


Annual Auditors' Report-Clause 31(a) of the Listing Agreement

Pursuant to Clause 31(a) of the Listing Agreement, we give below in Form A information on the Auditors Report for the year ended March 31, 2014

**FORM A**


1.	Name of the Company:	Shriram Asset Management Company Limited
2.	Annual financial statements for the year ended	March 31, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable

For **K. S. Aiyar & Co.**  
Chartered Accountants  
Firm Registration No.100186W

  
**S. Ghosh**  
Partner  
Membership no.050927

For **Shriram Asset Management Company Limited**

  
**Prabhakar Karandikar**  
Chairman-Audit Committee

  
**Akhilesh Kumar Singh**  
Managing Director

  
**Rohit Kumar Chawda**  
COO (also functioning as CFO)

Date: April 28, 2014  
Place: Chennai





## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

CIN: L65991MH1994PLC079874

Registered Office: Wockhardt Towers, 2nd Floor, East Wing, C-2, G Block,  
Bandra Kurla Complex, Bandra (East), Mumbai – 400 051

Tel.: +91-22-42410400, Fax : +91-22-27566634

Email ID: [srmf@shriramamc.com](mailto:srmf@shriramamc.com) Website: [www.shriramamc.com](http://www.shriramamc.com)

### NOTICE

NOTICE is hereby given that the TWENTIETH Annual General Meeting of the Members of Shriram Asset Management Company Limited will be held at Hotel Parle International, Agarwal Market, Vile Parle (East), Mumbai 400 057 on Thursday, August 14, 2014 at 2.30 P.M. to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at March 31, 2014 and the Statement of Profit and Loss for the year ended on that date together with the Reports of the Directors and Auditors thereon;
2. To appoint a Director in place of Mr. R. Sundara Rajan, who retires by rotation and being eligible, offers himself for reappointment;
3. To appoint a Director in place of Mr. S. Bapu, who retires by rotation and being eligible, offers himself for reappointment;
4. To appoint M/s. K. S. Aiyar & Company, Chartered Accountants, Kolkata (Firm Registration Number 100186W) as Auditors of the Company to hold such office from the conclusion of this meeting, until the conclusion of the next Annual General Meeting, on such remuneration plus out of pocket expenses, if any, as may be mutually agreed upon between the Board of Directors of the Company and the said Auditors;

#### SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:  
“**RESOLVED THAT** pursuant to Section 149, 150 (2), 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013 (hereinafter referred to as the Act), Mr. Arindom Mukherjee, who was appointed as an Additional Director of the Company by the Board of Directors with effect from June 07, 2014 and who holds office up to the date of the Annual General Meeting, in terms of Section 161 of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act signifying his intention to propose Mr. Mukherjee as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company up to June 06, 2019, not liable to retire by rotation.”

**By order of the Board of Directors  
for Shriram Asset Management Company Limited**

**Reena Yadav**  
Company Secretary

Place: Mumbai  
Date : July 02, 2014

## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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### NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXY TO BE VALID MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FOR COMMENCEMENT OF THE MEETING.
3. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the register of members and the Share Transfer Books of the Company will remain closed on Monday, August 11, 2014 to Thursday, August 14, 2014 (both days inclusive).
4. Additional information pursuant to Clause 49 of the Listing Agreement with the stock exchanges in respect of Directors seeking appointment / re-appointment at the AGM is furnished and forms a part of the Notice. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.
5. Members/ Proxies are requested to produce at the entrance, the attached admission slip for admission to the meeting hall. Duplicate admission slips will not be provided at the hall. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID nos. for easy identifications for attendance at the meeting.
6. In case of joint holders attending the meeting, only such joint holders who are higher in order of the names will be entitled to vote.
7. Members are requested to bring with them a copy of Annual Accounts dispatched to them by the Company.
8. Members are requested to notify change in address, if any, in case of shares held in electronic form to the concerned depository participants quoting their Client ID nos. and in case of physical shares, to their Share Transfer Agents quoting their Folio Number.
9. Pursuant to Section 72 of the Companies Act, 2013, facility for making nominations is available to the Members in respect of the shares held by them in physical form. Nomination forms can be obtained from the Share Transfer Agents of the Company. Members holding shares in dematerialized form may approach their respective Depository Participants to avail and / or effect any change to the nomination facility.
10. Shareholders seeking any information with regards to Accounts are requested to write to the Registered Office of the Company at least 15 days in advance so as to keep the information ready at the Meeting.
11. Members holding shares in physical form under multiple folios are requested to send Company's Share Transfer Agent details of such folios together with the Share Certificate for consolidate their holdings in a single folio so as to enable us to serve them in a better, most efficient and effective manner. The Share Certificate will be returned to the Members after making the requisite changes, thereon.
12. SEBI has made it mandatory for every participant in the securities/capital market to furnish the details of Income Tax Permanent Account Number (PAN). Accordingly, all the shareholders holding shares in physical form are requested to submit their details of PAN along with a photocopy of both sides of the PAN card, duly attested, to the Registrar and Share Transfer Agents of the Company Purva Sharegistry (India) Pvt. Ltd. Mumbai -400 011.
13. SEBI vide circular dated January 7, 2010 has made it mandatory for legal heir(s) to furnish their PAN in addition to the legal procedural document duly attested in the following cases in respect of shares of listed companies held in physical form:

## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

- Deletion of name of the deceased shareholder(s) where the shares are held in the names of two or more shareholders.
- Transmission of shares, in favour of legal heir(s), where the shares are held in the names of two or more shareholders.
- Transposition of shares, when there is a change in the order of names in which physical shares are held jointly in the names of two or more shareholders.

#### 14. Voting through electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 and Rule 21 of Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility, and a member may avail of the facility at his/her/it discretion, subject to compliance with the instructions prescribed below:

The Procedure / Instructions for e-voting are as under:

In case of members receiving AGM Notice by e-mail:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).
	<ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> <li>• In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter <b>the number of shares held by you as on the cut off date</b> in the <b>Dividend Bank details field</b>.</li> </ul>

## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for “SHRIRAM ASSET MANAGEMENT COMPANY LIMITED”
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

### **In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on Monday, August 4, 2014 (9.00 A.M.) and ends on Wednesday, August 6, 2014 (6.00 P.M.) During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (i.e. the record date), being Friday, July 4, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

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## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

#### Item No. 5

Mr. Arindom Mukherjee was appointed by the Board of Directors as an Additional Director of the Company with effect from June 07, 2014, pursuant to Section 161(1) of the Companies Act, 2013 (hereinafter referred to as the Act), read with the Articles of Association of the Company. In accordance with the provisions of Section 161 (1) of the Act, Mr. Mukherjee holds office up to the date of this Annual General Meeting. A notice has been received from a member proposing the candidature of Mr. Mukherjee for the office of Director of the Company.

The Company has received from Mr. Mukherjee (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act, and (iii) a declaration under Section 149 (7) of the Act to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act.

The resolution seeks the approval of members for the appointment of Mr. Mukherjee as an Independent Director of the Company up to June 06, 2019 pursuant to Section 149 and other applicable provisions of the Act and the Rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board, Mr. Mukherjee, fulfils the conditions specified in the Act and the Rules made thereunder for his appointment as Independent Director and he is independent of the Management. A copy of the draft letter for the appointment of Mr. Mukherjee as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days.

Mr. Mukherjee has extensive experience in corporate planning, formulating strategies and has experience in wide areas such as Finance, Accounts, Personnel & Administration, Manufacturing and Marketing etc. He has served as Chairman and Managing Director of Andrew Yule & Company Limited a Central Public Sector Enterprise under the Department of Heavy Industries, Ministry of Industries and Public Enterprises. Presently he is an Independent External Monitor of Hindustan Copper Limited and a part time faculty of ICFAI Business School (IBS). The Board considers that vast experience of Mr. Mukherjee in multiple functional areas will be of tremendous benefit to the Company.

No director, key managerial personnel or their relatives, except Mr. Mukherjee, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no.5 for the approval of the members.

**By Order of the Board of Directors  
for Shriram Asset Management Company Limited**

Place: Mumbai  
Date: July 02, 2014

**Reena Yadav**  
Company Secretary

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT:-**

<b>Name of the Director</b>	<b>Mr. R. Sundara Rajan</b>	<b>Mr. S. Bapu</b>	<b>Mr. Arindom Mukherjee</b>
Date of Birth	April 28, 1948	July 24, 1940	March 9, 1949
Date of Appointment	April 1, 2007	January 22, 2009	June 7, 2014
Qualifications	Mechanical Engineer from Jadavpur University and an MBA from Indian Institute of Management (Ahmedabad). He is a Chartered Engineer and an Associate of Insurance Institute of India.	Masters Degree in Mathematics	B.Tech.(Hons) in Mechanical Engineering from Indian Institute of Technology, Kharagpur and Post Graduate in Business Administration from Indian Institute of Management, Ahmedabad
Expertise in Specific function area	He has had around 25 years experience in Pharmaceutical Industry of which 16 years was in a CEO role and 6 years as a Management Consultant. He has had experience of 6 years as a Los Assessor for General Insurance Industry in India specializing in Fire and Consequential Loss Insurance. In the last 10 years he has been an Advisor to Shriram Group of Companies and on the Board of several Companies in the Group.	He was with the Income Tax Department as Chief Commissioner from April 1996 to April 1999; he was a Member, Central Administrative Tribunal from April 1999 to July 2002. He has expertise in dealing with Chit Laws, NBFC Regulations and Taxation Laws etc.	He has overall 32 years of experience in his extensive career. He has extensive experience in corporate planning, formulating strategies and has experience in wide areas such as Finance, Accounts, Personnel and Administration, Manufacturing and Marketing, etc. He has served as Chairman and Managing Director of Andrew Yule & Company Limited a Central Public Sector Enterprise under the Department of Heavy Industries, Ministry of Industries and Public Enterprises. Presently he is an Independent External Monitor of Hindustan Copper Limited and a part time faculty of ICFAI Business School (IBS).
Directorships held in other companies	<ul style="list-style-type: none"> <li>• Namo Technology Ventures India Private Limited</li> <li>• Visionary RCM Infotech India Private Limited</li> <li>• Take Solutions Limited</li> <li>• Manipal Acunova Limited</li> <li>• Shriram EPC Limited</li> <li>• Rambal Limited</li> <li>• Shriram Credit Company Limited</li> <li>• Orient Green Power Company Limited</li> <li>• Shasun Pharmaceuticals Limited</li> <li>• Shasun Pharma Solutions Limited</li> <li>• Medispan Limited</li> </ul>	Shriram EPC Limited	Nil

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT:-**

<b>Name of the Director</b>	<b>Mr. R. Sundara Rajan</b>	<b>Mr. S. Bapu</b>	<b>Mr. Arindom Mukherjee</b>
Membership / Chairmanship of Committees of other public companies (including only Audit Committees and Shareholders'/ Investors' Grievance Committee)	<b>Audit Committee</b> <ul style="list-style-type: none"> <li>• Take Solutions Limited*</li> <li>• Shriram EPC Limited</li> <li>• Orient Green Power Company Limited</li> <li>• Manipal Acunova Limited*</li> <li>• Rambal Limited</li> </ul> <b>Shareholders'/ Investors' Grievance Committee)</b> <ul style="list-style-type: none"> <li>• Take Solutions Limited</li> <li>• Shriram EPC Limited*</li> <li>• Orient Green Power Company Limited*</li> </ul>	<b>Audit Committee</b> <ul style="list-style-type: none"> <li>• Shriram EPC Limited</li> </ul>	Nil
No. of shares held in the Company	15027#	Nil	Nil
Relationship with other Directors	Mr. R. Sundara Rajan is not related to any Director	Mr. S. Bapu is not related to any Director	Mr. Arindom Mukherjee is not related to any Director

\* Chairman of the Committee

# As on the date of Notice of AGM





**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

CIN: L65991MH1994PLC079874

Regd. Office: Wockhardt Towers, 2nd Floor, East Wing, C-2, G Block,  
Bandra Kurla Complex, Bandra (East), Mumbai– 400 051

Tel. No. +91-22-42410400, Fax : +91-22-27566634

Website: [www.shriramamc.com](http://www.shriramamc.com), Email Id: [srmf@shriramamc.com](mailto:srmf@shriramamc.com)

**ATTENDANCE SLIP**

**20<sup>th</sup> Annual General Meeting – August 14, 2014**

I certify that I am a member/ proxy for the member of the Company.

I hereby record my presence at the 20<sup>th</sup> Annual General Meeting of the Company at Hotel Parle International, Agarwal Market, Vile Parle (East), Mumbai 400 057 on Thursday, August 14, 2014 at 2.30 P.M.

\_\_\_\_\_  
Name of the Member/ Proxy (In Block Letters)

\_\_\_\_\_  
Signature of the Member/ Proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.

**ELECTRONIC VOTING PARTICULARS**

<b>EVSN</b> (Electronic Voting Sequence Number)	<b>USER ID</b>	<b>PASSWORD</b>



**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

CIN: L65991MH1994PLC079874

Regd. Office: Wockhardt Towers, 2nd Floor, East Wing, C-2, G Block,  
Bandra Kurla Complex, Bandra (East), Mumbai- 400 051

Tel. No. +91-22-42410400, Fax : +91-22-27566634

Website: [www.shriramamc.com](http://www.shriramamc.com), Email Id: [srmf@shriramamc.com](mailto:srmf@shriramamc.com)

**PROXY FORM**

Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19 (3) of the Companies  
(Management and Administration) Rules, 2014

**20<sup>th</sup> Annual General Meeting – August 14, 2014**

Name of the member (s): \_\_\_\_\_ Registered address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Folio No. / DP ID No. & Client ID No.: \_\_\_\_\_

I/We, being the member (s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

1. Name: \_\_\_\_\_ 2. Name: \_\_\_\_\_ 3. Name: \_\_\_\_\_

Address: \_\_\_\_\_ Address: \_\_\_\_\_ Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ E-mail Id: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him /her Signature: \_\_\_\_\_ or failing him/her Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20<sup>th</sup> Annual General Meeting (AGM) of the Company, to be held on Thursday, August 14, 2014 at 2.30 P.M., at Hotel Parle International, Agarwal Market, Vile Parle (East), Mumbai 400 057 and at any adjournment thereof in respect of such resolutions as indicated below.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014 Signature of Member \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_



**Notes:**

1. This form of proxy in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the time fixed for holding the aforesaid Meeting.
2. For the Resolutions, Explanatory Statement and Notes, Please refer to the Notice of 20<sup>th</sup> Annual General Meeting.
3. The proxy need not be a member of the Company.
4. Please complete all details including details of member (s) in above box before submission.

RESOLUTION NO.	RESOLUTIONS
<b>ORDINARY BUSINESS</b>	
1	Adoption of Annual Accounts for the year ended March 31, 2014.
2	Appoint a director in place of Mr. R. Sundara Rajan, who retires by rotation and being eligible, seeks re-appointment.
3	Appoint a director in place of Mr. S. Bapu, who retires by rotation and being eligible, seeks re-appointment.
4	Appointment of Statutory Auditors.
<b>SPECIAL BUSINESS</b>	
5	Appointment of Mr. Arindom Mukherjee as an Independent Director.



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**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

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**TWENTIETH ANNUAL REPORT**

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**2013 - 2014**

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**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

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**REGISTERED OFFICE:** WOCKHARDT TOWERS, 2ND FLOOR,  
EAST WING, C-2, G BLOCK,  
BANDRA KURLA COMPLEX,  
BANDRA (EAST), MUMBAI - 400 051.  
TEL.No.: +91-22-42410400  
FAX : +91-22-27566634

**CORPORATE OFFICE &  
CORRESPONDENCE:** CK-6, 2ND FLOOR,  
SECTOR II, SALT LAKE CITY,  
KOLKATA- 700 091  
TEL.NO.: +91-33-23373012  
TELEFAX NO.: +91-33-23373014  
Website: www.shriramamc.com

**BOARD OF DIRECTORS:** MR. PRABHAKAR KARANDIKAR-Chairman  
MR. AKHILESH KUMAR SINGH-Managing Director  
MR. R.SUNDARA RAJAN  
MR. S.RAJARATNAM  
MR. S.BAPU  
MR. DHRUV MEHTA  
MR. ARINDOM MUKHERJEE

**CHIEF INVESTMENT OFFICER AND  
FUND MANAGER :**

MR. PARTHA RAY

**CHIEF OPERATING OFFICER :**

MR. ROHIT CHAWDA (also functioning as CFO)

**COMPANY SECRETARY:**

MS. REENA YADAV

**COMPLIANCE OFFICER FOR  
MUTUAL FUND :**

MR. TANMOY SENGUPTA

**AUDITORS:**

M/S. K. S. AIYAR & CO.  
CHARTERED ACCOUNTANTS,  
9, SYED AMIR ALI AVENUE,  
FLAT 2, 4<sup>TH</sup> FLOOR,  
KOLKATA - 700 017.

**SHARE TRANSFER AGENTS:**

PURVA SHAREGISTRY (INDIA) PVT. LTD.  
9, SHIV SHAKTI INDUSTRIAL ESTATE,  
J. R. BORICHA MARG, MUMBAI - 400 011  
TEL. NO.: +91-22-23016761,  
TELEFAX NO.: +91-22-23012517

# SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their Twentieth Annual Report and the Audited Statements of Accounts for the financial year ended March 31, 2014.

### Financial Highlights:

Particulars	Year Ended March 31, 2014 (₹)	Year Ended March 31, 2013 (₹)
Gross Income for the year	5,837,457	6,776,976
Total Expenditure before Depreciation & Tax	21,257,640	17,846,873
<b>Profit / (Loss) before Depreciation and Tax</b>	<b>(15,420,183)</b>	<b>(11,069,897)</b>
Less: Depreciation	532,110	425,084
Less: Provision for Tax	—	---
<b>Profit / (Loss) after Depreciation and Tax</b>	<b>(15,952,293)</b>	<b>(11,494,981)</b>
Balance brought forward from previous year	(6,414,961)	5,080,020
<b>Profit / (Loss) available for Appropriation</b>	<b>(22,367,254)</b>	<b>(6,414,961)</b>
<b>Balance carried to Balance Sheet</b>	<b>(22,367,254)</b>	<b>(6,414,961)</b>

### Dividend:

In the absence of profits, your Directors do not recommend payment of any dividend for the Financial Year 2013-2014.

### Change in Promoter and Sponsor:

You are aware that Securities and Exchange Board of India (SEBI) granted 'In – Principle' approval to Shriram Credit Company Limited (SCCL) to act as the Sponsor of Shriram Mutual Fund and to Shriram Mutual Fund to re-start its business activity.

By an agreement dated May 09, 2013, SCCL acquired 42.67% equity shares of your Company from the then Promoters Shriram Transport Finance Company Limited (STFC) and Mr. R. Thyagarajan. Consequent to the acquisition of the shares by SCCL, STFC ceased to be the Promoter of your Company and Sponsor of Shriram Mutual Fund and SCCL in turn became the Promoter of your Company and Sponsor of Shriram Mutual Fund. This acquisition triggered an Open Offer under Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. Consequently, SCCL made an Open Offer to acquire 1560000 equity shares of the Company from the shareholders of the Company at the rate of ₹17.70 per equity share. Pursuant to this offer, SCCL acquired 1560000 equity shares representing 26% of the paid up equity share capital of the Company. Subsequent to the acquisition of additional 26% equity shares, the holding of SCCL in the Company increased from 42.67% to 68.67%. Consequently, SCCL became the holding company of your Company as well.

### Operations and Outlook:

The recent offering of your Company, Shriram Equity and Debt Opportunities Fund (SHREDOP) has barely completed four months since its launch. Therefore it may be little premature to comment on the performance of the scheme as such. However, it may be pertinent to mention at this stage that the scheme (SHREDOP) is designed to focus on long term returns with relatively low volatility through the selection of high quality stocks with strong fundamentals. The scheme would therefore have lower sensitivity to sharp market movements and strong market momentum as has been witnessed recently.

Market sentiments remained upbeat riding on the hopes of a stable government after the forthcoming general elections that would bring the economy back on the growth path. In anticipation of this widely expected outcome Foreign Institutional Investors (FIIs) and hedge funds built significant positions and aggressively increased exposure to Indian capital markets taking total FII investments in CY14 across equity and debt to the psychologically significant level of \$10 billion by the first week of April. FII investment in the equities segment for the year till March stood at \$3.65 billion.

The recent market rally has been driven by strong money flows linked to a favorable outcome of the general elections. It is widely expected that the new Government will introduce radical policy initiatives across various productive sectors of the economy to put India on the growth path. That said, the Government will have to squarely address the structural challenges that face the country's economy with respect to fiscal consolidation, elevated levels of inflation, a burgeoning current account deficit which was controlled by restricting bullion imports and the spectre of stalled industrial projects.

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## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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In anticipation of some progressive market friendly reforms, we have relocated some of the investments into cyclical sectors to make them natural weight from an earlier underweight position. The emphasis though continuous to be stock specific as the event trade around the elections is largely over and we continue to remain neutral to overweight on companies that show sustainable growth and earnings visibility.

The fund is also in the process of filing new schemes that have a complementary objective to our existing offering and addresses the need of lower risk adjusted returns from the idle funds of investors without affecting the liquidity aspect.

### **Share Capital:**

To meet the initial cost of Mutual Fund, during the year under review, Company has issued 3,00,000 (Three Lac) Redeemable Non - Convertible Preference Shares (RNCPS) of ₹ 100/- (Rupees One Hundred) each amounting to ₹ 3,00,00,000/- (Rupees Three Crore) to Promoter i.e. Shriram Credit Company Limited.

### **Corporate Governance:**

The Report on Corporate Governance forms part of the Directors' Report and is annexed herewith.

As required by the Listing Agreement, Auditors' Report on Corporate Governance and a declaration by the Managing Director with regard to Code of Conduct are attached to the said Report.

The Management Discussion and Analysis is given as a separate statement forming part of the Annual Report.

As required under Clause 49 of the Listing Agreement, a certificate, duly signed by the Managing Director and Chief Operating Officer (COO) (also functioning as Chief Financial Officer) on the Financial Statements of the Company for the year ended March 31, 2014 was submitted to the Board of Directors at their Meeting held on April 28, 2014. The certificates are attached to the Report on Corporate Governance.

### **Directors' Responsibility Statement:**

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, the Directors confirm that to the best of their knowledge and belief:

- a) In the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with proper explanations relating to material departures;
- b) That such accounting policies as mentioned in Notes have been selected and applied consistently, and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014 and of the loss of the Company for the year ended on that date;
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Annual Accounts have been prepared on an ongoing concern basis.

### **Cash Flow Statement:**

The cash flow statement for the year 2013-14 is attached to the Balance Sheet.

### **Directorate:**

Mr. R. Sundara Rajan and Mr. S. Bapu would retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for reappointment.

Necessary proposals for reappointment of the aforesaid Directors have been included in the notice convening the Annual General Meeting.

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## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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### **Fixed Deposits:**

During the year under review, your Company has not accepted any fixed deposits.

### **Particulars of Employees :**

During the year under report, your Company has not employed any person who was in receipt of remuneration in excess of the limits specified under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended.

### **Information pursuant to the requirement under Section 217 (1) (e) read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.**

1. Conservation of Energy  
The Company has no activity involving Conservation of Energy.
2. Technology Absorption  
The Company has no activity involving Technology Absorption.
3. Foreign Exchange earnings and outgo  
The Company did not have any foreign exchange earnings or outgo during the year under review.

### **Auditors:**

M/s. K.S. Aiyar and Co., Chartered Accountants, Kolkata, Statutory Auditors of the Company, retires at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. Certificate has been received from them to the effect that their reappointment as Auditors of the Company, if made, would be within the limits prescribed under Section 139 and 141 of the Companies Act, 2013. Members are requested to consider their re-appointment.

### **Acknowledgement:**

The Board of Directors take this opportunity to express their sincere appreciation for the excellent support and co-operation received from Securities and Exchange Board of India, Association of Mutual Funds of India, Stock Exchange Authorities, Auditors, Bankers, Distributors, other Service providers and Board of Trustees of Shriram Mutual Fund .

The Directors wish to place on record the continued enthusiasm, total commitment, dedication and efforts of the employees of the Company at all levels.

We are also deeply grateful to the Shareholders of the Company and also to the large body of investors of scheme of Shriram Mutual Fund for the continued confidence and the faith reposed in the Fund and look forward to their continued patronage.

**By Order of the Board**  
for **Shriram Asset Management Company Limited**

Place: Chennai  
Date: April 28, 2014

**Prabhakar Karandikar**  
Chairman

### **Addendum to the Directors' Report**

Mr. Arindom Mukherjee was appointed by the Board of Directors as an Additional Director of the Company w.e.f. June 07, 2014. Pursuant to Section 161 (1) of the Companies Act, 2013, he will hold the office only up to the date of this Annual General Meeting of the Company. The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Mukherjee for the office of Director. Suitable resolution for appointment of Mr. Mukherjee as an Independent Director for period up to June 06, 2019, is being proposed for adoption by the Members at this Annual General Meeting.

**By Order of the Board**  
for **Shriram Asset Management Company Limited**

Place: Mumbai  
Date: July 02, 2014

**Prabhakar Karandikar**  
Chairman

**Note:** Mr. Arindom Mukherjee was appointed as an Additional Director after the Board of Directors approved its Report to the shareholders. Hence this Addendum.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

The positive momentum seen at the beginning of the financial year 2013-2014 was not sustained to its close and hence the overall economic growth largely remained subdued. The performance of Sensex during the entire FY13-14 was strong in sync with the expected change in Government and closed at new record high of 22386.27 +18.67%.

The Indian economy witnessed one of its toughest years with falling growth, high inflation, fiscal profligacy and current account imbalance leading to volatility in the currency.

The situation was somewhat stabilised by measures announced by RBI in September 2013 and the ongoing efforts of the Government to restrict bullion imports and curb or defer planned and non-planned expenditure.

The recent optimism in the markets since elections was announced in March 2014 is a case of hope and expectation running ahead of fundamentals. A strong market sentiment built on the wide belief and expectation of a decisive mandate of the people in favour of a single party leading into an era of economic transformation has contributed immensely to the recent market momentum and buoyancy. Sectors which were previously under bought or under owned owing to an absence of visible policy reforms can be expected to perform and get re-rated with expansion in valuation multipliers to reflect the favoured status of India amongst the international investment community.

### **Mutual Fund Industry as it was in FY 2014:**

The Total Industry Average AUM rose by a sharp ₹ 0.88 lakh crore or an increase of 10.83 per cent during 2013-14 from ₹ 8,16,657.16 crore in the preceding fiscal. The country's 46 fund houses together had an average AUM of ₹ 9,05,120 Crore at the end of fiscal year ended March 31, 2014.

The healthy rise in the Average AUM of the Industry was primarily on account of a strong growth in the AUM of Debt Funds largely in anticipation of lower interest rates and an associated pick up in Bond prices. Strong inflows were also seen in the liquid funds where investors parked their surplus yielding better returns from accrual products in a high interest rate environment.

Equity and equity oriented hybrid funds continued to show sluggish growth as investors shied away from risk in an uncertain and depressed economic environment.

The industry has also undergone a positive change in the business model with cost management and financial inclusion with a retail focus beyond top 15 cities being two of the most important cornerstones for sustained profitability.

### **Mutual Fund Industry - Steps taken by the Regulators in FY 2014:**

There were some important changes in the regulation pertaining to the mutual fund industry during FY-14; the highlights of such changes are as given below:

- Increase in net worth of the AMC. The Board has issued circular to raise AMCs net worth to ₹ 50 crore from ₹ 10 Crore. The board has given three year period at time to bring the AMCs net worth to ₹ 50 Crore. The idea to bring more capital is to expand reach of MF industry to the nook and corner of the country by opening new offices beyond 15 cities. The step is also seen as long term commitment of the sponsor towards business.
- Security Level Valuation of Debt and money market instruments. This step is to bringing uniform pricing for the same security by all the AMCs in their respective schemes.
- Investor Awareness Program (IAP). The board had mandated last year that each scheme to allocate 0.02 percent of the total fee to be contributed and spent for investor awareness program. A schedule of each month's IAP is mandated and is being uploaded on the AMCs and AMFI (Association of Mutual Fund Industry) website. This is to bring more awareness about Mutual Fund among the new set of investors.
- Our Regulator (SEBI) vide its new amended Regulation 28 of SEBI (Mutual Funds) Regulations, 1996 has inculcated that the sponsor or asset management company shall invest not less than one percent of the amount which would be raised in the new fund offer or fifty lakh rupees, whichever is less, in the growth option of the scheme and such investment shall not be redeemed unless the scheme is wound up.



## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

### Performance of your Company:

The performance of the Company for year ended March 31, 2014 is given in brief below:-

Particulars	Year Ended March 31,2014 (₹)	Year Ended March 31,2013 (₹)
Total Income	5,837,457	6,776,976
Total Expenditure	21,789,750	18,271,957
Profit / (Loss) Before Tax	(15,952,293)	(11,494,981)
Profit / (Loss) After Tax	(15,952,293)	(11,494,981)
Balance brought forward from previous year	(6,414,961)	5,080,020
Balance carried to Balance Sheet	(22,367,254)	(6,414,961)

During the year 2013-14, the Company's total income declined by 13.86% to ₹ 5,837,457/- as compared to ₹ 6,776,976 /- in 2012-13. The Company's PAT also decreased to ₹ (15,952,293/-) in 2013-14, from ₹ (11,494,981/-) in 2012-13. This is due to the change in the mix of its investment portfolio of the Company from ICD and FD to Mutual Fund (Liquid and Dynamic Bond Fund). There is a substantial amount of unrealised gain in Mutual Fund which is not reflected in the P&L Statement. You will be glad to note that during this year your Company has earned its Revenue from operations in the form of Management Fees from Shriram Mutual Fund amounting to ₹ 9,36,306/- (from December 2013 to March 2014).

### Restart of business

During the year your company has launched its scheme equity oriented asset allocation fund namely 'Shriram Equity and Debt Opportunities Fund'. The NFO of the scheme opened on November 8, 2013 and closed on November 22, 2013. Your company has mobilized ₹ 23.67 crore during NFO from 22 states and 872 cities. Large mobilization was from retail and high net worth individual. You will be pleased to note that, during the year 2013-14 your Company as the Investment Manager of Shriram Mutual Fund has declared its first dividend within 3 months of its launch for its Scheme 'Shriram Equity & Debt Opportunities Fund'. During the current year 2014-15 your Company intends to launch New Schemes subject to approval from the Regulator.

### Risks and concern

The Risk Management Manual sets out an enterprise wise risk management framework for Shriram Asset Management Company Limited and Shriram Mutual Fund. This Manual is intended to serve as a model, which will help the AMC and the Mutual Fund to monitor and mitigate the risks faced by the Company in the discharge of its business and also use risk management to increase value for investors.

### Internal control system

The Company has adequate system of internal controls commensurate with its size and level of operations to ensure that all assets of the Company are safeguarded and protected and that transaction of the Company are authorised, recorded and reported correctly and also to ensure the efficiency of operations, compliance with internal policies and applicable laws and regulations as well as protection of resources. Moreover, the Company continuously upgrade these systems in line with the best available practices. The internal control system is supplemented by internal audits, regular reviews by management and standard policies and guidelines to ensure reliability of financials and all other records to prepare financial statements and other data. The Audit Committee of the Board reviews internal audit reports given along with management comments. The Audit Committee also monitors the implementation of suggestions given by the Committee.

### Human Resources

During the financial year ended March 31, 2014, the human resources aspects and built in Management Team of the Company remain unchanged.

## **REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED MARCH 31, 2014**

### **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company's philosophy on Corporate Governance is aimed at:

- (a) Enhancing long term shareholder value through
  - Assisting the top management in taking sound business decisions; and
  - Adopting and implementing prudent risk management techniques and thereby safeguarding the interest of shareholders, creditors, investors and employees at large.
- (b) Achieving transparency and professionalism in all decisions and activities of the Company.
- (c) Achieving excellence in Corporate Governance by
  - Conforming to the prevalent guidelines on Corporate Governance and excelling in, wherever possible.
  - Reviewing periodically the existing systems, procedures and controls for further improvements.

### **BOARD OF DIRECTORS**

#### **Composition**

The Board of Directors of the Company consists of professionals from varied disciplines. The day-to-day management of the affairs of the Company is managed by the Managing Director, who functions under overall supervision, direction and control of the Board of Directors of the Company. The Board meets regularly to discuss, review and decide upon the matters such as policy formulation, setting up of goals and appraisal of management performances with the goals and control functions, etc. Some of the powers of the Board have also been delegated to Committee/s. The Board thus exercises effective control over the overall functioning of the Company with a view to enhance the shareholder value.

During the year under review, six meetings of the Board of Directors were held on 22.04.2013, 20.06.2013, 14.08.2013, 26.09.2013, 29.10.2013 and 11.02.2014. The maximum gap between any two meetings was not more than four months. The Nineteenth Annual General Meeting was held on September 26, 2013.

As mandated by Clause 49, as on March 31, 2014, none of the Directors is a member of more than ten Board level Committees and no such Director is a Chairman of more than five Committees of the Companies in which he is a Director. The Directors have made the necessary disclosures regarding Committee positions.

As of March 31, 2014, the Company's Board comprised of six members. The Chairman of the Board is non-executive Director. The Managing Director is an Executive of the Company.

The agenda papers along with the explanatory notes for Board Meetings are sent in advance to the Directors. In some instances, documents are tabled at the meetings and presentations are also made by the respective executives on the matters related to them at the Board or Committee Meetings.

The names and categories of Directors, their attendance at Board Meetings held during the year and at the last Annual General Meeting (AGM) and number of memberships/chairmanships of Directors in other Boards and Board Committees are as follows:

## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

### Composition of Board

Name of the Director and Category of Directorship	No. of Board Meetings Attended	Whether attended the last AGM	Total No. of Directorships	Total No. of Membership of the Committees of Board		Total No. of Chairmanship of the Committees of Board	
				Membership in Audit/ Investor Grievance Committees	Membership in other Committees	Chairmanship in Audit / Investor Grievance Committees	Chairmanship In other Committees
Mr. Prabhakar Karandikar Chairman Non- Executive and Independent	6	Yes	8	3	Nil	2	2
Mr. Akhilesh Kumar Singh Executive and Non Independent	6	Yes	4	Nil	Nil	Nil	Nil
Mr. R. Sundara Rajan Non-Executive and Non Independent	6	Yes	12	4	5	4	2
Mr. S. Rajaratnam Non- Executive and Independent	6	Yes	2	Nil	Nil	Nil	Nil
Mr. S. Bapu Non- Executive and Non-Independent	4	No	1	1	1	Nil	Nil
Mr. Dhruv Mehta Non- Executive and Independent	5	Yes	4	Nil	2	Nil	Nil

#### Notes:

- While considering the total number of directorships, their directorships in private companies, Section 25 companies, if any, have been included and their directorship in the Company has been excluded.
- The memberships and chairmanships of Directors in committees do not include their memberships and chairmanships in the Company.

#### Policy for prohibition of Insider Trading:

In compliance with the provisions of Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 1992, (as amended from time to time) and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted a Code for Prohibition of Insider Trading for Directors, Designated employees of the Company and the Trustee of Shriram Mutual Fund, relating to dealings by them in the securities of the Company. The Code also provides for periodical disclosures from Directors, Designated employees and Trustees as well as pre clearance of transactions by such persons.

#### AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956.

#### Terms of Reference

- The terms of reference of the Audit Committee, inter alia includes:-
  - Overseeing the financial reporting process.
  - To ensure proper disclosure in the quarterly, half yearly and Annual Financial Statements.
  - To recommend appointment, re-appointment of Auditors and the fixing of their remuneration. Approval of payment to Statutory Auditors for any other services rendered by them.
  - Reviewing, with the management, the Financial Statements before submission to the Board.
  - Reviewing, with the management, performance of Statutory and Internal Auditors, adequacies of internal control systems.
  - Discussing with Internal Auditors on any significant findings and follow up thereon.
  - Reviewing the findings of any internal examinations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

- Discussing with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern.
- To discuss with management, the Internal Auditors and the Statutory Auditors the Company's major risk exposures and guidelines and policies to govern the processes by which risk assessment and risk management is undertaken by the Company, including discussing the Company's major financial risk exposures and steps taken by management to monitor and mitigate such exposures and from time to time conferring with another Committee/s of the Board about risk exposures and policies within the scope of such other Committee's oversight.
- To look into the reasons for substantial defaults in the payment to the shareholders (in case of non payment of declared dividends) and creditors, if any.
- To review the functioning of the Whistle Blower Mechanism.
- Review of half yearly and yearly financials of Mutual Fund Schemes.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

During the year under review, five meetings were held on 22.04.2013, 20.06.2013, 14.08.2013, 29.10.2013 and 11.02.2014. The necessary quorum was present for all the meetings.

### Composition

Name of the Member	Category	No. of Meetings Attended
Mr. Prabhakar Karandikar - Chairman	Non Executive - Independent	5
Mr. S. Rajaratnam	Non Executive - Independent	5
Mr. S. Bapu	Non Executive - Non Independent	4

### Note:

The Company Secretary acts as the Secretary for the Audit Committee. The Statutory Auditors and the Managing Director of the Company also attend and participate in the meetings of the Audit Committee.

### REMUNERATION /COMPENSATION COMMITTEE

The Remuneration Committee comprising of Non - Executive Independent Directors, constitution of which is a non mandatory requirement, was constituted by the Board.

### Terms of Reference

The terms of reference of the Remuneration/Compensation Committee, inter alia includes:

### Executive Remuneration

The Committee is responsible for assisting the Board of Directors in the Board's overall responsibilities relating to determination on their behalf and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages and any compensation payment for the Managing Director/Whole-time Directors and Executive Directors. The role of the Committee includes:

- To provide independent oversight of and to consult with Company management regarding the Company's compensation, bonus, pension and other benefit plans, policies and practices applicable to the Company's executive management.
- To develop guidelines for and annually review and approve (a) the annual basic salary, (b) the annual incentive and bonus, including the specific goals and amount.
- To review and approve (a) Employment Agreement and severance arrangement (b) any other benefits, compensation or arrangement for the Managing Director.

During the year under review the Committee met on 11.02.2014. The necessary quorum was present for the meeting.

## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

### Composition

Name of the Member	Category	No. of Meetings Attended
Mr. S. Rajaratnam - Chairman	Non Executive - Independent	1
Mr. S. Bapu	Non Executive - Non Independent	1
Mr. Dhruv Mehta	Non Executive - Independent	0

### Notes:

#### Remuneration Policy of the Company

##### For Managing Director

The Managing Director is paid a fixed quantum of salary and perquisites in accordance with Schedule XIII to the Companies Act, 1956 and as recommended by Remuneration/ Compensation Committee subject to approval of the shareholders.

The Shareholders at their 18th Annual General Meeting held on August 14, 2012 appointed Mr. Akhilesh Kumar Singh as the Managing Director for a term of 3 years commencing from February 14, 2012.

Remuneration paid to the Managing Director for the financial year 2013-2014 is given elsewhere in the Report.

##### Sitting Fees for Directors

The sitting fees payable per meeting is as under:

- a) Board Meeting - ₹. 5,000/-
- b) Audit Committee - ₹. 2,500/-
- c) Other Committees - ₹. 1,000/-

The details of sitting fees/remuneration paid to the Directors during the year 2013-2014, are as under:

S. No.	Name of the Director	Sitting Fees for attending Board Meetings (₹)	Salary, Perquisites (₹)	Commission (₹)	Total (₹)
1	Mr. Prabhakar Karandikar - Chairman	30,000	Nil	Nil	30,000
2	Mr. Akhilesh Kumar Singh - Managing Director*	Nil	25,32,880	Nil	25,32,880
3	Mr. R. Sundara Rajan	Nil	Nil	Nil	Nil
4	Mr. S. Rajaratnam	30,000	Nil	Nil	30,000
5	Mr. S. Bapu	20,000	Nil	Nil	20,000
6	Mr. Dhruv Mehta	25,000	Nil	Nil	25,000

\* Mr. Akhilesh Kumar Singh was appointed as Managing Director for a period of 3 years with effect from February 14, 2012 by the shareholders at the 18th Annual General Meeting held on August 14, 2012. His remuneration includes salary of ₹ 22,45,560/-, Perquisites of ₹ 33,880/- and contribution to Provident Fund of ₹ 2,53,440/-. The appointment may be terminated by giving three months notice in writing or salary in lieu thereof.

#### Details of Shares held by the Directors as on March 31, 2014 are as below:

Name of the Director	Shareholdings
Mr. Prabhakar Karandikar - Chairman	NIL
Mr. Akhilesh Kumar Singh - Managing Director*	NIL
Mr. R. Sundara Rajan	30228
Mr. S. Rajaratnam	1010
Mr. S. Bapu	NIL
Mr. Dhruv Mehta	NIL

The Company does not have any outstanding warrants.

## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

### SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

#### Terms of reference

The Committee is responsible for assisting the Board of Directors in the Board's overall responsibilities relating to attending to and redressal of the grievances of the shareholders and the investors of the Company.

#### The Committee in particular looks into:

- The Shareholders' and investors' complaints on matters relating to transfer of shares, non-receipt of annual report, non-receipt of dividends and matters related thereto.
- The matters that can facilitate better investor services and relations.
- Attending to investors' queries and complaints regarding transfer, annual reports, etc.
- Attending to complaints of investors routed by SEBI/ Stock Exchanges.
- The secretarial audits.

During the year under review, the Committee met five times on 22.04.2013, 20.06.2013, 14.08.2013, 29.10.2013 and 11.02.2014.

The necessary quorum was present for all the meetings.

#### Composition

Name of the Member	Category	No. of Meetings Attended
Mr. S. Rajaratnam - Chairman	Non Executive - Independent	5
Mr. S. Bapu	Non Executive - Non Independent	4
Mr. Dhruv Mehta	Non Executive - Independent	4

#### Note:

The status of investor grievances is monitored by the Committee periodically and the minutes of the Committee are made available to the Board. The complaints received from the Shareholder, SEBI, Stock Exchanges and others are reviewed and they are replied to by the Company/ Share Transfer Agents regularly. The status of the pending complaints as well as the system of redressal mechanism is reviewed by the Committee periodically.

No complaints were received during the year and there were no complaints pending for redressal at the beginning of the year 2013-2014.

Ms. Reena Yadav is the Compliance Officer of the Company and Mr. Tanmoy Sengupta is the Compliance Officer for Mutual Fund Schemes.

### OPERATIONS COMMITTEE

#### Terms of reference

The Operations Committee has been formed to monitor and to ensure efficient and timely decisions required in the day to day management of the Company. The Committee meets regularly to discharge its functions.

During the year under review, the Committee met 6 times on 17.05.2013, 26.06.2013, 22.07.2013, 30.09.2013, 29.11.2013 and 03.03.2014.

The necessary quorum was present for the meeting.

#### Composition

Name of the Member	Category	No. of Meetings Attended
Mr. Akhilesh Kumar Singh	Executive and Non Independent	6
Mr. Rohit Chawda	Member	6
Mr. Tanmoy Sengupta	Member	6

## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

### SECURITIES ISSUE COMMITTEE

#### Terms of reference

The Committee is responsible for assisting the Board of Directors in the Board's overall responsibilities in connection with the Issue and Allotment of Securities of the Company including type of the issue, terms and conditions of the issue, timing, issue price including issue of shares in one or more tranches etc.

During the year under review, the Committee met two times on 27.06.2013 and 02.12.2013.

The necessary quorum was present for the meeting.

#### Composition

Name of the Member	Category	No. of Meetings Attended
Mr. Akhilesh Kumar Singh	Executive and Non Independent	2
Mr. R. Sundara Rajan	Non - Executive and Non Independent	2
Mr. S. Rajaratnam (w.e.f. June 20,2013)	Non Executive - Independent	2
Mr. S. Bapu (w.e.f. June 20, 2013)	Non Executive-Non Independent	2

### OTHER COMMITTEES

Company also has other committees as Broker Empanelment Committee, Investment Valuation Committee and Risk Management Committee which have been formed as per Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.

### GENERAL BODY MEETINGS

Details of location and time of holding the last three AGMs:

Year	AGM	Location	Date	Time
2010-2011	17th	Hotel Parle International, Mumbai - 400 057	September 27, 2011	2.30 P.M
2011- 2012	18th	Hotel Parle International, Mumbai - 400 057	August 14, 2012	3.30 P.M
2012-2013	19th	Hotel Parle International, Mumbai - 400 057	September 26, 2013	3.00 P.M

- A) At 17th AGM held on September 27, 2011 - Special Resolution was passed for appointment of Mr. R. Sundara Rajan as the Managing Director of the Company effective April 01, 2011, without any remuneration payable to him. The resolution was put to vote by show of hands and it was passed unanimously.
- B) At 18th AGM held on August 14, 2012 - Special Resolution was passed for appointment of Mr. Akhilesh Kumar Singh as the Managing Director of the Company for a period of three years effective February 14, 2012, with remuneration payable to him. The resolution was put to vote by show of hands and it was passed unanimously.
- C) At 19th AGM on September 26, 2013 - No Special Resolution was passed.
- D) Postal Ballot - During the year 2013-2014, no resolution was passed through postal ballot. At ensuing Annual General Meeting also, there is no resolution proposed to be passed through postal ballot.

### SHARE CAPITAL

During the year under review, Company has issued 3,00,000 (Three Lac) Redeemable Non - Convertible Preference Shares (RNCPS) of ₹ 100/- (One Hundred) each amounting to ₹ 3,00,00,000/- (Three Crore) to its Promoter i.e. Shriram Credit Company Limited.

### SUBSIDIARY COMPANY

The Company does not have any subsidiary.

## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

### DISCLOSURES

There are no materially significant related party transactions with the Company's Promoters, Directors, Key Managerial Personnel or their relatives, which may have potential conflict with the interest of the Company at large.

Disclosures on transactions with related parties as required under Indian Accounting Standard 18 have been incorporated in the Notes to Financial Statements.

There are no instances of non-compliance by the Company, penalties or strictures imposed on the Company by the Stock Exchanges and SEBI, or any matter related to capital markets during the last three years.

The Company has adopted Code of Conduct ('Code') for the Members of the Board and Senior Management Personnel as required under Clause 49 of the Listing Agreement. All the Board Members and the Senior Management Personnel have affirmed compliance of the Code. The Annual Report of the Company contains a declaration to this effect signed by the Managing Director. Further, the Code of Conduct of the Company applicable to the Board and Senior Management Personnel is also posted on the website of the Company.

The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with Clause 49 of the Listing Agreement with the Stock Exchanges for employees to report concerns about unethical behaviour. No person has been denied access to the Audit Committee.

The Company has complied with all the mandatory requirements as stipulated in Clause 49 of the Listing Agreement. Further the Company has fulfilled the following non-mandatory requirements as prescribed in Annexure I D to Clause 49 of the Listing Agreement with the Stock Exchanges;

- a. The Company has set up a Remuneration Committee. Please see the para on Remuneration/Compensation Committee for details.
- b. The Company has adopted the Whistle Blower Policy.

### CAPITAL AUDIT

As required under Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996 read with SEBI Circular No. D&CC/FITTC/Cir-16/2002 dated 31/12/2002 and SEBI Circular No. CIR/MRD/DP/30/2010, a Qualified Practicing Company Secretary carries out Capital Audit to reconcile the total admitted equity capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and to the Board of Directors.

### RISK MANAGEMENT

The Company has in place a Risk Management Policy, commensurate with its size of operations, which lays down a process for identification and mitigation of risks that could materially impact its performance. The Audit Committee reviews the risk management and mitigation plan from time to time.

### CERTIFICATION BY THE MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

Certification by the Managing Director and the Chief Operating Officer (COO) (also functioning as Chief Financial Officer) in their capacity as such is provided elsewhere in the Annual Report.

### MEANS OF COMMUNICATION

The audited financial results, the quarterly results and half-yearly results of the Company are published in one English (Free Press Journal, Mumbai) and in one Marathi newspaper (Navashakti, Mumbai). They are also available on the Company's Website: [www.shriramamc.com](http://www.shriramamc.com).

### 20th Annual General Meeting

a.	Date and Time	August 14, 2014 at 2.30 P.M.
b.	Venue	Hotel Parle International, Agarwal Market, Vile Parle (East), Mumbai - 400 057.
c.	Book Closure Date	From August 11, 2014 to August 14, 2014 (both days inclusive).
d.	Dividend	The Board of Directors has not recommended any dividend for the year 2013-2014.



## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

<b>e.</b>	<b>Financial Calendar</b>	<b>2014-2015.</b>
	Annual General Meeting	September 2015.
	Unaudited results for the quarter ending June 30, 2014.	Last week of July 2014.
	Unaudited results for the quarter/ half - year ending September 30, 2014.	Last week of October 2014.
	Unaudited results for the quarter ending December 31, 2014.	Last week of January 2015.
	Audited results for the year ending March 31, 2015.	May 2015.
<b>f.</b>	<b>Stock Code.</b>	
	Trading Symbol at Madras Stock Exchange Limited (MSE)	SSMN.
	BSE Limited (BSE)	531359.
	Demat ISIN in NSDL & CDSL.	INE777G01012.

The Company has paid the listing fees for the financial year 2014-15 to the above stock exchanges. The Management Discussion & Analysis Report is forming part of the Directors' Report.

### GENERAL INFORMATION FOR SHAREHOLDERS

#### g. Stock Market Data

The high and low market price and volume of shares traded during each month of the financial year ended March 31, 2014 are given below:

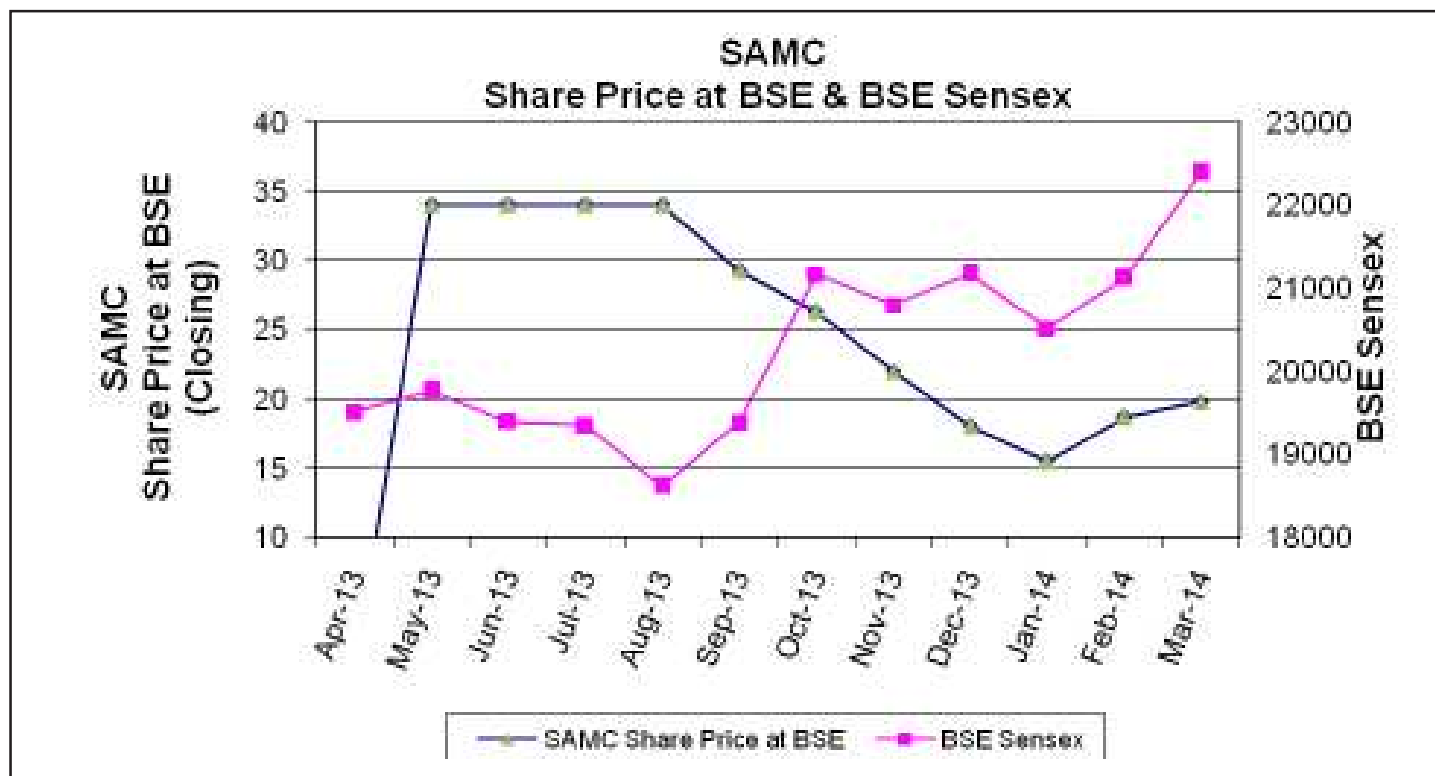
#### BSE Limited

Month	Share price		Volume
	High (₹)	Low (₹)	
April - 13	NIL	NIL	NIL
May - 13	37.00	34.00	1,315
June - 13	34.00	34.00	1
July - 13	34.00	34.00	1
August - 13	34.00	34.00	150
September - 13	32.35	29.25	110
October - 13	27.90	26.30	747
November - 13	25.10	21.00	6,893
December - 13	22.00	18.05	10,573
January - 14	18.05	15.50	2,886
February - 14	18.65	15.50	9,823
March - 14	21.25	16.30	25,664

There was no trading in the equity shares of the Company in Madras Stock Exchange Limited for the year ended March 31, 2014.

## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

### h. SAMC Share Price performance in comparison to BSE Sensex.



### i. Registrar and Share Transfer Agents

The Registrar and Share Transfer Agents of the Company are:

#### Purva Sharegistry (India) Pvt. Ltd.

9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Mumbai - 400 011  
Telephone: +91-22-23016761, Fax: +91-22-23012517

### j. Share Transfer System

The authority to approve share transfers/transmissions has been delegated by the Board of Directors to the Registrar and Share Transfer Agents. Requests received for transfer of shares are processed within 30 days of receipt.

### k. Distribution of shareholdings as on March 31, 2014:

No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Upto 500	642	62.39	149919	2.50
501-1000	223	21.67	198587	3.31
1001-2000	65	6.32	100886	1.68
2001-3000	22	2.14	56394	0.94
3001- 4000	12	1.17	43799	0.73
4001- 5000	15	1.45	70345	1.17
5001- 10000	21	2.04	155236	2.59
10001 and above	29	2.82	5224834	87.08
<b>Total</b>	<b>1029</b>	<b>100</b>	<b>600000</b>	<b>100</b>

## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

### I. Category of Shareholders as on March 31, 2014

Category of Shareholders	No. of Shares held	% of Shareholding
Promoters and Promoter Group	4,120,010	68.67
Mutual Funds / UTI	-	-
Financial Institutions / Banks	-	-
Foreign Institutional Investors	-	-
Bodies Corporate	334,544	5.58
Individuals	1,544,751	25.75
NRI's / OCB's/ Foreign National	545	-
Trust	-	-
Clearing Members	150	-
<b>Grand Total</b>	<b>6,000,000</b>	<b>100</b>

#### m. Dematerialisation of shares and liquidity

The Company's scrip forms part of the compulsory demat segment for all investors effective January 20, 2005. To facilitate investors in having an easy access to the demat system, the Company has signed up with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The connectivity has been established through Purva Share registry (India) Pvt. Ltd. As on March 31, 2014 total of 5508040 equity shares constituting 91.80% of the paid up capital, have been dematerialised.

The Company has not issued any GDRs/ADRs, warrants or other instruments which are pending for conversion.

#### n. Address for correspondence and Registered Office:

**Registered Office:** Wockhardt Towers, 2nd Floor, East Wing, C-2, G Block, Bandra Kurla Complex,  
Bandra (East), Mumbai - 400 051. Tel. No. +91-22-4241 0400  
Website: www.shriramamc.com, Email ID: srmf@shriramamc.com  
CIN No.: L65991MH1994PLC079874

**Administrative Office:** CK-6, 2nd Floor, Sector II, Salt Lake City, Kolkata - 700 091,  
Tel. No.: +91 -33-2337 3012 Fax No.: +91-33-2337 3014.  
E-mail ID for investor grievance: srmf@shriramamc.com

## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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### CEO (MANAGING DIRECTOR)

- I, Akhilesh Kumar Singh in my capacity as the Managing Director and, to the best of my knowledge and belief, certify that:
- a) I have reviewed the financial statements and the cash flow statements for the year ended March 31, 2014 and that to the best of my knowledge and belief;
    - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
    - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
  - b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
  - c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
  - d) I have disclosed based on the evaluation wherever applicable, to the Auditors and the Audit Committee that;
    - i. There were no material deficiencies in internal controls over financials reporting during the year;
    - ii. All the significant changes in accounting policies during the year, if any, have been disclosed in the notes to the financial statements; and
    - iii. There were no instances of significant fraud of which I am aware and the involvement, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Akhilesh Kumar Singh**  
Managing Director

Place: Chennai  
Date: April 28, 2014.

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### COO (ALSO FUNCTIONING AS CFO)

- I, Rohit Chawda in my capacity as the COO (also functioning as CFO) and, to the best of my knowledge and belief, certify that:
- a) I have reviewed the financial statements and the cash flow statements for the year ended March 31, 2014 and that to the best of my knowledge and belief;
    - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
    - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
  - b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
  - c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
  - d) I have disclosed based on the evaluation wherever applicable, to the Auditors and the Audit Committee that;
    - i. There were no material deficiencies in internal controls over financials reporting during the year;
    - ii. All the significant changes in accounting policies during the year, if any, have been disclosed in the notes to the financial statements; and
    - iii. There were no instances of significant fraud of which I am aware and the involvement, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Rohit Chawda**  
COO (also functioning as CFO)

Place: Chennai  
Date: April 28, 2014.

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## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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

The Board of Directors of Shriram Asset Management Company Limited at its meeting held on September 30, 2006, adopted Code of Conduct to be followed by all Members of the Board and Senior Management Personnel of the Company respectively in compliance with Clause 49 of the Listing Agreement with the Stock Exchanges, where the shares of the Company are listed.

As provided under Clause 49 of the Listing Agreement executed with the Stock Exchanges, all Board Members and Senior Management Personnel have affirmed Compliance with the Code of Conduct for the year ended March 31, 2014.

**Akhilesh Kumar Singh**  
Managing Director

Place: Chennai

Date: April 28, 2014.

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### AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of Shriram Asset Management Company Limited

We have examined the compliance of conditions of Corporate Governance by Shriram Asset Management Company Limited for the financial year ended March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said clause. 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 and the representations made by the Directors and the management, 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 K.S.Aiyar & Co.**  
Chartered Accountants  
(Firm Registration No. 100186W)

Place: Kolkata

Date: April 28, 2014

**B.Basu**  
Partner  
(Membership No. 017474)

## **INDEPENDENT AUDITORS' REPORT**

**To the Members of  
Shriram Asset Management Company Limited**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Shriram Asset Management Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Statement of Profit and Loss Account, of the loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the 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, 2003 ("the Order") issued by the Central Government in terms of sub-section (4A) of Section 227 of the Act, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required by Section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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- c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt by this report comply with the Accounting Standards referred to in subsection (3C) of Section 211 of the Companies Act, 1956.
- e. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under Section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**For K.S.Aiyar & Co.**  
Chartered Accountants  
(Firm Registration No. 100186W)

Place: Kolkata  
Date: April 28, 2014

**S.Ghosh**  
Partner  
(Membership No. 050927)

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

**Referred to in Point No. 1 of the paragraph 'Report on Other Legal and Regulatory Requirements' of our Report of even date on the Accounts for the year ended March 31, 2014 of Shriram Asset Management Company Limited**

1.
  - a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) A substantial portion of the fixed assets have been physically verified by the management during the year. In our opinion the frequency of physical verification of fixed assets is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
  - c) Certain furniture & fixtures have been disposed off during the year and duly recorded.
2. The Company does not have any inventory. Hence Clause No. 4 (ii) (b) & 4 (ii) (c) of the Order, are not applicable to the Company.
3.
  - a) The Company has not granted loan in the form of Inter-corporate Deposits to any Company covered in the Register maintained under Section 301 of the Companies Act, 1956.
  - b) In our opinion, the rate of interest and other terms and conditions of the loan given to employees are not prima facie prejudicial to the interest of the Company.
  - c) The repayment of principal and interest is as per stipulation and there are no overdue amounts.
  - d) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
4. 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 the purchase of fixed assets. During the course of our audit, no major weakness has been noticed in the internal control system.
5. In our opinion and according to the information and explanations given to us, the contracts to be entered in Register maintained under Section 301 of the Companies Act, 1956, have been so entered. The transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable with regard to prevailing market rates.
6. The Company has not accepted any deposits from the public to which the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and Companies (Acceptance of Deposits) Rules, 1975, apply.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. The Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.
9. (a) According to the records of the Company, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Service Tax, Cess and any other statutory dues applicable to it. Based on our audit procedures and according to the information and explanations given to us, there are no arrears of undisputed statutory dues which remained outstanding as at March 31, 2014 for a period of more than six months from the date they became payable.



## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

- b) According to the information and explanations given to us and from the records of the Company, the details of the dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of any dispute are given below:

Nature of Dues	Year	Amount Involved Rs./Lacs #	Forum Where Dispute is Pending
Income Tax	A.Y. 2006-07	2.80	CIT (Appeal)
Income Tax *	A.Y. 2007-08	27.10	ITAT
Income Tax	A.Y. 2010-11	21.59	CIT (Appeal)

# Dues to the extent not deposited. \* Refund receivable from the Department.

10. The Company has accumulated loss of ₹ 223.67 lakhs at the end of the financial year and has incurred cash loss to the tune of ₹ 159.52 lakhs during the financial year covered by our audit.
11. There are no borrowings from financial institution, bank or debenture holders. Therefore, the provisions of the Clause (xi) of the Order are not applicable to the Company.
12. Based on our examination of the records and according to information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund /society. Therefore, the provisions of Clause 4 (xiii) of the Order, are not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company has purchased and sold investments on short term basis, which in view of the Company, does not amount to dealing or trading in shares, securities, debentures and other investments, as the same is done with a view to invest surplus funds held by the Company. Accordingly the provisions of Clause 4 (xiv) of the Order, are not applicable to the Company.
15. 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.
16. The Company has not taken any term loans from banks or financial institutions.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term investment.
18. The Company has allotted 300000 (Three Lakhs) 0.01% Redeemable Non Convertible Preference Shares of Rs.100/- each to its Holding cum Sponsor Company (Shriram Credit Company Limited) during the year covered in the register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any secured debentures during the financial year. Accordingly, the provisions of Clause (xix) of the Order are not applicable to the Company.
20. The Company has not raised any money by public issues during the year.
21. According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For K.S.Aiyar & Co.**  
Chartered Accountants  
(Firm Registration No. 100186W)

**S. Ghosh**  
Partner  
(Membership No. 050927)

Place: Kolkata  
Date: April 28, 2014

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**BALANCE SHEET AS AT MARCH 31, 2014**

PARTICULARS	NOTE NO.	AS AT March 31, 2014 ₹	AS AT March 31, 2013 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	100,000,000	70,000,000
Reserves and Surplus	3	17,632,746	33,585,039
<b>Non-Current Liabilities</b>			
Long term liabilities	4	76,807,183	68,809,369
Long term provisions	5	1,340,964	627,993
<b>Current Liabilities</b>			
Current liabilities	6	1,010,013	4,950,325
Short-term provisions	7	43,558	240,145
<b>Total</b>		<b><u>196,834,464</u></b>	<b><u>178,212,871</u></b>
<b>II. ASSETS</b>			
<b>Non-current Assets</b>			
Tangible Assets	8	3,536,739	3,812,587
Intangible assets	8	297,000	396,000
Non-current investments	9	75,193,612	70,109,704
Long term loans and advances	10	61,885	61,385
<b>Current assets</b>			
Current investments	11	105,413,664	79,099,332
Cash and cash equivalents	12	1,431,754	15,753,220
Short-term loans and advances	13	2,723,619	480,279
Other current assets	14	8,176,191	8,500,364
<b>Total</b>		<b><u>196,834,464</u></b>	<b><u>178,212,871</u></b>

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached  
**FOR K. S. AIYAR & CO.,**  
 CHARTERED ACCOUNTANTS  
 FIRM REGISTRATION NO. 100186W

**FOR SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**S.GHOSH**  
 PARTNER  
 MEMBERSHIP NO.050927

**AKHILESH KUMAR SINGH**  
 MANAGING DIRECTOR

**R.SUNDARA RAJAN**  
 DIRECTOR

**REENA YADAV**  
 COMPANY SECRETARY

Place : Kolkata  
 Date : April 28, 2014

Place : Chennai  
 Date : April 28, 2014

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH, 31 2014**

PARTICULARS	NOTE NO.	FOR THE YEAR	FOR THE YEAR
		ENDED March 31, 2014 ₹	ENDED March 31, 2013 ₹
I. Revenue from operations	15	936,306	-
II. Other Income	16	4,901,151	6,776,976
<b>III. Total Revenue (I +II)</b>		<b>5,837,457</b>	<b>6,776,976</b>
IV. Expenses:			
Employee benefit expense	17	11,968,654	9,607,197
Depreciation and amortization expense	8	532,110	425,084
Mutual Fund Expenses		2,922,000	698,648
Other expenses	18	6,366,986	7,541,028
<b>Total Expenses</b>		<b>21,789,750</b>	<b>18,271,957</b>
V. Profit before exceptional and extraordinary items and tax		(15,952,293)	(11,494,981)
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		(15,952,293)	(11,494,981)
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		(15,952,293)	(11,494,981)
X. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax asset	21	-	-
XI. Profit/(Loss) for the year (IX-X)		(15,952,293)	(11,494,981)
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from discontinuing operations (XII - XIII)		-	-
<b>XV. Profit/(Loss) for the year (XI + XIV)</b>		<b>(15,952,293)</b>	<b>(11,494,981)</b>
XVI. Earning per equity share:			
(1) Basic	24	(2.66)	(1.92)
(2) Diluted		(2.66)	(1.92)

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached  
**FOR K. S. AIYAR & CO.,**  
 CHARTERED ACCOUNTANTS  
 FIRM REGISTRATION NO. 100186W

**FOR SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**S.GHOSH**  
 PARTNER  
 MEMBERSHIP NO.050927

**AKHILESH KUMAR SINGH**  
 MANAGING DIRECTOR

**R.SUNDARA RAJAN**  
 DIRECTOR

**REENA YADAV**  
 COMPANY SECRETARY

Place : Kolkata  
 Date : April 28, 2014

Place : Chennai  
 Date : April 28, 2014

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014**

**NOTE NO.1 SIGNIFICANT ACCOUNTING POLICIES**

**1.1 Presentation and disclosure -**

**(a) Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. 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 or liabilities in future periods.

(b) The accounts have been prepared primarily on historical cost convention and on accrual basis.

**1.2 Tangible Fixed Assets and Depreciation**

Fixed assets are stated at cost of acquisition less accumulated depreciation. Depreciation is provided on Written Down Value method in the manner and at the rates specified in Schedule XIV to the Companies Act, 1956.

**1.3 Intangible Assets and Amortisation**

Intangible Assets are stated at cost less amortization. Amortisation is provided on straight line method as per AS-26 issued by ICAI.

**1.4 Investments**

Investments that are intended to be held for not more than a year are classified as current investments and all other investments as long term investments. Current investments are carried at lower of cost and fair value computed category wise. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in nature in value of such investments.

**1.5 Employee Benefits**

1.5.1 Company's contributions to Provident Fund are charged to Profit and Loss Account.

1.5.2 The provision for leave encashment and provision for gratuity is made on actuarial valuation.

**1.6 Revenue Recognition**

Revenue is recognized as per Accounting Standard 9 of ICAI.

Dividend income on investments is accounted for when the right to receive the payment is established.

**1.7 Income Taxes**

1.7.1. Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items, recognized directly in equity, are adjusted against such equity and not through statement of profit and loss.

1.7.2. The Deferred Tax Assets & Liabilities arising on account of timing difference are recognised in the statement of profit & loss. Deferred tax assets have been recognized only to the extent there is virtual certainty of realization of assets in future.

**1.8 Earnings Per Share**

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

**1.9 Provisions**

A provision is recognized when the Company has a present obligation as a result of past event and a probable outflow of resources based on a reliable estimates will be required to settle the obligation, which are not discounted to its present value. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014 (contd.)**

	March 31, 2014 ₹	March 31, 2013 ₹
<b>2) SHARE CAPITAL</b>		
<b>2.1) Authorised shares</b>		
90,00,000 (P.Y. 90,00,000) equity shares of ₹10/- each	90,00,000	90,00,000
6,00,000 (P.Y.6,00,000) Redeemable Non Convertible Preference shares of ₹100/- each	<u>60,00,000</u>	<u>60,00,000</u>
<b>Total</b>	<u><u>150,00,000</u></u>	<u><u>150,00,000</u></u>
<b>2.2) Issued, subscribed and fully paid-up shares</b>		
60,00,000 (P.Y.60,00,000) equity shares of ₹10/- each *	60,00,000	60,00,000
0.01% 4,00,000 (P.Y.1,00,000) Redeemable Non Convertible Preference shares of ₹ 100/- each	<u>40,00,000</u>	<u>10,00,000</u>
<b>Total</b>	<u><u>100,00,000</u></u>	<u><u>70,00,000</u></u>

\* Note : Shriram Credit Company Limited (Holding Company) holds 68.67% (P.Y. NIL)

**2.3) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Equity shares	March 31, 2014		March 31, 2013	
	Quantity	₹	Quantity	₹
At the beginning of the period	6,00,000	60,00,000	6,00,000	60,00,000
Issued during the period - Bonus issue	-	-	-	-
Issued during the period - ESOP	-	-	-	-
<b>Outstanding at the end of the year</b>	<u><u>6,00,000</u></u>	<u><u>60,00,000</u></u>	<u><u>6,00,000</u></u>	<u><u>60,00,000</u></u>

**2.4) Preference shares**

4,00,000 (P.Y.1,00,000) 0.01% Redeemable Non Convertible Preference Shares of Rs.100/- each

	March 31, 2014		March 31, 2013	
	Quantity	₹	Quantity	₹
At the beginning of the period	100,000	10,00,000	100,000	10,00,000
Issued during the period	300,000	30,00,000	-	-
<b>Outstanding at the end of the year</b>	<u><u>400,000</u></u>	<u><u>40,00,000</u></u>	<u><u>100,000</u></u>	<u><u>10,00,000</u></u>

**2.5) Terms/rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share. Dividend, as and when recommended by the Board of Directors, is subject to approval of the shareholders in their Annual General Meeting. The Directors have not recommended any dividend for the year ended March 31, 2014.

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.

**2.6) Terms/rights attached to Redeemable Non Convertible Preference Shares (RNCPS)**

During the year ended March 31, 2014 the Company issued additional 300000 (Three lakh) (0.01%) RNCPS of ₹ 100/-each fully paid up, taking the total amount of RNCPS to ₹ 4,00,00,000/-. These RNCPS carry non cumulative dividend @ 0.01% p.a. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. Each holder of RNCPS is entitled to one vote per share only on resolutions placed before the Company which directly affect the rights attached to RNCPS. The RNCPS shall be redeemed by the Company at par on expiry of five years from the date of allotment. The Company shall, however, has the right to redeem the RNCPS before the due date. Subject to the applicable laws, and the approvals/ consents as may be necessary or required, the date of redemption of RNCPS can be extended for such further term as may be mutually agreed to between the Company and the holder of RNCPS. During the year no provision has been made for dividend on Preference Shares.

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014 (contd.)**

**2.7) Details of shareholders holding more than 5% equity shares in the Company**

	March 31, 2014		March 31, 2013	
	Quantity	% holding in the class	Quantity	% holding in the class
<b>Equity share of ₹ 10/- each fully paid</b>				
Shriram Transport Finance Company Limited	-	0%	2,400,000	40%
Shriram Credit Company Limited	4,120,010	68.67%	-	0%

**2.8) Details of shareholders holding more than 5% preference shares in the Company**

	March 31, 2014		March 31, 2013	
	Quantity	% holding in the class	Quantity	% holding in the class
<b>0.01% Redeemable Non Convertible Preference Shares of ₹ 100/- each fully paid</b>				
Shriram Transport Finance Company Limited	-	0%	100,000	100%
Shriram Credit Company Limited	400,000	100%	-	0%

	March 31, 2014 ₹	March 31, 2013 ₹
<b>3) RESERVES AND SURPLUS</b>		
<b>3.1) Capital Redemption Reserve</b>	40,000,000	40,000,000
<b>Surplus/(deficit) in the statement of profit and loss</b>		
Balance as per last financial statements	(6,414,961)	5,080,020
Profit/(loss) for the period ended	(15,952,293)	(11,494,981)
Less: Appropriations	-	-
Net surplus in the statement of profit and loss	<u>(22,367,254)</u>	<u>(6,414,961)</u>
<b>Total</b>	<u>17,632,746</u>	<u>33,585,039</u>
<b>4) LONG TERM LIABILITIES</b>		
Payable to the rightful owner (Original amount due) (Note no.4.1)	22,785,000	22,785,000
Add: Contingency provision for interest payable to the rightful owner (Gross)	56,205,854	48,208,040
	<u>78,990,854</u>	<u>70,993,040</u>
Less: Income tax for the year 2011-12	2,183,671	2,183,671
<b>Total</b>	<u>76,807,183</u>	<u>68,809,369</u>
4.1) An amount of ₹ 22,785,000/- representing disputed redemption money on 35,00,000 units of "Risk Guardian 95" is held by the Company in trust to be paid to the rightful owner when the dispute is settled by the appropriate court/forum. This amount has been deployed in subordinated bond and along with interest accrued thereon, the present value of which is ₹ 76,807,183/- (inclusive of tax of ₹ 11,122,842/- for the period from 2001-02 to 2010-11). The disputed amount of ₹ 22,785,000/- along with interest accrued thereon has been recognised in the accounts as payable to the rightful owner. In view of the loss incurred during the period, no provision for Income Tax is considered necessary		
<b>5) LONG TERM PROVISIONS</b>		
Provision for gratuity	979,560	252,049
Provision for leave benefit	361,404	375,944
<b>Total</b>	<u>1,340,964</u>	<u>627,993</u>

Disclosure as per revised Accounting Standard (AS 15)

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2014 (contd.)**

<b>I. Table showing change in benefit obligation</b>	<b>Gratuity non-funded - As at March 31, 2014</b>	<b>Gratuity non-funded - As at March 31, 2013</b>
Liability at the beginning of the current period	256,246	125,419
Current service cost	158,888	105,620
Interest cost	21,140	10,661
Actuarial (gain)/loss on obligations	574,045	14,546
<b>Liability at the end of the current period</b>	<b>1,010,319</b>	<b>256,246</b>
<b>II. Table of recognition of transitional liability</b>		
Unrecognised transitional liability at the start of the period	-	-
Transitional liability recognised during the period	-	-
<b>Unrecognised transitional liability at the end of the period</b>	<b>-</b>	<b>-</b>
<b>III. Amount recognised in the Balance Sheet</b>		
Fair value of plan assets at the end of the period	-	-
Liability at the end of the period	1,010,319	256,246
Difference	(1,010,319)	(256,246)
Unrecognised past service cost at the end of the period	-	-
Unrecognised transitional liability at the end of the period	-	-
<b>Net amount recognised in the Balance Sheet</b>	<b>(1,010,319)</b>	<b>(256,246)</b>
<b>IV. Expenses recognised in the income statement</b>		
Current service cost	158,888	105,620
Interest cost	21,140	10,661
Actuarial (Gain)/Loss	574,045	14,546
Past service cost (Non vested benefits) recognised during the period	-	-
Past service cost (Vested benefits) recognised during the period	-	-
Transitional liability recognised during the period	-	-
<b>Expense recognised in P&amp;L</b>	<b>754,073</b>	<b>130,827</b>
<b>V. Balance Sheet reconciliation</b>		
Opening net liability	256,246	125,419
Expense as above	754,073	130,827
Net transfer in	-	-
(Net transfer out)	-	-
Employers' contribution	-	-
<b>Amount recognised in the Balance Sheet</b>	<b>1,010,319</b>	<b>256,246</b>
<b>VI. Other details</b>		
No.of members	15	15
Salary per month	464,362	453,927

**Notes:** Gratuity is payable as per Company's scheme as detailed in the report. Actuarial gain/loss is accounted for in the period of occurrence. Salary escalation and attrition rate are considered as advised by the Company, they appear to be in line with the industry practice considering promotion and demand and supply of the employees.

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

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**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2014 (contd.)**

	<b>Gratuity non-funded - As at March 31, 2014</b>	<b>Gratuity non-funded - As at March 31, 2013</b>
<b>VII. Assumptions</b>		
Discount rate - previous	8.25%	8.50%
Salary escalation - previous	5.00%	5.00%
Attrition rate - previous	2.00%	2.00%
Discount rate - current	9.31%	8.25%
Salary escalation - current	5.00%	5.00%
Attrition rate - current	2.00%	2.00%
<b>VIII. Experience adjustment</b>		
On plan liability (gain)/loss	659,495	8,174
<b>6) OTHER CURRENT LIABILITIES</b>		
Sundry creditors	926,988	4,644,586
ESIC	1,250	4,346
Profession Tax	2,445	2,795
IT Refund	23,810	-
Provident Fund	52,903	107,834
TDS Payable	1,979	190,764
Medical insurance premium payable (for employees)	638	-
<b>Total</b>	<b><u>1,010,013</u></b>	<b><u>4,950,325</u></b>
<b>7) SHORT TERM PROVISIONS</b>		
Provision for gratuity	30,759	4,197
Provision for leave benefits	12,799	12,287
Provision for income tax (net of tax paid)	-	223,661
<b>Total</b>	<b><u>43,558</u></b>	<b><u>240,145</u></b>



**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014 (contid.)

**8) FIXED ASSETS**

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	BALANCE AS ON 01.04.2013 (₹)	ADDITIONS DURING THE YEAR (₹)	SALE DURING THE YEAR (₹)	BALANCE AS ON 31.03.2014 (₹)	FOR THE YEAR (₹)	SALE / TRANSFER (₹)	BALANCE AS ON 31.03.2014 (₹)	BALANCE AS ON 31.03.2013 (₹)
<b>A. TANGIBLE ASSETS</b>								
1) Office premises	4,573,907	-	-	4,573,907	133,970	-	2,028,473	2,545,434
2) Plant & Equipment	458,675	35,750	-	494,425	10,949	-	401,099	68,525
a) Air conditioner								
b) Computers	1,264,479	6,720	-	1,271,199	162,389	-	1,023,511	403,357
c) Electrical fitting and Installations	500,639	-	-	500,639	14,400	-	411,515	103,524
3) Furniture and fixtures	2,553,195	79,376	15,440	2,617,131	82,533	12,879	2,243,562	379,288
4) Office equipments	239,590	37,977	-	277,567	28,869	-	89,969	178,489
<b>AMORTISATION</b>								
<b>B. INTANGIBLE ASSETS</b>								
<b>Software &amp; Solutions</b>	495,000	-	-	495,000	99,000	-	198,000	396,000
<b>TOTAL</b>	<b>10,085,485</b>	<b>159,823</b>	<b>15,440</b>	<b>10,229,868</b>	<b>532,110</b>	<b>12,879</b>	<b>6,396,129</b>	<b>4,208,587</b>
<b>AS ON 31.03.2013</b>	<b>8,631,098</b>	<b>1,454,387</b>	<b>-</b>	<b>10,085,485</b>	<b>425,084</b>	<b>-</b>	<b>5,876,898</b>	<b>-</b>

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2014 (contd.)**

**9) NON-CURRENT INVESTMENTS (AT COST)**

**9.1) Trade investments (Unquoted)**

	March 31, 2014	March 31, 2013
	₹	₹
<b>Investment in associates</b>		
600,000 (P.Y.600,000) Equity shares of ₹ 10/- each of Ceylinco Shriram Capital Management Services Co.Pvt Ltd	<u>3,878,332</u>	<u>3,878,332</u>
<b>Sub Total</b>	<u><u>3,878,332</u></u>	<u><u>3,878,332</u></u>

**9.2) Non-trade investments (Unquoted)**

I) Investment in subordinate bond with STFC (Original investment)	22,785,000	22,785,000
Add: Additional amount invested on 30.08.2013	114	-
Add:- Interest accrued till date (net of TDS of ₹.4,156,996/-)	<u>52,048,858</u>	<u>45,612,466</u>
<b>Sub Total</b>	<u><u>74,833,972</u></u>	<u><u>68,397,466</u></u>

**9.3) Non-trade investments (Quoted)**

600 (P.Y. 600) Non Convertible Debentures of ₹ 600/-each of STFC Ltd- ND series	<u>349,640</u>	<u>582,733</u>
<b>Total (9.1+9.2+9.3)</b>	<u><u>79,061,944</u></u>	<u><u>72,858,531</u></u>

**9.4) Equity instruments (Unquoted)**

II) 1,000 (P.Y.1,000) Equity shares of ₹ 10/- each of The Saraswat Co-operative Bank Ltd	10,000	10,000
<b>Sub Total</b>	<u>10,000</u>	<u>10,000</u>

**9.5) Non-trade investments (Quoted)**

<b>Equity instruments</b>		
(Fully paid equity shares of ₹10/-each except otherwise stated)		
NIL (P.Y. 2000) Equity Shares of ₹ 1 each of Ashok Leyland Ltd	-	52,912
NIL (P.Y. 500) Equity Shares of ₹ 2 each of Bharat Heavy Electricals Ltd.	-	181,851
NIL (P.Y. 125) Equity Shares of ₹ 5 each of Infosys Ltd.	-	375,569
NIL (P.Y. 6220) Equity Shares of L&T Finance Holdings Ltd.	-	321,371
NIL (P.Y. 300) Equity Shares of Tata Steel Ltd.	-	161,301
NIL (P.Y. 25) Equity Shares of ₹ 1 each of TCS Ltd.	-	26,501
<b>Sub Total</b>	-	<u>1,119,505</u>
<b>Total (9.1+9.2+9.3+9.4+9.5)</b>	<u><u>79,071,944</u></u>	<u><u>73,988,036</u></u>
Less: Provision for diminution in value of investment	<u>3,878,332</u>	<u>3,878,332</u>
<b>Total</b>	<u><u>75,193,612</u></u>	<u><u>70,109,704</u></u>
Aggregate amount of quoted investments (Market value ₹ 3,49,640/-)	<u>349,640</u>	1,702,238

Aggregate amount of unquoted investments	<u>78,722,304</u>	72,285,798
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Aggregate provision for diminution in value of long term investments	<u>3,878,332</u>	3,878,332
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**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2014 (contd.)**

	March 31, 2014 ₹	March 31, 2013 ₹
<b>10) LONG TERM LOANS AND ADVANCES</b>		
<b>10.1) Security Deposit</b>		
Secured, considered good	61,885	61,385
<b>Total</b>	<b>61,885</b>	<b>61,385</b>
<b>11) CURRENT INVESTMENTS (valued at lower of cost and net realisable value)</b>		
<b>Quoted equity instruments</b> (Fully paid equity shares of ₹ 10/-each except otherwise stated)		
NIL (P.Y. 250) Equity Shares of Axis Bank Ltd	-	309,430
NIL (P.Y. 300) Equity shares of ₹ 2 each of Bharat Heavy Electricals Ltd	-	80,183
NIL (P.Y. 100) Equity shares of ₹ 5 each of Bharti Airtel Ltd	-	31,756
NIL (P.Y. 400) Equity shares of Coal India Ltd	-	153,313
NIL (P.Y. 1000) Equity Shares of ₹ 1 each of Hindalco Industries Ltd	-	159,175
NIL (P.Y. 100) Equity Shares of ₹ 2 each of Hindustan Zinc Ltd	-	14,495
NIL (P.Y. 450) Equity Shares of IDFC Ltd.	-	64,825
NIL (P.Y. 100) Equity Shares of ₹ 2 each of Kalpataru Power Transmission Ltd.	-	16,330
NIL (P.Y. 200) Equity Shares of ₹ 2 each of Larsen & Toubro Ltd.	-	325,633
NIL (P.Y. 250) Equity Shares of Reliance Industries Ltd.	-	236,010
NIL (P.Y. 250) Equity Shares of State Bank of India	-	640,368
NIL (P.Y. 3913766.625) SBI Dynamic Bond Fund Growth	-	55,000,000
NIL (P.Y. 355958.025) IDFC Dynamic Bond Fund Growth	-	5,000,000
41485.71 (P.Y. 9559.816) SBI Premier Liquid Fund Growth	80,413,664	17,406,983
108455.870 (P.Y. NIL) Investment in ICICI Prudential Fund	20,000,000	-
500000 (P.Y. NIL) Shriram Equity & Debt Opportunity Fund	5,000,000	-
	<b>105,413,664</b>	79,438,501
Less:-Provision for diminution in value of current investments	-	339,169
<b>Total</b>	<b>105,413,664</b>	<b>79,099,332</b>
Aggregate amount of quoted investments (Market value Rs.10,90,50,162/-)	<b>105,413,664</b>	79,438,501
Aggregate provision for diminution in value of current investments	-	339,169

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014 (contd.)**

	March 31, 2014 ₹	March 31, 2013 ₹
<b>12) CASH AND CASH EQUIVALENTS</b>		
<b>Balances with banks</b>		
On current accounts	482,252	739,709
Deposits with original maturity of less than twelve months	940,000	14,993,734
Cash in hand - CBD Belapur	2,160	8,628
Cash in hand - Kolkata	7,342	11,149
<b>Grand Total</b>	<u>1,431,754</u>	<u>15,753,220</u>
<b>13) SHORT TERM LOANS AND ADVANCES</b>		
<b>13.1) Advances recoverable in cash or kind</b>		
Unsecured considered good	54,798	35,000
<b>Sub Total</b>	<u>54,798</u>	<u>35,000</u>
<b>13.2) Other Loans and Advances</b>		
Prepaid expenses	88,127	14,017
Loans to employees	1,095,462	431,262
Advance to Income Tax (net of provision for taxation)	1,485,232	-
<b>Sub Total</b>	<u>2,668,821</u>	<u>445,279</u>
<b>Grand Total (13.1 + 13.2)</b>	<u>2,723,619</u>	<u>480,279</u>
<b>14) OTHER CURRENT ASSETS</b>		
Interest accrued on fixed deposits	85,815	1,237,645
Interest receivable	-	6,468
Dividend Receivable (2011-12)	-	768
Education Cess Input	13,558	6,205
Secondary Edu Cess Input	6,774	3,097
Service Tax Input	678,718	310,570
Receivable from Tax Guardian 95	-	5,260
Medical Advance	5,000	5,000
Receivable from broker #	6,910,351	6,910,351
Shriram Transport Finance Co.Ltd	-	15,000
Income Tax Paid On Demand(A.Y.2010-11)	200,000	-
Shriram Mutual Fund	217,975	-
Recoverable from Satish Kumar	58,000	-
<b>Total</b>	<u>8,176,191</u>	<u>8,500,364</u>

**# Receivable from broker**

The Company's claim for the recovery from a broker for a principal amount of ₹ 72.10 lakhs, together with interest thereon has been upheld by the Arbitration Tribunal of the BSE Ltd. However, the Income Tax Department had issued prohibitory orders / attachment notices, against the Exchange in respect of properties of the broker. In response, the Exchange has filed a Writ Petition, before the Hon'ble High Court, Bombay against the Income Tax Department, challenging the prohibitory order/attachment notices. The Hon'ble Court has passed an Interim Order, inter alia directing the Exchange not to disburse the amount till further orders. The said Writ Petition is pending before the Hon'ble High Court, Bombay. In view of the uncertainty pending finality of the proceedings, the Company has not recognised the interest on principal amount of ₹ 72.10 lakhs. In 2010-11, the Company received ₹ 3 lakhs from the Exchange, as a part payment against the award.

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014 (contd.)**

	March 31, 2014 ₹	March 31, 2013 ₹
<b>15) INCOME FROM OPERATION</b>		
Management Fees	936,306	-
<b>Total</b>	<u>936,306</u>	<u>-</u>
<b>16) OTHER INCOME</b>		
Interest on fixed deposits	265,211	2,610,054
Interest on Inter Corporate Deposits	-	3,309,041
Interest received on NCD	41,079	61,500
Interest received on staff loan	73,664	18,395
Dividend Income - Equity	43,971	55,251
Rent received (Banglore property)	180,000	180,000
Profit /(Loss) on sale of Fixed Assets	(1,811)	-
Profit /(Loss) on sale of Shares	(41,614)	134,885
Excess Provision Written Back	6,756	258
Income on Sale of Mutual Fund Units	4,263,125	406,983
Employees' contribution WB labour welfare	33	33
Liability no longer required	62,703	-
Profit on redemption of NCD (STFC)	6,907	-
Miscellaneous Income	1,127	609
Interest Received on Subordinate Bond (Gross) for the Year ended 31.03.2014 **	<u>7,997,814</u>	7,629,601
Less: Income tax thereon (01.04.2013 to 31.03.2014)	<u>-</u>	<u>-</u>
	<u>7,997,814</u>	<u>7,629,601</u>
Less: Contingency provision for interest payable to the rightful owner	<u>7,997,814</u>	<u>7,629,601</u>
<b>Total</b>	<u><u>4,901,151</u></u>	<u><u>6,776,976</u></u>

\*\*Interest on the subordinate bond of ₹ 22,388,702/- (net of tax) for the period from financial year 2001-02 to financial year 2010-11 has been recognised as prior period item in 2011-12. Interest of ₹ 7,997,814/- (net of tax,if any) for the period from 01.04.2013 to 31.03.2014 has been recognised as interest received in the accounts for the period ended 31.03.2014.

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014 (contd.)**

**17) EMPLOYEE BENEFIT EXPENSES**

	March 31, 2014	March 31, 2013
	₹	₹
Salaries, wages and bonus	10,282,595	8,715,387
Contribution to provident and other fund	717,710	626,388
Gratuity expense	873,208	130,827
Medical Expenses	67,523	48,323
Staff welfare expenses	27,618	86,272
<b>Total</b>	<b>11,968,654</b>	<b>9,607,197</b>

**18) OTHER EXPENSES**

Advertisement Expenses	71,911	306,132
Annual Custodial Fees	30,000	30,000
Provision for diminution in value of current investments	-	49,292
Auditors' Remuneration	316,920	409,986
Board and General Meeting expenses	-	69,291
Depository fees	48,000	50,562
Directors' Sitting Fees	161,000	126,500
Telephone, Courier and Postage Expenses	289,969	253,487
Insurance Premium	31,700	35,221
Legal and Professional Charges	510,905	1,099,176
Listing Fees	39,050	43,821
Printing & Stationery	587,972	384,420
Sundry Expenses	924,759	262,899
Trustee Meeting Fees	120,000	57,500
Travelling, Hotel and Conveyance expenses	466,502	989,317
Training & Recruitment Exp	1,250	4,069
HR IT & Network Support	422,714	322,800
Rent	1,118,264	1,118,268
Repairs & Maintenance	311,514	459,246
Share of Common Infrastructure Costs	842,062	1,431,146
Rates & Taxes	22,018	19,448
General Expenses	50,476	18,447
<b>Total</b>	<b>6,366,986</b>	<b>7,541,028</b>

**18.1) Auditors' remuneration**

Audit fee	120,000	120,000
Audit fee for Limited Reviews	108,000	108,000
Tax audit fee	60,000	60,000
Corporate Governance Certification	18,000	18,000
Other services (including half yearly audit fee)	5,000	-
Advisory Services	-	52,500
Out of pocket expenses	5,920	51,385
<b>Total</b>	<b>316,920</b>	<b>409,885</b>

## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014 (contd.)

19. The Scheme Risk Guardian'95 has been wound up, effective 7th July 2000 and the three tax saving schemes Tax Guardian'95, Tax Guardian'96, Tax Guardian'97 have been wound up with effect from 30th April 2001 and Interval Fund 97 effective 1st December 2001, with the approval of SEBI. For the unclaimed redemption money of these schemes the company has been following the provisions laid down under Regulation 59 of SEBI (Mutual Funds) Regulations 1996. Further, as the unclaimed redemption money being managed by the Company is very small amounting to ₹ 385,748/- it has been decided not to charge asset management fees from 01.04.2004 to Shriram Mutual Fund.
20. Contingent Liabilities
- 20.1 An appeal is pending before CIT (A) for the A.Y.2006-07, wherein the disallowance made under Section 14A of the Income Tax Act, 1961, of ₹ 2,79,520/- calculated as per Rule 8D, is disputed by the Company.
- 20.2 As regards A.Y 2007-08, the Company has filed appeal before ITAT against disallowance of ₹ 27,10,000/- by CIT(A) written off as bad debts in respect of Ahmedabad Urban Co-operative Bank Ltd.
- 20.3 The Company received an Order dated 10.03.2013 U/S 143(3) of the IT Act along with a demand notice of ₹21,59,460/- and paid ₹ 2,00,000/- on protest for AY 2010-11 for sundry disallowances. The Company has already filed an appeal with the appropriate authority against the order.
21. The components of Deferred Tax Liability and Assets as at March 31, 2014 are as under:

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
<b>Deferred tax liability :</b>		
(i) Depreciation on fixed assets	(715,016)	(733,090)
	<u>(715,016)</u>	<u>(733,090)</u>
<b>Deferred tax assets :</b>		
(i) Provision for Gratuity & Leave encashment	427,817	199,143
(ii) Diminution in value of investments	798,936	868,805
(iii) Contingency provision for interest payable to rightful owner	17,367,609	14,896,284
(iv) Provision for Bonus	15,946	34,580
	<u>18,610,308</u>	<u>1,59,98,812</u>
Net Deferred Tax Asset/(Liability)	<u># 178,95,292</u>	<u># 1,52,65,722</u>

# Deferred tax asset has not been recognized in the accounts on the basis of prudence as per AS 22 for the financial year 2013-14.

22. The Company operates in only one segment. Hence segment reporting under AS17 is not applicable to the Company.
23. Related party disclosure as required by Accounting Standard (AS)-18 "Related Party Disclosure" as notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956.

Name	Relationship
a) Shriram Credit Company Limited	Holding Company
b) Shriram Transport Finance Co. Ltd. (STFC)	Associate to Holding Co.
c) Ceylinco Shriram Capital Management Services Co. Pvt. Ltd.	Associate Co.
d) Mr. Akhilesh Kumar Singh (M.D.)	Key Management personnel
e) Shriram Insight Share Brokers Ltd.	Associate Co.
f) Shriram Fortune Solutions Ltd.	Associate Co.

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014 (contd.)**

The following transactions were carried out with the related parties in the ordinary course of business.

Particulars	Associates		Key Management Personnel		Total	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013
<b>Payments :</b>						
Rent	1,118,264	1,118,268	-	-	1,118,264	1,118,268
Brokerage	2,245,654	-	-	-	2,245,654	-
Share of Common Infrastructure Costs	842,062	1,431,146	-	-	842,062	1,431,146
<b>Purchase of Assets:</b>						
Tangible	-	449,487	-	-	-	449,487
Intangible	-	556,182	-	-	-	556,182
<b>Employee Benefits for Key Management Personnel:</b>	-	-	2,532,880	2,525,180	2,532,880	2,525,180
<b>Receipts :</b>						
Rent Received	180,000	180,000	-	-	180,000	180,000
<b>Balance outstanding :</b>						
Investment in equity shares of Ceylinco Shriram Capital Management Services Co. Pvt. Ltd.	3,878,332	3,878,332	-	-	3,878,332	3,878,332
Shriram Transport Finance Co. Ltd.	145,740	15,000	-	-	145,740	15,000
Shriram Insight Share Brokers Ltd.	-	3,680,062	-	-	-	3,680,062

24. Earnings per share (EPS) computed in accordance with Accounting Standard 20 " Earning per Share"

Particulars	March 31, 2014		March 31, 2013	
	Basic and Diluted		Basic and Diluted	
	(₹)	(₹)	(₹)	(₹)
Profit after tax as per accounts (₹)	(15,952,293)	(11,494,981)		
Add/(Less) : Prior Period Adjustment/ (Excess provision w/back)	-	-		
Profit attributable to Equity share holders	(A) (15,952,293)	(11,494,981)		
Number of shares issued	(B) 6,000,000	6,000,000		
Basic EPS (Rupees) (Face value ₹10 each)	(A)/(B) (2.66)	(1.92)		

25. The Company does not have 'suppliers' registered under the "The Micro, Small and Medium Enterprises Development ("MSMED") Act, 2006. Accordingly, no disclosures relating to amounts unpaid as at the year end and together with interest paid / payable are required to be furnished.

26. Since the Company has incurred a loss in the current year, hence provision for dividend on 400000 (Four Lakh) 0.01% RNCPS of ₹ 100/-each fully paid up has not been provided in the accounts.

27. Previous year's figures have been re-grouped and re-arranged, wherever considered necessary.

As per our report of even date attached

**FOR K. S. AIYAR & CO.,**  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION NO. 100186W

**FOR SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**S.GHOSH**  
PARTNER  
MEMBERSHIP NO.050927

**AKHILESH KUMAR SINGH**  
MANAGING DIRECTOR

**R.SUNDARA RAJAN**  
DIRECTOR

**REENA YADAV**  
COMPANY SECRETARY

Place : Kolkata  
Date : April 28, 2014

Place : Chennai  
Date : April 28, 2014



**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014**

Particulars	YEAR ENDED March 31, 2014		YEAR ENDED March 31, 2013	
	₹	₹	₹	₹
<b>Cash Flow From Operating Activities</b>				
Net Profit Before Tax And Extraordinary Itmes		(15,952,293)		(11,494,981)
<b>Adjustments For:</b>				
Depreciation	532,110		425,084	
Interest Income	(379,954)		(5,998,990)	
Capital Gain MF	(4,263,125)		(406,983)	
Provision For Diminution in Value of Investments	-		49,292	
Loss on Sale of Assets	1,811		-	
Divident Income	(43,971)		(55,251)	
Profit on Redemption of NCD	(6,907)		-	
(Profit) / Loss on Sale of Shares	41,614		(134,885)	
		(4,118,422)		(6,121,733)
<b>Operating Profit Before Change In Working Capital</b>				
<b>Movement In Working Capital</b>				
Decrease / (Increase) in Loans And Advances	(2,243,840)		(499,771)	
Decrease / (Increase) in Other Current Assets	850,339		308,418	
Increase / (Decrease) in Liabilities	4,057,502		4,589,944	
Increase / (Decrease) in Provisions	740,045		7,629,601	
<b>Net Changes In Working Capital</b>		3,404,046		12,028,192
		(16,666,669)		(5,588,522)
Direct Taxes Paid		(1,908,893)		(1,600,052)
<b>Net Cash From Operation</b>		<u>(18,575,562)</u>		<u>(7,188,574)</u>
<b>Cash Flow From Investing Activities</b>				
Purchase of Fixed Assets		(159,823)		(1,454,387)
Net Purchase of Investment		(27,169,823)		(13,882,338)
Sale of Fixed Assets		750		-
Interest Received		1,538,252		7,451,627
Dividend Received		44,739		54,483
<b>Net Cash From Investment Activities</b>		<u>(25,745,905)</u>		<u>(7,830,615)</u>

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**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

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**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014 (contd.)**

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Particulars	YEAR ENDED March 31, 2014		YEAR ENDED March 31, 2013	
	₹	₹	₹	₹
<b>Cash Flow Form Financing Activities</b>				
Issue Of Preference Share		<b>30,000,000</b>		10,000,000
<b>Net Cash Form Financing Activities</b>		<b><u>30,000,000</u></b>		<b><u>10,000,000</u></b>
Net Change in Cash Balance		<b>(14,321,466)</b>		(5,019,189)
Opening Cash and Cash Equivalents		<b>15,753,220</b>		20,772,409
Closing Cash and Cash Equivalents		<b><u>1,431,754</u></b>		<b><u>15,753,220</u></b>

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As per our report of even date attached  
**FOR K. S. AIYAR & CO.,**  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION NO. 100186W

**FOR SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**S.GHOSH**  
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**REENA YADAV**  
COMPANY SECRETARY

Place : Kolkata  
Date : April 28, 2014

Place : Chennai  
Date : April 28, 2014

## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

### BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

#### I Registration Details

Registration No.	11 - 79874	State Code	11
Balance Sheet Date	March 31, 2014		

#### II Capital raised during the year (Amount in ₹Thousands)

Public Issue	NIL	Bonus Issue	NIL
Rights Issue	NIL	Private Placement	30,000

#### III Position of Mobilisation and Development of Funds (Amount in ₹Thousands)

Total Liabilities	196,834	Total Assets	196,834
Paid up Capital	100,000	<b>Non-current assets</b>	
Reserves and Surplus	17,633	Tangible assets	3,537
<b>Non-current liabilities</b>		Intangible assets	297
Long term liabilities	76,807	Non-current investments	75,194
Long term provisions	1,341	Long term loans and advances	62

#### Current liabilities

Current liabilities	1,010
Short term provisions	44

#### Current assets

Current investments	105,414
Cash and cash equivalents	1,432
Short term loans and advances	2,724
Other current assets	8,176

#### IV Performance of Company (Amount in ₹Thousands)

Turnover	5,837	Total Expenditure	21,790
Profit before Tax	(15,952)	Profit after Tax	(15,952)
Earning per Share in (₹)		Dividend Rate (%)	Nil
Basic	(2.66)	Diluted	(2.66)

#### V Generic Names of Principal Products/Services of Company

(as per monetary terms)

Item Code No. (ITC Code)	N.A.
Service Description	Asset Management Services