOTAL	<u>14,52,956.15</u>	<u>8,35,167.08</u>

Note No. '3'

LONG TERM & SHORT TERM BORROWINGS

	Non Current Liabilities		Current Liabilities	
	As at 31 st March, 2024	As at 31 st March, 2023	As at 31 st March, 2024	As at 31 st March, 2023
Secured Loans:				
- Overdraft facility				
:- from Punjab National Bank	-	5,68,415.78	-	1,41,959.96
:- from Central Bank of India	-	1,98,678.08	-	49,619.19
Unsecured Loans:				
- Inter Corporate Deposit	-	-	-	1,00,000.00
TOTAL	-	<u>7,67,093.86</u>	-	<u>2,91,579.16</u>

Notes:-

- Total Overdraft facility of Rs. 100 Crores has been sanctioned i.e. Rs. 75 Crores from Punjab National Bank, Rs. 25 Crores from Central Bank of India .
- Rate of Interest of PNB, CBI is MCLR plus 3.50% i.e. 12.10% p.a. , MCLR plus 2.15% i.e. 12.10% p.a. respectively.
- Overdraft facility from Banks is against 1st parri passu charge by way of hypothecation of entire receivables/claims (NPA's), Investments in Security Receipts stated in Para b of Note no. 8 & personal Guarantee of Mr. Pramod Sharma.
- Bifurcation of Secured Loans as Non- current Liabilities and Current Liabilities is as per the nature of Non- current Assets and Current Assets for which the loan is utilized.

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
(All Amounts are in (₹ '000), unless otherwise specified)

Note No. '4'
TRADE PAYABLE

	As at 31st March, 2024	As at 31st March, 2023
Dues to Micro & Small Enterprises	2,457.83	480.73
Dues to parties other than Micro & Small Enterprises	1,561.11	903.65
TOTAL	4,018.94	1,384.37

Trade payables ageing schedule

Particulars	Outstanding for following periods from due date of payment					As at March 31, 2024
	Unbilled*	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Trade payable to Micro and Small Enterprises	-	2,457.83	-	-	-	2,457.83
Trade payable other than Micro and Small Enterprises	-	1,278.61	150.00	132.50	-	1,561.11
Trade payable to Micro and Small Enterprises - Disputed	-	-	-	-	-	-
Trade payable other than Micro and Small Enterprises - Disputed	-	-	-	-	-	-
Total	-	3,736.44	150.00	132.50	-	4,018.94

Particulars	Outstanding for following periods from due date of payment					As at March 31, 2023
	Unbilled*	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Trade payable to Micro and Small Enterprises	-	480.73	-	-	-	480.73
Trade payable other than Micro and Small Enterprises	-	703.65	200.00	-	-	903.65
Trade payable to Micro and Small Enterprises - Disputed	-	-	-	-	-	-
Trade payable other than Micro and Small Enterprises - Disputed	-	-	-	-	-	-
Total	-	703.65	200.00	-	-	1,384.37

*Being the amount booked on provisional basis but bill not raised by creditor.

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
(All Amounts are in (₹ '000), unless otherwise specified)

(i) The information regarding dues to Micro and Small Enterprises as required under Micro, Small & Medium Enterprises Development (MSMED) Act, 2006 as on 31st March 2024 & 31st March 2023 is furnished below:

S.NO	Particulars	As at 31.03.2024	As at 31.03.2023
		Rs.	Rs.
(I)	The principal amount and the interest due thereon remaining unpaid to any supplier/ service provider as at 31st March:	-	-
	Principal	2,457.83	186.23
	Interest	95.62	-
(II)	The amount of interest paid/reversed by the buyer in terms of section 16 of the Micro, small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during the year ending 31st March:	-	-
	Principal	-	-
	Interest	-	-
(III)	The amount of Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, small and Medium Enterprises Development Act, 2006;	-	-
(IV)	The amount of Interest accrued and remaining unpaid at the end of the year ending 31st March.	-	-
(V)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, small and Medium Enterprises Development Act, 2006.	-	-

(ii) The information has been given in respect of such service providers to the extent they could be identified as Micro & Small Enterprises on the basis of information available with the Company and have been relied upon by the Auditors.

Note No.'5'

OTHER LIABILITIES

	Non Current Liabilities		Current Liabilities	
	As at 31 st March, 2024	As at 31 st March, 2023	As at 31 st March, 2024	As at 31 st March, 2023
Statutory dues payables	-	-	77,470.68	8,009.17
Expenses Payable	-	-	597.67	3,049.95
Amount Received for Expenses	-	-	-	228.90
Amount Received in advance	-	-	19,907.67	1,50,000.00
Other Payables	-	-	3,697.09	55,510.82
Unclaimed Dividend*	-	-	3,075.00	3,075.00
TOTAL	-	-	1,04,748.10	2,19,873.84

* Unclaimed Dividend is pertaining to F.Y. 2018-19

Note No.'6'

SHORT TERM PROVISIONS

	As at 31 st March, 2024	As at 31 st March, 2023
(a) Others		
- Provision for Income Tax (Rs.Nil, P. Y. Rs.57,233.03)	-	11,676.97
- Provision for Audit fees	324.00	225.00
TOTAL	324.00	11,901.97

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
(All amounts are in (₹ '000), unless otherwise specified)

Note No '7'
Property, Plant & Equipment and Intangible Assets

DESCRIPTION	GROSS BLOCK			DEPRECIATION		NET BLOCK	
	As at 01.04.2023	Additions/ Adjustments during the period	Sales/ Adjustments during the period	Upto 01.04.2023	Additions during the period	Adjustments during the period	As at 31.03.2024
Tangible Assets (A)							
Office Equipment	2,130.73	10.40	-	2,141.13	1,788.90	-	1,935.90
Data Processing Equipment	1,847.17	453.08	(47.30)	2,252.94	1,095.49	(44.94)	1,467.02
Vehicles	4,294.87	17,747.54	-	22,042.41	2,799.79	(114.49)	3,670.18
Furniture & Fixture	4,208.68	500.00	-	4,708.68	2,126.49	(21.05)	2,523.24
T O T A L (A)	12,481.44	18,711.01	(47.30)	31,145.16	7,810.67	(180.47)	9,596.35
Intangible Assets (B)							
Software	1,585.75	-	-	1,585.75	805.46	-	1,069.76
Total (B)	1,585.75	-	-	1,585.75	805.46	-	1,069.76
TOTAL (A+B)	14,067.20	18,711.01	(47.30)	32,730.91	8,616.13	(180.47)	10,666.10
							22,064.81

DESCRIPTION	GROSS BLOCK			DEPRECIATION		NET BLOCK
	As at 01.04.2022	Additions/ Adjustments during the period	Sales/ Adjustments during the period	As at 31.03.2023	Upto 31.03.2022 Additions during the period	Adjustments during the period As at 31.03.2023
<u>Property, Plant & Equipment (A)</u>						
Office Equipments	2,272.75	20.35	(162.37)	2,130.73	1,661.19	283.18
Data Processing Equipments	2,079.84	391.29	(623.97)	1,847.17	1,337.15	358.99
Vehicles	4,374.60	-	(79.73)	4,294.87	2,212.27	519.48
Furniture & Fixtures	4,562.71	-	(354.03)	4,208.68	1,954.42	441.71
TOTAL (A)	13,289.90	411.64	(1,220.10)	12,481.44	7,165.04	(957.73)
<u>Intangible Assets (B)</u>						
Software	2,012.83	-	(427.08)	1,585.75	800.75	264.29
Total (B)	2,012.83	-	(427.08)	1,585.75	800.75	(259.58)
TOTAL (A+B)	15,302.73	411.64	(1,647.17)	14,067.20	7,965.78	1,867.65
						(1,217.31)
						8,616.13
						5,451.06

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
(All Amounts are in (₹ '000), unless otherwise specified)

Note No. '8'

CURRENT & NON-CURRENT INVESTMENTS

Investment in special purpose vehicles (Valued at cost unless stated otherwise) Unquoted security receipts	Non Current Investment		Current Investment	
	As at 31 st March, 2024	As at 31 st March, 2023	As at 31 st March, 2024	As at 31 st March, 2023
(a) Investment in UVARCL-I TRUST- 37,500 (31 st March, 2023-37,500) SRs of Rs. 485.2058/- each	-	-	18,195.22	18,195.22
(b) Investment in UVARCL-III TRUST- Nil (31 st March, 2023- 6,75,000) SRs of Rs. 1,000/- each	-	6,75,000.00	-	-
(c) Investment in UVARCL-VI TRUST- 52,590 (31 st March, 2023- 52,590) SRs of Rs. 1,000/- each	-	52,590.00	52,590.00	-
(d) Investment in UVARCL-VII TRUST- 54,611.263 (31 st March, 2023- 54,611.263) SRs of Rs. 1,000/- each	-	54,611.26	54,611.26	-
(e) Investment in UVARCL-VIII TRUST- 20,250 (31 st March, 2023- 20,250) SRs of Rs. 1,000/- each	-	20,250.00	20,250.00	-
(f) Investment in UVARCL-IX TRUST- 29,925 (31 st March, 2023- 29,925) SRs of Rs. 1,000/- each	29,925.00	29,925.00	-	-
(g) Investment in UVARCL-XIII TRUST- 3,60,000 (31 st March, 2023- 3,60,000) SRs of Rs. 1000/- each	3,60,000.00	-	-	3,60,000.00
(h) Investment in UVARCL- XV TRUST- Nil (31 st March, 2023- 5,58,586.69) SRs of Rs. 1,000/- each	-	4,05,690.41	-	1,52,896.28
(i) Investment in UVARCL- XVI TRUST- 431.92 (31 st March, 2023- 4,357.142) SRs of Rs. 1,000/- each	431.92	4,357.14	-	-
(j) Investment in UVARCL- XVII TRUST- 74,250 (31 st March, 2023- 74,250) SRs of Rs. 1000/- each	74,250.00	74,250.00	-	-
(k) Investment in UVARCL- XIX TRUST- 44,800 (31 st March, 2023- 44,800) SRs of Rs. 1,000/- each	44,800.00	44,800.00	-	-
(l) Investment in UVARCL- XXII TRUST- Nil (31 st March, 2023- 1,93,593.54) SRs of Rs. 1,000/- each	-	1,93,593.35	-	-
(m) Investment in UVARCL- XXIV TRUST- 30,943.19 (31 st March, 2023- 1,06,500) SRs of Rs. 1,000/- each	30,943.19	1,06,500.00	-	-
(n) Investment in UVARCL- XXVII TRUST- Nil (31 st March, 2023- 72,500) SRs of Rs. 1,000/- each	-	72,500.00	-	-

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
(All Amounts are in (₹ '000), unless otherwise specified)

(o)	Investment in UVARCL- XXVIII TRUST- 93,500 (31 st March, 2023- 6,450) SRs of Rs. 1,000/- each	93,500.00	6,450.00	-	-
(p)	Investment in UVARCL- XXIX TRUST- 19,538.27 (31 st March, 2023- Nil) SRs of Rs. 1000/- each	19,538.28	-	-	-
(q)	Investment in UVARCL- XXX TRUST- 60,716.46 (31 st March, 2023- Nil) SRs of Rs. 1,000/- each	60,716.46	-	-	-
(r)	Investment in UVARCL- XXXI TRUST- 80,000 (31 st March, 2023- Nil) SRs of Rs. 1,000/- each	80,000.00	-	-	-
(s)	Investment in UVARCL- XXXII TRUST- 86,639.79 (31 st March, 2023- Nil) SRs of Rs. 1,000/- each	86,639.79	-	-	-
		8,80,744.64	17,40,517.17	1,45,646.48	5,31,091.50
	Less: Provision for Diminishing in Value of Investment	90,380.42	2,72,607.66	42,740.38	15,920.82
		7,90,364.23	14,67,909.51	1,02,906.11	515,170.69
	*Investment in Assets repossessed for Sale (No of Shares- 2,17,99,826 Weighted Average Price of shares- Rs. 4.86). Price as on 31.03.2024- Rs. 6.20 and 31.03.2023 - Rs. 4.67	1,05,947.15	1,05,947.15	-	-
	Less: Provision for Diminution in Value of Investment	-	4,141.97	-	-
	TOTAL	8,96,311.38	15,69,714.70	1,02,906.11	5,15,170.69

a. Burnpur Cement Limited (BCL) is a Non-Performing Asset, which was acquired by our Company on Debt Assignment basis under Section 5 of SARFAESI Act, 2002 from State Bank of India, Central Bank of India and Punjab National Bank and consequently UVARCL became secured creditor of BCL with 100% share in its debt. Pursuant to recovery of our dues, we initiated various recovery proceedings including invocation of pledge of shares by promoters of BCL. Due to the invocation of pledge, UVARCL has acquired shares of BCL and the same is presented as "repossessed assets held for sale", at the fair value of such shares as on the date of invocation of pledge. The objective of the invocation is not to hold the assets as investments, but to sell them and realise the cash flows, hence the said acquisition of shares is a transitory move, and they will eventually be sold.

b. All SR's are pledged except for Trust III, VI, VII, VIII, IX, XXX and XXXII as on 31.03.2024 (PY as on 31.03.2023 Trust X, XII, XVI and XXVI)

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
(All Amounts are in (₹ '000), unless otherwise specified)

Note No. '9'

DEFERRED TAX ASSETS

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 31 st March, 2024	As at 31 st March, 2023
(a) Deferred Tax Assets		
(i) Provisions for NPAs	38,799.59	46,190.90
(ii) Provisions for Diminishing in Value of Investments	38,764.77	88,620.61
(iii) Difference in Net Book Value as per Companies Act, 2013 & Closing WDV as per Income Tax Act, 1961 for PPE	160.93	313.22
(iv) Expenses Disallowed in Income Tax	439.39	21.80
(b) Deferred Tax Liabilities		
(i) Expenses allowed in Income Tax on paid basis	-	101.30
Deferred Tax Assets (net)	78,164.69	1,35,045.23

Note No.'10'

LOANS & ADVANCES

	Non Current Assets		Current Assets	
	As at 31 st March, 2024	31 st March, 2023	As at 31 st March, 2024	31 st March, 2023
Secured, Considered good Financial Asset	92,963.38	92,963.38	-	-
	92,963.38	92,963.38	-	-
Secured, Considered NPA	94,688.66	2,02,988.40	38,551.70	51,051.70
	1,87,652.04	2,95,951.78	38,551.70	51,051.70
Less: Provision for NPAs	94,688.66	1,01,494.20	38,551.70	51,051.70
TOTAL	92,963.38	1,94,457.58	-	-

Note No.'11'

OTHER NON CURRENT ASSETS

	As at 31 st March, 2024	As at 31 st March, 2023
(a) Unsecured, considered good		
Security Deposits	1,633.30	1,246.48
Advance given for Performance Guarantee	-	1,00,000.00
TOTAL	1,633.30	1,01,246.48

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
(All Amounts are in (₹ '000), unless otherwise specified)

Note No. '12'

TRADE RECEIVABLE

	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured ; Considered Good	-	2,419.00
Unsecured ; Considered doubtful	-	-
TOTAL	-	2,419.00

Trade receivables ageing schedule

S. No	Particulars	Outstanding for following periods from due date of payment					As at March 31, 2024
		Less than 6 Months	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	-	-	-	-	-	-
(ii)	Undisputed Trade receivables – considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade receivables – considered good	-	-	-	-	-	-
(iv)	Disputed Trade receivables – considered doubtful	-	-	-	-	-	-
	Less: Provision for doubtful detbs	-	-	-	-	-	-
	Total	-	-	-	-	-	-

Trade receivables ageing schedule

S. No	Particulars	Outstanding for following periods from due date of payment					As at March 31, 2023
		Less than 6 Months	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	2,419.00	-	-	-	-	2,419.00
(ii)	Undisputed Trade receivables – considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade receivables – considered good	-	-	-	-	-	-
(iv)	Disputed Trade receivables – considered doubtful	-	-	-	-	-	-
	Less: Provision for doubtful detbs	-	-	-	-	-	-
	Total	2,419.00	-	-	-	-	2,419.00

Note No.'13'

CASH & CASH EQUIVALENTS

	As at 31 st March, 2024	As at 31 st March, 2023
(a) Cash and cash equivalents		
Cash on hand	512.05	479.43
Balances with banks:		
In current accounts	7,84,252.70	104.55
Fixed deposits with original maturity of less than three months	1,20,466.03	-
(b) Other Bank Balances		
Fixed deposits with original maturity of more than three months but less than 12 months*	28,151.18	1,81,454.31
(c) Earmarked balance with Bank		
In unclaimed Dividend Account**	3,075.00	3,075.00
TOTAL	9,36,456.96	1,85,113.29

* Fixed deposit of Rs. 125.00 Lacs (PY Rs. 125.00 Lacs) is under lien of Central Bank of India, Parliament Street, New Delhi against OD facility availed from them.

** Amount in Unclaimed Dividend Account pertains to F.Y. 2018-19.

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
(All Amounts are in (₹ '000), unless otherwise specified)

Note No. '14'

OTHER CURRENT ASSETS

	As at 31 st March, 2024	As at 31 st March, 2023
Tax deducted at sources (Net of provision for Income tax - Rs.2,06,804.00, P.Y.- Nil)	1,00,141.71	-
Tax Collected at source	241.23	-
Income tax refund recoverable	15,032.45	25,267.77
Input Tax Credit	806.61	1.35
Amount receivable from Trusts	2,105.00	2,431.29
Prepaid Expenses	620.30	1,507.73
Advance to Employees	188.88	206.98
Earnest Money Deposit	300.00	100.00
Security Deposits	151.48	618.30
Other Recoverable	8,658.92	4,948.84
TOTAL	1,28,246.58	35,082.26

Note No. '15'

REVENUE FROM OPERATIONS

	For the year ended on 31 st March, 2024	For the year ended on 31 st March, 2023
Interest income on restructuring	55,816.86	2,44,048.31
Resolution Agency Fee	7,425.00	25,670.65
Recovery Incentive	9,749.97	14,240.11
Trusteeship Fees	4,48,651.94	22,655.46
Profit on Resolution of Financial Assets	7,94,171.37	1,78,391.51
Profit on sale of SRs	1,78,340.05	-
Recovery of expenses from Trust & Other Financial Assets related to P. Y.	20,786.54	39,201.33
TOTAL	15,14,941.73	5,24,207.37

Note No. '16'

OTHER INCOME

	For the year ended on 31 st March, 2024	For the year ended on 31 st March, 2023
(a) Interest on :		
- Deposits with Banks	12,635.29	8,841.13
- Income Tax Refund	153.53	1,785.95
(b) Miscellaneous Income		
- Misc Income	869.01	1,506.73
- Provision no longer required, written back	2,69,766.97	26,046.20
TOTAL	2,83,424.79	38,180.01

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
(All Amounts are in (₹ '000), unless otherwise specified)

Note No.'17'

EMPLOYEE BENEFIT EXPENSES

	For the year ended on 31 st March, 2024	For the year ended on 31 st March, 2023
(a) Salaries, Wages and Allowances	38,977.66	33,310.50
(b) Contribution to Provident and other funds	1,467.68	1,533.06
(c) Staff Welfare expenses	2,894.21	1,413.65
TOTAL	43,339.55	36,257.20

Note No.'18'

FINANCE COSTS

	For the year ended on 31 st March, 2024	For the year ended on 31 st March, 2023
(a) Interest expenses on bank borrowings	43,332.82	1,00,075.37
(b) Interest expenses on ICDs	28,549.11	31,972.94
(c) Interest expenses on NCDs	-	32,438.72
(c) Interest expenses on MSME	95.62	-
(d) Processing fee and Other charges on OD facility	7,514.20	7,267.86
TOTAL	79,491.75	1,71,754.89

Note No.'19'

OTHER EXPENSES

	For the year ended on 31 st March, 2024	For the year ended on 31 st March, 2023
Payment to Auditors		
- Statutory Audit	350.00	250.00
- Other Services	10.00	-
Bank Charges	70.25	93.54
Books & periodicals	22.69	26.62
Business Promotion Expenses	9,088.92	7,592.37
Commission & Brokerage	240.00	-
Consultancy Expenses	8,568.05	4,263.74
Directors sitting Fees	2,355.36	1,415.44
Electricity Expenses	638.97	727.05
Insurance expenses	42.18	136.10
Legal & Professional Expenses	8,062.60	8,421.22
Meeting Expenses	145.63	376.66
Membership & Subscription	357.21	278.41
Repair & Maintenance	995.24	798.49
Postages, Courier & Stamps	76.98	64.33
Printing & Stationery	459.11	508.54
Rates & Taxes	5,711.06	1,289.45
Rent	7,640.30	6,791.65
Software and Website Maintenance Expenses	656.37	675.04
Telephone & Communication Expenses	381.75	377.39
Travelling And Conveyance Expenses	3,847.31	6,206.14
Vehicle Running And Maintenance Expenses	528.56	879.89
Miscellaneous expenses	3,139.98	1,290.81
Dividend	19.65	-
Loss on Resolution of Financial Assets	6,25,146.80	27,984.30

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
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Operative Expenses (Refer Note No. 19.1)	23,734.84	22,173.53
Provision for Npa & Diminution in Value of Investments (Refer Note No. 19.2)	90,911.78	2,35,832.58
TOTAL	7,93,201.59	3,28,453.29

Note No.'19.1'
OPERATIVE EXPENSES

	For the year ended on 31 st March, 2024	For the year ended on 31 st March, 2023
Valuation, Due Diligence & Legal Expenses	56.56	430.00
Travelling Expenses	513.26	710.39
Legal & Professional Expenses-Direct	10,159.94	12,766.01
Insurance Expenses - Direct	450.60	368.13
Security Guard Expenses	3,464.99	2,019.98
Publication Charges	97.20	8.40
Assignment Deed Registration charges	399.59	396.24
Other Direct Expense	8,592.68	5,474.38
TOTAL	23,734.84	22,173.53

Note No. '19.2'
**PROVISION FOR NPA AND DIMINUTION IN VALUE
OF INVESTMENT**

	For the year ended on 31 st March, 2024	For the year ended on 31 st March, 2023
Secured, Considered NPA		
M/s Chandra Proteco Ltd	5,062.50	5,062.50
M/s Majestic Hotels Ltd.	79,834.25	-
M/s DSC	-	1,68,750.00
Rice Mills Basket(UVARCL VII Trust)	-	6,826.41
JR Solvent Industries Pvt Ltd	-	12,500.00
Agro Dutch Industries Ltd	-	38,551.70
M/s Lilliput Kidswear Ltd	2,274.40	-
M/s Malikarjun Agro Plant	3,740.63	-
Value of repossessed Shares - BCL	-	4,141.97
TOTAL	90,911.78	2,35,832.58

The Provision for NPA is as per RBI Circular No. DOR.SIG.FIN.REC 1/26.03.001/2022-23 dated April 01, 2022.

Note No.'20'
EXTRAORDINARY ITEMS

	For the year ended on 31 st March, 2024	For the year ended on 31 st March, 2023
Prior period Expenses	-	-
Excess depreciation written back	(135.53)	999.75
Loss/(Profit) on sale of Fixed Assets	0.26	-
TOTAL	(135.27)	999.75

Note No. -'21'. 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 issued "Certificate of Commencement of Business" on 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 and Reconstruction under the provisions of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) from 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 accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year, unless disclosed in the Notes to Accounts.

In case of any inconsistency with the Accounting Standards, guidelines and directions given by the RBI will prevail.

The financial statements are presented in Indian Rupees rounded off to the nearest thousands.

(ii) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles, RBI guidelines/circulars/notifications requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates..

(iii) Property, Plant and Equipment, Intangible Assets and Depreciation/Amortization / Impairment:

Tangible Property, Plant and Equipment and depreciation

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

The acquisition cost of Property, Plant and Equipment 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.

Impairment

The carrying amount of assets are reviewed at each balance sheet date to consider if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

Depreciation on Property, Plant and Equipment is provided on straight-line method as per useful life prescribed in Schedule II to the Companies Act, 2013.

Residual value of all tangible assets is retained at 5% of Purchase Price.

Intangible assets and Amortization

Intangible assets comprise mostly of computer softwares.

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

Intangible assets are amortised on "Straight Line Method" over their estimated useful lives, which has been considered as 6 years.

Individual categories of assets costing up to Rs. 5,000 each are expensed off in the year of purchase.

(iv) Revenue recognition

Revenue of the Company is derived by way of interest charged to the borrowers, Trusteeship Fees, processing fees, Resolution Agency fee, Recovery Incentive, Profit on sale of Assets and interest income on Bank deposits etc. As a prudent measure and considering the inbuilt uncertainty in company's line of business, income (other than interest on Bank deposits and Dividend income) is recognized on actual realization.

Interest Income on Bank deposits is recognized on accrual basis.

Dividend income is recognized when the right to receive dividend is established.

In Case of Financial Assets acquired in Trust on 100% SR Basis, Income attributable to trust will be transferred to Company (SR Holder).

Policy on income from SR - Trusteeship fees are recognized as per the provisions of the relevant Trust deed/offer document on actual receipt basis. Trusteeship fees have been calculated and charged as percentage (%) specified in offer document of Net Asset Value (NAV) of SRs.

(v) 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 are recognised and carried forward only to the extent that there is a reasonable certainty that the assets can be realised in the future.

(vi) Earning Per Share

EPS is calculated by dividing net profit or loss for the period attributable to equity shareholders by weighted average no. of equity shares outstanding during the period.

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

(vii) Leases

Operating Lease

Leases where the lessor effectively retains substantially all the risk and benefits of ownership of the leased asset are classified as operating leases. Operating lease payments are recognized as an expense in the profit and loss account on a straight line basis over the lease period.

(viii) Employee Benefits

Provident Fund

The Company's contribution to government provident fund is considered as defined contribution plan and is charged as an expense based on the amount of the contribution required to be made and when services are rendered by the employees. The Company has no further obligation.

Defined Benefit Plan

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.

The Company provides for gratuity, a defined benefit plan, which defines an amount of benefit that an employee will receive on separation from the Company, usually dependent on

one or more factors such as age, years of service and remuneration. The liability recognized in the balance sheet for defined benefit plan is the present value of the defined benefit obligation('DBO') at the balance sheet date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The present value of DBO is calculated annually by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of Profit and Loss in the year in which such gains or losses arise.

Compensated absences

The company has a policy of providing compensated absences under which un-availed leaves are allowed to be accumulated and availed in future, however the leaves cannot be encashed.

(ix) Operating Cycle

Operating cycle is the realization period of the investments, which considers the realization period provided under the guidelines issued by the Reserve Bank of India and resolution plan formulated by the management subject to period of five years, extendable up to eight years. Investments that are realizable within 12 months are classified as current investments.

(x) Investments

Investment in security receipts are classified as available for sale.

Investment in SRs are aggregated for the purpose of arriving at net depreciation / appreciation of investment under the category. Net depreciation if any should be provided for, net appreciation if any should be ignored.

Initial contribution towards trusts fund is valued at cost less diminution other than temporary.

(xi) Cash and cash equivalents


Cash and cash equivalents for the purpose of cash flow statement comprises cash at bank and in hand, cheques in hand and short-term investment in fixed deposits with an original maturity of 3 Months or less.

(xii) Foreign Exchange Transactions

Transactions denominated in foreign currency are recorded at standard rates that approximate the actual rate on the date of the transactions. Foreign Currency monetary items outstanding at year end are reported using the closing rate and the resultant gain/loss taken to statement of Profit and Loss. Any exchange differences arising on settlement are dealt within the statement of Profit and Loss.

(xiii) Provisions and contingencies

The company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may but probably will not require an outflow



of resources. Disclosure is also made in respect of a present obligation that probably requires an outflow of resources, where it is not possible to make a reliable estimate of the related outflow. When there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
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Note '22.1': The accounting ratios required under Schedule III of the Companies Act, 2013 given as follows:

S. No	Ratio	Numerator/ Denominator	For the year ended 31st March 2024	For the year ended 31st March 2023	Variance (in %)
1	Current ratio ¹	Total current assets/ Total current liabilities	10.70	1.41	661.24%
2	Debt-equity ratio	Total Debt/ Shareholder's equity	NA	0.73	0.00%
3	Debt service coverage ratio ²	Net profit after tax (excluding Other Comprehensive Income)+ Depreciation & amortizations +Interest on loans+Loss on sale of PPE/Total amount of interest & principle repayments of loan payable or paid during the period	NA	0.85	0.00%
4	Return on equity ratio ³	Net profit after tax*100/ Shareholder's equity	28.74%	1.58%	1720.95%
5	Inventory turnover ratio	Cost of goods sold/ (Opening inventory+closing inventory)/2	NA	NA	NA
6	Trade Recievable turnover Ratio ⁴	Net Sales/Avg Trade Receivables	313.13	0.05	634467.94%
7	Trade payables turnover ratio	Total Purchases/ Average Account Payables (Opening+Closing)/2	NA	NA	NA
8	Net Capital turnover ratio ⁵	Total Net Revenue from operations/ Working capital (Current Assets-Current liabilities)	1.43	2.46	-41.83%
9	Net Profit ratio ⁶	Net Profit after tax*100/ Net Revenue from operations	40.78%	4.37%	832.93%
10	Return on capital employed	Earning Before interest and Tax/ Capital Employed (Tangible Net worth+ Total Debt+ Deferred tax liability)	46.41%	28.28%	64.10%
11	Return on Investment ⁷	Net Operating Income(EBIT)/ Average Operating Assets (Current Assets)	138.71%	23.00%	503.13%

Explanation for change in the ratio by more than 25% as compared to preceding year

1. Current ratio increased due to decrease in Current liabilities and increase in Profit.
2. Debt service coverage ratio is Nil as there are no future debt obligation.
3. Return on equity ratio increased due to increase in Profit after tax.
4. Trade Recievable turnover Ratio increased due to increase in Operating revenue.
5. Net Capital turnover ratio decreased due to increase in Working Capital.
6. Net Profit ratio increased due to increase in Net Profit after tax.
7. Return on Investment increased due to increase in operating revenue.

Note No. '22.2' Other information

- (i) The Company does not have any immovable property in its own name.
- (ii) The Company has not granted any Loans or Advances to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person
- (iii) The Company does not have any Intangible assets under development.
- (iv) The Company has used borrowings from banks and financial institutions for the purchase of NPA and to meet working capital requirement.
- (v) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (vi) The Company did not have any transactions with Companies struck off.

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
(All Amounts are in (₹ '000), unless otherwise specified)

- (vii) The Company does not have any charges or satisfaction of charge which is yet to be registered with ROC beyond the statutory period for the Financial year 2023-24.
- (viii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year 2023-24.
- (ix) The Company has not advanced or loaned or invested funds with any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (x) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (xi) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (xii) The Company has not been declared willful defaulter by any bank or financial Institution or other lender.
- (xiii) The Company does not have any Scheme of Arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- (xiv) The Company has complied with the the number of layers prescribed under of Section 2(87) of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
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Note No. 22.3: Earnings per share

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Net Profit after Tax (Rs.)	6,17,789.07	22,913.97
Weighted average number of equity shares outstanding during the year	4,20,25,000	4,20,25,000
Nominal value of the share (Rs)	10	10
Effect of dilution:		
Compulsory Convertible preference shares	13,78,647	13,75,150
Weighted-average number of equity shares used to compute diluted earning per share	4,34,03,647	4,34,00,150
Basic earnings per share (Rs.)	14.70	0.55
Diluted EPS	14.23	0.53

Note No. 22.4: Leasing Arrangements:

The Company has entered into operating lease arrangement of office space for following:

1. Registered office at 704, Deepali Building No. 92, Nehru Place New Delhi -110019 for 6 years w.e.f. *April 2021 to March 2027*;
2. Corporate Office-I (1304, 13th Floor Chiranjiv Tower, Building No. 43, Nehru Place, New Delhi -110019) for 3 years w.e.f. *September 2023 to August 2026*;
3. Corporate Office-II (1303, 13th Floor Chiranjiv Tower, Building No. 43, Nehru Place, New Delhi -110019) for 3 years w.e.f. *June 2021 to May 2024*;
4. Corporate Office-III (1305, 13th Floor Chiranjiv Tower, Building No. 43, Nehru Place, New Delhi -110019) for 3 years w.e.f. *October 2023 to September 2026*;
5. Mumbai office (Old Office) - *August 2019 to August 2023*;
6. Mumbai Office (New Address) (9th floor, B Wing, Plot No. C70, G-Block, Bandra Kurla Complex, Mumbai-400051 for 2 years w.e.f. *December 2023 to November 2025*

Lease payments charged during the year to the statement of Profit and Loss amounts to Rs.7,640.30 (Previous year Rs. 6,791.64).

Disclosure in respect of Company's operating lease arrangements entered into by the company, under Accounting Standard (AS-19) "Leases" issued by the Institute of Chartered Accountants of India.

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
(All Amounts are in (₹ '000), unless otherwise specified)

The year wise breakup of future minimum lease payments (MLP) in respect of leased premises is as under:

Particulars	31 March, 2024	31 March, 2023
Operating lease payments recognized during the year	6,966.65	6,401.40
Total Future minimum lease payments as at 31 March 2024	14,738.90	5,532.80
Not later than 1 Year	6,815.00	5,532.80
Later than 1 year but not later than 5 year	7,923.90	-
Later than 5 years	-	-

*Figures shown under MLP disclosures are exclusive of GST.

Note No. 22.5: Related party disclosures

(i) Related parties and nature of relationship with whom transactions have taken place during the current and previous year:	
(a)Key Managerial personnel	Mr. Ritesh Aggarwal, Executive Cum Whole Time Director & CFO Ms. Gurpreet Kaur, Executive Cum Whole Time Director Ms. Daljeet Kaur, Company Secretary w.e.f 30.03.2023
(b) Related Parties	Mr. Pramod Sharma (having substantial interest in the company) Hawk Capital Pvt Ltd.

Enterprises over which any person in (a) & (b) above exercises significant influence

Sr. No	Name of Companies	Relation
1.	UV Strategic Advisers Private Limited	Shareholder holds substantial interest
2.	UV Stressed Assets Management Private Limited	Shareholder holds substantial interest
3.	UV Venture Capital Fund Private Limited	Shareholder holds substantial interest
4.	UV Foods Pvt Ltd.	Shareholder holds substantial interest
5.	UV Mines and Energy Pvt Ltd	Shareholder holds substantial interest
6.	UV Global and Media Ltd	Shareholder holds substantial interest
7.	UV Housing Finance Ltd	Shareholder holds substantial interest
8.	UV Stressed Assets Management Private Limited	KMP holds substantial interest
9.	Hawk Capital Private Limited	Shareholder holds substantial interest

UV Asset Reconstruction Company Limited
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Transactions with Key Managerial Personnel:

Type of Transaction	2023-24			2022-23			
	Key Managerial Personnel			Key Managerial Personnel			
	Mr. Ritesh Aggarwal	Ms. Gurpreet Kaur	Ms. Daljeet Kaur	Mr. Ritesh Aggarwal	Ms. Gurpreet Kaur	Mr. Shubham Bansal	Ms. Daljeet Kaur
	WTD & CFO	WTD	CS	WTD & CFO	WTD	CS	CS
Managerial Remuneration	12,598.56	3,467.62	939.20	10,701.62	2,977.10	1,372.27	3.10
Reimbursement of Expenses	1,179.22	421.13	18.84	1,286.61	303.00	17.17	27.67

Transactions with Related Parties:

Type of Transaction	2023-24				2022-23			
	Related Parties				Related Parties			
	Mr. Pramod Sharma	Hawk Capital Private Limited			Mr. Pramod Sharma	Hawk Capital Private Limited		
Consultancy Fees	7,100.00	-			3,600.00	-		
Rent Paid	744.00	-			744.00	-		
Interest paid on loan	-	2,726.32			-	3,426.86		
Loan Received	-	1,03,350.00			-	3,94,300.00		
Loan Repaid	-	1,03,350.00			-	3,94,300.00		
Preference shares issued (80,000 shares)	-	80,000.00			-	-		

Outstanding Balances of Related Parties and KMPs as at year end 31.03.2024:

Outstanding Balances	As on 31.03.2024			As on 31.03.2023		
	Related Parties		KMP	Related Parties		KMP
	Mr. Pramod Sharma	Hawk Capital Private Limited	Mr. Ritesh Aggarwal	Mr. Pramod Sharma	Hawk Capital Private Limited	Mr. Ritesh Aggarwal
Rent Due	-	-	-	-	-	-
Advance Receivable	-	-	-	-	-	98.10

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
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Note No. 22.6: There is no disclosure as required by sub-section 4 of section 186 of the Companies Act, 2013 during the Financial Year 2023-24.

Note No. 22.7: These financial statements have been prepared in the format prescribed under Schedule III to the Companies Act, 2013. Previous year figures have been regrouped/restated to confirm with the classification of the current year.

Note No. 22.8: The Security Receipts issued by the Trusts which are managed by the Company as managing trustee are being rated by Credit Rating Agencies in accordance with the guidelines issued by the Reserve Bank of India for credit rating of SRs' of Trusts.

Note No. 22.9: Employee benefits:

The Company has a defined benefit gratuity plan, every employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972.

The following table summarizes the components of net benefit expenses recognized in the statement of profit and loss and amounts recognized in the balance sheet:

Actuarial assumptions provided by the company and employed for the calculations are tabulated:

	From : 01-04-2023 to: 31-03-2024	From : 01-04-2022 to: 31-03-2023
Discount rate	7.25 % per annum	7.50 % per annum
Salary Growth Rate	5.00 % per annum	5.00 % per annum
Mortality	IALM 2012-14	IALM 2012-14
Expected rate of return	-	-
Withdrawal rate (Per Annum)	5.00% p.a.	5.00% p.a.

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
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Changes in Present Value of Obligations:

Period	From : 01-04-2023 to: 31-03-2024	From : 01-04-2022 to: 31-03-2023
Present value of the obligation at the beginning of the period	2,769.81	1,608.77
Interest cost	207.74	120.66
Current service cost	461.71	501.63
Past Service Cost	-	-
Benefits paid (if any)	(135.54)	(500.77)
Actuarial (gain)/loss	(11.00)	1,039.52
Present value of the obligation at the end of the period	3,292.71	2,769.81

Expenses recognized in the statement of Profit and Loss:

Period	01-04-2023 to 31-03-2024	01-04-2022 to 31-03-2023
Interest cost	207.74	120.66
Current service cost	461.71	501.63
Past Service Cost	-	-
Expected return on plan asset	-	-
Net actuarial (gain)/loss recognized in the period	(11.00)	1,039.52
Expenses to be recognized in P&L	658.44	1,661.81

Experience adjustment:

Period	01-04-2023 to 31-03-2024	01-04-2022 to 31-03-2023
Experience Adjustment (Gain) / loss for Plan liabilities	(92.98)	1,039.52
Experience Adjustment Gain / (loss) for Plan assets	-	-

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
(All Amounts are in (₹ '000), unless otherwise specified)

Reconciliation of liability in balance sheet

Period	01-04-2023 to 31-03-2024	01-04-2022 to 31-03-2023
Opening gross defined benefit liability/ (asset)	2,769.81	1,608.77
Expenses to be recognized in P&L	658.44	1,661.81
Benefits paid (if any)	(135.54)	(500.77)
Closing gross defined benefit liability/ (asset)	3,292.71	2,769.81

Note No. 22.10: Expenditure and Earning in Foreign Currency.

Particulars	FY 2023-24	FY 2022-23
Expenditure in Foreign Currency	UAE Dirhams 3000 SGD 1286 EUROS 2400	UAE Dirhams 20000 USD 3000 -
Earning in Foreign Currency	Nil	Nil

Note No. 22.11: Contingent Liability as on March 31, 2024.

Particulars	F.Y 2023-24	F.Y 2022-23
Claims against the company not acknowledged as debt (Stamp duty demand cases pending with Hon'ble High Court, Allahabad for getting this liability quashed)	Rs. 32,378.40	Rs. 32,378.40
Bank Guarantee/Performance Guarantee	Rs. 1,12,000.00	Rs. 3,62,000.00
Income Tax disputed liability	Rs. 78,550.87	-

Note No. 22.12: Expenditure towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 (read with Schedule VII thereof)
(a) Gross Amount required to be spent by the Company during the year- Rs. Nil (Previous Year – Nil)
(b) Amount spent and paid during the year by way of donations to charitable trusts- Rs. Nil (Previous Year – Rs. Nil)

Note No. 22.13: Segment Reporting- The Company has single reportable segment viz,

UV Asset Reconstruction Company Limited

Notes Forming part of the Financial Statements

(All Amounts are in (₹ '000), unless otherwise specified)

'Securitization and Reconstruction of Financial Assets' for the purposes of Accounting Standard 17 as 'Segment reporting' and a single geographical segment viz, India.

Note No. 22.14: Additional disclosure

In compliance with RBI guidelines following additional disclosures are made:

- (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 till 31st March 2024.

Name of the selling bank/ financial institutions	Address of Banks/ FIs Head Offices	Acquisition Price as on 31 st March, 2023	Acquisition during the year	Acquisition Price as on 31 st March, 2024
Sponsors				
Central Bank of India *	Chandermukhi, Nariman Point, Mumbai – 400021	57,000.00	Nil	57,000.00
Sponsors Total		57,000.00	Nil	57,000.00
Non-Sponsors				
Punjab National Bank	7, Bhikaji Cama Place, New Delhi	2,65,229.00	Nil	2,65,229.00
IDBI Bank	IDBI Tower, WTC Complex, Cuffe Parade, Mumbai- 400005	3,08,964.00	Nil	3,08,964.00
The administrator of the Specified Undertaking of the Unit Trust of India	UTI Tower, GN Block, Bandra, Kurla Complex, Bandra (East), Mumbai- 400051	6,170.77	Nil	6,170.77
Vijaya Bank	Vijaya Bank, 41/2, Trinity Circle, M. G. Road, Bangalore -560001	42,392.14	Nil	42,392.14
Indian Overseas Bank	763, Anna Salai, Chennai- 600002	11,180.00	Nil	11,180.00
IFCI Ltd.	61, IFCI Tower, Nehru Place, New Delhi-110019	6,02,630.75	14,00,000.00	20,02,630.75
Karnataka Bank	Karnataka Bank Limited, Mahaveera Circle, Kankanady, Mangaluru, Karnataka - 575 002.	9,500.00	Nil	9,500.00
State Bank of India	Corporate Centre, Madam Cama Road, Nariman Point, Mumbai-400021	13,13,913.02	4,50,000.00	17,63,913.02
Bank Of Baroda	Baroda Corporate Centre, Plot No. C -26, G -Block, Bandra Kurla Complex, Bandra (East), Mumbai- 400051	1,29,500.00	Nil	1,29,500.00

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
(All Amounts are in (₹ '000), unless otherwise specified)

Union Bank of India	239, Union Bank Bhavan,, Vidhan Bhavan Marg, Nariman Point Mumbai-400 021	38,900.00	Nil	38,900.00
Axis Bank	Axis Bank Limited, 'TRISHUL' 3 rd floor, Opp. Samartheshwar Temple, Nr. Law Garden, Ellisbridge, Ahmadabad-380006	2,05,000.00	Nil	2,05,000.00
Allahabad Bank	N.S. Road, Kolkata-700001	3,11,400.00	Nil	3,11,400.00
State Bank of Patiala	Commercial Branch, Atlanta, Ist Floor, Jamnalal Bajaj Marg, Nariman Point, Mumbai- v 400021	43,550.00	Nil	43,550.00
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	4,23,000.00	Nil	4,23,000.00
SIDBI	Ground Floor, Videocon Tower, E-1 Rani Jhansi Road, Jhandewalan Extension, New Delhi-110055.	52,500.00	Nil	52,500.00
SREI	SREI Infrastructure Finance Limited 'Vishwakarma' 86C, Topsia Road (South) Kolkata-700046	83,33,000.00	Nil	83,33,000.00
Andhra Bank	Head office, Dr. Pattabhi Bhawan, S-9-11, Saifabad, Hyderabad-500004.	2,60,000.00	Nil	2,60,000.00
United Bank of India	Head office, 11 Hemanta Basu Salani, Kolkata-700001.	12,36,800.00	Nil	12,36,800.00
TFCI	Tower I, 4 th Floor, NBCC Plaza, Pushp Vihar, Sector-5, Saket, New Delhi-110017.	1,02,314.48	Nil	1,02,314.48
RBL	Ist Lane, Shahpuri, Kohlapur-416001, Maharashtra.	4,08,640.00	Nil	4,08,640.00
Central Bank of India	Chandermukhi, Nariman Point, Mumbai – 400021	2,22,500.00	Nil	2,22,500.00
Centrum Financial services Ltd	Centrum House, CST Road, Vidyanagri Marg, Kalina, Santacruz(E), Mumbai-400098	1,04,200.00	Nil	1,04,200.00

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
(All Amounts are in (₹ '000), unless otherwise specified)

Indiabulls Housing Finance Ltd	M-62, 63 First Floor, Connaught New Delhi-110001	1,10,000.00	Nil	1,10,000.00
ICICI Bank Ltd	ICICI Bank Tower, Near Chakli Circle, Old Padra Road, Vadodara Gujrat-390007	2,65,000.00	Nil	2,65,000.00
Yes Bank Ltd	4 th Floor, Max Tower, Sector- 16B, Noida, Uttar Pradesh-201301	7,10,000.00	Nil	7,10,000.00
The South Indian Bank Ltd.	804-B, Parinee Crescenzo, G Block, Bandra Kurla Complex, Bandra(East) Mumbai-400051	33,563.38	Nil	33,563.38
JM Financial ARC Ltd	7 th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi Mumbai-400025	29,00,000.00	Nil	29,00,000.00
Asset Reconstruction Company India Limited	10th Floor, The Ruby, 29 Senapati Bapat Marg, Dadar (West) Mumbai 400028	Nil	8,02,000.00	8,02,000.00
Non Sponsors Total		1,84,49,847.54	26,52,000.00	2,11,01,847.54
Grand Total		1,85,06,847.54	26,52,000.00	2,11,58,847.54

Note: - * Central Bank of India was the sponsor at the time of acquisition but now is not a sponsor.
Note: Company additionally lent Rs. 1,27,703.61 to borrowers as reconstruction loan up to 31st March, 2024. Thus, the amount of asset acquired and additional exposure till 31st March, 2024 is Rs. 2,12,86,551.15/-.

(ii) Segregation of financial assets industry-wise and sponsor wise till 31.03.2024.

Industry	Acquisition Price as on 31 st March, 2023		Acquisition during the year		Acquisition Price as on 31 st March, 2024	
	Amount	% to total	Amount	% to total	Amount	% to total
Textile	4,57,692.38	2.47%	-	-	4,57,692.38	2.16%
Auto & Ancillary	1,77,316.33	0.96%	-	-	1,77,316.33	0.84%
Consumer Products	3,89,972.14	2.11%	-	-	3,89,972.14	1.84%
Engineering	14,663.02	0.08%	-	-	14,663.02	0.07%
Animal Husbandry	88,000.00	0.48%	-	-	88,000.00	0.42%
Food Processing	8,19,240.00	4.43%	-	-	8,19,240.00	3.87%
Oil Extraction	2,81,300.00	1.52%	-	-	2,81,300.00	1.33%
Readymade Garments	2,60,000.00	1.40%	-	-	2,60,000.00	1.23%

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
(All Amounts are in (₹ '000), unless otherwise specified)

Steels	28,80,200.00	15.56%	-	-	28,80,200.00	13.61%
Infrastructure	52,65,000.00	28.45%	17,20,000.00	64.86%	69,85,000.00	33.01%
Power	2,09,000.00	1.13%	-	-	2,09,000.00	0.99%
Education	55,200.00	0.30%	-	-	55,200.00	0.26%
Hospitality	38,84,063.66	20.99%	8,02,000.00	30.24%	46,86,063.66	22.15%
Cold Storage	3,50,600.00	1.89%	-	-	3,50,600.00	1.66%
Industrial Products	1,35,000.00	0.73%	-	-	1,35,000.00	0.64%
Chemicals	1,91,800.00	1.04%	-	-	1,91,800.00	0.91%
Media	14,10,000.00	7.62%	-	-	14,10,000.00	6.66%
Cement	9,18,500.00	4.96%	-	-	9,18,500.00	4.34%
Packing	1,15,500.00	0.62%	-	-	1,15,500.00	0.55%
NBFC	59,400.00	0.32%	-	-	59,400.00	0.28%
Health	-	-	1,30,000.00	4.90%	1,30,000.00	0.61%
Others	5,44,400.00	2.94%	-	-	5,44,400.00	2.57%
Total	1,85,06,847.54	100.00%	26,52,000.00	100.00%	2,11,58,847.54	100.00%

(iii) Details of Related Parties, as per Accounting Standard and guidance notes issued by ICAI, has been mentioned under Note No.22.5. Further nothing is due from any related parties as on 31st March,2024.

(iv) Statement of migration of financial assets from Standard to Non-Performing Assets.

Particulars	2023-24	2022-23
Opening Balance	Rs. 2,54,040.01	Rs. 2,12,868.30
Add: migration of financial assets from Standard to Non-Performing Assets during the year	-	Rs.61,051.70
Less: Non-Performing Assets resolved during the year	Rs. 1,06,494.20	Rs.19,879.90
Closing Balance	Rs. 1,47,545.81	Rs. 2,54,040.01

(v) 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.

(vi) The capital adequacy ratio (CRAR) as on 31.03.2024 is 152.83% and as on 31.03.2023 is 50.28%.

(vii) The Company has acquired no financial asset wherein the acquisition value of the assets is more than the book value in F.Y 2023-24.

(viii) The Company has not engaged any outsourced agency that is owned or controlled by a director of the ARC.

(ix) Company had Submitted Resolution plans for Aircel Ltd. along with two subsidiaries under Corporate Insolvency Resolution Process of IBC, 2016. The Resolution plans of Aircel entities

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
(All Amounts are in (₹ '000), unless otherwise specified)

were approved by its Committee of Creditors, National Company Law Tribunal. However, the plans have not been implemented yet for pending legal proceedings.

- (x) The Details of assets where the value of the SRs declined more than 20% below the Acquisition Value are -

S. No	Name of Trust	Total SR value as at 31 March, 2024	Total SR value (after declining) as at 31 March, 2024	Company Share	Net Asset Value
1.	UVARCL-VIII Trust	1,35,000.00	16,875.00	2,531.25	12.50%

- (xi) Ind As is not applicable to the Company, therefore following figures are nil.

Sr. No.	Parameters	As at the end of current year	As at the end of previous year
A	Outstanding amount of unrealized management fee	Nil	Nil
	Out of the above, amount outstanding for:	Nil	Nil
B	(a) Amounts where the net asset value of the security receipts has fallen below 50% of the face value	Nil	Nil
C	(b) Other amounts unrealised for: (i) More than 180 days but up to 1 year (ii) More than 1 year but up to 3 years (iii) More than 3 years	Nil	Nil
D.	Allowances held for unrealised management fee (on B and C)	Nil	Nil
E.	Net unrealised management fee (B+C-D)	Nil	Nil

- (xii) Details of assets disposed of (either by write off or by realization) during the year at a discount of more than 20% of valuation as on previous year end and reasons thereof:

- (a) SRs of UVARCL- VIII Trust disposed off during the year at a discount of more than 20% of SR valuation as on previous year end, recovery in the account was through assignment of Debt to another ARCs.

UV Asset Reconstruction Company Limited
Notes Forming part of the Financial Statements
(All Amounts are in (₹ '000), unless otherwise specified)

(xiii) Additional disclosure as per RBI Notification No. DNBS.PD (SC/RC). 8/CGM (ASR) dated April 21, 2010:

Sr.no	Particulars	31.3.2024	31.3.2023
		Amount	Amount
1(a)	Value of financial assets acquired during the financial year in the books of the trust		
	(a) In its own books	-	2,61,563.38
	(b) In the books of Trust	26,52,000.00	40,76,000.00
		26,52,000.00	43,37,563.38
2	Value of financial assets realized during the financial year	98,19,054.29	11,18,840.26
3	Value of financial assets outstanding for realization as at the end of the financial year	61,30,401.69	1,32,97,455.98
4	Value of Security Receipts redeemed partially during the financial year	19,27,927.46	1,19,087.92
5	Value of Security Receipts redeemed fully during the financial year	36,52,180.05	5,47,055.46
6	Value of Security Receipts pending for redemption as at the end of the financial year	59,42,749.65	1,30,01,504.19
7	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 Asset Reconstruction company under Paragraph 6(C)(ii) or 6(C)(iii)	42,38,946.78	1,23,744.35
8	Value of land and/or building acquired in ordinary course of business of reconstruction of assets	Nil	Nil

For J.P., Kapur & Uberai
Chartered Accountants
Firm Registration Number: 000593N

Sd/-
(Vinay Jain)
Partner
Membership No. 095187

For UV Asset Reconstruction Company Limited

Sd/-
(P. P. Naolekar)
Chairperson
DIN: 02654305

Sd/-
(Dhan Raj)
Director
DIN: 08262126

Sd/-
(Ritesh Aggarwal)
Executive Director & CFO
DIN: 07671600

Sd/-
(Gurpreet Kaur)
Executive Director
DIN: 08821946

Sd/-
(Daljeet Kaur)
Company Secretary
M.No.: A66266

Place: New Delhi
Date: 07.06.2024



UV Asset Reconstruction Company Limited

"Restoring NPAs Back to Health"

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

Tel. : +91-11-41055576, 41038818, Fax: 011-40501824 | Email : uvarcl@gmail.com | Website: www.uvarcl.com

CIN (Corporate Identity Number) : U74900DL2007PLC167329

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. / DP ID /Client ID No:

I/We, being the member(s) of 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 17th Annual General Meeting of the Company, to be held on **Monday, September 30, 2024 at 11:30 A.M. at Corporate Office: 1304/ 1304A, Chiranjeev Tower, 43, Nehru Place, New Delhi-110019** and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No:	Resolutions
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2024 together with the Reports of the Board of Directors and the Auditors thereon.
2.	To declare dividend on Preference shares of the Company for the financial year ended March 31, 2024.
3.	Appointment of Mr. Mayank Dinesh Shah (DIN: 08492618) as a Non-Executive (Professional) Director of the Company.
4.	To re-appoint Mr. Kishore Kumar Sansi (DIN: 07183950) as an Independent Director of the Company for a second consecutive term.

Signed this..... day of2024

Affix
Revenue
Stamp
Re.1

Signature of Member

Signature of Proxy holder(s)

Note: 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.



UV Asset Reconstruction Company Limited

"Restoring NPAs Back to Health"

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CIN (Corporate Identity Number) : U74900DL2007PLC167329

ATTENDANCE SLIP

Name of the Company: UV Asset Reconstruction Company Limited

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

CIN: U74900DL2007PLC167329

Email: uvarcl@gmail.com

Telephone: 011-41038918, 011-41055576

Website: www.uvarcl.com

Folio No. / DP ID /Client ID No.:

Name of First named Member/Proxy/

Authorised Representative:

Name of Joint Member(s), if any:

No. of Shares held:

I/we certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I/we hereby record my/our presence at the 17th Annual General Meeting of the Company being held on **Monday, September 30, 2024** at **11:30 A.M.** at **Corporate Office: 1304/ 1304A Chiranjeev Tower, 43, Nehru Place, New Delhi-110019.**

Signature of First holder/Proxy/Authorised Representative:

Signature of 1st Joint holder:

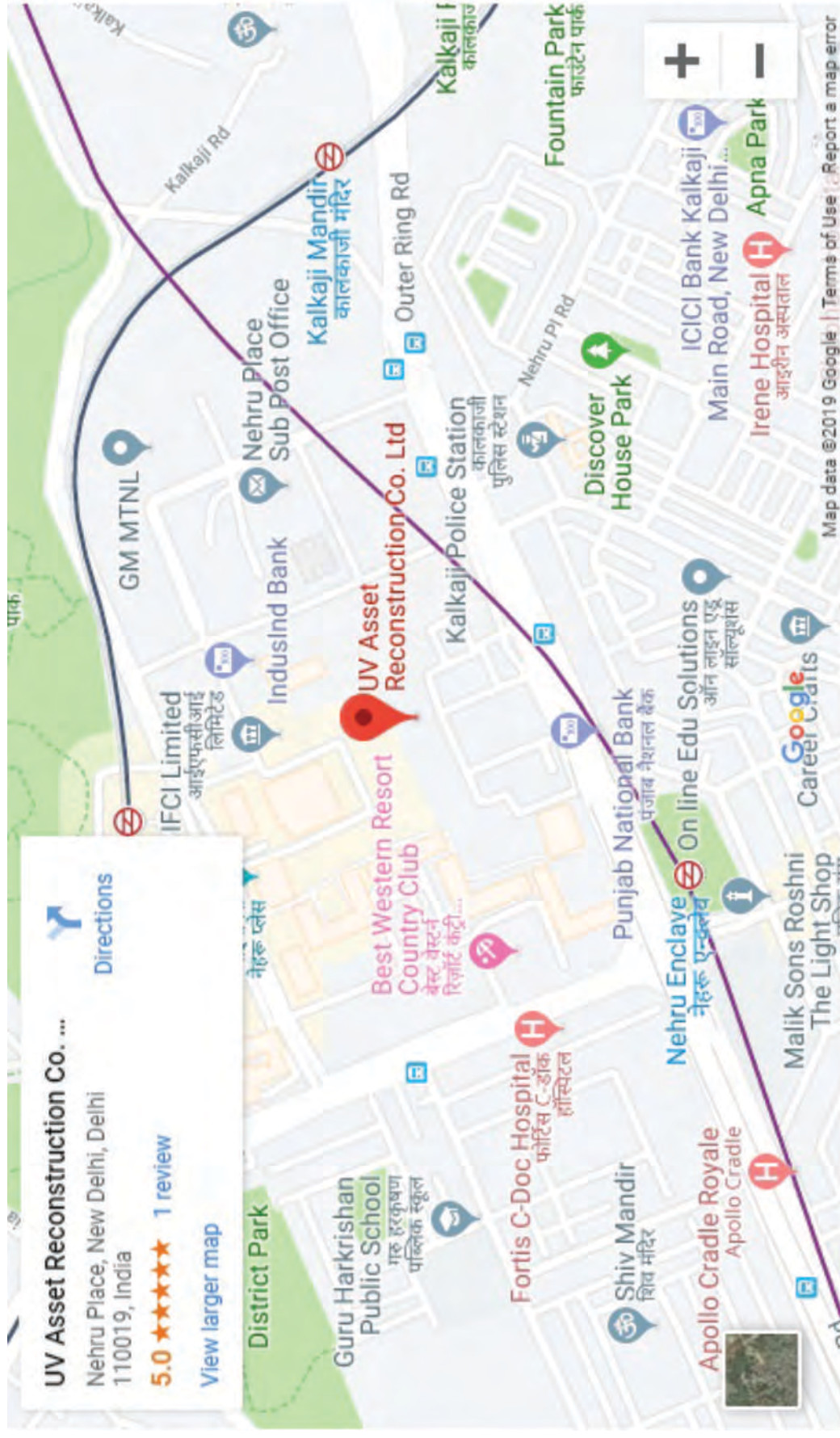
Signature of 2nd Joint holder:

Notes:

1. Please sign this attendance slip and hand it over at the Attendance Verification Counter at the MEETING VENUE.

2. Only shareholders of the Company and/or their Proxy will be allowed to attend the Meeting.

ROUTE MAP





UV ASSET RECONSTRUCTION
COMPANY LIMITED

"Restoring NPAs back to health"

ANNUAL REPORT

2023-24

CIN : U74900DL2007PLC167329

Email: uvarcl@gmail.com

CONTACT US

Registered Office

704, Deepali Building, 92
Nehru Place, New Delhi-110019
Tel: 011- 2648 2050

Corporate Office

1304/1304A, 13th Floor
Chiranjiv Tower-43
Nehru Place, New Delhi-110019
Tel: 011- 4105 5576, 4103 8818

Mumbai Office

915-D, B Wing
The Capital, C-70, G- Block, B.K.C.
Bandra (E), Mumbai- 400051
Tel: 022-3512 0375, 3501 4602