



**UV ASSET RECONSTRUCTION COMPANY LIMITED**



**RESTORING NPA's**

Back to **HEALTH**

**ANNUAL REPORT  
2017-18**



**Late Mr. P. J. Vincent**

Chairman of UV Asset Reconstruction Company Limited

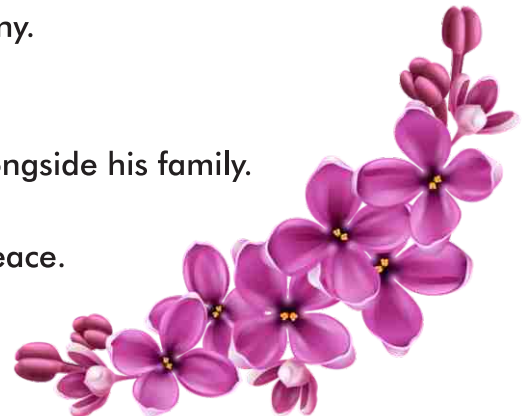
**(May 09, 1944 - September 18, 2018)**

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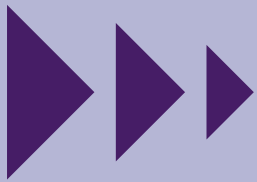
The Board of Director's & its management  
offer its deepest condolences  
on the passing of  
**MR. P. J. VINCENT**  
Chairman of the Company.

The staff members  
honor his legacy and mourn his loss alongside his family.

May God rest his soul in peace.







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## *About UVARCL*

UV Asset Reconstruction Company Limited is an Asset Reconstruction Company registered with the Reserve Bank of India.

UVARCL is promoted amongst others, by professionals with equity participation of 6 public sector banks and 2 insurance companies - Central Bank of India, Bank of Maharashtra, Union Bank of India, Bank of India, United Bank of India, Allahabad Bank, United India Insurance Company Limited & National Insurance Company Limited.

UVARCL acquires Non-Performing Assets (NPA) from various banks and financial institutions. The Company believes in empathetic approach to resolving distress assets by meaningful analysis of the cause of NPA, evaluate possible turnaround options and formulate the best fit strategy under the given circumstances. The company adopts best practices that foster an environment of honesty, transparency & consistency. The company aims to create win-win situation for all its stakeholders.

## *Our Vision*

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

## *Our Mission*

Identify best fit strategy under given circumstances leading to value maximization for all stake holders.

**DISTRESSED ASSETS**

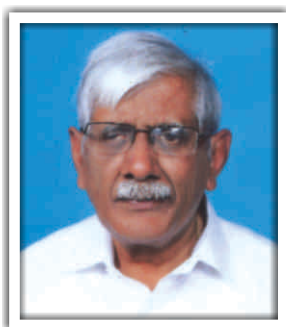
# Our Board Team



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**Ms. Shilpi Sharma**  
WTD & Executive  
Vice Chairperson



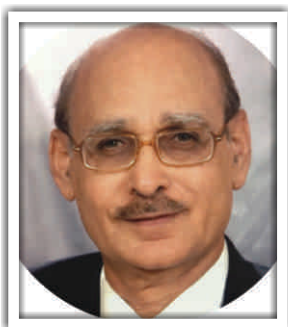
**Mr. K. K. Gupta**  
Independent  
Director



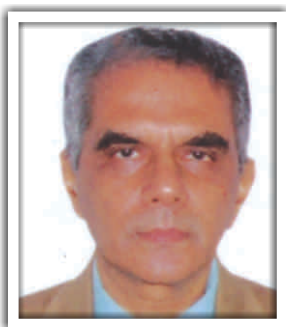
**Mr. U. S. Kohli**  
Independent  
Director



**Mr. Ashwani Kr. Chadha**  
Chief Executive  
Officer



**Justice (Retd.) P.P. Naolekar**  
Independent  
Director



**Justice (Retd.) S. S. Parkar**  
Independent  
Director



**Mr. Hari Hara Mishra**  
Additional (Professional)  
Director



**Mr. N. K. Mittal**  
Chief Financial  
Officer



**Mr. Uma Shankar Paliwal**  
Additional (Independent)  
Director



**Mr. Narender Singh**  
Nominee Director of  
Central Bank of India



**Mr. Ritesh Aggarwal**  
Chief Operating  
Officer

**Company Secretary**  
Ms. Gurpreet Kaur

**Registrar & Share Transfer Agent**  
MCS Share Transfer Agent Limited

**Statutory Auditor's**  
M/s R. K. Mahaseth & Co.  
Chartered Accountants

**Committees of Board**  
Credit Committee  
CSR Committee  
Audit Committee  
Nomination & Remuneration Committee

**Bankers**  
Punjab National Bank  
Central Bank of India  
IDBI Bank Limited

# *Executive Vice Chairperson's Message*



**Dear Shareholders,**

With Profound Grief and Sorrow, I have to advise the sad demise of our respected and loved Chairman Mr. P. J. Vincent on 18th September 2018. He mentored us throughout our journey since inception. He was our friend, philosopher and guide. This is a great and irreparable loss for the organization as well as to me personally, as he was a father figure to me.

We place on record his contribution to growth of UVARCL and dedicate ourselves to the mission, vision and road map he had laid for us.

## **Operating Environment**

Your Company has been growing from strength to strength and making its mark as an active player in ARC Industry. The Company's Performance during last fiscal was commendable with Growth in revenue at 54.14% and Profit before Tax recording a 269.31% growth. During the year there has been several changes in regulatory environment, with Reserve Bank of India coming out with a comprehensive resolution framework withdrawing existing Debt restructuring schemes like CDR, SDR, S4A etc. Recently the banks themselves have come out with a comprehensive NPA Management Scheme (Sunil Mehta Committee report approved by Finance Ministry) called 'Project Sashakt' which provides for concerted efforts by creditors under an Inter-Creditor Agreement. Under IBC, ARCs have been permitted as Resolution Applicant to submit comprehensive Resolution Plan for cases referred under Bankruptcy Code. Your Company is tracking developments on all these fronts and making effort to reorient itself and enhance skillsets to play a meaningful role in the fast-changing dynamics in NPA resolution framework. While operating environment is becoming more conducive for ARCs, competition is intensifying with entry of big financial and strategic players with huge risk appetite and deep pockets.

## **Future Outlook**

Your company believes in offering an integrated and holistic solution for accounts in distress with turnaround potential. It seeks to formulate innovative strategies for value maximization of all stakeholders and in the process add value to the economy at large. I take this opportunity to thank you all for continuing to repose confidence in the Company and be a part of our journey together.

**SHILPI SHARMA**

Executive Vice Chairperson





## NOTICE

Dear Members,

**Notice** is hereby given that the **Eleventh** Annual General Meeting (AGM) of the Members of the Company will be held on **Friday, the 28th day of September, 2018 at 1:00 PM at Sapphire Hall, Crowne Plaza Today, Plot No.1, Community Centre, Okhla Phase-I, New Delhi-110020** 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 31st March, 2018, together with the Reports of the Auditor's and Board of Directors' thereon.
2. To consider and declare pro-rata dividend of ₹ 0.50 per equity share, for the year ended March 31, 2018.
3. To appoint a Director in place of Mr. Vincent Puthenveetil John (DIN: 00096857) who retires by rotation and being eligible offers himself for re-appointment.
4. To ratify the appointment of Statutory Auditors and to fix their remuneration payable to them, for the financial year ended March 31, 2018 purpose, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**Explanation:** Under Section 139 of the Companies Act, 2013 and the Rules made there under, it is mandatory to rotate the statutory auditors on completion of the maximum term permitted under the said section. In line with the requirements of the Act M/s R.K. Mahaseth & Co, (FRN-022140N) was appointed as the Statutory Auditors of the Company to hold office for a period of five consecutive years from the conclusion of the 10th Annual General Meeting of the Company held on September 26, 2017, till the conclusion of the 15th Annual General Meeting to be held in the year 2022, subject to ratification by shareholders at the General Meeting or as may be necessitated by the Act from time to time. The first year of audit was of the financial statements for the year ending March 31, 2018. Accordingly, the appointment of M/s R.K. Mahaseth & Co. is being placed before the shareholders for ratification.

**“Resolved that** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as may be applicable and pursuant to the recommendations of the Audit Committee of the Board of Directors and pursuant to the resolution passed by the members at the Annual General Meeting held on September 26, 2017, the appointment of M/s R.K. Mahaseth & Co, (FRN-022140N) as the auditors of the company be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration and in addition to reimbursement of out-of-pocket expenses in connection with audit of Annual Accounts and Review of Accounts of the Company on Quarterly Basis”.

### Special Business :

5. **Re-appointment of Mr. Kamal Kishore Gupta (DIN: 01746444) as an Independent Director of the Company.**

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, Mr. Kamal Kishore Gupta (DIN: 01746444) Independent Director of the Company, whose period of office is liable to expire till the conclusion of this 11th 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 4 (Four) consecutive years on the Board of the Company to hold office till the 15th Annual General Meeting of the Company to be held in the year 2022.”

**Resolved further that** Ms. Shilpi Sharma, Whole Time Director and Executive Vice Chairperson or Mr. A.K. Chadha, Chief Executive Officer of the Company be and are hereby authorized severally to sign and execute all deeds, documents, papers, agreements and take all necessary steps to give effect to the foregoing resolution”

6. **Re-appointment of Mr. Upkar Singh Kohli (DIN: 02528045) as an Independent Director of the Company.**

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, Mr. Upkar Singh Kohli (DIN: 02528045) Independent Director of the Company, whose period of office is liable to expire till the conclusion of this 11th 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 4 (Four) consecutive years on the Board of the Company to hold office till the 15th Annual General Meeting of the Company to be held in the year 2022.”

**Resolved further that** Ms. Shilpi Sharma, Whole Time Director and Executive Vice Chairperson or Mr. A.K. Chadha, Chief Executive Officer of the Company be and are hereby authorized severally to sign and execute all deeds, documents, papers, agreements and take all necessary steps to give effect to the foregoing resolution.”



7. **Re-appointment of Justice (Retd.) Shafi Sayeed Parkar (DIN: 02661621) as an Independent Director of the Company.**

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, Justice Shafi Sayeed Parkar (Retd.), (DIN: 02661621) Independent Director of the Company, whose period of office is liable to expire till the conclusion of this 11th 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 4 (Four) consecutive years on the Board of the Company to hold office till the 15th Annual General Meeting of the Company to be held in the year 2022."

**Resolved further that** Ms. Shilpi Sharma, Whole Time Director and Executive Vice Chairperson or Mr. A.K. Chadha, Chief Executive Officer of the Company be and are hereby authorized severally to sign and execute all deeds, documents, papers, agreements and take all necessary steps to give effect to the foregoing resolution."

8. **Appointment of Mr. Hari Hara Mishra as a Professional (Non Executive) 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. Hari Hara Mishra (DIN No.07310056) who was appointed by the Board of Directors as an Additional (Professional) Director of the Company with effect from October 27, 2017 and 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, but 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 and 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 Professional (Non Executive) Director of the Company and shall be liable to Retire by Rotation.

9. **Appointment of Mr. Uma Shankar Paliwal as an Independent 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. Uma Shankar Paliwal (DIN No.06907963 ) who was appointed by the Board of Directors as an Additional Director on the Board of the Company in terms of Section 149, 152, 160 and 161 of the Companies Act 2013 and Article of Association of the Company

with effect from December 15, 2017 and who holds office upto the date of this Annual General Meeting of the Company in terms of section 161 of the Companies Act, 2013, be and is hereby appointed pursuant to the provisions of section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder as amended or re-enacted from time to time, read with Schedule IV to the Companies Act, 2013 as an Independent Director of the Company to hold office for the term of four consecutive years from this Annual General Meeting upto the conclusion of 15th Annual General Meeting of the Company to be held in the year 2022, not liable to retire by rotation."

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

Sd/-  
**(Gurpreet Kaur)**  
**Company Secretary**

**Date: August 28, 2018**  
**Place: New Delhi**





**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.** Members/Proxies attending the meeting are requested to bring duly filed attendance slips sent herewith to attend the meeting.
- D.** Queries proposed to be raised at Annual General Meeting may be sent to the Company at its registered office to Ms. Gurpreet Kaur, Company Secretary or by email at [gurpreet@uvarcl.com](mailto:gurpreet@uvarcl.com) at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the query in the meeting.
- E.** Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.
- F.** Members are requested to notify any change in their address/ mandate/ bank details quoting their Registered Folio immediately to the Company at its Registered Office, to enable the company to address future communication.
- G.** All documents referred to in the accompanying Notice and the Explanatory statement shall be open for inspection at the registered office of the Company at all working days except Saturdays between 10:00 A.M. and 1:00 P.M. up to the date of Annual General Meeting.
- H.** Members may also note that the Notice of the 11th 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, 2018 will also be available on the Company's website [www.uvarcl.com](http://www.uvarcl.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's registered office.

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

### **RESOLUTION NO. 5 to 7**

Mr. Kamal Kishore Gupta, Mr. Upkar Singh Kohli and Justice (Retd.) Shafi Sayeed Parkar were appointed as Independent Directors of the Company under the provisions of the Companies Act, 2013, vide resolution passed by the members of the Company at the 7th Annual General Meeting held on September 25, 2014. As per the said resolution, the term of appointment of Mr. Kamal Kishore Gupta, Mr. Upkar Singh Kohli and Justice (Retd.) Shafi Sayeed Parkar expires on conclusion of 11th 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 of Board of Directors of the Company, , the Board of Directors of the Company passed a resolution in their meeting held on August 28, 2018 recommending to Shareholders regarding re-appointment of Mr. Kamal Kishore Gupta, Mr. Upkar Singh Kohli and Justice (Retd.) Shafi Sayeed Parkar as an Independent Directors for a second term from conclusion of 11th Annual General Meeting till conclusion of 15th Annual General Meeting to be held in year 2022, based on 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 five consecutive years on the Board of a 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. Kamal Kishore Gupta, Mr. Upkar Singh Kohli and Justice (Retd.) Shafi Sayeed Parkar confirming that they meet the criteria of independence under Section 149(6) of Companies Act, 2013. The Company has also received consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that they are 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. Kamal Kishore Gupta, Mr. Upkar Singh Kohli and Justice (Retd.) Shafi Sayeed Parkar fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder, for there reappointment as an Independent Director of the Company and are independent of the Management.

It is proposed to re-appointment of Mr. Kamal Kishore Gupta, Mr. Upkar Singh Kohli and Justice (Retd.) Shafi Sayeed Parkar as an Independent Directors of the Company who shall hold office for 4 consecutive years for a term up to conclusion of 15th Annual General Meeting of the Company to be held in the year 2022.

Copy of draft letters of appointment of Mr. Kamal Kishore Gupta, Mr. Upkar Singh Kohli and Justice(Retd.)Shafi Sayeed Parkar 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. 5 to 7 for approval of the members by way of a Special Resolution.



The re-appointment of Mr. Kamal Kishore Gupta, Mr. Upkar Singh Kohli and Justice (Retd.) Shafi Sayeed Parkar 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.

The Brief Profile of Mr. Kamal Kishore Gupta, Mr. Upkar Singh Kohli and Justice (Retd.) Shafi Sayeed Parkar are enclosed as under:

**Brief profile of Mr. Kamal Kishore Gupta, Independent Director of the Company, is given below.**

Mr. Kamal Kishore Gupta has joined the Board of Directors of the company on 3rd September 2007. Mr. Kamal Kishore Gupta, B.com.(Hons), FCA is a Practicing Chartered Accountant, having experience of 36years. He also served as director of Punjab & Sind Bank, United Bank of India, Punjab National Bank Capital Services Limited. Presently he is also at the board of Reserve Bank of India (Northern Region). Mr. Kamal Kishore Gupta is also director in Kaizen Corporate Services Ltd. & Rinkpi Finance & Consultants Pvt. Ltd.

**Brief profile of Mr. Upkar Singh Kohli, Independent Director of the Company, is given below.**

Mr. Upkar Singh Kohli has joined the Board of Directors of the Company on February 7, 2009. Mr. U.S. Kohli retired in 2007 as Executive Director of Dena Bank. He holds a Bachelor Degree in Mechanical Engineering. He also has two very distinguished courses of India Institute of Bankers to his credit, namely CAIIB and Industry Finance.

Mr. U.S. Kohli is also Director in Weizmann Forex Limited and Karma Energy Limited.

**Brief profile of Justice (Retd.) Shafi Sayeed Parkar, Independent Director of the Company, is given below.**

Justice (Retd.) Shafi Sayeed Parkar has joined the Board of Directors of the Company on June 11, 2009 is also director in Veeta Legal Services Private Limited, Geographic Information System Mumbai Private Limited and Veritas (India) Limited.

All these three Directors are actively participating in the meetings of Board of Directors with their valuable knowledge and expertise in the area related to Company they are imparting timely guidance and thus contributing in the growth of the Company. As per the evaluations conducted by Board of Directors, all these three directors have been awarded the remarkable grades. Therefore, it is in the interest of the Company to re-appoint Mr. Kamal Kishore Gupta, Mr. Upkar Singh Kohli and Justice (Retd.) Shafi Sayeed Parkar as Independent Directors on the Board of Directors of the Company.

Except Mr. Kamal Kishore Gupta, Mr. Upkar Singh Kohli and Justice (Retd.) Shafi Sayeed Parkar being the appointees, or their relatives, none of the other Directors and any Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolutions set out at item No. 5 to 7.

**RESOLUTION NO. 8**

The Board of Directors had appointed Mr. Hari Hara Mishra as an Additional (Professional) Director on the Board of Directors of the Company, with effect from October 27, 2017.

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 forthcoming Annual General Meeting of the Company, and is eligible for appointment as (Professional) Director.

Mr. Hari Hara Mishra, presently is Honorary Advisor to ASSOCHAM National Council for ARCs and Banking and Financial Services. Mr. Hari Hara Mishra served in SBI for 22 Years in various areas of Banking including high value advances and Branch Head Since 1982 to 2004. In 2004, he has started his career in ARC industry with Asset Reconstruction Company (India) Limited. (Arcil) as a Vice President for more than 5 Years, with International ARC for 4 Years and Mr. Mishra also joined us as Chief Operating Officer and President and worked with the Company for one year. Mr. Mishra is having more than 10 years of experience in ARC Industry. Mr. Mishra also worked with M/s Fortune Financial services and handled the Payment Bank Project.

Keeping in view his vast experience and knowledge, it will be in the interest of the Company that Mr. Hari Hara Mishra be appointed as Professional Director. Mr. Hari Hara Mishra is not disqualified from being appointed as 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. Hari Hara Mishra 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 Professional (Non Executive) Director effective from the date of ensuing AGM i.e. September 28, 2018 till the conclusion of the next Annual General Meeting.

The Board of Directors recommends the resolution at Item No. 8 for approval of the members by way of a Ordinary Resolution.

The appointment of Hari Hara Mishra 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. Hari Hara Mishra, 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.8.

#### **RESOLUTION NO.9**

The Board of Directors had appointed Mr. Uma Shankar Paliwal as an Additional (Independent) Director with effect from December 15, 2017.

As per the provisions of section 161(1) of the Companies Act, 2013, he holds the office of Additional (Independent) Director only upto the date of the forthcoming Annual General Meeting of the Company, and is eligible for appointment as an Independent Director.

Mr. Uma Shankar Paliwal ex- Executive Director of RBI, a postgraduate (Economics and History) and an M.Phil has more than 34 years of experience in Reserve Bank of India and have worked in the areas of Regulation and Supervision, Risk Management, Consumer Education and Protection, Payment and Settlement Systems, Operations, Strategy, Human Resources, Inspection, NBFCs and Supply Chain.





Mr. Paliwal has also worked as Director, Supervision, with the Bank of Mauritius. He was also RBI's Nominee Director on the Boards of three Public Sector banks in India viz., State Bank of Mysore, Dena Bank and Corporation Bank. As an Executive Director at RBI, Mr. Paliwal handled the portfolios pertaining to Financial Inclusion and Development, Consumer Education and Protection Department, Human Resource and Management Department, Currency Department among others. He has demitted Office as an Executive Director at RBI on December 31, 2016 and is engaged as a Consultant with various financial organizations, both national and international.

Keeping in view his vast experience and knowledge, it will be in the interest of the Company that Mr. Uma Shankar Paliwal be appointed as an Independent Director. Mr. Uma Shankar Paliwal is not disqualified from being appointed as 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. Uma Shankar Paliwal fulfils the conditions specified in the Companies Act, 2013 and the Company (Appointment & Qualification of Directors) Rules, 2014 made thereunder. Accordingly, Board of Directors on the recommendation of its Nomination and Remuneration Committee in terms of Section 178 of the Companies Act, 2013 has also recommended his appointment as an Independent Director effective from the date of ensuing AGM i.e. September 28, 2018 for a period of four years subject to approval of the members i.e. upto conclusion of 15th Annual General Meeting. He is not liable to retire by rotation.

The Board of Directors recommends the resolution at Item No. 9 for approval of the members by way of a Special Resolution.

The appointment of Mr. Uma Shankar Paliwal 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. Uma Shankar Paliwal, 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. 9.

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

Sd/-  
(Gurpreet Kaur)  
Company Secretary

**Date: August 28, 2018  
Place: New Delhi**

## DIRECTORS' REPORT

**Dear Members,**

Your Directors have pleasure in presenting their Eleventh Annual Report on the business operations and the accounts for the Financial Year ended March 31, 2018 of the Company.

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

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

(Amount in Rs. Lakhs)

| Particulars                                                     | Financial Year Ended |                 |
|-----------------------------------------------------------------|----------------------|-----------------|
|                                                                 | 31st March 2018      | 31st March 2017 |
| Revenue from operations                                         | 1619.96              | 1039.65         |
| Other Income                                                    | 14.37                | 20.65           |
| <b>Total Income</b>                                             | <b>1634.33</b>       | <b>1060.30</b>  |
| <b>Total Expenditure</b>                                        | 1064.85              | 906.10          |
| <b>Profit before tax</b>                                        | 569.48               | 154.21          |
| <b>Provision for tax</b>                                        | 173.81               | 51.10           |
| <b>Profit after tax</b>                                         | 395.67               | 103.10          |
| <b>Transfer to Reserve</b>                                      | 59.35                | 15.46           |
| <b>Paid-up Share Capital</b>                                    | 3818.75              | 3818.75         |
| <b>Reserves and Surplus<br/>(excluding revaluation reserve)</b> | 7483.21              | 7319.39         |
| <b>Net Worth</b>                                                | 11301.96             | 11138.14        |

During the year Total Revenue increased to Rs. 1634.33 lakhs as against Rs. 1060.30 lakhs in previous year, with the growth of 54.14%.

During the year Profit before Tax (PBT) increased to Rs. 569.48 lakhs as against Rs. 154.20 lakhs in previous year, with the growth of 269.31%.

During the year Total Expenses increased to Rs. 1064.85 lakhs as against Rs. 906.10 lakhs in previous year.

The growth in profit is mainly driven by increase in Revenue from operations, which is satisfactory.

The Company's Net worth as on March 31, 2018 stood at Rs. 11301.96 lakhs (comprising Rs. 3818.75 lakhs of paid up capital and Rs. 7483.21 lakhs of Reserves and Surplus) as against Rs. 11138.14 lakhs in the previous year. With Company's strong performance, there is increase in Reserves and Surplus and consequential increase in Net Worth.



To garner fresh business, Company also participated in bids and bilateral deals with Banks/ Financial Institutions during the year acquired financial assets worth Rs. 10215.04 Lakhs and resolved financial assets amounting Rs. 2781.31 Lakhs, thus taking outstanding total Financial Assets to Rs. 76716.17 Lakhs compared to Rs. 69004.20 lakhs in the previous year.

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

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

**(C) Industry Scenario**

Reserve Bank of India (RBI) In February 2018 tightened norms for bad loan resolution by setting timelines for resolving large NPAs, failing which banks will have to refer them for insolvency proceedings. It also withdrew existing debt restructuring schemes such as CDR, SDR and S4A etc. Stressed Assets of the banking system continued to accelerate during Fiscal 2017-18.

With such huge NPA levels and banks reaching infliction point, India continued to attract foreign distressed debt investors. Most of them have been watching the regulatory developments, particularly implementation of the Bankruptcy code, which promises considerable shrinking of time in resolution and thus prevent value erosion of stressed assets and address complexity of litigation issues.

In the meantime, a committee of lenders (Sunil Mehta Committee) recently came out with a resolution plan called 'Project Sashakt' which primarily tries to have a concerted effort by creditors with an Inter Creditor Agreement that authorizes the lead bank to initiate a resolution plan.

Against this backdrop, 27 ARCs operating now in India, have a crucial role to play to address growing NPAs in alliance with Financial and Strategic Investors, and enhance turnaround skill sets. The success of ARCs lies in ability to gain confidence of all stake holders and ability to provide an institutional framework, well capitalized and adequately placed, to deliver holistic solutions.

**(D) Dividend**

Your Directors have immense pleasure in recommending a dividend of ₹ 0.50 per equity share of Rs. 10/- each on pro-rata basis, aggregating to Rs. 230.19 lakhs (inclusive of Dividend Distribution Tax) for the financial year ended March 31, 2018.

Percentage of dividend proposed is to keeping in view to increase retained profits thus strengthening the Net Worth of the Company thereby increasing book value of shares.

**(E) Reserves**

The Board in line with earlier years proposes to transfer 15% of PAT i.e. Rs. 59.35 Lakhs to the General Reserves out of the amount available for appropriation thereby taking General Reserve at a level of Rs. 206.22 Lakhs and balance in Profit & Loss Account amounting Rs. 470.75 Lakhs as on 31.03.2018.

(F) **Corporate Governance**

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

(G) **Share Capital**

(i) **Equity shares:**

The Company has only one kind of Shares i.e. Equity shares with same voting rights. As at 31st March 2018, Company's paid-up equity capital is Rs. 38, 18, 75,000 (Rupees Thirty Eight Crores Eighteen Lakhs Seventy Five Thousand) divided into 3,81,87,500 shares of Rs. 10/- each.

(ii) **Sweat Equity shares:**

The Company has not issued any sweat equity shares till date.

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

During the financial Year, the Company has not issued / made any allotments of shares.

(iv) **Buy back of Shares:**

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

(H) **Directors and Key Managerial Personnel**

(i) **Directors:**

In terms of the provisions of Section 152 of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, Mr. P.J. Vincent, Chairman and Non- Executive Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for reappointment. Your Directors recommend their re-appointment.

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

- Central Bank of India had withdrawn the nomination of Mr. D.G. Rajpal on June 14, 2017 on super annuation and appointed Mr. Narender Singh, GM-Recovery as their Nominee Director. Accordingly, Board of Directors had appointed Mr. Narender Singh as a nominee director w.e.f March 08, 2018.
- Mr. Hari Hara Mishra was appointed as an Additional (Professional) Director w.e.f October 27, 2017. The resolution seeking approval of the members for the appointment of Mr. Hari Hara Mishra as a Professional Director has been incorporated in the notice of the forthcoming Annual General Meeting of the Company along with explanatory statement.





- Ms. Shilpi Sharma had been appointed as a Whole Time Director effective from November 24, 2017.
- Mr. Uma Shankar Paliwal was appointed as an Additional (Independent) Director w.e.f December 15, 2017. The resolution seeking approval of the members for the appointment of Mr. Uma Shankar Paliwal as an Independent Director has been incorporated in the notice of the forthcoming Annual General Meeting of the Company along with explanatory statement.

There has been no change in the circumstances which may affect the status as Independent director of other directors during the year.

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

(ii) **Independent Directors:**

The Company has on its Board, eminent Independent Directors who have brought in independent judgement to Board's deliberations. They have played a pivotal role in safeguarding interest of all stakeholders.

**Declaration of independency of Independent Directors, their meeting and Performance evaluation.**

The Independent Directors have submitted their declarations under section 149(7) of the Companies Act, 2013 at the time of their appointment and also in first Board Meeting of every financial year and thereafter every change in the same, stating that they meet the criteria of independence as mentioned under Section 149(6) of the Act.

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. The information for appointment of directors are posted on the website of the company i.e. **[www.uvarcl.com](http://www.uvarcl.com)**.

A separate meeting of Independent Directors was held on March 08, 2018. In this meeting, performance of Non-Independent Directors, performance of the Chairman and performance of the Management was evaluated and appreciated.

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

The Performance of the Independent Directors of the Company was also evaluated in terms of Schedule-IV of the Companies Act, 2013 by the Board of Directors. The performance of every Independent Director was also evaluated by scoring the evaluation sheets for every Director.

(iii) **Performance Evaluation of Directors**

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

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

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

(iv) **Policy on Directors Appointment & Remuneration:**

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

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

During the financial year under review, no change took place in Key Managerial Personnel of the Company:

(I) **Meetings**

In all, 16 meetings of Directors and its committees were held during the Financial Year 2017-18 which includes five Board meetings, three Audit Committee meetings, two HR Committee meeting, four Credit Committee meetings and two Nomination & Remuneration committee meetings.

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

(J) **Auditors**

M/s R.K. Mahaseth & Co. Chartered Accountants, (Firm Registration No. 022140N), were appointed as Statutory Auditors of the Company at the 10th Annual General Meeting till the conclusion of the 15th Annual General Meeting.

M/s R.K. Mahaseth & Co. Chartered Accountants have confirmed their eligibility and qualifications required under section 139,141 and other applicable provisions of the Companies Act, 2013 and rules issued thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The Auditors' Report for the financial year ended March 31, 2018 on the financial statements of the Company is a part of this Annual Report.

**Board's Explanation and Comments on Auditor's Report:**

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

**(K) Internal Audit & Controls**

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

**(L) Risk Management**

The distressed asset business entails taking risks at every stage from pre-acquisition to post acquisition and finally to resolution /recovery from the acquired assets. In order to properly measuring, monitoring and mitigating such risk in business, your Company has formulated its Risk Management Policy and also formed Risk Management Committee to ensure sustainable business growth with stability and monitoring and mitigating the risk. UVARCL recognizes that risk that is inherent in every business activity. Effectively managing these risk is key to achieving our strategic objectives and long term sustainable growth of business. The key risk areas related to the business of the company are Periodically and Systematically reviewed by the Risk Management Committee (comprises of all senior management) of the company.

**(M) Vigil Mechanism**

Company has established the vigil mechanism under sub-section (9) of Section 177 of the Companies Act, 2013 for providing adequate safeguards against victimization of persons. The company has adopted a Vigil Mechanism Policy to provide a formal mechanism to its Directors, Employees and Business Associates to raise voice concerns in a responsible and effective manner regarding suspecting unethical matters involving serious malpractices, abuse or wrongdoing within the organisation. Any person can use such mechanism and may directly access to the chairperson of the Audit Committee in appropriate exceptional cases. No personnel was denied access to the Audit Committee of the Company with regard to the above.

**(N) Extracts of Annual Return**

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

(O) **Policy or Prevention of Sexual Harassment at Work Place**

The Company's Policy on Prevention of Sexual Harassment at Workplace is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention of Sexual Harassment of Women at Workplace Act) and rules framed thereunder. Internal Complaints Committees have also been set up to redress complaints received regarding Sexual Harassment.

During the financial year 2017-18, no complaint of Sexual Harassment was received by the Company. The Company is committed to providing a safe and conducive work environment to all of its employees and associates.

(P) **Particulars of contracts or arrangements with related parties**

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

(Q) **Loans, Guarantees or investments**

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

(R) **Corporate Social Responsibility**

As part of Company's commitment towards economic, environmental and social well being of communities, Corporate Social Responsibility Committee has been constituted at the Board Level. As on March 31, 2018, the provisions of Corporate Social Responsibility are applicable on the Company. Hence, in terms of the same, Company has to contribute Rs. 6,78,420/- (Rupees Six Lakhs Seventy Eight Thousand Four Hundred and Twenty Only) towards the same, which Company will contribute in the Financial Year 2018-19.

(S) **Transfer of Amounts to Investor Education and Protection Fund**

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

(T) **Key Changes during the year:**

(i) **Changes in Nature of Business: Nil**



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

| S. No. | Name of Director / KMP         | Date of Appointment/ Resignation | Designation                               |
|--------|--------------------------------|----------------------------------|-------------------------------------------|
| 1.     | Mr. Prakash Prabhakar Naolekar | Appointed on 26.09.2017          | Independent Director                      |
| 2.     | Mr. Hari Hara Mishra           | Appointment on 27.10.2017        | Additional (Professional) Director        |
| 3.     | Ms. Shilpi Sharma              | Appointment on 24.11.2017        | Whole Time Director                       |
| 4.     | Mr. Uma Shankar Paliwal        | Appointment on 15.12.2017        | Additional (Independent) Director         |
| 5.     | Mr. D. G. Rajpal               | Resignation on 14.06.2017        | Nominee Director of Central Bank of India |
| 6.     | Mr. Narender Singh             | Appointment on 08.03.2018        | Nominee Director of Central Bank of India |

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

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

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

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

(i) **Conservation of Energy & Technology Absorption:** Since the Company is not engaged in any manufacturing activity, issues relating to conservation of energy and technology absorption are not relevant to its functioning.

(ii) **Export Activities:** There was no export activity in the Company during the year under review. The Company is not in the line of exports and therefore not contemplating any export.

(iii) **Foreign Exchange Earnings and Outgo:** During the year under review there have been no earnings in foreign exchange, however, there has been foreign exchange outgo of 500 US Dollars and 900 Dubai Dirhams amounting Rs. 0.48 Lakhs and 2500 Singapore Dollars amounting Rs. 1.23 Lakhs. Hence, total foreign outgo in F.Y. 2017-18 is Rs. 1.71 Lakhs.

(V) **Directors' Responsibility Statement**

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



- 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 at 31st March, 2018 and of the profit or 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; and
- 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 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).
- The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.
- There are no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.
- During the financial year under review, none of the Company's employee was in receipt of remuneration as prescribed under section 134 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and hence no particulars are required to be disclosed in this Report.
- 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.



### **Acknowledgements**

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

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

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

Sd/-  
(Shilpi Sharma)  
Whole Time Director  
DIN: 01680321

Place: New Delhi  
Date: August 28, 2018

**Report on Corporate Governance**

Corporate governance is modus operandi of governing a corporate entity which includes a set of systems, procedures and practices to ensure that the company is managed in the best interest of all stakeholders i.e. shareholders, employees, suppliers, customers and society in general. The fundamental of corporate governance includes transparency, accountability and independence.

UV Asset Reconstruction Company Limited is committed to the highest standards of corporate governance. The goal of the Company is to promote and protect the long-term interest of all stakeholders and to demonstrate that the shareholders are the ultimate beneficiaries of our economic activity, besides meeting compliance standards of Regulatory Authorities. Our corporate governance philosophy encompasses several voluntary practices aimed at a high level of business ethics, and enhancement in shareholders' value.

Our Corporate Governance practices are a reflection of our value system encompassing our culture, policies and relationships with our stakeholders.

**GOVERNANCE STRUCTURE****Board and its Composition**

As on March 31, 2018, the Board comprised of 9 (nine) members, 5 (five) of which are Independent Directors constituting 55.55% of the Board strength, 2 (two) are Non- Executive/ Professional Directors, 1(one) Whole Time Director & Executive Vice Chairperson and 1(one) Nominee Director of Central Bank of India.

**Committee of Directors**

The Board has constituted various committees of Directors of your 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 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.

**Management**

The management structure of the Company consists of the Whole Time Director & Executive Vice Chairperson, Chief Executive Officer, Chief Financial Officer and Vice President & Company Secretary. With the increase in business/operations, Company is contemplating appointment of Chief Operating Officer.

Company also has 3 (three) Committees at the Executive Level of the Company which are headed by Whole Time Director and Executive Vice Chairperson of the Company namely, Executive Committee-Acquisition and Executive Committee- Resolution and Executive Committee. These Committees has been entrusted with requisite powers to carry the operations of the Company.

**BOARD OF DIRECTORS****Board procedures and flow of information**

In every financial year, Company holds atleast four meeting of Board of Directors i.e. one meeting every quarter. Additional meetings are convened whenever necessary. In case of any exigency, resolutions are passed by circulation. The Company also provides video conferencing facility to its directors to enable their participation so that they can contribute in the decisions at the meetings.



The Agenda for the meetings of Board and its Committees are circulated in advance Company also conduct the meeting of Board/and its Committees on shorter notice to the Directors such meetings are conducted in emergent circumstances only, however, to ensure sufficient time is provided to Directors to prepare for the meetings. In the path of digitisation and with a view to ensure its commitment, Company also circulates to its directors, notes for Board/ Committee meetings through an electronic platform thereby ensuring high standards of security and confidentiality of Board papers.

The Company adheres to the provisions of the Companies Act, 2013 read with the rules issued thereunder and Secreterial Standards with respect to convening and holding the meetings of the Board of Directors and its Committees.

The meetings of the Board of Directors are generally held in Delhi and if necessary, such other place as where the Company operates and also through the video conferencing mode. During the financial year 2017-18, the Board of Directors met five times on 29.06.2017, 25.08.2017, 02.12.2017, 08.03.2018 and 27.03.2018. The maximum gap between any two consecutive meetings was well within the maximum allowed gap of 120 (One hundred twenty) days, as stipulated under Companies Act, 2013. The necessary quorum was present in all the meetings.

The overall attendance of Directors for the financial year 2017- 2018 is shown hereunder:

| Name                           | Designation                                      | Numbers of meetings during financial year 2017-18 |          | Attendance at the last AGM held on September 26, 2017 |
|--------------------------------|--------------------------------------------------|---------------------------------------------------|----------|-------------------------------------------------------|
|                                |                                                  | Held                                              | Attended |                                                       |
| Mr. P. J. Vincent              | Chairman and Non- Executive Director             | 5                                                 | 5        | No                                                    |
| Ms. Shilpi Sharma              | Whole time Director & Executive Vice Chairperson | 5                                                 | 5        | Yes                                                   |
| Mr. K.K Gupta                  | Independent Director                             | 5                                                 | 4        | Yes                                                   |
| Mr. U.S. Kohli                 | Independent Director                             | 5                                                 | 5        | No                                                    |
| Mr. S.S. Parkar                | Independent Director                             | 5                                                 | 5        | No                                                    |
| Mr. Prakash Prabhakar Naolekar | Independent Director                             | 5                                                 | 2        | No                                                    |
| Mr. Uma Shankar Paliwal*       | Additional (Independent) Director                | 2                                                 | 2        | NA                                                    |
| Mr. Hari Hara Mishra**         | Additonal (Professional) Director                | 3                                                 | 3        | NA                                                    |
| Mr. D.G. Rajpal***             | Nominee Director of Central Bank of India        | 1                                                 | 0        | NA                                                    |
| Mr. Narender Singh ***         | Nominee Director of Central Bank of India        | 2                                                 | 2        | NA                                                    |

\*Mr. Uma Shankar Paliwal has been appointed as Additional (Independent) Director w.e.f. December 15, 2017

\*\* Mr. Hari Hara Mishra has been appointed as Additional (Professional) Director w.e.f. October 27, 2017

\*\*\*Central Bank of India has changed its Nominee Director from Mr. D.G. Rajpal to Mr. Narender Singh. Company has appointed Mr. Narender Singh as a Nominee Director of Central Bank of India w.e.f. March 08, 2018.

#### **Audit Committee:**

Board has constituted a Committee of Board of Directors named as Audit Committee on 18th December' 2010. As on March 31'2018, the Audit Committee comprises of three directors out of which 2 Directors namely Mr. K.K. Gupta and Mr. S.S. Parkar are non-executive and Independent Directors and Ms. Shilpi Sharma is Whole Time Director and Executive Vice Chairperson. The Composition of the Audit Committee meets the requirement of Section 177 of the Companies Act, 2013.

During the financial year 2017-2018 three meetings were held on 29.06.2017, 25.08.2017, and 08.03.2018.

#### **Details of Meeting attended by the members are given below:**

| Sr. No. | Committee Members | Category | Numbers of meetings during financial Year 2017-18 |          |
|---------|-------------------|----------|---------------------------------------------------|----------|
|         |                   |          | Held                                              | Attended |
| 1.      | Mr. K.K. Gupta    | Chairman | 3                                                 | 3        |
| 2.      | Ms. Shilpi Sharma | Member   | 3                                                 | 3        |
| 3.      | Mr. S. S. Parkar  | Member   | 3                                                 | 3        |

#### **Nomination & Remuneration Committee**

Pursuant to section 178 of the Companies Act, 2013, the company has reconstituted its Remuneration Committee as a Nomination & 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 Director's performance.

The Nomination & 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 31,2018, the Nomination & Remuneration Committee comprises of four directors out of which 3 Directors namely Mr. U.S. Kohli and Mr. S.S. Parkar and Mr. P.J. Vincent are Non-executive Directors and Ms. Shilpi Sharma is Whole Time Director and Executive Vice Chairperson. The Composition of the Nomination & Remuneration Committee meets the requirement of Section 178 of the Companies Act, 2013.

During the financial year 2017-18 two meetings were held on August 25, 2017 and March 08, 2018.





**Details of Meeting attended by the members are given below:**

| Sr. No. | Committee Members            | Category | Numbers of meetings during financial Year 2017-18 |          |
|---------|------------------------------|----------|---------------------------------------------------|----------|
|         |                              |          | Held                                              | Attended |
| 1.      | Mr. U.S. Kohli               | Chairman | 2                                                 | 2        |
| 2.      | Ms. Shilpi Sharma            | Member   | 2                                                 | 2        |
| 3.      | Justice (Retd.) S. S. Parkar | Member   | 2                                                 | 2        |
| 4.      | Mr. P. J. Vincent            | Member   | 2                                                 | 2        |

**Nomination and Remuneration Policy:**

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

**1.2 ROLE AND POWERS OF THE NOMINATION & REMUNERATION COMMITTEE:**

- (i) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- (ii) To identify persons who qualify to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this Policy.
- (iii) To recommend to the Board the appointment and removal of Directors and Key Managerial Personnel.
- (iv) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- (v) To ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- (vi) To formulate criteria for evaluation of Independent Directors and the Board.
- (vii) To carry out evaluation of every Director's performance.
- (viii) To carry out any other function as is mandated by the Board from time to time and /or enforced by the regulatory and statutory notification, amendment or modification, as may be applicable.

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

- (i) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Managerial Personnel, Director or KMP or Senior

Management and recommend to the Board his /her appointment A person should possess adequate qualification, expertise and experience for the position he /she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient /satisfactory for the concerned position.

- (ii) Appointment of Independent Directors is also subject to compliance of provisions of section 149 of the Companies Act, 2013, read with Schedule IV and rules thereunder.

## **1.4 REMUNERATION**

### **I. Remuneration Policy for Directors and Key Managerial Personnel :**

- i. The remuneration / compensation / commission etc. to the Whole-time Directors, KMPs will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and/ or Central Government, wherever required.
- ii. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
- 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 employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

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

#### **(i) Fixed pay:**

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

#### **(ii) Minimum Remuneration:**

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

### **iv. Remuneration to Executive/ Non-Executive Directors/Independent Directors:**

- (i) Executive/ Non-Executive Directors/Independent Directors shall be paid a sitting fee of Rs. 20,000/- for every meeting of the Board and Rs. 5,000/- for every committee thereof attended by them as member.



- (ii) The company has no stock options plans and no payment by way of commission, bonus, pension, incentives etc. shall be made.

### **Credit Committee**

For considering the Asset Acquisition and Resolution cases and as per the requirement of RBI, Credit Committee was constituted on 29th June, 2011. As on March 31, 2018, Credit Committee comprises of three directors i.e. Mr. P.J. Vincent Chairman & Non-Executive Director, Ms. Shilpi Sharma, Whole Time Director and Executive Vice Chairperson and Mr. Kamal Kishore Gupta, Independent Director. During the financial year 2017-18 four meetings were held on 07.07.2017, 02.12.2017, 22.12.2017 and 27.03.2018.

Details of Meeting attended by the members are given below:

| Sr. No. | Committee Members | Category | Numbers of meetings during financial Year 2017-18 |          |
|---------|-------------------|----------|---------------------------------------------------|----------|
|         |                   |          | Held                                              | Attended |
| 1.      | Mr. P. J. Vincent | Chairman | 4                                                 | 4        |
| 2.      | Ms. Shilpi Sharma | Member   | 4                                                 | 4        |
| 3.      | Mr. K. K. Gupta   | Member   | 4                                                 | 3        |

### **HR Committee**

To consider and approve the appointment of senior officials of the Company other than those appointed by Nomination & Remuneration Committee, HR Committee was constituted on 18th June, 2012. HR Committee comprises of three directors out of which namely Mr. P.J. Vincent, and Ms. Shilpi Sharma were Non-Executive Directors and Mr. Kamal Kishore Gupta an Independent Director.

However, after the appointment of Ms. Shilpi Sharma as a Whole Time Director and Executive Vice Chairperson, Board of Directors in their meeting dated December 02, 2017 Board of Directors has delegated all the Duties and responsibilities related to HR Committee (Except the powers of Nomination & Remuneration Committee in terms of Nomination & Remuneration policy of the Company); to Whole Time Director of the Company for operational exigencies and flexibility for faster decision making. Hence, the HR Committee of the Company stands dissolved w.e.f. December 02, 2017.

During the financial year 2017-18 two meeting were held on 06.05.2017 and 25.08.2017.

Details of Meeting attended by the members are given below:

| Sr. No. | Committee Members | Category | Numbers of meetings during financial Year 2017-18 |          |
|---------|-------------------|----------|---------------------------------------------------|----------|
|         |                   |          | Held                                              | Attended |
| 1.      | Mr. P. J. Vincent | Chairman | 2                                                 | 2        |
| 2.      | Ms. Shilpi Sharma | Member   | 2                                                 | 2        |
| 3.      | Mr. K.K. Gupta    | Member   | 2                                                 | 2        |

### **Corporate Social Responsibility (CSR) Committee**

As per Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, every Company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crores or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an Independent Director. However, the provisions of Corporate Social Responsibility was not applicable on the Company for the Financial Year-2016-17.

As per the Audited Annual Results of the Company for the Financial Year 2017-18, the provisions of Section 135 related to CSR are applicable on Company. CSR Committee of the company has been reconstituted and comprises of four directors out of which Two Directors namely Mr. S.S. Parkar and Mr. Uma Shankar Paliwal are Non-Executive and Independent Directors, Mr. P.J. Vincent is Non-Executive Directors and Ms. Shilpi Sharma is Whole Time Director. The provisions of section 135 are applicable on Company as on March 31, 2018. No meeting of CSR Committee was held during the Financial Year 2017-18.

### **Annual General Meeting (AGM)**

The 10th Annual General Meeting of the Company was held at Sapphire Hall, Hotel Crowne Plaza Today, Plot No.1, Community Centre, Okhla- I, New Delhi-110020 on 26.09.2017 as under:-

| AGM  | Year    | Venue                                                                                            | Day & Date                  | Time    |
|------|---------|--------------------------------------------------------------------------------------------------|-----------------------------|---------|
| 10th | 2017-18 | Sapphire Hall, Hotel Crowne Plaza Today, Plot No.1, Community Centre, Okhla- I, New Delhi-110020 | Tuesday, September 26, 2017 | 1:00 PM |

### **Extraordinary General Meeting (EGM)**

The Company held its 11th Extraordinary General Meeting (EGM) at Sapphire Hall, Crowne Plaza Today, Plot No.1, Community Centre, Okhla- I, New Delhi-110020 on the following date, time, purpose :-

| AGM  | Year    | Venue                                                                                            | Day & Date                 | Time     | Purpose                                                                                                                                                                                                                       |
|------|---------|--------------------------------------------------------------------------------------------------|----------------------------|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 11th | 2017-18 | Sapphire Hall, Hotel Crowne Plaza Today, Plot No.1, Community Centre, Okhla- I, New Delhi-110020 | Thursday, January 04, 2018 | 12:30 PM | To create, offer, issue and allot 18,75,000 (Eighteen Lakhs Seventy Five Thousand) equity shares having a face value of Rs 10/- each at a premium of Rs. 30 per share in one or more tranches on preferential allotment basis |

### **Investor correspondence**

Company Secretary

**UV Asset Reconstruction Company Limited**

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

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

**Phone:** 011-41038918, Fax: 011-40501824

**Email:** uvarcl@gmail.com

**Annexure-II****FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2018****Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company  
(Management & Administration) Rules, 2014.****I. REGISTRATION & OTHER DETAILS:**

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

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

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

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

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

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



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

##### Category-wise Share Holding

| Category of Shareholders                  | No. of Shares held at the beginning of the year as on 31-March-2017 |           |             |                   | No. of Shares held at the end of the year as on 31-March-2018 |           |             |                   | % Change during the year |
|-------------------------------------------|---------------------------------------------------------------------|-----------|-------------|-------------------|---------------------------------------------------------------|-----------|-------------|-------------------|--------------------------|
|                                           | Demat                                                               | Physical  | Total       | % of Total Shares | Demat                                                         | Physical  | Total       | % of Total Shares |                          |
| <b>A. Promoters</b>                       |                                                                     |           |             |                   |                                                               |           |             |                   |                          |
| (1) Indian                                |                                                                     |           |             |                   |                                                               |           |             |                   |                          |
| a) Individual/ HUF                        | 1,18,48,500                                                         | 16,97,250 | 1,35,45,750 | 35.47%            | 1,18,48,500                                                   | 16,97,250 | 1,35,45,750 | 35.47%            | -                        |
| b) Central Govt                           | -                                                                   | -         | -           | -                 | -                                                             | -         | -           | -                 | -                        |
| c) State Govt(s)                          | -                                                                   | -         | -           | -                 | -                                                             | -         | -           | -                 | -                        |
| d) Bodies Corp.                           | -                                                                   | -         | -           | -                 | -                                                             | -         | -           | -                 | -                        |
| e) Banks / FI                             | -                                                                   | -         | -           | -                 | -                                                             | -         | -           | -                 | -                        |
| f) Any other                              | -                                                                   | -         | -           | -                 | -                                                             | -         | -           | -                 | -                        |
| <b>Total shareholding of Promoter (A)</b> | 1,18,48,500                                                         | 16,97,250 | 1,35,45,750 | 35.47%            | 1,18,48,500                                                   | 16,97,250 | 1,35,45,750 | 35.47%            | -                        |
| <b>B. Public Shareholding</b>             |                                                                     |           |             |                   |                                                               |           |             |                   |                          |
| 1. Institutions                           |                                                                     |           |             |                   |                                                               |           |             |                   |                          |
| a) Mutual Funds                           | -                                                                   | -         | -           | -                 | -                                                             | -         | -           | -                 | -                        |
| b) Banks / FI                             | 29,50,000                                                           | -         | 29,50,000   | 7.72%             | 29,50,000                                                     | -         | 29,50,000   | 7.72%             | -                        |
| c) Central Govts                          | -                                                                   | -         | -           | -                 | -                                                             | -         | -           | -                 | -                        |
| d) State Govt(s)                          | -                                                                   | -         | -           | -                 | -                                                             | -         | -           | -                 | -                        |
| e) Venture Capital Funds                  | -                                                                   | -         | -           | -                 | -                                                             | -         | -           | -                 | -                        |
| f) Insurance Companies                    | 2,00,000                                                            | -         | 2,00,000    | 0.52%             | 2,00,000                                                      | -         | 2,00,000    | 0.52%             | -                        |
| g) FIIs                                   | -                                                                   | -         | -           | -                 | -                                                             | -         | -           | -                 | -                        |
| h) Foreign Venture Capital Funds          | -                                                                   | -         | -           | -                 | -                                                             | -         | -           | -                 | -                        |
| Others (specify)                          | -                                                                   | -         | -           | -                 | -                                                             | -         | -           | -                 | -                        |



|                                                                                  |             |             |             |        |             |             |             |        |   |
|----------------------------------------------------------------------------------|-------------|-------------|-------------|--------|-------------|-------------|-------------|--------|---|
| <b>Sub-total (B)(1):-</b>                                                        | 31,50,000   | -           | 31,50,000   | 8.24%  | 31,50,000   | -           | 31,50,000   | 8.24%  | - |
| <b>2. Non-Institutions</b>                                                       |             |             |             |        |             |             |             |        |   |
| a) Bodies Corp.                                                                  |             |             |             |        |             |             |             |        |   |
| i) Indian                                                                        | -           | 1,65,00,000 | 1,65,00,000 | 43.22% | -           | 1,65,00,000 | 1,65,00,000 | 43.22% | - |
| ii) Overseas                                                                     | -           | -           | -           | -      | -           | -           | -           | -      | - |
| b) Individuals                                                                   |             |             |             |        |             |             |             |        |   |
| i) Individual shareholders holding nominal share capital upto Rs.1 lakh          | -           | 9,000       | 9,000       | 0.01%  | -           | 9,000       | 9,000       | 0.01%  | - |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 9,00,000    | 40,82,750   | 49,82,750   | 13.05% | 9,00,000    | 40,82,750   | 49,82,750   | 13.05% | - |
| c) Others (specify)                                                              | -           | -           | -           | -      | -           | -           | -           | -      | - |
| Non Resident Indians                                                             | -           | -           | -           | -      | -           | -           | -           | -      | - |
| Overseas Corporate Bodies                                                        | -           | -           | -           | -      | -           | -           | -           | -      | - |
| Foreign Nationals                                                                | -           | -           | -           | -      | -           | -           | -           | -      | - |
| Clearing Members                                                                 | -           | -           | -           | -      | -           | -           | -           | -      | - |
| Trusts                                                                           | -           | -           | -           | -      | -           | -           | -           | -      | - |
| Foreign Bodies - D R                                                             | -           | -           | -           | -      | -           | -           | -           | -      | - |
| <b>Sub-total (B)(2):-</b>                                                        | 9,00,000    | 2,05,91,750 | 2,14,91,750 | 56.28% | 9,00,000    | 2,05,91,750 | 2,14,91,750 | 56.28% | - |
| Total Public Shareholding (B)=(B)(1)+ (B)(2)                                     | 40,50,000   | 2,05,91,750 | 2,46,41,750 | 64.52% | 40,50,000   | 2,05,91,750 | 2,46,41,750 | 64.52% | - |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                           | -           | -           | -           | -      | -           | -           | -           | -      | - |
| <b>Grand Total (A+B+C)</b>                                                       | 1,58,98,500 | 2,22,89,000 | 3,81,87,500 | 100%   | 1,58,98,500 | 2,22,89,000 | 3,81,87,500 | 100%   | - |

## B) Shareholding of Promoter

| SN | Shareholder's Name | Shareholding at the beginning of the year |                                  |                                                  | Shareholding at the end of the year |                                  |                                                  | % change in shareholding during the year |
|----|--------------------|-------------------------------------------|----------------------------------|--------------------------------------------------|-------------------------------------|----------------------------------|--------------------------------------------------|------------------------------------------|
|    |                    | No. of Shares                             | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares                       | % of total Shares of the company | % of Shares Pledged / encumbered to total shares |                                          |
| 1  | Ms. Shilpi Sharma  | 1,35,45,750                               | 35.47%                           | -                                                | 1,35,45,750                         | 35.47%                           | -                                                | NIL                                      |

**C) Change in Promoters' Shareholding:** There is no change in the shareholding of the promoter during the financial year 2017-18.

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

| Sr. No | Shareholder's Name                     | Shareholding                                                              |                                  | Date                     | Increase/ (Decrease) in shareholding | Reason                      | Cumulative Shareholding during the year (01.04.2017 to 31.03.2018) |                                  |
|--------|----------------------------------------|---------------------------------------------------------------------------|----------------------------------|--------------------------|--------------------------------------|-----------------------------|--------------------------------------------------------------------|----------------------------------|
|        |                                        | No. Of Shares at the beginning (01.04.2017)/ end of the year (31.03.2018) | % of total shares of the Company |                          |                                      |                             | No. Of shares                                                      | % of total shares of the Company |
| 1.     | Anubhav Securities Pvt. Limited        | 35,00,000<br>35,00,000                                                    | 9.17%<br>9.17%                   | 01.04.2017<br>31.03.2018 | Nil                                  | No Movement during the year | 35,00,000                                                          | 9.17%                            |
| 2.     | Anubhav Buildtech Limited              | 35,00,000<br>35,00,000                                                    | 9.17%<br>9.17%                   | 01.04.2017<br>31.03.2018 | Nil                                  | No Movement during the year | 35,00,000                                                          | 9.17%                            |
| 3.     | Sanmati Trading and Investment Limited | 35,00,000<br>35,00,000                                                    | 9.17%<br>9.17%                   | 01.04.2017<br>31.03.2018 | Nil                                  | No Movement during the year | 35,00,000                                                          | 9.17%                            |
| 4.     | White Lotus Investments Pvt. Limited   | 32,50,000<br>32,50,000                                                    | 8.51%<br>8.51%                   | 01.04.2017<br>31.03.2018 | Nil                                  | No Movement during the year | 32,50,000                                                          | 8.51%                            |
| 5.     | Kurral Infrastructure Pvt. Limited     | 27,50,000<br>27,50,000                                                    | 7.20%<br>7.20%                   | 01.04.2017<br>31.03.2018 | Nil                                  | No Movement during the year | 27,50,000                                                          | 7.20%                            |
| 6.     | Central Bank of India                  | 20,00,000<br>20,00,000                                                    | 5.24%<br>5.24%                   | 01.04.2017<br>31.03.2018 | Nil                                  | No Movement during the year | 20,00,000                                                          | 5.24%                            |
| 7.     | Mr. S.L. Sharma                        | 14,70,000<br>14,70,000                                                    | 3.85%<br>3.85%                   | 01.04.2017<br>31.03.2018 | Nil                                  | No Movement during the year | 14,70,000                                                          | 3.85%                            |
| 8.     | Ms. Rajni Chawla                       | 15,00,000<br>15,00,000                                                    | 3.93%<br>3.93%                   | 01.04.2017<br>31.03.2018 | Nil                                  | No Movement during the year | 15,00,000                                                          | 3.93%                            |
| 9.     | Mr. Niranjan Lal Sharma                | 13,00,000<br>13,00,000                                                    | 3.40%<br>3.40%                   | 01.04.2017<br>31.03.2018 | Nil                                  | No Movement during the year | 13,00,000                                                          | 3.40%                            |
| 10.    | Mr. B.S. Negi                          | 4,61,750<br>4,61,750                                                      | 1.21%<br>1.21%                   | 01.04.2017<br>31.03.2018 | Nil                                  | No Movement during the year | 4,61,750                                                           | 1.21%                            |



### E) Shareholding of Directors and Key Managerial Personnel:

| Shareholding of Directors and Key Managerial Personnel |                                                                      |                                                                           |                                 |                          |                                      |                             |                                                                    |                                 |
|--------------------------------------------------------|----------------------------------------------------------------------|---------------------------------------------------------------------------|---------------------------------|--------------------------|--------------------------------------|-----------------------------|--------------------------------------------------------------------|---------------------------------|
| Sr. No                                                 | Shareholder's Name                                                   | Shareholding                                                              |                                 | Date                     | Increase/ (Decrease) in shareholding | Reason                      | Cumulative Shareholding during the year (01.04.2017 to 31.03.2018) |                                 |
|                                                        |                                                                      | No. Of Shares at the beginning (01.04.2017)/ end of the year (31.03.2018) | %of total shares of the Company |                          |                                      |                             | No. Of shares                                                      | %of total shares of the Company |
| Shareholding of Directors                              |                                                                      |                                                                           |                                 |                          |                                      |                             |                                                                    |                                 |
| 1.                                                     | Ms. Shilpi Sharma (Whole time Director & Executive Vice Chairperson) | 1,35,45,750<br>1,35,45,750                                                | 35.47%<br>35.47%                | 01.04.2017<br>31.03.2018 | Nil                                  | No Movement during the year | 1,35,45,750                                                        | 35.47%                          |
| 2.                                                     | Mr. Kamal Kishore Gupta (Independent Director)                       | 1,000<br>1,000                                                            | Negligible                      | 01.04.2017<br>31.03.2018 | Nil                                  | No Movement during the year | 1,000                                                              | Negligible                      |
| 3.                                                     | Mr. Upkar Singh Kohli (Independent Director)                         | 1,000<br>1,000                                                            | Negligible                      | 01.04.2017<br>31.03.2018 | Nil                                  | No Movement during the year | 1,000                                                              | Negligible                      |
| 4.                                                     | Justice (Retd.) Shafi Sayeed Parkar (Independent Director)           | 1,000<br>1,000                                                            | Negligible                      | 01.04.2017<br>31.03.2018 | Nil                                  | No Movement during the year | 1,000                                                              | Negligible                      |

|                                               |  |  |  |  |  |  |  |  |
|-----------------------------------------------|--|--|--|--|--|--|--|--|
| <b>Shareholding of Other Directors/ KMP's</b> |  |  |  |  |  |  |  |  |
| <b>NIL</b>                                    |  |  |  |  |  |  |  |  |

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

|                                                            | Secured Loans excluding deposits | Inter Corporate Deposits | Deposits | Total Indebtedness  |
|------------------------------------------------------------|----------------------------------|--------------------------|----------|---------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                          |          |                     |
| i) Principal Amount                                        | 49,05,80,468                     | 16,00,00,000             | -        | 65,05,80,468        |
| ii) Interest due but not paid                              | -                                | -                        | -        | -                   |
| iii) Interest accrued but not due                          | -                                | -                        | -        | -                   |
| <b>Total (i+ii+iii)</b>                                    | <b>49,05,80,468</b>              | <b>16,00,00,000</b>      | <b>-</b> | <b>65,05,80,468</b> |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                          |          |                     |
| * Addition                                                 | 23,89,90,434                     | -                        | -        | 23,89,90,434        |
| * Reduction                                                | -                                | -                        | -        | -                   |
| <b>Net Change</b>                                          | <b>23,89,90,434</b>              | <b>-</b>                 |          | <b>23,89,90,434</b> |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                          |          |                     |
| i) Principal Amount                                        | 72,95,70,902                     | 16,00,00,000             | -        | 88,95,70,902        |
| ii) Interest due but not paid                              | -                                | -                        | -        | -                   |
| iii) Interest accrued but not due                          | -                                | -                        | -        | -                   |
| <b>Total (i+ii+iii)</b>                                    | <b>72,95,70,902</b>              | <b>16,00,00,000</b>      | <b>-</b> | <b>88,95,70,902</b> |

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

| SN | Particulars of Remuneration                                                         | Whole Time Director & Exec. Vice Chairperson | Total     |
|----|-------------------------------------------------------------------------------------|----------------------------------------------|-----------|
| 1  | Gross salary                                                                        | 23,16,667                                    | 23,16,667 |
|    | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | -                                            | -         |
|    | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -                                            | -         |
|    | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | -                                            | -         |
| 2  | Stock Option                                                                        | -                                            | -         |
| 3  | Sweat Equity                                                                        | -                                            | -         |
| 4  | Commission                                                                          | -                                            | -         |
|    | - as % of profit                                                                    | -                                            | -         |
|    | others, specify...                                                                  | -                                            | -         |
| 5  | Others, please specify                                                              | -                                            | -         |
|    | Total                                                                               | 23,16,667                                    | 23,16,667 |

### B. Remuneration to other directors

| Non Executive & Independent Directors     |                                             |            |          |                 |
|-------------------------------------------|---------------------------------------------|------------|----------|-----------------|
| Name of Directors                         | Fee for attending Board/ Committee Meetings | Commission | Others   | Total           |
| Mr. P. J. Vincent                         | 1,40,000                                    | -          | -        | 1,40,000        |
| Mr. Kamal Kishore Gupta                   | 1,20,000                                    | -          | -        | 1,20,000        |
| Mr. Upkar Singh Kohli                     | 1,10,000                                    | -          | -        | 1,10,000        |
| Mr. Shafi Sayeed Parkar                   | 1,25,000                                    | -          | -        | 1,25,000        |
| Mr. Prakash Prabhakar Naolekar            | 40,000                                      | -          | -        | 40,000          |
| Mr. Hari Hara Mishra                      | 60,000                                      | -          | -        | 60,000          |
| Mr. Uma Shankar Paliwal                   | 40,000                                      | -          | -        | 40,000          |
| Non Executive Director & Promoter         |                                             |            |          |                 |
| Ms. Shilpi Sharma                         | 70,000                                      | -          | -        | 70,000          |
| Nominee Director of Central Bank of India |                                             |            |          |                 |
| Mr. Narender Singh                        | 40,000                                      | -          | -        | 40,000          |
| <b>Total</b>                              | <b>7,45,000</b>                             | <b>-</b>   | <b>-</b> | <b>7,45,000</b> |





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

| SN | Particulars of Remuneration                                                         | CEO       | CFO       | CS        | Total     |
|----|-------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|
| 1  | Gross salary                                                                        | 24,00,000 | 15,60,000 | 14,40,000 | 54,00,000 |
|    | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | -         | -         | -         | -         |
|    | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -         | -         | -         | -         |
|    | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | -         | -         | -         | -         |
| 2  | Stock Option                                                                        | -         | -         | -         | -         |
| 3  | Sweat Equity                                                                        | -         | -         | -         | -         |
| 4  | Commission                                                                          | -         | -         | -         | -         |
|    | - as % of profit                                                                    | -         | -         | -         | -         |
|    | others, specify...                                                                  | -         | -         | -         | -         |
| 5  | Others, please specify                                                              | -         | -         | -         | -         |
|    | Total                                                                               | 24,00,000 | 15,60,000 | 14,40,000 | 54,00,000 |

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

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

Sd/-  
(P. J. Vincent)  
Chairman

Sd/-  
(Shilpi Sharma)  
Director

Place: New Delhi  
Date: August 28, 2018

**FORM AOC-2** **Annexure III**  
(Pursuant to Clause(h) of sub section(3) of Section 134 of the Act and  
Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

| SL. No. | Particulars                                                                                                       | Details                                                                                                                                                                                                                                                                                                           |
|---------|-------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|         |                                                                                                                   | <b>Transaction 1</b>                                                                                                                                                                                                                                                                                              |
| a)      | Name (s) of the related party & nature of relationship                                                            | Mr. Pramod Sharma (Spouse of Ms. Shilpi Sharma)                                                                                                                                                                                                                                                                   |
| b)      | Nature of contracts/arrangements/transaction                                                                      | Appointment of Mr. Pramod Sharma- (Relative of Ms. Shilpi Sharma (Director) as corporate Advisor.                                                                                                                                                                                                                 |
| c)      | Duration of the contracts/arrangements/transaction                                                                | N.A                                                                                                                                                                                                                                                                                                               |
| d)      | Salient terms of the contracts or arrangements or transaction including the value, if any                         | Re-appointment of Mr. Pramod Sharma as a Corporate Advisor of the Company w.e.f September 26, 2016 on a fee of Rs. 3,00,000/-per month with such enhancement / incentives from time to time as may be desirable and justified keeping in view his overall contribution, subject to maximum Rs. 72 lacs per annum. |
| e)      | Justification for entering into such contracts or arrangements or transactions'                                   | Mr. Pramod Sharma is an expert in the field of Finance, Marketing and Public Relations (PR). On account of his strong forte in Public Relations and marketing he is instrumental in garnering good business opportunities thereby contributing in building Company's growth.                                      |
| f)      | Date of approval by the Board                                                                                     | August 22, 2016                                                                                                                                                                                                                                                                                                   |
| g)      | Amount paid as advances, if any                                                                                   | ---                                                                                                                                                                                                                                                                                                               |
| h)      | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | September 26, 2016                                                                                                                                                                                                                                                                                                |



| SL. No. | Particulars                                                                                                       | Details                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|---------|-------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|         |                                                                                                                   | <b>Transaction 2</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| a)      | Name (s) of the related party & nature of relationship                                                            | Ms. Shilpi Sharma (Promoter Director)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| b)      | Nature of contracts/arrangements/transaction                                                                      | Appointment to the office of Whole Time Director of the Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| c)      | Duration of the contracts/arrangements/transaction                                                                | 3 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| d)      | Salient terms of the contracts or arrangements or transaction including the value, if any                         | 1. Appointment of Ms. Shilpi Sharma is at an all inclusive remuneration of maximum upto Rs. 1.20 crores per annum<br>2. The period of appointment is for 3 years.                                                                                                                                                                                                                                                                                                                                                                             |
| e)      | Justification for entering into such contracts or arrangements or transactions'                                   | Ms. Shilpi Sharma is a Practicing Company Secretary with more than 22 years vast experience in the field of Secretarial, Corporate Laws, Finance and Corporate Restructuring. Business of Asset Reconstruction involves acquisition of financial assets (NPAs) from banks and resolving them through various options. As a Whole Time Director, Ms. Shilpi Sharma will be required to put in place organisation systems and procedures of organisation in place for smooth conduct of business beside contributing in its sustainable growth. |
| f)      | Date of approval by the Board                                                                                     | August 25, 2017                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| g)      | Amount paid as advances, if any                                                                                   | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| h)      | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | September 26, 2017                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

## 2) Details of contracts or arrangements or transactions at Arm's length basis.

| SL. No. | Particulars                                                                                                       | Details                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------|-------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|         |                                                                                                                   | <b>Transaction 1</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| a)      | Name (s) of the related party & nature of relationship                                                            | Ms. Shilpi Sharma (Director)                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| b)      | Nature of Contracts / arrangements / transactions                                                                 | Lease Agreement                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| c)      | Duration of the contracts/arrangements/transaction                                                                | 3 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| d)      | Salient terms of the contracts or arrangements or transaction including the value, if any                         | Lease Agreement with Ms. Shilpi Sharma for the registered office of the Company at 704, 7 <sup>th</sup> Floor, 92 Deepali Building, Nehru Place, New Delhi for 3 years i.e. April 1, 2015 to March 31, 2018 @ Rs. 70/- per sq. ft                                                                                                                                                                                                                                                 |
| e)      | Justification for entering into such contracts or arrangements or transactions'                                   | Lease agreement with Ms. Shilpi Sharma for the registered office of the Company at 704, 7 <sup>th</sup> Floor, 92 Deepali Building, Nehru Place, New Delhi, for 3 years i.e. 1 <sup>st</sup> April , 2015 to 31 <sup>st</sup> March,2018 @ Rs. 70/- per sq.ft. along with the security deposit of Rs. 4,80,000/- . The transaction is at the prevailing market price and is also on Arm Length basis thereby complying with provisions of Section 188 of the Companies Act, 2013. |
| f)      | Date of approval by the Board                                                                                     | June 15, 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| g)      | Amount paid as advances, if any                                                                                   | Security deposit of Rs. 4,80,000/-                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| h)      | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | NA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |



## R K MAHASETH & CO.

Chartered Accountants  
AG-175, Ground Floor,  
Shalimar Bagh, Delhi-110088  
Ph. - +91-9990896948/9350236500  
Email Id-ca.ramkumar08@gmail.com

### **INDEPENDENT AUDITOR'S REPORT**

To,  
The Members,  
UV ASSET RECONSTRUCTION COMPANY LIMITED,  
NEW DELHI

#### **REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying standalone financial statements of **UV ASSET RECONSTRUCTION COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss and the Statement of Cash Flows for the year ended and a summary of the significant accounting policies and other explanatory information.

#### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, change in equity and cash flows of the Company in accordance with the principles generally accepted in India including the accounting standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

### **OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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 March 31, 2018, its profit and its cash flows for the year ended on that date.

### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) the Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the aforesaid standalone financial statements comply with the principles generally accepted in India including the accounting standards specified under section 133 of the Act.
  - e) on the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.





- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**. Our Report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i.) The Company does not have any pending litigations which would impact its financial position.
  - ii.) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii.) The Company is not required to transfer any amount to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For R K Mahaseth & Co.**  
Chartered Accountants  
FRN: 022140N

Sd/-  
(Ram Kumar Mahaseth)  
Proprietor  
M.No.: 511641

Place: New Delhi  
Date: August 28, 2018

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of UV Asset Reconstruction Company Limited of even date)

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

We have audited the internal financial controls over financial reporting of **UV ASSET RECONSTRUCTION COMPANY LIMITED** ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The 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. 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, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



## Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## 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 March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For R K Mahaseth & Co.**  
**Chartered Accountants**  
**FRN: 022140N**

Sd/-  
(Ram Kumar Mahaseth)  
Proprietor  
M.No.: 511641

**Place: New Delhi**  
**Date: August 28, 2018**

## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of UV Asset Reconstruction Company Limited of even date)

- i. In respect of the Company's fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, the records examined by us and based on the examination, there is no immovable properties in the name of the Company as at the balance sheet date.
- ii. The Company is in the financial business and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not granted unsecured loans to any bodies corporate, covered in the register maintained under section 189 of the Companies Act, 2013, therefore the para is not applicable
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2018 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 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: The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Goods and Service Tax, and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Goods and Service Tax and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable. There is no disputed tax liability as at March 31, 2018 related to the above taxes.
- viii. In our opinion and according to the explanations given to us, the company has not defaulted in the repayment of dues to Banks/ FI's. There were no overdue balance pending as on 31st March, 2018.



- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 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 Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- 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 its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For R K Mahaseth & Co.**  
**Chartered Accountants**  
**FRN: 022140N**

Sd/-  
**(Ram Kumar Mahaseth)**  
**Proprietor**  
**M.No.: 511641**

**Place: New Delhi**  
**Date: August 28, 2018**

## UV ASSET RECONSTRUCTION COMPANY LIMITED

**BALANCE SHEET AS AT 31st MARCH, 2018**

**AMOUNT IN (Rs.)**

|                                                     | Note No. | As at 31st March, 2018 | As at 31st March, 2017 |
|-----------------------------------------------------|----------|------------------------|------------------------|
| <b>I. EQUITY AND LIABILITIES</b>                    |          |                        |                        |
| <b>1) Shareholder's Funds</b>                       |          |                        |                        |
| a) Share capital                                    | 1        | 381,875,000            | 381,875,000            |
| b) Reserves and surplus                             | 2        | 748,321,228            | 731,939,160            |
|                                                     |          | <b>1,130,196,228</b>   | <b>1,113,814,160</b>   |
| <b>2) Share application money pending allotment</b> |          | -                      | -                      |
| <b>3) Non Current Liabilities</b>                   |          |                        |                        |
| a) Long Term Borrowings                             | 3        | 665,886,997            | 511,446,605            |
| b) Deferred tax liability (Net)                     |          | -                      | -                      |
| c) Other Non-current liabilities                    | 4        | 12,372,154             | 59,445,449             |
|                                                     |          | <b>678,259,151</b>     | <b>570,892,054</b>     |
| <b>4) Current Liabilities</b>                       |          |                        |                        |
| a) Short Term Borrowings                            | 3        | 223,683,904            | 139,133,861            |
| b) Trade Payables                                   |          | -                      | -                      |
| c) Other Current Liabilities                        | 4        | 88,427,843             | 115,537,916            |
| d) Short-term Provisions                            | 5        | 37,191,395             | 12,486,765             |
|                                                     |          | <b>349,303,142</b>     | <b>267,158,543</b>     |
| <b>TOTAL</b>                                        |          | <b>2,157,758,521</b>   | <b>1,951,864,757</b>   |
| <b>II. ASSETS</b>                                   |          |                        |                        |
| <b>(1) Non-current assets</b>                       |          |                        |                        |
| a) Fixed Assets                                     |          |                        |                        |
| (i) Tangible Assets                                 | 6        | 3,513,874              | 3,577,375              |
| (ii) Intangible Assets                              | 6        | 52,098                 | 45,660                 |
|                                                     |          | <b>3,565,973</b>       | <b>3,623,035</b>       |
| b) Non-Current Investment                           | 7        | 1,001,111,218          | 905,480,000            |
| c) Deferred Tax Assets (net)                        | 8        | 5,356,954              | 8,565,140              |
| d) Long-term loans and advances                     | 9        | 749,815,090            | 672,940,845            |
| e) Other non-current assets                         | 10       | 888,300                | 973,300                |
|                                                     |          | <b>1,760,737,534</b>   | <b>1,591,582,321</b>   |
| <b>2) Current assets</b>                            |          |                        |                        |
| a) Current Investment                               |          |                        |                        |
| b) Inventories                                      |          |                        |                        |
| c) Trade receivables                                | 11       | -                      | 127,335                |
| d) Cash and cash equivalents                        | 12       | 36,931,839             | 82,237,329             |
| e) Short-term loans and advances                    | 9        | 331,060,571            | 248,227,194            |
| f) Other current assets                             | 13       | 29,028,577             | 29,690,578             |
|                                                     |          | <b>397,020,987</b>     | <b>360,282,436</b>     |
| <b>TOTAL</b>                                        |          | <b>2,157,758,521</b>   | <b>1,951,864,757</b>   |
| <b>Significant accounting policies</b>              | 21       |                        |                        |
| <b>Notes to accounts</b>                            | 22       |                        |                        |

For RK Mahaseth & Co.  
CHARTERED ACCOUNTANTS  
Sd/-

R.K. Mahaseth  
Proprietor

Place : New Delhi

Date : August 28, 2018

For UV Asset Reconstruction Company Limited

Sd/-  
P. J. Vincent  
Chairman

Sd/-  
Shilpi Sharma  
Whole Time Director

Sd/-  
K. K. Gupta  
Director

Sd/-  
A. K. Chadha  
CEO

Sd/-  
N. K. Mittal  
CFO

Sd/-  
Gurpreet Kaur  
Company Secretary





**UV ASSET RECONSTRUCTION COMPANY LIMITED**  
**STATEMENT OF PROFIT & LOSS**  
**FOR THE YEAR ENDED 31st MARCH, 2018**

AMOUNT IN (RS.)

|                                                                             | Note No. | For the year ended |                    |
|-----------------------------------------------------------------------------|----------|--------------------|--------------------|
|                                                                             |          | 31st March 2018    | 31st March 2017    |
| <b>I REVENUE</b>                                                            |          |                    |                    |
| Revenue from Operations                                                     | 14       | 161,996,280        | 103,965,039        |
| Other income                                                                | 15       | 1,436,819          | 2,065,514          |
| <b>Total Revenue</b>                                                        |          | <b>163,433,099</b> | <b>106,030,553</b> |
| <b>II EXPENSES</b>                                                          |          |                    |                    |
| Employee benefits expenses                                                  | 16       | 14,004,211         | 9,135,990          |
| Operative Expenses                                                          | 17       | 16,403,546         | 1,913,615          |
| Administrative and other expenses                                           | 18 & 19  | 12,822,273         | 37,930,254         |
| Finance Cost                                                                | 20       | 62,485,549         | 40,955,313         |
| Depreciation /amortisation                                                  | 6        | 769,447            | 674,708            |
|                                                                             |          | <b>106,485,027</b> | <b>90,609,879</b>  |
| <b>III Profit/(loss) before exceptional and extraordinary items and tax</b> |          | <b>56,948,072</b>  | <b>15,420,673</b>  |
| <b>IV Prior period adjustments (Net)</b>                                    |          | <b>-</b>           | <b>-</b>           |
| <b>V Profit/(Loss) before tax</b>                                           |          | <b>56,948,072</b>  | <b>15,420,673</b>  |
| <b>VI Provision for taxes</b>                                               |          |                    |                    |
| a) Current taxes                                                            |          | 14,172,882         | 12,486,765         |
| b) Deferred taxes                                                           |          | 3,208,186          | (7,376,212)        |
| <b>VII Profit/(loss) after tax/Profit for the year</b>                      |          | <b>39,567,004</b>  | <b>10,310,120</b>  |
| <b>VIII Earnings per share - Basic &amp; Diluted</b>                        |          | <b>1.04</b>        | <b>0.33</b>        |
| Significant accounting policies                                             | 21       |                    |                    |
| Notes to the accounts                                                       | 22       |                    |                    |

For RK Mahaseth & Co.  
 CHARTERED ACCOUNTANTS  
 Sd/-  
 R.K. Mahaseth  
 Proprietor  
 Place : New Delhi  
 Date : August 28, 2018

For UV Asset Reconstruction Company Limited

|                                   |                                              |                                            |
|-----------------------------------|----------------------------------------------|--------------------------------------------|
| Sd/-<br>P. J. Vincent<br>Chairman | Sd/-<br>Shilpi Sharma<br>Whole Time Director | Sd/-<br>K. K. Gupta<br>Director            |
| Sd/-<br>A. K. Chadha<br>CEO       | Sd/-<br>N. K. Mittal<br>CFO                  | Sd/-<br>Gurpreet Kaur<br>Company Secretary |

**UV ASSET RECONSTRUCTION COMPANY LIMITED**  
Cash Flow Statement for the year ended 31st March, 2018

(Amount in Rs.)

|                                                                                       | AS AT<br>31ST MARCH, 2018 | AS AT<br>31ST MARCH, 2017 |
|---------------------------------------------------------------------------------------|---------------------------|---------------------------|
| <b>Cash Flow From Operating Activities</b>                                            |                           |                           |
| Net Profit/(loss) before tax                                                          | 56,948,072                | 15,420,673                |
| <b>Adjustment for :-</b>                                                              |                           |                           |
| Depreciation and Amortization                                                         | 769,447                   | 674,707                   |
| Preliminary & Deferred expense w/o                                                    | -                         | -                         |
| <b>Operating profit/(loss) before working capital changes</b>                         | <b>57,717,519</b>         | <b>16,095,380</b>         |
| Adjustment for changes in working capital:                                            |                           |                           |
| Increase/(Decrease) in Short-term Borrowings                                          | 84,550,043                | 102,753,779               |
| Increase/(Decrease) in Short-term Provisions                                          | 24,704,631                | 244,762                   |
| Increase/(Decrease) in other Current Liabilities                                      | (27,110,073)              | 38,398,133                |
| Increase/(Decrease) in other Non-Current Liabilities                                  | (47,073,295)              | (62,770,881)              |
| (Increase)/Decrease in Trade receivable                                               | 127,335                   | (97,040)                  |
| (Increase)/Decrease in Short-term Loans & Advances (Financial Assets)                 | (82,833,377)              | (157,750,677)             |
| (Increase)/Decrease in other Current Assets                                           | 6,62,001                  | (16,419,990)              |
|                                                                                       | <b>10,744,783</b>         | <b>(79,546,534)</b>       |
| (Increase)/Decrease in long term Loans & Advances (Financial Assets)                  | (76,874,245)              | 280,176,310               |
| <b>Net cash flow from/(Used in) operating activities</b>                              | <b>(66,129,461)</b>       | <b>200,629,776</b>        |
| Income tax paid                                                                       | (14,172,882)              | (12,486,765)              |
| Provision for Dividend & Dividend Tax                                                 | (23,018,513)              | -                         |
| Adjustment on account of PY. Income tax refund due to non deposit of TDS              | (166,423)                 | (176,054)                 |
| <b>Net cash flow from/(Used in) operating activities (A)</b>                          | <b>(103,487,280)</b>      | <b>187,966,957</b>        |
| <b>Cash Flow from Investing activities</b>                                            |                           |                           |
| Purchase of Fixed Assets                                                              | (712,382)                 | (1,764,633)               |
| Investments in UVARCL Trusts                                                          | (114,396,000)             | (868,520,000)             |
| Redemption of Security Receipts of UVARCL Trust                                       | 18,764,782                | 2,040,000                 |
| Other non-current Assets                                                              | 85,000                    | 10,000                    |
| <b>Net cash flow from/(Used in) Investing activities (B)</b>                          | <b>(96,258,600)</b>       | <b>(868,234,633)</b>      |
| <b>Cash Flow from Financing activities</b>                                            |                           |                           |
| Proceeds from issue of Equity Share Capital                                           | -                         | 214,375,000               |
| Proceeds from Security Premium on Equity Share Capital                                | -                         | 643,125,000               |
| Proceeds from Long term borrowings                                                    | 154,440,392               | (142,664,159)             |
| <b>Net cash flow from/(Used in) Financing activities (C)</b>                          | <b>154,440,392</b>        | <b>714,835,841</b>        |
| <b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents during the year (A+B+C)</b> | <b>(45,305,487)</b>       | <b>34,568,166</b>         |
| Cash & Cash Equivalent at the beginning of the year                                   | 82,237,329                | 47,669,163                |
| Cash & Cash Equivalent at the end of the year                                         | 36,931,839                | 82,237,329                |
| <b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>                         | <b>(45,305,490)</b>       | <b>34,568,166</b>         |

For UV Asset Reconstruction Company Limited

For RK Mahaseth & Co.  
CHARTERED ACCOUNTANTS  
Sd/-

R.K. Mahaseth  
Proprietor

Place : New Delhi

Date : August 28, 2018

Sd/-  
P. J. Vincent  
Chairman

Sd/-  
A. K. Chadha  
CEO

Sd/-  
Shilpi Sharma  
Whole Time Director

Sd/-  
N. K. Mittal  
CFO

Sd/-  
K. K. Gupta  
Director

Sd/-  
Gurpreet Kaur  
Company Secretary



## UV Asset Reconstruction Company Limited

### Notes Forming part of the Financial Statements

#### Note No. '1' SHARE CAPITAL

(Amount in Rs.)

|                                                 | As at 31st March, 2018 |                    | As at 31st March, 2017 |                    |
|-------------------------------------------------|------------------------|--------------------|------------------------|--------------------|
|                                                 | Number                 | Rupees             | Number                 | Rupees             |
| <b>(a) Authorised</b>                           |                        |                    |                        |                    |
| Equity shares of Rs. 10 each                    | 50,000,000             | 500,000,000        | 50,000,000             | 500,000,000        |
| <b>(b) Issued, Subscribed and Fully Paid up</b> |                        |                    |                        |                    |
| Equity shares of Rs. 10 each                    | 38,187,500             | 381,875,000        | 38,187,500             | 381,875,000        |
| <b>TOTAL</b>                                    | <b>38,187,500</b>      | <b>381,875,000</b> | <b>38,187,500</b>      | <b>381,875,000</b> |

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

(Amount in Rs.)

| Particulars                                     | As at 31st March, 2018 |                    | As at 31st March, 2017 |                    |
|-------------------------------------------------|------------------------|--------------------|------------------------|--------------------|
|                                                 | Number                 | Rupees             | Number                 | Rupees             |
| <b>Equity Shares with voting rights</b>         |                        |                    |                        |                    |
| Shares outstanding at the beginning of the year | 38,187,500             | 381,875,000        | 16,750,000             | 167,500,000        |
| Shares issued during the year                   | -                      | -                  | 21,437,500             | 214,375,000        |
| Shares outstanding at the end of the year       | <b>38,187,500</b>      | <b>381,875,000</b> | <b>38,187,500</b>      | <b>381,875,000</b> |

#### (ii) Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10/- . Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2018, the amount of per share dividend recognised as distribution to equity share holders is ₹ 0.50 per share on weighted Average basis. (31st March 2017 - Rs. NIL)

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

| Particulars                          | As at 31st March, 2018 |           | As at 31st March, 2017 |           |
|--------------------------------------|------------------------|-----------|------------------------|-----------|
|                                      | No. of Shares held     | % Holding | No. of Shares held     | % Holding |
| Ms. Shilpi Sharma                    | 13,545,750             | 35.47     | 13,545,750             | 35.47     |
| Central Bank of India                | 2,000,000              | 5.24      | 2,000,000              | 5.24      |
| White Lotus Investments Pvt. Ltd.    | 3,250,000              | 8.51      | 3,250,000              | 8.51      |
| Sanmati Trading and Investments Ltd. | 3,500,000              | 9.17      | 3,500,000              | 9.17      |
| Anubhav Buildtech Ltd.               | 3,500,000              | 9.17      | 3,500,000              | 9.17      |
| Anubhav Securities Pvt. Ltd.         | 3,500,000              | 9.17      | 3,500,000              | 9.17      |
| Kurral Infrastructure Pvt. Ltd.      | 2,750,000              | 7.20      | 2,750,000              | 7.20      |

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

| Note No.'2'<br>RESERVES AND SURPLUS              | (Amount in Rs.)           |                           |
|--------------------------------------------------|---------------------------|---------------------------|
|                                                  | As at<br>31st March, 2018 | As at<br>31st March, 2017 |
| <b>General Reserve Account</b>                   |                           |                           |
| Opening Balance                                  | 14,686,595                | 13,140,077                |
| Addition during the year                         | <u>5,935,051</u>          | <u>1,546,518</u>          |
|                                                  | <b>20,621,646</b>         | <b>14,686,595</b>         |
| <b>Share Premium Account</b>                     |                           |                           |
| Opening Balance                                  | 680,625,000               | 37,500,000                |
| Addition during the year                         | <u>-</u>                  | <u>643,125,000</u>        |
|                                                  | <b>680,625,000</b>        | <b>680,625,000</b>        |
| <b>Profit and Loss Account</b>                   |                           |                           |
| Opening Balance                                  | 36,627,565                | 28,040,017                |
| Add: Profit/(loss) for the year                  | 39,567,004                | 10,310,120                |
| <b>Less : Appropriations</b>                     |                           |                           |
| Adjustment on account of Earlier Year income Tax | 166,423                   | -                         |
| Tax refund due to non deposit of TDS             | -                         | 176,054                   |
| Transfer to General reserve                      | 5,935,051                 | 1,546,518                 |
| Proposed Dividend                                | 19,093,750                | -                         |
| Dividend Distribution Tax                        | 3,924,763                 | -                         |
| <b>Total Appropriations</b>                      | <u>29,119,987</u>         | <u>1,722,572</u>          |
|                                                  | <b>47,074,582</b>         | <b>36,627,565</b>         |
| <b>Total</b>                                     | <u><b>748,321,228</b></u> | <u><b>731,939,160</b></u> |

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

|                           | Non Current Liabilities  |                          | Current Liabilities      |                          |
|---------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|                           | As at<br>31st March 2018 | As at<br>31st March 2017 | As at<br>31st March 2018 | As at<br>31st March 2017 |
| <b>Secured Loans:</b>     |                          |                          |                          |                          |
| - Overdraft facility      |                          |                          |                          |                          |
| - from PNB                | 196,097,269              | 191,461,191              | 86,581,445               | 75,969,401               |
| - from CBI                | 161,071,591              | 159,189,656              | 71,116,804               | 631,64,460               |
| - from UBI                | 148,620,986              | -                        | 65,619,576               | -                        |
| - Car Loan from HDFC Bank | 97,152                   | 795,760                  | 366,079                  | -                        |
| <b>Unsecured Loans:</b>   |                          |                          |                          |                          |
| Inter Corporate Deposit   | 160,000,000              | 160,000,000              | -                        | -                        |
| <b>TOTAL</b>              | <b>665,886,997</b>       | <b>511,446,605</b>       | <b>223,683,904</b>       | <b>139,133,861</b>       |

**Notes:-**

(i) Overdraft facility from PNB, CBI and UBI are against Hyp. Of Book Debts and Financial Assets acquired from Banks/ Financial Institutions/NBFCs in the ordinary course of business.

(ii) 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 was utilized.



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

**Note No.'4'**  
**OTHER LIABILITIES**

(Amount in Rs.)

|                                                  | Non Current Liabilities |                   | Current Liabilities |                    |
|--------------------------------------------------|-------------------------|-------------------|---------------------|--------------------|
|                                                  | As at                   |                   | As at               |                    |
|                                                  | 31st March 2018         | 31st March 2017   | 31st March 2018     | 31st March 2017    |
| (a) Advance / Margin money received from Clients | -                       | 47,348,520        | 39,928,040          | -                  |
| (b) EMD by Successful Bider                      | -                       | -                 | 42,255,000          | 88,910,000         |
| (c) Others                                       |                         |                   |                     |                    |
| - Statutory dues payables                        | -                       | -                 | 3,669,861           | 8,209,287          |
| - Expenses Payable                               | -                       | -                 | 586,611             | 16,582,270         |
| - Amount Received for expenses                   | -                       | -                 | 190,439             | 437,960            |
| - Other Amount Payables                          | 12,372,154              | 12,096,929        | 1,797,891           | 1,398,400          |
| <b>TOTAL</b>                                     | <b>12,372,154</b>       | <b>59,445,449</b> | <b>88,427,843</b>   | <b>115,537,916</b> |

**Note No.'5'**  
**SHORT TERM PROVISIONS**

|                                           | As at<br>31st March, 2018 | As at<br>31st March, 2017 |
|-------------------------------------------|---------------------------|---------------------------|
| (a) Others                                |                           |                           |
| - Income taxes                            | 14,172,882                | 12,486,765                |
| - Proposed Dividend                       | 19,093,750                | -                         |
| - Provision for Dividend Distribution Tax | 3,924,763                 | -                         |
| - Provision for Gratuity                  | -                         | -                         |
| <b>TOTAL</b>                              | <b>37,191,395</b>         | <b>12,486,765</b>         |

**Note No. '7'**  
**NON-CURRENT INVESTMENTS**

|  | As at<br>31st March, 2018 | As at<br>31st March, 2017 |
|--|---------------------------|---------------------------|
|--|---------------------------|---------------------------|

**Investment in special purpose vehicles**  
**(Valued at cost unless stated otherwise)**  
**Unquoted security receipts**

|                                                                                                                   |             |             |
|-------------------------------------------------------------------------------------------------------------------|-------------|-------------|
| (a) Investment in UVARCL-I TRUST- 37,500 SRs of Rs. 485.2058 each (31st March, 2017- 37,500 SRs of Rs. 1000 each) | 18,195,218  | 36,960,000  |
| (b) Investment in UVARCL-III TRUST-6,75,000 (31st March 2017- 6,75,000) SRs of Rs. 1000/- each                    | 675,000,000 | 675,000,000 |
| (c) Investment in UVARCL-II TRUST-31,250 (31st March 2017- 31,250) SRs of Rs. 1000/- each                         | 31,250,000  | 31,250,000  |
| (d) Investment in UVARCL-IV TRUST-12,600 (31st March 2017- 12,600) SRs of Rs. 1000/- each                         | 12,600,000  | 12,600,000  |
| (e) Investment in UVARCL-V TRUST-16,740 (31st March 2017- 16,740) SRs of Rs. 1000/- each                          | 16,740,000  | 16,740,000  |

|                                                                                                 |                      |                    |
|-------------------------------------------------------------------------------------------------|----------------------|--------------------|
| (f) Investment in UVARCL-VI TRUST-52,590<br>(31st March 2017- 52,590) SRs of Rs. 1000/- each    | 52,590,000           | 52,590,000         |
| (g) Investment in UVARCL-VII TRUST-60,090<br>(31st March 2017- 60,090) SRs of Rs. 1000/- each   | 60,090,000           | 60,090,000         |
| (h) Investment in UVARCL-VIII TRUST-20,250<br>(31st March 2017 - 20,250) SRs of Rs. 1000/- each | 20,250,000           | 20,250,000         |
| (i) Investment in UVARCL-IX TRUST-32,100<br>(31st March 2017- NIL) SRs of Rs. 1000/- each       | 32,100,000           | -                  |
| (j) Investment in UVARCL-X TRUST-24,000<br>(31st March 2017- NIL) SRs of Rs. 1000/- each        | 24,000,000           | -                  |
| (k) Investment in UVARCL-XI TRUST-1,500<br>(31st March 2017- NIL) SRs of Rs. 1000/- each        | 1,500,000            | -                  |
| (l) Investment in UVARCL-XII TRUST-56,796<br>(31st March 2017- NIL) SRs of Rs. 1000/- each      | 56,796,000           | -                  |
| <b>TOTAL</b>                                                                                    | <b>1,001,111,218</b> | <b>905,480,000</b> |

#### Note No. '8'

##### DEFERRED TAX BALANCES

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

|                                  | (Amount in Rs.)           |                           |
|----------------------------------|---------------------------|---------------------------|
|                                  | As at<br>31st March, 2018 | As at<br>31st March, 2017 |
| (a) Deferred Tax Assets          |                           |                           |
| (i) Provisions for NPAs          | 5,421,230                 | 8,613,543                 |
| (b) Deferred Tax Liabilities     |                           |                           |
| (i) Depreciation                 | (64,276)                  | (48,403)                  |
| <b>Deferred Tax Assets (net)</b> | <b>5,356,954</b>          | <b>8,565,140</b>          |

#### Note No.'9'

##### Loans & Advances

|                                             | (Amount in Rs.)          |                          |                          |                          |
|---------------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|                                             | Non Current Assets       |                          | Current Assets           |                          |
|                                             | As at<br>31st March 2018 | As at<br>31st March 2017 | As at<br>31st March 2018 | As at<br>31st March 2017 |
| Secured, Considered good<br>Financial Asset | 749,815,090              | 672,940,845              | 301,976,580              | 161,759,990              |
| <b>Total</b>                                | <b>749,815,090</b>       | <b>672,940,845</b>       | <b>301,976,580</b>       | <b>161,759,990</b>       |
| Secured, Considered NPA                     | -                        | -                        | 48,759,990               | 112,519,116              |
|                                             | <b>749,815,090</b>       | <b>672,940,845</b>       | <b>350,736,570</b>       | <b>274,279,106</b>       |
| Less: Provision for NPAs                    | -                        | -                        | 19,675,999               | 26,051,912               |
| <b>TOTAL</b>                                | <b>749,815,090</b>       | <b>672,940,845</b>       | <b>331,060,571</b>       | <b>248,227,194</b>       |





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

| Note No.'10'                         | (Amount in Rs.)           |                           |
|--------------------------------------|---------------------------|---------------------------|
| OTHER NON CURRENT ASSETS             |                           |                           |
|                                      | As at<br>31st March, 2018 | As at<br>31st March, 2017 |
| (a) Unsecured, considered good       |                           |                           |
| Security Deposits                    | 888,300                   | 973,300                   |
| <b>TOTAL</b>                         | <b>888,300</b>            | <b>973,300</b>            |
|                                      |                           |                           |
| Note No.'11'                         |                           |                           |
| TRADE RECEIVABLES                    |                           |                           |
|                                      | As at<br>31st March, 2018 | As at<br>31st March, 2017 |
| Trade receivables                    |                           |                           |
| Unsecured, Considered good           |                           |                           |
| Outstanding for more than six months | -                         | -                         |
| Other debts                          | -                         | 127,335                   |
| <b>TOTAL</b>                         | <b>-</b>                  | <b>127,335</b>            |
|                                      |                           |                           |
| Note No. '12'                        |                           |                           |
| CASH AND CASH EQUIVALENTS            |                           |                           |
|                                      | As at<br>31st March, 2018 | As at<br>31st March, 2017 |
| (a) Cash and cash equivalents        |                           |                           |
| (i) Balances with banks              |                           |                           |
| In current accounts                  | 18,888,739                | 66,580,547                |
| In Fixed deposit accounts            | 17,958,478                | 15,400,913                |
|                                      | 36,847,217                | 81,981,460                |
| (ii) Cash in hand                    | 84,622                    | 255,869                   |
| <b>TOTAL</b>                         | <b>36,931,839</b>         | <b>82,237,329</b>         |

Fixed deposit of Rs. 161.73 Lacs is under lien of Central Bank of India, Parliament Street, New Delhi against OD facility availed from them.

| Note No.'13'                   |                           |                           |
|--------------------------------|---------------------------|---------------------------|
| OTHER CURRENT ASSETS           |                           |                           |
|                                | As at<br>31st March, 2018 | As at<br>31st March, 2017 |
| Tax deducted at sources        | 11,027,051                | 10,770,668                |
| Cenvat Credit                  | -                         | 331,117                   |
| Income tax refund recoverable  | 1,047,260                 | 4,032,245                 |
| Amount receivable from clients | -                         | 2,842,461                 |
| Amount receivable from others  | -                         | 125,374                   |
| Amount receivable from Trust   | 15,599,652                | 9,828,693                 |
| Prepaid Expenses               | 1,333,614                 | 1,260,020                 |
| Advance to Employees           | 21,000                    | -                         |
| Advance Income Tax             | -                         | 500,000                   |
| <b>TOTAL</b>                   | <b>29,028,577</b>         | <b>29,690,578</b>         |

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

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

|                                                              | For the period ended on<br>31st March, 2018 | For the period ended on<br>31st March, 2017 |
|--------------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| (a) Interest income on restructuring                         | 76,285,147                                  | 39,358,273                                  |
| (b) Non- interest income                                     | 85,711,133                                  | 62,620,137                                  |
| (c) Profit on Resolution of Financial Assets                 | -                                           | 1,901,628                                   |
| (d) Commission received from Banks for recovery of accounts. | -                                           | 85,000                                      |
| <b>TOTAL</b>                                                 | <b>161,996,280</b>                          | <b>103,965,039</b>                          |

**Note No.'15'**  
**OTHER INCOME**

|                          | For the period ended on<br>31st March, 2018 | For the period ended on<br>31st March, 2017 |
|--------------------------|---------------------------------------------|---------------------------------------------|
| (a) Interest on :        |                                             |                                             |
| - Deposits with Banks    | 1,214,758                                   | 1,759,164                                   |
| (b) Miscellaneous Income | 222,061                                     | 306,350                                     |
| <b>TOTAL</b>             | <b>1,436,819</b>                            | <b>2,065,514</b>                            |

**Note No.'16'**  
**EMPLOYEE BENEFIT EXPENSES**

|                                    | For the period ended on<br>31st March, 2018 | For the period ended on<br>31st March, 2017 |
|------------------------------------|---------------------------------------------|---------------------------------------------|
| (a) Salaries, Wages and Allowances | 12,612,956                                  | 8,333,305                                   |
| (b) Staff Welfare Expenses         | 1,018,743                                   | 734,806                                     |
| (c) Contribution to gratuity fund  | 316,337                                     | 67,879                                      |
| (d) ESI Contribution               | 56,175                                      | -                                           |
| <b>TOTAL</b>                       | <b>14,004,211</b>                           | <b>9,135,990</b>                            |

**Note No.'17'**  
**OPERATIVE EXPENSES**

|                                           | For the period ended on<br>31st March, 2018 | For the period ended on<br>31st March, 2017 |
|-------------------------------------------|---------------------------------------------|---------------------------------------------|
| Valuation, Due Diligence & Legal Expenses | 164,890                                     | 67,000                                      |
| Assignment Deed Registration Charges      | 6,660,756                                   | 251,840                                     |
| Travelling Expenses                       | 1,022,504                                   | 306,766                                     |
| Legal & Professional Expenses-Direct      | 3,010,196                                   | 716,050                                     |
| Insurance Expenses - Direct               | 637,900                                     | 4,511                                       |
| Security Expenses                         | 3,910,453                                   | 103,500                                     |
| Publication Charges                       | 433,604                                     | 437,458                                     |
| Other Direct Expense                      | 563,243                                     | 26,491                                      |
| <b>TOTAL</b>                              | <b>16,403,546</b>                           | <b>1,913,615</b>                            |



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

(Amount in Rs.)

**Note No. '18'**

**ADMINISTRATIVE AND OTHER EXPENSES**

|                                            | For the period ended on<br>31st March, 2018 | For the period ended on<br>31st March, 2017 |
|--------------------------------------------|---------------------------------------------|---------------------------------------------|
| Auditor's fees                             |                                             |                                             |
| - Statutory Audit                          | 124,920                                     | 110,000                                     |
| - Internal Audit                           | 130,596                                     | 90,000                                      |
| - Secretarial Audit                        | 45,000                                      | 60,000                                      |
| Bank Charges                               | 8,843                                       | 22,106                                      |
| Books & periodicals & Newspaper            | 44,027                                      | 41,004                                      |
| Bad Debt Writte Off (Receivable)           | 147,844                                     | -                                           |
| Business Promotion Expenses                | 1,518,498                                   | 1,288,416                                   |
| Consultancy Expenses                       | 3,743,318                                   | 2,898,387                                   |
| Directors sitting Fees                     | 789,344                                     | 645,000                                     |
| Donation to Charitable Trust               | 500,000                                     | -                                           |
| Electricity Expenses                       | 394,734                                     | 372,828                                     |
| Finance Charges                            |                                             |                                             |
| - Car Loan                                 | 62,343                                      | 66,914                                      |
| Insurance expenses                         | 53,757                                      | 37,364                                      |
| Provision for Interest Payable on Advances | 891,815                                     | -                                           |
| Legal & Professional Expenses              | 1,306,042                                   | 821,981                                     |
| Membership & Subscription                  | 30,750                                      | 30,000                                      |
| Repair & Maintainence                      | 335,624                                     | 279,579                                     |
| Postages, Courier & Stamps                 | 101,677                                     | 57,498                                      |
| Printing & Stationery                      | 291,395                                     | 204,447                                     |
| Rates & Taxes                              | 1,099,152                                   | 2,931,411                                   |
| Rent                                       | 3,102,870                                   | 2,865,886                                   |
| Telephone & Communication Expenses         | 335,878                                     | 216,696                                     |
| Travelling And Conveyance Expenses         | 3,134,425                                   | 1,946,265                                   |
| Vehicle Running And Maintenance Expenses   | 567,389                                     | 330,597                                     |
| Miscellaneous expenses                     | 437,946                                     | 261,963                                     |
| <b>TOTAL</b>                               | <b>19,198,186</b>                           | <b>15,578,342</b>                           |

**Note No. '19'**

**Provision for NPA (Net of Recoveries)**

|                                |            | For the Period ended on<br>31st March, 2018 | For the Period ended on<br>31st March, 2017 |
|--------------------------------|------------|---------------------------------------------|---------------------------------------------|
| <b>Secured, Considered NPA</b> |            |                                             |                                             |
| M/s Jai Mata Agro Industries   | -          | -                                           | 37,000,000                                  |
| M/s Sheena Exports             | 63,965,069 | (6,396,507)                                 | 63,965,069                                  |
| M/s A. D. Textiles             | 11,554,047 | (1,155,405)                                 | 11,554,047                                  |
| M/s. Jagajanani Textiles Ltd.  | 11,759,990 | 1,175,999                                   | 1,155,405                                   |
| <b>TOTAL</b>                   |            | <b>(6,375,913)</b>                          | <b>22,351,912</b>                           |

The provision for NPA is as per RBI Circular DNBR.(PD).CC.No. 03./SCRC/26.03.001/2015-2016 dated July 01,2015

**Note No. '20'**

**FINANCE COSTS**

|                                                         | For the Period ended on<br>31st March, 2018 | For the Period ended on<br>31st March, 2017 |
|---------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| (a) Interest expenses on bank borrowings                | 39,556,079                                  | 20,988,890                                  |
| (b) Interest expenses on ICDs                           | 17,600,000                                  | 17,600,000                                  |
| (c) Processing Charges and other charges on OD facility | 5,329,470                                   | 2,366,423                                   |
| <b>TOTAL</b>                                            | <b>62,485,549</b>                           | <b>40,955,313</b>                           |

UV Asset Reconstruction Company Limited  
Notes Forming part of the Financial Statements  
Note No. '6'  
**FIXED ASSETS**  
Movable Assets

| Movable Assets               |                     |                                                 |                                              |                     |                    |                 |                                   |                     |                     |
|------------------------------|---------------------|-------------------------------------------------|----------------------------------------------|---------------------|--------------------|-----------------|-----------------------------------|---------------------|---------------------|
| DESCRIPTION                  | GROSS BLOCK         |                                                 | (AT COST)                                    |                     | DEPRECIATION       |                 |                                   | NET BLOCK           |                     |
|                              | As at<br>01.04.2017 | Additions/<br>Adjustments<br>during the<br>Year | Sales /<br>Adjustments<br>during the<br>Year | As at<br>31.03.2018 | Upto<br>01.04.2017 | For the<br>Year | Adjustments<br>during the<br>Year | As at<br>31.03.2018 | As at<br>31.03.2017 |
| <u>Tangible Assets (A)</u>   |                     |                                                 |                                              |                     |                    |                 |                                   |                     |                     |
| Office Equipment             | 591,131             | 359,552                                         | -                                            | 950,683             | 328,369            | 118,510         | -                                 | 503,804             | 262,762             |
| Data Processing Equipment    | 497,037             | 237,495                                         | -                                            | 734,532             | 402,884            | 84,324          | -                                 | 247,324             | 94,153              |
| Vehicles                     | 3,006,304           | -                                               | -                                            | 3,006,304           | 916,884            | 356,999         | -                                 | 1,732,421           | 2,089,420           |
| Furniture & Fixture          | 1,485,866           | 42,144                                          | -                                            | 1,528,010           | 354,826            | 142,859         | -                                 | 1,030,325           | 1,131,040           |
| T O T A L (A)                | 5,580,338           | 639,191                                         | -                                            | 6,219,529           | 2,002,963          | 702,692         | -                                 | 3,513,874           | 3,577,375           |
| <u>Intangible Assets (B)</u> |                     |                                                 |                                              |                     |                    |                 |                                   |                     |                     |
| Software                     | 202,637             | 73,191                                          | -                                            | 275,828             | 156,976            | 66,755          | -                                 | 52,098              | 45,661              |
| Total (B)                    | 202,637             | 73,191                                          | -                                            | 275,828             | 156,976            | 66,755          | -                                 | 52,098              | 45,661              |
| TOTAL (A+B)                  | 5,782,975           | 712,382                                         | -                                            | 6,495,357           | 2,159,939          | 769,447         | -                                 | 3,565,973           | 3,623,036           |
| Previous Year                | 4,018,342           | 1,764,633                                       | -                                            | 5,782,975           | 1,485,231          | 674,708         | -                                 | 3,623,036           | 2,533,111           |



## UV Asset Reconstruction Company Limited

### 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 has issued a "Certificate of Commencement of Business" dated 17th September, 2007.

UV Asset Reconstruction Company Limited is registered with Reserve Bank of India as an Asset Reconstruction Company (ARC) to carry on the business of Securitisation 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 financial statements are presented in Indian Rupees rounded off to the nearest rupee. 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.

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

###### **Tangible fixed assets and depreciation**

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

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

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

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

###### **Intangible assets and Amortization**

Intangible assets comprise mostly computer softwares.

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

Intangible assets are amortised on “Straight Line Method” over their estimated useful lives.

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

**(iii) Revenue recognition**

Revenue of the Company is derived by way of interest charged to the borrowers, consultancy fee, processing fees, Management Fees, Recovery Incentive, Profit on sale of Assets and interest income on Bank deposits etc. As a prudent norms and considering the inbuilt uncertainty in our line of business, the income (other than interest on Bank deposits) is recognized when earned on actual realization basis.

Interest Income on Bank deposits is recognized on accrual basis. All other income is recognized on actual realization.

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

In case of any inconsistency with the AS guidelines and directions given by RBI, the RBI instructions will be followed.

**(iv) Taxation**

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

**(v) Earning Per Share**

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

**(vi) Leases**

**Operating Lease**

Lease payments shall be recognised as an expense on straight line basis or other systematic basis.

**(vii) Employee Benefits**

Company's manpower strength is more than 20, therefore, provisions towards contribution to P.F/Pension Plan etc. and ESI are to be adhered as per prevailing law in this regard.

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



**(viii) Cash Flow Statements**

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

**(ix) Operating Cycle**

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

**Note No. – '22'. NOTES TO ACCOUNTS:****(I) Earnings per share**

| Particulars                                                          | For the year ended<br>31 March 2018 | For the year ended<br>31 March 2017 |
|----------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Net Profit after Tax (Rs.)                                           | 3,95,67,004                         | 1,03,10,120                         |
| Weighted average number of equity shares outstanding during the year | 3,81,87,500                         | 3,13,93,836                         |
| Nominal value of the share (Rs)                                      | 10                                  | 10                                  |
| Basic earnings per share (Rs.)                                       | 1.04                                | 0.33                                |

**(II) Leasing Arrangements:**

The Company has entered into operating lease arrangement of office space for registered office for 3 years w.e.f. April, 2015 to March, 2018 and further renewed for 3 years i.e. April, 2018 to March, 2021; Corporate Office for 3 years w.e.f. September, 2017 to August, 2020 and Mumbai Office of the Company w.e.f. August, 2017 to April, 2020.

Lease payments charged during the year to the Profit and Loss Account amounting to Rs.31,02,870/- (previous year Rs. 28,65,886/-).

**(III) Related party disclosures**

| <b>(i) Related parties and nature of related party relationship with whom transactions have taken place during the current and previous period:</b> |                                                                                                                                                                                       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Key Managerial personnel</b>                                                                                                                     | Mr. A.K. Chadha, CEO<br>Mr. Rajesh Chawla, CFO (Resigned on 26.04.2016)<br>Mr. N.K. Mittal, CFO (Appointed w.e.f 01.06.2016)<br>Ms. Gurpreet Kaur, Vice President & Company Secretary |
| <b>Related Parties</b>                                                                                                                              | Mr. P J Vincent, Chairman<br>Ms. Shilpi Sharma, Whole Time Director & Executive Vice Chairperson<br>Mr. Pramod Sharma, Corporate Advisor                                              |

(Amount in Rs.)

### Transactions with Related Parties:

(IV) There is no disclosure as required by sub-section 4 of section 186 of the Companies Act, 2013 during Financial Year 2017-18.

(V) These financial statements have been prepared in the format prescribed by the Schedule III to the Companies Act, 2013. Previous period figures have been recasted/restated to confirm the classification of the current period.

(VI) The Security Receipts issued by the Trusts which are managed by the Company as managing trustee are being rated by Brickwork Ratings India Pvt. Ltd., in accordance with the guidelines issued by Reserve bank of India for credit rating of SRs' of Trusts.

|       |                                     |                        |
|-------|-------------------------------------|------------------------|
| (VII) | (a) Expenditure in Foreign Currency | - Singapore \$ 2500.00 |
|       |                                     | - US \$ 500            |
|       |                                     | - Dubai Dirhams 900    |
|       | (b) Earning in Foreign Currency     | NIL                    |

(VIII) Contingent Liability as on March 31, 2018.

-----NIL-----



## (IX) Additional disclosure

In compliance of 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:

(Amount in Rs.)

| Name of the selling bank/ financial institutions                          | Address of Banks/ FIs Head Offices                                                                                            | Acquisition Price as on 31 <sup>st</sup> March, 2017 | Acquisition during the year | Acquisition Price as on 31 <sup>st</sup> March, 2018 |
|---------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|-----------------------------|------------------------------------------------------|
| <b>Sponsors</b>                                                           |                                                                                                                               |                                                      |                             |                                                      |
| Central Bank of India *                                                   | Chandermukhi, Nariman Point, Mumbai – 400021                                                                                  | 5,70,00,000                                          | Nil                         | 5,70,00,000                                          |
| <b>Sponsors Total</b>                                                     |                                                                                                                               | <b>5,70,00,000</b>                                   | <b>Nil</b>                  | <b>5,70,00,000</b>                                   |
| <b>Non-Sponsors</b>                                                       |                                                                                                                               |                                                      |                             |                                                      |
| Punjab National Bank                                                      | 7, Bhikaji Cama Place, New Delhi                                                                                              | 6,42,29,000                                          | Nil                         | 6,42,29,000                                          |
| IDBI Bank                                                                 | IDBI Tower, WTC Complex, Cuffe Parade, Mumbai- 400005                                                                         | 30,89,64,000                                         | Nil                         | 30,89,64,000                                         |
| The administrator of the Specified Undertaking of the Unit Trust of India | UTI Tower, Gn Block, Bandra, Kurla Complex, Bandra (East), Mumbai- 400051                                                     | 61,70,770                                            | Nil                         | 61,70,770                                            |
| Vijaya Bank                                                               | Vijaya Bank, 41/2, Trinity Circle, M. G. Road, Bangalore -560001                                                              | 4,23,92,143                                          | Nil                         | 4,23,92,143                                          |
| Indian Overseas Bank                                                      | 763, Anna Salai, Chennai-600002                                                                                               | 1,11,80,000                                          | Nil                         | 1,11,80,000                                          |
| IFCI Ltd.                                                                 | 61, IFCI Tower, Nehru Place, New Delhi-110019                                                                                 | 54,24,81,560                                         | 6,01,49,187                 | 60,26,30,747                                         |
| Karnataka Bank                                                            | Karnataka Bank Limited, Mahaveera Circle, Kankanady, Mangaluru, Karnataka - 575 002.                                          | 95,00,000                                            | Nil                         | 95,00,000                                            |
| State Bank of India                                                       | Corporate Centre, Madam Cama Road, Nariman Point, Mumbai-400021                                                               | 11,46,13,021                                         | Nil                         | 11,46,13,021                                         |
| Bank Of Baroda                                                            | Baroda Corporate Centre, Plot No. C -26, G -Block, Bandra Kurla Complex, Bandra (East), Mumbai-400051                         | 12,95,00,000                                         | Nil                         | 12,95,00,000                                         |
| Union Bank of India                                                       | 239, Union Bank Bhavan, Vidhan Bhavan Marg, Nariman Point Mumbai-400021                                                       | 3,89,00,000                                          | Nil                         | 3,89,00,000                                          |
| Axis Bank                                                                 | Axis Bank Limited, 'TRISHUL' 3 <sup>rd</sup> floor, Opp. Samartheshwar Temple, Nr. Law Garden, Ellisbridge, Ahmadabad- 380006 | 20,50,00,000                                         | Nil                         | 20,50,00,000                                         |
| Allahabad Bank                                                            | N.S. Road, Kolkata-700001                                                                                                     | 26,00,00,000                                         | 5,14,00,000                 | 31,14,00,000                                         |
| State Bank of Patiala                                                     | Commercial Branch, Atlanta, 1st Floor, Jamnalal Bajaj Marg, Nariman Point, Mumbai-400021                                      | 4,35,50,000                                          | Nil                         | 4,35,50,000                                          |

|                           |                                                                                                                                                           |                      |                      |                      |
|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|----------------------|
| Standard Chartered Bank   | Mezzanine & Alternative Solutions Crescenzo, 7 <sup>th</sup> Floor, C-38/39, G-Block, Behind MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai-400051 | 15,00,00,000         | 4,50,00,000          | 19,50,00,000         |
| SIDBI                     | Ground Floor, Videocon Tower, E-1 Rani Jhansi Road, Jhandewalan Extension, New Delhi-110055.                                                              | 5,25,00,000          | Nil                  | 5,25,00,000          |
| SREI                      | SREI Infrastructure Finance Limited 'Vishwakarma' 86C, Topsia Road (South) Kolkata-700046                                                                 | 450,00,00,000        | 1,00,00,000          | 451,00,00,000        |
| Andhra Bank               | Head office, Dr. Pattabhi Bhawan, S-9-11, Saifabad, Hyderabad-500004.                                                                                     | 26,00,00,000         | Nil                  | 26,00,00,000         |
| United Bank of India      | Head office, 11 Hemanta Basu Salani, Kolkata-700001.                                                                                                      | 86,28,00,000         | 37,40,00,000         | 123,68,00,000        |
| TFCI                      | Tower I, 4th Floor, NBCC Plaza, Pushp Vihar, Sector-5, Saket, New Delhi-110017.                                                                           | Nil                  | 10,23,14,477         | 10,23,14,477         |
| RBL                       | Ist Lane, Shahpuri, Kohlapur-416001, Maharashtra                                                                                                          | Nil                  | 37,86,40,000         | 37,86,40,000         |
| <b>Non Sponsors Total</b> |                                                                                                                                                           | <b>760,17,80,494</b> | <b>102,15,03,664</b> | <b>862,32,84,158</b> |
| <b>Grand Total</b>        |                                                                                                                                                           | <b>765,87,80,494</b> | <b>102,15,03,664</b> | <b>868,02,84,158</b> |

Note: - \* Central Bank of India was sponsor at the time of acquisition but now not a sponsor.

Note: Company additionally lent Rs. 52,03,612/- to borrowers as reconstruction loan in financial year 2012-13 (which got realized) and Rs. 4,75,00,000/- in financial year 2017-18. Thus, the amount of asset acquired and additional exposure till March 31, 2018 is Rs. 868,15,87,770/-.

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

| Industry          | Acquisition Price as on 31 <sup>st</sup> March, 2017 |            | Acquisition during the year |            | Acquisition Price as on 31 <sup>st</sup> March, 2018 |            |
|-------------------|------------------------------------------------------|------------|-----------------------------|------------|------------------------------------------------------|------------|
|                   | Amount                                               | % to total | Amount                      | % to total | Amount                                               | % to total |
| Textile           | 42,41,29,000                                         | 5.54%      | -                           | -          | 42,41,29,000                                         | 4.89%      |
| Auto & Ancillary  | 17,73,16,330                                         | 2.32%      | -                           | -          | 17,73,16,330                                         | 2.04%      |
| Consumer Products | 38,99,72,143                                         | 5.09%      | -                           | -          | 38,99,72,143                                         | 4.49%      |
| Engineering       | 1,46,63,021                                          | 0.19%      | -                           | -          | 1,46,63,021                                          | 0.17%      |
| Animal Husbandry  | 8,80,00,000                                          | 1.15%      | -                           | -          | 8,80,00,000                                          | 1.01%      |



|                     |                      |                |                      |                |                      |                |
|---------------------|----------------------|----------------|----------------------|----------------|----------------------|----------------|
| Food Processing     | 44,06,00,000         | 5.75%          | 37,86,40,000         | 37.07%         | 81,92,40,000         | 9.44%          |
| Oil Extraction      | 2,25,00,000          | 0.29%          | 21,40,00,000         | 20.95%         | 23,65,00,000         | 2.72%          |
| Readymade Garments  | 26,00,00,000         | 3.39%          | -                    | -              | 26,00,00,000         | 3.00%          |
| Steels              | 48,02,00,000         | 6.27%          | -                    | -              | 48,02,00,000         | 5.53%          |
| Infrastructure      | 450,00,00,000        | 58.76%         | 16,00,00,000         | 15.66%         | 466,00,00,000        | 53.68%         |
| Power               | 20,90,00,000         | 2.73%          | -                    | -              | 20,90,00,000         | 2.41%          |
| Education           | 5,52,00,000          | 0.72%          | -                    | -              | 5,52,00,000          | 0.64%          |
| Hospitality         | 11,16,00,000         | 1.46%          | 16,24,63,664         | 15.90%         | 27,40,63,664         | 3.16%          |
| Cold Storage        | 35,06,00,000         | 4.58%          | -                    | -              | 35,06,00,000         | 4.04%          |
| Industrial Products | 13,50,00,000         | 1.76%          | -                    | -              | 13,50,00,000         | 1.56%          |
| Chemicals           | -                    | -              | 4,50,00,000          | 4.41%          | 4,50,00,000          | 0.52%          |
| Media               | -                    | -              | 1,00,00,000          | 0.98%          | 1,00,00,000          | 0.12%          |
| Others              |                      |                | 5,14,00,000          | 5.03%          | 5,14,00,000          | 0.59%          |
| <b>Total</b>        | <b>765,87,80,494</b> | <b>100.00%</b> | <b>102,15,03,664</b> | <b>100.00%</b> | <b>868,02,84,158</b> | <b>100.00%</b> |

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

| Particulars                                                                               | 2017-2018                | 2016-2017                 |
|-------------------------------------------------------------------------------------------|--------------------------|---------------------------|
| Opening Balance                                                                           | Rs. 11,25,19,116/-       | Rs. 3,75,38,660/-         |
| Add: migration of Financial assets from Standard to Non-Performing Assets during the year | Rs. 1,17,59,990/-        | Rs. 7,55,19,116/-         |
| Less: Non Performing Assets resolved during the year                                      | Rs. 7,55,19,116/-        | Rs. 5,38,660/-            |
| <b>Closing Balance</b>                                                                    | <b>Rs. 4,87,59,990/-</b> | <b>Rs. 11,25,19,116/-</b> |

- (iv) The accounting policies adopted by the Company in preparation and presentation of the financial statements are in conformity with the applicable prudential norms prescribed by the RBI.
- (v) Details of Related parties as per Accounting Standard and guidance notes issued by ICAI is same as Note No. 22 (III) and there is no amount is due to and due from any related parties.
- (vi) The capital adequacy ratio above the prescribed fifteen percent ratio of its total risk weighted assets, accordingly the Company has complied with the capital adequacy norms as prescribed by the RBI.

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

| Particulars                                                                                                                                                                                                         | Amount in Rs.<br>(Face Value) |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| Value of financial assets acquired during the financial year either in its own books or in the books of the trust                                                                                                   | 102,15,03,664                 |
| Value of financial assets realized during the financial year                                                                                                                                                        | 27,81,30,503                  |
| Value of financial assets outstanding for realization as at the end of the financial year                                                                                                                           | 767,16,17,114                 |
| Value of Security Receipts redeemed partially during the financial year                                                                                                                                             | 12,50,98,548                  |
| Value of Security Receipts redeemed fully during the financial year                                                                                                                                                 | Nil                           |
| Value of Security Receipts pending for redemption as at the end of the financial year                                                                                                                               | 659,07,41,453                 |
| 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 7(6)(ii) or 7(6)(iii) | Nil                           |
| Value of land and/or building acquired in ordinary course of business of reconstruction of assets                                                                                                                   | Nil                           |

For RK Mahaseth & Co.  
CHARTERED ACCOUNTANTS

Sd/-  
R.K. Mahaseth  
Proprietor

Place : New Delhi

Date : August 28, 2018

For UV Asset Reconstruction Company Limited

Sd/-  
P. J. Vincent  
Chairman

Sd/-  
Shilpi Sharma  
Whole Time Director

Sd/-  
K. K. Gupta  
Director

Sd/-  
A. K. Chadha  
CEO

Sd/-  
N. K. Mittal  
CFO

Sd/-  
Gurpreet Kaur  
Company Secretary





# 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:

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

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

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 11th Annual General Meeting of the Company, to be held on **Friday, 28th day of September, 2018 at 1:00 PM at Sapphire Hall, Crowne Plaza Today, Plot No.1, Community Centre, Okhla, Phase-I, New Delhi-110020** and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No: | Resolutions                                                                                                                                                                                                  | Optional* |         |
|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------|
|                | Ordinary Business                                                                                                                                                                                            | For       | Against |
| 1.             | To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31st March, 2018, together with the Reports of the Auditor's and Board of Directors' thereon. |           |         |
| 2.             | To consider and declare pro-rata dividend of Rs.0.50 per equity share, for the year ended 31st March, 2018.                                                                                                  |           |         |
| 3.             | To appoint a Director in place of Mr. Vincent Puthenveetil John (DIN: 00096857) who retires by rotation and being eligible offers himself for re-appointment.                                                |           |         |
| 4.             | To ratify the appointment of Statutory Auditors and to fix their remuneration payable to them, for the financial year ended March 31, 2018                                                                   |           |         |
|                | Special Business                                                                                                                                                                                             |           |         |
| 5.             | Re-appointment of Mr. Kamal Kishore Gupta (DIN: 01746444) as an Independent Director of the Company                                                                                                          |           |         |
| 6.             | Re-appointment of Mr. Upkar Singh Kohli (DIN: 02528045) as an Independent Director of the Company                                                                                                            |           |         |
| 7.             | Re-appointment of Justice (Retd.) Shafi Sayeed Parkar (Retd.) (DIN: 02661621) as an Independent Director of the Company                                                                                      |           |         |
| 8.             | Appointment of Mr. Hari Hara Mishra as a Professional (Non Executive) Director of the Company                                                                                                                |           |         |
| 9.             | Appointment of Mr. Uma Shankar Paliwal as an Independent Director of the Company                                                                                                                             |           |         |

Signed this.....day of .....2018

Affix  
Revenue  
Stamp  
Re.1

Signature of Member

Signature of Proxy holder(s)

**NOTE:**

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



# 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

## ATTENDANCE SLIP

Please complete this attendance slip before you come to the meeting and hand it over at the entrance of the meeting hall.

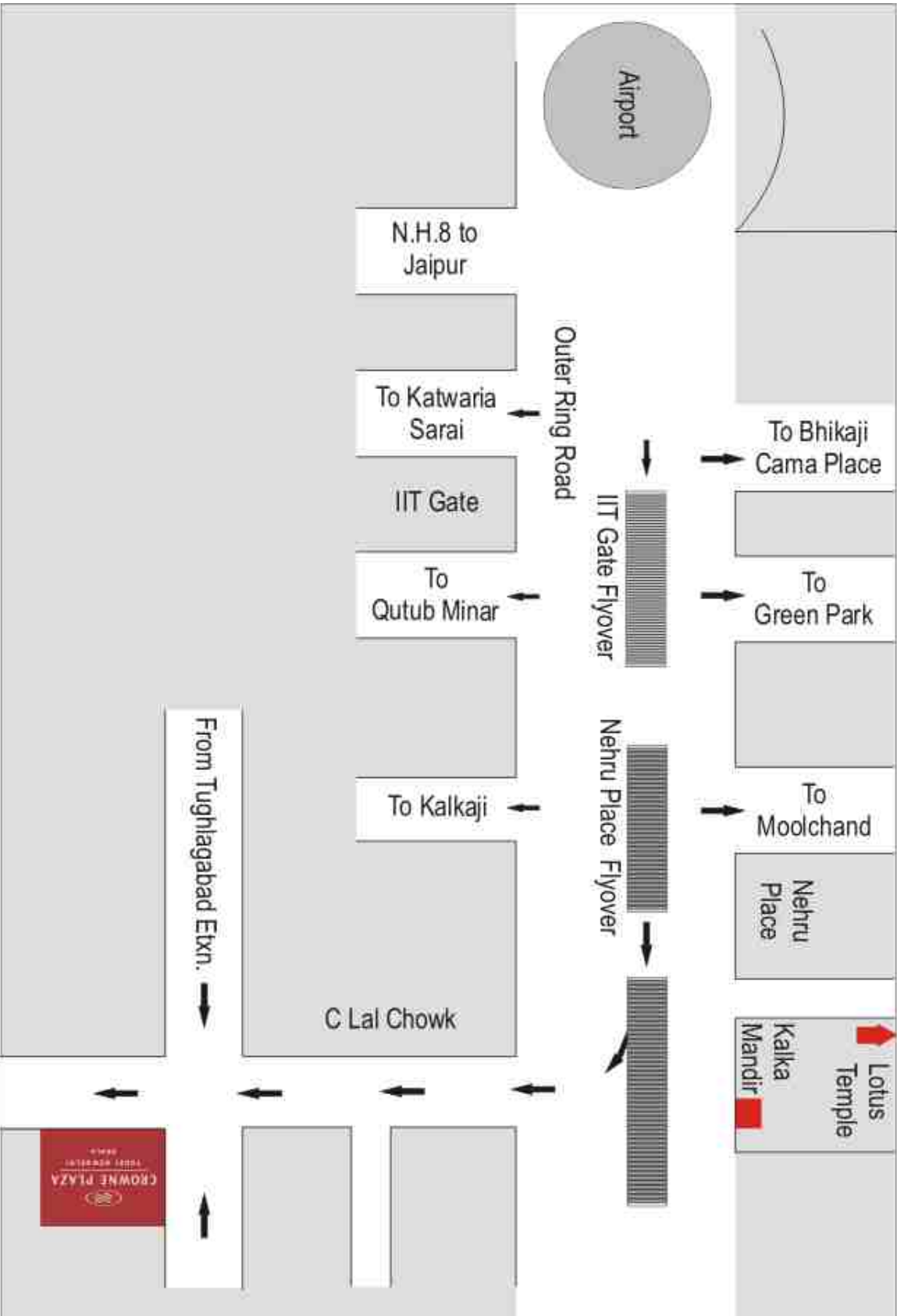
1. Name of the attending member .....  
(In Block Letters)
2. Folio No. ....
3. Name of Proxy (In Block Letters) .....  
(To be filled if the Proxy attends instead of the members)

No. of Share Held: - .....

I hereby record my presence at the Eleventh Annual General Meeting of the Company being held on Friday, the 28th day of September, 2018 at 1:00 PM at Sapphire Hall, Crowne Plaza Today, Plot No.1, Community Centre, Okhla Phase-I, New Delhi-110020

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

## ROUTE MAP





## **UV ASSET RECONSTRUCTION COMPANY LIMITED**

*“Restoring NPA’s back to Health”*

**CIN : U74900DL2007PLC167329**

**e-mail : [uvarcl@gmail.com](mailto:uvarcl@gmail.com)**

### **Registered Office**

704, Deepali Building, 92,  
Nehru Place, New Delhi-110019  
Tel : +91-11-26482050

### **Corporate Office**

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### **Mumbai Office**

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