

FORM A Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company:	Shriram City Union Finance Limited
2.	Annual financial statements for the year ended	March 31, 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	None
5.	To be signed by-	

For Pijush Gupta & Co. Firm Registration No. 309015E Chartered Accountants

R Duruvasan Managing Director and CEO

Subhasri Sriram

Chief Financial Officer

Ramendra Nath Das Partner Membership No. 014125

Evang

Sunil Varma Audit & Risk Management Committee Chairman

28 APR 2015

_Shriram City Union Finance Limited.

Business Solution Centre, 144, Santhome High Road, Mylopore, Chennai – 600 004. Ph: +91 44 4392 5300, Fax: +91 44 4392 5430 Regd. Office: 123, Angappa Naicken Street, Chennai - 600 001. Ph: +91 44 2534 1431 E-mail : shriramcity@shriramcity.in Website : www.shriramcity.in Corporate Identification Number (CIN) L65191TN1986PLC012840

29th ANNUAL REPORT 2014-15



Small is Beautiful, we make it big and more beautiful.

India's Leading Small Business Finance Company.



We, at Shriram City right from the inception almost three decades back believed in "Small is Beautiful". Yes, the joy of catering to small businesses and businessmen in all their financial requirements is immense and the pleasure continues to grow.

During this journey, we have created and crossed many a milestone in pursuit of extending our inclusive financial assistance and at the same time maintaining a high growth rate for the Company.

Then, we realized that "Big is also Beautiful" when all our customers and stakeholders have started growing tall. And, today we look back and thank each and everybody, our customers, channel partners, stakeholders, Banks and Financial Institutions, Investors and our valuable employees who have played a pivotal role in making us one of the foremost and niche NBFCs in India.

We too stand tall today, grown and consolidated, but our vision stands mosaic and we will continue to pursue our goal.

FACT SHEET

WE ARE TRUSTED WE A RE W T E Λ P WF F R 5 HAVE CON **N**I WΕ Ε FI SM BUSINESS Δ NANCE W **ASSETS UNDER** NAGEMENT OF OVER RS.16,700 WE ARE A COMPLE CRORES

WE ARE SHRIRAM CITY



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FORWARD LOOKING STATEMENT:

In this annual report we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements, written and oral, that we periodically make contain forward looking statements That set out anticipated results based on the management's plan and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'project', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions prove inaccurate, actual results could vary materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward ;looking statements, whether as a result of new information, future events or otherwise.

Sri Arun Duggal,

Chairman, Non Executive, Non Independent (resigned from the position of Chairmanship and Directorship w.e.f. November 15, 2014)

Sri Debendranath Sarangi,

Chairman, Non Executive, Independent (appointed as an Additional Director w.e.f. January 29, 2015 and Chairman w.e.f April 28, 2015)

Sri Duruvasan Ramachandra,

Managing Director, and Chief Executive Officer (CEO), Non Independent

Sri Gerrit Lodewyk Van Heerde,

Additional Director, Non Executive, Non Independent (appointed as an Additional Director w.e.f. August 1, 2014)

Sri Gopalasamudram Srinivasaraghavan Sundararajan,

Director, Non Executive, Non Independent (stepped down from the position of Managing Director and re designated as a Director w.e.f. November 1, 2014)

Smt. Lakshmi Pranesh,

Director, Non Executive, Independent (resigned w.e.f. January 31, 2015)

Smt. Maya S Sinha,

Additional Director, Non Executive, Independent (appointed as an Additional Director w.e.f May 28, 2015)

Sri Pranab Prakash Pattanayak,

Director, Non Executive, Independent

Sri Puneet Bhatia,

Director, Non Executive, Non Independent

Sri Ranvir Dewan,

Director, Non Executive, Non Independent

Sri Subramaniam Krishnamurthy

Director, Non Executive, Independent

Sri Sunil Varma,

Director, Non Executive, Independent (resigned w.e.f. April 28, 2015)

Sri Venkataraman Murali,

Director, Non Executive , Independent

Sri Vipen Kapur,

Director, Non Executive, Independent

CORPORATE **INFORMATION**



COMPANY SECRETARY : Sri C R Dash



LISTED AT :

BSE Limited National Stock Exchange of India Limited



BANKS:

Allahabad Bank Andhra Bank **Axis Bank Limited** Bank of Baroda Bank of India Bank of Maharashtra **Canara Bank** Central Bank of India **City Union Bank Limited Corporation Bank** Dena Bank Federal Bank **HDFC Bank Limited ICICI Bank Limited IDBI Bank Limited** Indian Bank **Indian Overseas Bank** Indusind Bank Limited ING Vysya Bank Limited Jammu & Kashmir Bank Limited Karur Vysya Bank Kotak Mahindra Bank Limited **Oriental Bank of Commerce Punjab National Bank** State Bank of India State Bank of Patiala State Bank of Travancore

Syndicate Bank The South Indian Bank Limited Union Bank of India United Bank of India Vijaya Bank



INSTITUTIONS: Small Industries Development Bank of India Limited (SIDBI)



AUDITORS : Pijush Gupta & Co.,

Chartered Accountants. P-199, C I T Road, Scheme IV - M, Kolkata – 700 010



SHARE TRANSFER AGENTS :

Integrated Enterprises (India) Limited, 2nd Floor, `Kences Towers', No.1, Ramakrishna Street, Off North Usman Road, T Nagar, Chennai 600 017 Ph: + 91 44 2814 0801 - 2814 0803



REGISTERED OFFICE :

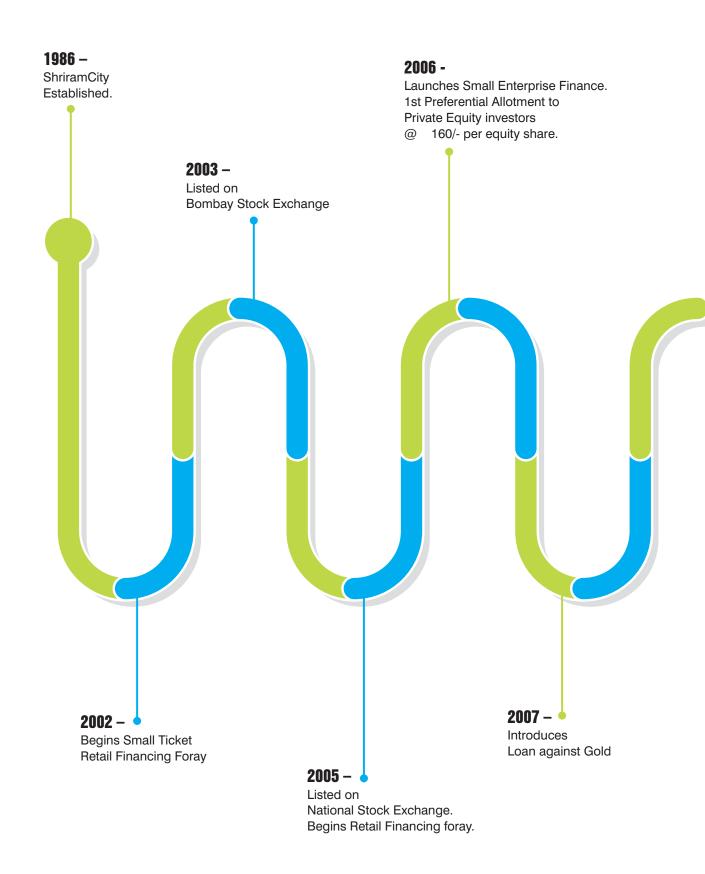
123, Angappa Naicken Street, Chennai 600 001 Ph : + 91 44 2534 1431



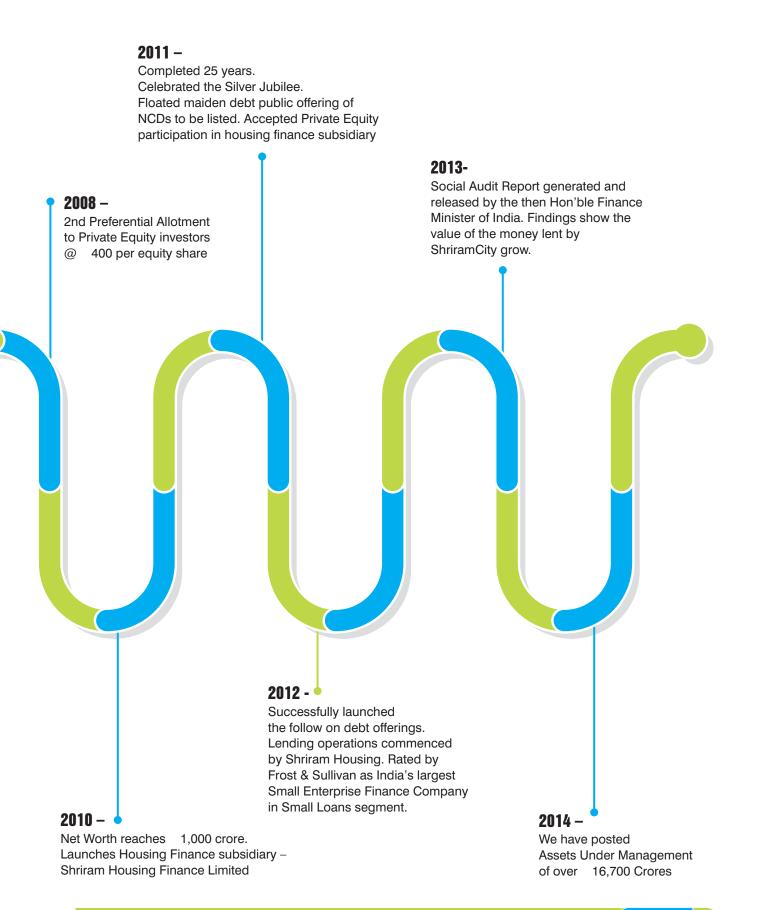
SECRETARIAL OFFICE :

No 144, Santhome High Road, Mylapore, Chennai 600 004 Ph No: + 91 44 4392 5300 Fax : + 91 44 4392 5430

MILESTONES







VISION

Serving the underserved. Creating value at the bottom of the pyramid.

MISSION

Striving to serve the largest number of common people through quality non-banking financial services with a wide variety of innovative products.

FLAGSHIP PRODUCTS

ENTERPRISE FINANCE :

Financial assistance to small businesses forms the mainstay of our business. Shriram City is among the largest providers of Small Enterprise Finance in the country. We have helped traders, grocers, hoteliers, small engineering unit owners and other SMEs prosper and move up the value chain.

TWO WHEELER LOANS :

Quick processing and attractive pricing are features of Shriram City's two wheeler financing business. We possess a wide-ranging presence in dealer showrooms across the nation, and offer tailor-made loan solutions for a spectrum of vehicle brands.

LOANS AGAINST GOLD :

Spot loans against gold jewellary are offered at affordable rates. All our Gold loan dispensing outlets possess trained appraisers and gold storage facilities with the highest security.





AUTO FINANCE :

Loans are offered at convenient terms for new and pre-owned three wheelers and for pre-owned four wheelers (both passenger and commercial vehicles).

PERSONAL FINANCE :

Loans for personal consumption are available for customers who have a credit history with our Company.





HOUSING FINANCE :

Our housing finance subsidiary offers affordable home loans to self-employed customers and those from the middle and lower middle classes in Tier II and Tier III cities and towns across India.

PRESENCE:

Α

Abohar Addanki Adilabad Adimali Adoni Aduthurai Adyar I Adyar II Agra Ahmedabad Ahmedabad Ahmednagar Ajmer Akivedu Akola Alandur Aler Aligarh Allahabad Aluva Alwal Alwar Alwarthirunagar Amalapuram Amaravathi II Amaravati Ambala Ambasamudram Ambattur Ambattur II Ambedkar Nagar Ambur Ambur II Ameerpet Amreli Junagadh Amritsar Amudalavalasa Anakapalli Anand Branch Ananthapur II Ananthpur I Andipatty Angamaly Anna Nagar I Anna Nagar III Arakonam Arani

Arani III Aranthangi Arapalayam Ariyalur Ariyalur I Armoor Arumbakkam Aruppukottai II Asansol Ashok Nagar Ashwaraopeta Atchuthapuram Atmakur Atmakur Attapur Atthur II Attingal Attur I Aurangabad Aurangabad Aurangabad II Avadi Avanigadda Avinasi Ayanavaram Ayyapnthangal Azamgarh

B

B Kothakota Badvel Bagalkot Balanagar Balapur Balotra Banaganepalli Banaswada Bandra Bangalore Bangarupalyam Bapatla Barabanki Baramati Bareilly Baroda Barshi Basheerbagh Basmathnagar Batlagundu I

Beed-Aurangabad Beema Nagar Belgaum Bellampally Bellary Bemetara-Kawardha Besant Nagar Bethaniapuram Bethemcherla Bhadrachalam Bhainsa Bhandara Bharuch Bhathinda Bhavani Bhavnagar Bheemaal Bhilai Bhilwara Bhilwara Bhimavaram Bhiwani - Harayana Bhongir Bhopal Bhupalapalle Bhusawaljalgaon Biaora Guna Bidar Bijapur I Bikaner Bilaspur Bobbili Bodhan Bodinaikanur Boduppal Borivali Bramhapuri-Chandrapur Buchireddypalem Budaun Buldhana Burdwan С

Calicut Chakan Chalisgaon Jalgaon Challapalli Chamaraj Nagar Champapet Chandanagar Chandigarh Chandragiri Chandrapur Channapatna Channarayapatna Chattarpur Cheepurupalli Chengalpet Cherial Cherukupalle Chevapettai Chickballapur Chidambaram Chidambaram II Chikkadpally Chikmagalur Chilakaluripet Chilakaluripeta II Chimakurthv Chinawaltair Chinna Bazaar Chintalapudi Chinthamani Chiplun Chirala Chitoor I Chitradurga Chittorgarh Chitwel Chokkikulam Cholavanthan Chomu Jaipur Choodavaram Choutappal Chromepet Coimbatore II Coimbatore I Cuddalore Cuddalore II Cuddapah Cuddapah II Cumbum I D

Dadar Darsi Dausa

Davangere Dehradun Deoria Devakottai Devarakonda Dewas Dharapuram Dharmapuri Dharmapuri II Dharmavaram Dharwad I Dhavaleswaram Dhone Dhule **Dilshad Garden Dilsukh Nagar** Dindigul I Dindugal Doddaballapur Durgapur Dwaraka Nagar

Ε

East Delhi Branch Efizc Eluru I Eluru III Ernakulam Erode Erode II Erode III Etawa

F

Faizabad Faridabad Fatehpur Ferozpur Five Roads

G

Gadag I Gadhinglaj- Kolhapur Gadwal Gajapathi Nagaram Gajuwakka Gajwel Ganapavaram Gandhi Bazar Gandhi Nagar

Gandhi Puram Gangavathi Gannavaram George Town Ghanpur Ghatkesar Ghaziabad Giddaluru Gingee I Gingeee Gobichettipalayam II Gobichettipallayam Godavarikhani Golibar Square Gondia Gooty Gopalapatnam Gorakhpur Goregaon Gowribidanur Gudivada Gudiyatham Gudivatham II Gudur Guduvanchery Gugai Gulbarga Gummidipoondi Guna Guna Ashoknagar Guntakal Guntur I Guntur II Gurajala Gurgaon Branch Gurgaon Gwalior

Η

Habsiguda Haldwani Haliya Hamirpur Hanuman Junction Hanumkonda Harda Harda Hardoi Haridwar-Dehradun Hassan Haveri Himayat Nagar Himmatnagar Hindupur Hinganghat- Wardha Hingna Road Hingoli - Parbhani Hisar Hoshiarpur Hospet Hosur Hosur II Hubli HUBLI Humanabad Hunsur Husnabad Huzurahad

Huzurnagar

Ibrahimpatnam Ibrahimpatnam Hyd Ichalkaranji-Kolhapur Ieeja Illuppur Indira Nagar Indore Inkollu

J

Jabalpur Jabalpur Jadcherla Jaggaihpet Jagityal Jaihindpuram Jaipur Jaipur II Jaipur III Jaipur Jaiselmer Jalgaon Jallandhar Jalna Jamkhandi Jammalamadugu Jammikunta Jammu Jamnagar Jamshedpur Janagaon Jangareddy Gudam Jaunpur

Jayanagar Jayankondam Jayankondam I Jetpur Jeyakondam II Jhansi Jodhpur Jodhpur Jogipet

K

K K Nagar K K Nagar II K Pudur II Kadapa Iv Kadiri Kaikaluru Kaithal Kakinada I Kalavasal Kalayar Koil Kalikiri Kallakurichi Kallakurichi II Kallukuzhi Kalluru II Kalpakkam Kalpakkam II Kalyandurg Kalyani Nagar Kamareddy Kanakapura Kancheepuram Kanchikacharla Kanchipuram II Kandukuru Kangara Kangeyam Kanigiri Kanjirappally Kanker Kankipadu Kannur Kanpur Karad Karaikal Karaikal II Karaikudi Karaikudi I Karambakudi Karimnagar I

Karimnagar II

Karkala Karnal Karur Karur II Karwar Kashipur Katni Katol Kattumanar Koil Kattur Kavali Kaveripattinam Kayamkulam Kazipet Kazipet Keelkattalai Keeranur Kelambakkam Kengeri Khaambhaliva Jamnagar Khamgaon Khammam I Khammam II Khammam III Kharagpur Kharghar Panvel Kharkhana Kodada Kolar Kolathur Kolhapur Kolhapur Kolkata Kondagaon-Jagdalpur Koothanallur I Kopargaon Koppal Koratipadu Korba Korutla Kota Kota Kothagudem Kothavalasa Kottakuppam Kottayam Branch Kovilpatti Kovilpatti II Koyyala Gudem Krishna Nagar Krishnagiri

Krishnagiri I Krpet Kudal- Ratnagari Kukatpalli Kumarapalayam Kumbakonam Kumbakonam II Kunigal Kuntrathur Kuppam Kurnool I Kurnool II Kurnool III Kurukshetra Kushaiguda Kuttalam

L

L B Nagar Lakadikapool Lakhimpur Kheri Latur I Laxmi Nagar Lingsur Lucknow Ludhiana Ludhiana II

Μ

M.V.P. Colony Macherla Machilipatnam Madanapalle Madgaon Madhavaram Madhira Madhuranthangam Madhurawada Madikeri Branch Madipakkam Madurai Anna Nagar Madurai II Madurai IV Madurai Main Madurai I Mahaboobabad Mahaboobnagar Mahaboobnagar II Maharanipeta Mahasamund Malegaon Nasik Malikipuram Malkajgiri

Mallapur Malleswaram Manali Manamadurai Manapparai Mancherial Mandapeta Mandi Mandya Manendragarh Mangalagiri Mangalore Manjeri Branch Mannargudi Mannaroudi II Manthani Manuguru Markapur Marredpally Marripeda Marturu Mathikere Mathura Medak Meerut Mehdipatnam Mehsana Melur Metpally Mettupalayam Mettur Miryalaguda II Miryalguda Mirzapur Miyapur Moga Mohali Moodabidri Morbi Mothkur Mount Road Mrina Muluqu Mummidivaram Muradabad Musiri Mustafa Nagar Muthupet II Mydukur Myladuthurai Myladuthurai II

Mylapore Mylapore III Mylavaram

N Nagapattinam

Nagapattinam II Nagaram Nagari I Nagarkurnool Nagayalanka Nagerkoil I Nagole Nagore Nagpur Nagpur Ramnagar Naidupet Nakrekal Nalgonda Nalgonda II Namakkal Namakkal I Nandalur Nanded Nanded II Nandigama Nanganallur Nanilam Narasannapet Narasapur Narasapur Medak Narasaraopet Narayanaguda Narayanapet Nariman Point Narsampet Narsipatnam Nashik Road Nashik II Nasik Nasik Navsari Needamangalam Neelakunda Palle Neelankarai Nellore I Nellore II Nellore III Nerul Nesapakkam Nevveli I Neyveli lv

Nidadavole Nirmal Nizamabad I Nizamabad II Nizamabad III Nizampet Nuzvid

0

Oddanchathiram Omalur Ongole Ongole II Osmanabad - Sholapur

Ρ

P N Pudur Padi Paithan - Aurangabad Pakala Palakarai Palakol Palakonda Palakurthy Palamaner Palani Palanpur Palasa Palayamkottai Palghat Pali Palladum Pallikaranai Pallipalayam Palvancha Palwal Pamarru Pamidi Pammal Pandharpur-Sholapur Panipat-Karnal Panjim Panruti Panruti II Panvel I Paonta Sahib-Dehradu Papanasam Paramakudi Paramakudi I Paramathivelur Paratwada - Amravati Parbhani

Parchuru Parigi Parkal Parvathipuram Patan Mehsana Pathankot Pathapatnam Patiyala Patna Patnam Bazaar Pattukottai Pattukottai I Pedanandipadu Peddapally Peddapuram Pendurthi Penugonda Penugonda II Peralam Perambalur Perambur Peravurani Perinthalmanna Periyanaickanpalayam Perundurai Perungudi Phirangipuram Piduguralla Piler Pilibhit Pimpri Pitampura Pochampalle Pollachi Pondicherry II Pondycherry Pondycherry I Ponneri Ponnur Poonamallee Porbandar Porumamilla Porur Porur II Pratapgarh Proddatur I Pudukottai Pudukottai I Pudukottai II Pulivendula Puliyampatti

Pune Pune Deccan Punganur Purasawakkam Pusad - Yavatmal Puttur Puttur

Q

Quilon

R

R.S.Puram Raibareilly Raichur Raigarh Railway Koduru Raipur Rajahamundry I Rajahmundry Rajahmundry II Rajahmundry II Rajaji Nagar Rajam Rajampeta Rajapalayam Rajapalayam II Rajkot Rajsamand Rajura - Chandrapur Ramachandrapuram Ramanathapuram Ramanathapuram II Ramnad Ramtek- Nagpur Ranasthalam Ranipet Ranipet II Rasipuram Rasipuram I Ratlam Ratnagiri Ravulapalem Rayachoti Rayadurgam Rayagada Razole **Red Hills** Renigunta Repalle Rewari Rohtak-Hisar



Rorkee Rorkee-Rudrapur

S

S.B.Colony Sadasivapeta Sagar Sagar Saharanpur Sakardhara Square Salem II Salem III Salem Iv Salem I Salibanda Salur Sanath Nagar Sangagiri Sangamaner Sangareddy Sangareddy II Sangli Branch Sangrur Sankarankoil II Santhosh Nagar Saravanampatti Satana - Nasik Satara Sathyamangalam Satna Sattenapalli Satthur Sattupalli Satyavedu Secunderabad I Selaiyur Selaivur II Sembanarkoil Seoni Shad Nagar Shahada Dhule Shahapur Shahjahanpur Shamshabad Shimla Shimoga II Shirwal Shivaji Nagar Shivam Sholapur

Sikar-Jaipur III Siliguri Sillod - Aurangabad Sindhanur I Singanallur Singarayakonda Sircilla Sirkazhi Sirpurkagaznagar Sirsi Siruguppa Sitapur Sivagangai Sivakasi Sivakasi II Solan Sompeta South Delhi Sri Kalahasti Sriganga Nagar Srikakulam II Srikakulam I Sriperumpudur Srirangam I Srivilliputhur Sullurpet Sultanpur Sulthan Batherry Surat Suryapet

Siddipet

т

T. Nagar **T.Dasarahally** T.Nagar II Tadepalligudem Tadepatri Talegao Tambaram Tambaram II Tanuku Tekkali Tenali Tenkasi Tenkasi II Thamarassery Thandur Thane Thane II Thanjavur Thanjavur I

Thanjavur II Tharamangalam Theerthalli Theni Theni II Thillai Nagar Thindivanam II Thiruchengode Thirukazhukundram Thirukovilur Thirunagar Thirunindravur Thiruppur II Thiruthuraipoondi Thiruvallur Thiruvallur II Thiruvanmivur Thiruvannamalai Thiruvannamalai II Thiruvannamalai III Thiruvarur I Thiruverumbur Thiruvnnamalai IV Thiruvotiyur Thiruvottiyur II Thorrur Thuraiyur Tindivanam I Tiptur Tirpattur III Tiruchendur II Tirumalgiri Tirunelveli Tirunelveli I Tirupathi II Tirupati I Tiruppur Tiruppur I Tirur Tiruvarur Tiruvuru Titakudi Tondairpet Tonk Trichur Trichy II Trichy I Trivandrum Tumkur Tuni Tuticorin

Tuticorin II

U

Udaipur Udaipur Udgir - Latur Udhampur Udumalaipet Udupi Ujjain Ulundurpet Umred- Nagpur Una-Veraval Unao Uravakonda Utravakonda Uthiramerur Uttam Nagar

V

V Kota

Vadallur Vaijapur-Aurangabad Valigonda Valliyur Vanasthalipuram Vapi Vapi Varanasi Vasco Vashi Vedaranyam Velacherry Vellakovil Vellore Vellore II Vellore III Vempalle Vemulavada Venkatagiri Veraval Vidisha Vidyaranyapura Vijaya Nagar Vijayawada I Vijavawada II Vijayawada III Vijayawada Iv Vijayawada V Vijayawada VII Vikarabad Villivakkam Villupuram Villupuram II

Vinjamur Vinukonda Viralimalai Virudachalam Virudachalam I Virudhunagar Virudhunagar I Virugambakkam Vissannapet Vita Vizag I Town Vizag N.A.D Vizianagaram I Vizianagaram II Vizianagaram III Vuyyur

W

Wai -Satara Waluj-Aurangabad Wanaparthy Wandawasi Warangal I Warangal II Warangal Iv Wardha Wardhannapet Warna Warora- Chandrapur Warud - Amravati Washim West Mambalam Wilson Garden Woraiyur I Wyra III

Y

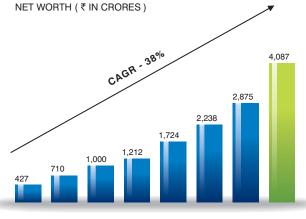
Yadgir Yalamanchili Yamunanagar Yavatmal Yelahanka Yellandu Yemmiganur Yeola - Nasik

Zaherabad

Ζ

Sholinganallur

Shrirampur



FY 2008 FY 2009 FY 2010 FY 2011 FY 2012 FY 2013 FY 2014 FY 2015

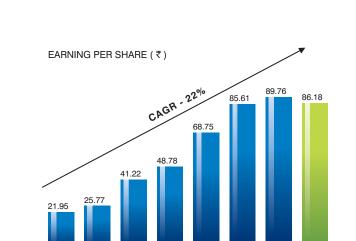
FY 2008 FY 2009 FY 2010 FY 2011 FY 2012 FY 2013 FY 2014 FY 2015

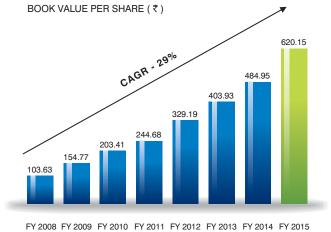
29.03% 26.28% 25.74% 25.77% 20.52% 18.61% 17.40%

FY 2008 FY 2009 FY 2010 FY 2011 FY 2012 FY 2013 FY 2014 FY 2015

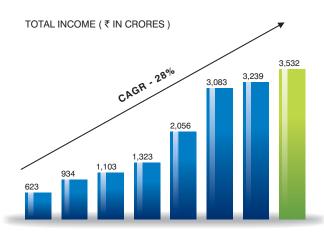
CAPITAL ADEQUACY RATIO (%)

20 25%

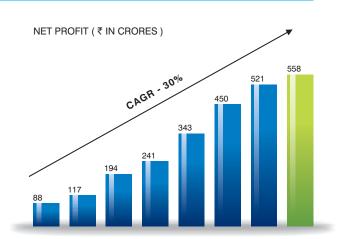




FY 2008 FY 2009 FY 2010 FY 2011 FY 2012 FY 2013 FY 2014 FY 2015

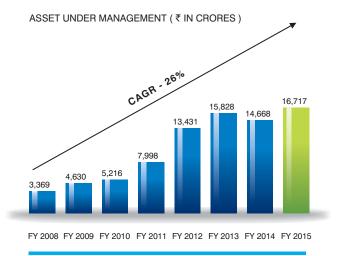


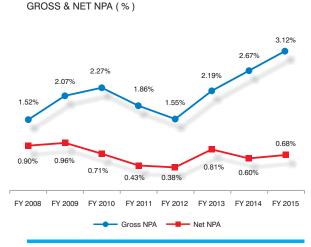
FY 2008 FY 2009 FY 2010 FY 2011 FY 2012 FY 2013 FY 2014 FY 2015



PERFORMANCE







(I) "PROMOTER GROUP" AS DEFINED UNDER REGULATION 2 (1) (t) OF SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS), REGULATIONS, 2011 (SAST REGULATIONS 2011) AS UNDER

- 1. Shriram Ownership Trust
- 2. Shriram Financial Ventures (Chennai) Private Limited
- 3. Shriram Transport Finance Company Limited
- 4. Shriram Automall India Limited
- 5. Shriram Equipment Finance Company Limited
- 6. Shriram Asset Management Company Limited
- 7. Shriram Life Insurance Company Limited
- 8. Shriram General Insurance Company Limited
- 9. Shriram Credit Company Limited
- 10. Bharat Reinsurance Brokers Private Limited
- 11. Shriram Overseas Investments Holdings Private Limited
- 12. Shriram Investments Holdings Limited
- 13. Bharat Investments Pte. Limited, Singapore
- 14. Shriram Fortune Solutions Limited
- 15. Shriram Wealth Advisors Limited
- 16. Shriram Insight Share Brokers Limited
- 17. Shriram Financial Products Solutions (Chennai) Private Limited
- 18. Insight Commodities and Futures Private Limited
- 19. Novus Cloud Solutions Pvt Limited.

(II) THE PERSONS ACTING IN CONCERT (PAC), AS DEFINED IN THE SAST REGULATIONS 2011 FOR THE PURPOSE OF REGULATION 10 OF SAST REGULATIONS,2011:

- 1. Shriram Hosuing Finance Limited
- 2. TPG India Investments I INC
- 3. Sanlam Emerging Markets (Mauritius) Limited
- 4. Shriram Mutual Fund (SMF)
- 5. Sri. S Krishnamurthy (Trustee of SMF)
- 6. Sri. S M Prabhakaran (Trustee of SMF)
- 7. Sri. VN Shivashankar (Trustee of SMF)
- 8. Dr. Qudsia Gandhi (Trustee of SMF)
- 9. Sanlam Life Insurance Limited

Except Shriram Capital Limited and TPG India Investments I INC none of the entities mentioned above holds shares in SCUF (TC).

All the entities mentioned in above said note are PACs for not less than three years except the entities at SI. No. 2. and 19. at Note No. (I) (under Promoter Group) and SI. No. 3, 8 and 9. in Note No. (II) (under PAC Category).

The above disclosure is made for the purpose of Regulation 10 of SAST, Regulations 2011.

DIRECTOR'S PROFILES

The following are brief biographies of our Directors: (In alphabetical order)





Sri. Debendranath Sarangi,

is a Non Executive, Independent Chairman on our Board. He holds M A (Political Science) from the University of Delhi and M Sc (Economics) from the University of Swansea U K. Sri Sarangi is an IAS (1977 Batch), Tamil Nadu cadre. He has been on our Board since January 29, 2015.





Sri. Duruvasan Ramachandra, is a Managing Director on our Board. He is also on the board of directors of CES Limited. He has been on our Board since June 6, 2012.





Sri. Gerrit Lodewyk Van Heerde, is a Non Executive, Non Independent Director on our Board. He holds a Bachelor's degree in Commerce from the North West University and a Honors degree in Actuarial Science from the University of Stellenbosch in South Africa. He is a fellow of the Faculty of Actuaries in Scotland and a Fellow of the Actuarial Society of South Africa. He has been on our Board since August 1, 2014.



Sri. Gopalasamudram Srinivasaraghavan Sundararajan,

is a Non Executive, Non Independent Director on our Board. He holds a degree of Bachelor of Engineering (Agriculture) from the Tamil Nadu Agricultural University, Coimbatore and a post graduate diploma in management (agriculture) from the Indian Institute of Management, Ahmedabad. He has been on our Board as a director since December 31, 2009 and was Managing Director with effect from November 1, 2012. He decided to step down as the Managing Director and was therefore redesignated as a Director w.e.f November 1, 2014.



Smt. Maya S Sinha,

is a Non Executive, Independent Director on our Board. She is a BA (Honours) in Economics and Mathematics from Lady Shri Ram College, Delhi University and obtained the Master's Degree from the Delhi School of Economics, Delhi University with specialisation in Econometrics, Monetary Finance and Public Economics. She has been on our Board since May 28, 2015.



Sri. Pranab Prakash Pattanayak, is a Non Executive, Independent Director on our Board. He holds a degree of Bachelor of Arts from the Utkal University and a Master of Arts degree from Utkal University. He has previously held the posts of deputy managing director and chief credit officer at State Bank of India. He has been on our Board since October 31, 2012.



is a Non Executive, Non Independent Director on our Board. He holds a degree of Bachelor of Commerce (honours course) from the Shri Ram College of Commerce, Delhi and a Post Graduate Diploma in Management from the Indian Institute of Management, Calcutta. He has been on our Board since December 1, 2010.



Sri. Ranvir Dewan,

is a Non Executive, Non Independent Director on our Board. He holds a degree of Bachelor of Commerce (honours course) from the University of Delhi. He is a fellow of the Institute of Chartered Accountants in England and Wales and a member of the Institute of Chartered Accountants of Ontario. He has been on our Board since December 1, 2010.



Sri. Subramaniam Krishnamurthy, is a Non Executive, Independent Director on our Board. He holds a degree of Bachelor of Arts from the University of Madras, a Commercial Education Diploma in specialised banking from the Indian Merchants' Chamber, a Diploma in Industrial Relations and Personnel Management from the Bharatiya Vidya Bhavan, a degree of Bachelor of General Law from the University of Mysore and a degree of Master of Labour Studies from the Madurai Kamaraj University. He is an associate of the Indian Institute of Bankers. He has previously held the post of Banking Ombudsman, Chennai for approximately fifteen months. He has been on our Board since April 28, 2005.



Sri. Venkataraman Murali, is a Non Executive, Independent Director on our Board. He holds a degree of Bachelor of Commerce from the Vivekananda College, Chennai. He is a fellow of the Institute of Chartered Accountants of India and an associate of the Institute of Cost and Works Accountants of India. He has been on our Board since December 1, 2011.



Sri. Vipen Kapur, is a Non Executive, Independent Director on our Board. He holds a degree of Bachelor of Commerce from University of Madras. He is an associate of the Institute of Bankers. He has previously been associated with Grindlays Bank and Bank of America, New Delhi. He has been on our Board since November 1, 2012.

REPORT OF THE BOARD OF DIRECTORS

To,

The Members of Shriram City Union Finance Limited

Dear Members,

The Directors are pleased to present this 29th Annual Report together with the audited financial statements of the Company for the year ended March 31, 2015 ("Year"). The Consolidated financial statement of the Company is presented as one part of this Annual Report. The report on corporate governance, management discussion and analysis and other annexures mentioned in the report form a part of this Report.

1. FINANCIAL RESULTS

The summary of financial performance of the Company for the Year is as under.

				₹ in Crores
		Standalone	C	Consolidated
Particulars	Year ended March 31,		Year end	ed March 31,
	2015	2014	2015	2014
Profit before depreciation and taxation	883.74	809.41	910.44	825.80
Less: Depreciation	42.66	29.55	43.65	30.22
Profit before tax	841.08	779.86	866.79	795.58
Less: Provision for taxation	283.02	258.72	291.44	260.16
Profit after tax	558.06	521.14	575.35	535.42
Less: Minority Interest	0.00	0.00	3.93	3.25
Profit after tax and minority interest	558.06	521.14	571.42	532.17
Add: Profit brought forward from previous year	955.44	739.46	960.65	734.84
Less: Additional Depreciation (as per Companies Act, 2013)	3.66	0.00	3.67	0.00
Profit available for appropriation	1,509.84	1,260.60	1,528.40	1,267.01
Appropriations:				
Add:- Adjustment in minority interest	0.00	0.00	0.00	1.01
Transfer to general reserve	55.81	52.20	55.81	52.20
Transfer to statutory reserve	111.61	104.40	114.84	106.60
Transfer to debenture redemption reserve	83.98	77.05	83.99	77.05
Dividend paid on equity shares of ₹ 10/- each fully paid-up				
Year 2013 – 14 : Interim ₹ 4.00, Final ₹ 6.00	-	61.12	0.00	61.12
Year 2014 – 15 : Interim ₹ 4.50	33.62	-	33.62	0.00
Dividend proposed on equity shares of ₹ 10/- each fully paid-up Year 2014 – 15 : Final ₹ 10.50	69.20		69.20	-
Corporate dividend tax	20.69	10.39	20.69	10.39
Balance carried to balance sheet	1,134.93	955.44	1,150.25	960.66
Earnings per share before exceptional items				
Basic (₹ not annualised)	86.18	89.76	88.24	91.66
Diluted (₹ not annualised)	86.03	89.53	88.09	91.43
	00.03	09.00	00.09	31.43



2. APPROPRIATIONS AND TRANSFER TO RESERVE

The Board of Directors ("Board") propose to transfer amounts as mentioned in the above table stating financial results to different reserve in compliance with the requirements of Reserve Bank of India ("RBI") regulations and the Companies Act, 2013 (Act).

3. RECOMMENDATION OF DIVIDEND

Based on the financials of the Company, aspirations of the shareholders and to maintain a sustainable dividend linked to long term growth of the Company, the Board is pleased to recommend final dividend as mentioned below for the Year to be paid to those members, whose name appear on the register of members as on the record date for payment of dividend for the Year. The dividend paid for the year ended March 31, 2014 and interim dividend paid for the Year are stated below for reference.

Dividend on equity shares of ₹ 10 each	No of Shares	Per share (₹)	Amount (₹ in Crores)	Tax (₹ in Crores)	Total outflow (₹ in Crores)	Date of payment
Interim (FY 14-15)	6,59,05,172	4.50	29.66	5.93	35.59	November 21, 2014
Proposed Final (FY 14-15)	6,59,05,612	10.50	69.20	14.09	83.29	
Total		15	98.86	20.02	118.88	
Interim (FY 13-14)	5,92,77,082	4.00	25.55	4.34	29.89	November 18, 2013
Final (FY 13-14)	6,58,89,372	6.00	39.53	6.72	46.25	August 18, 2014
Total		10.00	65.08	11.06	76.14	

The Register of Members and Share Transfer Books will remain closed from July 22, 2015 to July 28, 2015 (both days inclusive) for the purpose of final dividend for the Year and for the Annual General Meeting ("AGM") scheduled to be held on July 28, 2015.

Section 125 of the Act, requires the companies to transfer dividend that has remained unclaimed for a period of seven years from the date of it's transfer to unpaid dividend account to Investor Education and Protection Fund ("IEPF"). Accordingly, during the Year an amount of ₹ 0.007 Crores (2013-14 : ₹ 0.006 Crores) were transferred to IEPF. An amount of ₹ 0.61 Crores (2013-14 : ₹ 0.49 Crores) is lying in unpaid equity dividend account of the Company. Shareholders are informed that there will be no claim lie on the Company on account of dividend after the dividend is transferred to IEPF.

4. ANNUAL RETURN, PARTICULARS OF LOANS AND CONTRACTS WITH RELATED PARTY

The extract of the Annual Return in the form MGT - 9 as required under Section 92 (3) and 134 (3) of the Act is attached to this Report as Annexure - 6. The particulars of loans, guarantees and investments covered under Section 186 of the Act are given under note no. 28 of the notes to accounts of the Financial Statements. All transactions or arrangements with related parties referred to in Section 188 (1) of the Act, entered into during the Year were on arm's length basis or were in ordinary course of business or with omnibus approval of the Audit and Risk Management Committee. The Company has formulated a policy on related party transactions approved by the Audit and Risk Management Committee and the Board, which is displayed on the web site of the Company at **http://www.shriramcity.in/files/RPT/index.html**. The particulars of contracts or arrangements with related parties as referred in section 188(1) of the Act is attached to this Report in prescribed form AOC - 2 as Annexure - 5. The details of related party and transactions with the related parties as required under clause 32(b) of the listing agreement appear on the note no.26.1 and 26.2 of the Notes to Accounts.

5. STATE OF AFFAIRS OF THE COMPANY

Non Banking Finance Companies ("NBFC") are an integral part of the Indian financial system, enhancing competition and diversification in the financial sector and complementing the banking system. NBFCs play a vital role in furthering the objective of financial inclusion by serving the credit demand of the small and medium scale and retail sectors. The Company specializes in financing small businesses and in financing retail asset predominantly in under-served areas.

During the Year, the total disbursements of loans under different products were ₹ 17,202.45 Crores (2013-14 : ₹ 15,448 Crores). Income from operations for the Year grew by 9.12% to ₹ 3,482.24 Crores and the same resulted in a profit before tax of ₹ 841.08 Crores for the Year (2013-14 : ₹ 779.86 Crores). As at March 31, 2015 the total assets under management stood at ₹ 16,717 Crores (March 31, 2014 : ₹ 14,667.95 Crores).

During the Year, the total consolidated disbursements of loans under different products were ₹ 17,705.45 Crores (2013-14 : ₹ 15,684.70 Crores). Consolidated Income from operations for the Year grew by 10.42% to ₹ 3,561.69 Crores (2013-14 : ₹ 3,225.55 Crores) and the same resulted in a profit before tax of ₹ 866.79 Crores for the Year (2013-14 : ₹ 795.58 Crores). As at March 31, 2015 the consolidated assets under management stood at ₹ 17,454.20 Crores (March 31, 2014 : ₹ 14,988.25 Crores).

The funding source for the Company was through debentures, fixed deposits, subordinated debts and borrowings from banks/financial institutions by way of term loans and working capital loans as summarized below.

During the Year ended March 31,	Deposits	Privately placed non convertible debentures	Subordi- nated debt	Listed non convertible debentures	Term Ioans	Working Capital and Other Ioans	Inter Company Deposit	Total
2015	1,746.99	100.00	-	200.00	1,020.00	165.00	228.00	3,459.99
2014	626.74	382.29	374.26	153.61	2,016.06	90.00	-	3,642.96

*Resources mobilised (gross) excludes limits availed as Cash Credit from banks

Balance outstanding on cash credit as on March 31, 2015 was ₹1,067.45 Crores (March 31, 2014: ₹367.55 Crores)

As at March 31, 2015, the Company had accepted deposits amounting to ₹ 1746.99 Crores. There were 2,030 number of deposits amounting to ₹ 17.21 Crores which had matured for payment and were due to be claimed or renewed. Subsequent follow-up for repayments/renewals resulted in the number reducing to 1,147 number of deposits amounting to ₹ 9.00 Crores as on April 28, 2015. There were no deposits which had matured and claimed, but were not paid by the Company. Steps are continuously taken to arrange for repayment/renewal of these unclaimed deposits. In compliance with RBI's notification number DNBD(PD) CC No. 330/03.10.001/2012-13 dated June 27, 2013 and DNBS(PD) CC No. 349/03.10.001/2013-14 dated July 2, 2013, the Company stopped private placement of debentures and subordinated debts.

The Company made a public issue of Secured Redeemable Non Convertible Debentures (NCDs) of face value of ₹ 1,000 each aggregating upto ₹ 100 Crores with an option to retain over subscription up to ₹ 100 Crores for issuance of additional NCDs aggregating to a total up to ₹ 200 Crores in terms of the Prospectus dated March 24, 2014. Despite tough market conditions, the issue was over subscribed. The Company retained additional subscription and allotted NCDs for ₹ 200 Crores. The proceeds of the NCD issue were utilised for the purpose for which the issue was made as mentioned in the Prospectus dated March 24, 2014. The utilization of the proceeds of the issue is mentioned in note no. 28 of the Notes to Accounts.

The Company has obtained credit ratings from India Ratings and Research Private Limited ("IRRL") (formerly known as FITCH), CARE, ICRA and CRISIL for it's long term borrowings, short term borrowings and fixed deposits. The present ratings are as under:

Rating Agency	Rating Instrument	Rating Symb	ol	Date of last Review
		2015	2014	
IRRL	Long-Term	IND AA' / Stable	IND AA	
	Short-Term	'IND A1+	'IND A1+	April 11, 2014
	Bank Loan Ratings	IND AA'	IND AA	April 11, 2014
	Fixed deposit	'IND tAA'	'IND tAA'	
CARE	Long-Term	CARE AA+	CARE AA	
	Short-Term	CARE A1+	CARE A1+	hube 05, 0014
	Subordinate Debt	CARE AA+	-	July 25, 2014
	Fixed deposit	CARE AA+	CARE AA (FD)	
ICRA	Fixed Deposit	MAA+/Stable	-	January 29, 2015
	Long-Term	ICRA AA/Stable	-	March 13, 2015
	Short-Term	ICRA A1+	-	
CRISIL	Long-Term	CRISIL AA-/Stable	CRISIL AA-/Stable	
	Short-Term	CRISIL A1+	CRISIL A1+	August 17, 2012
	Subordinate Debt	CRISIL AA-/Stable	CRISIL AA-/Stable	August 17, 2012
	Fixed deposit	FAA/Stable	FAA/Stable	

During the year, there are few frauds detected, which are reported in Note no. 30 of the Notes to Accounts. The fraud detected were in normal course of business of the Company.



6. CAPITAL AND LISTING

During the Year the Company issued and allotted 65,79,840 equity share capital of ₹ 10 each on preferential basis at a premium of ₹ 1,190 (including premium ₹ 1,200) to M/s Piramal Enterprises Ltd, CIN - L24110MH1947PLC005719 the details of which appear on report on corporate governance (Annexure - 1). During the Year 41,340 number (2013 - 14 : 37,050) of equity shares were allotted to the eligible employees of the Company on exercise of their option under Employees Stock Options Scheme 2006 ("Scheme") approved by the members at the Extra-Ordinary General Meeting held on October 30, 2006 in accordance with the Securities & Exchange Board of India (Employees Stock Option Scheme & Employees Stock Purchase Scheme) Guidelines, 1999 ("SEBI Guidelines"). The ESOP Scheme titled SCUF ESOP Scheme 2013 as approved by the members in the Extraordinary General Meeting held on May 31, 2013 has not been implemented. The required disclosures under Clause 12 under SEBI Guidelines as on March 31, 2015 are set out in Annexure - 7 to this report.

The Company has received the certificate as attached in Annexure - 8 from the auditors of the Company certifying that the Employee Stock option Scheme 2006 is implemented in accordance with the SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 and in accordance with the resolution of the members passed at the general meeting.

Madras Stock Exchange Ltd ("MSE"), in accordance with SEBI (Delisting) Regulations 2009, confirmed the withdrawal of admission granted to dealing in equity shares of the Company and removal of the Company from the list of listed securities with effect from February 23, 2015 in response to the application filed by the Company with MSE for voluntary delisting of it's shares from MSE. The equity shares of the Company continues to be listed on NSE and BSE. The share holders of the Company shall continue to avail the benefits of listing on NSE and BSE. The shares of the Company were delisted from MSE as MSE issued a notice on June 12, 2014 stating it's decision to seek voluntary surrender of it's recognition and exit as stock exchange. The listing fees to BSE, NSE and MSE for the Year were paid on time.

7. HUMAN RESOURCE

Employees are the most vital asset in the possession of the Company. The nurturing and development of this asset plays an important role in the Human Resources policies of the Company. It is well said that the Company learns as employees learn. Towards this, the Company offers its employees sustained opportunities to learn and develop their skills, with the process beginning at induction. Exciting growth opportunities combined with the ESOP Schemes help retention of employees. The total employee strength of the Company as on March 31, 2015 stood at 25,085 with 17,775 number of employees added during the year. The information required pursuant to Section 197(12) of the Act read with Rule - 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 and the details required under Rule – 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 on remuneration are attached as Annexure -9 to this Report.

8. SUBSIDIARY AND CONSOLIDATED FINANCIAL STATEMENTS

The Company's only subsidiary is M/s Shriram Housing Finance Ltd ("SHFL"). SHFL is registered with National Housing Bank for providing home loans. SHFL does home loan, loan against property and housing project finance. In the past four years, SHFL has seen a marked growth in its disbursement and Asset under management from ₹ 4.9 Crores in 2012 to ₹ 502.8 Crores and ₹ 737.2 Crores. The total liability of SHFL as on March 31, 2015 stood at ₹ 362 Crores, out of which ₹ 256 Crores was from allotment of NCDs (71%) and the balance amount was from Bank borrowings. The majority of the future demand for housing loan is expected to be driven by the LIG and the MIG income group categories. SHFL caters to the demand for housing loan of larger mass consisting of self employed in the lower and middle income class in mostly Tier 2 and Tier 3 locations of the country.

The annual financial statements of SHFL together with auditors report thereon are attached to this Report as Annexure - 16.

Consolidated financial statements of the Company prepared as per Section 129(3) of the Act and in compliance with applicable accounting standards and equity listing agreements are audited by the statutory auditors of the Company. The Consolidated financial statements along with the report of the auditors of the Company thereon are attached to this Report (Annexure - 17).

The annual accounts, annual reports and the related detailed information of SHFL shall be made available to the share holders of the Company and the share holders of SHFL seeking such information at any point of time. In accordance with Section 136 of the Act, the audited annual financial statements including Consolidated financial statements and related information of the Company and audited accounts of SHFL shall be available on the web site of the Company at **www.shriramcity.in** and shall be kept at the Registered Office of the Company and at the Registered Office of SHFL for inspection by any shareholder during business hours. Shriram Capital Limited, SHFL and TPG India Investments I Inc continued as promoter, subsidiary and associate of the Company respectively. Shriram Seva Sankalp Foundation was added as an associate during the Year.

9. RESERVE BANK OF INDIA ("RBI") GUIDELINES

NBFCs are regulated by RBI. The Company continues to comply with applicable regulations of RBI from time to time. Capital to Risk (Weighted) Assets Ratio ("CRAR") of the Company as at March 31, 2015 stood at 29.03% of the aggregate risk weighted assets on the balance sheet and risk adjusted value of the off balance sheet items totalling to ₹ 16,048.45 Crores.

During the Year, there were changes in RBI regulations with respect to deposit acceptance limits (reduction), increase in Tier I capital, Asset classification and NPA provisioning norms, standard assets provision, corporate governance and disclosure in financial statements (Notes to Accounts). Few of these changes had significant impact on the Company and the impact shall continue to be felt in future. The Company positively responded to the changes in regulations of RBI.

10. CORPORATE GOVERNANCE

The Company adheres to high standard of corporate governance. Report on corporate governance forming part of this Report as required under clause 49 of the listing agreement together with the certificate from the auditors of the Company, confirming the compliance with the corporate governance are attached to this Report (Annexure - 1). As required under Clause 49 VIII (D) (1) of the equity listing Agreement with stock exchanges, the Management and Discussion Analysis on the business of the Company forming part of this report is attached as Annexure - 3.

Further, as required under Clause 49 of the equity listing agreement, a certificate, duly signed by the Managing Director & Chief Executive Officer and Chief Financial Officer on the financial statements of the Company for the year ended March 31, 2015, was submitted to the Board of Directors at their meeting held on April 28, 2015. The same certificate is attached as Annexure - 4. The relevant provisions of the voluntary guidelines are adopted in the areas deemed appropriate.

11. CORPORATE SOCIAL RESPONSIBILITY ("CSR")

Section 135 of the Act on CSR applies to the Company. Accordingly, the Company has constituted a CSR Committee consisting of three Directors including two Independent Directors. The details of the CSR Committee appear on the report on corporate governance and annual report on CSR is attached to this Report.

The CSR policy of the Company, as recommended by CSR Committee, was approved by the Board and is displayed on the website of the Company.

The Company along with certain companies has incorporated a Section 8 Company i.e. M/s Shriram Seva Sankalp Foundation, after obtaining licence from the Ministry of Corporate Affairs, Government of India, to conduct CSR activities. The Company has subscribed to the equity share capital of M/s Shriram Seva Sankalp Foundation to the extent of ₹ 1.8 lakhs. M/s Shriram Seva Sankalp Foundation is in the process of obtaining approvals for relevant exemptions available under the Income Tax Act.

The Company's CSR philosophy is committed to contribute towards the CSR activities included in Schedule VII of the Act. CSR activities will be undertaken through M/s Shriram Seva Sankalp Foundation or through any other eligible entity or directly, in line with the CSR Policy of the Company. During the Year, the Company focussed on laying down the basic framework required for identifying CSR Projects in line with its CSR Policy and could not spend the requisite amount.

During the Year, the Company was not able to spend the stipulated amount as per the Act. During the Year, the Company incurred an expenditure of ₹ 9.33 lacs on CSR activities on education of under privileged children and health care. The Company is in the process of evaluating certain CSR projects.



Annual Report on CSR activities as required under Rule 9 of the Companies CSR Policy Rules, 2014 of the Act is attached to this report as Annexure – 10. The details of CSR policy are available on the web site of the Company http://www.shriramcity.in/files/CSR-policy/index.html. The Board affirms that the CSR activities are implemented in accordance with CSR Policy.



RECOGNITION

"Best Performing CFO in the NBFC Sector"

The Directors are pleased to report that Ms. Subhasri Sriram, Executive Director and CFO has been conferred with the "Best Performing CFO in the NBFC Sector" Award for 2013 by CNBC-TV18. The award ceremony was held on June 28, 2014, and was telecast on CNBC TV18. The awards recognizing excellence in the financial field were presented to those individuals, who were at the helm of the outstanding success stories of their organizations created by their knowledge, vision and acumen.

12. DIRECTORS AND MEETING OF THE BOARD

The number of meetings of the Board held during the Year along with details of such meetings is mentioned in the report of Corporate Governance attached as Annexure - 1 to this Report. In compliance with Section 178 of the Act, the Company has a Nomination and Remuneration Committee ("NRC") of the Board. As required under Section 149 (7) of the Act and Clause 49 of the equity listing agreement, the Company received necessary declaration from each independent director about his/her meeting the criteria of independence as laid down under Section 149(6) of the Act. A statement by the Managing Director confirming receipt of this declaration from each independent directors of the Company is attached as Annexure - 11. The Board on the recommendation of the NRC has formulated a policy for selection, appointment and remuneration of directors, senior management personnel as required under Section 178 (3) of the Act, the details of which appear in the Annexure - 13. The Board carried out annual evaluation of it's own performance, it's Committees and individual directors based on the criteria and frame work adopted by the Board. The results of such evaluation were placed before the Board. The induction, training, appointment, resignation and retirement of directors are dealt with in the report on corporate governance attached as Annexure - 1. The brief profile of each director appear on page No. 44-45 of the Annual Report. Each Director has given his/her declaration to the Company for not holding any shares in the Company and having no relation inter se with any Director. Sri Debendranath Sarangi (DIN - 01408349) and Sri Gerrit Lodewyk Van Heerde (DIN - 06870337) and Smt. Maya S. Sinha (DIN - 03056226) who were appointed as additional directors during the Year, retire at the ensuing AGM. Sri Debendranath Sarangi, Sri Gerrit Lodewyk Van Heerde and Smt. Maya S. Sinha have expressed their intention and eligibility to be appointed as Directors of the Company. The details on their appointment as directors form a part of the agenda of the ensuing AGM. As per provisions of the Act and Articles of Association of the Company, Sri Gopalasamduram Srinivasaraghavan Sundararajan (DIN - 00361030) and Sri Puneet Bhatia (DIN - 00143973) retire by rotation at the ensuing AGM. Both of them being eligible offer themselves for reappointment.

13. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Sections 134 (3) (c) and 134 (5) of the Act with respect to Directors' responsibility statement, the Directors of the Company hereby confirm, in the preparation of annual accounts for the Year that :

(i) the applicable accounting standards have been followed and proper explanations have been made in notes to accounts for material departures;

- (ii) the accounting policies have been selected and applied consistently and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and statement of the profit and loss of the Company for the year ended on that date;
- (iii) proper and sufficient care have been taken 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;
- (iv) the annual accounts have been prepared on a going concern basis.
- (v) internal financial controls to be followed were laid down, which were adequate and were operating effectively during the year.
- (vi) proper systems had been devised to ensure compliance with provisions of applicable laws, which were adequate and were operating effectively during the year.

Risk Management Policy was implemented during the Year as approved by the Board on the recommendation of the Audit and Risk Management Committee.

14. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURT

There are no material order passed by Regulators/Courts, which would impact the going concern status of the Company and it's future operations.

15. AUDIT AND AUDITORS

The auditors of the Company have submitted report to the members of the Company for the Year, which is unqualified, without any reservation or adverse remark or disclaimer. Therefore, Board does not have any explanation or comment. Pursuant to Section 204 of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s P. Sriram & Associates, Company Secretaries in practice were appointed by the Company as the Secretarial Auditor of the Company for the Year. The same Secretarial Auditor conducted audit and submitted their report as attached in Annexure - 14 to the Members, which is unqualified, without any reservation or adverse remark or disclaimer. Therefore, Board does not have any explanation or comment on such Secretarial Audit Report. The Board has appointed M/s P. Sriram & Associates, Company Secretaries in practice as secretarial auditor of the Company for the financial year 2015-16.

The Auditors M/s Pijush Gupta & Co., Firm Registration No – 309015E, Chartered Accountants, retire at the conclusion of the ensuing AGM and have confirmed their eligibility under Section 141 of the Act and willingness to accept the office, if reappointed. Necessary resolution for their re-appointment till conclusion of the 30th AGM is proposed at the ensuing AGM.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUT GO DURING THE YEAR:

The information on conservation of energy, technology absorption, foreign exchange earnings and out go as stipulated under Section 134 (3) (m) of the Act read with Rule 8 of the Companies (Accounts) Rules 2014 are furnished below.

The operations of the Company are not energy intensive. However, adequate measures for conservation of energy, usage of alternate sources of energy and investments for energy conservation, wherever required have been taken.

The Company has not absorbed any technology. There were no foreign exchange earnings. There was an outgo of foreign exchange equivalent to ₹ NIL (2013 – 14 : ₹ 13.81 lacs)



17. ACKNOWLEDGEMENT

The Board expresses gratitude for the guidance and cooperation extended by RBI, statutory authorities and regulators. The Board appreciates the excellent co-operation and assistance received from the banks and financial Institutions. The Board is thankful to the auditors of the Company. The Board is pleased to record its appreciation for the enthusiasm, commitment, dedicated efforts of the employees of the Company at all levels. The Board is also deeply grateful for the continued confidence and faith reposed on the Company by the shareholders, depositors, debenture holders and debt holders.

18. STATEMENT OF CAUTION

Any of the numbers or statements expressed in this Report may mean forward looking within the provisions of the listing agreements. Actual results, which are dependent on many factors, may be different.

For and on behalf of the Board of Directors

Place: Chennai Date: May 28, 2015 Chairman

REPORT ON CORPORATE GOVERNANCE IN TERMS OF CLAUSE 49 OF LISTING AGREEMENT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERANCE :

The philosophy on corporate governance of the Company aims at enhancing the stake holders' value by efficiently conducting business, meeting obligation to stake holders and being guided by principles of transparency, accountability, compliance with regulations and integrity.

2. BOARD OF DIRECTORS

2.1 Composition and appointment

The Board of Directors of the Company ("Board") consists of optimum combination of Executive, Non Executive & Independent Directors to ensure independent functioning of the Board. More than half of the Board members consist of Independent Directors. The Independent Directors meet the criteria of independence specified in clause 49 II (B) (1) of the listing agreement and meet the criteria for appointment formulated by the Nomination and Remuneration Committee as approved by the Board (Annexure – 13). The appointment of Directors happens through a transparent process. Each Director appointed is issued with an appointment letter in line with the requirements of listing agreement and the formats of such appointment letter is displayed on the web site of the Company at http://www.shriramcity.in/Terms-and-Conditions of-Independent-Directors.pdf. On appointment, each independent Directors. In each meeting of the Company business, industry, roles and responsibilities, the details of which are displayed on the website of the Company at http://www.shriramcity.in/pdf/familiarisation-programme-for-independent-directors. In each meeting of the Board and the Committees, wherever required, presentations on the operations, financial results, strategy, risk management, human resource are made by the senior management team. Independent directors are appointed for a period of 5 years as per section 149 (10) of the Companies Act, 2013 ("Act").

The present strength of the Board is 11, consisting of one Non Executive and Independent Chairman, Managing Director and 9 Non Executive Directors. The Board consists of professionals from varied disciplines. The Board Members possess the qualification, skill, experience and expertise with diversity of thoughts required to guide the Company.

S. No.	NAME OF THE DIRECTOR	DIN		ORY OF ORSHIPS	POSITION
1	Sri Arun Duggal	00024262	NE	NI	Chairman
2	Sri Debendranath Sarangi	01408349	NE	Ι	Additional Director and Chairman
3	Sri Duruvasan Ramachandra	00223052	E	NI	Managing Director and CEO
4	Sri Gerrit Lodewyk Van Heerde	06870337	NE	NI	Additional Director
5	Sri Gopalasamudram Srinivasaraghavan Sundararajan	00361030	NE	NI	Director
6	Smt Lakshmi Pranesh	03333412	NE	I	Director
7	Smt Maya S Sinha	03056226	NE	I	Additional Director
8	Sri Pranab Prakash Pattanayak	00506007	NE	I	Director
9	Sri Puneet Bhatia	00143973	NE	NI	Director
10	Sri Ranvir Dewan	01254350	NE	NI	Director
11	Sri Subramaniam Krishnamurthy	00140414	NE	I	Director
12	Sri Sunil Varma	01020611	NE	I	Director
13	Sri Venkataraman Murali	00730218	NE	I	Director
14	Sri Vipen Kapur	01623192	NE	I	Director

The Composition of Board is as under:



Non Executive ("NE"), Executive ("E"), Non Independent ("NI"), Independent ("I")

Sri Arun Duggal resigned from the position of Chairmanship and Directorship w.e.f November 15, 2014.

Sri Debendranath Sarangi was appointed as an additional director w.e.f. January 29, 2015 and as Chairman of the Company w.e.f. April 28, 2015.

Sri Gerrit Lodewyk Van Heerde was appointed as an additional director w.e.f. August 1, 2014.

Sri Gopalasamudram Srinivasaraghavan Sundararajan decided to step down as the Managing Director and was therefore redesignated as a Director w.e.f November 1, 2014.

Smt. Lakshmi Pranesh resigned from the Board w.e.f January 31, 2015.

Smt. Maya S Sinha was appointed as an additional director w.e.f. May 28, 2015.

Sri Sunil Varma resigned from the Board w.e.f April 28, 2015.

None of the Directors hold any equity shares or convertible instruments in the Company. All directors have disclosed their own share holding or held on beneficial basis by them in the Company as required under clause 49 (VIII) (C) (5) of the listing agreement. All Directors have made declaration about their category of directorships in the Company at the time of their appointment and make this declaration annually. All such annual declarations were placed before the Board at the meeting held on April 28, 2015. None of the Directors are related *inter se* in terms of 'relative' defined under the Act.

Monitoring and managing potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related party transactions are done by the Board on quarterly basis.

2.2 Board process

The Board meets at least once in each quarter to review in addition to other matters the performance and financial results. Apart from this, additional Board meetings are held by giving appropriate notice to address the specific needs of the Company. The maximum time gap between two meetings does not exceed 120 days. The Board meetings are generally scheduled in advance. The notice and agenda of each Board Meeting is given in writing to each Director in advance of the meeting. In special and exceptional circumstances, additional or supplementary item(s) is/are permitted. Where it is not practicable to attach any document to the agenda, the same is tabled at the meeting. In cases of business exigencies or urgent matters, resolutions are passed by circulation. The information as per the requirement of corporate governance norms are made available to the Board including the information as mentioned in Annexure - X to the listing agreement. The Board is also free to recommend inclusion of any matter for discussion in consultation with the Chairman. The Board has unrestricted access to all the information and employees of the Company.

All the deliberations and decisions occurring in every meeting of the Board are entered in the minute book. The minutes are confirmed and signed in the immediately succeeding Board meeting by the Chairman of the same meeting or by the Chairman of the succeeding meeting within the specified time line.

Important decisions taken at the Board Meetings are communicated to concerned departments of the Company and action taken reports on decisions/minutes of previous meetings are placed at the succeeding meetings of the Board for noting.

The process specified above for Board meetings are followed for the meetings of all the Committees constituted by the Board as far as practicable. The minutes of the meetings of the Committees are placed before the Board meeting for perusal and noting. The minutes of the subsidiary Company of the Company are placed before the Board on quarterly basis. The performance evaluation of all independent directors is done by the entire Board excluding the concerned independent director based on the criteria of performance evaluation laid down by the Nomination and Remuneration Committee. The criteria of performance evaluation of independent directors as laid down by the Nomination and Remuneration and Remuneration Committee is attached as Annexure -13.

2.3 Functioning of the Board

The Board of Directors is the apex body constituted by share holders for overseeing the overall functioning of the Company. The day to day management of the affairs of the Company is entrusted with the senior management personnel headed by the Managing Director and Chief Executive Officer, who functions under the overall direction, supervision, and control of the Board. The Board reviews and guides strategies, plans, risk management, budgets, setting performance objectives and monitors implementation and corporate performance. The Board monitors the effectiveness of the Company's governance practices, disclosure practices, communication process and compliance with regulatory requirements. Some of the powers of the Board have been delegated to Committee(s) constituted by the Board for different purposes with defined terms of reference. The Board thus exercises close control over the functioning of the Company with a view to enhancing the stakeholder value. The Board periodically reviews the compliance by the Company of all applicable laws, as well as steps taken by the Company to rectify non compliance, if any.

2.4 Board meetings and attendance of Directors

Four meetings of the Board were held during the year ended March 31, 2015 ("Year") - on April 30, 2014, July 28, 2014, October 30, 2014 and January 29, 2015 and the maximum gap between the two board meetings did not exceed one hundred and twenty days during the Year.

The attendance of Directors at Board Meetings ("BM"), last Annual General Meeting ("AGM") /Extraordinary General Meeting ("EGM") and the number of directorship, membership/chairmanship held by them on the board/committees of the board of other Companies are as under :

SI. No.	Name of the Director	Position	No of BM	BMs atten- ded	AGM held on dt July 28, 2014	EGM held on dt May 30, 2014	*	**	***
1	Sri Arun Duggal	Chairman	4	3	Present	Not Present			
2	Sri Debendranath Sarangi	Additional Director and Chairman	4	1	-	-	4	1	-
3	Sri Duruvasan Ramachandra	Managing Director	4	4	Present	Not Present	1	-	-
4	Sri Gerrit Lodewyk Van Heerde	Additional Director	4	3	-	-	15	-	-
5	Sri Gopalasamudram Srinivasaraghavan Sundararajan	Director	4	4	Present	Present	7	-	-
6	Smt Lakshmi Pranesh	Director	4	3	Present	Not Present	-	-	-
7	Smt. Maya S Sinha	Additional Director	4	-	-	-	4	2	1
8	Sri Pranab Prakash Pattanayak	Director	4	4	Present	Not Present	1	1	-
9	Sri Puneet Bhatia	Director	4	3	Present	Not Present	9	-	-
10	Sri Ranvir Dewan	Director	4	4	Present	Not Present	1	-	-
11	Sri Subramaniam Krishnamurthy	Director	4	4	Present	Not Present	3	2	1
12	Sri Sunil Varma	Director	4	3	Present	Not Present	3	-	3
13	Sri Venkataraman Murali	Director	4	4	Present	Present	6	1	1
14	Sri Vipen Kapur	Director	4	4	Present	Not Present	2	-	-

Note : For date of appointment & resignation and DIN of Directors, the table above at point no -2.1 may be referred.

*Number of directorships held in other companies

The number of directorships of Directors mentioned above include their directorships in public limited companies, whether listed or not and excludes directorships in private limited companies, section 8 companies, foreign companies and directorship in the Company.

- **Membership of the Committees of the Board of Directors of other companies
- ***Chairmanship of the Committees of the Board of Directors of other companies

The memberships/ chairmanships in audit committee and shareholders'/investors' grievance committee in public limited companies (excluding the Company) are mentioned in the above table.

None of the Directors is a member of more than 10 Committees and Chairman of more than 5 Committees as required under Clause 49 (II) (D) (2) of the listing agreement. All the Directors have made requisite disclosures to the Company regarding their directorship and Committee positions in other Companies.

2.5 Meeting of Independent Directors

During the Year a meeting of Independent Directors was held as required under Clause – 49 (II) (B) (6) of the listing agreement and Schedule IV of the Act to discuss the matters specified therein. All Independent Directors strived to be present in the meeting. The attendance of the Independent Directors in the meeting is as under.



Name of the Director	Position	Category	Number of Meetings		
			Held	Attended	
Smt Lakshmi Pranesh	Member	NE, I	1	-	
Sri Pranab Prakash Pattanayak	Member	NE, I	1	1	
Sri Subramaniam Krishnamurthy	Member	NE, I	1	1	
Sri Sunil Varma	Member	NE, I	1	-	
Sri Venkataraman Murali	Member	NE, I	1	1	
Sri Vipen Kapur	Member	NE, I	1	1	

Non Executive ("NE"), Non Independent ("NI"), Independent ("I")

Note: For date of appointment & resignation and DIN of Directors, the table above at point no - 2.1 may be referred.

2.6 Code of conduct for Directors and senior management

The Board has laid down "Code of Conduct for Board Members and Senior Management" ("Code") for the members of the Board and for designated senior management personnel as required under Clause 49 (II) (E) of the listing agreement. The Code is displayed on the web site of the Company at http://shriramcity.in/files/ codeofconduct/index.html#/2. All the Board members and the designated senior management personnel affirmed compliance with the Code. A declaration to this effect signed by the Managing Director and CEO is attached as Annexure - 12

2.7 Remuneration of Directors

The Board aligns the remuneration of Directors with the long term interest of the Company and its shareholders. Non Executive Independent Directors get sitting fees for each of the meeting of the Board of Directors (₹ 50,000 for each Board Meeting attended) / Committees (₹ 25,000/- for each Committee Meeting attended) attended. The Managing Director and CEO of the Company is paid remuneration as per terms of his appointment. No other remuneration is paid to the Directors. No member of the Board is granted with stock options. The criteria for payment of remuneration to non executive directors is displayed on the web site of the Company at http://shriramcity.in/pdf/REMUNERATION-CRITERIA-FOR-NON-EXECUTIVE-DIRECTORS-new.pdf

SI. No.	Name of the Director	Category	Position	Sitting fees for attending meetings ₹	Salary, allowances & Perquisites ₹	Total ₹
1	Sri Arun Duggal	NE, NI	Chairman	-	-	-
2	Sri Debendranath Sarangi	NE, I	Additional Director and Chairman	50,000	-	50,000
3	Sri Duruvasan Ramachandra	E, NI	Managing Director and CEO	-	47,71,750	47,71,750
4	Sri Gerrit Lodewyk Van Heerde	NE, NI	Additional Director	-	-	-
5	Sri Gopalasamudram Srinivasaraghavan Sundararajan	NE, NI	Director	-	-	-
6	Smt Lakshmi Pranesh	NE, I	Director	2,50,000	-	2,50,000
7	Smt Maya S Sinha	NE, I	Additional Director	-	-	-
8	Sri Pranab Prakash Pattanayak	NE, I	Director	3,50,000	-	3,50,000
9	Sri Puneet Bhatia	NE, NI	Director	-	-	-
10	Sri Ranvir Dewan	NE, NI	Director	-	-	-
11	Sri Subramaniam Krishnamurthy	NE, I	Director	5,50,000	-	5,50,000
12	Sri Sunil Varma	NE, I	Director	2,50,000	-	2,50,000
13	Sri Venkataraman Murali	NE, I	Director	5,00,000	-	5,00,000
14	Sri Vipen Kapur	NE, I	Director	3,50,000	-	3,50,000

The sitting fees / remuneration paid to the directors during the Year are given below:

Non Executive ("NE"), Executive ("E"), Non Independent ("NI"), Independent ("I")

Note : For date of appointment & resignation and DIN of Directors, the table above at point no - 2.1 may be referred.

3. COMMITTEES OF THE BOARD

The Board has formed different committees as required under different regulations and as required for business purposes. The terms of reference of each committee is defined by the Board. The committees formed are Audit and Risk Management Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Asset Liability Management Committee, Banking & Finance Committee, Debt Allotment Committee, Securities Management Committee, Corporate Social Responsibility Committee and Financial Results Review Committee.

The constitution of the committees, appointment of members and chairperson of each committee, fixing the terms of reference of each committee and any change thereof are decided by the Board and are as per guidelines set out in clause 49 (II) of the listing agreement with stock exchanges, RBI regulations, the Act and other requirements. Brief terms of reference, composition, number of meetings of the committees held during the Year and related attendance are provided below.

3.1. AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee has been constituted as per Section 177 of the Act, Clause 49 (III) and 49(VI) (C) of the Listing Agreement and regulation of the Reserve Bank of India ("RBI").

3.1.1 Brief description of the terms of reference

- Recommend appointment, re-appointment, terms of appointment/re-appointment and remuneration of Auditors, removal of internal auditors and review and monitor auditor's independence and performance and effectiveness of audit process.
- Examine the financial statements, financial reporting process and the auditor's report and evaluation of internal financial controls and risk management systems internal audit function, internal audit report, follow up on findings, the performance of the internal auditor and approve appointment of Chief Financial Officer (CFO) of the Company.
- > Monitor the end use of funds raised through public offers and related matters.
- Look into the defaults in the payment to the depositors, debenture holders, shareholders and creditors and scrutiny of inter-corporate loans and investments and approve any transaction with related parties.
- Review Asset Liability Management positions, capital adequacy positions, resources raised, credit ratings and management of Non Performing Assets, credit policy for each product & to assess dovetailing of business done in accordance with overall credit policy, all major operational control/actionable points to handle failures and other exigencies and review the functioning of Whistle Blower mechanism.
- Analyse economic conditions, industry-wise performance, guidelines issued by regulatory authorities, competitor's policies & alerting management and mitigation of risks thereof.

The Company Secretary of the Company acts as the Secretary for the Committee.

3.1.2Composition & Attendance

The Committee met 4 times during the Year on April 30, 2014, July 28, 2014, October 30, 2014 and January 29, 2015.

Name of the Director	Position	Category	Number of Meetings		
			Held	Attended	
Sri Sunil Varma	Chairman	NE, I	4	3	
Smt Lakshmi Pranesh	Member	NE, I	4	3	
Sri Ranvir Dewan	Member	NE, NI	4	4	
Sri Subramaniam Krishnamurthy	Member	NE, I	4	4	
Sri Venkataraman Murali	Member	NE, I	4	4	

Non Executive ("NE"), Non Independent ("NI"), Independent ("I")



Note : For date of appointment & resignation and DIN of Directors, the table above at point no - 2.1 may be referred.

The Audit and Risk Management Committee was reconstituted with Sri Venkataraman Murali as the Chairman, Sri Debendranath Sarangi, Sri Ranvir Dewan and Sri Subramaniam Krishnamurthy as the Members of the Committee w.e.f May 1, 2015.

3.2. NOMINATION AND REMUNERATION COMMITTEE

This Committee has been formed as per Section 178 of the Act, provisions of listing agreement and regulations of RBI

3.2.1 Brief description of terms of reference :

- Identify persons who qualify to become Directors and recommend their appointment to the Board, members of senior management as and when vacancies arise and recommend removal of a Director from the Board should the need arise
- > Carry out evaluation of performance of every Director on an annual basis.
- > Formulate policies for appointment and remuneration of independent of directors key managerial personnel and employees keeping in view to attract, motivate and retain talent required for the progress of the Company.
- Guide policies and practices in the talent management of the Company, formulation and administration of Employees Stock Option Plans (ESOP) and other incentive plans for employees and directors.

An Executive of the Secretarial Department of the Company acts as the Secretary for the Committee.

3.2.2Composition and attendance:

The Committee met 4 times during the Year on April 30, 2014, July 28, 2014, October 30, 2014 and January 29, 2015. The composition of the Committee and their attendance are as under.

Name of the Director	Position	Category	Number of Meetings		
			Held	Attended	
Sri Vipen Kapur	Chairman	NE, I	4	4	
Sri Subramaniam Krishnamurthy	Member	NE, I	4	4	
Sri Venkataraman Murali	Member	NE, I	4	4	

Non Executive ("NE"), Independent ("I").

Note : For DIN of Directors, the table above at point no - 2.1 may be referred.

The Nomination and Remuneration Committee was reconstituted with Sri Vipen Kapur as the Chairman, Sri Venkataraman Murali and Sri R Duruvasan as the Members of the Committee w.e.f May 1, 2015.

3.3. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Committee has been constituted as per Section 178 of the Act, listing agreement with stock exchanges and regulations of RBI. The Committee looks into redressal of grievances of shareholders, debenture holders and other security holders.

3.3.1 Brief description of terms of reference :

- > Review the Security holding pattern, listing of securities on Indian Stock Exchanges and overseas
- Facilitate better investor/customer services and relations, resolve grievances of security holders, approve matters relating to Depositories, Registrar and Transfer Agents, transfer to Investor Education and Protection Fund and monitor the Code of Conduct for Insider Trading

The Company Secretary of the Company acts as the Secretary for the Committee.

3.3.2Composition & Attendance :

The Committee had met 4 times during the Year on April 30, 2014, July 28, 2014, October 30, 2014 and January 29, 2015. The composition of the committee and the attendance are as under.

Name of the Director	Position	Category	Number of Meetings	
		-	Held	Attended
Sri Subramaniam Krishnamurthy	Chairman	NE, I	4	4
Sri Duruvasan Ramachandra	Member	E, NI	4	4
Sri Gopalasamudram Srinivasaraghavan Sundararajan	Member	NE, NI	4	4

Non Executive ("NE"), Executive ("E"), Non Independent ("NI") and Independent ("I"). Note : For DIN of Directors, the table above at point no - 2.1 may be referred. The Stakeholders Relationship Committee was reconstituted with Sri Pranab Prakash Pattanayak as the Chairman, Sri Venkataraman Murali and Sri Vipen Kapur as the Members of the Committee w.e.f May 1, 2015.

Sri C R Dash, Company Secretary of the Company is the Compliance Officer. The Company has not received any complaint from the shareholder during the Year and no complaints are pending as on March 31, 2015.

3.4. BANKING & FINANCE COMMITTEE

3.4.1 Brief description of terms of reference

- All types of banking operations including open, close, change, modify, transfer of Bank Accounts, to accept and confirm bank balances
- Borrow Money from Bank/ Institution within the limit specified by the Board, execution of loan documents and all activities required for any type of Banking/ Borrowing
- Invest, deposit or otherwise the funds of the Company in Short Term Deposits/ Long Term Deposits with Banks/ Mutual Funds/any other Funds any other institutions and sell down the assets of the Company.
- Assign or sell down the assets of the Company within permissible limits by way of assignment or securitization to any bank or institution

An executive of Secretarial Department acts as the secretary to the Committee.

3.4.2Composition and attendance:

The Committee met 27 times during the Year. The composition of the committee and their attendance are as under.

Name of the Director	Position	Category	Number of Meetings	
			Held	Attended
Sri Gopalasamudram Srinivasaraghavan Sundararajan	Chairman	NE, NI	27	23
Sri Duruvasan Ramachandra	Member	E, NI	27	27
Smt Subhasri Sriram*	Member	Executive Director & Chief Financial Officer	27	25
Sri Ramasubramanian Chandrasekar*	Member	Executive Director	27	27

*Not members of the Board

Non Executive ("NE"), Executive ("E") and Non Independent ("NI")

Note : For DIN of Directors, the table above at point no - 2.1 may be referred.

3.5. FINANCIAL RESULTS REVIEW COMMITTEE

This Committee was constituted by the Board as required, under Clause 41 (II) (a) of the Listing Agreement to approve the quarterly financial results when the Board of Directors does not meet. No meeting of the Committee was held during the Year.

3.6. ASSET LIABILITY MANAGEMENT COMMITTEE

This Committee was constituted as required under RBI notification No. DNBS (PD).CC. No. 15/02.01/2000-2001 dated June 27, 2001 applicable to Non Banking Finance Companies.

3.6.1 Brief terms of reference

- > Balance Sheet planning from risk-return perspective, assessment and management of interest risk, liquidity risk, business risk in a structured manner and adoption of Asset-Liability management practices
- > Providing a comprehensive and dynamic framework for measuring, monitoring and managing liquidity and interest rate risks of major operators in the financial system.
- > altering the asset-liability portfolio in a dynamic way in order to manage risks.

An executive of Secretarial Department acts as the Secretary to the Committee.

During the Year, the Committee met 4 times on April 30, 2014, July 28, 2014, October 30, 2014 and January 29, 2015.



3.6.2 Composition & attendance

Name of the Director	Position	Category	Number of Meetings	
			Held	Attended
Sri Pranab Prakash Pattanayak	Chairman	NE, I	4	4
Sri Duruvasan Ramachandra	Member	E, NI	4	3
Smt Subhasri Sriram*	Member	Executive Director and Chief Financial Officer	4	4
Sri Ramasubramanian Chandrasekar*	Member	Executive Director	4	4

* Not members of the Board

Note : For DIN of Directors, the table above at point no - 2.1 may be referred.

Non Executive ("NE"), Executive ("E"), Non Independent ("NI"), Independent ("I")

3.7. SECURITIES MANAGEMENT COMMITTEE

This Committee was constituted for ease of issue, allotment, transfer, transmission & related activities with respect to securities of the Company.

3.7.1 Brief description of terms of reference

- Issue, allot and reject equity shares, preference shares, Debentures, Bonds, Debt instruments, equity instruments, Hybrid Instruments, Warrants (together referred as "Securities") on preferential, rights, bonus and public issue or private placement basis and monitor and decide on all the activities with respect to public issue/private placement of securities.
- Approve or reject the transfer/ transmission/ dematerialization/ rematerialisation/ Splitting/ Consolidation/ issue of duplicate certificate for any Securities.
- Appoint, remove and fix the remuneration of Registrar and Share Transfer Agent, seek information from any Employee/Security holder /Registrar/ Share Transfer Agents of the Company and review reports pertaining to the Shareholders/ Debenture holders.
- Any matter relating to listing/delisting of securities with Stock Exchanges and any matter relating to Depositories [National Securities Depository Ltd and Central Depository Services (India) Ltd].

3.7.2 Composition and attendance:

The Committee met 41 times during the Year. The composition of the committee and their attendance are as under.

Name of the Director	Position	Category N	Number of	umber of Meetings	
			Held	Attended	
Sri Gopalasamudram Srinivasaraghavan Sundararajan	Chairman	NE, NI	41	34	
Smt Subhasri Sriram*	Member	Executive Director & Chief Financial Office	er 41	39	
Sri Ramasubramanian Chandrasekar*	Member	Executive Director	41	41	

*Not members of the Board

Note : For DIN of Directors, the table above at point no - 2.1 may be referred.

Non Executive ("NE") and Non Independent ("NI")

3.8 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee was constituted as required under section 135 of the Act.

3.8.1 Brief description of the terms of reference

- Formulate, amend, change and recommend to the Board Corporate Social Responsibility ("CSR") Policy of the Company in compliance with Schedule VII of the Companies Act, 2013 and implement, monitor and report quarterly on compliance of the same.
- Recommend the amount of expenditure to be incurred on the activities undertaken in the CSR Policy and report a statement of utilization of money provided every quarter.
- > Plan, decide, execute and monitor the activities mentioned under CSR Policy

Authorize such persons to do any or all necessary acts and deeds as may be required for implementation of the CSR Policy in a smooth and efficient manner.

3.8.2 Composition & Attendance

The Committee met once during the Year 2014-15 on October 30, 2014

Name of the Director	Position	Category	Number of Meetings		
			Held	Attended	
Smt Lakshmi Pranesh	Chairman	NE, I	1	-	
Sri Gopalasamudram Srinivasaraghavan Sundararajan	Member	NE, NI	1	1	
Sri Venkataraman Murali	Member	NE, I	1	1	

Note : For date of appointment & resignation and DIN of Directors, the table above at point no - 2.1 may be referred.

Non Executive ("NE"), Non Independent ("NI"), Independent ("I")

The CSR Committee was reconstituted with Sri Subramaniam Krishnamurthy as the Chairman, Sri Debendranath Sarangi and Sri Venkataraman Murali as the Members of the Committee w.e.f May 1, 2015.

4. MONITORING OF SUBSIDIARY COMPANY

The Company has got one non listed non material subsidiary company named Shriram Housing Finance Limited, CIN: U65929TN2010PLC078004 ("SHFL"). SHFL is managed by it's Board of Directors. Since, SHFL is a non material and non listed subsidiary, the Company is not required to nominate one of it's independent directors on the Board of the subsidiary. However, the Board has nominated Sri Venkataraman Murali, an independent director of the Company as a director on the Board of SHFL. The Company monitors the subsidiary by the following means:

- i) The financial statements, in particular the investments made by SHFL are reviewed by the audit committee of the Company.
- ii) All the minutes of the Board meetings of SHFL are placed before the Board regularly.
- iii) A statement containing all the significant transactions and arrangements entered into by SHFL is placed before Board.

5. RELATED PARTY TRANSACTIONS

The determination of related party is done based on Section 188 of the Act, Clause 49 (VII) of the listing agreement and applicable accounting standard. The Audit and Risk Management Committee of the Company has formulated a policy on Related Party Transactions, which is displayed on the web site of the Company at http://www.shriramcity.in/files/RPT/index.html. The transactions with related parties are reported to the Audit and Risk Management Committee and the Board on quarterly basis and approval of the Committee and the Board are taken in required cases. There were no material related party transactions during the Year. Related party transactions are reported in Note No. 26.1 and 26.2 of the Notes to Accounts.

6. SHARE HOLDER INFORMATION AND DISCLOSURES

6.1 Corporate

The Company was incorporated on March 27, 1986 as Shriram Hire-Purchase Finance Private Limited with Registrar of Companies, Tamil Nadu, Chennai and got fresh certificate of incorporation consequent to change of name to Shriram City Union Finance Limited with effect from April 10, 1990. The Company made an initial public offering in December, 1994. The corporate identification number (CIN) allotted to the Company by Ministry of Corporate Affairs (MCA) is L65191TN1986PLC012840. The Company is registered as a Non Banking Finance Company ("NBFC") with RBI with registration number - 07-00458. The equity shares of the Company are listed in M/s BSE Ltd ("BSE") and M/s National Stock Exchange of India Limited ("NSE").

6.2 Appointment of new Directors and reappointment of Directors

One third of the Directors liable to retire by rotation, retires by rotation and if eligible seek reappointment at AGM of the Company. At the ensuing AGM, Sri Gopalasamduram Srinivasaraghavan Sundararajan holding DIN - 00361030 and Sri Puneet Bhatia holding DIN - 00143973 will retire by rotation. Being eligible, both of them has sought for reappointment. The Board has recommended reappointment of both the retiring directors. Sri Debendranath Sarangi (DIN-01408349), Sri Gerrit Lodewyk Van Heerde (DIN-06870337) and Smt. Maya S Sinha (DIN-03056226), who were appointed as Additional Director of the Company with effect from January 29, 2015, August 1, 2014 and May 28, 2015



respectively by the Board pursuant to Section 161 (1) of the Act, hold office upto the date of the ensuing AGM. The retiring Directors are not related to any of the Director and do not hold any shares in the Company. Notice in writing along with requisite deposit of ₹ 1,00,000 each has been received separately from members of the Company proposing each one of them to be appointed as Directors of the Company in the ensuing AGM. The Board recommends the appointment of each one of them. The notice of ensuing AGM states details about the appointment/ reappointment of above named Directors . Brief profile of each of the Director appear on this Annual Report.

6.3 General body meetings

The date, time and venue of last three Annual General Meetings ("AGMs") and Extraordinary General Meeting ("EGM") held and special resolutions passed thereat are as follows.

Year ended March 31	AGM	AGM Location		Time	Special Resolutions passe	
2012	26th AGM	#	July 27, 2012	10.00 am	*	
2013	27th AGM	#	July 25, 2013	10.00 am	Nil	
2014	28th AGM	#	July 28, 2014	10.00 am	**	

#Narada Gana Sabha (Mini Hall), No 314 T T K Road, Alwarpet, Chennai - 600 018

* Approval of applicability of Employee stock option scheme 2008 of the company to SHFL

** Increase in borrowing powers under Section 180 (1) (c) of the Act for an amount not exceeding ₹ 25,000 Crores, division of share capital as per Section 61 (1) (b) of the Act and alteration of Articles of Association of the Company

The Company held an Extraordinary General Meeting on March 24, 2012 at Sri Krishna Gana Sabha (Mini Hall), No. 20, Maharajapuram Santham Salai, T. Nagar, Chennai – 600 017 at 11.00 a.m. for alteration of articles of association of the Company, for increase in authorised capital and issue of equity shares and warrants on preferential basis to M/s Shriram Capital Ltd.

The Company had conducted Court Convened Meeting of the Equity Shareholders and Secured Creditors on March 25, 2013 at Sri Krishna Gana Sabha (Mini Hall), No. 20, Maharajapuram Santham Salai, T. Nagar, Chennai – 600 017 at 11.00 a.m. for approval of composite Scheme of arrangement among M/s Shriram Retail Holdings Private Limited, M/s Shriram Enterprise Holdings Private Limited and the Company under Sections 391 to 394 and Sections 100 to 103 of the Companies Act, 1956 pursuant to an order dated January 28, 2013, passed by the Hon'ble High Court of Judicature at Madras.

The Company held an Extraordinary General Meeting on May 31, 2013 at Narada Gana Sabha (Mini Hall), No 314 T T K Road, Alwarpet, Chennai - 600 018 at 10.00 a.m. for alteration of Articles of Association, issue of securities for an aggregate amount not exceeding ₹ 1,000 Crores or equivalent thereof, increase FII investment limits in the Company, approving Employees Stock Option Scheme 2013, approving grant of Employees Stock Option Scheme 2013 to eligible employees of the subsidiary company(ies).

The Company held an Extraordinary General Meeting on May 30, 2014 at Narada Gana Sabha (Mini Hall), No 314 T T K Road, Alwarpet, Chennai - 600 018 at 10.00 a.m. for issue and allotment of 65,79,840 equity shares on preferential basis to M/s Piramal Enterprises Limited.

During the Year, the Company passed the following special resolution through postal ballot for creation of security on the assets/receivables of the Company and securitization under Section 180 (1) (a) of the Act.

	Туре				a favour Votes casted against			
Special Resolution	of voting	No of share- holders	No of votes	Percentage of votes	No of share- holders	No of votes	Percentage of votes	declaration of results
Creation of security on the assets/ receivables/securitisation under section 180 (1) (a) of the Act	E PBF	46 111	3,62,62,459 26,90,284	100% 99.95%	0 4	0 732	0 0.027	July 25, 2014

Electronic (E) and Postal Ballot Forms (PBF)

Sri P. Sriram, M/s P. Sriram & Associates, Company Secretaries in practice was appointed as the scrutinizer for carrying the process of postal ballot in fair and transparent manner.

A special resolution for creation of security in respect of borrowings is proposed to be passed by way of postal ballot/e-voting. All the resolutions proposed to be passed at the ensuing AGM shall be passed through e-voting as mandated and the same is mentioned in the Notice of the ensuing AGM. As required under Sections 108,110 and other applicable Sections of the Act and relevant rules and Clause 35B of the listing agreement, the Company provides the facility to the Members to vote through electronic mode. The notice of postal ballot and the notice of the ensuing AGM states the process of respective voting. The voting rights are based on the number shares of the Company held by the member on the cut off date. The scrutinizer appointed by the Board shall submit his report on results of the respective voting to the Chairman after completion of his scrutiny within permissible time.

6.4 Materially significant related party transactions

During the Year, there were no materially significant related party transactions entered into, which were in potential conflict with the interest of the Company at large. The details of related party transactions are presented in note no 26.1 and 26.2 of the Notes to Accounts forming part of the financial statements attached hereto.

6.5 Accounting treatment

The Company follows the accounting treatment as prescribed in accounting standard and the details of same appear in notes to accounts section of this annual report.

6.6 Risk management

This annual report has got a detailed chapter on management discussion and analysis on risk management (Annexure No. 3) stating about risk management by the Company.

6.7 Proceeds of the public issue

During the Year, the Company made a public issue of Secured Redeemable non convertible debentures (NCD) of face value of ₹ 1,000 each aggregating upto ₹ 100 Crores with an option to retain over subscription upto ₹ 100 Crores for issuance of additional NCDs aggregating to a total upto ₹ 200 Crores, which opened for subscription by public on April 16, 2014 in terms of Prospectus dated March 24, 2014. The issue was over subscribed. The Company retained the additional subscription and allotted NCDs for ₹ 200 Crores. The utilisation statement is reported in note no 28 of the Notes to Accounts forming part of financial statements attached hereto.

6.8 Details of non compliance and penalties, strictures imposed

There were no instances of non compliance by the Company on any matter relating to capital market during last three years. No penalties, strictures were imposed on the Company by stock exchanges or SEBI or any other statutory authority(ies). Smt. Lakshmi Pranesh was the woman Director (Non- Executive and Independent) on the Board which fulfilled the condition of having a woman director on the Board. Due to personal reason, she resigned from the Board on January 31, 2015. The Company had a woman director even before it became mandatory to have at least one woman director. Due to the resignation of the existing woman Director and due to the time taken in finding fit and proper Director (woman), the Company could not comply with the requirement of having a woman director on it's Board as on March 31, 2015. Smt Maya S Sinha was appointed as a woman Director on the Board on May 28, 2015.

6.9 Whistle Blower and Vigil Mechanism Policy

The Company promotes ethical behaviour in all it's business activities and has put in place a mechanism for reporting unethical behavior by adopting whistle blower policy and vigil mechanism in line with clause 49 (II) (F) of the listing agreement for employees to report concerns about unethical behavior providing for adequate safeguard against victimization of directors/employees, who avail of the mechanism. No person has been denied access to the Audit and Risk Management committee. The details of this policy is disclosed in the web site of the Company at http://www.shriramcity.in/files/Whistle-blower-and-vigil-mechanism-policy/index.html.

6.10 Reconciliation of share capital audit

SEBI has mandated reconciliation of share capital audit under Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996 read with SEBI Circular No. D&CC/FITTC/Cir-16/2002 dated December 31, 2002 and SEBI Circular No. CIR/MRID/DP/30/2010 dated September 06, 2010. Accordingly audit for reconciliation of share capital admitted with National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Ltd ("CDSL") with the total issued and listed capital were carried out on a quarterly basis during the Year by a Practicing Company Secretary appointed by the committee of the Board. The audit confirmed that the total issued/ paid up capital were in agreement with the aggregate total number of shares in physical form and total number of dematerialised shares with NSDL and CDSL.



6.11 Means of communication

The audited financial results, the quarterly results and half-yearly results of the Company were published in newspaper in english in "Business Line" and in tamil in "Makkal Kural" within 48 hours of conclusion of the Board Meetings at which the respective financial results were approved. The results are displayed at Company's website at http://www.shriramcity.in/Investor-Fin-Results.aspx. The Company's website www.shriramcity.in contains a separate section "INVESTOR", where shareholder information are displayed. The Annual Report of the Company is also displayed in the same section of the web site of the Company. The Annual Report of the Company containing Director's report along with annexures thereto, stand alone financial statements, consolidated financial statements, auditor's report thereon and other important information are circulated to members and others entitled thereto. The investor complaints are processed in centralized web based complaints redressal system controlled by SEBI known as SEBI Complaint redress system ("SCORES"). The Company has designated email ids sect@shriramcity.in, scufncd8@shriramcity.in and scufncd10@shriramcity.in exclusively for respective investor servicing, which appear in the investor section of the web site of the Company. The Company has been filing the information related to corporate governance, shareholding pattern, reconciliation of share capital audit and guarterly financial results in the website of NEAPS (National Electronic Application Processing System) viz www.connect2nse.com and on BSE Listing Centre http://listing.bseindia.com. The presentations made by the Company to analysts are displayed on the web site of the Company at http://shriramcity.in/PDF/Shriram-City-Corporate-Profile-Jan-2015.pdf

6.12 Details of 29th AGM

a.	Date and Time	Tuesday July 28, 2015 at 10 a m
b.	Venue	Narada Gana Sabha (Mini Hall), No. 314, TTK Road, Alwarpet, Chennai 600 018.
C.	Book Closure	July 22, 2015 – July 28, 2015 (both days inclusive)
d.	Dividend	An interim dividend of ₹ 4.5 per equity share was declared by the Board of Directors at its meeting held on October 30, 2014 and the payments thereof were effected on November 21, 2014.
		The payment of final dividend upon declaration by the shareholders at the AGM, will be made on or after August 1, 2015 to those members, whose name appear on the Register of members as on the record date.

6.13 Financial year

The financial year under review was from April 1, 2014 to March 31, 2015. The next financial year is from April 1, 2015 to March 31, 2016.

6.14 Details of listing on stock exchanges

The listing details of the equity shares of the Company (ISIN-INE722A01011) are as under

Name of the Stock Exchange	Stock Code
BSE Limited (BSE)	532498
National Stock Exchange of India Limited (NSE)	SHRIRAMCIT

The Company has paid annual listing fees for the Year to BSE and NSE and annual custodian fees to NSDL and CDSL on time.

The shares of the Company were voluntarily delisted from Madras Stock Exchange Ltd, the details of which appear in the Report of the Directors.

6.15 Details of debentures listed on stock exchanges

The secured redeemable non convertible debentures (NCDs) of the Company of face value of ₹ 1,000 each offered for subscription to public under Prospectus dated August 1, 2011, August 31, 2012 and November 18, 2013 are listed on both NSE and BSE. The NCDs offered to Public in terms of Prospectus dated March 24, 2014 are listed on BSE only. The details of the listed public and privately placed NCDs are as under :

BSE Scrip code	NSE Scrip Code	Inte- rest (%)	Allot- ment date	Due date of rede- mption	Face Value ₹	ISIN	Ten- ure in yrs	Allotted (₹ in Crores)	Cate- gory	Series/ Option/ Cate- gory	Pro- duct type	Rede- mption value per`000
947088	*	10.75	04-02-11	04-02-21	1000000	INE722A07182	10	5	PP	N.A.	NC	
947180	*	9	30-03-11	30-03-17	1000000	INE722A07190	6	275	PP	N.A.	NC	
946954	*	10.5	23-11-10	23-11-17	1000000	INE722A07166	7	20	PP	N.A.	NC	
946991	*	10.6	13-12-10	13-12-17	1000000	INE722A07174	7	25	PP	N.A.	NC	
948015	*	10.65	24-05-12	23-05-15	1000000	INE722A07364	3	10	PP	N.A.	NC	
948214	*	10.75	12-07-12	12-07-17	1000000	INE722A07372	5	21.5	PP	N.A.	NC	
948219	*	10.75	26-07-12	26-07-17	1000000	INE722A07406	5	10	PP	N.A.	NC	
947934	*	11.85	16-01-12	16-01-19	100000	INE722A08024	7	20	PP	N.A.	NC	
947935	*	11.6	27-02-12	27-08-17	100000	INE722A08032	5	15	PP	N.A.	NC	
947936	*	11.85	27-02-12	27-02-19	100000	INE722A08040	7	35	PP	N.A.	NC	
947937	*	11.85	26-03-12	26-09-17	100000	INE722A08065	6	10.15	PP	N.A.	NC	
947938	*	11.85	26-03-12	26-03-19	100000	INE722A08073	7	50.2	PP	N.A.	NC	
947891	*	11.85	15-03-12	15-03-19	100000	INE722A08057	7	100	PP	N.A.	NC	
948722	*	11.15	31-12-12	31-12-19	1000000	INE722A08081	7	60	PP	N.A.	NC	
948932	*	11.15	07-01-13	07-01-20	1000000	INE722A08099	7	15	PP	N.A.	NC	
934820	N1	11.6	26-08-11	25-08-16	1000	INE722A07208	5	54.3	PI	I	NC	
934821	N3	12.1	26-08-11	25-08-16	1000	INE722A07216	5	437	PI	I	NC	
934822	N2	11.85	26-08-11	25-08-16	1000	INE722A07224	5	121	PI	I	NC	
934823	N4	11.5	26-08-11	25-08-14	1000	INE722A07232	3	0	PI	II	NC	
934824	N6	11.85	26-08-11	25-08-14	1000	INE722A07240	3	0	PI		NC	
934825	N5	11.6	26-08-11	25-08-14	1000	INE722A07257	3	0	PI		NC	
934857	N7	10.6	06-10-12	06-10-15	1000	INE722A07414	3	007	PI	I	NO	
934857	N7	11.5	06-10-12	06-10-15	1000	INE722A07414	3	297	PI	I	NC	
934858	N8	10.75	06-10-12	06-10-17	1000	INE722A07422	5	70.5	PI	I	NC	
934858	N8	11.75	06-10-12	06-10-17	1000	INE722A07422	5	76.5	PI	II	NC	
934859	N9	10.6	06-10-12	06-10-15	1000	INE722A07430	3	05.5	PI		С	1352.9
934859	N9	11.50	06-10-12	06-10-15	1000	INE722A07430	3	25.5	PI		С	1386.20
934860	NA	10.75	06-10-12	06-10-17	1000	INE722A07448	5	047	PI	IV	С	1666.65
934860	NA	11.75	06-10-12	06-10-17	1000	INE722A07448	5	34.7	PI	IV	С	1743.30
934933	NB	10.75	04-01-14	04-01-17	1000	INE722A07455	3		PI	I	NC	
934933	NB	10.75	04-01-14	04-01-17	1000	INE722A07455	3	40.0	PI	I	NC	
934933	NB	11	04-01-14	04-01-17	1000	INE722A07455	3	43.9	PI	I	NC	
934933	NB	11	04-01-14	04-01-17	1000	INE722A07455	3		PI	I	NC	
934934	NC	10.75	04-01-14	04-01-18	1000	INE722A07463	4		PI	II	NC	
934934	NC	10.75	04-01-14	04-01-18	1000	INE722A07463	4	0.17	PI	II	NC	
934934	NC	11.25	04-01-14	04-01-18	1000	INE722A07463	4	3.17	PI	II	NC	
934934	NC	11.25	04-01-14	04-01-18	1000	INE722A07463	4		PI	II	NC	
934935	ND	10.75	04-01-14	04-01-19	1000	INE722A07471	5		PI		NC	
934935	ND	10.75	04-01-14	04-01-19	1000	INE722A07471	5	500	PI		NC	
934935	ND	11.5	04-01-14	04-01-19	1000	INE722A07471	5	50.2	PI		NC	
934935	ND	11.5	04-01-14	04-01-19	1000	INE722A07471	5		PI		NC	
934936	NE	10.75	04-01-14	04-01-17	1000	INE722A07489	3		PI	IV	С	1358.41



BSE Scrip code	NSE Scrip Code	Inte- rest (%)	Allot- ment date	Due date of rede- mption	Face Value ₹	lue trir yr		Allotted (₹ in Crores)	Cate- gory	Series/ Option/ Category	Pro- duct type	Rede- mption value per`000
934936	NE	10.75	04-01-14	04-01-17	1000	INE722A07489	3		ΡI	IV	С	1358.41
934936	NE	11	04-01-14	04-01-17	1000	INE722A07489	3	23.5	PI	IV	С	1367.63
934936	NE	11	04-01-14	04-01-17	1000	INE722A07489	3		PI	IV	С	1367.63
934937	NF	10.75	04-01-14	04-01-18	1000	INE722A07497	4		PI	V	С	1504.44
934937	NF	10.75	04-01-14	04-01-18	1000	INE722A07497	4	2.76	PI	V	С	1504.44
934937	NF	11.25	04-01-14	04-01-18	1000	INE722A07497	4	2.70	PI	V	С	1531.79
934937	NF	11.25	04-01-14	04-01-18	1000	INE722A07497	4		PI	V	С	1531.79
934938	NG	10.75	04-01-14	04-01-19	1000	INE722A07505	5		PI	VI	С	1667.17
934938	NG	10.75	04-01-14	04-01-19	1000	INE722A07505	5	28.2	PI	VI	С	1667.17
934938	NG	11.5	04-01-14	04-01-19	1000	INE722A07505	5		PI	VI	С	1723.35
934938	NG	11.5	04-01-14	04-01-19	1000	INE722A07505	5		PI	VI	С	1723.35 Repayable
934939	NH	10.75	04-01-14	04-01-19	1000	INE722A07513	5		PI	VII	NC	in three equal tranches of 33.33%
934939	NH	10.75	04-01-14	04-01-19	1000	INE722A07513	5	1.96	ΡI	VII	NC	of the face value at the end of 36/ 48/60 months from
934939	NH	11.25	04-01-14	04-01-19	1000	INE722A07513	5		PI	VII	NC	
934939	NH	11.25	04-01-14	04-01-19	1000	INE722A07513	5		ΡI	VII	NC	the date of allotment
935042	*	10.5	03-05-14	03-05-16	1000	INE722A07521	2		PI	I	NC	
935042	*	11	03-05-14	03-05-16	1000	INE722A07521	2	59.6	PI	I	NC	
935042	*	11	03-05-14	03-05-16	1000	INE722A07521	2		PI	I	NC	
935044	*	10.75	03-05-14	03-05-17	1000	INE722A07539	3		PI	Ш	NC	
935044	*	11.5	03-05-14	03-05-17	1000	INE722A07539	3	35.1	PI	Ш	NC	
935044	*	11.5	03-05-14	03-05-17	1000	INE722A07539	3		PI	Ш	NC	
935046	*	10.85	03-05-14	03-05-19	1000	INE722A07547	5		PI	111	NC	
935046	*	11.75	03-05-14	03-05-19	1000	INE722A07547	5	80.6	PI	111	NC	
935046	*	11.75	03-05-14	03-05-19	1000	INE722A07547	5		PI	111	NC	
935048	*	10.5	03-05-14	03-05-16	1000	INE722A07554	2	_	PI	IV	С	1221.03
935048	*	11	03-05-14	03-05-16	1000	INE722A07554	2	2.55	PI	IV	С	1232.10
935048	*	11	03-05-14	03-05-16	1000	INE722A07554	2		PI	IV	С	1232.10
935050	*	10.75	03-05-14	03-05-17	1000	INE722A07562	3		PI	V	С	1358.41
935050	*	11.5	03-05-14	03-05-17	1000	INE722A07562	3	7.65	PI	V	С	1386.20
935050	*	11.5	03-05-14	03-05-17	1000	INE722A07562	3		PI	V	С	1386.20
935052	*	10.85	03-05-14	03-05-19	1000	INE722A07570	5		PI	VI	С	1673.70
935052	*	11.75	03-05-14	03-05-19	1000	INE722A07570	5	14.5	PI	VI	С	1742.76
935052 *Not list	*	11.75	03-05-14	03-05-19	1000	INE722A07570	5		PI	VI	С	1742.76

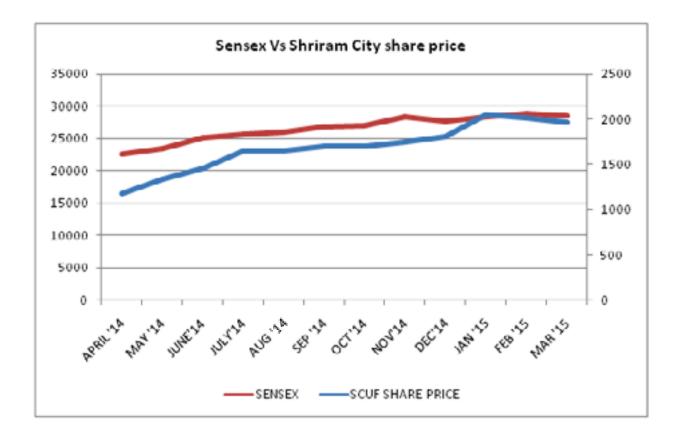
*Not listed in NSE.

Privately Placed ("PP"), Public Issue ("PI"), Cumulative ("C"), Non-Cumulative ("NC"). The details of these NCDs may be related to respective offer documents and offer document shall be final.

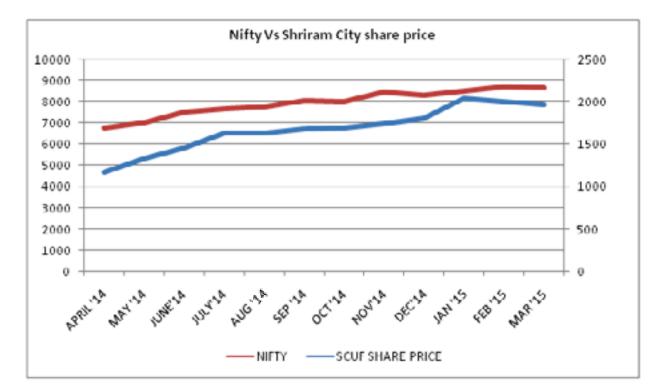
6.16 Stock market price data

The volume and market price (high and low) of equity shares of the Company traded during each month during the Year are given below.

	E	BSE (for the mon	ih)	NSE (for the month)				
Month	Share prices	(in ₹) per share	No of shares	Share prices	Share prices (in ₹) per share			
	High	Low	traded	High	Low	traded		
Apr 2014	1229.10	1120.85	512826	1226.40	1114.80	656219		
May 2014	1441.80	1225.75	2101311	1443.35	1214.20	876168		
Jun 2014	1520.35	1392.25	13025	1517.80	1390.20	244198		
Jul 2014	1799.60	1496.00	6930	1787.35	1488.25	473623		
Aug 2014	1726.50	1562.65	3320	1719.05	1558.05	403640		
Sep 2014	1794.50	1600.50	106448	1794.50	1581.30	430486		
Oct 2014	1772.55	1620.70	4054	1783.20	1614.70	197073		
Nov 2014	1795.10	1689.90	7089	1799.55	1688.50	756000		
Dec 2014	1952.05	1667.50	83359	1941.05	1684.05	1152150		
Jan 2015	2138.70	1956.45	146864	2144.70	1954.95	1042137		
Feb 2015	2085.15	1954.15	121376	2086.15	1948.30	563038		
Mar 2015	2049.15	1878.45	49951	2049.65	1887.15	646374		



6.17 Share price performance in comparison to broad based indices (BSE : Sensex , NSE: Nifty



6.18 Registrar and Transfer Agents (RTAs)

Particulars	Name and address of the RTA	Contact Person details
Equity Shares & Dividend	Integrated Enterprises (India) Ltd 2nd Floor, Kences Towers , No. 1	Name: Ms. Anusha N Telephone No: + 91 44 2814 0801/02/03
Public issue of NCDs 2011	Ramakrishna Street, Off North Usman Road, T.Nagar, Chennai-600 017	Fax No: + 91 2814 2479 Email Id: anusha@integratedindia.in
		Name: Mr K Balasubramanian Telephone No: + 91 44 2814 0801/02/03
Public issue of NCDs 2012		Fax No: + 91 2814 2479 Email Id: scuf@integratedindia.in
Public issue of NCDs2013	Shriram Insight Share Brokers Ltd CK – 5 &15, Sector II, Salt Lake City, Kolkata- 700 091	Name: Ms Sneha Jaiswal Telephone No: + 91 33 3250 7069 Fax No: + 91 33 2358 7189 Email Id: scuf_nov13@shriraminsight.com
Public Issue of NCD 2014		Name: Ms Sneha Jaiswal Telephone No: + 91 33 3250 7069 Fax No: + 91 33 2358 7189 Email Id:scuf_mar14@shriraminsight.com

6.19 Trustees for the debentures

Particulars	Contact Organisation	Contact Person details
Public issue of NCDs 2011	IDBI Trusteeship Services Ltd Asian Building, Ground Floor, 17, R Kamani Marg, Ballard Estate, Mumbai – 400 001	Name: Ms Swapnali Hirlekar Telephone No: + 91 22 4080 7000 Fax No: + 91 22 6631 1776 Email Id: itsl@idbitrustee.com
Public issue of Non Convertible Debentures 2012	GDA Trusteeship Ltd GDA House, First Floor, Plot No. 85, S No. 94 & 94, Bhusari Colony (Right), Kothrud, Pune – 411 038	Name: Mr R K Kulkarni Telephone No: + 91 20 2528 0081 Fax No: + 91 20 2528 0275 Email Id: dt@gdatrustee.com
Public issue of Non Convertible Debentures 2013		Name: Ms Neelam Mundada Telephone No: + 91 20 2528 0081 Fax No: + 91 20 2528 0275 Email Id: dt@gdatrustee.com
Public Issue of Non Convertible Debentures 2014		Name: Ms Neelam Mundada Telephone No: + 91 20 2528 0081 Fax No: + 91 20 2528 0275 Email Id: dt@gdatrustee.com



6.20 Share transfer system:

Transfer of shares held in dematerialised form are done through the depositories with no involvement of the Company. Transfer of shares existing in physical form are processed and duly endorsed share certificates are issued within stipulated time subject to documents lodged being valid. The transfer documents can be lodged with respective RTAs as mentioned above for transfer of shares existing in physical form. The Board has delegated the authority to approve transfer, transmission etc of shares and securities of the Company to it's Securities Management Committee. As stipulated under clause 47 (c) of the listing agreement with stock exchanges, the Company obtained half yearly certificates of compliance with share transfer formalities from Sri P. Sriram, Company Secretary in practice and filed a copy of the said certificates with stock exchanges during the financial year 2014 – 15 within stipulated time. There were no deviations reported in the said certificates.

6.21 Distribution of shareholding as at March 31, 2015

No. of equity shares held	Share	holders	Sha	Shares		
	Number	%	Number	%		
UPTO 500	5750	89.83	486726	0.74		
501-1000	304	4.75	220137	0.33		
1001-2000	120	1.87	178326	0.27		
2001-3000	50	0.78	123306	0.19		
3001-4000	18	0.28	63909	0.1		
4001-5000	12	0.19	57434	0.09		
5001-10000	39	0.61	296432	0.45		
10001 AND ABOVE	108	1.69	64479342	97.83		
Total	6401	100	65905612	100		

6.22 Shareholding pattern (in %) as at March 31, 2015

Promoters	Mutual Funds	Banks	FII	Bodies Corporate	Individuals	Trusts	Limited Liability Partnership	Foreign Company	Foreign Port Folio Investor	NRIs	Total
33.79	2.10	0.08	13.93	11.55	2.42	0.01	0.19	21.80	14.04	0.09	100

6.23. Dematerialisation of shares and liquidity

The Company's equity shares are tradable compulsorily in dematerialised form in the stock exchanges. The connectivity with NSDL and CDSL is established through the RTA. As on March 31, 2015, 6,56,23,950 nos of equity shares (99.57 % of the shares), exist in dematerialised form. The Company's shares are liquid and are actively traded in both NSE and BSE. The Company has voluntarily delisted it's shares from MSE by following the process as required, which are detailed out in Report of Directors.

6.24 Outstanding GDR/ADR/Convertible warrants, conversion date and impact on equity

The Company has not issued any GDRs / ADRs. The Company has granted stock options to the eligible employees of the Company under Employees Stock Option Scheme, 2006. The details of the scheme are set out under annexure to Report of Directors.

6.25 Location

The Company is in the business of Non Banking Finance and operates through various offices in India. The list of locations are mentioned in this Annual Report in the section titled as "Presence : Business Outlets".

6.26 Address for correspondence

Registered Office :123, Angappa Naicken Street, Chennai 600 001, Ph: +91 44 25341431 Secretarial Office :144, Santhome High Road, Mylapore, Chennai 600 004. Ph : +91 44 4392 5300 Fax No : +91 44 4392 5430 Email : sect@shriramcity.in

6.27 Calendar for the financial year 2015 – 2016 (tentative)

Annual General MeetingSeptember, 2016Unaudited results for the quarter ending June 30, 2015Last week of July, 2015Unaudited results for the quarter / half -year ending September 30, 2015Last week of October, 2015Unaudited results for the quarter ending December 31, 2015Last week of January, 2016Audited results for the year ending March 31, 2016Last week of May, 2016

6.28 Adoption of mandatory and non mandatory requirements under clause 49 and Annexure XIII to the said clause

The Company has complied with all mandatory requirements as per Clause 49 of the listing agreement with stock exchanges and shall adopt the non mandatory requirements as and when deemed appropriate. The report of the auditors of the Company does not contain any qualification on the financial statements. The posts of CEO and Chairman of the Company are held by two separate persons.

7. CEO AND CFO CERTIFICATION

The Chief Executive Officer ("CEO") and Managing Director ("MD") and Chief Financial Officer ("CFO") of the Company give annual certification on financial reporting and internal control to the Board in terms of Clause 49 (IX) of the listing agreement. The said certificate issued for the Year is attached to this report as Annexure - 4. The CEO & MD and CFO also issue certificate on financial results every quarter, while placing the quarterly financial results before the Board in terms of clause 41 of the listing agreement.

8. COMPLIANCE CERTIFICATE FROM THE AUDITORS REGARDING CORPORATE GOVERNANCE BY THE COMPANY

Certificate from the auditors of the Company, M/s Pijush Gupta & Co, Chartered Accountants confirming compliance with the conditions of corporate governance as stipulated under clause-49 of the listing agreement with stock exchanges is attached to this report (Annexure No 2).

9. PROFILE OF DIRECTORS SEEKING APPOINTMENT AND REAPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 VIII (E) OF THE LISTING AGREEMENT

Sri Puneet Bhatia (DIN - 00143973)

Sri. Puneet Bhatia, holds a Bachelor's of Commerce (Honours course) from Shri Ram College of Commerce, Delhi and a post graduate diploma in Management from the Indian Institute of Management, Calcutta. He is presently working as the Managing Director and Country - Head (India) for M/s TPG Asia. From 1990 to 1995, he was with ICICI Limited in the project and corporate finance group and thereafter worked as a senior analyst with Crosby Securities for a year. From 1996 to 2002 he was the Chief Executive of the Private Equity Group GE Capital India, where he managed a portfolio of numerous companies. Sri. Bhatia serves on the Board of TPG Capital India Pvt. Limited, Flare Estate Pvt. Limited, TPG Wholesale Pvt. Limited, Shriram Properties Pvt. Limited, Shriram Capital Limited, Janalakshmi Financial Services Pvt. Limited, Vishal E-Commerce Pvt. Limited, Havells India Limited, Manipal Health Enterprises Pvt. Limited and Shriram Transport Finance Company Limited. He does not hold any shares in the Company.

Sri Gopalasamudram Srinivasaraghavan Sundararajan (DIN - 00361030)

Sri Sundararajan holds a Bachelor of Engineering degree from Coimbatore and a Post Graduate Diploma in Management from the Indian Institute of Management (IIM), Ahmedabad. He is a director on the Board of the financial service companies representing the promoter in providing oversight in critical areas of strategic growth opportunities for these companies. He leads the banking initiative for the group which is one of the key value-enhancing forays in the near future for this Financial Services conglomerate. Prior to this, Sri Sundararajan was the CEO & Managing Director of M/s Fullerton India Credit Company Ltd. He was an integral part of M/s Temasek's vision for India in the Banking and Financial Services space that went on to become the fastest growing and largest networked Finance Company in the country. Sri G S Sundararajan had an exceptional stint in Citibank where he built the SME and ABF business of the bank across the country. Having joined Citi Group in the role of Risk Head for their SME/ABF business, Sri G S Sundararajan went on to become the overall Business Head in the capacity of Managing Director, Citi Group for its SME/ABF businesses. He serves on the Boards of Shriram Credit Company Limited, Shriram Capital Limited, Shriram General



Insurance Company Limited, Shriram Life Insurance Company Limited, Shriram Equipment Finance Company Limited, Shriram Housing Finance Limited and Shriram Seva Sankalp Foundation. He does not hold any shares in the Company.

Sri Debendranath Sarangi (DIN - 01408349)

Sri Debendranath Sarangi holds M A (Political Science) from the University of Delhi and M Sc (Economics) from the University of Swansea U K. Sri Sarangi is an IAS (1977 Batch), Tamil Nadu cadre. He started his career in Indian Administrative Service (IAS), Tamilnadu Cadre as a Sub-Collector & retired as Chief Secretary, Govt of Tamilnadu. He also acted as the Advisor to the Government of Tamilnadu for few months after his retirement as Chief Secretary. In his 35 years of career as an IAS, he held the positions of Additional Secretary/ Joint Secretary/ Deputy Secretary in various departments of Govt of Tamilnadu i.e. Food, Civil Supplies and Co-operation, Transport, Revenue, Labour & Employment, Housing & Urban Development, Small Industries (now called as MSME), Forest & Environment, Youth Affairs & Sports. He also held positions of Commissioner of Commercial Taxes, Chairman of Tamilnadu Industrial Development Corporation, Chairman of State Transport Corporations in Tamilnadu (7 such corporations in the state). He was the key person in making and implementation of policies for housing, urban transportation, airport, seaport, railway modernisation, urban planning, urban infrastructure investment, SEZ promotion, investment through joint venture, labour and factory laws, revenue rules, provisions regarding land acquisition & compensation fixation, rehabilitation of the affected. He serves on the Boards of The Tamilnadu Tea Plantation Corporation Limited, Devinarayanan Housing and Property Developments Private Limited, Voltas Limited and Rohini Industrial Electricals Limited. He also serves as a Member of the Board of Governors, Good Shepherd International School, Ooty. He does not hold any shares in the Company.

Sri Gerrit Lodewyk Van Heerde, (DIN - 06870337)

Sri Gerrit Lodewyk Van Heerde, a citizen of South Africa holds a Bachelor's degree in Commerce from the North West University and a Honors degree in Actuarial Science from the University of Stellenbosch in South Africa. He is a fellow of the Faculty of Actuaries in Scotland and a Fellow of the Actuarial Society of South Africa. He is Chief Financial Officer of Sanlam Emerging Markets, South Africa and held various positions since last 22 years in the financial services industry in the Sanlam Group, South Africa. He serves on the Boards of Sanlam Emerging Markets (Pty) Ltd, Sanlam Southern Africa (Pty) Ltd, Letshego Holdings Ltd, Sanlam Namibia Holdings Ltd, Sanlam Namibia Ltd, Sanlam Life Namibia Ltd, Capricorn Life Insurance Company Ltd, Life Office of Namibia Ltd, Sanlam Namibia Trust Managers, Nico Holdings Ltd, Nico Life Insurance Company Ltd, NBS Bank Ltd, African Life Assurance Company Botswana (Pty) Ltd, Shriram Transport Finance Company Limited and Sanlam Emerging Markets (Mauritius) Ltd. He does not hold any shares in the Company.

Smt Maya S Sinha, (DIN - 03056226)

Smt. Maya S Sinha is a graduate BA (Honours) in Economics and Mathematics from Lady Shri Ram College, Delhi University and holds a Masters' degree from the Delhi School of Economics, Delhi University specialising in Econometrics, Monetary Finance and Public Economics. She is founder Director of Clear Maze Consulting (Pvt) Limited, which is a consultancy firm in the area of PPPs since July 2013.

From June 2010 to June 2013 she was Executive Director of M/s Core Education and Technologies Limited ("CETL") a listed company, engaged in providing technology based solutions to educational institutions in the areas of Teaching, Learning, Assessment and Governance. CETL had grown fast globally both inorganically and organically under her leadrship

From 2006 to 2010 Smt Maya S Sinha was Deputy Chairman, in Jawaharlal Nehru Port Trust (JNPT), and was a trustee on the Board of Trustees of JNPT.

During 2003 to 2006 Smt Maya S Sinha was Financial Advisor and Commissioner and member of Khadi and Village Industries Commission (KVIC).

From 1981 to 2003 Smt Sinha was a member of the Indian Revenue Service (IRS - Income Tax), and worked in various capacities - Assistant Commissioner, Deputy Commissioner, Joint Commissioner, Additional Commissioner and Commissioner - in Metro cities of New Delhi, Mumbai and Chennai as well as non-metros like Nagpur.

Presently she holds directorship in Clear Maze Consulting Private Limited, Shreyas Shipping and Logistics Limited, Indian Clearing Corporation Limited and Shriram Equipment Finance Company Limited.

PIJUSH GUPTA & CO

CHARTERED ACCOUNTANTS P-199, C.I.T. ROAD, SCHEME IV-M, KOLKATA – 700 010

To The Members of Shriram City Union Finance Limited

We have examined the compliance of conditions of Corporate Governance by Shriram City Union Finance Ltd ("the Company") for the year ended on March 31, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examinations was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Pijush Gupta & Co.** Firm Registration No. 309015E Chartered Accountants

Place : Chennai Date : May 28, 2015 Ramendra Nath Das Partner Membership No. 014125hh



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Indian Economy: According to the International Monetary Fund, India is poised to become the fastest growing emerging economy in 2015-16 by clocking a growth rate of 7.5 per cent from 7.2 per cent last year aided by recent policy initiatives, pickup in investments and lower crude prices. The Finance Ministry expects GDP growth to be 8-8.5 per cent in 2015-16, while RBI has estimated it at 7.8 per cent.

Other sources also estimate an upward projection in India's economy at a time when other economies are unlikely to be performers. This augurs well for the Union Government's reform initiatives (including the 'Make in India' push and ensuring the passage of Bills on coal mines and land reforms in Parliament as well as pruning red tape) aimed at improving business confidence and the Reserve Bank of India's efforts to bring down inflation.

Company overview: While the Company is focused on financing the Micro, Small and Medium Enterprise (MSME) sector, it occupies a prominent place amongst Two Wheeler financiers in the country. Gold loans constitute a significant portion of the Company's asset book, and Pre-owned Auto loans and Personal Loans round off its product offerings. The Company has a fast-growing housing finance business operated by a subsidiary.

During the F.Y. 2014-15, the company reported the following growth in key areas:

- Income from Operations grew by 9 % to ₹ 3482 Crores
- Profit after Tax increased to ₹ 558.06 Crores, a growth of 7 %
- Assets under Management increased by 14 % to ₹ 16,717 Crores.
- Total disbursements of loan was ₹17,202 Crores, a growth of 11.4%
- Net Owned Funds were augmented by 42 % to ₹ 4087 Crores
- Capital Adequacy grew to very strong levels of 29%

MSME Finance Outlook: The Company specializes in lending to MSMEs. The development of this sector is integral to India's aspirations towards economic growth. This sector nurtures entrepreneurship and innovation. Given that the MSMEs in the country contribute to 45% of all manufacturing activity, 40% of exports, around 17% to GDP and employ the highest number of people after agriculture, a robust MSME sector can further accelerate the country's growth rate. MSMEs typically do not necessitate huge investments while simultaneously acting as ancillary units to larger industries. Further, a healthy MSME sector translates into promotion of industries in rural areas, use of traditional skill and use of local resources.

A healthy MSME sector needs finance for sustenance, and in this lies the industry's biggest challenge. A mere 4% of MSMEs are estimated to have access to formal finance. The Government of India has in its Budget 2015 recognized the fact that for MSMEs to become much more prominent contributors to GDP, funding options to them should be eased. The Government has accordingly created a Micro Units Development and Refinance Agency Bank (or MUDRA Bank) for regulating and refinancing all institutions engaged in the business of offering financial assistance to Micro- and Small Businesses. MUDRA Bank will also possess a corpus to offer Credit Guarantees to lenders to Micro/Small Businesses. Among other progressive moves in the Budget towards benefiting MSMEs has been the allocation of ₹ 1,000 Crore for technology startups. This government seems focused on making the youth of India job creators and not job seekers. Accordingly, measures towards skill development of youth and special focus on self-employment are steps in the right direction.

The Company considers the creation of MUDRA Bank and related Government initiatives as big boosters for the development of the MSME sector and expects its own efforts in catering to this sector to complement those of the authorities.

Two Wheeler Finance Outlook: The Two Wheeler industry in India is perhaps the only vehicle market that continues to show growth despite recent economic headwinds. Rapid and sustained urbanization of India, inadequate public transport, greater spending power of the populace and lifestyle aspirations are some of the reasons for the growth in Two Wheeler sales in recent times. Two Wheeler acquisition behavior continues to be skewed towards cash purchases than finance. The headroom for financiers in this market is therefore fairly large subject to their ability to convert more of the cash market into credit. That said, rural off take constitutes around half of most manufacturers' sales, and the recent unseasonal rains and other adverse weather conditions may dampen buying sentiment. The current trend in Two Wheeler sales leans more towards scooters than motorcycles.

Many of the prominent Two Wheeler manufacturers have their own financing arms who act as captive financiers. The Company, which is brand-agnostic has for the last three years been among the top three financiers of Two Wheelers in the country, and expects to maintain its prominence in this vertical.

Gold loans Outlook: The Gold loan market in India has grown exponentially since the early 2000s and was considered until recently as being among the safest avenues of lending. The appetite of Indians for gold, combined with the propensity of the population of certain parts of the country to raise short-term, emergency loans against the security of gold ornaments led to this growth. Starting early-to-mid 2013, however, gold prices first saw a fair degree of volatility, and after having stabilized for much of 2014 seem to have started showing a downward bias. This has forced Gold loan financiers to re-calibrate their Loan-to-Value ratios and incorporate other risk-mitigation measures. At the same time, the RBI has seemed at different times to be apprehensive about the fast pace of growth in the Gold loan market on account of the possibility of it becoming an asset bubble, and has since the year 2011 been adopting measures to rein in this growth. That said, Gold loans continue to be among the safest forms of lending and offer speedy financial assistance to borrowers.

The Company considers Gold loans to be an integral part of its product mix, and expects reasonable traction in the product in the years to come.

Auto Loans Outlook: This segment has been created by the Company, and comprises loans against pre-owned commercial vehicles and passenger cars as well as new and pre-owned Three Wheelers. This is essentially a variation of the Company's MSME business. The market for finance of pre-owned vehicles has of late become bigger than that for new vehicles, a trend usually seen in an economy facing some resistance.

Personal Loans Outlook: The Company offers Personal Loans only to existing or past customers, that is, those with a proven track record. This works towards ensuring mind share among customers as a well-rounded finance company.

Abridged financials:

	₹ in Crores
Particulars	12 months ended March 2015
Net Interest Income	2,139.08
Total Income	3,531.63
Operating Expenses	893.59
Provisions & write offs	453.80
Profit Before Tax	841.09
Profit After Tax	558.06

Credit Rating and Resources Management: Loans from banks and financial institutions constitute about half of the Company's resources. The Company has for long attracted among the finest rates from these lenders, and continued the trend in the year concluded. The Company also renewed its forays into the money market by issuing Commercial Papers at very attractive coupons.

The Company's efforts at reducing its cost of borrowings were aided by an upgrade in its credit ratings during the year concluded. The rating agency CARE upgraded the Company's long term credit rating to AA+ and India Ratings to AA.

SCOT Analysis

Strengths: The Company operates a unique business model focused on serving the non-corporate component of the MSME segment through small-ticket loans, doing so by harnessing to best effect its symbiotic relationship with group entities in reaching out to its target market. A decentralized, community-led, relationship-based lending model further provides it a formidable barrier against competition.

Challenges: While the Company has exhibited healthy growth levels ever since entering the field of small ticket retail financing more than a dozen years ago, it expects to encounter challenges while seeking to sustain the same pace of growth as in the past. These challenges emanate from the fact that the Company now has a formidable asset base and that it would need to keep an eye on asset quality.

Opportunities: The more-than-comfortable capitalization levels of the Company present multiple opportunities in terms of adding product lines and/or growing inorganically, should a worthwhile opportunity present itself. The greater resources at the Company's command are also expected to enable it to improve its reach in its existing markets.

Threats: The ever evolving regulatory aspects, sluggish investment climates and technology driven competition would be the environment in which the company's growth strategies will be tested.



Risk Management:

Credit Risk Management: The Company possesses a robust risk management template to manage risks associated with underwriting and customer defaults. Customer selection is of paramount importance, and in this the Company's Business Development and Credit teams have the necessary expertise to ensure asset quality. Underwriting decisions are based on knowledge about the prospective customer's business as well as assessment of his cash flows and ensuring adequacy of collateral or guarantees.

Operational Risk Management: Despite decentralization, credit underwriting at the Company adheres to a comprehensive Credit Policy. Deviations are referred to senior officials without affecting turn-around times. While branches are delegated authority represented by decentralization, they are given the responsibility of collections as well.

In addition, the Company's Risk Committee reviews and discusses all assets with significant risks, including deliberating on the sector-specific and systemic risks in the business environment. Other key variables monitored for risk are interest rate and liquidity.

Human Resource Risk Management: The Company offers a challenging and yet rewarding work environment to its workforce. Employees are trained to think like entrepreneurs and are rewarded - monetarily as well as with career advancements – for achievements. The Company has among the lowest employee attrition levels beyond the two-year vintage. The Company considers its workforce to be its greatest asset. It accordingly invests in training and long term development programs for its employees. During the year under review, the Company conducted programs aimed at upgrading the work-specific skills of its workforce. Additional programs were undertaken towards motivational and behavioral training.

Interest Rate Risk Management: The Company's resources are a blend of fixed and floating rate loans borrowings, while its asset offerings are fixed rate products. Any risk arising from this situation is however mitigated by the Company choosing its lenders with care, negotiating hard, thereby ensuring the finest rates for itself, and keeping a positive Asset-Liability Mismatch.

Internal control systems and their adequacy: The Company possesses adequate internal controls to ensure that all assets are protected against loss from unauthorised use or disposition and that all transactions are authorized, recorded and reported correctly. An efficient Internal Audit department monitors adherence to these controls. Statutory auditors also present their suggestions to the appropriate committees of directors for improvements in control and compliance.

Cautionary Statement: Statements made in this Management Discussion and Analysis Report may contain certain forwardlooking statements based on various assumptions on the Company's present and future business strategies and the environment in which it operates. Actual results may differ substantially or materially from those expressed or implied due to risk and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India and abroad, volatility in interest rates and in the securities market, new regulations and Government policies that may impact the Company's businesses as well as the ability to implement its strategies. The information contained herein is as of the date referenced and the Company does not undertake any obligation to update these statements. The Company has obtained all market data and other information from sources believed to be reliable or its internal estimates, although its accuracy or completeness cannot be guaranteed.

CEO / CFO CERTIFICATION

ANNEXURE 4

То

The Board of Directors Shriram City Union Finance Limited Chennai

We, R Duruvasan, Managing Director and Chief Executive Officer and Subhasri Sriram, Executive Director and Chief Financial Officer of Shriram City Union Finance Limited to the best of our knowledge and belief, certify that

- (i) we have reviewed the Balance Sheet as at March 31, 2015 and Statement of Profit and Loss for the year ending on same date, Cash Flow statement as on the same, notes there to (together known as financial statements) and Directors' report.
- (ii) these financial statements do not contain any materially untrue statement or omit any material fact or they contain statements that might be misleading.
- (iii) these financial statements and other financial information included in this report present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (iv) there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (v) we accept responsibility for establishing and maintaining internal controls for financial reporting.
- (vi) we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting.
- (vii) there are no deficiencies in the design or operation of internal controls which are to be disclosed to the auditors and/or to the audit committee.
- (viii) we have indicated to the auditors of the Company and the Audit and Risk Management Committee that there were
 - a) no significant changes in internal control over financial reporting during the year covered by this report;
 - b) no significant changes in accounting policy has been made during the year covered by this report;
 - c) no significant instances of fraud detected during the year ending March 31, 2015 except the frauds reported in note no 30 of Notes to Accounts.

R Duruvasan Managing Director and Chief Executive Officer Subhasri Sriram Executive Director and Chief Financial Officer

Place : Chennai Date : April 28, 2015





Form No. AOC - 2

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

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

1. Details of contracts or arrangements or transactions not arm's length basis Nil

SI. No.	Particulars	Remarks
a)	Name (s) of the related party and nature of relationship	Nil
a)	Name (s) of the related party and nature of relationship	Nil
b)	Nature of contracts/arrangements/transactions	Nil
c)	Duration of the contracts/ arrangements/ transactions	Nil
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions	Nil
f)	Date(s) of approval by the Board	Not applicable
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	Not applicable

2. Details of material contracts or arrangements or transactions at arm's length basis

Date(s) of approval by the Board October 30, 2014

Sr. No.	Name of Related Party	Nature of Rela- tionship	Nature of contracts/ arrangements/ transactions	Duration of Contracts	Salient terms of contracts/transactions	₹ in Crores
1.	SHFL	Subsidiary	Rental Income		Rental income for sharing office space	0.125
2.	SHFL	Subsidiary	Rental Expenses	Various	Dept poid for charing office appear	1.305
	SCL	Associate		maturities	Rent paid for sharing office space	1.804
3.	SHFL	Subsidiary	Reimbursement of expenses received		Sharing of common corporate expenses	0.087
4.	SHFL	Subsidiary	Reimbursement of	Various	Sharing of common	0.261
	SCL	Associate	expenses paid	maturities	corporate expenses	0.278
5.	SHFL	Subsidiary	Business sourcing fees /commission	Until termination	1.5% of net business procured	2.861
6.	SHFL	Subsidiary	Loans taken	Completed		74.000
7.	SHFL	Subsidiary	Loan repaid	Completed		74.000
8.	SHFL	Subsidiary	Loans given	Completed	 Loan/Advances facility at contractual interest rate 	142.000
9.	SHFL	Subsidiary	Loan repayment received	Completed		142.000
10.	SHFL	Subsidiary	Interest Income	Completed	Interest on loans/advances at applicable rates	1.554
11.	SHFL	Subsidiary	Interest Expenses	Completed	Interest paid on loans/ advances at applicable rates	0.187
12.	SHFL	Subsidiary	Sale of Land	Completed	Sale of land admeasuring 10 cents at market rate	0.003
13.	SOT	Others	Use of Intellectual Property	5 years	1% of Operating income	24.799
14.	SCL	Associate	Key Support Services	5 years	₹ 3 Crores per quarter with annual enhancement of 15%, for the date of agreement	19.169

Shriram Housing Finance Limited ("SHFL"), Shriram Capital Limited ("SCL") and Shriram Ownership Trust ("SOT")

Form No. MGT - 9

EXTRACT OF ANNUAL RETURN as on the financial year ended on March 31, 2015

[Pursuant to section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

i) CIN

ii) Registration Date

- iii) Name of the Company
- iv) Category/Sub-Category of the Company
- v) Address of the Registered Office and contact details
- vi) Whether listed company
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any

L65191TN1986PLC012840

March 27, 1986

Shriram City Union Finance Limited

Non-Banking Finance Company

123, Angappa Naicken Street, Chennai – 600 001 Contact No. 044- 2534 1431

Yes

Integrated Enterprises (India) Limited 2nd Floor, 'Kences Towers',No.1 Ramakrishna Street, North Usman Road, T Nagar, Chennai – 600 017 Contact No.: 044 - 2814 0801 - 03

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

SI. No.	Name and Description of main products / services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Trade Finance		50%
2	Pledged Jewel Finance	64 - 649	19%
3	Two Wheelers Finance		19%

III. PARTICULARS OF HOLDING SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable section of the Companies Act, 2013
1	Shriram Housing Finance Limited	U65929TN2010PLC078004	Subsidiary	-	2 (87)
2	Shriram Capital Limited	U65993TN1974PLC006588	Associate	33.79%	2 (6)
3	Shriram Seva Sankalp Foundation	U85100TN2015NPL099240	Associate	-	2 (6)



IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage to Total Equity)

i) Category-wise share holding

S. No	Category of share- holders			ares held at t ing of the yea	-	No.	of shares end of th	held at the ne year	dı 1	hange uring the vear
					% of total				% of total	
		Demat	Physical	Total	shares	Demat	Physical	l Total	shares	
Α.	Promoters									
1.	Indian									
a)	Individual/ HUF	-	-	-	-	-	-	-	-	
b)	Central Govt	-	-	-	-	-	-	-	-	
c)	State Govt (s)	-	-	-	-	-	-	-	-	
d)	Bodies Corporate	22268877	-	22268877	37.56	22268877	-	22268877	33.79) -
e)	Banks/Fls	-	-	-	-	-	-	-	-	
f)	Any other	-	-	-	-	-	-	-	-	
	Sub-total (A) (1) :-	22268877	-	22268877	37.56	22268877	-	22268877	33.79	- (
2.	Foreign									
a)	NRIs - Individuals	-	-	-	-	-	-	-	-	
b)	Other- Individuals	-	-	-	-	-	-	-	-	
c)	Bodies Corporate	-	-	-	-	-	-	-	-	· -
d)	Banks /Fls	-	-	-	-	-	-	-	-	
e)	Any other	-	-	-	-	-	-	-	-	
	Sub-total (A) (2) :-	-	-	-	-	-	-	-	-	
	Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	22268877	-	22268877	37.56	22268877	-	22268877	33.79	
В.	Public Shareholdin									
	Institutions	5								
	Mutual Funds	1673219	275	1673494	2.82	1380787	275	1381062	2.10	(0 44)
,	Banks / Fl	97344	-	97344	0.16	53587	- 215	53587	0.08	. ,
	Central Govt.	57044	_	57044	0.10	55507		55507	0.00	(0.07)
	State Govt (s)	_	_	_	_	-	_	-	_	_
-	Venture Capital Fund	- at	_	_	_	-	-	-	-	-
c) f)	Insurance Companie		_	_	_	-	-	-	-	-
,	Fils	15005358	-	15005358	25.31	9181943	_	9181943	13.93	(8.84)
0,	Foreign Venture	10000000		10000000	20.01	0101010		0101010	10.00	(0.01)
,	Capital Funds	-	-	-	-	-	-	-	-	-
i)	Others (specify)	-	-	-	-	-	-	-	-	-
	Sub-total (B) (1) :-	16775921	275	16776196	28.30	10616317	275	10616592	16.11 ((9.35)
2.	Non - Institutions									
a)	Bodies Corporate									
i)	Indian	976985	3400	980385	1.65	7606934	2400	7609334	11.55	10.06
ii)	Overseas	-	-	-	-	-	-	-	-	-

S. No.	Category of share- holders			nares held at ing of the ye		No.	of shares end of th	held at the le year	c	Change luring the year
					% of total				% of total	
		Demat	Physical	Total	shares	Demat	Physical	Total	shares	
b)	Individuals									
,	Individual sharehold holding nominal Sha Capital upto Rs.1 Lal	ire	308046	938587	1.58	806590	278987	1085577	1.65	0.22
	Individual sharehold holding nominal sha capital in excess of Rs. 1 Lakh		-	499368	0.84	484516	-	484516	0.74	(0.02)
	Others (specify)					00010				
	Clearing Members	15111	-	15111	0.03	29010		29010		0.02
	Trusts	1040022	-	1040022	1.75	8644	-	8644		(1.56)
	NRI	45108	-	45108	0.08	57157	-	57157	0.09	0.02
	Limited Liability Partnership	133000	-	133000	0.22	127280	-	127280	0.19	(0.01)
	Corporate Bodies (Foreign Bodies)	16587778	-	16587778	27.98	14366579	-	14366579	21.80	(3.37)
	Foreign Portfolio Investor Corporate	-	-	-	-	9252046	-	9252046	14.04	14.04
	Sub-total (B) (2) :-	19927913	311446	20239359	34.14	32738756	281387	33020143	50.10	19.39
	Total Public Shareholding (B) = (B) (1) + (B)	(2)36703834	311721	37015555	62.44	43355073	281662	43636735	66.21	10.05
	Shares held by Custodian for GDRs & ADRs	-	-		-	-	-	-		-
	Grand Total (A+B+C)	58972711	311721	59284432	100	65623950	281662	65905612	100	10.05

ii) Shareholding of Promoters

SI. No.	Shareholder's Name			eholding at the ning of the year	No	o. of shares h end of the		% Change in shareholding during the year
		No. of shares	% to total shares of the Company	% of shares Pledged/ Encumbered to total shares	No. of shares	% to total shares of the Company	% of shares Pledged/ Encumbered to total share	I
	Shriram Capital Limited	22268877	37.56	-	22268877	33.79	-	-



iii) Change in Promoters' Shareholding (please specify, if there is no change) – There is no change in the Promoters' shareholding.

SI. No.		eholding at the ning of the year	Cumulative Shareholding during the year		
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
At the beginning of the year Date wise Increase/ Decrease Promoters Share holding durin the year specifying the reason increase/decrease (e.g. Allotm transfer/ bonus/ sweat equity e	ng s for nent/	37.56	22268877	33.79	
At the end of the year	22268877	33.79	22268877	33.79	

iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

SI. No		(April 1,20	at the begin 14)/End of th rch 31,2015)	ie			Cumul Shareh during tl	olding
	-	No. of shares	% of total shares of the Company	Date	Increase/ Decrease in share-holding during the year specifying the reasons	Reasons	No. of shares	% of total shares of the Company
1	TPG India Investments I Inc	13421889 13421889	22.64 20.37	Apr 1, 2014 Mar 31, 2015	- -	- -	-	-
2	Nowest Venture Partners X FII - Mauritius	3823502 2173502	6.45 3.30	Apr 1, 2014 May 9, 2014 Mar 31, 2015	-1650000	Transfer	2173502	3.30
3	Bessemer Venture Partners Trust	944690	4.22	Apr 1, 2014 Jul 11, 2014 Jul 21, 2014 Nov 14, 2014 Nov 28, 2014 Dec 5, 2014 Jan 9, 2015 Jan 16, 2015 Jan 23, 2015 Feb 6, 2015 Feb 20, 2015 Mar 6, 2015 Mar 13, 2015 Mar 31, 2015	-150000 -150000 -215000 -36137 -211072 -62290 -65868 -173866 -33208 -74864 -120164 -262841	Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer	2350000 2200000 1985000 1948863 1737791 1675501 1609633 1435767 1402559 1327695 1207531 944690	3.57 3.34 3.01 2.96 2.64 2.54 2.44 2.18 2.13 2.02 1.83 1.43
4	Morgan Stanley Asia (Singapore) PTE	1388675	2.34	Apr 1,2014 May 23,2014 Sep 19,2014 Sep 30,2014 Mar 31, 2015	96 3424 -2796	Transfer Transfer Transfer	1388771 1392195 1389399	2.11 2.11 2.11
5	Bank Muscat S A O G A/c Bankmuscat India Fund	1050000 1050000	1.77 1.59	Apr 1,2014 Mar 31,2015				
6	Steadview Capital Mauritius Ltd	1048894	1.77	Apr 1, 2014 Apr 18,2014 Apr 25,2014 May 2,2014 May 9,2014 Oct 31,2014	6933 10202 35000 23057 -722	Transfer Transfer Transfer Transfer Transfer	1055827 1066029 1101029 1124086 1123364	1.60 1.62 1.67 1.71 1.71

The % is based on paid up equity share capital as on March 31, 2015.

SI. No		(April 1,201	at the begin 14)/End of th rch 31,2015)	-			Cumul Shareh during th	olding
	-	No. of shares	% of total shares of the Company	Date	Increase/ Decrease in share-holding during the year specifying the reasons	Reasons	No. of shares	% of total shares of the Company
		1112112	1.69	Nov 7,2014 Nov 14,2014 Nov 21,2014 Jan 30,2015 Feb 20,2015 Mar 31,2015	-707 -715 -9765 -45 -20	Transfer Transfer Transfer Transfer Transfer	1122657 1121942 1112177 1112132 1112112	1.70 1.70 1.69 1.69 1.69
7	IDBI Trusteeship Services Ltd (India Advantage Fund-VI)	1040022	1.75	Apr 1,2014 Apr 4,2014 Mar 31,2015	-1040022	Transfer	-	-
8	IIFL INC A/C Vontobel India Select Fund	1007257 -	1.70	Apr 1,2014 May 9,2014 Mar 31,2015	-1007257	Transfer	-	-
9	Acacia Partners LP	1000000 1000000	1.69 1.52	Apr 1, 2014 Mar 31, 2015				
10	Matthews India Fu	nd 875000	1.48	Apr 1, 2014				
				Apr 4, 2014	71307	Transfer	946307	1.44
				May 30, 2014	21470	Transfer	967777	1.47
				Jun 6, 2014	63530	Transfer	1031307	1.57
				Jun 13, 2014	60000	Transfer	1091307	1.66
				Jun 30, 2014	44491	Transfer	1135798	1.72
				Jul 4, 2014	40509	Transfer	1176307	1.79
				Sep 5, 2014	40000	Transfer	1216307	1.85
				Sep 12, 2014	70000	Transfer	1286307	1.95
				Sep 30, 2014	40000	Transfer	1326307	2.01
				Oct 3, 2014	11926	Transfer	1338233	2.03
				Oct 10, 2014	8995	Transfer	1347228	2.04
				Oct 17, 2014	34079	Transfer	1381307	2.10
				Oct 24, 2014	23250	Transfer	1404557	2.13
				Oct 31, 2014	35000	Transfer	1439557	2.18
				Nov 28, 2014	35000	Transfer	1474557	2.24
				Dec 5, 2014	70000	Transfer	1544557	2.34
				Dec 12, 2014	97784	Transfer	1642341	2.49
				Dec 31, 2014	107740	Transfer	1750081	2.66
				Jan 23, 2015	90000	Transfer	1840081	2.79
				Jan 30, 2015	90000	Transfer	1930081	2.93
				Feb 6, 2015	30000	Transfer	1960081	2.97
				Feb 13, 2015	45000	Transfer	2005081	3.04
				Feb 20, 2015	151972	Transfer	2157053	3.27
				Feb 27, 2015	120000	Transfer	2277053	3.46
				Mar 6, 2015	90000	Transfer	2367053	3.59
				Mar 13, 2015	150000	Transfer	2517053	3.82
				Mar 20, 2015	98101	Transfer	2615154	3.97
				Mar 31, 2015	32000	Transfer	2647154	4.02

The % is based on paid up equity share capital as on March 31, 2015.



SI No		(April 1,20	at the begin 14)/End of th rch 31,2015)	ie			Cumul Shareh during th	olding
		No. of shares	% of total shares of the Company	Date	Increase/ Decrease in share- holding during the year specifying the reasons	Reasons	No. of shares	% of total shares of the Company
1	Sri R Duruvasan, MD	-		Apr 1,2014 Mar 31,2015				
2	Smt Subhasri Sriram, ED & CFO	100 100	0 0	Apr 1,2014 Mar 31,2015	-		-	-
3	Sri C R Dash Company Secretary	4500 9079	0 0 0 0 0 0 0 0	Apr 1, 2014 Jul 11, 2014 Jul 31, 2014 Sep 12, 2014 Oct 4, 2014 Nov 7, 2014 Dec 19, 2014 Dec 22, 2014 Mar 31, 2015	+4000 +2000 -528 -254 -42 -300 -297	Transfer Transfer Transfer Transfer Transfer Transfer Transfer	8500 10500 9072 9718 9676 9376 9079	0.01 0.02 0.01 0.01 0.01 0.01 0.01

V. INDEBTEDNESS

Indebtedness of the Company incl	iuding interest outstanding	accided but not due it	n payment	₹ in Crores
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness as on April 1, 2014				
i) Principal Amount	10,258.46	1,270.21	618.44	12,147.11
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	278.82	224.75	13.34	516.91
Total (i+ii+iii)	10,537.28	1,494.96	631.78	12,664.02
Change in Indebtedness during the financial year				
Addition	2,184.88	227.25	1836.19	4,248.32
Reduction	3,291.37	354.87	247.98	3,894.22
Net Change	(1,106.49)	(127.62)	1,588.21	354.10
Indebtedness as on March 31, 2015				
I) Principal Amount	9,193.35	1,142.85	2,134.53	12,470.73
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	237.44	224.49	85.46	547.39
Total (i+ii+iii)	9,430.79	1,367.34	2,219.99	13,018.12

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

SI.	Particulars of Remuneration	Name of	MD/WTD/Manager	Total
No.		Sri Duruvasan Ramachandra*	Sri Gopalasamduram Srinivsaraghavan Sundararajan MD (till October 30, 2014)	Amount
1.	Gross Salary			
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	0.36	-	0.36
(b)	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.05	-	0.05
(C)	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
5.	Others, please specify			
	Total (A)	0.41	-	0.41

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

* Managing Director and Chief Executive officer

B. Remuneration to other directors:

₹ in Crores

₹ in Crores

SI. No.	Particulars of Remuneration						Total Amount		
	_	Sri Debendra- nath Sarangi	Smt Lakshmi Pranesh	Sri Pranab Prakash Pattanayak	Sri Subrama- niam Krish- namurthy	Sri Sunil Varma	Sri Venkata- raman Murali	Sri Vipen Kapur	
3.	Independent Directors								
	Fee for attending Board Committee Meetings	0.005	0.025	0.035	0.055	0.025	0.05	0.035	0.23
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (I)	0.005	0.025	0.035	0.055	0.025	0.05	0.035	0.23
4.	Other Non-Executive Direc	tors							
	Fee for attending Board Committee meetings	-	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (II)	-	-	-	-	-	-	-	-
	Total (B) = (I+II)	0.005	0.025	0.035	0.055	0.025	0.05	0.035	0.23
	Total Managerial Remun (A + B)	eration -	-	-	-	-	-	-	0.64



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

					₹ in Crores
SI.	Particulars of				
No.	Remuneration	CEO	CS	CFO	Total
1.	Gross Salary				
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961		0.29	0.11	0.40
(b)	Value of perquisites u/s 17(2) Income Tax Act, 1961*		0.83*	-	0.83
(c)	Profits in lieu of salary under section 17(3) of Income Tax Act, 1961		-	-	-
2.	Stock Option			-	-
3.	Sweat Equity		-	-	-
4.	Commission		-	-	-
5.	Others, please specify		-	-	-
	Total		1.12	0.11	1.23

Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), Company Secretary ("CS")

* Includes perquisite value of stock options exercised

VII. PENALITIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Тур		Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding/ fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
Α.	COMPANY					
	Penalty					
	Punishment					
	Compounding					
В.	DIRECTORS					
	Penalty					
	Punishment			N		
	Compounding					
С.	OTHER OFFICERS	IN DEFAULT				
	Penalty					
	Punishment	-	-			
	Compounding					

Disclosure pursuant to the provisions of Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 as at March 31, 2015.

PAI	RTICULARS	SCUF Employees Stock Opti	on Scheme, 2006
a)	Options Granted	13,55,000 equity shares of ₹ 10	0/- each
b)	The pricing formula	₹ 35/- per option	
c)	Options vested	13,55,000	
d)	Options exercised	12,44,730	
e)	The total number of shares arising as a result of exercise of option	12,44,730	
)	Options lapsed	Nil	
, J)	Variation of terms of options	Nil	
שי רפ	Money realised by exercise of options	₹ 4,35,65,550	
)	Total number of options in force	1,10,270	
)	Director and employee wise details of options granted to:	1,10,210	
	i) Director(s) including Managing Director and Senior Management Personnel	NIL	
	 ii) Any other employee who receives a grant of option amounting to 5% or more of option granted 	NIL	
	 iii) identified employees who were granted option equal to or exceeding1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant 	NIL	
()	Diluted earnings per share (EPS) pursuant to issue of Shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earnings Per Share'	₹ 86.03	
	 Method of calculation of employee compensation cost 	Intrinsic value method	
	 ii) Difference between the employee compensation cost so calculated at (i) above and the employee compensation cost that shall have been recognised if it had used the fair value of the Options 	Fair Value method (Using Black Scholes Model): Intrinsic Value method: ₹ 30.69 Difference in cost : ₹ 0.13 crore	crores
	iii) The impact of this difference on profits and on EPS of the Company	Fair Value method (Using Black Scholes Model)	NIL
		Intrinsic Value method	NIL
		Impact on Profit	NIL
		Impact on Diluted EPS	NIL
)	Weighted average exercise price	₹ 35.00	
	Weighted average fair value	₹ 227.42	
n)	Fair value of options based on Black Scholes methodology		
,	Assumption risk free rate	7.67%	
	Expected life of options (in years)	5	
	Expected volatility (based on Monthly Volatility of the Company's stock price on the NSE)	55.36%	
	Expected Dividends per share	₹ 3.00	
	Closing market price of share at NSE on date of option granted	₹ 261.45	





CHARTERED ACCOUNTANTS

P-199, C.I.T.ROAD, SCHEME IV-M, KOLKATA -700 010

This is to certify that the `SCUF Employees Stock Options Scheme 2006' of Shriram City Union Finance Ltd has been implemented in accordance with the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 and in accordance with the resolution passed by the Company at its Extraordinary General Meeting held on October 30, 2006 wherein the aforesaid scheme was approved by the shareholders.

This certificate is issued under Clause 14.1 of the aforesaid Guidelines.

For **Pijush Gupta & Co.** Firm Registration No. 309015E Chartered Accountants

Place : Chennai Date : April 28, 2015 Ramendra Nath Das Partner Membership No. 014125

DISCLOSURE UNDER RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

SI. No.	Name of the Director & KMPs	Designation	Category	Remuneration during the year 2014 -15 (₹ in Crores)	% of increase during the year 2014-15	Ratio of remuneration of each Director/ to median remuneration of employees	Compa- rison of the remunera- tion of the KMP against the performa- nce of the Company
1	Sri Arun Duggal*	Chairman	NE, NI	-	-	-	
2	Sri Debendranath Sarangi**	Chairman	NE, I	0.005	-	0.50	
3	Sri Duruvasan Ramachandra	MD and CEC	D E, NI	0.477	0.93	47.69	#
4	Sri Gopalasamudram Srinivasaraghavan Sundararajan***	Director	NE, NI	-	-	-	
5	Sri Gerrit Lodewyk Van Heerde	Director	NE, NI	-	-	-	
6	Smt. Lakshmi Pranesh****	Director	NE, I	0.025	400.00	2.50	
7	Smt. Maya S Sinha*****	Director	NE, I	-		-	
8	Sri Pranab Prakash Pattanayak	Director	NE, I	0.035	677.78	3.50	
9	Sri Puneet Bhatia	Director	NE, NI	-	-	-	
10	Sri Ranvir Dewan	Director	NE, NI	-	-	-	
11	Sri Subramaniam Krishnamurthy	Director	NE, I	0.055	205.56	5.50	
12	Sri Sunil Varma*****	Director	NE, I	0.025	233.33	2.50	
13	Sri Venkataraman Murali	Director	NE, I	0.050	376.19	5.00	
14	Sri Vipen Kapur	Director	NE, I	0.035	250.00	3.50	
15	Smt. Subhasri Sriram	CFO		0.111	0.00	-	#
16	Sri C R Dash	CS		1.130	81.23	-	#

Managing Director ("MD"), Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and Company Secretary ("CS") Non Executive ("NE"), Executive ("E"), Non Independent ("NI") and Independent ("I")

#The profit before tax for the financial year 2014 – 15 increased by 7.85% over the profit before tax for financial year 2013-14.

*Sri Arun Duggal resigned from the position of Chairmanship and Directorship w.e.f November 15, 2014.

**Sri Debendranath Sarangi was appointed as an additional director w.e.f. January 29, 2015 and as the Chairman of the Company w.e.f. April 28, 2015.

***Sri Gopalasamudram Srinivasaraghavan Sundararajan stepped down as the Managing Director and was therefore redesignated as a Director w.e.f. November 1, 2014.

****Smt Lakshmi Pranesh resigned from the Board w.e.f. January 31, 2015.

*****Smt Maya S Sinha was appointed as an additional director w.e.f. May 28, 2015.

*****Sri Sunil Varma resigned from the Board w.e.f. April 28, 2015.

The total number of employees on the rolls of the Company as on March 31, 2015 was 25,085 (March 31, 2014 : 15,760). The average remuneration of all the employees of the Company during the financial year 2014 - 15 declined by 3.89% compared to the financial year 2013 - 14. The profit before tax of the Company increased by 7.85% for the year ended on March 31, 2015 over the profit before tax for the year ended on March 31, 2014. Since, the average salary declined, the explanation for increase in salary compared to the performance of the Company does not arise.

Without including the perquisite value of the exercise of options granted under Company's Employee Stock Option Scheme by the Key Managerial Personnel ("KMP") for both the years (2013-14 and 2014-15), the increase in remuneration of KMP was



6.52%, which was less than the increase in profit before tax of 7.85%. The increase in median remuneration of employees on the rolls of the Company in the financial year 2014-15 over the financial year 2013-14 was 6.61%.

The market capitalisation of the Company as on March 31, 2015 was ₹ 12,951.44 Crores (March 31, 2014 : ₹ 6,524.55 Crores) showing a growth of 98.50%. Price earnings ratio of the equity shares of the Company as on March 31, 2015 was 22.80 (March 31, 2014 : 12.26). The Company came out with it's last public issue of equity shares in the year 1994 at a price of ₹ 20 (including a premium of ₹ 10) per equity share. The lowest market quote of the equity shares of the Company on NSE as on March 31, 2015 was 1965.15. Considering the lowest market price as on March 31, 2015 and investment of ₹ 20 in the year 1994, it indicates an average compounded growth of 9726% (excluding dividend).

The average decrease in salaries of employees of the Company other than managerial personnel in the financial year 2014 - 15 was 3.80% and average increase in salaries of managerial remuneration (excluding perquisite value of exercise of ESOP) was 6.52% and there were no exceptional circumstances for increasing the managerial remuneration.

The remuneration of Directors did not contain any variable component. The ratio of remuneration of the Managing Director, who is the highest paid Director to the remuneration of employee of the Company getting in excess of the remuneration of the Managing Director and who is not a Director is 3.41.

It is affirmed that the remuneration paid as per the remuneration policy for Directors, key managerial personnel and employees of the Company.

INFORMATION AS PER RULE 5 (2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

					₹ in crores
Name of the employee	Sri. C R Dash	Sri. Praveen Kumar V	Sri. Ramchan- dran Nair	Sri. Srinivas K	Sri. Subramanian Jambunathan
Designation	Senior Vice President & Company Secretary	Executive Director	Regional Head	Executive Director	Executive Director
Remuneration* (₹ in crores)	1.130	1.202	1.213	1.462	1.624
Nature of employment, whether contractual or otherwise	Permanent	Permanent	Permanent	Permanent	Permanent
Qualifications	CA, CS	M. Com	BA, MBA	B. Com, MBA	BE, PGDBM
Experience (in years)	25	21	22	23	22
Date of commencement of employment	April 16, 2009	June 1, 2007	March 12, 2010	June 1, 2007	September 6, 2010
Age (in years)	51	44	46	48	45
Last employment held before joining the Company	Prithvi Information Solutions Ltd	Shriram Chits Pvt Ltd AP	Fullerton India Credit Co Itd	Shriram Chits Pvt Ltd AP	Hong kong and Shanghai Banking Corporation
Relationship with Director/ Manager of the Company	No	No	No	No	No

None of the above said employees held not less than 2% of the equity shares of the Company.

*includes value of perquisites on exercise of options under Employee Stock Option Scheme of the Company.

₹ 656.72 Crores

₹ in lacs

ANNUAL REPORT ON CSR ACTIVITIES

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

Over the years the Company, as part of its CSR commitment, initiated/ contributed towards several social welfare projects aimed at benefitting the 'Aam Aadmi'. Such efforts have been focused on providing education and health care facilities to the economically weaker/underprivileged sections of the society. The Company strongly believes that it can contribute to the common cause of the society by bringing in the same level of competence and efficiency in the management and administration of its CSR activities with which it handles its corporate business. The CSR policy is designed to describe the necessary guidelines and procedures. The Company along with Shriram Capital Limited, its subsidiaries / associates (Shriram Group) shall conduct CSR activities under the Companies Act, 2013. A CSR committee has been formed with specific terms of reference for the purpose of CSR activities/Projects of the Company. The details of CSR policy are available on the website of the Company http://www.shriramcity.in/files/CSR - policy/index.html

CSR Committee decided to spend on providing education and health care facilities to the economically weaker/underprivileged sections of the society during the year ended on March 31,2015.

2. The Composition of the CSR Committee

SI. No.	Name of the Director	Type of Director	Position
1	Smt Lakshmi Pranesh	NE, I	Chairman
2	Sri Gopalasamudram Srinivasaraghavan Sundararajan	NE, NI	Member
3	Sri Venkataraman Murali	NE, I	Member

Note : For date of appointment & resignation and DIN of Directors, the table above at point no - 2.1 of Corporate Governance Report may be referred.

Non Executive ("NE"), Non Independent ("NI"), Independent ("I")

The CSR Committee was reconstituted with Sri Subramaniam Krishnamurthy as the Chairman, Sri Debendranath Sarangi and Sri Venkataraman Murali as the Members of the Committee w.e.f May 1, 2015.

3. Average net profit of the company for last three financial years -

4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above) –	₹13.13 Crores
5.	(a) Details of CSR spent during the financial year –	₹0.09 Crores
	(b) Total amount to be spent for the financial year	₹13.13 Crores
	(c) Amount unspent if any	₹13.04 Crores
	(a) Manageria which the approximation and during the financial vector detailed helesu	

(d) Manner in which the amount spent during the financial year is detailed below

1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other specify the state and district where projects or programs was under-taken	Amount outlay (budget) project or programs – wise	Amount spent on the projects or programs Sub-heads:(1) Direct expenditure on projects or programs (2) Over-heads :-	Cumulative expenditure up to reporting period	Amount spent Direct or through imple- menting agency*
1.	Education and Health Care	Education and Health Care	Tamil nadu	₹ 10	₹ 9.33	₹ 9.33	Directly

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

The Company is in the process of evaluating certain CSR projects. The Company along with certain Group Companies of Shriram Group has incorporated a Section 8 Company i.e. Shriram Seva Sankalp Foundation, after obtaining licence from the Ministry of Corporate Affairs, Government of India, to conduct CSR activities. The Company has subscribed to the equity capital of Shriram Seva Sankalp Foundation to the extent of ₹ 1.8 lacs. Shriram Seva Sankalp Foundation is in the process of obtaining approvals for relevant income tax exemptions.

We hereby affirm that the CSR Policy ("Policy") of the Company as approved by the Board of Directors of the Company is monitored by the CSR Committee and the CSR activities have been implemented in accordance with the Policy.



DECLARATION REGARDING RECEIPT OF CERTIFICATE OF INDEPENDENCE FROM ALL INDEPENDENT DIRECTORS

I hereby confirm that the Company has received from all the independent directors namely Sri Debendranath Sarangi, Smt Maya S Sinha, Sri Pranab Prakash Pattanayak, Sri Subramaniam Krishnamurthy, Sri Sunil Varma, Sri Venkataraman Murali and Sri Vipen Kapur a certificate stating their independence as required under section 149 (6) of the Companies Act, 2013.

Place : Chennai Date : May 28, 2015 **R. Duruvasan** DIN - 00223052 Managing Director and CEO

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNELWITH THE COMPANY'S CODE OF CONDUCT

I hereby confirm that the Company has obtained from all the members of the Board and designated senior management employees of the Company affirmation that they have complied with "Code of Conduct for Board Members and Senior Management" ("Code") of the Company for the year ended March 31, 2015.

Place : Chennai Date : April 28, 2015 R.Duruvasan DIN - 00223052 Managing Director and CEO



POLICY ON APPOINTMENT, REMUNERATION AND DIVERSITY OF BOARD

1. BACKGROUND:

Section 178 (3) under Companies Act 2013 mandates companies to have a policy on criteria for determining qualification, positive attributes, independence of directors and remuneration of directors, key managerial personnel. Clause No. 49 IV A of the listing agreement requires the Nomination Committee to lay down the evaluation criteria for performance evaluation of independent directors. Clause No 49 IV B 5 of listing agreement requires the appraisal of Independent Directors by the Board. The Company is required to ensure accurate disclosure of material matters on time. One of the functions of the Board is to monitor and review the Board evaluation framework. Clause No 49 (IV) (B) (6) of the listing agreement requires independent directors to review the performance of Board and Chair person and flow of information. Clause 49 (IV) (B) (3) of the listing agreement requires to formulate a policy on Board diversity. In view of these, the Nomination and Remuneration Committee ("Committee") of Shriram City Union Finance Limited ("Company") has formulated Policy on Appointment, Remuneration and Diversity of Board ("Policy") and approved by the Board of Directors of the Company ("Board").

2 APPLICABILITY:

This Policy covers the appointment, remuneration of Directors, Key Managerial Personnel ("KMP"), Senior Management personnel of the Company and performance appraisal of the Directors.

3. **DEFINITION**:

All terms used in the Policy shall have the same meaning as ascribed to them under Companies Act, 2013 and Listing Agreement.

4. OBJECTIVES:

The objective of this policy is to stipulate criteria for

- Appointment, re-appointment, removal of Directors, KMPs and Senior Executives.
- Remuneration payable to the Directors, KMP and Senior Management personnel.
- Retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage to run the operations of the Company successfully.
- Ensure that the remuneration is directly proportional to the effort, performance, dedication and achievement relating to the Company's operations of the concerned individual.
- Strike the balance between fixed component and variable incentive package for meeting the Company's vision and mission.
- Increase diversity at Board level and to make maximum use of the skills and industry experience of the directors.

The Company shall issue appointment letter to each of the independent director appointed by the Company.

5. CRITERIA FOR APPOINTMENT :

The appointment shall be based on the following criteria.

- Qualification, expertise and relevant experience for the concerned position
- Age, number of years of service, specialised expertise and period of employment or association with the Company.

- Special achievements and Operational Efficiency which contributed to growth in business in the relevant functional area.
- Remuneration in the market & Competition
- Constructive and active participation in the affairs of the Company.
- Exercising the responsibilities in a bona fide manner in the interest of the Company.
- Sufficient devotion of time to the assigned tasks.
- Diversity of the Board keeping in view the skills, qualification, experience in varied fields of finance, banking, administrative etc. of directors in different industry and other related matters.

CRITERIA FOR REMUNERATION :

The remuneration shall be based on the criteria of appointment mentioned above and shall be subjected to the limits mentioned below.

Category	Remuneration	Remarks
Whole-time Director &	Basic Pay, allowances and Perquisites,	Subject to the ceiling limits
Managing Director	Retirement benefits, ESOP and	prescribed under the
	reimbursement of expenses incurred In	Companies Act, 2013 and
	performance of office duties	approval of Shareholders.
Directors (other than	Sitting Fees and reimbursement of reasonable	
Independent Directors)	expenses for attending the meetings of Board	
	and Committees, where such director is a	
	member as decided by the Board from	
	time to time.	
Independent Directors	Sitting Fees	
	For meeting of the Board	Sitting Fees are subject to the
	₹ 50,000/- per meeting attended	applicable ceiling limits
	For meeting of the Committee, where he/	prescribed under
	she is a member and general meetings:	Companies Act, 2013.
	₹ 25,000/- per meeting attended	
	Reimbursement of reasonable connected	
	expenses for attending the meetings.	
Senior Management	Basic Pay, allowances, Perquisites, retirement	To be decided by the
Personnel/ KMPs	benefits, ESOP reimbursement of expenses	Managing Director based on
	incurred in performance of office duties.	appointee



POLICY ON APPOINTMENT, REMUNERATION AND DIVERSITY OF BOARD

The Managing Director shall decide about the remuneration of the executives based on the criteria mentioned above subject to ceiling fixed under any applicable law at the time of appointment and shall decide about reasonable annual increase keeping in view the prevailing market, statutory requirements and the objectives/criteria mentioned above. The following matters shall be brought to the attention of the Committee for evaluation and recommendation.

- a. Remuneration to any person in excess of Rupees One Crore per annum
- b. Appointment / remuneration of Directors, KMPs, Senior management personnel.

The maximum remuneration payable to all the Directors/managerial personnel shall be capped as provided under Section 197,198, Schedule V of the Companies Act 2013.

PROCESS OF EVALUATION:

The evaluation of the Board, Committee and flow of information shall be done by the independent directors. The evaluation of performance of each independent director shall be done by all the directors except the independent director evaluated. The review the performance of non-independent directors, the Board as a whole, the Chairperson of the Company, quantity and timeliness of flow of information shall be done by independent directors of the Company. This evaluation shall be carried out once in a year on the performance of directors, Chairperson of the Company on the date of such evaluation. It shall be carried out through an evaluation sheet based on qualification, experience, age, participation, attendance, knowledge, quality of discussion, beneficial contribution etc. The evaluation and the results thereof shall be confidential.

PERFORMANCE EVALUATION OF THE BOARD/COMMITTEE :

Each director shall be provided with rating sheet on the pre set criteria The rating sheet shall be filled in by each director with necessary details with scores awarded by him/her and shall be handed over to the Company Secretary. The total score given by all the directors participating in the evaluation shall be totaled up and averaged out by dividing the total with number of participating directors. Based on the average score, necessary improvemental activities shall be under taken.

PERFORMANCE EVALUATION OF THE DIRECTORS :

Each Director shall be provided with rating sheet on the preset criteria. The rating sheet shall be filled in by each director for all the directors except himself/herself with necessary details with scores awarded by him/her. The filled in rating sheet shall be handed over to the Company Secretary. The total score given by all the directors participating in the evaluation shall be totaled up and averaged out by dividing the total with number of participating directors. Based on the average score of each director, necessary discussion shall be made.

EFFECT AND REVISION :

This policy shall come into effect from February 1, 2015 and shall remain in force till amended by the Board with recommendation of the Committee. Any regulatory changes affecting this Policy shall prevail over this Policy.

ANNEXURE 14

Form No.MR-3

SECRETARIAL AUDIT REPORT

FINANCIAL YEAR ENDED 31st MARCH, 2015

[Pursuant to section204(1) of the Companies Act, 2013and Rule No.9 of the Companies(Appointment and Remuneration Personnel) Rules, 2014]

To,

THE MEMBERS, SHRIRAM CITY UNION FINANCE LIMITED 123,ANGAPPA NAICKEN STREET, CHENNAI -600001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SHRIRAM CITY UNION FINANCE LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of SHRIRAM CITY UNION FINANCE LIMITED's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made there under;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines,1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- 6) Reserve Bank of India Act, 1934
- 7) Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007
- 8) Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions. 1998
- 9) Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998
- 10) Employees' Provident Funds and Miscellaneous Provisions Act, 1952.



- 11) Employee State Insurance Act, 1948
- 12) Income Tax Act, 1961
- 13) Service Tax Act, 1994
- 14) Indian Stamp Act 1999 & Other State Stamps Act
- 15) Payment of Gratuity Act, 1972
- 16) Payment of Wages Act, 1936
- 17) The Maternity Benefit Act, 1961
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (19) Industrial Employment (Standing Orders) Act, 1946

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

- The Equity Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;
- (ii) The Debt Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) is yet to be notified and hence not applicable to the Company during the audit period

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

I further report that

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. However there is no instance of dissent voting by any member during the period under review

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

I further report that during the audit period apart from the instances mentioned hereunder, there were no specific events / actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.,

- Public Issue of Secured Redeemable Non-Convertible Debentures pursuant to Section 39 (4) of the Companies Act, 2013 and Companies (Prospectus and Allotment of Securities) Rules, 2014.
- (ii) Preferential Issue of Shares under Section 62 read with Companies (Share Capital and Debentures) Rules, 2014
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013

Place: Chennai Date: 28th day of April, 2015 For P. Sriram & Associates P. Sriram Proprietor FCS No. 4862 CP No: 3310

INDEPENDENT AUDITOR'S REPORT

PIJUSH GUPTA & CO. CHARTERED ACCOUNTANTS

P-199, C.I.T. Road, Scheme IV-M, Kolkata - 700 010.

To the Members of SHRIRAM CITY UNION FINANCE LIMITED

1) Report on the Financial Statements

We have audited the accompanying standalone financial statements of SHRIRAM CITY UNION FINANCE LIMITED (the Company), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

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

3) Auditor's Responsibility

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

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

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

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

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

4) **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, its profit and its cash flows for the year ended on that date.

5) Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order.
- 2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief



were necessary for the purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements Refer Note 27 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Pijush Gupta & Co.** Firm Registration No. 309015E Chartered Accountants

Place: Chennai Date: 28th April 2015 Ramendra Nath Das Partner Membership No. 014125

ANNEXURE TO AUDITOR'S REPORT

(Referred to in paragraph 5 of our report of even date) Re: SHRIRAM CITY UNION FINANCE LIMITED ("the Company") Financial Year Ended March 31, 2015

- I. (a) According to the information and explanations given to us and records produced before us, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) According to the information and explanations given to us and records produced before us, the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such physical verification.
- II. The Company is engaged in financing activities which does not involve maintenance of any inventory.
- III. As per the information and explanations given to us the Company has granted loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 (the Act). In respect of the same,
 - (a) The receipts of principal is regular, and
 - (b) There is no overdue amount as at the end of the year.
- IV. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for purchase of fixed assets. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas. There is no sale of goods or service or purchase of inventory.
- V. In respect of deposits accepted, in our opinion and according to the information and explanations given to us, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder, to the extent applicable, have been complied with. According to the information and explanation given to us, no order has been passed by the Company Law Board, the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal in this regard in respect of the Company.
- VI. To best of our knowledge and according to the information and explanations given to us the Central Government has not prescribed maintenance of cost records under Section 148(1) of the Act for the Company.
- VII. (a) According to the information and explanations provided to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Wealth Tax, Service Tax, Income Tax, Excise Duty, Custom Duty, Sales Tax, Cess, Value Added Tax, Employees' State Insurance and other material statutory dues applicable to it. There are no undisputed amounts that were outstanding for a period of more than six months from the date they became payable.
 - (b) On the basis of information and explanations given to us and the relevant documents produced before us, the following dues outstanding in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Value Added Tax and Cess have not been deposited on account of dispute –

Name of the statute	Nature of dues	Amount (₹ in lacs)	Years to which the amount relates	Pending with
Income Tax Act 1961	Income Tax demands	2,337.47	Assessment year 2012-13	C.I.T (Appeal)
Income Tax Act 1961	Income Tax demands	1,530.54	Assessment year 2011-12	ITAT
Income Tax Act 1961	Income Tax demands	963.23	Assessment year 2010-11	ITAT
Kerala VAT	Value Added Tax	4.65	Assessment Year 2007-08	Dy. C.I.T. (Appeal)

(c) According to the information and explanations given to us the amount required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act 1956 (1 of 1956) and rules made there under has been transferred in time.



- VIII. The Company has no accumulated losses at the end of financial year and has not incurred cash losses in the current and immediately preceding financial year.
- IX. Based on our audit procedures and as per information and explanations given by the management, it appears that the Company has not defaulted in the repayment of dues to banks, financial institutions or debenture holders.
- X. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- XI. In our opinion and to the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were, prima facie, utilised during the year for the purposes for which the loans were obtained other than funds temporarily parked pending utilization of the funds for the intended use.
- XII. We have been informed that during the audit period certain borrowers/employee have defrauded the Company by pledging low purity and stolen Gold against Jewel Loan amounting to Rs. 704.06 lakhs. The Company has taken necessary action against the said borrowers/employee. Refer Note 30 to the financial statements.

For **Pijush Gupta & Co.** Firm Registration No. 309015E Chartered Accountants

Place: Chennai Date: 28th April 2015 Ramendra Nath Das Partner Membership No. 014125

BALANCE SHEET AS AT MARCH 31, 2015

			₹ in lac	
Particulars	Notes	As at March 31,		
I. EQUITY AND LIABILITIES		2015	2014	
1. Shareholders' funds				
(a) Share capital	3	6,590.56	5,928.44	
(b) Reserves and surplus	4	403,523.56	283,898.71	
		410,114.12	289,827.15	
2. Non-current liabilities				
(a) Long-term borrowings	5	773,287.63	893,035.28	
(b) Other long-term liabilities	6	35,275.20	37,234.81	
(c) Long-term provisions	7	8,710.45	5,677.13	
(-)3		817,273.28	935,947.22	
3. Current liabilities		,	,	
(a) Short-term borrowings	8	117,745.08	38,355.37	
(b) Other current liabilities	6	414,202.11	342,393.13	
(c) Short-term provisions	7	44,467.11	31,790.11	
		576,414.30	412,538.61	
Total		1,803,801.70	1,638,312.98	
II. ASSETS				
1. Non-current assets				
(a) Fixed assets:				
(i) Tangible assets	9	7,545.83	9,126.33	
(ii) Intangible assets	9	679.84	1,016.16	
(b) Non-current investments	10	25,379.46	16,845.45	
(c) Deferred tax assets	11	3,095.02	1,803.67	
(d) Long-term loans and advances	12	532,088.12	424,237.45	
(e) Other non-current assets	13	13,722.74	10,894.62	
2. Current assets		582,511.01	463,923.68	
(a) Current Investments	14	72,788.69	45,910.00	
(b) Cash and bank balances	14	78,143.21	247,288.54	
(c) Short-term loans and advances	12	1,056,940.63	863,213.55	
(d) Other current assets	13	13,418.16	17,977.21	
	10	1,221,290.69	1,174,389.30	
Total		1,803,801.70	1,638,312.98	
Summary of significant accounting policies	2.1			
Other notes to accounts	23 to 56			
The notes referred to above form an integral	part of the financial statements.			
As per our report even date For Pijush Gupta & Co. Firm Registration No. 309015E Chartered Accountants	For and on behalf of the Board of Dire Shriram City Union Finance Limited			
Chaneled Accountants	R Duruvasan		an	
	Managing Director Director DIN: 00223052 DIN: 00361			
Ramendra Nath Das Partner				
Membership No. 014125				
Place: Chennai	C R Dash	Subhasri Srirar		
Date: April 28, 2015	Company Secretary	Chief Financial (Officer	



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

			₹ in lacs		
Particulars	Notes	For the ye	For the year ended		
	Notes	March 31, 2015	March 31, 2014		
INCOME					
Revenue from operations	16	348,223.97	319,133.11		
Other income	17	4,939.25	4,729.53		
Total income		353,163.22	323,862.64		
EXPENSES					
Employee benefits expense	18	41,156.22	27,076.37		
Finance costs	19	134,315.49	135,070.54		
Depreciation and amortization expense	9	4,265.54	2,955.25		
Other expenses	20	43,936.88	42,354.75		
Provisions & write offs	21	45,380.39	38,419.37		
Total expenses		269,054.52	245,876.28		
Profit before tax		84,108.70	77,986.36		
Tax expense:					
- Current tax		29,593.66	23,037.33		
- Deferred tax		(1,291.35)	12.26		
- Tax of earlier years		· · ·	2,822.45		
Total tax expense		28,302.31	25,872.04		
Profit after tax from continuing operations		55,806.39	52,114.32		
Earnings per equity share	22				
Equity shares of par value ₹10/- each					
Basic (₹)		86.18	89.76		
Diluted (₹)		86.03	89.53		

Summary of significant accounting policies	2.1
Other notes to accounts	23 to 56

The notes referred to above form an integral part of the financial statements.

As per our report even date For Pijush Gupta & Co. Firm Registration No. 309015E Chartered Accountants	For and on behalf of the Board of Directors of Shriram City Union Finance Limited		
	R Duruvasan Managing Director DIN: 00223052	G S Sundararajan Director DIN: 00361030	
Ramendra Nath Das Partner Membership No. 014125			
Place: Chennai Date: April 28, 2015	C R Dash Company Secretary	Subhasri Sriram Chief Financial Officer	

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

Particulars	For the year	For the year ended		
Particulars	March 31, 2015	March 31, 2014		
Cash flows from Operating activities				
Profit before Tax	84,108.70	77,986.36		
Non-cash adjustments to reconcile profit before tax to net cash flows:				
Depreciation and amortization	4,265.54	2,955.25		
(Profit)/ Loss on sale of fixed assets (net)	(13.94)	27.90		
Public issue expenditure for non-convertible debentures	977.45	575.41		
Provision for non performing assets and bad debts written off	44,652.87	38,603.19		
Contingent provision on standard assets	716.29	(189.53)		
Provision for hedging contracts	-	(486.75)		
Provision for diminution in the value of investments	11.23	5.71		
Other Income written back	(67.26)	(470.18)		
Gain on sale of investments	(4,074.61)	(719.47)		
Loss on sale of investments	76.05	-		
Dividend Income	(284.45)	(5.00)		
Operating profit before working capital changes	130,367.87	118,282.89		
Movements in Working capital:				
(Increase) / decrease in assets under financing activities	(334,191.43)	40,321.09		
(Increase) / decrease in Short-term loans and advances	(591.14)	(4,802.85)		
(Increase) / decrease in Long-term loans and advances	2,024.34	676.77		
(Increase) / decrease in other current assets	4,421.83	5,561.33		
(Increase) / decrease in other non-current assets	3,762.18	5,829.72		
(Increase) / decrease in Investments	67,431.44	(121,001.94)		
Increase / (decrease) in other current liabilities	70,090.81	(11,083.61)		
Increase / (decrease) in other non-current liabilities	(842.72)	(2,600.52)		
Cash generated from operations	(57,526.82)	31,182.88		
Direct taxes paid (net of refund)	(31,975.97)	(26,164.12)		
Net Cash from/(used in) operating activities (A)	(89,502.79)	5,018.76		
Cash flows from Investing activities				
Purchase of fixed and intangible assets	(2,811.45)	(3,382.39)		
Capital advance for assets	(1,391.46)	-		
Proceeds from sale of fixed assets	110.28	23.47		
Purchase of investments	(20,131.56)	(6,280.53)		
Proceeds from sale of investments	218.67	-		
Profit on sale of investments	3,937.94	-		
Loss on sale of investments	(76.05)	-		
Investment in subsidiary Company	-	(9,544.00)		
Dividend received	-	5.00		
Net Cash from/(used in) investing activities (B)	(20,143.63)	(19,178.45)		
Cash flows from Financing activities				
Proceeds from issue of equity share capital including securities premium and	78,972.56	13,036.47		
share application money	10,312.30	10,000.47		
Increase / (decrease) of long-term borrowings	(119,747.65)	65,443.53		
Increase / (decrease) of short-term borrowings	79,389.71	(121,873.19)		
Public issue expenses for non-convertible debentures paid	(53.53)	(1,468.32)		
Dividend Paid	(6,908.03)	(5,880.22)		
Tax on dividend	(1,264.84)	(999.34)		
Cash and bank balance received on account of merger with SRHPL	-	5,666.33		
Net Cash from/(used in) financing activities (C)	30,388.22	(46,074.74)		
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(79,258.20)	(60,234.44)		
Cash and cash equivalents at the beginning of the year	116,229.01	176,463.45		
Cash and cash equivalents at the end of the year	36,970.81	116,229.01		



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

		₹ in lacs		
Components of cash and cash equivalents	For the yea	For the year ended		
	March 31, 2015	March 31, 2014		
Cash on hand	5,723.59	6,231.07		
Balances with banks in:				
Current accounts	24,686.61	21,515.06		
Unpaid dividend accounts	60.61	49.53		
Deposits with maturity of less than 3 months	6,500.00	88,433.35		
Total Cash and cash equivalents (Note 15)	36,970.81	116,229.01		

As per our report even date For a **For Pijush Gupta & Co.** Shrin Firm Registration No. 309015E Chartered Accountants

For and on behalf of the Board of Directors of **Shriram City Union Finance Limited**

R Duruvasan Managing Director DIN: 00223052 **G S Sundararajan** Director DIN: 00361030

Ramendra Nath Das Partner Membership No. 014125

Place: Chennai Date: April 28, 2015 C R Dash Company Secretary Subhasri Sriram Chief Financial Officer

1. Corporate information

Shriram City Union Finance Limited (the Company) is a public Company domiciled in India and is incorporated under the provisions of the Companies Act, 1956. The Corporate Identification Number (CIN) is L65191TN1986PLC012840. Its shares are listed on Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd(NSE). The Company's shares got delisted from Madras Stock Exchange (MSE) voluntarily with effect from February 23,2015. The Company is a Deposit Accepting Non Banking Finance Company (NBFC) registered with Reserve Bank of India (RBI) with registration number 07-00458. The Company operates in India.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP), including the accounting standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 and the guidelines issued by RBI as applicable to NBFCs. The financial statements have been prepared on accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those used in the previous year, except the changes in accounting policy mentioned below.

2.1 Summary of significant accounting policies

a. Change in accounting policy

Presentation and disclosure of financial statements

During the year 2014-15, the revised Schedule III notified under the Companies Act 2013, became applicable to the Company, for preparation and presentation of its financial statements. The adoption of revised Schedule III does not impact recognition and measurement principles followed for preparation of financial statements. However, there is a change in method of calculation of depreciation under schedule II of the Companies Act 2013. Accordingly depreciation has been calculated based on said schedule II, impact of such change has been disclosed in Note 9 to the financial statements.

b. Current / Non-current classification of assets / liabilities

The Company has classified all its assets / liabilities into current / non-current portion based on the time frame of 12 months from the date of financial statements. Accordingly, assets/liabilities expected to be realised /settled within 12 months from the date of financial statements are classified as current and other assets/ liabilities are classified as non current.

c. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the date of the financial statements and results of operations during the reporting year end. Although these estimates are based on the management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to the accounting estimates are recognised in current and future years.

d. Fixed Assets, Depreciation & impairment

(i) Tangible Fixed Assets

Fixed assets, are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price and directly attributable cost for bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenditure is incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

(ii) Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.



(iii) Depreciation on Tangible fixed assets

Depreciation on fixed assets is provided based on the useful lives prescribed under the Schedule II to the Companies Act, 2013 with effect from April 1,2014.

Leasehold improvements are amortised on SLM over the primary period of lease subject to a maximum of 60 months. Depreciation on assets acquired /sold during the year is recognised on a prorata basis in the Statement of Profit and Loss account from the date of acquisition or till the date of sale , as the case may be.

(iv) Depreciation on Intangible assets

Amortisation is provided on Straight Line Method ('SLM'), which reflects the management's estimate of the useful life of the intangible asset. The Company has used the following rate to provide depreciation on the intangible assets.

Computer software

Rates (SLM)

33.33%

Amortisation of assets acquired/sold during the year is recognised on prorata basis in the Statement of Profit and Loss till the date of sale or from the date of acquisition.

(v) Impairment of assets

The Company assesses at each balance sheet date if there is an indication of impairment of any asset. If any indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount of an asset is greater of net selling price and value in use of the asset. Where the carrying amount of an asset is more than its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The value in use is the estimated future cash flows discounted to their present value at pre-tax discount rate which reflects current market assessment of the time value of money and risk specific to the asset.

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

An assessment is made at each Balance Sheet date about existence or decrease of previously recognised impairment losses. If such indication exists, the Company estimates the asset's recoverable amount. A previously recognised impairment loss is increased or reversed depending on the changes in the circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation, if there was no impairment.

e. Capital advances

Capital advances are advances given for procurement of fixed assets. Company does not expect to realise them in cash and over a period of time these advances get converted into fixed assets which are non-current by nature. Therefore irrespective of when the fixed assets are expected to be received such advances are disclosed under "long-term loans and advances".

f. Borrowing costs

Borrowing cost includes interest and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Ancillary and other borrowing costs are charged to statement of profit and loss in the year in which they are incurred.

g. Investments

Investments intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Non-current investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary in the value of such investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

h. Provision/write off of assets

Non performing loans are written off / provided for, as per estimates of management, subject to the minimum provision required as per Non- Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

Provision on standard assets is made as required under Reserve Bank of India (RBI) notification No. DNBS.222/CGM (US-2011) dated January 17, 2011.

i. Loans

Loans are stated at the amount advanced including finance charges accrued and expenses recoverable, as reduced by the amounts received up to the date of balance sheet and loans securitised.

j. Leases

Where the Company is the lessor

Assets given on operating leases are included in fixed assets. Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

Where the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

k. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The revenue recognisation are as under:

- (i) Income from financing activities is recognised on the basis of internal rate of return.
- (ii) Additional finance charges / additional interest are treated to accrue on realisation due to uncertainty of its realisation.
- (iii) Gain arising on securitization/direct assignment of assets is recognised over the tenure of agreements as per guideline on securitisation of standard assets issued by RBI. Loss or expenditure in respect of securitisation / assignment, if any, is recognised upfront.
- (iv) The prudential norms for income recognition prescribed under Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007 are followed.
- (v) Income from services is recognised as per the terms of the contract on accrual basis.
- (vi) Interest Income on deposit accounts with banks is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (vii) Dividend is recognised as income when right to receive payment is established by the date of balance sheet.
- (viii) Profit/loss on sale of investments is recognised at the time of actual sale / redemption.

I. Foreign currency translation and balances

Initial recognition : Foreign currency transactions are recorded in Indian rupee, by applying to the foreign currency amount the exchange rate between the Indian rupee and the foreign currency at the date of the transaction.

Conversion : Foreign currency monetary items are retranslated to Indian rupees by using the exchange rate prevailing at the Balance Sheet date.

Exchange differences : All exchange differences are dealt within the Statement of Profit and Loss.

m. Income taxes

Tax expense comprises of current tax and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

The carrying cost of the deferred tax assets are reviewed at each balance sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available certain or virtually certain, as the case may be, that sufficient future taxable income will be available certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

The un-recognised deferred tax assets are re-assessed by the Company at each balance sheet date and are recognised to the extent it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.



n. Segment reporting

The Company prepares its segment information in conformity with the Accounting Standard 17 issued by The Institute of Chartered Accountants of India.

o. Employee stock compensation cost

The measurement and disclosure of the employee share based payment plans is done in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines,1999 and the Guidance Note on Accounting for Employee Share-based Payments issued by The Institute of Chartered Accountants of India (ICAI). The Company measures cost relating to employees stock option by intrinsic value method. Compensation expenses is amortised on straight line method over the period of vesting of options.

p. Retirement and other employee benefits

(i) Provident Fund

All the employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future Provident Fund benefits other than its annual contribution and recognises such contributions as an expense in the year it is incurred.

(ii) Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated year mentioned under 'The Payment of Gratuity Act, 1972'. The Company accounts for liability of future gratuity benefits based on an actuarial valuation on projected unit credit method carried out for assessing liability as at the reporting date. Actuarial gain / losses are immediately taken to Statement of Profit and Loss and are not deferred.

(iii) Leave Benefits

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred.

q. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

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

r. Expenses on deposits / debentures

Expenses for private placement of debentures/subordinated debts/deposits are charged to Statement of Profit and Loss in the year in which they are incurred.

Expenses incurred on public issue of debentures other than brokerage are charged off on straight line basis over the weighted average tenor of the underlying debentures. The brokerage incurred on issue of debenture is treated as expenditure in the year in which it is incurred.

s. Provisions

A provision is recognised when the Company has a present obligation as a result of past event. It is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

t. Cash and cash equivalents

Cash and cash equivalents are held for the purpose of meeting short-term cash commitments. Cash equivalents are short term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an

insignificant risk of changes in value. Cash and cash equivalents include cash-in-hand, cash at bank, cheque in hand, remittances in transit and short term investments with an original maturity period of three months or less.

u. Derivative instruments

In accordance with the ICAI guidelines and on principle of prudence, derivative contracts, other than foreign currency forward contracts covered under AS 11, are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the Statement of Profit and Loss. However net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

v. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events, which are beyond the control of the Company. A contingent liability also includes a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises where, a liability cannot be measured reliably. The Company does not recognise a contingent liability in the accounts but discloses its existence in the financial statements.

₹ in lacs

3. SHARE CAPITAL

As at March 31 Particulars 2015 2014 Authorised 11,85,00,000 (March 31, 2014: 10,65,00,000) equity shares of ₹10/- each 11,850.00 10,650.00 March 31, 2014: 12,00,000 equity shares of ₹100/- each 1,200.00 40,00,000 (March 31, 2014: 40,00,000) cumulative redeemable preference 4,000.00 4,000.00 shares of ₹100/- each Total 15,850.00 15,850.00 Issued, Subscribed and Fully Paid-up Equity Shares 6,59,05,612 (March 31, 2014: 5,92,84,432) shares of ₹10/- each 6,590.56 5,928.44 Total Issued, Subscribed and fully Paid-up share capital 6,590.56 5,928.44

3.1 RECONCILIATION OF THE SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING PERIOD

Equity Shares

	As at March	31, 2015	As at March 31, 2014		
Particulars	Number of Shares	₹ in lacs	Number of Shares	₹ in lacs	
At the beginning of the year	59,284,432	5,928.44	55,416,340	5,541.63	
Issued during the year - ESOP [Refer note-24]	41,340	4.13	37,050	3.71	
Issued pursuant to merger	-	-	781,042	78.10	
Conversion of warrants	-	-	3,050,000	305.00	
Preferential allotment to M/s Piramal Enterprises Limited	6,579,840	657.99	-	-	
Outstanding at the end of the year	65,905,612	6,590.56	59,284,432	5,928.44	

The Company as per approval given by the shareholders of the Company at the Extraordinary General Meeting held on May 30, 2014 had issued and allotted of 65,79,840 numbers of fully paid up equity shares of ₹10/- each for cash at a price of ₹1,200/- per Equity Share (including a premium of ₹1,190/- per Equity Share) aggregating to ₹78,958.08 lacs to M/s Piramal Enterprises Limited ("PEL") on preferential basis on June 3, 2014 in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. The said equity shares are locked in for a period of one year from the date of trading approval by stock exchanges granting last (i.e. from June 25, 2014 to June 30, 2015) as per Regulation 78(2) of Chapter VII



of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2009 read with amendment notification dated August 26, 2013 as SEBI (ICDR) Second Amendment Regulations, 2013.

3.2 Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of the equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

For the period ended March 31, 2015, the amount of dividend per equity share recognised as distributions to equity shareholders is ₹15 (March 31, 2014 : ₹10 including interim dividend) including interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Name of the shareholders	As at Marc	h 31, 2015	As at March 31, 2014		
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
Equity share of ₹10 each fully paid					
Shriram Capital Ltd.	22,268,877	33.79	22,268,877	37.56	
Norwest Venture Partners X FII-Mauritius	-	-	3,823,502	6.45	
TPG India Investment I INC	13,421,889	20.37	13,421,889	22.64	
M/s Piramal Enterprises Limited	6,579,840	9.98	-	-	

As per records of the Company, including the register of shareholders /members and other declarations received from shareholders/members regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

3.4 Shares reserved for issue under option:

For details of share reserved for issue under the employees stock option scheme (ESOP) [Refer note 24]

3.5 The Company issued 11,90,030 equity shares (March 31, 2014: 11,48,690) during the period of five years immediately preceding the reporting date on exercise of options granted under ESOP, wherein a part of the consideration was received in form of employee service.

In terms of the composite Scheme of Arrangement ("Scheme") among Shriram Retail Holdings Private Limited ("SRHPL"), Shriram Enterprise Holdings Private Limited ("SEHPL") and Shriram City Union Finance Limited ("SCUF"), under section 391 to 394 read with Section 100-104 of the Companies Act, 1956 was approved by the Hon'ble High Court of Madras on June 24, 2013. The Scheme came into effect on August 16, 2013 with filing of Form 21 with Registrar of Companies, Chennai on the same date. Prior to the merger, SRHPL held 26,610,571 shares of the Company. On merger 2,73,91,613 equity shares of ₹10 each fully paid of the Company were allotted to the shareholders of Consolidated SRHPL on August 19, 2013, which resulted in increase in paid up share capital of the Company by 7,81,042 equity shares of ₹10 each.

4. RESERVES & SURPLUS

Profile days	As at Marc	h 31,
Particulars	2015	2014
Capital reserves	7,871.88	1,400.00
Add: Transfer from Profits on account of reverse merger with Shriram Retail	-	6,471.88
Holdings Pvt. Ltd. Closing balance	7,871.88	7,871.88
Capital redemption reserve	2,328.98	2,328.98
Securities premium		
Opening balance	98,644.52	81,471.36
Add : Securities premium received	78,404.05	17,173.16
Less: Amount utilised towards share issue expenses	(1,774.35)	,
Closing balance	175,274.22	98,644.52
Debenture redemption reserve		
Opening balance	15,995.20	8,290.40
Add: Transfer from Profits	8,398.63	7,704.80
Less: Amount transferred to General reserve on Redemption	(7,899.22)	
Closing balance	16,494.61	15,995.20
Stock options outstanding		
Employee stock option outstanding	343.32	427.22
Less: Transfer to deferred employee compensation outstanding	(93.61)	(83.90)
Closing balance	249.71	343.32
Statutory reserve (in pursuant to section 45-IC		
of the RBI Act, 1934)	40.055.00	04 04 5 00
Opening balance	42,255.00	31,815.00
Add: Transfer from Profits	11,161.00	10,440.00
Closing balance	53,416.00	42,255.00
General reserve		
Opening balance	20,915.40	15,695.40
Add: Transfer from Profits	5,581.00	5,220.00
Add: Transfer from Debenture redemption reserve Closing balance	7,899.22 34,395.62	20,915.40
Surplus in the Statement of Brefit and Loss		
Surplus in the Statement of Profit and Loss Opening balance	95,544.41	73,945.98
Less: Additional depreciation (as per The Companies Act, 2013)	(366.39)	73,945.90
Add: Net Profit for the year	55,806.39	52,114.32
Less: Appropriations	33,000.03	52,114.02
- Interim dividends	(3,362.04)	(2,555.23)
- Tax on interim dividend	(660.32)	(434.27)
- Proposed final Equity dividend	(6,920.09)	(3,557.07)
- Tax on proposed Equity dividend	(1,408.79)	(604.52)
- Transfer to Statutory reserve (in pursuant to section 45-IC		
of the RBI Act, 1934)	(11,161.00)	(10,440.00
- Transfer to General reserve	(5,581.00)	(5,220.00)
- Transfer to Debenture redemption reserve	(8,398.63)	(7,704.80)
Net surplus in the Statement of Profit and Loss	113,492.54	95,544.41
Total	403,523.56	283,898.71



5. LONG-TERM BORROWINGS

				₹ in lacs	
	Non-curre	nt portion	Current maturities		
Particulars	As at Ma	arch 31,	As at Ma	arch 31,	
	2015	2014	2015	2014	
Secured					
Privately placed redeemable non-convertible debentures (Retail)	30,496.55	98,597.82	67,029.45	88,601.44	
Privately placed non-convertible debentures (Institutional)	45,650.00	36,650.00	1,000.00	11,400.00	
Public issue of redeemable non-convertible debentures:					
Issued in 2014	20,000.00	-	-	-	
Issued in 2013	15,361.06	15,361.06	-	-	
Issued in 2012	11,116.35	43,360.14	32,243.79	-	
Issued in 2011	30,860.80	61,208.00	-	13,792.00	
Term loan from Banks	314,999.88	447,663.10	194,412.52	124,082.72	
Term loan from Financial Institutions	27,500.00	34,500.00	7,000.00	5,000.00	
Total Secured Long-term borrowing	495,984.64	737,340.12	301,685.76	242,876.16	
Unsecured					
Fixed deposits	173,024.40	42,635.90	38,707.78	19,195.30	
Subordinated debts	104,278.59	113,059.26	8,787.04	11,451.11	
Total Unsecured Long-term borrowing	277,302.99	155,695.16	47,494.82	30,646.41	
Amount disclosed under the head "other current liabilities"	-	-	(349,180.58)	(273,522.57)	
Total	773,287.63	893,035.28	-	-	

5.1 SECURED LOANS - LONG TERM BORROWINGS

A. SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURE

(i) PRIVATELY PLACED SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES (NCDs) OF ₹1000/- EACH - UNQUOTED (RETAIL)

Terms of repayment as at March 31, 2015

Redeemable at par		Rate of interest				
within	< 10%	>= 10% < 12%	>= 12% < 14%	>= 14%	Total	
Over 60 months	-	-	-	-	-	
48-60 months	-	-	-	-	-	
36-48 months	2.80	514.03	-	-	516.83	
24-36 months	8.85	2,167.09	321.36	-	2,497.30	
12-24 months	151.81	27,088.01	241.48	1.12	27,482.42	
Total non-current portion	163.46	29,769.13	562.84	1.12	30,496.55	
12 months	3,044.50	63,692.75	-	292.20	67,029.45	
Total current maturities	3,044.50	63,692.75	-	292.20	67,029.45	
Grand Total	3,207.96	93,461.88	562.84	293.32	97,526.00	

Terms of repayment as at March 31, 2014

Dedeemakle et servitkis	Rate of interest					
Redeemable at par within –	< 10%	>= 10% < 12%	>= 12% < 14%	>= 14%	Total	
Over 60 months	-	-	-	-	-	
48-60 months	4.80	514.03	-	-	518.83	
36-48 months	8.85	2,175.71	321.36	-	2,505.92	
24-36 months	202.73	27,361.45	241.48	1.12	27,806.78	
12-24 months	3,329.91	64,144.10	-	292.28	67,766.29	
Total non-current portion	3,546.29	94,195.29	562.84	293.40	98,597.82	
12 months	17,838.96	70,644.02	3.10	115.36	88,601.44	
Total current maturities	17,838.96	70,644.02	3.10	115.36	88,601.44	
Grand Total	21,385.25	164,839.31	565.94	408.76	187,199.26	

Nature of security

The redemption of principal amount of secured redeemable non-convertible debentures with all interest there on are secured by a legal mortgage on the specified immovable property and by way of charge on the Company's specifically identified movable assets such as book debts / loan receivables in favour of the Trustees appointed.

These secured redeemable non-convertible debentures are redeemable at par over a period of 12 months to 60 months from the date of allotment depending on the terms of the agreement.

Secured redeemable non-convertible debentures may be bought back subject to applicable statutory and /or regulatory requirements, upon the terms and conditions as may be decided by the Company. The Company may grant loan against the security of Secured Non-Convertible Debentures upon the terms and conditions as may be decided by the Company and subject to applicable statutory and /or regulatory requirements.

(ii) PRIVATELY PLACED REDEEMABLE NON-CONVERTIBLE DEBENTURE (INSTITUTIONAL)

a. PRIVATELY PLACED REDEEMABLE NON-CONVERTIBLE DEBENTURE (NCDs) OF ₹1,00,000/- EACH - QUOTED

₹ in lacs

	Non-curre	nt portion	Current maturities		
Rate of Interest	As at Ma	arch 31,	As at Ma	arch 31,	Redeemable at
	2015	2014	2015	2014	par on
10.75%	-	-	-	900.00	07-Oct-14
10.75%	-	-	-	2,100.00	30-Sep-14
10.75%	-	-	-	900.00	07-Apr-14
10.75%	-	-	-	2,100.00	02-Apr-14
tal	-	-	-	6,000.00	



b. PRIVATELY PLACED REDEEMABLE NON-CONVERTIBLE DEBENTURE (NCDs) OF ₹10,00,000/- EACH - QUOTED ₹ in lacs

	Non-curre	nt portion	Current n	naturities	
Rate of Interest	As at March 31,		As at Ma	arch 31,	Redeemable at
	2015	2014	2015	2014	par on
10.75%	500.00	500.00	-	-	04-Feb-21
9.10%	10,000.00	-			27-Mar-18
10.60%	2,500.00	2,500.00	-	-	13-Dec-17
10.50%	2,000.00	2,000.00	-	-	23-Nov-17
10.75%	1,000.00	1,000.00	-	-	26-Jul-17
10.75%	2,150.00	2,150.00	-	-	12-Jul-17
11.66%	27,500.00	27,500.00	-	-	30-Mar-17
10.65%	-	1,000.00	1,000.00	-	23-May-15
10.65%	-	-	-	1,000.00	03-Feb-15
11.00%	-	-	-	1,500.00	01-Dec-14
10.61%	-	-	-	2,900.00	02-Jun-14
Fotal	45,650.00	36,650.00	1,000.00	5,400.00	

Nature of security

The redemption of principal amount of secured redeemable non-convertible debentures with all interest there on are secured by a legal mortgage on the specified immovable property and by way of charge on the Company's specifically identified movable assets such as book debts / loan receivables in favour of the Trustees appointed.

Secured redeemable non-convertible debenture may be bought favour back subject to applicable statutory and /or regulatory requirements, upon the terms and conditions as may be decided by the Company.

(iii) PUBLIC ISSUE OF SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES (NCDs)OF ₹1000/- EACH-QUOTED

a. Issued in 2011 Non-current Portion

					\ III IC	
Ontion Dotail	Rate of Interest	As at Ma	As at March 31,		Put and call	
Option Detail	Rale of Interest	2015	2014	par on	option	
Option I	11.60%	5,429.05	5,429.05	25-Aug-16	25-Aug-15	
	12.10%	21,556.45	43,653.65	25-Aug-16	25-Aug-15	
	11.85%	3,875.30	12,125.30	25-Aug-16	25-Aug-15	
Option II	11.50%	-	-	25-Aug-14	-	
	11.85%	-	-	25-Aug-14	-	
	11.60%	-	-	25-Aug-14	-	
otal		30,860.80	61,208.00			

Current maturities

Option Detail	.	As at March 31,		Redeemable	Put and call
	Rate of Interest	2015	2014	at par on	option
Option I	11.60%	-	-	25-Aug-16	25-Aug-15
	12.10%	-	-	25-Aug-16	25-Aug-15
	11.85%	-	-	25-Aug-16	25-Aug-15
Option II	11.50%	-	9,570.95	25-Aug-14	-
	11.85%	-	1,346.35	25-Aug-14	-
	11.60%	-	2,874.70	25-Aug-14	-
Total		-	13,792.00		

₹ in lacs

₹ in lacs

Nature of security

The repayment of secured redeemable non-convertible debentures of ₹1,000/- each at face value on maturity together with interest thereon are secured by mortgage of immovable property and by way of charge on the Company's specifically identified movable assets such as book debts / loan receivables in favour of the Trustees appointed.

Secured redeemable non-convertible debenture may be bought back subject to applicable statutory and /or regulatory requirements, upon the terms and conditions as may be decided by the Company.

During the year non-convertible debentures worth of ₹30,347.20 lacs was bought back and ₹13,792 lacs was redeemed.

b. Issued in 2012 **Non-current Portion**

				₹ in lacs
Ontion Datail	Data of Interest	As at Ma	arch 31,	Redeemable at
Option Detail	Rate of Interest	2015	2014	par on
Option I	10.60%	-	29,697.71	06-Oct-15
	10.60%	-	2,546.08	06-Oct-15
Option II	10.75%	7,646.19	7,646.19	06-Oct-17
	10.75%	3,470.16	3,470.16	06-Oct-17
Total		11,116.35	43,360.14	

Total

Current Portion

	-	As at March 3	Redeemable	
Option Detail	Rate of Interest	2015	2014	at par on
Option I	10.60%	29,697.71	-	06-Oct-15
	10.60%	2,546.08	-	06-Oct-15
Option II	10.75%	-	-	06-Oct-17
	10.75%	-	-	06-Oct-17
Total		32,243.79	-	

Nature of security

The repayment of secured redeemable non-convertible debentures of ₹1,000/- each at face value on maturity together with interest thereon are secured by mortgage of immovable property and by way of charge on the Company's specifically identified movable assets such as book debts / loan receivables in favour of the Trustees appointed.



₹ in lacs

₹ in lacs

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2015

c. Issued in 2013 Non-current portion

Ontion Datail	Rate of Interest	As at March	31,	Redeemable a
Option Detail	Rate of Interest	2015	2014	par on
Series I	10.75%	187.15	187.15	04-Jan-17
	11.00%	4,197.91	4,197.91	04-Jan-17
Series II	10.75%	7.00	7.00	04-Jan-18
	11.25%	310.18	310.18	04-Jan-18
Series III	10.75%	3.00	3.00	04-Jan-19
	11.50%	5,016.34	5,016.34	04-Jan-19
Series IV	10.75%	112.50	112.50	04-Jan-17
	11.00%	2,238.68	2,238.68	04-Jan-17
Series V	11.25%	276.13	276.13	04-Jan-18
Series VI	10.75%	300.50	300.50	04-Jan-19
	11.50%	2,515.29	2,515.29	04-Jan-19
Series VII	11.25%	196.38	196.38	04-Jan-19
Total		15,361.06	15,361.06	

Nature of security

The repayment of secured redeemable non-convertible debentures of ₹1,000/- each at face value on maturity together with interest thereon are secured by mortgage of immovable property and by way of charge on the Company's specifically identified movable assets such as book debts / loan receivables in favour of the Trustees appointed.

d. Issued in 2014

Non-current portion

Option Detail	Rate of Interest	As at March 3	1,	Redeemable at	
Option Detail	Rate of Interest	2015	2014	par on	
Series I	10.50%	2,137.00	-	03-May-16	
	11.00%	3,818.77	-	03-May-16	
Series II	11.50%	3,508.76	-	03-May-17	
Series III	10.85%	32.00	-	03-May-19	
	11.75%	8,031.55	-	03-May-19	
Series IV	11.34%	255.71	-	03-May-16	
Series V	12.68%	765.74	-	03-May-17	
Series VI	14.72%	950.47	-	03-May-19	
	13.35%	500.00	-	03-May-19	
Total		20,000.00	-		

Nature of security

The repayment of secured redeemable non-convertible debentures of ₹1,000/- each at face value on maturity together with interest thereon are secured by mortgage of immovable property and by way of charge on the Company's specifically identified movable assets such as book debts / loan receivables in favour of the Trustees appointed.

B. TERM LOAN

(i) TERM LOAN FROM BANKS

Terms of repayment as at March 31, 2015

				1111405
Tenor	Rate of interest	Repayment Details	Non-Current portion	Current Maturities
36-48 months	10.75% to 11.25%	1 to 48 installments of bullet, half yearly and yearly frequency	30,000.00	-
24-36 months	10.50% to 11.50%	1 to 36 installments of bullet & quarterly frequency	75,000.00	-
12-24 months	10.50% to 11.50%	1 to 24 installments of bullet, monthly, quarterly and half yearly frequency	209,999.88	21,500.00
Upto 12 months	10.00% to 11.00%	1 to 12 installments of bullet, quarterly & half yearly frequency	-	172,912.52
			314,999.88	194,412.52

Terms of repayment as at March 31, 2014

₹ in lacs

₹ in lacs

₹ in lacs

Tenor	Rate of interest	Repayment Details	Non-Current portion	Current Maturities
36-48 months	10.75%	Bullet payment on maturity	15,000.00	-
24-36 months	10.40% to 12.00%	1 to 36 installments of bullet & quarterly frequency	241,505.55	5,000.00
12-24 months	10.50% to 11.25%	1 to 24 installments of bullet, monthly, quarterly and half yearly frequency	191,157.54	24,083.33
Upto 12 months	10.45% to 10.95%	1 to 12 installments of bullet, quarterly & half yearly frequency	-	94,999.39
			447,663.09	124,082.72

Nature of Security

Term Loans from banks are secured by an exclusive charge by way of hypothecation of specific assets under financing.

(ii) TERM LOAN FROM INSTITUTIONS

Terms of repayment as at March 31, 2015

₹						
Tenor	Rate of interest	Repayment Details	Non-Current portion	Current Maturities		
24-36 months	10.75%	1 to 36 installments of yearly frequency	27,500.00	7,000.00		
Grand Total			27,500.00	7,000.00		

Terms of repayment as at March 31, 2014

Tenor	Rate of interest	Repayment Details	Non-Current portion	Current Maturities
48-60 months	10.75%	1 to 60 installments of yearly frequency	6,500.00	1,500.00
36-48 months	10.75%	1 to 48 installments of yearly frequency	28,000.00	3,500.00
Grand Total			34,500.00	5,000.00

Nature of security

Term loans from institutions are secured by an exclusive charge by way of hypothecation of specific assets under financing.



5.2 UNSECURED LOAN - LONG TERM BORROWINGS

A. FIXED DEPOSITS OF ₹1000/- EACH - UNQUOTED

Terms of repayment as at March 31, 2015

₹ in lacs

₹ in lacs

₹ in lacs

Redeemable at par	Rate of interest					
within .	>=6% <8%	>=8% <10%	>=10% <12%	>=12%	Total	
48-60 months	-	561.00	8,667.50	-	9,228.50	
36-48 months	-	138.13	2,866.63	-	3,004.75	
24-36 months	-	7,716.24	104,610.42	-	112,326.66	
12-24 months	52.63	14,271.94	34,139.92	-	48,464.49	
Total non-current portion	52.63	22,687.31	150,284.46	-	173,024.40	
12 months	21.53	38,663.16	23.09	-	38,707.78	
Total current maturities	21.53	38,663.16	23.09	-	38,707.78	
Grand Total	74.16	61,350.47	150,307.55	-	211,732.18	

Terms of repayment as at March 31, 2014

Redeemable at par	Rate of interest					
within	>=6% <8%	>=8% <10%	>=10% <12%	>=12%	Total	
48-60 months	-	-	1,396.94	-	1,396.94	
36-48 months	-	-	404.53	-	404.53	
24-36 months	56.52	268.43	33,411.41	-	33,736.37	
12-24 months	21.21	7,053.76	23.09	-	7,098.06	
Total non-current portion	77.73	7,322.20	35,235.97	-	42,635.90	
12 months	95.39	19,099.91	-	-	19,195.30	
Total current maturities	95.39	19,099.91	-	-	19,195.30	
Grand Total	173.11	26,422.11	35,235.97	-	61,831.20	

B. PRIVATELY PLACED SUBORDINATED DEBTS

The Company has issued subordinated debt bonds with coupon rate of 7% to 15% per annum which are redeemable over a period of 60 months to 88 months.

Terms of repayment as at March 31, 2015

(i) PRIVATELY PLACED SUBORDINATED DEBTS OF ₹1,000/- EACH - UNQUOTED

Deutionland	Rate of interest					
Particulars —	< 10%	>= 10% < 12%	>= 12% < 14%	>= 14%	Total	
Over 60 months	-	14,272.81	-	-	14,272.81	
48-60 months	-	21,728.87	-	-	21,728.87	
36-48 months	9.03	25,511.68	-	-	25,520.71	
24-36 months	1,230.54	8,490.89	-	-	9,721.43	
12-24 months	56.17	2,443.60	-	-	2,499.77	
Total non-current portion	1,295.74	72,447.85	-	-	73,743.59	
12 months	-	8,731.43	55.61	-	8,787.04	
Total current maturities	-	8,731.43	55.61	-	8,787.04	
Grand Total	1,295.74	81,179.28	55.61	-	82,530.63	

(ii) PRIVATELY PLACED SUBORDINATED DEBTS OF ₹1,00,000/- EACH - QUOTED

₹ in lacs

Redeemable at par	Rate of interest					
within	< 10%	>= 10% < 12%	>= 12% < 14%	>= 14%	Total	
48-60 months	-	20,520.00	-	_	20,520.00	
24-36 months	-	2,515.00	-	-	2,515.00	
Total non-current portion	-	23,035.00	-	-	23,035.00	

(iii) PRIVATELY PLACED SUBORDINATED DEBTS OF ₹10,00,000/- EACH - QUOTED

₹ in lacs

₹ in lacs

Redeemable at par	Rate of interest					
within	< 10%	>= 10% < 12%	>= 12% < 14%	>= 14%	Total	
48-60 months	-	7,500.00	-	-	7,500.00	
Total non-current portion	-	7,500.00	-	-	7,500.00	

Terms of repayment as at March 31, 2014

(i) PRIVATELY PLACED SUBORDINATED DEBTS OF ₹1,000/- EACH - UNQUOTED

Dertienten	Rate of interest					
Particulars —	< 10%	>= 10% < 12%	>= 12% < 14%	>= 14%	Total	
Over 60 months	-	36,004.76	-	-	36,004.76	
48-60 months	9.03	25,502.23	-	-	25,511.26	
36-48 months	1,230.54	8,490.89	-	-	9,721.43	
24-36 months	56.17	2,443.60	-	-	2,499.77	
12-24 months	-	8,731.43	55.61	-	8,787.04	
Total non-current portion	1,295.74	81,172.91	55.61	-	82,524.26	
12 months	-	3,763.80	7,687.31	-	11,451.11	
Total current maturities	-	3,763.80	7,687.31	-	11,451.11	
Grand Total	1,295.74	84,936.71	7,742.92	-	93,975.37	

(ii) PRIVATELY PLACED SUBORDINATED DEBTS OF ₹1,00,000/- EACH - QUOTED

₹ in lacs

Redeemable at par	Rate of interest					
within	< 10%	>= 10% < 12%	>= 12% < 14%	>= 14%	Total	
48-60 months	-	20,520.00	-	-	20,520.00	
36-48 months	-	2,515.00	-	-	2,515.00	
Total non-current portion	-	23,035.00	-	-	23,035.00	

(iii) PRIVATELY PLACED SUBORDINATED DEBTS OF ₹10,00,000/- EACH – QUOTED

Redeemable at par	Rate of interest				
within	< 10%	>= 10% < 12%	>= 12% < 14%	>= 14%	Total
Over 60 months	-	7,500.00	-	-	7,500.00
Total non-current portion	-	7,500.00	-	-	7,500.00



₹ in lace

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2015

6. OTHER LIABILITIES

				र in lacs
	Long-	term	Short	-term
Particulars	As at Ma	arch 31,	As at Ma	arch 31,
	2015	2014	2015	2014
Current maturities of long-term borrowings [Refer note:5]	-	-	349,180.58	273,522.57
Interest accrued but not due on borrowings	30,294.64	26,756.68	24,444.03	24,934.30
Interest received in advance	-	-	-	862.84
Application money on redeemable non convertible debentures	-	10.40	-	-
Application money on redeemable subordinate debts	-	37.14	-	-
Application money on deposit	108.46	49.45	-	-
Unclaimed dividends*	-	-	60.61	49.53
Unclaimed matured deposits and interest accrued thereon*	-	-	1,721.40	13.37
Unclaimed matured debentures and interest accrued thereon*	-	-	4,420.08	7,273.53
Unclaimed matured Subordinate debts and interest accrued thereon*	-	-	718.97	2,511.29
Temporary credit balance in bank accounts	-	-	20,637.06	11,941.72
Tax deducted at source	-	-	223.66	479.62
Statutory due pertaining to employees	-	-	563.93	210.40
Service tax - contested #	-	-	1,553.08	1,553.08
Unrealised gain on securitisation	4,759.63	10,326.51	5,675.69	12,096.90
Retention and other liabilities	112.47	54.63	5,003.02	6,943.98
Total	35,275.20	37,234.81	414,202.11	342,393.13

As regards the recovery of Service tax on lease and hire purchase transactions, the Hon'ble Supreme Court vide its order dated October 26, 2010 has directed the competent authority under the Finance act, 1994 to decide the matter in accordance with the law laid down.

*Accrued interest is up to the date of maturity. Amounts shall be credited to Investor Education & Protection Fund to the extend unclaimed as and when due.

7. PROVISIONS

			Ohaut	
	Long-		Short	
Particulars	As at Ma	arch 31,	As at Ma	arch 31,
	2015	2014	2015	2014
Provision for Employee benefits:				
Provision for gratuity	1,895.94	972.00	59.55	33.76
Provision for leave benefits	536.73	374.12	25.59	21.04
Other provisions:				
Provision for Non performing assets (NPA)	4,931.96	3,266.51	33,548.58	23,133.11
Contingent provision for standard assets	1,309.18	1,039.09	2,504.51	2,058.30
Provision for diminution in the value of Investments	36.64	25.41	-	-
Provision for income tax [net of advance income tax]	-	-	-	2,382.31
Proposed dividend	-	-	6,920.09	3,557.07
Corporate dividend tax	-	-	1,408.79	604.52
Total	8,710.45	5,677.13	44,467.11	31,790.11

8. SHORT TERM BORROWINGS

Devisionale re	As at Ma	As at March 31,	
Particulars	2015	2014	
Secured			
Term loan from banks	8,000.00	1,600.00	
Cash Credit from banks	106,745.08	36,755.37	
Working capital demand loan from banks	2,500.00	-	
	117,245.08	38,355.37	
Unsecured			
Inter Corporate Deposits	500.00	-	
	500.00	-	
Total	117,745.08	38,355.37	

8.1 TERM LOAN FROM BANKS

₹ in lacs

₹ in lacs

₹ in lacs

Data of interact	Persyment Dataila	As at Marc	ch 31,
Rate of interest	Repayment Details	2015	2014
9.95%	Bullet payment at the end of 1 year	-	1,600.00
10.00%	Bullet payment at the end of 1 year	8,000.00	-
Total		8,000.00	1,600.00

Nature of Security

Term Loans from banks are secured by an exclusive charge by way of hypothecation of specific assets under financing.

8.2 CASH CREDIT AND WORKING CAPITAL DEMAND LOANS

Nature of Security

Cash credit and working capital demand loan from banks are secured by way of hypothecation of specific movable assets relating to the loans.

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9. TANGIBLE AND INTANGIBLE FIXED ASSETS

₹ in lacs

ParticularsAs at April durirAdd durirParticularsAs at April 1, 2014Add durirAssets for Own Use Land - Freehold2.40Land - Freehold2.40Buildings12.94Plant and Machinery Plant and Machinery2.70Computer Electrical Installations and Equipments1,636.15	Additions during the vear									
r Own Use 2.40 sehold 2.40 12.94 Machinery 2.70 Machinery 4,439.00 Installations and 1,636.15 ts		Deletions during the year	As at March 31, 2015	As at April 1, 2014	For the year	Adjustment to Opening Retained Earnings	Deletions	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
12.94 Machinery 2.70 4,439.00 Installations and 1,636.15 ts	ı	0.09	2.31	, 		· ·	I		2.31	2.40
2.70 4,439.00 1,636.15	I	I	12.94	2.98	0.17	ı	I	3.15	9.79	9.96
4,439.00 s and 1,636.15		2.70	I	2.56	·	ı	2.56		1	0.14
stallations and 1,636.15	729.43	29.30	5,139.13	2,173.35	1,482.62	253.55	26.32	3,883.19	1,255.94	2,265.65
	314.97	14.95	1,936.17	295.44	182.13	ı	5.53	472.04	1,464.13	1,340.71
Furniture and Fixtures										
Furniture and Fixtures 1,455.01	233.58	0.57	1,688.02	703.85	111.98	ı	0.34	815.50	872.52	751.16
Office Equipment 2,334.95	355.15	107.71	2,582.38	433.88	641.55	112.84	36.21	1,152.06	1,430.33	1,901.07
Vehicles 21.27	1.68	0.45	22.50	7.65	2.45	I	0.09	10.01	12.49	13.62
Leasehold Improvement 6,854.88 1,	1,056.18	80.75	7,830.31	4,013.26	1,387.85	I	69.13	5,331.99	2,498.32	2,841.62
Intangible Assets										
Computer Software 1,787.69	120.46	I	1,908.15	771.53	456.78	ı	ı	1,228.31	679.84	1,016.16
TOTAL 18,546.99 2,8	2,811.45	236.51	21,121.92	8,404.50	4,265.54	366.39	140.17	12,896.25	8,225.67	10,142.49
Year ended March 31,2014 14,319.61 4,5	4,312.48	85.10	18,546.99	5,482.91	2,955.25	•	33.66	8,404.50	10,142.49	ONE

Vear ended March 31,2014 14,319.61 4,312.48 85.10 18,546.99 5,482.91 2,955.25 - 33.66 8,404.50 10,142.49 - 306.55 Vear ended March 31,2014 14,319.61 4,312.48 85.10 18,546.99 5,482.91 2,955.25 - 33.66 8,404.50 10,142.49 - 306.55 Nith effect from April 1, 2014 the Company has adopted the remaining useful life of assets as required under the Companies Act 2013, which required change in rates of depreciation at the companies for the remaining useful life is already exhausted as on 31st March 2014 has been adjusted against retained earnings. Had there are been no change in rates of depreciation for the financial year would have been lower by ₹ 1,422.24 lacs.

The assets which are shown under the Intangible Assets are not internally self generated assets.

10. NON-CURRENT INVESTMENTS

		₹ in lacs
Particulars	As at Ma	rch 31,
	2015	2014
Long-Term Investment		
I. Unquoted Equity Instruments		
A. Trade Investment		
Investment in subsidiary (valued at cost)		
16,54,40,000 (March 31, 2014: 16,54,40,000) Equity shares of ₹10/- each fully paid-up in Shriram Housing Finance Ltd.	16,544.00	16,544.00
B. Other than Trade Investment		
Investment in other companies (valued at cost)		
(i) 9,63,265 (March 31, 2014: 16,32,653) equity shares of ₹10/- each fully paid-up in Highmark Credit Information Services Private Ltd.	118.00	200.00
(ii) 18,000 (March 31, 2014: Nil) Equity Shares of ₹10/- each fully paid-up in Shriram Seva Sankalp Foundation	1.80	-
Total unquoted non-current investment	16,663.80	16,744.00
II. Quoted Investment		
Investment in Government securities (valued at cost)		
6.13% GOI Loan 2028 of face value ₹100 lacs (Market value as on March 31, 2015 : ₹84.52 lacs)	101.45	101.45
9.22% Gujarat SDL 2023 of face value ₹100 lacs (Market value as on March 31, 2015 : ₹3,209.84 lacs)	3,175.64	-
9.55% Tamil Nadu SDL 2023 of face value ₹100 lacs (Market value as on March 31, 2015 : ₹1,822.01 lacs)	1,833.24	-
9.25% Maharashtra SDL 2023 of face value ₹100 lacs (Market value as on March 31, 2015 : ₹3,703.83 lacs)	3,605.33	-
Total quoted non-current investment	8,715.66	101.45
Total	25,379.46	16,845.45
Aggregate amount of Quoted Investments (cost of acquisition)	8,715.66	101.45
Aggregate amount of Unquoted Investments (cost of acquisition)	16,663.80	16,744.00
Aggregate amount of provision for diminution in value of Investments	36.64	25.41

In accordance with the Reserve Bank of India circular no. RBI/2006-07/225 DNBS (PD) C.C No.87/03.02.2004/2006-07 dated January 4, 2007, the Company has created a floating charge on the statutory liquid assets comprising of investment in Government securities being statutory liquid assets to the extent of ₹8,715.66 lacs (March 31,2014: ₹101.45 lacs) in favour of trustees representing the public deposit holders of the Company.



₹ in lacs

₹ in lacs

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2015

11. DEFERRED TAX ASSETS (NET)

Particulars	As at Ma	arch 31,
	2015	2014
Deferred tax liabilities		
Timing difference on account of :		
Fixed assets: Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	-	-
Deferred expenses incurred for NCD mobilization	476.48	790.52
Gross deferred tax liabilities (A)	476.48	790.52
Deferred tax assets		
Timing difference on account of :		
Fixed assets: Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	990.08	205.03
Provision for service tax	527.89	527.89
Contingent provision against standard assets	1,296.27	1,052.80
Provision for leave benefits	76.30	44.05
Provision for gratuity	408.33	181.46
Provision for bonus	-	353.52
Interest payable	-	24.55
Merger expenses	0.71	0.95
Estimated disallowances	271.92	203.94
Gross deferred tax assets (B)	3,571.50	2,594.19
Deferred tax assets (Net) (B-A)	3,095.02	1,803.67

12. LOANS AND ADVANCES

	Long-	term	Short	-term
Particulars	As at March 31,		As at Ma	arch 31,
	2015	2014	2015	2014
Unsecured, Considered Good				
Capital advances	1,445.18	53.72	-	-
Service tax credit (input) receivable	-	-	38.35	94.63
Prepaid expenses	4.16	-	339.29	245.59
Security deposits	1,472.28	1,664.96	461.71	100.00
Advances recoverable in cash or in kind or for value to be received	-	-	7,597.53	5,810.59
Investment through Pass through certificates	1,252.15	3,087.97	1,800.49	3,395.42
Loans and Advances				
Assets under financing activities :				
- Secured, considered good	504,230.18	403,894.46	957,614.29	784,524.41
- Repossessed Stock	-	-	2,327.69	2,491.90
- Unsecured, considered good	17,114.83	11,743.09	44,187.74	36,304.02
- Doubtful	6,569.34	3,793.25	42,573.54	30,246.99
Total	532,088.12	424,237.45	1,056,940.63	863,213.55

Disclosure on loan against gold as at March 31, 2015 Vide RBI notification DNBS.CC.PD.No.266/03.10.01/2011-12 dated March 26, 2012:

₹ in lacs

Particulars	As at M	As at March 31,	
	2015	2014	
Total Assets under Management	1,574,617.61	1,272,998.13	
Total Loan against gold	294,277.65	245,342.81	
Percentage of Gold Loan on Total Assets (on book)	18.69%	19.27%	

13. OTHER ASSETS

	Non-ci	urrent	Cur	rent
Particulars	As at March 3		As at March 31, As at Ma	
	2015	2014	2015	2014
Bank balances non-current portion [Refer note-15]	9,000.00	1,623.00	-	-
Public issue expenses for non-convertible debentures to the extent not written off or adjusted	708.27	1,494.97	693.55	830.77
Interest accrued on fixed deposit and other loan and advances	198.26	0.40	1,769.27	3,916.44
Securitisation-receivable	3,816.21	7,776.25	6,075.34	13,230.00
Advance Tax (net of provisions for tax)	-	-	4,880.00	-
Total	13,722.74	10,894.62	13,418.16	17,977.21

14. CURRENT INVESTMENTS

Particulars	As at Ma	As at March 31,		
Particulars	2015	2014		
Mutual Funds Units	18,800.00	7,000.00		
Treasury Bills	12,215.99	3,910.00		
Certificate of Deposits with Banks	41,772.70	32,500.00		
Commercial Paper	-	2,500.00		
Total	72,788.69	45,910.00		

14.1 Treasury Bills

Particulars	Date of Investment	Date of Maturity	Rate of Interest	Amount Invested
91D T-Bill	27-Mar-15	25-Jun-15	8.24%	1,470.13
364D T-Bill	27-Mar-15	23-Jul-15	8.20%	974.17
364D T-Bill	27-Mar-15	9-Jul-15	8.20%	9,771.69
Total				12,215.99

14.2 Certificate of Deposits

Particulars	Date of Investment	Date of Maturity	Rate of Interest	Amount Invested
Union Bank	30-Mar-15	10-Jun-15	8.60%	19,666.56
State Bank of Mysore	30-Mar-15	12-Jun-15	8.59%	2,457.18
Bank of India	31-Mar-15	15-Jun-15	8.59%	9,824.28
Corporation Bank	31-Mar-15	15-Jun-15	8.57%	9,824.68
Total				41,772.70

₹ in lacs

₹ in lacs



₹ in lacs

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2015

14.3. Mutual Fund

Particulars	Date of Investment	Date of Maturity	Rate of Interest	Amount Invested
i) FMP-Mutual Fund				
ICICI	11-Jun-14	15-Jun-15	8.80%	1,200.00
Reliance	17-Jun-14	22-Jun-15	8.85%	2,500.00
Reliance	17-Jun-14	22-Jun-15	8.85%	1,500.00
Reliance	17-Jun-14	19-Jun-15	8.85%	1,000.00
ICICI	19-Jun-14	23-Jun-15	8.85%	1,000.00
ICICI	25-Jun-14	29-Jun-15	8.95%	900.00
HDFC	25-Jun-14	29-Jun-15	8.85%	3,200.00
HDFC	2-Jul-14	7-Jul-15	8.83%	1,500.00
Reliance	2-Jul-14	6-Jul-15	8.85%	3,300.00
ICICI	2-Jul-14	6-Jul-15	8.85%	2,000.00
ICICI	8-Jul-14	9-Jul-15	8.90%	500.00
Total (i)				18,600.00
ii) Shriram MF Equity and Debt Opportunity Fund-(Growth)*	22-Nov-13	NA	NA	200.00
Total (ii)				200.00
Total-Mutual Fund(i+ii)				18,800.00

* Since it is an equity and debt opportunity fund under the open ended scheme the maturity date will be considered as redemption date as and when required.

15. CASH AND BANK BALANCES

				₹ in lacs
	Non-ci	urrent	Cur	rent
Particulars	As at March 31, As at M		larch 31,	
	2015	2014	2015	2014
Cash and cash equivalents :				
Balances with banks:				
- Current accounts	-	-	24,686.61	21,515.06
- Balance in unpaid dividend accounts	-	-	60.61	49.53
- Bank deposits with maturity of less than 3 months	-	-	6,500.00	88,433.35
Cash on hand	-	-	5,723.59	6,231.07
Other bank Balances:				
Bank deposits with original maturity for more than 12 months	9,000.00	-	-	-
Bank deposits with original maturity for more than 3 months but less than 12 months	-	-	19,600.00	90,000.00
Margin money deposits	-	1,623.00	21,572.40	41,059.53
	9,000.00	1,623.00	78,143.21	247,288.54
Amount disclosed under the head "non-current asset" [Refer note 13]	(9,000.00)	(1,623.00)	-	-
Total	-		78,143.21	247,288.54

Margin money deposit of ₹ 21,572.39 lacs as at March 31, 2015 (March 31, 2014 ₹42,682.53 lacs) are pledged with banks as margin for securitisation.

16. REVENUE FROM OPERATION

		₹ in lacs	
Particulars	For the year end	For the year ended March 31,	
	2015	2014	
Income from finance and other charges	320,474.87	287,105.23	
Income on Long Term Securitisation / assignment *	11,169.77	20,125.24	
Income on Long Term Investment through Pass Through Certificate-Securitisation *	1,256.37	1,947.22	
Interest on Margin money on securitisation / assignment	3,112.52	4,376.11	
Bad debts recovery	4,504.07	3,796.12	
Interest on deposit with bank	6,571.56	1,597.51	
Interest on Government securities	880.19	42.90	
Other financial services- Commission	254.62	142.78	
Total	348,223.97	319,133.11	

* Includes exempt income (subjected to EIS tax u/s 115 TA of the Income Tax Act) of ₹1,020.06 lacs and Interest on Pass Through Certificate of ₹ 236.31 lacs for the year ended March 31, 2015

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17. OTHER INCOME

	र in lacs	
For the year ended March 31,		
2015	2014	
284.45	5.00	
3,949.10	4,115.77	
125.51	-	
24.05	5.85	
236.15	575.18	
319.99	27.73	
4 939 25	4,729.53	
	2015 284.45 3,949.10 125.51 24.05 236.15	

* All are Short Term nature of income except Gain on sale of Investments

18. EMPLOYEE BENEFITS EXPENSES

		₹ in lacs		
	For the year ende	For the year ended March 31,		
Particulars	2015	2014		
Salaries and allowances	36,658.39	24,485.61		
Contributions to Provident fund and ESI	2,954.35	1,797.09		
Gratuity	713.17	78.07		
Staff welfare expenses	830.31	715.60		
Total	41,156.22	27,076.37		



₹ in lacs

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2015

19. FINANCE COSTS

Deutieuleze	For the year en	For the year ended March 31,	
Particulars	2015	2014	
Interest expense on :			
Debentures	36,475.89	46,551.76	
Subordinate debts	14,938.19	15,231.08	
Fixed deposits	14,585.61	2,048.31	
Loans from banks	56,280.62	57,117.29	
Loans from institutions and others	4,341.26	4,892.15	
Commercial Papers	992.03	121.59	
Other Borrowing Cost:			
Bank Charges	954.84	1,017.36	
Processing and other charges	582.83	885.61	
Brokerage	5,164.22	7,205.39	
Total	134,315.49	135,070.54	

20. OTHER EXPENSES

Destinutore	For the year end	For the year ended March 31,	
Particulars	2015	2014	
Rent	4,015.35	3,491.95	
Power and fuel expenses	844.66	822.72	
Repairs & maintenance to Buildings	889.78	860,56	
Repairs & maintenance to Office Equipments	48.27	31.02	
Office upkeep expenses	1,121.99	787.46	
Rates, duties & taxes	1,015.98	804.07	
Printing & stationery	1,888.52	1,788.34	
Travelling & conveyance	5,175.83	5,389.06	
Advertisement	1,271.41	1,280.34	
Business promotion expenses	4,234.33	1,976.18	
Commission	4,483.96	3,435.10	
Sourcing fees and other charges		2,542.20	
Royalty	2,478.29	882.28	
Directors' sitting fees	25.84	5.89	
Insurance	428.84	570.43	
Communication expenses	3,082.89	2,958.87	
Payments to the auditor		·	
(a) Audit fees	22.87	20.24	
(b) Tax audit fees	5.56	6.05	
(c) Certification and other services	6.69	4.93	
(d) Out of pocket	11.57	11.37	
Professional charges	8,675.34	10,797.49	
Legal & professional fees	807.01	1,030.94	
Donations	0.20	10.70	
Public issue expenses for non-convertible debentures	977.45	575.41	
Loss on sale of assets	10.11	33.75	
Loss on sale of Investments	76.05	-	
Corporate Social Responsibility	9.33	-	
Miscellaneous expenses	2,328.76	2,237.40	
Total	43,936.88	42,354.75	

21. PROVISIONS & WRITE OFFS

Particulars	For the year ended March 31,		
	2015	2014	
Provision for non performing assets	12,080.92	7,732.66	
Contingent provision for standard assets	716.29	(189.53)	
Bad debts written off	32,571.95	30,870.53	
Provision for diminution in value of Investments	11.23	5.71	
Total	45,380.39	38,419.37	

₹ in lacs

22. EARNINGS PER SHARE (EPS)

		₹ in lacs
Deutionland	As at I	March 31,
Particulars	2015	2014
Net profit after tax as per statement of profit and loss (₹ in lacs) (A)	55,806.39	52,114.32
Weighted average number of equity shares for calculating Basic EPS (No. in lacs) (B)	647.57	580.60
Weighted average number of equity shares for calculating Diluted EPS (No. in lacs) (C)	648.65	582.06
Basic earnings per equity share (in ₹) (Face value of ₹10/- per share) (A) / (B)	86.18	89.76
Diluted earnings per equity share (in ₹) (Face value of ₹10/- per share) (A) / (C)	86.03	89.53

Particulars		As at March 31,	
		2014	
Weighted average number of equity shares for calculating EPS (No. in lacs)	647.57	580.60	
Add : Equity shares arising on conversion of optionally convertible warrants (No. in lacs)	-	-	
Add : Equity shares for no consideration arising on grant of stock options under ESOP (No. in lacs)	1.08	1.46	
Weighted average number of equity shares for calculating diluted EPS (No. in lacs)	648.65	582.06	



₹ in lacs

₹ in lacs

₹ in lacs

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2015

23. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

The Company has an unfunded defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for a gratuity on separation at 15 days basic salary (last drawn salary) for each completed year of service. Consequent to the adoption of AS 15 'Employee Benefits' (revised), the following disclosures are made as required by the standard:

Statement of Profit and Loss

Net Employee benefit expenses recognised in the employee cost

	Gratuity For the year ended March 31,		
Particulars			
	2015	2014	
Current service cost	235.81	209.18	
Interest cost on benefit obligation	93.63	84.99	
Expected return on plan assets	N.A.	N.A.	
Net actuarial (gain) / loss recognised in the year	383.73	(216.10)	
Past service cost	-	-	
Net benefit expense	713.17	78.07	
Actual return on plan assets	N.A.	N.A.	

Balance sheet

Benefit asset/liability

	Gratuity As at March 31,		
Particulars			
	2015	2014	
Defined benefit obligation	1,955.49	1,005.76	
Fair value of plan assets	N.A.	N.A.	
Total	1,955.49	1,005.76	
Less: Unrecognised past service cost	-	-	
Plan asset / (liability)	(1,955.49)	(1,005.76)	

Changes in the present value of the defined benefit obligation are as follows:

Particulars	Gratuity As at March 31,	
	Opening defined benefit obligation	1,005.76
Interest cost	93.64	84.99
Current service cost	235.81	209.18
Transferred in liabilities	282.28	(86.04)
Benefits paid	(45.73)	(48.64)
Actuarial (gains) / losses on obligation	383.73	(216.10)
Closing defined benefit obligation	1,955.49	1,005.76

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	₹ in lacs	
	Gratuity	
Particulars	As at March 31,	
	2015 2014	
Investments with insurer	NA NA	

The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

	Gratuity	
Particulars	As at March 31,	
	2015	2014
Discount Rate	8.08%	9.31%
Increase in compensation cost	5.00%	5.00%
Employee Turnover	2.00%	2.00%

The estimates of future salary increases, considered in actuarial valuation, are on account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

₹ in lacs

Amounts for the Current and previous three years are as follows:

				(III laco
Deutionlare		As at March 3	1,	
Particulars	2015	2014	2013	2012
Defined benefit obligation	1955.49	1,005.76	1,062.37	259.89
Plan assets	NA	NA	NA	NA
Surplus / (deficit)	(1955.49)	(1005.76)	(1062.37)	(259.89)
Experience adjustments on plan liabilities	(84.58)	(89.71)	(136.10)	(35.18)
Experience adjustments on plan assets	NA	NA	NA	NA

The Company has a leave encashment policy. The leave encashment liability is computed based on actuarial valuation and stands at ₹ 562.32 lacs as on March 31,2015 (₹ 395.16 lacs as on Mar 31, 2014)

24. EMPLOYEE STOCK OPTION PLAN

24.1 The Company provides share-based payment schemes to its Employees. For the period ended March 31, 2015 an Employee Stock Option Plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below:

Date of Shareholder's approval	:	October 30 2006
Date of grant	:	October 19 2007
Date of Board Approval	:	October 19 2007
Number of options granted	:	13,55,000
Method of Settlement (Cash/Equity)	:	Equity
Graded vesting period:		
After 1 year of grant date	:	10% of options granted
After 2 years of grant date	:	20% of options granted
After 3 years of grant date	:	30% of options granted
After 4 years of grant date	:	40% of options granted
Exercisable period	:	10 years from vesting date
Vesting Conditions	:	on achievement of pre-determined targets



The details of Series I have been summarized below:

	As at M	larch 31, 2015	As at M	arch 31, 2014
Particulars	Number of Shares	Weighted Average Exercise Price(in ₹)	Number of Shares	Weighted Average Exercise Price(in ₹)
Outstanding at the beginning of the year	151,610	35.00	188,660	35.00
Add: Granted during the year	-	-	-	-
Less: Forfeited during the year	-	-	-	-
Less: Exercised during the year	41,340	35.00	37,050	35.00
Less: Expired during the year	-	-	-	-
Outstanding at the end of the period	110,270	35.00	151,610	35.00
Exercisable at the end of the period	-	-	-	-
Weighted average remaining contractual life (in years)	-	5.55	-	6.55
Weighted average fair value of options granted	-	227.42	-	227.42

The details of exercise price for stock options outstanding at the end of the period are:

As at March 31,	Range of exercise prices (in ₹)	No. of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average Exercise Price (in ₹)
2015	35.00	110,270	5.55	35.00
2014	35.00	151,610	6.55	35.00

STOCK OPTIONS GRANTED

The weighted average fair value of stock options granted was ₹ 227.42. The Black Scholes model has been used for computing the weighted average fair value of options considering the following inputs:

Particulars	2006	2007	2008	2009
Exercise Price (₹)	35.00	35.00	35.00	35.00
Expected Volatility (%)	55.36	55.36	55.36	55.36
Historical Volatility	NA	NA	NA	NA
Life of the options granted (Vesting and exercise period) in years	1.50	2.50	3.50	4.50
Expected dividends per annum (₹)	3.00	3.00	3.00	3.00
Average risk-free interest rate (%)	7.70	7.67	7.66	7.67
Expected dividend rate (%)	0.84	0.84	0.84	0.84

The expected volatility was determined based on historical volatility data equal to the NSE volatility rate of Bank Nifty which is considered as a comparable peer group of the Company. To allow for the effects of early exercise it was assumed that the employees would exercise the options within six months from the date of vesting in view of the exercise price being significantly lower than the market price.

Effect of the employee share-based payment plans on the profit and loss account and on its financial position:

		₹ in lacs
Deutionland	As at March	31,
Particulars	2015	2014
Compensation cost pertaining to equity-settled employee share-based payment plan included above	-	-
Liability for employee stock options outstanding as at end of period	249.71	343.32
Deferred compensation cost	Nil	Nil

Since the Company used the intrinsic value method the impact on the reported net profit and earnings per share by applying the fair value based method is as follows:

In March 2005, the ICAI issued a guidance note on "Accounting for Employees Share Based Payments" applicable to Employee based share plan, the grant date in respect of which falls on or after April 1 2005. The said guidance note

requires that the proforma disclosures of the impact of the fair value method of accounting of employee stock compensation accounting in the financial statements. Applying the fair value based method defined in the said guidance note the impact on the reported net profit and earnings per share would be as follows:

Particulars		As at Mar 31,		
Particulars	2015	2014		
Profit as reported (₹ in lacs)	55,806.39	52,114.32		
Add: Employee stock compensation under intrinsic value method (₹ in lacs)	-	-		
Less: Employee stock compensation under fair value method (₹ in lacs)	-	-		
Proforma profit (₹ in lacs)	55,806.39	52,114.32		
Less: Preference Dividend	-	-		
Proforma Net Profit for Equity Shareholders	55,806.39	52,114.32		
Earnings per share				
Basic (₹)				
- As reported	86.18	89.76		
- Proforma	86.18	89.76		
Diluted (₹)				
- As reported	86.03	89.53		
- Proforma	86.03	89.53		

24.2 A new ESOP scheme "SCUF Employees Stock Option Scheme 2013" was approved at an EGM on May 31, 2013. Accordingly 2,627,000 equity shares @ ₹10 each have been reserved under this scheme with an exercise price of ₹300 per option and with a maximum vesting period of five years from the date of grant.

25. SEGMENT INFORMATION

The Company has got a single reportable segment. Therefore, the segment wise reporting has not been given.

26. RELATED PARTY DISCLOSURE

I) Key Managerial Personnel

- a. Mr. R Duruvasan, Managing Director & CEO
- b. Mrs. Subhasri Sriram, Chief Financial Officer
- c. Mr. C R Dash, Company Secretary

II) Relatives of Key Managerial Personnel

- a. Ms. A. Komaleeswari (Spouse of Mr. R Duruvasan)
- b. Mr. Aiyneni Ramachandra Naaidu (Father of Mr. R Duruvasan)
- c. Ms. Aiyneni Ammayamma (Mother of Mr. R Duruvasan)
- d. Mr. Aiyneni Vamsi Krishna (son of Mr. R Duruvasan)
- e. Mr. B. Perumal (Brother of Mr. R Duruvasan)
- f. Mr. S.Usha Rani (Sister of Mr. R Duruvasan)
- g. Mr. Sriram (Spouse of Mrs. Subhasri Sriram)
- h. Mr. Sankaralingam (Father of Mrs. Subhasri Sriram)
- i. Ms. Gomathy Lingam (Mother of Mrs. Subhasri Sriram)
- j. Mr. Sailesh Sriram (Son of Mrs. Subhasri Sriram)
- k. Ms. Shewta Sriram (Daughter of Mrs. Subhasri Sriram)
- I. Ms. Sasmita Dash (Spouse of Mr. C R Dash)
- m. Mr. Durga Charan Dash (Father of Mr. C R Dash)
- n. Ms. Radhamani Dash (Mother of Mr. C R Dash)
- o. Mr. Abhijit Dash (Son of Mr. C R Dash)

III) Subsidiary

Shriram Housing Finance Limited

IV) Associates

- a. Shriram Capital Ltd
- b. TPG India Investments I INC

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26.1 Details of Transactions

(₹) in lacs

31, As at March 31,		Enterprises having significant influence over the Company	/ing significant the Company	Subsidiaries	aries	Director/ Key Managerial Personnel	Managerial	Total	_
	Particulars	As at Ma	arch 31,	As at Ma	rch 31,	As at Ma	rch 31,	As at Mai	ch 31,
		2015		2015	2014	2015	2014	2015	
	Payments/Expenses								
\circ 363.17 363.11 363.11 <td>Royalty to SOT</td> <td>2,479.88</td> <td>882.28</td> <td>I</td> <td>I</td> <td>I</td> <td>I</td> <td>2,479.88</td> <td>882.28</td>	Royalty to SOT	2,479.88	882.28	I	I	I	I	2,479.88	882.28
spannotion performs to SCL $2,179,03$ $2,179,03$ $2,179,03$ $2,179,03$ $2,179,03$ $2,1916,39$ $1,1966,36$ $1,1916,39$ $1,1200,39$ $2,1916,39$ $1,1200,39$ $2,1400,39$	Data Sourcing Fees to SOT	I	363.17	ı		1		'	363.17
sponnotion pensets to Scl. 208.27 (1,916.38) 208.27 (1,916.38) 208.27 (1,916.38) 208.27 (1,916.38) 208.27 (1,916.38)	Service Charges to SOT	•	2,179.03	'	•	'	•	'	2,179.03
	Reimbursement of business promotion	208.27		'	1	'	1	208.27	
SHL 136.03 138.03 136.03 156.63 157.743 171.77 127.49 171.77 127.49 171.77 127.49 171.77 127.49 171.77 127.49 171.77 127.49 171.73 127.49 171.77 127.49 171.73 127.49 171.73 127.49 <td>License Fees to SCL</td> <td>1,916.89</td> <td>1,666.86</td> <td>ı</td> <td>1</td> <td>ı</td> <td>I</td> <td>1,916.89</td> <td>1,666.86</td>	License Fees to SCL	1,916.89	1,666.86	ı	1	ı	I	1,916.89	1,666.86
HL 1	Rent and other expenses to SHFL		•	156.63	138.00	1	1	156.63	138.00
SHEL $7,400.00$ $7,400.00$ $7,400.00$ $7,400.00$ $7,400.00$ 3 HL 1,586.63 1,177 1,274.94 1,717 9,540.00 1,177 1,274.94 1,717 9,586.60 1,177 9,586.60 1,177.44 <td>Loan given to SHFL</td> <td>•</td> <td>•</td> <td>14,200.00</td> <td>2,500.00</td> <td>'</td> <td>•</td> <td>14,200.00</td> <td>2,500.00</td>	Loan given to SHFL	•	•	14,200.00	2,500.00	'	•	14,200.00	2,500.00
NFHL 18.66 18.66 18.66 18.66 18.66 18.66 18.66 18.66 18.66 18.66 18.66 18.66 18.66 18.66 18.66 18.66 18.66 19.66	Payment of Loan given by SHFL	I		7,400.00	I	I	I	7,400.00	ı
Final Here 1,506.63 1,506.63 1,506.63 1,506.63 1,382.75 1,506.63 1,382.75 1,132.75 1,132.75 1,132.75 1,132.75 1,132.75 1,132.75 1,132.75 1,132.75 1,132.75 1,132.75 1,132.74 1,117.77 1,117.38 1,173.71 1,117.38 1,173.31 1,173.31 1,173.31 1,173.31 1,173.31 1,173.38 1,173.38 1,173.38 1,173.38 1,173.38 1,173.38 1,173.38 1,173.38 1,173.38 1,173.38 1,173.38 1,173.38 1,173.38 1,173.38 1,173.38	Interest on Borrowings from SHFL	ı		18.66	I	I	I	18.66	I
sin SHL 1,382.75 - 1,382.75 -	Equity dividend to SRHPL*	'	1,596.63	'		·		'	1,596.63
si SHFL si SHFL al Personnel al Personnel	Equity dividend to SCL	•	1,382.75	'		•		'	1,382.75
si n SHT = 5 i S = 9,544.00 = 171.77 = 127.49 = 171.77 = 127.49 = 171.77 = 127.49 = 171.77 = 127.49 = 171.77 = 127.49 = 171.77 = 128.60 = 14.200.00 =	Equity dividend to TPGI	'	536.88	'	•	'	•	'	536.88
al Personnel <t< td=""><td>Investments in Equity shares in SHFL</td><td>'</td><td>•</td><td>'</td><td>9,544.00</td><td>'</td><td>•</td><td>'</td><td>9,544.00</td></t<>	Investments in Equity shares in SHFL	'	•	'	9,544.00	'	•	'	9,544.00
Ime-SHFL Import Imp	Payments of Key Managerial Personnel	'		'		171.77	127.49	171.77	127.49
me-SHL 298.60 186.90 298.60 298.60 298.60 298.60 298.60 298.60 298.60 298.60 298.60 298.60 298.60 298.60 298.60 298.60 28.73 24.00 29.20 29.20 29.20 29.20 29.20 29.20 29.20 29.20 29.20 20.20	Receipts								
	Commission, sublease income - SHFL	ı		298.60	186.90	I	ı	298.60	186.90
	Reimbursement of expenses - SHFL	I		8.72	4.58	I	I	8.72	4.58
	Repayment of Loan -SHFL	ı		14,200.00	2500.00	ı	ı	14,200.00	2,500.00
	Interest on Loan -SHFL	ľ		155.42	ı	ı	ı	155.42	
	Loan from SHFL	I	1	7,400.00	I	I	I	7,400.00	I
equity/securities 17,385.00 - 17,385.00 - - 17,385.00 - - 17,385.00 - 17,385.00 - - 17,385.00 - 17,385.00 - 17,385.00 - 17,345.10 17,345.10 17,342.10 17,342.10 1,342.19 1,32.71 1,32.71 1	Sale of Land	1		0.28	ı	1	I	0.28	I
It 2,226.89 2,226.89 2,226.89 2, 1,342.19 1,342.19 1,342.19 1,342.19 1,342.19 1,342.19 1,342.19 1, L 1,342.19 1,342.19 1,342.19 1,342.19 1, L 1,342.19 1,342.10 16,544.00 16,544.00 16,544.00 16,744.00 1	Conversion warrants into equity/securities premium - SCL	I	17,385.00	I	·	ı	I	ı	17,385.00
2,226.89 2,226.89 2,226.89 2,226.89 2, FL 1,342.19 - - - - - 2,226.89 1, FL 1,342.19 - - - - - 1,342.19 1, L 1,342.19 - 16,544.00 16,544.00 16,544.00 16, L - 117.38 117.38 117.38 17.38 17.38 FL - - 32.71 17.19 - - 32.71 FL - - 0.71 17.19 - - 32.71 FL - - 0.71 17.19 - - - 117.38 - - 117.38 -	Balance outstanding as at								
FL 1,342.19 1,342.19 - - - - - 1,342.19 1,1342.19 1,1342.19 1,1342.19 1,1342.19 1,1342.19 1,1342.19 1,1342.19 1,1342.19 1,1342.19 1,1342.19 1,1342.19 1,1342.19 1,1342.19 1,1332.11	Share Capital held by SCL	2,226.89	2,226.89		•	'	•	2,226.89	2,226.89
FL - - 16,544.00 16,544.00 - - - 16,544.00 16, L - - - 117.38 117.38 - - - 117.38 117.38 L - - - 177.38 117.38 177.38 - - 117.38 117.38 FL - - - 32.71 17.19 - - 32.71 FL - - 0.71 17.19 -	Share Capital held by TPGI	1,342.19	1,342.19	'	•	'	•	1,342.19	1,342.19
L 117.38 117.38 117.38 117.38 117.38 117.38 117.38 117.38 117.38 117.38 117.38 117.38 117.38 117.38 117.38 117.38 117.39	Investment in Shares of SHFL	•	•	16,544.00	16,544.00	'	•	16,544.00	16,544.00
IFL - - - - - - - - 32.71 - - - - 0.71 17.19 - - 32.71 - - - 0.71 - - 0.71 - 11.83 - - 0.71 - - 0.71 - 11.83 - - - - - - 0.71 - 11.83 -	Security deposits with SHFL	'		117.38	117.38	'		117.38	117.38
- - - - - 0.71 - - 0.71 - 11.83 - - - - - 0.71 - 11.83 - - - - - 11.83 - 626.88 - - - - - -	Outstanding Receivable SHFL	ľ		32.71	17.19	ı	ı	32.71	17.19
	Outstanding Payable SHFL	ı		0.71	I	I	I	0.71	ı
- 626.88	Outstanding Expenses SCL	11.83		ı	I	I	I	11.83	ı
	Outstanding Expenses SOT	•	626.88	'		'	'	•	626.88

SHHPL stands merged with Shriram City Union Finance Ltd. as on March 31, 2014. (reter note no.3.5)

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27. CONTINGENT LIABILITIES AND COMMITMENTS TO THE EXTENT NOT PROVIDED FOR

(I) CONTINGENT LIABILITIES

	As at M	arch 31,
Income Tax	2015	2014
a. Income Tax	4,831.24	7,570.87
b. Kerala Value Added Tax	4.65	4.65

₹ in lacs

The Income tax assessment of the Company has been completed up to the Assessment Year 2012-13.

The disputed demand outstanding for the assessment Year 2012-13 is ₹ 2,337.47 lacs. For assessment year 2011-12, disputed demand outstanding is ₹ 1,530.54 lacs. For assessment year 2010-11, disputed demand outstanding is ₹ 963.23 lacs. The Company has filed appeal for all these disputed cases. The appeal is pending before the Commissioner of Income Tax Appeals, Chennai & ITAT, Chennai.

The disputed Kerala Value Added Tax demand on account of sale of seized vehicles for the assessment year 2007-08 is ₹4.65 lacs. The Company has filed appeal before the Deputy Commissioner (Appeals), Ernakulam.

(II) COMMITMENTS

As at March 31, 2015, ₹ 5.88 lacs (March 31, 2014 ₹ 36.89 lacs) (net of advances) is the estimated amount of contracts remaining to be executed on capital account.

28. UTILIZATION OF MONEY RAISED THROUGH PUBLIC ISSUE OF DEBENTURE AND PREFERENTIAL ISSUE OF EQUITY SHARES AND WARRANTS

(i) Through public issue of debentures [Refer note 5.1 (A)(iii)]

During the year ended March 31, 2015, the Company has raised ₹20,000 lacs through public issue of secured redeemable non-convertible debenture of face value of ₹1,000/- each. The proceeds of issue are utilized for the following purpose:

Particulars	₹ in lacs
Investment in Mutual Funds	14,498.28
Repayment of loans from Bank, Funding of Cash Credit accounts	5,501.72
Total	20,000.00

During the year ended March 31, 2014, the Company has raised ₹15,361.06 lacs through public issue of secured redeemable non-convertible debenture of face value of ₹1,000/- each. The proceeds of issue are utilized for the following purpose:

Particulars	₹ in lacs
Investment in Certificate of deposits	497.04
Investment in Mutual Funds	14,864.02
Total	15,361.06

(ii) Preferential Issue of Shares to M/s Piramal Enterprises Limited [Refer note- 3.1]

The funds amounting to ₹78,958.08 lacs raised through issue of equity share to M/s Piramal Enterprises Limited ("PEL") has been utilized for business purpose.



₹ in lacs

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2015

29. SECURITISATION / ASSIGNMENT

SECURITISATION / DIRECT ASSIGNMENT

The Company sells through securitisation and direct assignment

The information on securitisation of the Company as on originator in respect of securitisation transactions done during the year is given below

		₹ in lacs
	Year ende	d March 31,
Particulars	2015	2014
Total number of transactions under par structure	2	6
Total book value of assets	29,968.29	120,117.00
Sale consideration received	29,968.29	120,117.00

The information on securitisation of the Company as on originator in respect of outstanding amount of securitised assets is given below:

0.1	Particulars		Year ended	March 31,
S.No.	Pai	rticulars	2015	2014
1	No	of SPVs sponsored by the NBFC for securitisation transactions	12	14
2		al amount of securitised assets as per books of the SPVs sponsored by NBFC	93,426.78	171,752.07
3		al amount of exposures retained by the NBFC to comply with MRR as on a date of balance sheet		
	a)	Off-balance sheet exposures		
		First loss	-	-
		Others	-	-
	b)	On-balance sheet exposures		
		First loss	20,302.28	20,190.00
		Others	2,599.64	5,726.37
4	Am	nount of exposures to securitisation transactions other than MRR		
	a)	Off-balance sheet exposures		
		i) Exposure to own securitisations		
		First loss	-	-
		loss	-	-
		ii) Exposure to third party securitisations		
		First loss	-	-
		Others	-	-
	b)	On-balance sheet exposures		
		i)Exposure to own securitisations		
		First loss	1,093.60	2,240.39
		Others	191.93	5,454.67
		ii)Exposure to third party securitisations		
		First loss	-	-
		Others	-	-

Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

0.1	o. Particulars		Year ended March 31,		
5.NO.			2014		
i)	No. of accounts	12	14		
ii)	Aggregate value (net of provisions) of accounts sold to SC / RC	295,468.71	386,057.68		
iii)	Aggregate consideration	237,228.55	306,081.17		
iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-		
V)	Aggregate gain / loss over net book value	29,355.68	43,786.09		

The information on direct assignment of the Company as on originator in respect of par transactions done during the year is NIL

The information on direct assignment of the Company as on originator in respect of outstanding amount of assets assigned under par structure is given below:

• • •			Year ended	March 31,
S.No.	Part	iculars	2015	2014
1	No.	of transactions assigned by the Company	1	7
2	Tota	l amount of outstanding	2,610.68	21,801.65
3		l amount of exposures retained by the NBFC to comply with MRR as on the of balance sheet		
	a)	Off-balance sheet exposures		
		First loss	-	-
		Others	-	-
	b)	On-balance sheet exposures		
		First loss	-	-
		Others	-	-
4	Amo	ount of exposures to assigned transaction other than MRR		
	a)	Off-balance sheet exposures		
		i) Exposure to own securitisations		
		First loss	-	-
		loss	-	-
		ii) Exposure to third party securitisations		
		First loss	-	-
		Others	-	-
	b)	On-balance sheet exposures		
		i)Exposure to own securitisations		
		First loss	-	8,458.48
		Others	261.07	501.01
		ii)Exposure to third party securitisations		
		First loss	-	-
		Others	-	-

Details of Assignment transactions undertaken by NBFCs

₹ in lacs

₹ in lacs

₹ in lacs

	. Particulars –		Year ended March 31,		
5.NO.			2014		
i)	No. of accounts	1	8		
ii)	Aggregate value (net of provisions) of accounts sold	9,987.91	141,975.95		
iii)	Aggregate consideration	7,405.96	100,407.99		
iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-		
V)	Aggregate gain / loss over net book value	1,178.57	24,210.89		

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₹ in lacs

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2015

The information on direct assignment of the Company as on originator in respect of premium transactions done during the year is NIL

The information on direct assignment of the Company as on originator in respect of outstanding amount of assets assigned under premium structure is given below :

S.No.	Particulars	Year ended	March 31,
3.NO.		2015	2014
1	No. of transactions assigned by the Company	-	1
2	Total amount of outstanding	-	24.42
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	First loss	-	
	Others	-	
	b) On-balance sheet exposures		
	First loss	-	
	Others	-	
4	Amount of exposures to assigned transaction other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss	-	
	Loss	-	
	ii) Exposure to third party securitisations		
	First loss	-	
	Others	-	
	b) On-balance sheet exposures		
	i)Exposure to own securitisations		
	First loss	-	1,709.00
	Others	-	
	ii)Exposure to third party securitisations		
	First loss	-	
	Others	-	

30. Disclosure of frauds reported during the year ended Mar 31, 2015

Vide DNBS. PD. CC NO. 256/03.10.042/2011-12 dated 02 MARCH, 2012

₹ in lacs

		Less ₹1	₹ 1 to 25 lace		Greater than ₹ 25 lacs		Total		
		Number	Value	Number	Value	Number	Value	Number	Value
A)	Person involved								
	Staff	-	-	1	18.70	-	-	1	18.70
	Customer	-	-	1	3.56	1	681.80	2	685.36
	Customer & Outsider	-	-	-	-	-	-	-	-
	Staff, Customer & Outsider	-	-	-	-	-	-	-	-
	Total	-	-	2	22.26	1	681.80	3	704.06
B)	Type of Fraud								
	Misappropriation and Criminal breach of trust	-	-	1	18.70	-	-	1	18.70
	Fraudulent encashment/ manipulation of books of accounts	-	-	-	-	-	-	-	-
	Unauthorised credit								
	facility extended	-	-	-	-	-	-	-	-
	Cheating and Forgery	-	-	1	3.56	1	681.80	2	685.36
	Total	NIL	NIL	2	22.26	1	681.80	3	704.06

31. DERIVATIVE INSTRUMENTS:

The amount of derivative transactions outstanding as on March 31, 2015 is NIL (March 31, 2014 Nil). The Company entered into a interest rate swap to convert the floating rate into a fixed rate liability @ 10.49% till maturity date of March 30, 2017 (underlying long term debt of ₹27,500 lacs).

31.1. Disclosures on Risk Exposure in Derivatives

a) Qualitative Disclosures

Currently there are no transactions involving derivatives trading and that the existing transaction is in nature of interest rate swap (where in the Company have converted a floating rate liability to a fixed rate).

₹ in lacs

₹ in lacs

b) Quantitative Disclosures-NIL

31.2. Forward Rate Agreement / Interest Rate Swap

S.No.	Derticulare	Year ended March 31,		
5.NO.	Particulars	2015 20	2014	
i)	The notional principal of swap agreements	27,500.00	27,500.00	
ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	-	
iii)	Collateral required by the NBFC upon entering into swaps	-	-	
iv)	Concentration of credit risk arising from the swaps	-	-	
V)	The fair value of the swap book	-	-	

32. EXPOSURE TO CAPITAL MARKET

S.No.	Particulars	Year ended	March 31,
3.110.	Fatuculais	2015	2014
(i)	Direct investment in equity shares, convertible bonds, convertible deben- tures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	200.00	200.00
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equi- ty-oriented mutual funds;	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	38,774.95	28,719.44
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	11,687.16	-
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporate against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
	Total Exposure to Capital Market	50,662.11	28,919.44

Shriram City Union Finance Limited

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33. EXPENDITURE IN FOREIGN CURRENCY (CASH BASIS) ₹ in lacs

Particulars	For the year er	For the year ended March 31,	
	2015	2014	
Legal fees	-	13.81	

34. The Company had no discontinuing operations during the year ended March 31, 2015 and during the year ended March 31, 2014.

35. The Company has taken various office premises under operating lease. The lease payments recognized in the statement of profit and loss account are ₹4,015.35 lacs (March 31, 2014 - ₹3,491.95 lacs). Certain agreements provide for cancellation by either party and certain agreements contain clauses for escalation and renewal of agreements. There are no restrictions imposed by lease arrangements. The future minimum lease payments in respect of non-cancellable operating leases as at the Balance sheet days are summarized below:

		₹ in lacs
Particulars	For the year e	nded March 31,
Particulars	2015	2014
a. Not later than 1 year	209.35	-
b. More than 1 year and less than 5 years	335.08	43.48
c. Later than 5 years	1.71	165.78

36. In addition to payments made to auditors shown in Note-20, the Company has made a payment of Nil (March 31, 2014 ₹8.99 lacs) to auditors for services rendered by them in connection with the public issue of non-convertible debentures amortised as "public issue expenses for non-convertible debentures" in accordance with the accounting policy stated under Note 2.1.(r)

37. Capital

C No	Dertioulere	Year ended	Mar 31,
S.No.	Particulars	2015	2014
i)	CRAR (%)	29.03%	25.77%
ii)	CRAR - Tier I Capital (%)	24.80%	19.87%
iii)	CRAR - Tier II Capital (%)	4.23%	5.89%
iv)	Amount of subordinated debt raised as Tier-II capital (₹ in lacs)	64,115.03	77,390.76
V)	Amount raised by issue of Perpetual Debt Instruments	-	-

38. Investment

₹ in lac	s
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S.No.	Particulars	Year ende	d Mar 31,
5.NO.	Particulars	2015	2014
1)	Value of Investments		
	i) Gross Value of Investments		
	a) In India	98,168.15	62,755.45
	b) Outside India	-	-
	ii) Provisions for Depreciation		
	a) In India	36.64	25.41
	b) Outside India	-	-
	iii) Value of Net Investments		
	a) In India	98,131.51	62,730.04
	b) Outside India	-	-
2)	Movement of provisions held towards depreciation on investments		
	i) Opening Balance	25.41	19.70
	ii) Add : Provisions made during the year	11.23	5.71
	iii) Less : Write-off / write-back excess provisions during the year	-	-
	iv) Closing Balance	36.64	25.41

39. Details of non-performing financial assets purchased / sold - Nil

40. Details of financing of parent company products - Nil

41. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFCs - Nil

42. Registration obtained from other financial sector regulators - Nil

43. Disclosure of Penalties imposed by RBI and other regulators - Nil

44. Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head **Current Year Previous Year Expenditure in Profit and Loss Account** Provisions for depreciation on Investment 11.23 5.71 Provision towards NPA 12,080.92 7,732.66 Provision towards Income tax 25,859.78 29,593.66 Other Provision and Contingencies-Bad Debts written off 32,571.95 30,870.53 **Provision for Standard Assets** 716.29 (189.53)Provision for Gratuity 949.73 (56.61)Provision for Leave benefits 167.16 275.46

45. Draw Down Reserves - Nil

46. Concentration of Deposits, Advances, Exposures and NPAs

a. Concentration of Deposits (for deposit taking NBFCs)	₹ in lacs
Total Deposits of twenty largest depositors	2,446.42
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	1.16%
b. Concentration of Advances	₹ in lacs
Total Advances to twenty largest borrowers	70,935.68
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	4.50%
c. Concentration of Exposures	₹ in lacs
Total Exposure to twenty largest borrowers /customers	70,935.68
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	4.50%
d. Concentration of NPAs	₹ in lacs
Total Exposure to top four NPA accounts	6,736.44



₹ in lacs

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2015

e. Sector-wise NPAs

S.No.	Sector	Percentage of NPAs to Total Advances in that sector
1	Agriculture & allied activities	-
2	MSME/ Corporate borrowers	2.49%
3	Services	-
4	Unsecured personal loans	4.23%
5	Auto loans	
	i) Auto Loans	4.64%
	ii) Two wheeler	4.70%
6	Other personal loans	
	i) Consumer Durable	9.26%
	ii) Pledged Jewel	2.28%

47. Movement of NPAs

0.11-	Deutioulare	Year ended	March 31,
5.NO.	Particulars	2015	2014
i)	Net NPAs to Net Advances (%)	0.68%	0.60%
ii)	Movement of NPAs (Gross)		
	a) Opening balance	34,040.24	29,423.53
	b) Additions during the year	41,831.79	30,011.73
	c) Reductions during the year	26,729.16	25,395.03
	d) Closing balance	49,142.87	34,040.24
iii)	Movement of Net NPAs		
	a) Opening balance	7,640.62	10,756.58
	b) Additions during the year	10,195.10	7,391.64
	c) Reductions during the year	7,173.38	10,507.59
	d) Closing balance	10,662.34	7,640.62
iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	a) Opening balance	26,399.62	18,666.96
	b) Provisions made during the year	31,636.70	22,620.10
	c) Write-off / write-back of excess provisions	19,555.78	14,887.43
	d)Closing balance	38,480.54	26,399.62

48. Corporate Social Responsibility

Section 135 of the Companies Act, 2013, which mandates CSR for specified companies, applies to the Company. Accordingly the Company is required to spend at least 2% of the average net profits of the Company made during the three immediately preceding financial years. which amounts to ₹ 1,313.39 lacs for the year 2014-15. The Company has spent ₹9.33 lacs during the year.

49. Overseas Assets (for those with Joint Ventures and Subsidiaries abroad) - Nil

50. Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms) - Nil

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51. Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

₹ in lacs

Particulars	Upto 30/31 Days	Upto 30/31 Over 1 month Days upto 2 Months	Over 2 months upto 3months	Over 3 months & up to 6 months	Over 6 Months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	3,882.67	2,487.50	2,829.61	10,273.40	20,887.00	160,791.15	12,233.25	1	213,384.58
Advances	56,155.74	83,807.22	81,650.20	260,135.24	529,078.60	433,114.04	72,795.41	19,400.64	1,536,137.09
Investments	1	1	54,542.83	18,045.87	200.00		'	25,379.46	98,168.16
Borrowings	18,150.41	9,377.92	51,082.13	115,712.92	259,670.60	432,158.48	123,331.94	14,772.81	1,024,257.21
Foreign Currency assets	I	1	I	1	1	I	1	I	I
Foreign Currency liabilities	•	1	•		1	'	1	'	•

52. Rating assigned by credit rating agencies and migration of ratings during the year

Rating Agency	Rating Instrument	Rating Assigned as on March 31,2015
	Long-Term	IND AA' / Stable
	Short-Term	+1ND A1 +
India Hatings	Bank Loan Ratings	IND AA'
	Fixed deposit	,IND tAA'
	Long-Term	CARE AA +
	Short-Term	CARE A1 +
care naurigs	Subordinate Debt	CARE AA +
	Fixed deposit	CARE AA+ (FD)
	Long-Term	ICRA AA / stable
ICRA	Short-Term	ICRA A1+
	Fixed deposit	MAA+/ Stable
	Long-Term	CRISIL AA-/Stable
	Short-Term	CRISIL A1+
	Subordinate Debt	CRISIL AA-/Stable
	Fixed deposit	FAA/Stable

Note: No migrations during the year



53. Customer Complaints

S.No.	Particulars	Count
(a)	No. of complaints pending at the beginning of the year	21
(b)	No. of complaints received during the year	1,203
(c)	No. of complaints redressed during the year	1,195
(d)	No. of complaints pending at the end of the year	29

54. Based on the intimation received by the Company, none of the suppliers have confirmed to be registered under "the Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Therefore, the related information for this purpose stands to be Nil.

55. Additional information in Form AOC-1 with respect to subsidiary as required under Section 129(3) of the Companies Act, 2013 is attached to the Financial Statement.

56. Previous year figures have been regrouped / rearranged, wherever considered necessary, to conform with current year presentation.

As per our report even date For and on behalf of the Board of Directors of For Pijush Gupta & Co. **Shriram City Union Finance Limited** Firm Registration No. 309015E **Chartered Accountants** R Duruvasan G S Sundararajan Managing Director Director DIN: 00223052 DIN: 00361030 **Ramendra Nath Das** Partner Membership No. 014125 Place: Chennai C R Dash Subhasri Sriram Chief Financial Officer Date: April 28, 2015 **Company Secretary**

Financial Statements (Standalone)

Form AOC-1

(Pursuant to first provison to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiary (Information in respect of each subsidiary to be presented with amounts in lacs)

S.No.	Particulars	
1	Name of the subsidiary	Shriram Housing Finance Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	NA
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA
4	Share capital	21,416.00
5	Reserves & surplus	15,158.41
6	Total assets	78,784.79
7	Total liabilities	42,210.38
8	Investments	2,005.06
9	Turnover	8,553.79
10	Profit before taxation	3,010.36
11	Provision for taxation	990.70
12	Profit after taxation	2,019.66
13	Proposed dividend	NA
14	Percentage of shareholding	77.25%
	Notes:	
	1) Names of subsidiaries which are yet to commence operations.	NA
	2) Names of subsidiaries which have been liquidated or sold during the year.	NA

For Shriram City Union Finance Limited

Place: Chennai	R Duruvasan Managing Director	G S Sundararajan	C R Dash	Subhasri Sriram
Date: April 28, 2015	Managing Director DIN: 00223052	Director DIN: 00361030	Company Secretary	Chief Financial Officer



Financial Statements (Standalone)

As required in terms of Paragraph 13 of Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

			₹ in lacs
S.No.	Particulars	Amount	Amount
3.110.	Liabilities side	outstanding	overdue
(1)	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
	(a) Debenture : Secured	281,370.57	4,420.08 #
	: Unsecured	-	-
	(other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	-	-
	(c) Term Loans	552,454.73	-
	(d) Inter-corporate loans and borrowing	526.03	-
	(e) Commercial Paper	-	-
	(f) Public Deposits*	222,108.05	1,721.40 #
	(g) Other Loans - Subordinate Debts	136,207.28	718.97 #
	- Cash Credit (including working capital demand loan)	109,254.21	-
	Total (1)	1,301,920.87	6,860.45
	*Please see Note 1 below		
(2)	Break-up of (1)(f) above (Outstanding		
	Public deposits inclusive of interest accrued thereon but not paid):		
	(a) In the form of Unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c) Other public deposits	222,108.05	1,721.40 #
	Total (2)	222,108.05	1,721.40
	*Please see Note 1 below		
	# Represent amount unclaimed		

₹ in lacs

	Assets side	Amount outstanding
(3)	Break-up of Loans and Advances including bills receivables (other than those included in (4) below):	
	(a) Secured	1,461,844.47
	(b) Unsecured	110,445.45
	Total (3)	1,572,289.92
(4)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	
	(i) Lease assets including lease rentals under sundry debtors :	
	(a) Financial lease	-
	(b) Operating lease	-
	(ii) Stock on Hire including hire charges under sundry debtors :	
	(a) Assets on hire	-
	(b) Repossessed Assets	2,327.69
	(iii) Other loans counting towards AFC Activities :	
	(a) Loans where assets have been repossessed	-
	(b) Loans other than (a) above	-
	Total (4)	2,327.69

Financial Statements (Standalone)

		₹ in lacs
(5)	Break-up of Investments :	
	Current Investments :	
	I. Quoted :	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debenture and Bonds	-
	(iii) Units of Mutual Funds	18,800.00
	(iv) Government Securities	12,215.99
	(v) Others (Please specify)	-
	a. Certificate of deposits	41,772.70
	b. Commercial Paper	-
	II. Unquoted :	
	(i) Shares: (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (Please specify)	-
	Long Term investments :	
	I. Quoted :	
	(I) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	8,715.66
	(v) Others (Please specify)	-
	II. Unquoted :	
	(i) Shares: (a) Equity	16,663.80
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (Please specify)	-
	Total (5)	98,168.15

(6) Borrower group-wise classification of assets, financed as in (3) and (4) above :

Please see Note 2 below

₹ in lacs

Cotogony	Amount (Net of provisions)			
Category	Secured	Unsecured	Total	
1. Related Parties **				
(a) Subsidiaries	-	-	-	
(b) Companies in the same group	-	-	-	
(c) Other related parties	-	-	-	
2. Other than related parties	1,428,397.84	107739.24	1,536,137.08	
Total (6)	1,428,397.84	107739.24	1,536,137.08	



₹ in lace

Financial Statements (Standalone)

Investor group-wise classification of all investments (current and long term) in shares and securities (7) (both quoted and unquoted):

Please see Note 3 below		₹ in lacs
Category	Market Value/ break-up or fair value or NAV	Book Value(net of provisions)
1. Related Parties **		
(a) Subsidiaries	16,544.00	16,544.00
(b) Companies in the same group	1.80	1.80
(c) Other related parties	-	-
2. Other than related parties		
Government securities	20,931.65	20,931.65
Provision on government securities	(36.64)	(36.64)
Units of Mutual Funds	18,800.00	18,800.00
Certificate of deposits	41,772.70	41,772.70
Commercial Paper	-	-
Others	118.00	118.00
Total (7)	98,131.51	98,131.51
** As per Accounting Standard of ICAI (Please see Note 3)		

(8) Other information

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	49,142.87
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	10,662.34
(iii) Assets acquired in satisfaction of debt	-

Notes :

- 1 As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- 2 Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
- 3 All Accounting Standards and Guidance Notes issued by ICAI are applicable including for calculation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (5) above.

For Shriram City Union Finance Limited

Place: Chennai	R Duruvasan	G S Sundararajan	C R Dash	Subhasri Sriram
	Managing Director	Director	Company Secretary	Chief Financial Officer
Date: April 28, 2015	DIN: 00223052	DIN: 00361030		



₹ in looo

Financial Statements (Standalone)

Investor group-wise classification of all investments (current and long term) in shares and securities (7) (both quoted and unquoted):

Please see Note 3 below		₹ in lacs
Category	Market Value/ break-up or fair value or NAV	Book Value(net of provisions)
1. Related Parties **		
(a) Subsidiaries	16,544.00	16,544.00
(b) Companies in the same group	1.80	1.80
(c) Other related parties	-	-
2. Other than related parties		
Government securities	20,931.65	20,931.65
Provision on government securities	(36.64)	(36.64)
Units of Mutual Funds	18,800.00	18,800.00
Certificate of deposits	41,772.70	41,772.70
Commercial Paper	-	-
Others	118.00	118.00
Total (7)	98,131.51	98,131.51
** As per Accounting Standard of ICAI (Please see Note 3)		

Other information (8)

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	49,142.87
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	10,662.34
(iii) Assets acquired in satisfaction of debt	-

Notes :

- 1 As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- 2 Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
- 3 All Accounting Standards and Guidance Notes issued by ICAI are applicable including for calculation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (5) above.

For Shriram City Union Finance Limited

Place: Chennai	R Duruvasan	G S Sundararajan	C R Dash	Subhasri Sriram
	Managing Director	Director	Company Secretary	Chief Financial Officer
Date: April 28, 2015	DIN: 00223052	DIN: 00361030		

PIJUSH GUPTA & CO CHARTERED ACCOUNTANTS P-199, C.I.T.ROAD, SCHEME IV-M, KOLKATA –700 010

INDEPENDENT AUDITOR'S REPORT

To the Members of SHRIRAM HOUSING FINANCE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Shriram Housing Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit/loss and its cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of subsection (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order.
- 2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us :
 - i. The Company does not have any pending litigation which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

For **Pijush Gupta & Co.** Chartered Accountants Firm Registration Number: 309015E

Ramendra Nath Das Partner Membership No.014125

Place: Chennai Date: April 20, 2015.

ANNEXURE TO AUDITORS' REPORT

(Referred to in paragraph 5(1) of our report of even date) Re: SHRIRAM HOUSING FINANCE LIMITED ("the company") Financial Year Ended March 31, 2015

- I. (a) According to the information and explanations given to us and records produced before us. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) According to the information and explanations given to us and records produced before us, the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such physical verification.
- II. The Company is engaged in financing activities which does not involve maintenance of any inventory.
- III. As per the information and explanations given to us the Company has granted/taken loans, secured or unsecured, to/from companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 (the Act). In respect of the same,
 - (a) The receipts/repayment of principal is regular, and
 - (b) There is no overdue amount as at the end of the year.
- IV. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for purchase of fixed assets. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company in respect of these areas. There is no sale of goods or service or purchase of inventory.
- V. The Company has not taken any deposits.
- VI. According to the information and explanations given to us the Central Government has not prescribed maintenance of cost records under Section 148(1) of the Act.
- VII. (a) According to the information and explanations provided to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, wealth tax, service tax, income tax, and other material statutory dues applicable to it and there are no dues payable in respect of Employees' State Insurance, Excise duty, Custom Duty and Sales Tax, cess and any other statutory dues with appropriate authorities.
 - (b) There is no amount required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Act.
- VIII. The Company has no accumulated losses at the end of financial year and has not incurred cash losses in the current and immediately preceding financial year.
- IX. Based on our audit procedures and as per information and explanations given by the management, it appears that the Company has not defaulted in the repayment of dues to banks, financial institutions or debenture holders.
- X. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
- XI. In our opinion and to the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the company were, prima facie, applied by the company during the year for the purposes for which the loans were obtained other than funds temporarily parked pending utilisation of the funds for the intended use.
- XII. Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and as per the information and explanations given by the management, we report that no material fraud on or by the company has been noticed or reported during the course of our audit except as stated below:



Nature of fraud Amount (₹ in Lakhs)		ikhs)	Remarks	
1)	Fake document-ation and multiple funding	Disbursement Collection Write-off	16.73 0.15 16.58	Fraud detected on May 05, 2014. FIR filed against Mr. Ashok Echacharam Patil (customer) of Mumbai. Court cases are under process, next hearing on April 23, 2015.
2)	Fake document-ation and multiple funding	Disbursement Collection Provision	15.37 0.55 14.82	Fraud detected on May 05, 2014. FIR lodged against Mr. Sandesh Salunke (customer) of Mumbai. Police is investigating the case under court instruction, next hearing fixed on June 12, 2015.
3)	Fake document-ation and multiple funding	Disbursement Collection Write-off	20.67 1.97 18.70	Fraud detected on May 05,2014. FIR lodged against Mr. Vijai Kashiram Todkari (customer) of Mumbai. Police is investigating the case under court instruction, next hearing fixed on June 12, 2015.
4)	Fake document-ation and multiple funding	Nil		FIR lodged against Mr. Jignesh Popatbhai Bhalodi (customer) of Rajkot. The attempted fraud was detected before disbursement; hence there is no loss to the Company.

For **Pijush Gupta & Co.** Chartered Accountants Firm Registration Number: 309015E

Ramendra Nath Das Partner Membership No.014125

Place: Chennai Date: April 20, 2015.

₹ in lacs

Ba	lance Sheet as at	Notes	March 31, 2015	March 31, 2014
Ι.	EQUITY AND LIABILITIES			
1.	Shareholders' Funds			
	(a) Share capital	5	21,416.00	21,416.00
	(b) Reserves and surplus	6	15,158.41	13,139.97
			36,574.41	34,555.97
2.	Non-Current Liabilities			
	(a) Long term borrowings	7	35,686.64	-
	(b) Deferred tax liabilities (net)	8	126.55	-
	(c) Other Long-term liabilities	9	137.00	117.39
	(d) Long-term provisions	10	618.15	237.14
			36,568.34	354.53
3.	Current Liabilities			
	(a) Short term borrowings	11	-	-
	(b) Other current liabilities	9	5,553.09	93.89
	(c) Short-term provisions	10	88.95	46.57
			5,642.04	140.46
	TOTAL		78,784.79	35,050.96
II.	ASSETS			
1.	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	12	108.34	107.90
	(ii) Intangible assets	12	7.39	45.16
	(b) Non-current investments	13	1,329.06	934.43
	(c) Deferred tax assets (net)	8	-	77.47
	(d) Long-term loans and advances	14	71,029.59	31,158.39
	(e) Other non-current assets	15	365.56	-
			72,839.94	32,323.35
2.	Current Assets			
	(a) Current investments	13	676.00	260.51
	(b) Cash and cash equivalents	16	2,136.50	1,228.00
	(c) Short-term loans and advances	14	3,049.19	1,238.85
	(d) Other current assets	15	83.16	0.25
			5,944.85	2,727.61
	TOTAL		78,784.79	35,050.96

The notes referred to above form an integral part of the financial statements.

As per our report of even date

For **Pijush Gupta & Co.** Firm Registration No : 309015E Chartered Accountants

Ramendra Nath Das Partner Membership No : 014125

Place: Chennai. Date: April 20, 2015 For and on behalf of the Board of Directors of **Shriram Housing Finance Limited**

Sujan Sinha Managing Director & CEO DIN : 02033322

Kavitha G Shah Company Secretary Subhasri Sriram Director DIN : 01998599

Kunal Shah Chief Financial Officer



₹ in lacs

Statement of Profit and Loss	Notes	For the year ended March 31, 2015	For the year ended March 31, 2014
Revenue from operations	17	8,289.91	3,585.22
Other Income	18	263.88	587.13
Total Revenue		8,553.79	4,172.35
Expenses:			
Employee benefits expense	19	1,476.97	956.56
Finance costs	20	1,429.44	20.57
Depreciation and amortization expense	12	99.30	67.02
Other expenses	21	2,099.10	1,414.58
Provisions & write-offs (net)	22	438.62	142.26
Total Expenses		5,543.43	2,600.99
Profit before tax		3,010.36	1,571.36
Tax Expense:			
(1) Current tax		853.36	236.84
(2) Less: MAT credit entitlement		-	(27.92)
(3) Deferred tax		204.03	(64.46)
(4) Tax of earlier year		(66.69)	-
Total tax expense		990.70	144.46
Profit after tax from continuing operations		2,019.66	1,426.90
Earnings per equity share of par value r10/- e	ach 23		
(1) Basic (₹)		0.94	0.82
(2) Diluted (₹)		0.94	0.82

The notes referred to above form an integral part of the financial statements.

As per our report of even date	For and on behalf of the Board of Directors of Shriram Housing Finance Limited			
For Pijush Gupta & Co. Firm Registration No : 309015E Chartered Accountants	Sujan Sinha Managing Director & CEO DIN : 02033322	Subhasri Sriram Director DIN : 01998599		
Ramendra Nath Das Partner Membership No : 014125	Kavitha G Shah Company Secretary	Kunal Shah Chief Financial Officer		
Place: Chennai. Date: April 20, 2015				

₹ in lacs

Cash Flow Statement	For the year ended March 31, 2015	For the year ende March 31, 201	
A) Cash flow from Operating activities			
Net Profit before taxation	3,010.36	1,571.36	
Non-cash adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortization Provision for sub standard, doubtful & loss assets Contingent provision on standard assets Bad debts written off Provision for gratuity Provision for leave benefits Provision for lease rental	99.30 213.02 190.32 35.28 6.08 1.56 4.78	67.02 60.69 81.57 11.30 3.43 17.33	
Provision for bonus and ex-gratia	7.63	5.95	
Interest income on fixed deposits	-	(0.29)	
Premium on PTC written off	0.09	-	
Dividend income	(6.15)	(537.06)	
Interest received	(152.43)	(0.10)	
(Profit)/Loss on sale of assets	0.08	(0.01)	
Profit on sale of investment	(100.54)	(40.93)	
Miscellaneous income	(2.80)	(8.49)	
Operating profit before working capital changes	3,306.58	1,231.77	
Movement in working capital:			
(Increase) / decrease in Short-term loans and advances	(1,838.26)	(933.52)	
(Increase) / decrease in Long-term loans and advances	(39,926.65)	(19,926.06)	
(Increase) / decrease in other current assets	(75.47)	72.19	
(Increase) / decrease in other non-current assets	(365.56)	294.51	
Increase / (decrease) in current liabilities	4,945.87	(273.65)	
Increase / (decrease) in non-current liabilities	19.61	-	
Cash generated from operation	(33,933.88)	(19,534.76)	
Direct Taxes Paid (Net of Refund)	(738.58)	(208.92)	
Net Cash flow from/(used in) operating activities (A)	(34,672.46)	(19,743.68)	
 B) Cash flow from investing activities 			
Purchase of fixed and intangible assets	(64.50)	(46.61)	
Proceeds from sale of assets	1.24	0.01	
Purchase of pass through certificates	(1,228.63)	(994.19)	
Proceeds from sale of investment (net)	522.68	2,279.48	
Interest received on fixed deposits	-	0.29	
Dividend received	0.51	217.08	
Interest received	146.89	0.10	
Miscellaneous income	2.80	8.49	
Net Cash flow from/(used in) investing activities (B)	(619.01)	1,464.65	
C) Cash flow from financing activities			
Increase / (decrease) of long term borrowings Proceeds from issue of equity share capital including securities premium & share application money	36,199.97	- 19,071.00	
Net Cash flow from/(used in) financing activities (C)	36,199.97	19,071.00	
Net increase/(decrease) in cash and cash equivalents (A+B+C		791.97	
Cash and cash equivalents at the beginning of the year	1,228.00	436.03	



₹ in lacs

Component of cash and cash equivalents	For the year ended March 31, 2015	For the year endeo March 31, 2014	
Cash on hand	20.53	3.75	
Balances with banks:			
- Current Account	2,115.97	1,224.25	
Total Cash and cash equivalents	2,136.50	1,228.00	

As per our report of even date

For and on behalf of the Board of Directors of Shriram Housing Finance Limited

For **Pijush Gupta & Co.** Firm Registration No : 309015E Chartered Accountants

Ramendra Nath Das Partner Membership No : 014125

Place: Chennai. Date: April 20, 2015 Sujan Sinha Managing Director & CEO DIN : 02033322

Kavitha G Shah Company Secretary Subhasri Sriram Director DIN : 01998599

Kunal Shah Chief Financial Officer

Notes to Financial Statements for the year ended March 31, 2015.

1. The Entity

Shriram Housing Finance Limited (the "Company') is registered as a public limited company under the Companies Act, 1956, having received its Certificate of Incorporation on November 9, 2010 and Certificate of Commencement of Business on January 21, 2011, from The Registrar of Companies (ROC). The company received its Certificate of Registration from National Housing Bank (NHB) as required under Section 29A of the National Housing Bank Act, 1987, on August 4, 2011. The Company is a subsidiary of Shriram City Union Finance Limited (SCUF). The Company is engaged in the business of providing home loans.

2. Basis of Preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India. The Company has prepared these financial statements to comply in all material respects with the Accounting Standards specified under section 133 of the Companies Act, 2013 read with rule 7 of Companies (Accounting Standards) Rules, 2014 and the guide- lines issued by NHB as applicable to the Company. The financial statements have been prepared on an accrual basis and under the historical cost convention.

3. Consistency of Accounting Policies

Accounting Policies adopted in the preparation of these financial statements are consistent with those of previous year except where specifically indicated in the paragraphs below.

4. Significant Accounting Policies

4.1 Current / Non-current classification of assets / liabilities

The Company has classified all its assets / liabilities into current / non-current portion based on the time frame of 12 months from the date of financial statements. Accordingly, assets/liabilities expected to be realised /settled within 12 months from the date of financial statements are classified as current and other assets/ liabilities are classified as noncurrent.

4.2 Use of estimates

Preparation of financial statements in conformity with accounting principles generally accepted in India requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of the operations for the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and/or liabilities in future periods.

4.3 Tangible Fixed Assets

Fixed Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for intended use. Borrowing costs relating to acquisition of fixed assets are capitalised to the extent they relate to period till such assets are ready to be put to use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenditure is incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised. Depreciation on Fixed Asset is calculated on a straight line basis as per the useful lives of the assets as prescribed under the Schedule II to Companies Act, 2013. Leasehold Improvements are amortised at a rate of 20% or over the lease period whichever is higher



4.4 Intangible Assets

Intangible assets comprising computer software acquired separately are measured and recognised at cost. Such assets generated internally are capitalised at all expenditure that can be directly attributed or allocated including overheads on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Expenditure over and above development costs as above are not capitalised and are recognised as expense and reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortised on a straight line basis over the estimated useful economic life of such assets. It is presumed that the useful economic life of Computer Software will not exceed three years from the date such assets are available for use. If there is a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern.

4.5 Impairment of assets

The company assesses at each balance sheet date if there is an indication of impairment of any asset. If any indication exists, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is greater of net selling price and value in use of the asset. Where the carrying amount of an asset is more than its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The value in use is the estimated future cash flows discounted to their present value at pre-tax discount rate which reflects current market assessment of the time value of money and risk specific to the asset.

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

An assessment is made at each Balance Sheet date about existence or decrease of previously recognised impairment losses. If such indication exists, the company estimates the asset's recoverable amount. A previously recognised impairment loss is increased or reversed depending on the changes in the circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation, if there was no impairment.

4.6 Capital Advances

Capital advances are advances given for procurement of fixed assets. Company does not expect to realize them in cash and over a period of time these advances get converted into fixed assets. These advances are non-current in nature. Therefore irrespective of when the fixed assets are expected to be received such advances are disclosed under Long-Term Loans and Advances.

4.7 Borrowing costs

Borrowing cost includes all charges and fees to the extent they are regarded as an adjustment to the interest cost. Borrowing cost is amortised over the period of the borrowing.

4.8 Investments

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

On initial recognition, all investments are measured at cost. Cost comprises of purchase price and directly attributable acquisition expenses like brokerages and other fees and duties.

Current Investments are carried in the financial statements at lower of cost and fair value determined on individual investment basis. Long-term Investments including non-current and current portions thereof are carried at cost. However provision for diminution in value of long-term investments is made to recognize a decline in value other than temporary in nature.

On disposal of an investment, the difference between its carrying value and net disposal proceeds is charged or credited in the statement of profit and loss.

4.9 Home Loan

Home Loans consist of secured loans given for acquisition of property and/or loans against existing property. Home loans are classified under Current and Non-Current categories depending upon their respective due dates of recovery. Normal finance charges accrued as per agreement and expenses recoverable are added to the principal amounts outstanding as on reporting date. The assets are disclosed net of write-offs.

A Loan which is adversely affected by a potential threat of non-recoverability due to either erosion in the value of security or non-availability of security or due to any fraudulent act or omission on the part of the borrower is identified as a Loss Asset. Entire loss assets are written off and if such assets are carried in the books for any reason whatsoever, provision is made in the books for a full 100% amount of the outstanding.

Provision for other Doubtful and Sub-Standard Assets is made in the books subject to the minimum prescribed under the provisions of National Housing Finance Companies (NHB) Directions, 2010. Such provisions are not netted from gross advances but are disclosed separately.

4.10 Leases

Where the Company is the lessor

Assets given on operating leases are included in fixed assets. Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

Where the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

4.11 Revenue Recognition

Interest income on home loans disbursed is recognised on accrual basis except in case of Non Performing Assets (NPA) where interest is accounted on realization. Loans are repayable in Equated Monthly Installments (EMIs) along with interest. EMIs commence only on disbursal of entire sanction amount. Pre-EMI interest is payable monthly where the loan is partly disbursed. On part disbursal cases, EMI will commence only on party request or after completion of 18 months moratorium whichever is earlier.

Profit/Loss on sale of investments is recognised at the time of sale/redemption. Dividend is recognised as income in the year in which right to receive such dividend is established.

Interest on deposits with banks and other institutions is recognised as income on a time proportion basis to the extent said deposits were outstanding during the year.

Additional finance charges / additional interest are treated to accrue on realization due to uncertainty of its realization.

Income from services is recognised as per the terms of the contract on accrual basis.

4.12 Income Taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities calculated in accordance with the provisions laid down in the Income Tax Act, 1961. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating in the current year and reversal of timing differences of the earlier years. Tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted as on the reporting date.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for all deductible timing differences, subject to consideration of prudence to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In case the Company has unabsorbed depreciation or carry forward losses under tax laws deferred tax assets are recognised only



to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

In case the Company is having or approaching tax holiday in near future no deferred tax asset or liability is recognised in respect of timing differences that would reverse during the tax holiday period to the extent the Company's gross total income is subject to deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognised in the year in which the timing differences originate. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

The Company on each reporting date re-assesses unrecognised deferred tax assets and recognizes hitherto unrecognised deferred tax assets to the extent the same fulfills criteria for such recognition as above. Similarly the carrying amounts of deferred tax assets are reviewed at each reporting date and writes down or reverses write downs as the case may be depending upon circumstances obtaining at that time.

The Company sets off assets and liabilities representing current tax as there is legally enforceable right to set off the recognised amounts and the Company intends to settle the asset and liability on a net basis. The deferred tax assets and deferred tax liabilities are similarly set off.

4.13 Segment Reporting Policies

The main business of the Company is to provide long term home loans. Accordingly there is no separate reportable segment as per "Accounting standard AS 17 Segment Reporting"

4.14 Employee stock compensation cost

The measurement and disclosure of the employee share based payment plans is done in accordance with the Guidance Note on Accounting for Employee Share-based Payments issued by The Institute of Chartered Accountants of India (ICAI). The company measures cost relating to employees stock option by intrinsic value method. Compensation expenses is amortised on straight line method over the period of vesting of options.

4.15 Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the Provident Fund are charged to the statement of profit and loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the Provident Fund.

The Company operates one defined benefit plan for its employees, viz., gratuity. Provisions for costs of providing benefits under this plan are determined on the basis of actuarial valuation at each year-end. The actuarial valuation is carried out using the projected unit credit method. Actuarial gains and losses are recognised in full in the statement of profit and loss in the period in which they occur.

Accumulated leave which is expected to be utilised within the next 12 months is treated as short term employee benefit. The Company measures the expected cost of such entitlements as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long term entitlements are provided for based on actuarial valuation using projected unit credit method at year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. Both the schemes of gratuity and accumulated leave are un-funded.

4.16 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders after deducting attributable taxes by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares

4.17 Expenses on debentures

Expenses on issue of debentures/subordinated debts are charged off on straight line basis over the weighted average tenor of the underlying debentures.

4.18 Provisions

A provision is recognised when the Company has a present obligation as a result of past event where it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Values of such provisions are determined based on the best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimate.

4.19 Cash and cash equivalents

Cash equivalents are held for the purpose of meeting short-term cash commitments. Cash equivalents are short term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank, cash in hand, cheques in hand, remittances in transit and short-term investments with an original maturity of three months or less.

4.20 Contingent Liabilities

The Company does not recognize a contingent liability but discloses its existence in the financial statement. Contingent liability for this purpose is a possible obligation that arises from past events whose value will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company. Contingent liabilities also include a present obligation that is not recognised as there is a possibility that outflow of resources will not arise to settle the obligation. A contingent liability also arises where there is a liability that cannot be measured reliably.

4.21 Special Reserve :

The Company creates Special Reserve every year out of its profits in terms of Sec 36(1) (viii) of the Income Tax Act, 1961 read with Sec 29C of the National Housing Bank Act, 1987.

4.22 Securitisation of assets:

Securitised Assets are derecognised in the books of the Company based on the principle of transfer of ownership interest over the assets. De-recognition of securitised assets and recognition of gain or loss arising on such securitisation is based on the Guidance Note on Accounting for Securitisation issued by the Institute of Chartered Accountants of India.



₹ in lacs

5. Share Capital

Particulars	As at March 31, 2015	As at March 31, 2014
Authorised		
22,00,00,000 (Previous year : 22,00,00,000)		
equity shares of ₹10/- each	22,000.00	22,000.00
	22,000.00	22,000.00
Issued, Subscribed and Fully Paid up Equity shares		
21,41,60,000 (Previous Year : 21,41,60,000)		
equity shares of ₹10/- each.	21,416.00	21,416.00
Total Issued, Subscribed and Fully Paid up share capital	21,416.00	21,416.00

5.1 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at I	March 31, 2015	As at March 31, 2014	
	Number	₹ in lacs	Number	₹ in lacs
Shares outstanding at beginning of the year	21,41,60,000	21,416.00	9,15,00,000	9,150.00
Shares Issued during the year	-	-	12,26,60,000	12,266.00
Shares outstanding at the end of the year	21,41,60,000	21,416.00	21,41,60,000	21,416.00

5.2 Terms/Rights attached to equity shares: The Company has only one class of equity shares having a face value of r10/- per equity share. Each holder of equity share is entitled to one vote per share.

5.3 Details of shareholders holding more than 5% of shares in the company

	As at Mare	ch 31, 2015	As at March 31, 2014	
Name of Shareholders	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Valiant Mauritius Partners FDI Ltd.	4,87,20,000	22.75%	4,87,20,000	22.75%
Shriram City Union Finance Ltd. and its Nominees	16,54,40,000	77.25%	16,54,40,000	77.25%

5.4 There are no shares allotted as fully paid up pursuant to any contract without payment being received in cash, and there are no shares allotted as bonus shares during the period of five years immediately preceding the date of the balance sheet.

6. Reserves & Surplus

Particulars	As at March 31, 2015	As at March 31, 2014
Securities premium		
Opening balance	12,180.00	5,375.00
Add: Securities premium credited during the year	-	6,805.00
Closing balance	12,180.00	12,180.00
Statutory reserve (Pursuant to Section 29C of the NHB Act, 1987 & Section 36(1)(viii) of Income Tax Act, 1961)		
Opening balance	285.38	-
Add: transferred as per section 29C of the NHB Act, 1987	-	-
Add: transferred as per section 36(1)(viii) of the Income Tax Act, 1961		
(considered for 29C of the NHB Act)	418.02	285.38
Appropriation during the year	-	-
Closing balance	703.40	285.38
Surplus in the Statement of Profit and Loss		
Opening balance	674.59	(466.93)
Less: Additional Depreciation as per Companies Act 2013.	1.22	-
Add: Net profit for the year	2,019.66	1,426.90
Less: Appropriations		
Less: Transfer to statutory reserve (Pursuant to Section 29C of the NHB Act, 1987 & section 36(1)(viii) of Income Tax Act,1961)	418.02	285.38
Net surplus in the statement of Profit and Loss	2,275.01	674.59
Total	15,158.41	13,139.97

7. Long term borrowings

	Non-c	urrent portion	C	Current maturities	
Particulars	As at	As at	As at	As at	
I	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014	
Secured					
Privately placed redeemable					
non-convertible debentures	25,600.00	-	-	-	
Term loan from banks	10,086.64	-	513.33	-	
Total Long term borrowing	35,686.64	-	513.33	-	
Amount disclosed under the head "other liabilities"	-	-	(513.33)	-	
Total	35,686.64	-	-	-	

7.1 Secured Loans - Long Term Borrowings

A. PRIVATELY PLACED REDEEMABLE NON CONVERTIBLE DEBENTURES

₹ in lacs

₹ in lacs

Series	Tranche	Issue Price	Redemption Price	Туре	ROI	Tenor	No. of Debenture	Amount
I	1	10.00	10.00	Quoted	10.30 %	10 Years	400.00	4,000.00
Ι	2	10.00	10.00	Quoted	10.25 %	7 Years	600.00	6,000.00
П	1	10.00	10.00	Un-Quoted	10.25 %	3 Years	500.00	5,000.00
Ш	1	10.00	11.97	Quoted	-	723 days	60.00	600.00
IV	1	10.00	10.00	Quoted	9.30 %	3 Years	450.00	4,500.00
IV	2	10.00	10.00	Quoted	9.25 %	5 Years	400.00	4,000.00
IV	3	10.00	10.00	Quoted	9.35 %	7 Years	150.00	1,500.00
								25,600.00



Nature of security:

The redemption of principal amount of secured redeemable non-convertible debentures with all interest there on are secured by a legal mortgage on the specified immovable property and by way of charge on the company's specifically identified movable assets such as book debts / loan receivables in favour of the Trustees appointed.

B. Term loan from banks

Terms of repayment as at March 31, 2015 ₹					
Tenor	Rate of Interest	Repayment Details	Non-Current portion	Current Maturities	
48-60 Month	10.00% to 10.60%	1 to 12 installments of bullet & quarterly frequency	7,766.64	333.33	
Above 60 months	10.25%	14 installment of half yearly frequency	2,320.00	180.00	
Total			10,086.64	513.33	

Nature of security:

Term loans from banks are secured by way of exclusive charges on specified home loan receivables.

8. Deferred tax liabilities (net)	₹ in lacs	
Particulars	As at March 31, 2015	As at March 31, 2014
Deferred tax liabilities		
Timing difference on account of :		
Differences in depreciation as per income tax & as charged in financial statement	-	14.13
On creation of special reserve	208.78	-
Deferred expenses incurred for NCD mobilization	142.20	-
Deferred expenses - Bank Loan Processing Fees	7.32	-
Rating Expenses	3.79	-
Gross deferred tax liabilities (A)	362.09	14.13
Deferred tax asset		
Timing difference on account of :		
Differences in depreciation as per income tax & as charged in financial statement	(2.12)	-
Contingent provision against standard assets	(108.11)	(43.42)
Provision for sub standard and doubtful assets	(88.00)	(20.63)
Provision for Loss Assets	(5.04)	-
Provision for lease rent	(14.02)	(12.39)
Provision for leave encashment	(2.74)	(2.21)
Provision for gratuity	(12.85)	(10.78)
Preliminary expenditure	(0.18)	(0.37)
Provision for bonus	(2.48)	(1.80)
Gross deferred tax assets (B)	(235.54)	(91.60)
Deferred tax (assets)/liabilities (Net) (A + B)	126.55	(77.47)

9. Other liabilities

₹ in lacs

	Long Term Short Term				
Particulars	As at	As at	As at	As at	
Ma	rch 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014	
Current maturities of long term borrowings (Refer Note 7)	-	-	513.33	-	
Interest accrued but not due on borrowings	19.61	-	729.78	-	
Interest Payable to banks	-	-	30.66	-	
Temporary book overdraft	-	-	4,073.85	-	
Tax deducted at source	-	-	8.58	1.61	
Statutory dues pertaining to employees	-	-	12.93	-	
Outstanding expenses	-	-	170.70	88.14	
Service tax payable	-	-	0.85	0.20	
Rent deposit	117.39	117.39	-	-	
Stale cheque account	-	-	12.41	3.83	
Retention money	-	-	-	0.11	
Total	137.00	117.39	5,553.09	93.89	

10. Provisions

₹ in lacs

₹ in lacs

	Long Term			Short Term
Particulars	As at As at		As at As a	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Provision for Employee benefits:				
Provision for gratuity	37.78	31.71	0.01	-
Provision for leave benefits	7.37	5.95	0.70	0.56
Provision for bonus and ex-gratia	-	-	28.23	20.60
Other provisions:				
Provision for lease rent	21.37	17.57	19.87	18.89
Contingent provision for housing loans of				
standard assets as per NHB Directions, 2010	225.24	103.17	8.60	3.55
Provision for housing loans of sub standard assets				
as per NHB Directions, 2010	133.91	55.28	5.83	1.65
Provision for housing loans of doubtful assets				
as per NHB Directions, 2010	76.02	-	3.51	-
Provision for housing loans of loss assets			14.00	
as per NHB Directions, 2010	-	-	14.82	-
Contingent provision for non- housing loans of standard assets as per NHB Directions, 2010	79.30	19.84	4.92	1.18
	79.30	19.04	4.92	1.10
Provision for non- housing loans of sub standard assets as per NHB Directions, 2010	31.33	3.62	2.17	0.14
Provision for non housing loans of doubtful assets	01.00	0.02	2.17	0.14
as per NHB Directions, 2010	5.83	-	0.29	-
Total	618.15	237.14	88.95	46.57

11. Short Term Borrowings

Particulars	As at Marcl	h 31, 2015	As at March 31, 2014	
Secured				
Term loan from banks		-	-	
Cash Credit from bank		-	-	
Bank Overdraft from banks		-	-	
Total		-	-	

11.1 Cash credits

Nature of Security

Cash credits from banks are secured by way of exclusive charge on specified home loan receivables.

	As per companies Act 1956		Gross Block	Block		As per companies Act 1956		eciatior	Depreciation / Amortisation	tion		Net Block	
Particulars	As at April 1, 2014	As at April 1, 2014	Addition during the year	Deletion during the year	As at March 31, 2015	As at April 1, 2014	As at April 1, 2014	For the year	Adjustment to Opening Retained Earnings	Deletions	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
ASSET FOR OWN USE													
Land - Freehold	'	ı	0.28	ı	0.28	ı	1	ı	ı	'	ı	0.28	·
Buildings	'	ı	'	'	'	'	1			'	1	1	
Plant and Machinery	97.91	ı	1	1	'	23.62	1			'	ı	1	
Computer (Useful life "Nil" cases)		2.66	I	ı	2.66	ı	1.31	•	1.22	1	2.53	0.13	1.35
Computer		80.61	48.52	ı	129.13	ı	21.28	45.00	1	'	66.28	62.85	59.33
Electrical Installations and Equipments		14.64	8.02	1.48	21.18	1	1.03	1.75	ı	0.18	2.60	18.58	13.61
Furniture and Fixtures	9.21	8.48	1.14	ı	9.62	3.34	3.25	0.67	ı	ı	3.92	5.70	5.23
Office Equipment		0.73	0.07	'	0.80	'	0.09	0.07		1	0.16	0.64	0.64
Vehicles	I	ı	ı	ı	ı	ı	ı		1	'	I	ı	
Leasehold Improvement	59.55	59.55	5.85	2.36	63.04	31.81	31.81	13.41		2.34	42.88	20.16	27.74
INTANGIBLE ASSETS											1	1	
Computer Software	114.87	114.87	0.63	'	115.50	69.71	69.71	38.40	'	'	108.11	7.39	45.16
TOTAL	281.54	281.54	64.51	3.84	342.21	128.48	128.48	99.30	1.22	2.52	226.48	115.73	153.06

Lacs on account of assets where useful life is already exhausted as on 1st April 2014 has been adjusted to retained earnings. Had there been no change in useful life of assets, 3. Accordingly, depreciation of c מכועה companies naiinade aili iniaen aili and ap an depreciation for the year would have been lower by ₹ 26 Lacs. I EVISEU UEDI ECIALIU I ALES During the year, the company has Note:



13. Investments

₹ in lacs

			Non-current			Current
Particulars		As at	As at		As at	As at
	Ma	rch 31, 2015	March 31, 2014	Marc	h 31, 2015	March 31, 2014
Long-term investment Other than trade						
Investment in pass through certificates (unquoted)		1,329.06	934.43		676.00	59.76
Investment in Mutual funds (quoted)		-	-		-	200.75
Total		1,329.06	934.43		676.00	260.51

Note: The market value of the quoted mutual funds as at 31st March 2014 was ₹ 200.88 lacs.

14. Loans and Advances

Housing and Non-housing loans granted by the Company are secured by equitable mortgage of the property financed. There are no loans & advances to related parties. (refer note no 28) ₹ in lacs

		Long Term		Short Term
Particulars	As at	As at	As at	As at
	March 31, 2015		March 31, 2015	March 31, 2014
Housing Loans - Secured				
Standard assets (considered good)	52,193.90	25,487.35	1,976.27	888.02
Sub standard assets	892.76	368.55	38.85	11.00
Doubtful assets	304.08	-	14.05	-
Housing Loans – Unsecured				
Loss assets	-	-	14.82	-
Non housing loans - Secured				
Standard assets (considered good)	17,100.93	4,959.14	939.82	293.86
Sub standard assets	208.87	24.14	14.48	0.94
Doubtful assets	23.31	-	1.15	-
Capital advances - Unsecured, considered good	-	-	7.11	-
Other Advances				
Service tax credit (input) receivable	-	-	3.05	-
Prepaid expenses	0.17	-	23.94	3.56
Advance salary	-	-	-	0.61
Security deposit	259.49	261.82	6.29	1.50
Telephone deposit	0.04	0.04	-	-
Electricity deposit	0.10	-	-	-
Advance for assets	-	0.25	0.25	-
Travelling advance	-	-	0.11	0.37
Advance income tax	36.94	57.10	-	-
MAT credit entitlement	-	-	-	27.92
Other sundry advances	9.00	-	9.00	11.07
Total	71,029.59	31,158.39	3,049.19	1,238.85

*Short term loans and advances include current maturities of long term loans and advances.



15. Other assets

15. Other assets				₹ in lacs
		Non-current		Current
Particulars	As at	As at	As at	As at
M	arch 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Private placement issue expenses for non-convertible debentures to the extent not written off or adjusted	346.89	-	71.48	-
Bank loan processing fees to the extent not written off	18.67	-	2.86	-
Interest receivable on PTC	-	-	7.69	0.25
Receivable against expenses	-	-	0.71	-
Other assets	-	-	0.42	-
Total	365.56	-	83.16	0.25

16. Cash	and o	cash	equi	val	ents

16. Cash and cash equivalents				₹ in lacs
		Non-current		Current
Particulars	As at	As at	As at	As at
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
(a) Balances with banks				
- Current Account	-	-	2,115.97	1,224.25
(b) Cash on hand	-	-	20.53	3.75
Total	-	-	2,136.50	1,228.00

17. Revenue from operations

		₹ in lacs
Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest income	7,314.35	3,060.64
Processing fees	943.29	511.86
Other charges	32.27	12.72
Total	8,289.91	3,585.22

18. Other income

Particulars	year ended rch 31, 2015	For the year ended March 31, 2014
Interest on deposit with bank	-	0.29
Dividend income	6.15	537.06
Profit / (Loss) on sale of investment	100.54	40.93
Profit on sale of assets	0.01	0.01
Interest received-others	67.65	0.10
Interest received on PTC	84.78	0.25
Miscellaneous income	4.75	8.49
Total	263.88	587.13

19. Employee benefit expense

For the year ended For the year ended Particulars March 31, 2015 March 31, 2014 Salaries 835.03 1,224.24 Contributions to provident fund /ESIC 51.24 30.52 Provision for gratuity (Refer Note No 4.15) 6.08 11.30 Provision for leave benefits (Refer Note No 4.15) 1.58 4.51 Staff welfare expenses 47.26 11.96 Training expenses 2.77 1.46 Bonus and ex-gratia 20.13 29.44 Incentives 112.25 39.44 2.11 2.21 Meal Sodexo expenses Total 1,476.97 956.56

20. Finance costs

		₹ in lacs
Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest expense on:		
Loans from other companies	232.68	20.57
Loan from bank & financial institutions	265.36	-
Debentures	917.89	-
Debenture application money	5.09	-
Other Borrowing Costs :		
Processing and other charges	8.42	
Total	1,429.44	20.57



21. Other expenses

₹	in	lacs
``		1003

		< in lacs
Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Rent	341.28	219.76
Printing & stationery	40.21	25.68
Travelling and conveyance	128.14	94.39
Books & periodicals	6.84	8.19
Meeting expenses	1.77	10.94
Business promotion	14.89	11.49
Business commission	454.35	247.00
Communication expenses	37.10	24.64
Directors' sitting fees	1.91	1.06
Electricity expenses	35.91	27.92
Insurance - others	1.92	1.67
Bank expenses	5.54	2.88
Audit fees	7.43	6.37
Audit expenses	2.77	1.31
Professional and consultancy expenses	477.33	377.06
Registration & filing fees	21.05	63.43
Office maintenance	64.88	39.82
Pooja expenses	0.02	
Postage & courier expenses	27.30	16.93
Rates, duties & taxes	2.88	1.47
Brokerage	1.10	0.25
Freight charges	0.26	
Membership fees	3.90	1.98
Miscellaneous expenditure	0.09	0.81
General expenses	1.85	
Royalty	97.92	53.09
Donation	-	0.25
Interest paid others	0.13	0.02
Loss on sale of assets	0.09	
Advertising expenditure	6.60	4.13
Legal expenses	12.48	
Collection recovery expenses	4.72	<u> </u>
Loan processing expenses	267.65	172.04
NCD private placement expenses	28.79	
		4 444 50
Total	2,099.10	1,414.58

22. Provisions & write offs

22. Provisions & write ons		₹ in lacs
Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Contingent provision for standard assets & provision for		
sub standard asset/doubtful assets	403.34	142.26
Bad debts written off	35.28	-
Total	438.62	142.26

23. Earnings per share (EPS)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Profit after tax as per statement of profit and loss (₹ in lacs) (A)	2,019.66	1,426.90
Weighted average number of equity shares for calculating Basic EPS (No. in lacs) (B)	2,141.60	1,741.69
Weighted average number of equity shares for calculating Diluted EPS (₹ in lacs) $©$	2,141.60	1,741.69
Basic earnings per equity share (in Rupees) (Face value of ₹10/- per share) (A) / (B)	0.94	0.82
Diluted earnings per equity share (in Rupees) (Face value of ₹ 10/- per share) (A) / (C)	0.94	0.82

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Weighted average number of equity shares for calculating EPS (No. in lacs)	2,141.60	1,741.69
Add : Equity shares arising on conversion of optionally convertible warrants (No. in lacs)	-	-
Add : Equity shares for no consideration arising on grant of stock options under ESOP (No. in lacs)	-	-
Weighted average number of equity shares in calculation diluted EPS (No. in lacs)	2,141.60	1,741.69

24. Related Party Disclosure

24.1.Names of Related Party and Respective Re	elations :
Nature of Relationship	Name of the Company/ Individual
Holding Company	Shriram City Union Finance Limited (SCUF)
Enterprises having significant influence over the Company	Shriram Capital Limited (SCL), Shriram Ownership Trust (SOT) and Valliant Mauritius Partners FDI Ltd. (VMPL)
Key Managerial Personnel	Mr. Sujan Sinha, (MD and CEO), Mr Kunal Shah (CFO) Ms. Nikita Hule (Company Secretary)

24.2 Related Parties Identified by the Company

₹ in lacs

24.2 Related Parties Identified by the Company								र in lacs
	Holding Co	Company	Enterprises having significant influence over the Company	ing significant the Company	Key Managerial Personnel	al Personnel	Total	la
Faruculars as at	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Payments/Expenses								
Employee Benefits *Mr. Sujan Sinha	1	1	I	I	108.38	72.72	108.38	72.72
Employee Benefits *Mr. Kunal Shah		'	1		16.87		16.87	
Employee Benefits * Ms. Nikita Hule		·	ı	ı	2.93	4.42	2.93	4.42
Rent – SCUF	12.51	5.80	1	I			12.51	5.80
Rent – SCL		ı	128.47	ı			128.47	
Expenses reimbursements - SCUF	8.72	4.58		I			8.72	4.58
Expenses reimbursements - SCL	'		15.19	ı			15.19	
Commission/Interest - SCUF	441.51	181.08	I	I	'	'	441.51	181.08
Interest - SCL		'	77.26				77.26	
Intercorporate loan - Given to SCUF	7,400.00		1	ı		'	7,400.00	
Intercorporate loan - Repayment to SCUF	14,200.00	2,500.00	I	I	ı	1	14,200.00	2,500.00
Intercorporate loan - SCL	ı	I	5,000.00	I	ı	ı	5,000.00	I
Royalty Fees - SOT	1	I	103.62	56.18			103.62	56.18
Fixed Asset - SCUF	0.28	I	ı	I			0.28	I
Receipts								
Expenses reimbursement - SCUF	26.12	15.00	ı	ı	•	•	26.12	15.00
Expenses reimbursement - SCL	•	ı	0.07	ı			0.07	
Interest - SCUF	18.66	ı	ı	ı	•	•	18.66	
Share Capital - SCUF	1	9,544.00	I	I			ı	9,544.00
Share Capital - VMPL	•	I	ı	2,722.00		•	1	2,722.00
Securities Premium - VMPL	1	I	I	6,805.00			ı	6,805.00
Rent - SCUF	130.50	123.00	ı	I	•	•	130.50	123.00
Intercorporate loan - Given by SCUF	14,200.00	2,500.00	ı	ı	•	•	14,200.00	2,500.00
Intercorporate loan - Repayment by SCUF	7,400.00	I	I	I	I	I	7,400.00	I
Intercorporate Ioan - SCL	ı	I	5,000.00	I	I	ı	5,000.00	ı
Balance outstanding as at 31st March 2015								
Share Capital – SCUF	16,544.00	16,544.00	I	I	ı	ı	16,544.00	16,544.00
Share Capital - VMPL	1	I	4,872.00	4,872.00	ı	ı	4,872.00	4,872.00
Outstanding Expenses - SCUF	32.00	17.19	I	I	I	ı	32.00	17.19
Outstanding Expenses - SCL	ı	I	11.15	I	I	I	11.15	I
Outstanding Expenses - SOT	ı	I	32.84	14.05	I	ı	32.84	14.05
Security Deposit - SCUF	117.39	117.39	I	I	ı	ı	117.39	117.39

*He / She is eligible for gratuity / leave encashment as per the company policy.



25. Gratuity and other post employment benefit plans:

The company operates one defined benefit plan, viz., gratuity for its employees. Under the gratuity plan every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The scheme is unfunded.

25.1Net employee benefit expense (Recognized in Employee Benefits Expenses)

A) Gratuity

In Statement of Profit and Loss :		₹ in lacs		
Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014		
Current service cost	4.69	3.65		
Interest cost on benefit obligation	2.77	1.79		
Expected return on plan assets	-	-		
Net actuarial (gain). Loss recognized in the year	(1.38)	5.86		
Past services cost	-	-		
Net benefit expense	6.08	11.30		

₹ in lace

In Balance Sheet Benefit Asset/Liability

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Opening defined benefit obligation	31.71	20.41
Interest cost	2.77	1.79
Current services cost	4.69	3.65
Benefits paid	-	-
Actuarial (gains)/losses on obligation	(1.38)	5.86
Closing defined benefit obligation	37.79	31.71
The principal assumptions used in determining gratuity and post employment medical benefit	-	-
Salary rise (%)	5.00	5.00
Discount rate (%)	8.75	8.75
Attrition rate (%)	3.00	3.00
Average balance service	24.48 Years	25.16Years

B) Leave encashment:

Company has provided Leave encashment liability as required under Accounting Standard – 15(Revised) and balance in books as on 31-03-15 is ₹ 8.07 lacs (Previous Year ₹ 6.51 lacs).

26. Employee Stock Option Plans

The company provides share-based payment schemes to its employees. For the period ended March 31, 2015 an Employee Stock Option Plan (ESOP) was in existence.

The relevant details of the scheme and the grant are as below:

- 1. Date of Board approval 25.01.2013
- 2. Date of Shareholders approval 28.03.2013
- 3. Date of grant 28.08.2013
- 4. Number of options granted 3,70,000
- 5. Method of settlement(cash/equity) equity
- 6. Graded vesting period:

After 4 years of Grant date -50% of options granted After 5 years of Grant date -50% of options granted

Exercisable period - 10 years from Vesting Date

Vesting Conditions – on achievement of pre-determined targets

For the purpose of accounting ESOP granted, the Company has decided to value the Options at Intrinsic Value. Intrinsic value is the amount by which the Market Price of Equity share exceeds the Exercise Price of the Option. Exercise Price per option is ₹ 10/-. Since the Company is unlisted, there is no Market Price available. As such it has been decided to calculate the Fair Value



of Equity Share by appointing a SEBI registered Category I Merchant Banker. As per their Report of September 1, 2013 fair market value is less than exercise price. Based on the above information, the Intrinsic Value per option is Zero. Therefore, the Company has not recognized any expenditure on the ESOP granted in the current period.

27. Contingent liability and commitment:

- a) Contingent Liability: NIL (Previous Year-NIL)
- b) Estimated amount of contract remaining to be executed on capital account for interior work net of advance to be paid Rs. 2.87 lacs (Previous Year-NIL).
- 28. As certified by the management, loans given by the company are secured by equitable mortgage/registered mortgage of the property & assets financed &/or assignment of life insurance policies &/or personal guarantees &/or undertaking to create a security and are considered appropriate & good.
- 29. No Funds raised through preferential allotment of shares.
- 30. Value of imports on CIF basis-NIL (Previous Year-NIL).
- 31. Foreign exchange earnings (NIL) and out go-₹ 1.09 Lacs (Previous Year ₹ 1.11 Lacs).
- 32. During the financial year ended 31.03.2015, Company invested in Pass Through Certificates (PTC's) amounting to ₹ 1226.73 Lacs including a premium of ₹ 6.04 Lacs. The balance outstanding as on 31.03.2015 of all PTC's is Rs. 2005.06 Lacs.

The details of PTC investment are as under :

Originator	Balance as on 31.03.2015 (₹ in lacs)
India Shelter Finance Corporation Limited	1226.64*
Shubham Housing Finance Limited	778.42

*Balance amount includes premium of ₹ 5.96 Lacs

- 33. Based on the information received by the Company, none of the suppliers have confirmed to be registered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.
- 34. During the financial year, company identified frauds amounting to ₹ 50.10 Lacs committed by borrowers on the company out of which ₹ 35.28 Lacs was written off and 100% provision made on the balance amount.
- 35. The company has not been able to spend 2% of its average profit for the last 3 financial years as required under the Companies Act 2013 amounting to ₹ 7.98 Lacs as the company has not firmed up any CSR projects/activity. The company is in the process of firming up CSR projects. The company would undertake CSR activities through Shriram Seva Sankalp Foundation ("SSS"), a section 8 company. SSS has been incorporated.
- 36. The figures of previous year has been rearranged/ regrouped to conform to the current year.
- 37. The Company does not have licensed capacity as it is a Home Finance Company.
- 38. The company has 72 branches as at March 31, 2015. The list of branches is attached.

39. Transfer to reserve fund:

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of net profits every year to Reserve Fund. The Company has transferred an amount of ₹ 418.02 (Previous Year ₹ 285.38 lacs).

₹ in lacs

		< in lacs
Particulars	As at	As at
	March 31, 2015	March 31, 2014
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987		-
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961		
taken into account for the purposes of Statutory Reserve under		
section 29C of the NHB Act 1987.	285.38	-
c) Total	285.38	-
Addition / Appropriation / Withdrawal during the year		
Add: a) Amount transferred u/s 29C of the NHB Act, 1987		
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under section 29C of		
the NHB Act 1987.	418.02	285.38
Less: a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the Special Reserve u/ s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of Provision u/s 29C of the NHB Act, 1987.	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987		
 b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of 		
the NHB Act, 1987	703.40	285.38
c) Total	703.40	285.38

40. Disclosure of details as required under amended guidelines on Asset Liability Management (ALM) issued by NHB vide circular dated October 11, 2010, NHB (ND)/DRS/Pol No.35/2010-11.

40.1 Capital to Risk Ratio (CRAR)

Items	As at	As at
	March 31, 2015	March 31, 2014
1. CRAR(%)	67.33%	159.33%
2. CRAR(%)Tier I capital	66.74%	158.74%
3. CRAR(%)Tier II capital	0.59%	0.59%

40.2 Exposure to real estate sector

- a) Direct exposure
- i) Residential Mortgage

Lending fully secured by mortgage on residential property that is or will be occupied by the borrower or that is rented ₹ in lacs

Category	As at March 31, 2015	As at March 31, 2014
(I) Housing Loan to individuals upto ₹ 15 lacs	29,299.40	16,426.27
(ii) Housing Loan to individual more than ₹15 lacs	23,185.92	10,328.65
(iii) Non Housing Loan against residential property	17,069.02	5,074.78



(ii) Commercial Real Estate

(ii) Commercial Real Estate		₹ in lacs
	As at	As at
Category	March 31, 2015	
Lending secured by mortgages on commercial real - estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc) exposure includes non-fund based (NFB) limits	4,154.13	203.30

iii) Investment in mortgage backed securities (MBS) and other securitized exposures

	As at	As at
Category	March 31, 2015	March 31, 2014
a) Residential	2005.06*	994.19
b) Commercial Real Estate	-	-

*includes premium of ₹ 5.96 Lacs

b) Indirect exposure:

Fund based and non-fund based exposure on National Housing Bank (NHB) and Housing Finance Companies (HFCs) –NIL (Previous Year-NIL)

41. Asset Liability Management:

Maturity pattern of certain items of Assets and Liabilities

Period		Liabilities		
	Borrowings from Banks	Market Borrowings	Advances	Investment
1 day to 30-31 days(one month)	-	-	1043.58	53.44
Over one month to 2 months	-	-	153.96	58.16
Over 2 months upto 3 months	-	-	156.16	57.01
Over 3 months to 6 months	-	-	482.60	175.77
Over 6 months to 1 year	513.33	-	1148.53	328.58
Over 1 year to 3 years	2,178.33	10,100.00	7737.10	751.22
Over 3 to 5 years	7,028.31	4,000.00	7039.17	147.35
Over 5 to 7 years	720.00	7,500.00	8504.27	163.86
Over 7 to 10 years	160.00	4,000.00	16251.73	263.72
Over 10 Years	-	-	31206.19	-
Total	10,599.97	25,600.00	73,723.29	1,999.11

The notes referred to above form an integral part of the financial statements.

As per our report of even date

For **Pijush Gupta & Co.** Firm Registration No : 309015E Chartered Accountants

Ramendra Nath Das Partner Membership No : 014125

Place: Chennai. Date: April 20, 2015

For and on behalf of the Board of Directors of Shriram Housing Finance Limited

Sujan Sinha Managing Director & CEO DIN : 02033322

Kavitha G Shah Company Secretary Subhasri Sriram Director DIN : 01998599

Kunal Shah Chief Financial Officer

SHRIRAM HOUSING FINANCE LTD.

LIST OF BRANCHES

SR.NO.	STATE / UT	BRANCHNAME	SR.NO.	STATE/UT	BRANCH NAME
1	Andhra Pradesh	Guntur	38	Maharashtra	Navi Mumbai
2	Andhra Pradesh	Kurnool	39	Maharashtra	Pune
3	Andhra Pradesh	Nellore	40	Orissa	Bhubaneshwar
4	Andhra Pradesh	Rajahmundry	41	Pondicherry/Puducherry	Pondicehrry/
5	Andhra Pradesh	Tirupathi			Puducherry
6	Andhra Pradesh	Vijayawada	42	Punjab	Amritsar
7	Andhra Pradesh	Visakhapatnam	43	Punjab	Jalandhar
8	Chattisgarh	Bilaspur	44	Punjab	Ludhiana
9	Chattisgarh	Raipur	45	Punjab	Mohali
10	Delhi	Delhi	46	Rajasthan	Ajmer
11	Gujarat	Ahmedabad	47	Rajasthan	Alwar
12	Gujarat	Ahmedabad East	48	Rajasthan	Jaipur
13	Gujarat	Bharuch	49	Rajasthan	Jodhpur
14	Gujarat	Bhavnagar	50	Rajasthan	Kota
15	Gujarat	Himatnagar	51	Rajasthan	Udaipur
16	Gujarat	Mehsana	52	Tamil Nadu	Chennai
17	Gujarat	Palanpur	53	Tamil Nadu	Coimbatore
18	Gujarat	Rajkot	54	Tamil Nadu	Hossur
19	Gujarat	Surat	55	Tamil Nadu	Madurai
20	Gujarat	Vadodara	56	Tamil Nadu	Thiruchirapalli
21	Haryana	Ambala	57	Tamil Nadu	Tirunelveli
22	Haryana	Karnal	58	Telangana	Hyderabad
23	Karnataka	Banashankari	59	Telangana	Karimnagar
24	Karnataka	Bengaluru	60	Telangana	Warangal
25	Karnataka	Mysore	61	Uttar Pradesh	Agra
26	Kerala	Ernakulam	62	Uttar Pradesh	Allahabad
27	Madhya Pradesh	Bhopal	63	Uttar Pradesh	Bareilly
28	Madhya Pradesh	Indore	64	Uttar Pradesh	Kanpur
29	Madhya Pradesh	Neemuch	65	Uttar Pradesh	Lucknow
30	Madhya Pradesh	Ratlam	66	Uttar Pradesh	Meerut
31	Madhya Pradesh	Ujjain	67	Uttarakhand	Dehradun
32	Maharashtra	Amaravati	68	Uttarakhand	Haldwani
33	Maharashtra	Aurangabad	69	Uttarakhand	Haridwar
34	Maharashtra	Chandrapur	70	West Bengal	Barasat
35	Maharashtra	Kolhapur	71	West Bengal	Durgapur
36	Maharashtra	Nagpur	72	West Bengal	Kolkata
37	Maharashtra	Nashik			



INDEPENDENT AUDITOR'S REPORT

PIJUSH GUPTA & CO. CHARTERED ACCOUNTANTS

P-199, C.I.T. Road, Scheme IV-M, Kolkata - 700 010.

To the Members of SHRIRAM CITY UNION FINANCE LIMITED

1) Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of SHRIRAM CITY UNION FINANCE LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2) Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities, the selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

3) Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

4) Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the 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 consolidated state of affairs of the Group, as at 31st March, 2015, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

5) Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the Auditor's reports of the Holding company, subsidiary, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary, none of the directors of the Group companies, is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group Refer Note 27 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary.

For **Pijush Gupta & Co.** Firm Registration No. 309015E **Chartered Accountants**

Place: Chennai Date: 28th April 2015 Ramendra Nath Das Partner Membership No. 014125



ANNEXURE TO AUDITOR'S REPORT

(Referred to in paragraph 5 of our report of even date) Re: SHRIRAM CITY UNION FINANCE LIMITED ("the Company") Financial Year Ended March 31, 2015

- I. (a) According to the information and explanations given to us and records produced before us the Group has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) According to the information and explanations given to us and records produced before us, the fixed assets have been physically verified by the management of the Holding Company and subsidiary at reasonable intervals and no material discrepancies were noticed on such physical verification.
- II. The Group is engaged in financing activities which does not involve maintenance of any inventory.
- III. As per the information and explanations given to us the Group has granted loans, secured or unsecured, to Companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 (the Act). In respect of the same,
 - (a) The receipts of principal is regular, and
 - (b) There is no overdue amount as at the end of the year.
- IV. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Group and the nature of its business for purchase of fixed assets. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Group in respect of these areas. There is no sale of goods or service or purchase of inventory.
- V. In respect of deposits accepted, in our opinion and according to the information and explanations given to us, the directives issued by the Reserve Bank of India, and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under, to the extent applicable, have been complied with. According to the information and explanation given to us, no order has been passed by the Company Law Board, the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal in this regard in respect of the Group.
- VI. To best of our knowledge and according to the information and explanations given to us the Central Government has not prescribed maintenance of cost records under Section 148(1) of the Act for the Company.
- VII. (a) According to the information and explanations provided to us, the Group is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Wealth Tax, Service Tax, Income Tax, Excise Duty, Custom Duty, Sales Tax, Cess, Value Added Tax, Employees' State Insurance and other material statutory dues applicable to it. There are no undisputed amounts that were outstanding for a period of more than six months from the data they became payable.
 - (b) On the basis of information and explanations given to us and the relevant documents produced before us, the following dues outstanding in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Value Added Tax and Cess have not been deposited on account of dispute –

Name of the statute	Nature of dues	Amount (₹ in lacs)	Years to which the amount relates	Pending with
Income Tax Act 1961	Income Tax demands	2337.47	Assessment year 2012-13	C.I.T (Appeal)
Income Tax Act 1961	Income Tax demands	1530.54	Assessment year 2011-12	ITAT
Income Tax Act 1961	Income Tax demands	963.23	Assessment year 2010-11	ITAT
Kerala VAT	Value Added Tax	4.65	Assessment Year 2007-08	Dy. C.I.T. (Appeal)

(c) According to the information and explanations given to us the amount required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Act has been transferred in time.

VIII. The Group has no accumulated losses at the end of financial year and has not incurred cash losses in the current and immediately preceding financial year.

- IX. Based on our audit procedures and as per information and explanations given by the management, it appears that the Company has not defaulted in the repayment of dues to banks, financial institutions or debenture holders.
- X. In our opinion and according to the information and explanations given to us, the Group has not given any guarantee for loans taken by others from banks or financial institutions.
- XI. In our opinion and to the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Group were, prima facie, utilised during the year for the purposes for which the loans were obtained other than funds temporarily parked pending utilization of the funds for the intended use.
- XII. We have been informed that during the audit period certain borrowers/employee of the Group have defrauded the Group by forging documents, pledging low purity Gold against Jewel Loan and producing fake documents against Home Loans amounting to Rs. 754.16 lacs. The Company has taken necessary action against the said borrowers. Refer Note 30 to the financial statements.

For **Pijush Gupta & Co.** Firm Registration No. 309015E **Chartered Accountants**

Place: Chennai

Date: 28th April 2015

Ramendra Nath Das Partner Membership No. 014125



FINANCIAL STATEMENTS (CONSOLIDATED)

			As at Ma	₹ in lacs arch 31,
Consolidated Balance Sheet		Notes	2015	2014
I. EQUITY AND LIABILITIES				
1. Shareholders' funds				
(a) Share capital		3	6,590.56	5,928.44
(b) Reserves and surplus		4	415,008.92	294,049.34
			421,599.48	299,977.78
2. Non-current liabilities				
(a) Long-term borrowings		5	808,974.27	893,035.28
(b) Other long-term liabilities		6	35,412.20	37,352.20
(c) Long-term provisions		7	9,328.60	5,914.27
			853,715.07	936,301.75
3. Current liabilities				
(a) Short-term borrowings		8	117,745.08	38,355.37
(b) Other current liabilities		6	419,783.43	342,507.62
(c) Short-term provisions		7	44,527.83	31,816.08
			582,056.34	412,679.07
4. Minority Interest			8,254.48	7,861.34
Total			1,865,625.37	1,656,819.94
II. ASSETS				
1. Non-current assets				
(a) Fixed assets:				
(i) Tangible assets		9	7,653.98	9,234.23
(ii) Intangible assets		9	687.23	1,061.32
(b) Non-current investments		10	10,164.52	1,235.88
(c) Deferred tax assets		11	3,117.99	1,881.14
(d) Long-term loans and advances		12	603,124.82	455,395.84
(e) Other non-current assets		13	13,722.74	10,894.62
			638,471.28	479,703.03
2. Current assets			70 404 00	40 470 54
(a) Current Investments		14	73,464.69	46,170.51
(b) Cash and bank balances(c) Short-term loans and advances		15 12	80,279.71 1,059,982.71	248,516.54
(d) Other current assets		12	13,426.98	864,452.40 17,977.46
(d) Other Current assets		15	1,227,154.09	1,177,116.91
			.,,	.,,
Total Summary of significant accounting p	olicies	2.1	1,865,625.37	1,656,819.94
Other notes to accounts		2.1 23 to 56		
The notes referred to above form an in	ntegral part of the financial s			
As per our report even date	For and on behalf of the B			
For Pijush Gupta & Co. Firm Registration No. 309015E Chartered Accountants	Shriram City Union Final			
	R.Duruvasan Managing Director	G.S. Sundararaj a Director	an	
Ramendra Nath Das	DIN: 00223052	DIN: 00361030		
Partner				
Membership No. 014125				
Place: Chennai Date: April 28, 2015	C R Dash Company Secretary	Subhasri Sriram Chief Financial O		
Date. April 20, 2013	Company Secretary			

Consolidated Accounts 157

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Consolidated Statement of Profit and Loss	Notes	For the year end	ed March 31,	
Consolidated Statement of Front and Loss	Notes	2015	2014	
Income				
Revenue from operations	16	356,169.96	322,555.52	
Other income	17	5,118.16	5,316.12	
Total income		361,288.12	327,871.64	
Expenses				
Employee benefits expense	18	42,633.19	28,032.93	
Finance costs	19	135,592.38	135,070.54	
Depreciation and amortization expense	9	4,364.84	3,022.27	
Other expenses	20	46,199.73	43,626.55	
Provisions & write offs	21	45,819.01	38,561.63	
Total expenses		274,609.15	248,313.92	
Profit before tax		86,678.97	79,557.72	
Tax expense:				
- Current tax		30,447.02	23,274.17	
- Deferred tax		(1,236.84)	(52.20)	
- Tax of earlier years		(66.69)	2,794.53	
Total tax expense		29,143.49	26,016.50	
Profit after tax from continuing operations		57,535.48	53,541.22	
Less: Minority interest		393.41	324.62	
		57,142.07	53,216.60	
Earnings per equity share	22			
Equity shares of par value ₹10/- each				
Basic (₹)		88.24	91.66	
Diluted (₹)		88.09	91.43	
Summary of significant accounting policies	2.1			
Other notes to accounts	23 to 56			

The notes referred to above form an integral part of the financial statements.

As per our report even date For Pijush Gupta & Co. Firm Registration No. 309015E Chartered Accountants	For and on behalf of the Board Shriram City Union Finance L	
	R.Duruvasan Managing Director DIN: 00223052	G.S. Sundararajan Director DIN: 00361030
Ramendra Nath Das Partner Membership No. 014125		
Place: Chennai Date: April 28, 2015	C R Dash Company Secretary	Subhasri Sriram Chief Financial Officer



Consolidated Cash flow Statement	For the year end	led March 31,	
	2015	2014	
Cash flows from Operating activities			
Profit before Tax	86,679.16	79,557.72	
Non-cash adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortization	4,364.84	3,022.27	
(Profit)/ Loss on sale of fixed assets (net)	(13.86)	27.89	
Public issue expenditure for non-convertible debentures	977.45	575.41	
Provision for non performing assets and bad debts written off	44,901.17	38,663.88	
Contingent provision on standard assets	906.61	(107.96)	
Provision for hedging contracts	-	(486.75)	
Provision for diminution in the value of investments	11.23	5.71	
Other Income written back	(222.40)	(479.06)	
Provision for Lease rental	4.78	17.33	
Provision for bonus and ex gratia	7.63	5.95	
Gain on sale of investments	(4,175.15)	(760.40)	
Loss on sale of investments	76.05	-	
Dividend Income	(290.60)	(542.06)	
Operating profit before working capital changes	133,226.91	119,499.93	
Movements in Working capital:			
(Increase) / decrease in assets under financing activities	(334,191.43)	40,321.09	
(Increase) / decrease in Short-term loans and advances	(2,429.40)	(5,736.37)	
(Increase) / decrease in Long-term loans and advances	(37,902.31)	(19,249.29)	
(Increase) / decrease in other current assets	4,420.70	5,633.52	
(Increase) / decrease in other non-current assets	3,762.18	6,124.23	
(Increase) / decrease in Investments	67,431.44	(121,001.94)	
Increase / (decrease) in other current liabilities	75,036.68	(11,357.26)	
Increase / (decrease) in other non-current liabilities	(815.47)	(2,585.79)	
Cash generated from operations	(91,460.70)	11,648.12	
Direct taxes paid (net of refund)	(32,714.55)	(26,373.04)	
Net Cash from/(used in) operating activities (A)	(124,175.25)	(14,724.92)	
Cash flows from Investing activities			
Purchase of fixed and intangible assets	(2,875.95)	(3,429.00)	
Capital advance for assets	(1,391.46)	-	
Proceeds from sale of fixed assets	111.52	23.48	
Purchase of investments	(21,360.19)	(7,274.72)	
Proceeds from sale of investments	218.67	-	
Profit on sale of investments	4,460.62	2,279.48	
Loss on sale of investments	(76.05)	-	
Miscellaneous income	149.69	8.88	
Dividend received	0.51	222.08	
Net Cash from/(used in) investing activities (B)	(20,762.64)	(8,169.80)	
Cash flows from Financing activities			
Proceeds from issue of equity share capital including securities premium and share	78,972.56	22,563.47	
application money			
Increase / (decrease) of long-term borrowings	(83,547.68)	65,443.53	
Increase / (decrease) of short-term borrowings	79,389.71	(121,873.19)	
Public issue expenses for non-convertible debentures paid	(53.53)	(1,468.32)	
Dividend Paid	(6,908.03)	(5,880.22)	
Tax on dividend	(1,264.84)	(999.34)	
Cash and bank balance received on account of merger with SRHPL	-	5,666.33	

Consolidated Cash flow Statement	For the year end	For the year ended March 31,	
	2015	2014	
Net Cash from/(used in) financing activities (C)	66,588.19	(36,547.74)	
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(78,349.70)	(59,442.47)	
Cash and cash equivalents at the beginning of the year	117,457.01	176,899.48	
Cash and cash equivalents at the end of the year	39,107.31	117,457.01	

Components of cash and cash equivalents	For the year ende	For the year ended March 31,		
	2015	2014		
Cash on hand	5,744.12	6,234.82		
Balances with banks in :				
Current accounts	26,802.58	22,739.31		
Unpaid dividend accounts	60.61	49.53		
Deposits with maturity of less than 3 months	6,500.00	88,433.35		
Total Cash and cash equivalents (Note 15)	39,107.31	117,457.01		

As per our report even date For Pijush Gupta & Co. Firm Registration No. 309015E Chartered Accountants	For and on behalf of the Board of Directors of Shriram City Union Finance Limited		
	R.Duruvasan Managing Director DIN: 00223052	G.S. Sundararajan Director DIN: 00361030	
Ramendra Nath Das Partner Membership No. 014125			
Place: Chennai Date: April 28, 2015	C R Dash Company Secretary	Subhasri Sriram Chief Financial Officer	



1. Basis of preparation

The consolidated financial statements related to Shriram City Union Finance Limited ('the Company') and its subsidiary company. The financial statements have been prepared in conformity with generally accepted accounting principles (Indian GAAP) including the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014, and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non Banking Finance Company ('NBFC') and the guidelines issued by National Housing Bank ('NHB'). The financial statements have been prepared under the historical cost convention on an accrual basis.

The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year, except for the change in accounting policy explained below.

2. Basis of consolidation

- (i) The financial statements of the subsidiary company used in the consolidation are drawn up to the same reporting date as of the Company i.e. period ended March 31, 2015 and are prepared based on the accounting policies consistent with those used by the Company.
- (ii) The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses after eliminating the intra-group balances and intra-group transactions in accordance with Accounting Standard (AS)- 21 'Consolidated Financial Statements'.
- (iii) The excess of cost to the Company of its investments in the subsidiary company over its share of equity of the subsidiary company, at the dates on which the investments in the subsidiary company are made, is recognised as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary company as on the date of investment is in excess of cost of investment of the Company, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.
- (iv) Minority interest, if any, in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary company and further movements in their share in the equity, subsequent to the dates of investments as stated above.
- (v) The following subsidiary company is considered in the consolidated financial statements:

Name of the Company	0	Share of ownership interest	
	Country of incorporation	As at Marc	h 31,
	2015		2014
Shriram Housing Finance Limited	India	77.25%	77.25%

2.1 Summary of significant accounting policies

a. Change in accounting policy

Presentation and disclosure of financial statements

During the year 2014-15, the revised Schedule III notified under the Companies Act 2013, became applicable to the Company, for preparation and presentation of its financial statements. The adoption of revised Schedule III does not impact recognition and measurement principles followed for preparation of financial statements. However, there is a change in method of calculation of depreciation under Schedule II of the Companies Act 2013. Accordingly depreciation has been calculated based on said Schedule II, impact of such change has been disclosed in Note 9 to the financial statements.

b. Current / Non-current classification of assets / liabilities

The Company has classified all its assets / liabilities into current / non-current portion based on the time frame of 12 months from the date of financial statements. Accordingly, assets/liabilities expected to be realised /settled within 12 months from the date of financial statements are classified as current and other assets/ liabilities are classified as non-current.

c. Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the date of the financial statements and results of operations during the reporting year end. Although these estimates are based on the management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to the accounting estimates are recognised in current and future years.

d. Fixed Assets, Depreciation & Impairment

(i) Tangible fixed assets

Fixed assets are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price and directly attributable cost for bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenditure is incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(ii) Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

(iii) Depreciation on tangible fixed assets

Depreciation on fixed assets is provided based on the useful lives prescribed under the Schedule II to the Companies Act, 2013 with effect from April 2014.

Leasehold improvements are amortised on SLM over the primary period of lease subject to a maximum of 60 months. Depreciation on assets acquired /sold during the year is recognised on a pro-rata basis in the Statement of Profit and Loss till the date of sale or from the date of acquisition.

(iv) Depreciation on intangible assets

Amortisation is provided on Straight Line Method ('SLM'), which reflects the management's estimate of the useful life of the intangible asset. The Company has used the following rate to provide depreciation on the intangible assets.

Computer software

Rates (SLM)

33.33%

Amortisation on assets acquired/sold during the year is recognised on pro-rata basis in the Statement of Profit and Loss till the date of sale or from the date of acquisition.

(v) Impairment of assets

The Company assesses at each balance sheet date if there is an indication of impairment of any asset. If any indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount of an asset is greater of net selling price and value in use of the asset. Where the carrying amount of an asset is more than its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The value in use is the estimated future cash-flows discounted to their present value at pre-tax discount rate which reflects current market assessment of the time value of money and risk specific to the asset.

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

An assessment is made at each Balance Sheet date about existence or decrease of previously recognised impairment losses. If such indication exists, the Company estimates the asset's recoverable amount. A previously recognised impairment loss is increased or reversed depending on the changes in the circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation, if there was no impairment.

e. Capital advances

Capital advances are advances given for procurement of fixed assets. Company does not expect to realise them in cash and over a period of time these advances get converted into fixed assets which are non-current by nature. Therefore irrespective of when the fixed assets are expected to be received such advances are disclosed under "long-term loans and advances".

f. Borrowing costs

Borrowing cost includes interest and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Ancillary and other borrowing costs are charged to statement of profit and loss in the year in which they are incurred.



g. Investments

Investments intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Non-current investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary in the value of such investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

h. Provision/write off of assets

Nonperforming loans are written off / provided for, as per estimates of management, subject to the minimum provision required as per Non- Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

Provision on standard assets is made as required under Reserve Bank of India (RBI) notification No. DNBS.222/CGM (US-2011) dated January 17, 2011 and NHB notification No. NHB.HFC.DIR.3/CMD/2011.

i. Loans

Loans are stated at the amount advanced including finance charges accrued and expenses recoverable, as reduced by the amounts received up to the date of balance sheet and loans securitised.

j. Leases

Where the Company is the lessor

Assets given on operating leases are included in fixed assets. Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

Where the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

k. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The revenue recognisation are as under:

- (i) Income from financing activities is recognised on the basis of internal rate of return.
- (ii) Additional finance charges / additional interest are treated to accrue on realisation due to uncertainty of its realisation.
- (iii) Gain arising on securitisation/direct assignment of assets is recognised over the tenure of agreements as per guideline on securitisation of standard assets issued by RBI. Loss or expenditure in respect of securitisation / assignment, if any, is recognised upfront.
- (iv) The prudential norms for income recognition prescribed under Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007 and National Housing finance Companies (NHB) Directions, 2010 are followed.
- (v) Income from services is recognised as per the terms of the contract on accrual basis.
- (vi) Interest Income on deposit accounts with banks is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (vii) Dividend is recognised as income when right to receive payment is established by the date of balance sheet.
- (viii) Profit/loss on sale of investments is recognised at the time of actual sale / redemption.

I. Foreign currency transactions and balances

Initial recognition: Foreign currency transactions are recorded in Indian rupee, by applying to the foreign currency amount the exchange rate between the Indian rupee and the foreign currency at the date of the transaction.

Conversion: Foreign currency monetary items are retranslated to Indian rupees by using the exchange rate prevailing at the Balance Sheet date.

Exchange differences: All exchange differences are dealt within the Statement of Profit and Loss.

m. Income taxes

Tax expense comprises of current tax and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

The carrying cost of the deferred tax assets are reviewed at each balance sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

The un-recognised deferred tax assets are re-assessed by the Company at each balance sheet date and are recognised to the extent it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

n. Segment reporting

The Company prepares its segment information in conformity with the Accounting Standard 17 issued by The Institute of Chartered Accountants of India.

o. Employee stock compensation cost

The measurement and disclosure of the employee share based payment plans is done in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines,1999 and the Guidance Note on Accounting for Employee Share-based Payments issued by The Institute of Chartered Accountants of India (ICAI). The Company measures cost relating to employees stock option by intrinsic value method. Compensation expenses is amortised on straight line method over the period of vesting of options.

p. Retirement and other employee benefits

(i) Provident Fund

All the employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future Provident Fund benefits other than its annual contribution and recognises such contributions as an expense in the year it is incurred.

(ii) Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated year mentioned under 'The Payment of Gratuity Act, 1972'. The Company accounts for liability of future gratuity benefits based on an external actuarial valuation on projected unit credit method carried out for assessing liability as at the reporting date. Actuarial gain / losses are immediately taken to Statement of Profit and Loss and are not deferred.

(iii) Leave Benefits

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred.

q. Earnings Per Share (EPS)

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

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



r. Expenses on deposits / debentures

Expenses for private placement of debentures/subordinated debts/deposits are charged to Statement of Profit and Loss in the year in which they are incurred.

Expenses incurred on public issue of debentures other than brokerage are charged off on straight line basis over the weighted average tenor of the underlying debentures. The brokerage incurred on issue of debenture is treated as expenditure in the year in which it is incurred.

s. Provisions

A provision is recognised when the Company has a present obligation as a result of past event. It is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

t. Cash and cash equivalents

Cash and cash equivalents are held for the purpose of meeting short-term cash commitments. Cash equivalents are short term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents include cash-in-hand, cash at bank, cheque in hand, remittances in transit and short term investments with an original maturity period of three months or less.

u. Derivative instruments

In accordance with the ICAI guidelines and on principle of prudence, derivative contracts, other than foreign currency forward contracts covered under AS 11, are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the Statement of Profit and Loss. However net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

v. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events, which are beyond the control of the Company. A contingent liability also includes a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises where; a liability cannot be measured reliably. The Company does not recognise a contingent liability in the accounts but discloses its existence in the financial statements.

3. SHARE CAPITAL

Particulars	As at Ma	As at March 31,	
Particulars	2015	2014	
Authorised			
11,85,00,000 (March 31, 2014: 10,65,00,000) equity shares of ₹10/- each	11,850.00	10,650.00	
March 31, 2014: 12,00,000 equity shares of ₹100/- each	-	1,200.00	
40,00,000 (March 31, 2014: 40,00,000) cumulative redeemable preference shares of ₹100/- each	4,000.00	4,000.00	
Total	15,850.00	15,850.00	
Issued, Subscribed and Fully Paid-up			
Equity Shares			
6,59,05,612 (March 31, 2014: 5,92,84,432) shares of ₹10/- each	6,590.56	5,928.44	
Total Issued, Subscribed and fully Paid-up share capital	6,590.56	5,928.44	

3.1 RECONCILIATION OF THE SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING PERIOD

Equity Shares

Particulars	As at March 31,	2015	As at March 31, 2014		
Particulars	Number of Shares	₹ in lacs	Number of Shares	₹ in lacs	
At the beginning of the year	59,284,432	5,928.44	55,416,340	5,541.63	
Issued during the year - ESOP [Refer note-24]	41,340	4.13	37,050	3.71	
Issued pursuant to merger	-	-	781,042	78.10	
Conversion of warrants	-	-	3,050,000	305.00	
Preferential allotment to M/s Piramal Enterprises Limited	6,579,840	657.99	-	-	
Outstanding at the end of the year	65,905,612	6,590.56	59,284,432	5,928.44	

The Company as per approval given by the shareholders of the Company at the Extraordinary General Meeting held on May 30, 2014 had issued and allotted of 65,79,840 numbers of fully paid up equity shares of ₹ 10/- each for cash at a price of ₹1,200/- per Equity Share (including a premium of ₹ 1,190/- per Equity Share) aggregating to ₹78,958.08 lacs to M/s Piramal Enterprises Limited ("PEL") on preferential basis on June 3, 2014 in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. The said equity shares are locked in for a period of one year from the date of trading approval by stock exchanges granting last (i.e. from June 25, 2014 to June 30, 2015) as per Regulation 78(2) of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2009 read with amendment notification dated August 26, 2013 as SEBI (ICDR) Second Amendment Regulations, 2013.

3.2 Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of the equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

For the period ended March 31, 2015, the amount of dividend per equity share recognised as distributions to equity shareholders is ₹ 15 (March 31, 2014 : ₹ 10 including interim dividend) including interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3.3 Details of shareholders holding more than 5% shares in the Company

Name of the shareholders	As at March 3	1, 2015	As at March 31, 2014		
Name of the shareholders	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
Equity share of ₹10 each fully paid					
Shriram Capital Ltd.	22,268,877	33.79	22,268,877	37.56	
Norwest Venture Partners X FII-Mauritius	-	-	3,823,502	6.45	
TPG India Investment I INC	13,421,889	20.37	13,421,889	22.64	
M/s Piramal Enterprises Limited	6,579,840	9.98	-	-	

As per records of the Company, including the register of shareholders /members and other declarations received from shareholders/members regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

3.4 Shares reserved for issue under option:

For details of share reserved for issue under the employees stock option scheme (ESOP) [Refer note 24]

3.5 The Company issued 11,90,030 equity shares (March 31, 2014: 11,48,690) during the period of five years immediately preceding the reporting date on exercise of options granted under ESOP, wherein a part of the consideration was received in form of employee service.

In terms of the composite Scheme of Arrangement ("Scheme") among Shriram Retail Holdings Private Limited ("SRHPL"), Shriram Enterprise Holdings Private Limited ("SEHPL") and Shriram City Union Finance Limited ("SCUF"), under section 391 to 394 read with Section 100-104 of the Companies Act, 1956 was approved by the Hon'ble High Court of Madras on June 24, 2013. The Scheme came into effect on August 16, 2013 with filing of Form 21 with Registrar of Companies, Chennai on the same date. Prior to the merger, SRHPL held 26,610,571 shares of the Company. On merger 2,73,91,613 equity shares of ₹ 10/- each fully paid of the Company were allotted to the shareholders of Consolidated SRHPL on August 19, 2013, which resulted in increase in paid up share capital of the Company by 7,81,042 equity shares of ₹10/- each.



4. RESERVES & SURPLUS

Particulars	As at Ma	rch 31,
	2015	2014
Capital reserves	7,871.88	1,400.00
Add: Transfer from Profits on account of reverse merger with	_	6,471.88
Shriram Retail Holdings Pvt. Ltd.	7 071 00	7 071 00
Closing balance	7,871.88	7,871.88
Capital redemption reserve	2,328.98	2,328.98
Securities premium		
Opening balance	108,053.57	85,583.23
Add : Securities premium received	78,404.05	22,470.34
Less: Amount utilised towards share issue expenses	(1,774.35)	-
Closing balance	184,683.27	108,053.57
Debenture redemption reserve		
Opening balance	15,995.20	8,290.40
Add: Transfer from Profits	8,398.63	7,704.80
Less: Amount transferred to General reserve on Redemption	(7,899.22)	-
Closing balance	16,494.61	15,995.20
Stock options outstanding		
Employee stock option outstanding	343.32	427.22
Less: Transfer to deferred employee compensation outstanding	(93.61)	(83.90)
Closing balance	249.71	343.32
Statutory reserve (in pursuant to section 45-IC of the RBI Act, 1934 & Section 29C of the NHB Act, 1987)		
Opening balance	42,475.46	31,815.00
Add: Transfer from Profits	11,483.92	10,660.46
Closing balance	53,959.38	42,475.46
General reserve		
Opening balance	20,915.40	15,695.40
Add: Transfer from Profits	5,581.00	5,220.00
Add: Transfer from Debenture redemption reserve	7,899.22	-
Closing balance	34,395.62	20,915.40
Surplus in the Statement of Profit and Loss		
Opening balance	96,065.53	73,484.25
Less: Additional depreciation (as per The Companies Act, 2013)	(367.34)	-
Add: Profit for the year	57,142.07	53,216.60
Adjustment in minority interest	-	101.03
Less: Appropriations		
- Interim dividends	(3,362.04)	(2,555.23)
- Tax on interim dividend	(660.32)	(434.27)
- Proposed final Equity dividend	(6,920.09)	(3,557.07)
- Tax on proposed Equity dividend	(1,408.79)	(604.52)
- Transfer to Statutory reserve (in pursuant to section 45-IC of the RBI Act, 1934 & Section 29C of the NHB Act, 1987)	(11,483.92)	(10,660.46)
- Transfer to General reserve	(5,581.00)	(10,000.40) (5,220.00)
- Transfer to Debenture redemption reserve	(8,398.63)	(3,220.00) (7,704.80)
Net surplus in the Statement of Profit and Loss	115,025.47	96,065.53
Total	415,008.92	294,049.34

5. LONG-TERM BORROWINGS

				₹ in lacs
	Non-curre	nt portion	Current n	naturities
Particulars	As at March 31,		As at Ma	arch 31,
	2015	2014	2015	2014
Secured				
Privately placed redeemable non-convertible debentures (Retail)	30,496.55	98,597.82	67,029.45	88,601.44
Privately placed non-convertible debentures (Institutional)	71,250.00	36,650.00	1,000.00	11,400.00
Public issue of redeemable non-convertible debentures:				
Issued in 2014	20,000.00	-	-	-
Issued in 2013	15,361.06	15,361.06	-	-
Issued in 2012	11,116.35	43,360.14	32,243.79	-
Issued in 2011	30,860.80	61,208.00	-	13,792.00
Term loan from Banks	325,086.52	447,663.10	194,925.85	124,082.72
Term loan from Financial Institutions	27,500.00	34,500.00	7,000.00	5,000.00
Total Secured Long-term borrowings	531,671.28	737,340.12	302,199.09	242,876.16
Unsecured				
Fixed deposits	173,024.40	42,635.90	38,707.78	19,195.30
Subordinated debts	104,278.59	113,059.26	8,787.04	11,451.11
Total Unsecured Long-term borrowings	277,302.99	155,695.16	47,494.82	30,646.41
Amount disclosed under the head "other current liabilities"	-	-	(349,693.91)	(273,522.57)
Total	808,974.27	893,035.28	-	-

5.1 SECURED LOANS - LONG TERM BORROWINGS

A. SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURE

(i) PRIVATELY PLACED SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES (NCDs) OF ₹ 1,000/- EACH - UNQUOTED (RETAIL)

Terms of repayment as at March 31, 2015

Dedesseehle et soussithis	Rate of interest					
Redeemable at par within -	< 10%	>= 10% < 12%	>= 12% < 14%	>= 14%	Total	
Over 60 months	-	-	-	-	-	
48-60 months	-	-	-	-	-	
36-48 months	2.80	514.03	-	-	516.83	
24-36 months	8.85	2,167.09	321.36	-	2,497.30	
12-24 months	151.81	27,088.01	241.48	1.12	27,482.42	
Total non-current portion	163.46	29,769.13	562.84	1.12	30,496.55	
12 months	3,044.50	63,692.75	-	292.20	67,029.45	
Total current maturities	3,044.50	63,692.75	-	292.20	67,029.45	
Grand Total	3,207.96	93,461.88	562.84	293.32	97,526.00	



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2015

Terms of repayment as at March 31, 2014

			Rate of interest		
Redeemable at par within	< 10%	>= 10% < 12%	>= 12% < 14%	>= 14%	Total
Over 60 months	-	-	-	_	-
48-60 months	4.80	514.03	-	-	518.83
36-48 months	8.85	2,175.71	321.36	-	2,505.92
24-36 months	202.73	27,361.45	241.48	1.12	27,806.78
12-24 months	3,329.91	64,144.10	-	292.28	67,766.29
Total non-current portion	3,546.29	94,195.29	562.84	293.40	98,597.82
12 months	17,838.96	70,644.02	3.10	115.36	88,601.44
Total current maturities	17,838.96	70,644.02	3.10	115.36	88,601.44
Grand Total	21,385.25	164,839.31	565.94	408.76	187,199.26

Nature of security

The redemption of principal amount of secured redeemable non-convertible debentures with all interest there on are secured by a legal mortgage on the specified immovable property and by way of charge on the Company's specifically identified movable assets such as book debts / loan receivables in favour of the Trustees appointed.

These secured redeemable non-convertible debentures are redeemable at par over a period of 12 months to 60 months from the date of allotment depending on the terms of the agreement.

Secured redeemable non-convertible debentures may be bought back subject to applicable statutory and /or regulatory requirements, upon the terms and conditions as may be decided by the Company. The Company may grant loan against the security of Secured Non-Convertible Debentures upon the terms and conditions as may be decided by the Company and subject to applicable statutory and /or regulatory requirements.

(ii) PRIVATELY PLACED REDEEMABLE NON-CONVERTIBLE DEBENTURE (INSTITUTIONAL)

a. PRIVATELY PLACED REDEEMABLE NON-CONVERTIBLE DEBENTURE (NCDs) OF ₹ 1,00,000/- EACH - QUOTED

	Non-current p	ortion	Current maturities As at March 31,		
Rate of Interest	As at March	ı 31 ,			Redeemable at par on
	2015	2014	2015	2014	at par on
10.75%	-	-	-	900.00	07-Oct-14
10.75%	-	-	-	2,100.00	30-Sep-14
10.75%	-	-	-	900.00	07-Apr-14
10.75%	-	-	-	2,100.00	02-Apr-14
Total	-	-	-	6,000.00	

b. PRIVATELY PLACED REDEEMABLE NON-CONVERTIBLE DEBENTURE (NCDs) OF ₹ 10,00,000/- EACH - QUOTED ₹ in lacs

	Non-currei	nt portion	Current ma	turities	
Rate of Interest	As at Ma	As at March 31,		ch 31,	Redeemable
	2015	2014	2015	2014	at par on
10.75%	500.00	500.00	-	-	04-Feb-21
9.10%	10,000.00	-			27-Mar-18
10.60%	2,500.00	2,500.00	-	-	13-Dec-17
10.50%	2,000.00	2,000.00	-	-	23-Nov-17
10.75%	1,000.00	1,000.00	-	-	26-Jul-17
10.75%	2,150.00	2,150.00	-	-	12-Jul-17
11.66%	27,500.00	27,500.00	-	-	30-Mar-17
10.65%	-	1,000.00	1,000.00	-	23-May-15
10.65%	-	-	-	1,000.00	03-Feb-15
11.00%	-	-	-	1,500.00	01-Dec-14
10.61%	-	-	-	2,900.00	02-Jun-14
10.30%	4,000.00	-	-	-	10-Oct-24
10.25%	4,500.00	-	-	-	10-Oct-21
10.25%	1,500.00	-	-	-	13-Oct-21
10.25%	5,000.00	-	-	-	01-Dec-17
Zero Coupon	600.00	-	-	-	24-Nov-16
9.30%	4,500.00	-	-	-	26-Dec-17
9.25%	4,000.00	-	-	-	26-Dec-19
9.35%	1,500.00	-	-	-	26-Dec-21
Total	71,250.00	36,650.00	1,000.00	5,400.00	

Nature of security

The redemption of principal amount of secured redeemable non-convertible debentures with all interest there on are secured by a legal mortgage on the specified immovable property and by way of charge on the Company's specifically identified movable assets such as book debts / loan receivables in favour of the Trustees appointed.

Secured redeemable non-convertible debenture may be bought back subject to applicable statutory and /or regulatory requirements, upon the terms and conditions as may be decided by the Company.

(iii) PUBLIC ISSUE OF SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES (NCDs)OF ₹ 1,000/- EACH - QUOTED

a. Issued in 2011 Non-current Portion

					₹ in lacs
Ontion Datail	Rate of	As at Ma	rch 31,	Redeemable	Put and call
Option Detail	Interest	2015	2014	at par on	option
Option I	11.60%	5,429.05	5,429.05	25-Aug-16	25-Aug-15
	12.10%	21,556.45	43,653.65	25-Aug-16	25-Aug-15
	11.85%	3,875.30	12,125.30	25-Aug-16	25-Aug-15
Option II	11.50%	-	-	25-Aug-14	-
	11.85%	-	-	25-Aug-14	-
	11.60%	-	-	25-Aug-14	-
Total		30,860.80	61,208.00	-	



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2015

Current maturities

Ontion Datail	Rate of	As at March 31,		Redeemable at	Put and call
Option Detail	Interest	2015	2014	par on	option
Option I	11.60%	-	-	25-Aug-16	25-Aug-15
	12.10%	-	-	25-Aug-16	25-Aug-15
	11.85%	-	-	25-Aug-16	25-Aug-15
Option II	11.50%	-	9,570.95	25-Aug-14	-
	11.85%	-	1,346.35	25-Aug-14	-
	11.60%	-	2,874.70	25-Aug-14	-
Total		-	13,792.00		

Nature of security

The repayment of secured redeemable non-convertible debentures of ₹ 1,000/- each at face value on maturity together with interest thereon are secured by mortgage of immovable property and by way of charge on the Company's specifically identified movable assets such as book debts / loan receivables in favour of the Trustees appointed.

Secured redeemable non-convertible debenture may be bought back subject to applicable statutory and /or regulatory requirements, upon the terms and conditions as may be decided by the Company.

During the year non-convertible debentures worth of ₹ 30,347.20 Lacs was bought back and ₹ 13,792 Lacs was redeemed.

b. Issued in 2012

Non-current Portion

				₹ in lacs
Ontion Datail	Data of Interact	As at Ma	rch 31,	Redeemable
Option Detail	Rate of Interest	2015	2014	at par on
Option I	10.60%	-	29,697.71	06-Oct-15
	10.60%	-	2,546.08	06-Oct-15
Option II	10.75%	7,646.19	7,646.19	06-Oct-17
	10.75%	3,470.16	3,470.16	06-Oct-17
Total		11,116.35	43,360.14	

Current Portion

Option Detail	Rate of Interest —	As at March 3	Redeemable	
	hate of interest	2015	2014	at par on
Option I	10.60%	29,697.71	-	06-Oct-15
	10.60%	2,546.08	-	06-Oct-15
Option II	10.75%	-	-	06-Oct-17
	10.75%	-	-	06-Oct-17
Total		32,243.79	-	

Nature of security

The repayment of secured redeemable non-convertible debentures of ₹ 1,000/- each at face value on maturity together with interest thereon are secured by mortgage of immovable property and by way of charge on the Company's specifically identified movable assets such as book debts / loan receivables in favour of the Trustees appointed.

c. Issued in 2013 Non-current portion

				Redeemable	
Option Detail	Rate of Interest		As at March 31,		
		2015	2014	at par on	
Series I	10.75%	187.15	187.15	04-Jan-17	
	11.00%	4,197.91	4,197.91	04-Jan-17	
Series II	10.75%	7.00	7.00	04-Jan-18	
	11.25%	310.18	310.18	04-Jan-18	
Series III	10.75%	3.00	3.00	04-Jan-19	
	11.50%	5,016.34	5,016.34	04-Jan-19	
Series IV	10.75%	112.50	112.50	04-Jan-17	
	11.00%	2,238.68	2,238.68	04-Jan-17	
Series V	11.25%	276.13	276.13	04-Jan-18	
Series VI	10.75%	300.50	300.50	04-Jan-19	
	11.50%	2,515.29	2,515.29	04-Jan-19	
Series VII	11.25%	196.38	196.38	04-Jan-19	
Total		15,361.06	15,361.06		

Nature of security

The repayment of secured redeemable non-convertible debentures of ₹ 1,000/- each at face value on maturity together with interest thereon are secured by mortgage of immovable property and by way of charge on the Company's specifically identified movable assets such as book debts / loan receivables in favour of the Trustees appointed.

d. Issued in 2014

Non-current portion

Option Detail	Rate of Interest	As at March 3	Redeemable	
Option Detail	nate of interest	2015	2014	at par on
Series I	10.50%	2,137.00	-	03-May-16
	11.00%	3,818.77	-	03-May-16
Series II	11.50%	3,508.76	-	03-May-17
Series III	10.85%	32.00	-	03-May-19
	11.75%	8,031.55	-	03-May-19
Series IV	11.34%	255.71	-	03-May-16
Series V	12.68%	765.74	-	03-May-17
Series VI	14.72%	950.47	-	03-May-19
	13.35%	500.00	-	03-May-19
Total		20,000.00	-	-



Nature of security

The repayment of secured redeemable non-convertible debentures of ₹ 1,000/- each at face value on maturity together with interest thereon are secured by mortgage of immovable property and by way of charge on the Company's specifically identified movable assets such as book debts / loan receivables in favour of the Trustees appointed.

B. TERM LOAN

(i) TERM LOAN FROM BANKS

Terms of repayment as at March 31, 2015

				₹ in lacs
Tenor	Rate of interest	Repayment Details	Non-Current portion	Current Maturities
Above 60 months	10.25%	14 installment of half yearly frequency	2,320.00	180.00
48-60 months	10.00% to 10.60%	1 to 12 installments of bullet & quarterly yearly frequency	7,766.64	333.33
36-48 months	10.75% to 11.25%	1 to 48 installments of bullet, half yearly and yearly frequency	30,000.00	-
24-36 months	10.50% to 11.50%	1 to 36 installments of bullet & quarterly frequency	75,000.00	-
12-24 months	10.50% to 11.50%	1 to 24 installments of bullet, monthly, quarterly and half yearly frequency	209,999.88	21,500.00
Upto 12 months	10.00% to 11.00%	1 to 12 installments of bullet, quarterly & half yearly frequency	-	172,912.52
			325,086.52	194,925.85

Terms of repayment as at March 31, 2014

₹ in lacs

Tenor	Rate of interest	Repayment Details	Non-Current portion	Current Maturities
36-48 months	10.75%	Bullet payment on maturity	15,000.00	-
24-36 months	10.40% to 12.00%	1 to 36 installments of bullet & quarterly frequency	241,505.55	5,000.00
12-24 months	10.50% to 11.25%	1 to 24 installments of bullet, monthly, quarterly and half yearly frequency	191,157.54	24,083.33
Up to 12 months	10.45% to 10.95%	1 to 12 installments of bullet, quarterly & half yearly frequency	-	94,999.39
			447,663.09	124,082.72

Nature of Security

Term Loans from banks are secured by an exclusive charge by way of hypothecation of specific assets under financing.

(ii) TERM LOAN FROM INSTITUTIONS

Terms of repayment as at March 31, 2015				

Tenor	Rate of interest	Repayment Details	Non-Current portion	Current Maturities
24-36 months	10.75%	1 to 36 installments of yearly frequency	27,500.00	7,000.00
Grand Total			27,500.00	7,000.00

Terms of repayment as at March 31, 2014

Non-Current Current Tenor Rate of interest **Repayment Details** portion Maturities 1,500.00 48-60 months 10.75% 1 to 60 installments of yearly frequency 6,500.00 36-48 months 10.75% 1 to 48 installments of yearly frequency 28,000.00 3,500.00 **Grand Total** 34,500.00 5,000.00

Nature of security

Term loans from institutions are secured by an exclusive charge by way of hypothecation of specific assets under financing.

5.2 UNSECURED LOAN - LONG TERM BORROWINGS

A. FIXED DEPOSITS OF ₹1,000/- EACH - UNQUOTED

Terms of repayment as at March 31, 2015

Redeemable at par	Rate of interest					
within	>=6% <8%	>=8% <10%	>=10% <12%	>=12%	Total	
48-60 months	-	561.00	8,667.50	-	9,228.50	
36-48 months	-	138.13	2,866.63	-	3,004.75	
24-36 months	-	7,716.24	104,610.42	-	112,326.66	
12-24 months	52.63	14,271.94	34,139.92	-	48,464.49	
Total non-current portion	52.63	22,687.31	150,284.46	-	173,024.40	
12 months	21.53	38,663.16	23.09	-	38,707.78	
Total current maturities	21.53	38,663.16	23.09	-	38,707.78	
Grand Total	74.16	61,350.47	150,307.55	-	211,732.18	

Terms of repayment as at March 31, 2014

Redeemable	Rate of interest					
at par within	>=6% <8%	>=8% <10%	>=10% <12%	>=12%	Total	
48-60 months	-	-	1,396.94	-	1,396.94	
36-48 months	-	-	404.53	-	404.53	
24-36 months	56.52	268.43	33,411.41	-	33,736.37	
12-24 months	21.21	7,053.76	23.09	-	7,098.06	
Total non-current portion	77.73	7,322.20	35,235.97	-	42,635.90	
12 months	95.39	19,099.91	-	-	19,195.30	
Total current maturities	95.39	19,099.91	-	-	19,195.30	
Grand Total	173.11	26,422.11	35,235.97	-	61,831.20	

₹ in lacs

₹ in lacs

₹ in lacs



B. PRIVATELY PLACED SUBORDINATED DEBTS

The Company has issued subordinated debt bonds with coupon rate of 7% to 15% per annum which are redeemable over a period of 60 months to 88 months.

Terms of repayment as at March 31, 2015

(i) PRIVATELY PLACED SUBORDINATED DEBTS OF ₹ 1,000/- EACH - UNQUOTED

₹	in	1000
	IN	lacs

Dertievlere	Rate of interest				
Particulars	< 10%	>= 10% < 12%	>= 12% < 14%	>= 14%	Total
Over 60 months	-	14,272.81	-	-	14,272.81
48-60 months	-	21,728.87	-	-	21,728.87
36-48 months	9.03	25,511.68	-	-	25,520.71
24-36 months	1,230.54	8,490.89	-	-	9,721.43
12-24 months	56.17	2,443.60	-	-	2,499.77
Total non-current portion	1,295.74	72,447.85	-	-	73,743.59
12 months	-	8,731.43	55.61	-	8,787.04
Total current maturities	-	8,731.43	55.61	-	8,787.04
Grand Total	1,295.74	81,179.28	55.61	-	82,530.63

(ii) PRIVATELY PLACED SUBORDINATED DEBTS OF ₹ 1,00,000/- EACH - QUOTED

Dedeemeble et ner within	Rate of interest				
Redeemable at par within	< 10%	>= 10% < 12%	>= 12% < 14%	>= 14%	Total
36-48 months	-	20,520.00	-	-	20,520.00
24-36 months	-	2,515.00	-	-	2,515.00
Total non-current portion	-	23,035.00	-	-	23,035.00

(iii) PRIVATELY PLACED SUBORDINATED DEBTS OF ₹ 10,00,000/- EACH - QUOTED

₹ in lacs

₹ in lacs

Badaamabla at nor within	Rate of interest				
Redeemable at par within	< 10%	>= 10% < 12%	>= 12% < 14%	>= 14%	Total
48-60 months	-	7,500.00	-	-	7,500.00
Total non-current portion	-	7,500.00	-	-	7,500.00

Terms of repayment as at March 31, 2014

(i) PRIVATELY PLACED SUBORDINATED DEBTS OF ₹ 1,000/- EACH - UNQUOTED

Particulars	Rate of interest					
	< 10%	>= 10% < 12%	>= 12% < 14%	>= 14%	Total	
Over 60 months	-	36,004.76	-	-	36,004.76	
48-60 months	9.03	25,502.23	-	-	25,511.26	
36-48 months	1,230.54	8,490.89	-	-	9,721.43	
24-36 months	56.17	2,443.60	-	-	2,499.77	
12-24 months	-	8,731.43	55.61	-	8,787.04	
Total non-current portion	1,295.74	81,172.91	55.61	-	82,524.26	
12 months	-	3,763.80	7,687.31	-	11,451.11	
Total current maturities	-	3,763.80	7,687.31	-	11,451.11	
Grand Total	1,295.74	84,936.71	7,742.92	-	93,975.37	

(ii) PRIVATELY PLACED SUBORDINATED DEBTS OF ₹ 1,00,000/- EACH - QUOTED

₹ in lacs

Redeemable at par within	Rate of interest				
	< 10%	>= 10% < 12%	>= 12% < 14%	>= 14%	Total
48-60 months	-	20,520.00	-	-	20,520.00
36-48 months	-	2,515.00	-	-	2,515.00
Total non-current portion	-	23,035.00	-	-	23,035.00

(iii) PRIVATELY PLACED SUBORDINATED DEBTS OF ₹ 10,00,000/- EACH - QUOTED

₹ in lacs

₹ in lacs

Redeemable at par within	Rate of interest				
	< 10%	>= 10% < 12%	>= 12% < 14%	>= 14%	Total
Over 60 months	-	7,500.00	-	-	7,500.00
Total non-current portion	-	7,500.00	-	-	7,500.00

6. OTHER LIABILITIES

	Long-term Short-term				
Particulars	As at March 31,		As at March 31,		
			· · · · · ·		
	2015	2014	2015	2014	
Current maturities of long-term borrowings [Refer note: 5]		-	349,693.91	273,522.57	
Interest accrued but not due on borrowings	30,314.25	26,756.68	25,204.47	24,934.30	
Interest received in advance	-	-	-	862.84	
Application money on redeemable non- convertible debentures	-	10.40	-	-	
Application money on redeemable subordinate debts	-	37.14	-	-	
Application money on deposit	108.46	49.45	-	-	
Unclaimed dividends*	-	-	60.61	49.53	
Unclaimed matured deposits and interest accrued thereon*	-	-	1,721.40	13.37	
Unclaimed matured debentures and interest accrued thereon*	-	-	4,420.08	7,273.53	
Unclaimed matured Subordinate debts and interest accrued thereon*	-	-	718.97	2,511.29	
Temporary credit balance in bank accounts	-	-	24,710.91	11,941.72	
Tax deducted at source	-	-	232.24	481.23	
Statutory due pertaining to employees	-	-	576.86	210.40	
Service tax - contested #	-	-	1,553.93	1,553.28	
Unrealised gain on securitisation	4,759.63	10,326.51	5,675.69	12,096.90	
Retention and other liabilities	229.86	172.02	5,214.36	7,056.66	
Total	35,412.20	37,352.20	419,783.43	342,507.62	

As regards the recovery of Service tax on lease and hire purchase transactions, the Hon'ble Supreme Court vide its order dated October 26, 2010 has directed the competent authority under the Finance act, 1994 to decide the matter in accordance with the law laid down.

*Accrued interest is up to the date of maturity. Amounts shall be credited to Investor Education & Protection Fund to the extend unclaimed as and when due.



₹ in lacs

₹ in lacs

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2015

7. PROVISIONS

	Long	-term	Short	-term
Particulars	As at Ma		As at March 31,	
	2015	2014	2015	2014
Provision for Employee benefits:				
Provision for gratuity	1,933.72	1,003.71	59.56	33.76
Provision for leave benefits	544.10	380.07	26.29	21.60
Other provisions:				
Provision for Non performing assets (NPA)	5,179.05	3,325.41	33,575.20	23,134.90
Contingent provision for standard assets	1,613.72	1,162.10	2,518.03	2,063.03
Provision for lease rent	21.37	17.57	19.87	18.89
Provision for Diminution in the value of Investments	36.64	25.41	-	-
Provision for income tax [net of advance Income tax]	-	-	-	2,382.31
Proposed dividend	-	-	6,920.09	3,557.07
Corporate dividend tax	-	-	1,408.79	604.52
Total	9,328.60	5,914.27	44,527.83	31,816.08

8. SHORT TERM BORROWINGS

Particulars	As at Mai	As at March 31,			
Particulars	2015	2014			
Secured					
Term loan from banks	8,000.00	1,600.00			
Cash Credit from banks	106,745.08	36,755.37			
Working capital demand loan from banks	2,500.00	-			
	117,245.08	38,355.37			
Unsecured					
Inter Corporate Deposits	500.00	-			
	500.00	-			
Total	117,745.08	38,355.37			

8.1 TERM LOAN FROM BANKS

Data of interest	Den europet Deteile	As at Ma	rch 31,
Rate of interest	Repayment Details	2015	2014
9.95%	Bullet payment at the end of 1 year	-	1,600.00
10.00%	Bullet payment at the end of 1 year	8,000.00	-
Total		8,000.00	1,600.00

Nature of Security

Term Loans from banks are secured by an exclusive charge by way of hypothecation of specific assets under financing.

8.2 CASH CREDIT AND WORKING CAPITAL DEMAND LOANS

Nature of Security

Cash credit and working capital demand loan from banks are secured by way of hypothecation of specific movable assets relating to the loans.

9. TANGIBLE AND INTANGIBLE FIXED ASSETS

₹ in lacs

		Gross Block	Block		Depreciatio	Depreciation / Amortisation	tion			Net Block	
Particulars	As at April 1, 2014	Additions during the year	Deletions during the year	As at March 31, 2015	As at April 1, 2014	For the year	Adjustment to Opening Retained Earnings	Deletions	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
Assets for Own Use											
Land - Freehold	2.40			2.40	'			•		2.40	2.40
Buildings	12.94	·	'	12.94	2.98	0.17		•	3.15	9.79	9.96
Plant and Machinery											
Plant and Machinery	2.70		2.70	'	2.56			2.56	'		0.14
Computer	4,522.27	777.95	29.30	5,270.92	2,195.94	1,527.62	254.77	26.32	3,952.00	1,318.92	2,326.33
Electrical Installations and Equipments	1,650.79	322.99	16.43	1,957.35	296.47	183.88	ı	5.71	474.64	1,482.71	1,354.32
Furniture and Fixtures											
Furniture and Fixtures	1,463.49	234.72	0.57	1,697.64	707.10	112.65		0.34	819.42	878.22	756.39
Office Equipment	2,335.68	355.22	107.71	2,583.18	433.97	641.62	112.84	36.21	1,152.22	1,430.97	1,901.71
Vehicles	21.27	1.68	0.45	22.50	7.65	2.45	·	0.09	10.01	12.49	13.62
Leasehold Improvement	6,914.43	1,062.03	83.11	7,893.35	4,045.07	1,401.26	•	71.47	5,374.87	2,518.48	2,869.36
Intangible Assets											
Computer Software	1,902.56	121.09	I	2,023.65	841.24	495.18	ı	I	1,336.42	687.23	1,061.32
TOTAL	18,828.53	2,875.68	240.27	21,463.94	8,532.98	4,364.84	367.61	142.69	13,122.73	8,341.21	10,295.55

NOTE:

With effect from April 1, 2014 the Company has adopted the remaining useful life of assets as required under the Companies Act 2013, which required change in rates of depreciation. Accordingly, depreciation of ₹ 367.61 lacs on account of assets where useful life is already exhausted as on 31st March 2014 has been adjusted against retained earnings. Had there been no change in rates of depreciation on assets, depreciation for the financial year would have been lower by ₹ 1,448.24 lacs.

The assets which are shown under the Intangible Assets are not internally self generated assets.



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2015

10. NON-CURRENT INVESTMENTS

Particulars	As at Ma	
	2015	2014
Long-term investment		
I. Unquoted instruments		
A. Other than Trade Investment		
(i) Investment in other companies (valued at cost)		
(a) 9,63,265 (March 31, 2014: 16,32,653) equity shares of ₹10 each fully paid-up in Highmark Credit Information Services Private Ltd.	118.00	200.00
(b) 18,000 (March 31, 2014: Nil) Equity Shares of ₹ 10/- each fully paid-up in Shriram Seva Sankalp Foundation	1.80	-
(c) Investment in pass through certificates	1,329.06	934.43
Total unquoted non-current investment	1,448.86	1,134.43
II. Quoted Investment		
(i) Investment in Government securities (valued at cost)		
a) 6.13% GOI Loan 2028 of face value ₹ 100 lacs (Market value as on March 31, 2015 : ₹ 84.52 lacs)	101.45	101.45
b) 9.22% Gujarat SDL 2023 of face value ₹ 100 lacs (Market value as on March 31, 2015 : ₹ 3,209.83 lacs)	3,175.64	-
c) 9.55% Tamil Nadu SDL 2023 of face value ₹ 100 lacs (Market value as on March 31 ,2015 : ₹ 1,822.01 lacs)	1,833.24	-
d) 9.25% Maharashtra SDL 2023 of face value ₹ 100 lacs (Market value as on March 31 ,2015 : ₹ 3,703.83 lacs)	3,605.33	-
Total quoted non-current investment	8,715.66	101.45
Total	10,164.52	1,235.88
Aggregate amount of Quoted Investments (cost of acquisition)	8,715.66	101.45
Aggregate amount of provision for diminution in value of Investments	36.64	25.41

In accordance with the Reserve Bank of India circular no. RBI/2006-07/225 DNBS (PD) C.C No.87/03.02.2004/2006-07 dated January 4, 2007, the Company has created a floating charge on the statutory liquid assets comprising of investment in Government securities being statutory liquid assets to the extent of ₹ 8,715.66 Lacs (March 31, 2014: ₹ 101.45 Lacs) in favour of trustees representing the public deposit holders of the Company.

11. DEFERRED TAX ASSETS (NET)

₹ in lacs

₹ in lacs

Dentionland	As at Ma	ırch 31,
Particulars	2015	2014
Deferred tax liabilities		
Timing difference on account of :		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	-	14.13
Special reserve	208.78	-
Rating Expenses	3.79	-
Deferred expenses incurred for NCD mobilization	476.48	790.52
Gross deferred tax liabilities (A)	689.05	804.65
Deferred tax assets		
Timing difference on account of :		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	992.20	205.03
Provision for service tax	527.89	527.89
Contingent provision against standard assets	1,404.38	1,096.22
Provision for substandard and doubtful asset	93.04	20.63
Provision for leave benefits	79.04	46.26
Provision for gratuity	421.18	192.24
Provision for bonus	2.48	355.32
Provision for lease rent	14.02	12.39
Preliminary expenditure	0.18	0.37
Interest payable	-	24.55
Merger expenses	0.71	0.95
Estimated disallowances	271.92	203.94
Gross deferred tax assets (B)	3,807.04	2,685.79
Deferred tax assets (Net) (B-A)	3,117.99	1,881.14

12. LOANS AND ADVANCES

Long-term Short-term Particulars As at March 31, As at March 31, 2015 2014 2015 2014 **Unsecured, Considered Good** Capital advances 1,452.29 53.72 Service tax credit (input) receivable 41.40 94.63 -Prepaid expenses 4.33 363.23 249.15 Security deposits 101.50 1,731.77 1,926.78 468.00 Advances recoverable in cash or in kind or for value 46.08 57.39 7,606.89 5,850.56 to be received Investment through Pass through certificates 1,252.15 3,087.97 1,800.49 3,395.42 Loans and Advances Assets under financing activities : - Secured, considered good 573,525.01 434,340.95 960,530.38 785,706.29 - Repossessed Stock 2,327.69 2,491.90 - Unsecured, considered good 17,114.83 11,743.09 44,187.74 36,304.02 - Doubtful 7,998.36 4,185.94 42,656.89 30,258.93 Total 603,124.82 455,395.84 1,059,982.71 864,452.40



Disclosure on loan against gold as on March 31,2015 Vide RBI notification DNBS.CC.PD.No.266/03.10.01/2011-12 dated March 26, 2012:

₹ in lacs

₹ in lacs

Particulars	As at Ma	As at March 31,		
	2015			
Total Assets under Management	1,648,340.90	1,305,031.12		
Total Loan against gold	294,277.65	245,342.81		
Percentage of Gold Loan on Total Assets (on book)	17.85%	18.80%		

13. OTHER ASSETS

	Non-current		Cur	Current	
Particulars	As at March 31,		As at Ma	arch 31,	
	2015	2014	2015	2014	
Bank balances non-current portion [Refer note-15]	9,000.00	1,623.00	-	-	
Public issue expenses for non-convertible debentures to the extent not written off or adjusted	708.27	1,494.97	693.55	830.77	
Interest accrued on fixed deposit and other loan and advances	198.26	0.40	1,776.96	3,916.69	
Securitisation-receivable	3,816.21	7,776.25	6,075.34	13,230.00	
Advance Tax (net of provisions for tax)	-	-	4,880.00	-	
Other Assets	-	-	1.13	-	
Total	13,722.74	10,894.62	13,426.98	17,977.46	

14. CURRENT INVESTMENTS

Particulars	As at March 31,		
	2015	2014	
Mutual Funds Units	18,800.00	7,200.75	
Treasury Bills	12,215.99	3,910.00	
Certificate of Deposits with Banks	41,772.70	32,500.00	
Investment in pass through certificates	676.00	59.76	
Commercial Paper	-	2,500.00	
Total	73,464.69	46,170.51	

14.1 Treasury Bills

₹	in	lacs
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₹ in lacs

₹ in lacs

Particulars	Date of Investment	Date of Maturity	Rate of Interest	Amount Invested
91D T-Bill	27-Mar-15	25-Jun-15	8.24%	1,470.13
364D T-Bill	27-Mar-15	23-Jul-15	8.20%	974.17
364D T-Bill	27-Mar-15	9-Jul-15	8.20%	9,771.69
Total				12,215.99

14.2 Certificate of Deposits

Particulars	Date of Investment	Date of Maturity	Rate of Interest	Amount Invested
Union Bank	30-Mar-15	10-Jun-15	8.60%	19,666.56
State Bank of Mysore	30-Mar-15	12-Jun-15	8.59%	2,457.18
Bank of India	31-Mar-15	15-Jun-15	8.59%	9,824.28
Corporation Bank	31-Mar-15	15-Jun-15	8.57%	9,824.68
Total				41,772.70

₹ in lacs

14.3. Mutual Fund

Particulars	Date of Investment	Date of Maturity	Rate of Interest	Amount Invested
i) FMP- Mutual Fund				
ICICI	11-Jun-14	15-Jun-15	8.80%	1,200.00
Reliance	17-Jun-14	22-Jun-15	8.85%	2,500.00
Reliance	17-Jun-14	22-Jun-15	8.85%	1,500.00
Reliance	17-Jun-14	19-Jun-15	8.85%	1,000.00
ICICI	19-Jun-14	23-Jun-15	8.85%	1,000.00
ICICI	25-Jun-14	29-Jun-15	8.95%	900.00
HDFC	25-Jun-14	29-Jun-15	8.85%	3,200.00
HDFC	2-Jul-14	7-Jul-15	8.83%	1,500.00
Reliance	2-Jul-14	6-Jul-15	8.85%	3,300.00
ICICI	2-Jul-14	6-Jul-15	8.85%	2,000.00
ICICI	8-Jul-14	9-Jul-15	8.90%	500.00
Total (i)				18,600.00
ii) Shriram MF Equity and Debt Opportunity Fund- (Growth)*	22-Nov-13	NA	NA	200.00
Total (ii)				200.00
Total-Mutual Fund (i+ii)				18,800.00

* Since it is an equity and debt opportunity fund under the open ended scheme the maturity date will be considered as redemption date as and when required.

15. CASH AND BANK BALANCES

				₹ in lacs	
	Non-current		Cur	rent	
Particulars	As at March 31,		As at March 31, As at March 3		arch 31,
	2015	2014	2015	2014	
Cash and cash equivalents :					
Balances with banks in:					
- Current accounts	-	-	26,802.58	22,739.31	
- Unpaid dividend accounts	-	-	60.61	49.53	
- Deposits with maturity of less than 3 Months	-	-	6,500.00	88,433.35	
Cash on hand	-	-	5,744.12	6,234.82	
Other bank Balances:					
Bank deposits with original maturity for more than 12 months	9,000.00	-	-	-	
Bank deposits with original maturity for more than 3 months but less than 12 months	-	-	19,600.00	90,000.00	
Margin money deposits	-	1,623.00	21,572.40	41,059.53	
	9,000.00	1,623.00	80,279.71	248,516.54	
Amount disclosed under the head					
"non-current asset" [Refer note 13]	(9,000.00)	(1,623.00)	-	-	
Total	-	-	80,279.71	248,516.54	

Margin money deposit of ₹ 21,572.39 lacs as at March 31, 2015 (March 31, 2014 ₹42,682.53 lacs) are pledged with banks as margin for securitisation.



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2015

16. REVENUE FROM OPERATION

Particulars	For the year ended March 31,		
	2015	2014	
Income from finance and other charges	328,590.70	290,669.88	
Income on Long Term Securitisation / assignment *	11,169.77	20,125.24	
Income on Long Term Investment through Pass Through Certificate-Securitisation *	1,341.15	1,947.47	
Interest on Margin money on securitisation / assignment	3,112.52	4,376.11	
Bad debts recovery	4,504.07	3,796.12	
Interest on deposit with banks	6,571.56	1,597.80	
Interest on Government securities	880.19	42.90	
Total	356,169.96	322,555.52	

*Includes exempt income (subjected to EIS tax u/s 115 TA of the Income Tax Act) of ₹ 1,020.06 lacs and Interest on Pass Through Certificate of ₹ 236.31 lacs for the year ended March 31, 2015.

17. OTHER INCOME

		₹ in lacs
Destination	For the year ended Marc	
Particulars	2015	2014
Dividend Income	290.60	542.06
Gain on sale of investments*		
Short Term	4,049.64	4,156.70
Long Term	125.51	-
Profit on sale of assets	23.87	5.86
Miscellaneous income	308.55	583.77
Gain on Interest rate swap	319.99	27.73
Total	5,118.16	5,316.12

* All are Short Term nature of income except Gain on sale of Investments

18. EMPLOYEE BENEFITS EXPENSES

Deutiesdawe	For the year ended March 31,		
Particulars		2015	
Salaries and allowances		38,028.01	25,386.93
Contributions to Provident fund and ESI		3,005.59	1,827.61
Gratuity		719.25	89.37
Staff welfare expenses		880.34	729.02
Total		42,633.19	28,032.93

19. FINANCE COSTS

For the year ended March 31, Particulars 2015 2014 Interest expense on : Debentures 37,398.87 46,551.76 Subordinate debts 14,938.19 15,231.08 **Fixed deposits** 14,585.61 2,048.31 Loans from banks 56,545.98 57,117.29 Loans from institutions and others 4,399.86 4,892.15 **Commercial Papers** 992.03 121.59 Other Borrowing Cost: Bank Charges 954.84 1,017.36 Processing and other charges 612.78 885.61 Brokerage 5,164.22 7,205.39 Total 135,592.38 135,070.54

20. OTHER EXPENSES

₹ in lacs

₹ in lacs

Particulars	For the year ended	For the year ended March 31,		
Falticulars	2015	2014		
Rent	4,356.63	3,711.71		
Power and fuel expenses	880.57	850.64		
Repairs & maintenance to Buildings	889.78	860.56		
Repairs & maintenance to Office Equipments	48.27	31.02		
Office upkeep expenses	1,186.87	827.28		
Rates, duties & taxes	1,018.86	805.54		
Printing & stationery	1,928.73	1,814.02		
Travelling & conveyance	5,303.97	5,483.45		
Advertisement	1,278.01	1,284.47		
Business promotion expenses	4,249.22	1,987.67		
Commission	4,684.79	3,539.57		
Sourcing fees and other charges	-	2,542.20		
Royalty	2,576.21	935.37		
Directors' sitting fees	27.75	6.95		
Insurance	430.76	572.10		
Communication expenses	3,147.29	3,000.44		
Payments to the auditor				
(a) Audit fees	30.30	26.61		
(b) Tax audit fees	5.56	6.05		
(c) Certification and other services	6.69	4.93		
(d) Out of pocket	14.34	12.68		
Professional charges	8,675.34	10,797.49		
Legal & professional fees	1,296.82	1,408.00		
Donations	0.20	10.95		
Public issue expenses for non-convertible debentures	977.45	575.41		
Loss on sale of assets	10.20	33.75		
Loss on sale of Investments	76.05	-		
Loan processing expenditure	267.65	172.04		
Corporate Social Responsibility	9.33	-		
Miscellaneous expenses	2,822.09	2,325.65		
Total	46,199.73	43,626.55		



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2015

21. PROVISIONS & WRITE OFFS

Destioulous	For the year ended March 31,		
Particulars	2015 201		
Provision for non performing assets	12,293.94	7,793.35	
Contingent provision for standard assets	906.61	(107.96)	
Bad debts written off	32,607.23	30,870.53	
Provision for Diminution in value of Investments	11.23	5.71	
Total	45,819.01	38,561.63	

22. EARNINGS PER SHARE (EPS)

Particulars	As at March 31,	
Particulars	2015	2014
Net profit after tax as per statement of profit and loss (₹ in lacs) (A)	57,142.07	53,216.60
Weighted average number of equity shares for calculating Basic EPS (No. in lacs) (B)	647.57	580.60
Weighted average number of equity shares for calculating Diluted EPS (No. in lacs) (C)	648.65	582.06
Basic earnings per equity share (in ₹) (Face value of ₹10/- per share) (A) / (B)	88.24	91.66
Diluted earnings per equity share (in ₹) (Face value of ₹10/- per share) (A) / (C)	88.09	91.43

Particulars -		As at March 31,	
	2015	2014	
Weighted average number of equity shares for calculating EPS (No. in lacs)	647.57	580.60	
Add: Equity shares arising on conversion of optionally convertible warrants (No. in lacs)	-	-	
Add: Equity shares for no consideration arising on grant of stock options under ESOP (No. in lacs)	1.08	1.46	
Weighted average number of equity shares for calculating diluted EPS (No. in lacs)	648.65	582.06	

23. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

23.1 SHRIRAM CITY UNION FINANCE LIMITED

The Company has an unfunded defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for a gratuity on separation at 15 days basic salary (last drawn salary) for each completed year of service. Consequent to the adoption of AS 15 'Employee Benefits' (revised), the following disclosures are made as required by the standard:

Statement of Profit and Loss

Net Employee benefit expenses recognised in the employee cost

		₹ in lacs
	Gra	atuity
Particulars	For the year e	nded March 31,
	2015	2014
Current service cost	235.81	209.18
Interest cost on benefit obligation	93.63	84.99
Expected return on plan assets	N.A.	N.A.
Net actuarial (gain) / loss recognised in the year	383.73	(216.10)
Past service cost	-	-
Net benefit expense	713.17	78.07
Actual return on plan assets	N.A.	N.A.

Balance sheet

Benefit asset/liability		₹ in lacs	
	Gratuity As at March 31,		
Particulars			
	2015	2014	
Defined benefit obligation	1,955.49	1,005.76	
Fair value of plan assets	N.A.	N.A.	
Total	1,955.49	1,005.76	
Less: Unrecognised past service cost	-	-	
Plan asset / (liability)	(1,955.49)	(1,005.76)	

Changes in the present value of the defined benefit obligation are as follows:

		₹ in lacs
	Gratuity	
Particulars	As at March 3	1,
	2015	2014
Opening defined benefit obligation	1,005.76	1,062.37
Interest cost	93.64	84.99
Current service cost	235.81	209.18
Transferred in liabilities	282.28	(86.04)
Benefits paid	(45.73)	(48.64)
Actuarial (gains) / losses on obligation	383.73	(216.10)
Closing defined benefit obligation	1,955.49	1,005.76

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	Gratu	ity
Particulars	As at Mar	ch 31,
	2015	2014
Investments with insurer	NA	NA

₹ in lacs

₹ in lacs

The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

	Gratuity			
Particulars	As at March 31,			
	2015	2014		
Discount Rate	8.08%	9.31%		
Increase in compensation cost	5.00%	5.00%		
Employee Turnover	2.00%	2.00%		

The estimates of future salary increases, considered in actuarial valuation, are on account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts for the Current and previous three years are as follows:

Particulars		As at Mar	ch 31,	
Particulars	2015	2014	2013	2012
Defined benefit obligation	1955.49	1,005.76	1,062.37	259.89
Plan assets	NA	NA	NA	NA
Surplus / (deficit)	(1955.49)	(1005.76)	(1062.37)	(259.89)
Experience adjustments on plan liabilities	(84.58)	(89.71)	(136.10)	(35.18)
Experience adjustments on plan assets	NA	NA	NA	NA



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2015

B) Leave encashment :

The Company has a leave encashment policy. The leave encashment liability is computed based on actuarial valuation and stands at ₹ 562.32 lacs as on March 31,2015 (₹ 395.16 lacs as on March 31, 2014)

23.2 SHRIRAM HOUSING FINANCE LIMITED

The Company operates one defined benefit plan, viz., gratuity for its employees. Under the gratuity plan every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The scheme is unfunded.

Net employee benefit expense (Recognized in Employee Benefits Expenses)

A) Gratuity :		
In Statement of Profit & Loss		₹ in lacs
Particulars	For the year ended	March 31,
	2015	2014
Current service cost	4.69	3.65
Interest cost on benefit obligation	2.77	1.79
Expected return on plan assets	NA	NA
Net actuarial (gain)/ loss recognized in the year	(1.38)	5.86
Past service cost	-	-
Net benefit expense	6.08	11.30

In Balance Sheet Benefit Asset/Liability

Particulars	For the year er	nded March 31,
Particulars	2015	2014
Opening defined benefit obligation	31.71	20.41
Interest cost	2.77	1.79
Current services cost	4.69	3.65
Benefits paid	-	-
Actuarial (gains)/losses on obligation	(1.38)	5.86
Closing defined benefit obligation	37.79	31.71
The principal assumptions used in determining gratuity and post employment medical benefit	-	-
Salary rise (%)	5.00	5.00
Discount rate (%)	8.75	8.75
Attrition rate (%)	3.00	3.00
Average balance service	24.48 Years	25.16 Years

B) Leave encashment :

Company has provided Leave encashment liability as required under Accounting Standard – 15(Revised) and balance in books as on March 31, 2015 is ₹ 8.07 lacs (Previous Year ₹ 6.51 lacs).

24. EMPLOYEE STOCK OPTION PLAN

24.1 SHRIRAM CITY UNION FINANCE LIMITED

24.1.1 The Company provides share-based payment schemes to its Employees. For the period ended March 31, 2015 an Employee Stock Option Plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below:

Date of Shareholder's approval	:	October 30 2006
Date of grant	:	October 19 2007
Date of Board Approval	:	October 19 2007
Number of options granted	:	13,55,000
Method of Settlement (Cash/Equity)	:	Equity
Graded vesting period:		
After 1 year of grant date	:	10% of options granted
After 2 years of grant date	:	20% of options granted
After 3 years of grant date	:	30% of options granted
After 4 years of grant date	:	40% of options granted
Exercisable period	:	10 years from vesting date
Vesting Conditions	:	on achievement of pre-determined targets

The details of Series I have been summarized below:

	As at	March 31, 2015	As at I	March 31, 2014
Particulars	Number of Shares	Weighted Average Exercise Price(in ₹)	Number of Shares	Weighted Average Exercise Price(in ₹)
Outstanding at the beginning of the year	151,610	35.00	188,660	35.00
Add: Granted during the year	-	-	-	-
Less: Forfeited during the year	-	-	-	-
Less: Exercised during the year	41,340	35.00	37,050	35.00
Less: Expired during the year	-	-	-	-
Outstanding at the end of the period	110,270	35.00	151,610	35.00
Exercisable at the end of the period	-	-	-	-
Weighted average remaining contractual life (in years)	-	5.55	-	6.55
Weighted average fair value of options granted	-	227.42	-	227.42

The details of exercise price for stock options outstanding at the end of the period are:

As at March 31,	Range of exercise prices(in ₹)	No. of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average Exercise Price(in ₹)
2015	35.00	110,270	5.55	35.00
2014	35.00	151,610	6.55	35.00



₹ in lace

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2015

STOCK OPTIONS GRANTED

The weighted average fair value of stock options granted was ₹ 227.42. The Black Scholes model has been used for computing the weighted average fair value of options considering the following inputs:

Particulars	2006	2007	2008	2009
Exercise Price (₹)	35.00	35.00	35.00	35.00
Expected Volatility (%)	55.36	55.36	55.36	55.36
Historical Volatility	NA	NA	NA	NA
Life of the options granted (Vesting and exercise period) in years	1.50	2.50	3.50	4.50
Expected dividends per annum (₹)	3.00	3.00	3.00	3.00
Average risk-free interest rate (%)	7.70	7.67	7.66	7.67
Expected dividend rate (%)	0.84	0.84	0.84	0.84

The expected volatility was determined based on historical volatility data equal to the NSE volatility rate of Bank Nifty which is considered as a comparable peer group of the Company. To allow for the effects of early exercise it was assumed that the employees would exercise the options within six months from the date of vesting in view of the exercise price being significantly lower than the market price.

Effect of the employee share-based payment plans on the profit and loss account and on its financial position:

Particulars	As at Ma	arch 31
	2015	2014
Compensation cost pertaining to equity-settled employee share-based payment plan included above	-	-
Liability for employee stock options outstanding as at end of period	249.71	343.32
Deferred compensation cost	Nil	Nil

Since the Company used the intrinsic value method the impact on the reported net profit and earnings per share by applying the fair value based method is as follows:

In March 2005, the ICAI issued a guidance note on "Accounting for Employees Share Based Payments" applicable to Employee based share plan, the grant date in respect of which falls on or after April 1 2005. The said guidance note requires that the pro-forma disclosures of the impact of the fair value method of accounting of employee stock compensation accounting in the financial statements. Applying the fair value based method defined in the said guidance note the impact on the reported net profit and earnings per share would be as follows:

Destinutes	As at March 31,			
Particulars	2015	2014		
Profit as reported (₹ in lacs)	55,806.39	52,114.32		
Add: Employee stock compensation under intrinsic value method (₹ in lacs)	-	-		
Less: Employee stock compensation under fair value method (₹ in lacs)	-	-		
Proforma profit (₹ in lacs)	55,806.39	52,114.32		
Less: Preference Dividend	-	-		
Proforma Net Profit for Equity Shareholders	55,806.39	52,114.32		
Earnings per share				
Basic (₹)				
- As reported	86.18	89.76		
- Proforma	86.18	89.76		
Diluted (₹)				
- As reported	86.03	89.53		
- Proforma	86.03	89.53		

24.1.2 A new ESOP scheme "SCUF Employees Stock Option Scheme 2013" was approved at an EGM on May 31, 2013. Accordingly 2,627,000 equity shares @ ₹10 each have been reserved under this scheme with an exercise price of ₹ 300 per option and with a maximum vesting period of five years from the date of grant.

24.2 SHRIRAM HOUSING FINANCE LIMITED

24.2.1 The Company provides share-based payment schemes to its employees. For the period ended March 31, 2015 an Employee Stock Option Plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below :

1.	Date of Board approval	:	25.01.2013
2.	Date of Share holders approval	:	28.03.2013
3.	Date of grant	:	28.08.2013
4.	Number of options granted	:	3,70,000
5.	Method of settlement(cash/equity)	:	equity
6.	Graded vesting period:		
	After 4 years of Grant date	:	50% of option granted
	After 5 years of Grant date	:	50% of option granted
Ex	ercisable period	:	10 years from Vesting Date
Ve	sting Conditions	:	on achievement of pre-determined targets

For the purpose of accounting ESOP granted, the Company has decided to value the Options at Intrinsic Value. Intrinsic value is the amount by which the Market Price of Equity share exceeds the Exercise Price of the Option. Exercise Price per option is ₹10/-. Since the Company is unlisted, there is no Market Price available. As such it has been decided to calculate the Fair Value of Equity Share by appointing a SEBI registered Category I Merchant Banker. As per their Report of September 1, 2013 fair market value is less than exercise price. Based on the above information, the Intrinsic Value per option is Zero. Therefore, the Company has not recognised any expenditure on the ESOP granted in the current period.

25. SEGMENT INFORMATION

The Company has got a single reportable segment. Therefore, the segment wise reporting has not been given.

26. RELATED PARTY DISCLOSURE

I) Key Managerial Personnel :

- a. Mr. R Duruvasan, Managing Director & CEO
- b. Mrs. Subhasri Sriram, Chief Financial Officer
- c. Mr. C R Dash, Company Secretary

II) Relatives of Key Managerial Personnel :

- a. Ms. A. Komaleeswari (Spouse of Mr. R Duruvasan)
- b. Mr. Aiyneni Ramachandra Naaidu (Father of Mr. R Duruvasan)
- c. Ms. Aiyneni Ammayamma (Mother of Mr. R Duruvasan)
- d. Mr. Aiyneni Vamsi Krishna (son of Mr. R Duruvasan)
- e. Mr. B. Perumal (Brother of Mr. R Duruvasan)
- f. Ms. S.Usha Rani (Sister of Mr. R Duruvasan)
- g. Mr. Sriram (Spouse of Mrs. Subhasri Sriram)
- h. Mr. Sankaralingam (Father of Mrs. Subhasri Sriram)
- i. Ms. Gomathy Lingam (Mother of Mrs. Subhasri Sriram)
- j. Mr. Sailesh Sriram (Son of Mrs. Subhasri Sriram)
- k. Ms. Shewta Sriram (Daughter of Mrs. Subhasri Sriram)
- I. Ms. Sasmita Dash (Spouse of Mr. C R Dash)
- m. Mr. Durga Charan Dash (Father of Mr. C R Dash)
- n. Ms. Radhamani Dash (Mother of Mr. C R Dash)
- o. Mr. Abhijit Dash (Son of Mr. C R Dash)

III) Associates :

- a. Shriram Capital Ltd
- b. TPG India Investments I INC
- c. Valliant Mauritius Partners FDI Ltd
- **190** Shriram City Union Finance Limited

- d. Mr. Sujan Sinha, Managing Director & CEO (SHFL)
- e. Mr. Kunal Shah, Chief Financial Officer (SHFL)
- f. Mrs. Kavitha G Shah, Company Secretary (SHFL)
- p. Ms. Sriparna Sujan Sinha (Spouse of Mr. Sujan Sinha)
- q. Mr. Subrata Sinha (Father of Mr. Sujan Sinha)
- r. Ms. Suchitra Subrata Sinha (Mother of Mr. Sujan Sinha)
- s. Mr. Sushmit Sujan Sinha (Son of Mr. Sujan Sinha)
- t. Ms. Pamela Sinha Mathur (Daughter of Mr. Sujan Sinha)
- u. Mr. Parvitosh Mathur (Daughter's husband of Mr. Sujan Sinha)
- v. Mr. Sukanto Sinha (Brother of Mr. Sujan Sinha)
- w. Ms. Miti Shah (Spouse of Mr. Kunal Shah)
- x. Mr. Kirit Shah (Father of Mr. Kunal Shah)
- y. Ms. Neela Shah (Mother of Mr. Kunal Shah)
- z. Ms. Aarushi Shah (Daughter of Mr. Kunal Shah)
- aa. Mr. Rushub A Shah (Spouse of Mrs. Kavitha G Shah)
- ab. Ms. Jayshree G Shah (Mother of Mrs. Kavitha G Shah)
- ac. Mr. Jayesh G Shah (Brother of Mrs. Kavitha G Shah)
- ad. Ms. Jasmine J Shah (Sister of Mrs. Kavitha G Shah)
- ae. Ms. Deepthi D Vora (Sister of Mrs. Kavitha G Shah)



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2015

26.1 DETAILS OF RELATED PARTY TRANSACTIONS

Particulars	Enterprise significant over the (influence		or/ Key Personnel	Total		
	As at Ma	arch 31,	As at M	arch 31,	As at Ma	arch 31,	
	2015	2014	2015	2014	2015	2014	
Payments/Expenses							
Royalty to SOT	2,581.91	938.46	-	-	2,581.91	938.46	
Data Sourcing Fees to SOT	-	363.17	-	-	-	363.17	
Service Charges to SOT	-	2,179.03	-	-	-	2,179.03	
Reimbursement of business promotion expenses, rent and other expenses to SCL	429.19	-	-	-	429.19	-	
Inter corporate Loan to SHFL by SCL	5,000.00	-	-	-	5,000.00	-	
License Fees to SCL	1,916.89	1,666.86	-	-	1,916.89	1,666.86	
Equity dividend to SRHPL	-	1,596.63	-	-	-	1,596.63	
Equity dividend to SCL	-	1,382.75	-	-	-	1,382.75	
Equity dividend to TPGI	-	536.88	-	-	-	536.88	
Payments to Key Managerial Personnel	-	-	299.94	204.63	299.94	204.63	
Receipts							
Reimbursement of expenses - SCL	0.07	-	-	-	0.07	-	
Share Capital in SHFL by VMPL	-	2,722.00	-	-	-	2,722.00	
Securities Premium in SHFL by VMPL	-	6,805.00	-	-	-	6,805.00	
Loan from SCL by SHFL	5,000.00	-	-	-	5,000.00	-	
Conversion warrants into equity/securities premium – SCL	-	17,385.00	-	-	-	17,385.00	
Balance outstanding as at							
Share Capital held by SCL	2,226.89	2,226.89	-	-	2,226.89	2,226.89	
Share Capital held by TPGI	1,342.19	1,342.19	-	-	1,342.19	1,342.19	
Share Capital in SHFL by VMPL	4,872.00	4,872.00	-	-	4,872.00	4,872.00	
Outstanding Expenses SCL	22.98	-	-	-	22.98	-	
Outstanding Expenses SOT	32.84	659.72	-	-	32.84	659.72	

*SRHPL stands merged with Shriram City Union Finance Ltd. as on March 31, 2014. (refer note no.3.5)

27. CONTINGENT LIABILITIES AND COMMITMENTS TO THE EXTENT NOT PROVIDED FOR

(I) CONTINGENT LIABILITIES

Income Tax		As at March 31,		
	2015	2014		
a. Income Tax	4,831.24	7,570.87		
b. Kerala Value Added Tax	4.65	4.65		

The Income tax assessment of the Company has been completed up to the Assessment Year 2012-13.

The disputed demand outstanding for the assessment Year 2012-13 is ₹ 2,337.47 lacs. For assessment year 2011-12, disputed demand outstanding is ₹1,530.54 lacs. For assessment year 2010-11, disputed demand outstanding is ₹ 963.23 lacs. The Company has filed appeal for all these disputed cases. The appeal is pending before the Commissioner of Income Tax Appeals, Chennai & ITAT, Chennai.

The disputed Kerala Value Added Tax demand on account of sale of seized vehicles for the assessment year 2007-08 is ₹ 4.65 lacs. The Company has filed appeal before the Deputy Commissioner (Appeals), Ernakulam.

₹ in lacs

(II) COMMITMENTS

- (i) As at March 31, 2015, ₹ 5.88 lacs (March 31, 2014 ₹ 36.89 lacs) (net of advances) is the estimated amount of contracts remaining to be executed on capital account.
- (ii) Estimated amount of contract remaining to be executed on capital account for interior work net of advance to be paid ₹ 2.87 lacs (Previous Year Nil)

28. UTILIZATION OF MONEY RAISED THROUGH PUBLIC ISSUE OF DEBENTURE AND PREFERENTIAL ISSUE OF EQUITY SHARES AND WARRANTS

(i) through public issue of debentures [Refer note 5.1 (A)(iii)]

During the year ended March 31, 2015, the Company has raised ₹20,000 lacs through public issue of secured redeemable non-convertible debenture of face value of ₹1,000/- each. The proceeds of issue are utilized for the following purpose:

Particulars	₹ in lacs
Investment in Mutual Funds	14,498.28
Repayment of loans from Bank, Funding of Cash Credit accounts	5,501.72
Total	20,000.00

During the year ended March 31, 2014, the Company has raised ₹ 15,361.06 lacs through public issue of secured redeemable non-convertible debenture of face value of ₹ 1,000/- each. The proceeds of issue are utilized for the following purpose:

Particulars	₹ in lacs
Investment in Certificate of deposits	497.04
Investment in Mutual Funds	14,864.02
Total	15,361.06

(ii) Preferential Issue of Shares to M/s Piramal Enterprises Limited [Refer note- 3.1]

The funds amounting to ₹78,958.08 lacs raised through issue of equity share to M/s Piramal Enterprises Limited ("PEL") has been utilized for business purpose.

29. SECURITISATION / ASSIGNMENT

Disclosures to be made in Notes to Accounts by NBFCs

SECURITISATION / DIRECT ASSIGNMENT

The Company sells through securitisation and direct assignment

The information on securitisation of the Company as on originator in respect of securitisation transactions done during the year is given below

₹ in lacs

Derticulare	Year ended March 31,			
Particulars	2015	2014		
Total number of transactions under par structure	2	6		
Total book value of assets	29,968.29	120,117.00		
Sale consideration received	29,968.29	120,117.00		



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2015

The information on securitisation of the Company as on originator in respect of outstanding amount of securitised assets is given below

0.14	Destinution	Year ended	March 31,
2 3	Particulars	2015	2014
1	No of SPVs sponsored by the NBFC for securitisation transactions	12	14
2	Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	93,426.78	171,752.07
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	First loss	-	
	Others	-	
	b) On-balance sheet exposures		
	First loss	20,302.28	20,190.00
	Others	2,599.64	5,726.37
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss	-	
	loss	-	
	ii) Exposure to third party securitisations		
	First loss	-	
	Others	-	
	b) On-balance sheet exposures		
	i)Exposure to own securitisations		
	First loss	1,093.60	2,240.39
	Others	191.93	5,454.67
	ii)Exposure to third party securitisations		
	First loss	-	
	Others	-	

Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

			₹ in lacs		
0.11	Per the law	Year ended March 31,			
5.NO.	Particulars	2015	2014		
i)	No. of accounts	12	14		
ii)	Aggregate value (net of provisions) of accounts sold to SC / RC	295,468.71	386,057.68		
iii)	Aggregate consideration	237,228.55	306,081.17		
iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-		
v)	Aggregate gain / loss over net book value	29,355.68	43,786.09		

The information on direct assignment of the Company as on originator in respect of par transactions done during the year is NIL

The information on direct assignment of the Company as on originator in respect of outstanding amount of assets assigned under par structure is given below:

₹	in	lacs
---	----	------

₹ in lacs

	. Particulars —		Year ended N	Aarch 31,
	Par	ticulars	2015	2014
1	No.	of transactions assigned by the Company	1	7
2	Tota	al amount of outstanding	2,610.68	21,801.65
3		al amount of exposures retained by the NBFC to comply with MRR as on the e of balance sheet		
	a)	Off-balance sheet exposures		
	-	First loss	-	
		Others	-	
	b)	On-balance sheet exposures		
		First loss	-	
		Others	-	
4	Am	ount of exposures to assigned transaction other than MRR		
	a)	Off-balance sheet exposures		
		i) Exposure to own securitisations		
		First loss	-	
		loss	-	
		ii) Exposure to third party securitisations		
		First loss	-	
		Others	-	
	b)	On-balance sheet exposures		
		i)Exposure to own securitisations		
		First loss	-	8,458.48
		Others	261.07	501.01
		ii)Exposure to third party securitisations		
		First loss	-	
		Others	-	-

Details of Assignment transactions undertaken by NBFCs

Year ended March 31, S.No. Particulars 2014 2015 i) 8 No. of accounts 1 ii) Aggregate value (net of provisions) of accounts sold 9,987.91 141,975.95 iii) Aggregate consideration 7,405.96 100,407.99 Additional consideration realized in respect of accounts iv) transferred in earlier years Aggregate gain / loss over net book value V) 1,178.57 24,210.89



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2015

The information on direct assignment of the Company as on originator in respect of premium transactions done during the year is NIL

The information on direct assignment of the Company as on originator in respect of outstanding amount of assets assigned under premium structure is given below :

0.14			Year ended March 31,		
S.No.	Pai	rticulars	2015	2014	
1	No	. of transactions assigned by the Company	-	1	
2	Total amount of outstanding		-	24.42	
3		al amount of exposures retained by the NBFC to comply with MRR as on date of balance sheet			
	a)	Off-balance sheet exposures			
		First loss	-	-	
		Others	-	-	
	b)	On-balance sheet exposures			
		First loss	-	-	
		Others	-	-	
4	Am	ount of exposures to assigned transaction other than MRR			
	a)	Off-balance sheet exposures			
		i) Exposure to own securitisations			
		First loss	-	-	
		Loss	-	-	
		ii) Exposure to third party securitisations			
		First loss	-	-	
		Others	-	-	
	b)	On-balance sheet exposures			
		i)Exposure to own securitisations			
		First loss	-	1,709.00	
		Others	-	-	
		ii)Exposure to third party securitisations			
		First loss	-	-	
		Others	-	-	

30. Disclosure of frauds reported during the year March 31, 2015

Vide DNBS. PD. CC NO. 256/03.10.042/2011-12 dated March 02, 2012

₹ in lacs

		Less tha	n ₹ 1lac	₹ 1 to 25 lacs		Greater than ₹ 25 lacs		Total	
		Number	Value	Number	Value	Number	Value	Number	Value
A)	Person involved								
	Staff	-	-	1	18.70	-	-	1	18.70
	Customer	-	-	1	3.56	1	681.80	2	685.36
	Customer & Outsider	-	-	3	50.10	-	-	3	50.10
	Staff, Customer & Outsider	-	-	-	-	-	-	-	-
	Total	-	-	5	72.36	1	681.80	6	754.16
B)	Type of Fraud								
	Misappropriation and Criminal breach of trust	-	-	1	18.70	-	-	1	18.70
	Fraudulent encashment/manipulation of books of accounts	-	-		-	-	-	-	-
	Unauthorised credit facility extended	-	-	-	-	-	-	-	-
	Fake documentation and multiple funding of Housing Finance	-	-	3	50.10	-	-	3	15.10
	Cheating and Forgery	-	-	1	3.56	1	681.80	2	685.36
	Total	Nil	Nil	5	72.36	1	681.80	6	754.16

31. DERIVATIVE INSTRUMENTS:

The amount of derivative transactions outstanding as on March 31, 2015 is NIL (March 31, 2014 Nil). The Company entered into a interest rate swap to convert the floating rate into a fixed rate liability @ 10.49% till maturity date of March 30, 2017 (underlying long term debt of ₹ 27,500 lacs)

31.1 Disclosures on Risk Exposure in Derivatives

a) Qualitative Disclosures

Currently there are no transactions involving derivatives trading and that the existing transaction is in nature of interest rate swap (where in we have converted a floating rate liability to a fixed rate).

b) Quantitative Disclosures-Nil



31.2 Forward Rate Agreement / Interest Rate Swap

₹ in lacs

0.11-	Particular:		Year ended March 31,	
S.No.	Particulars	2015 20 ⁻	2014	
i)	The notional principal of swap agreements	27,500.00	27,500.00	
ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	-	
iii)	Collateral required by the NBFC upon entering into swaps	-	-	
iv)	Concentration of credit risk arising from the swaps	-	-	
v)	The fair value of the swap book	-	-	

32. EXPOSURE

32.1 EXPOSURE TO CAPITAL MARKET

₹ in lacs

0.11-	Destinutes	Year ended March 31	
5.NO.	Particulars	2015	2014
i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	200.00	200.00
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	38,774.95	28,719.44
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	11,687.16	
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporate against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
	Total Exposure to Capital Market	50,662.11	28,919.44

32.2 EXPOSURE TO REAL ESTATE SECTOR

₹ in lacs

C No.	Particulars	Year ended March 31,	
5.NO.	Particulars	2015	2014
1	Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	69,554.34	31,829.70
2	Commercial Real Estate -Lending secured by mortgages on commercial real estates (office buildings, retail space, multi- purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	4,154.13	203.30
3	Investments in Mortgage Backed Securities(MBS) and other securitised exposures -		
	Residential	2,005.06	994.19
	Commercial Real Estate	-	-
	Total Exposure to Real Estate Sector	75,713.53	33,027.19

33. EXPENDITURE IN FOREIGN CURRENCY (CASH BASIS)

₹ in lacs

₹ in lacs

Derticulare	For the year ended March 31,	
Particulars	2015	2014
Legal fees	-	13.81

34. The Company had no discontinuing operations during the year ended March 31, 2015 and during the year ended March 31, 2014.

35. The Company has taken various office premises under operating lease. The lease payments recognized in the statement of profit and loss account are ₹ 4,015.35 lacs (March 2014 - ₹ 3,491.95 lacs) Certain agreements provide for cancellation by either party and certain agreements contain clauses for escalation and renewal of agreements. There are no restrictions imposed by lease arrangements. The future minimum lease payments in respect of non-cancellable operating leases as at the Balance Sheet days are summarized below:

Particulars	For the year er	For the year ended March 31,		
Particulars	2015	2014		
a. Not later than 1 year	209.35	-		
b. More than 1 year and less than 5 years	335.08	43.48		
c. Later than 5 years	1.71	165.78		

36. In addition to payments made to auditors shown in Note-20, the Company has made a payment of Nil (March 31, 2014 ₹8.99 lacs) to auditors for services rendered by them in connection with the public issue of non-convertible debentures amortised as "public issue expenses for non-convertible debentures" in accordance with the accounting policy stated under Note 2.1.(r)

37. Capital

A. SHRIRAM CITY UNION FINANCE LIMITED

S.No.	Particulars	Year ended March 31,	
5.NO.	Particulars	2015	2014
i)	CRAR (%)	29.03%	25.77%
ii)	CRAR - Tier I Capital (%)	24.80%	19.87%
iii)	CRAR - Tier II Capital (%)	4.23%	5.89%
iv)	Amount of subordinated debt raised as Tier-II capital (₹ In lacs)	64,115.03	77,390.76
V)	Amount raised by issue of Perpetual Debt Instruments	-	-

B. SHRIRAM HOUSING FINANCE LIMITED

S No.	Particulars	Year ended March 31,	
5.NO.	Farticulars	2015	2014
i)	CRAR (%)	67.33%	159.33%
ii)	CRAR - Tier I Capital (%)	66.74%	158.74%
iii)	CRAR - Tier II Capital (%)	59.00%	59.00%



₹ in lace

₹ in lacs

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2015

38. Investment

C No		Year ended	March 31,
S.No.	Particulars	2015	2014
1)	Value of Investments		
	i) Gross Value of Investments		
	a) In India	83,629.75	47,412.10
	b) Outside India	-	-
	ii) Provisions for Depreciation		
	a) In India	36.64	25.41
	b) Outside India	-	-
	iii) Value of Net Investments		
	a) In India	83,593.11	47,386.69
	b) Outside India	-	-
2)	Movement of provisions held towards depreciation on investments		
	i) Opening Balance	25.41	19.70
	ii) Add : Provisions made during the year	11.23	5.71
	iii) Less : Write-off / write-back excess provisions during the year	-	-
	iv) Closing Balance	36.64	25.41

39. Details of non-performing financial assets purchased / sold – Nil

40. Details of financing of parent Company products - Nil

41. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC - Nil

42. Registration obtained from other financial sector regulators - Nil

43. Disclosure of Penalties imposed by RBI and other regulators - Nil

44. Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head **Current Year Previous Year Expenditure in Profit and Loss Account** Provisions for depreciation on Investment 11.23 5.71 Provision towards NPA 12,293.94 7,793.35 Provision towards Income tax 30,447.02 26,096.62 Other Provision and Contingencies- Bad debts written off 32,571.95 30,870.53 Provision for Standard Assets 906.61 (107.96) Provision for Gratuity 955.81 (45.31)Provision for Leave benefits 168.72 278.89

45. Draw Down Reserves - Nil

46. Concentration of Deposits, Advances, Exposures and NPAs

a. Concentration of Deposits (for deposit taking NBFCs)	₹ in lacs	
Total Deposits of twenty largest depositors	2,446.42	
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	1.16%	
b. Concentration of Advances	₹ in lacs	
Total Advances to twenty largest borrowers	70,935.68	
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	4.50%	

c. Concentration of Exposures	
Total Exposure to twenty largest borrowers /customers	70,935.68
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	4.50%
d. Concentration of NPAs	₹ in lacs
Total Exposure to top four NPA accounts	6,736.44

e. Sector-wise NPAs

A. SHRIRAM CITY UNION FINANCE LIMITED

S.No.	Sector	Percentage of NPAs to Total Advances in that sector
1	Agriculture & allied activities	-
2	MSME/ Corporate Borrowers	2.49%
3	Services	-
4	Unsecured personal loans	4.23%
5	Auto loans	
	i) Auto Loans	4.64%
	ii) Two wheeler	4.70%
6	Other personal loans	
	i) Consumer Durable	9.26%
	ii) Pledged Jewel	2.28%

B. SHRIRAM HOUSING FINANCE LIMITED

S.No.	Sector	Percentage of NPAs to Total Advances in that sector
1	Housing	2.28%
2	Non Housing	1.36%

47. Movement of NPAs

A. SHRIRAM CITY UNION FINANCE LIMITED

₹ in lacs

0.11-	Partia las	Year ended March 31,	
S.No.	Particulars		2014
i)	Net NPAs to Net Advances (%)	0.68%	0.60%
ii)	Movement of NPAs (Gross)		
	a) Opening balance	34,040.24	29,423.53
	b) Additions during the year	41,831.79	30,011.73
	c) Reductions during the year	26,729.16	25,395.03
	d) Closing balance	49,142.87	34,040.24
iii)	Movement of Net NPAs		
	a) Opening balance	7,640.62	10,756.58
	b) Additions during the year	10,195.10	7,391.64
	c) Reductions during the year	7,173.38	10,507.59
	d) Closing balance	10,662.34	7,640.62
iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	a) Opening balance	26,399.62	18,666.96
	b) Provisions made during the year	31,636.70	22,620.10
	c) Write-off / write-back of excess provisions	19,555.78	14,887.43
	d) Closing balance	38,480.54	26,399.62



B. SHRIRAM HOUSING FINANCE LIMITED

₹ in lacs

0.14	No. Particulars		Year ended March 31,		
5.NO.			2014		
i)	Net NPAs to Net Advances (%)	1.69%	1.08%		
ii)	Movement of NPAs (Gross)				
	a) Opening balance	404.63	-		
	b) Additions during the year	1,107.73	404.63		
	c) Reductions during the year	-	-		
	d) Closing balance	1,512.36	404.63		
iii)	Movement of Net NPAs				
	a) Opening balance	343.91	-		
	b) Additions during the year	894.71	343.91		
	c) Reductions during the year	-	-		
	d) Closing balance	1,238.62	343.91		
iv)	Movement of provisions for NPAs (excluding provisions on standard assets)				
	a) Opening balance	60.69	-		
	b) Provisions made during the year	213.02	60.69		
	c) Write-off / write-back of excess provisions	-	-		
	d)Closing balance	273.71	60.69		

48. Corporate Social Responsibility

A. SHRIRAM CITY UNION FINANCE LIMITED

Section 135 of the Companies Act, 2013, which mandates CSR for specified companies, applies to the Company. Accordingly the Company is required to spend at least 2% of the average net profits of the Company made during the three immediately preceding financial years. which amounts to ₹ 1,313.39 lacs for the year 2014-15. The Company has spent ₹9.33 lacs during the year.

B. SHRIRAM HOUSING FINANCE LIMITED

Section 135 of the Companies Act, 2013, which mandates CSR for specified companies, applies to the Company. Accordingly the Company is required to spend at least 2% of the average net profits of the Company made during the three immediately preceding financial years. which amounts to ₹ 7.98 lacs for the year 2014-15. The Company has spent nil amount during the year.

49. Overseas Assets (for those with Joint Ventures and Subsidiaries abroad) - Nil

50. Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms) - Nil

•)								₹ in lacs
Particulars	Upto 30/31 Days	Over 1 month upto 2 Months	Over 2 months upto 3months	Over 3 months & up to 6 months	Over 6 Months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	3,882.67	2,487.50	2,829.61	10,273.40	20,887.00	160,791.15	12,233.25	- 0000	213,384.58
Advances	57,199.32	83,961.18	81,806.36	260,617.84	530,227.13	440,851.14	/9,834.58	/5,362.83	1,609,860.38
Investments	53.44	58.16	54,599.84	18,221.64	528.58	751.22	147.35	25,807.04	100,167.27
Borrowings	18,150.41	9,377.92	51,082.13	115,712.92	260,183.93	434,336.81	130,360.25	15,652.81	1,034,857.18
Foreign Currency assets	I	'	ı	ı	·	ı		1	
Foreign Currency liabilities	•	1	•	'	1			•	I
52. Rating assigned by credit rating agencies and migration of ratings during the year	y credit rat	ing agencie	es and mig	ration of rati	ngs during	the year			
Rating Agency		Rating Instrument	ent			Rating	Rating Assigned as on March 31, 2015	March 31, 2015	
		Long-Term				IND AA	IND AA' / Stable		
		Short-Term				+14 UNI,	+		
lindia haungs		Bank Loan Ratings	sbu			IND AA'			
		Fixed deposit				,IND fAA'	۲.		
		Long-Term				CARE AA+	A+		
Caro Batinge		Short-Term				CARE A1+	4+		
Cale haungs		Subordinate Debt	bt			CARE AA+	A+		
		Fixed deposit				CARE A	CARE AA+ (FD)		
		Long-Term				ICRA A	ICRA AA / stable		
ICRA		Short-Term				ICRA A1+	+		
		Fixed deposit				MAA+/ Stable	Stable		
		Long-Term				CRISIL	CRISIL AA-/Stable		
Oricil Batingo		Short-Term				CRISIL A1+	A1+		
		Subordinate Debt	bt			CRISIL	CRISIL AA-/Stable		
		Fixed deposit				FAA/Stable	tble		

Note: No migrations during the year

51. Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2015



53. Customer Complaints

S.No.	Particulars	Count
(a)	No. of complaints pending at the beginning of the year	21
(b)	No. of complaints received during the year	1,203
(c)	No. of complaints redressed during the year	1,195
(d)	No. of complaints pending at the end of the year	29

54. Based on the intimation received by the Company, none of the suppliers have confirmed to be registered under "the Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Therefore, the related information for this purpose stands to be Nil.

55. Additional information as per Para 2 of General instructions for the preparation of consolidated financial statements of schedule III to the Companies Act 2013

Name of the entity		Net Assets, <i>i.e.</i> , total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount in lacs	As % of consolidated profit or loss	Amount in lacs	
Parent					
Shriram City Union Finance Limited	98.08	421,599.48	99.32	57,142.07	
Subsidiaries					
Indian					
Shriram Housing Finance Limited	-	-	-	-	
Foreign	-	-			
Minority Interests in all Subsidiaries	1.92	8,254.48	0.68	393.41	
Associates	-	-	-	-	
(Investment as per the equity method)					
Indian	-	-	-	-	
Foreign	-	-	-	-	
Joint Ventures	-	-	-	-	
(as per proportionate consolidation/ investment as per equity method)					
Indian	-	-	-	-	
Foreign	-	-	-	-	
TOTAL	100.00	438,182.84	100.00	57,535.48	

56. Previous year figures have been regrouped / rearranged, wherever considered necessary, to conform with current year presentation.

As per our report even date For Pijush Gupta & Co. Firm Registration No. 309015E Chartered Accountants	For and on behalf of the Board of Directors of Shriram City Union Finance Limited	
	R.Duruvasan	G.S. Sundararajan
	Managing Director	Director
	DIN: 00223052	DIN: 00361030
Ramendra Nath Das		
Partner		
Membership No. 014125		
Place: Chennai Date: April 28, 2015	C R Dash Company Secretary	Subhasri Sriram Chief Financial Officer

NOTES





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