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PLACEMENT MEMORANDUM

(THIS PLACEMENT MEMORANDUM IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF PROSPECTUS AND DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC GENERALLY TO SUBSCRIBE FOR OR OTHERWISE ACQUIRE THE DEBENTURES TO BE ISSUED BY THE ISSUE. THIS PLACEMENT MEMORANDUM HAS BEEN PREPARED IN CONFORMITY WITH THE SECURITIES EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021 ISSUED VIDE NOTIFICATION NUMBER SEBI/LAD-NRO/GN/2021/ 39 DATED 09TH AUGUST 2021, AS AMENDED FROM TIME TO TIME, THE MASTER CIRCULAR ISSUED BY SECURITIES EXCHANGE BOARD OF INDIA VIDE MASTER CIRCULAR NUMBER SEBI/HO/DDHS/PoD1/P/CIR/2023/119 DATED 10TH AUGUST, 2021, AS AMENDED FROM TIME TO TIME, THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ISSUED VIDE CIRCULAR NO. SEBI/LAD-NRO/GN/2015-16/013 DATED SEPTEMBER 02, 2015, AS AMENDED FORM TIME TO TIME, SECTION 42 OF THE COMPANIES ACT, 2013 AND THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014)

SHRIRAM FINANCE LIMITED
(Formerly Shriram Transport Finance Company Limited)

("Company"/ "Issuer")

A Public Limited Company Incorporated under the Companies Act, 1956 (Registered as a Non-Banking Financial Company within the meaning of the Reserve Bank of India Act, 1934 (2 of 1934)) and validly existing under the Companies Act, 2013
Registration Number: A-07-00459 issued by Reserve Bank of India **Date of Incorporation**: June 30, 1979
Corporate Identification Number: L65191TN1979PLC007874 **Permanent Account Number**: AAACS7018R
Place of Incorporation: Chennai, India
Registered Office: Sri Towers, Plot No. 14A, South Phase, Industrial Estate, Guindy, Chennai – 600032
Tel No: +91 44 4852 4666 **Fax:** +91 44 4852 5666
Corporate Office: Wockhardt Towers, Level - 3, West Wing, C-2, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 **Tel No**: +91 22 4095 9595 **Fax**: +91 22 4095 9596/97 **Website**: www.stfc.in
Contact Person: Mr. Parag Sharma – Joint Managing Director and Chief Financial Officer; **Tel**: +91 22 40959595 **E-mail**: parag@shriramfinance.in
Fax: +91 22 4095 9596/97 **Website**: www.stfc.in
Chief Financial Officer (CFO): Mr. Parag Sharma – Joint Managing Director & CFO; Tel: 91 22 40959595
E-mail: parag@shriramfinance.in
Compliance Officer/Company Secretary: Mr. U. Balasundararao, **Tel. No**.: +91 22 40959595/76,
Email: balasundar@shriramfinance.in

Placement Memorandum: Date: 22nd March 2024
Type of Placement Memorandum: Private Placement

ISSUE:

Placement Memorandum for Private Placement of up to 73,300 (Seventy-Three Thousand and Three Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 7,33,00,00,000/- (Indian Rupees Seven Hundred and Thirty-Three Crores Only) with a green shoe option to retain oversubscription of up to 61,700 (Sixty One Thousand and Seven Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 6,17,00,00,000/- (Indian Rupees Six Hundred and Seventeen Crores Only) in total aggregating up to INR 13,50,00,00,000/- (Indian Rupees One Thousand Three Hundred and Fifty Crores Only) in dematerialised form on a private placement basis ("**Debentures**") (the "**Issue**").

CREDIT RATING:

India Ratings and Research Private Limited and CRISIL Ratings Limited have vide their respective letters dated 05th March 2024 and 08th March 2024 assigned a rating of 'IND AA+/Stable and CRISIL AA+/Stable'. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. The above rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating obtained is subject to revision at any point of time in the future. The rating agencies have a right to suspend, withdraw the rating at any time on the basis of new information etc. Please refer to **Annexure III** of this Placement Memorandum for the rating letters issued by each of the abovementioned rating agencies.

LISTING:

The Debentures are proposed to be listed on the wholesale debt segment of BSE Limited. ("**BSE**"). Please refer to **Annexure II** of this Placement Memorandum for a copy of the in-principle approval letter dated 21st March 2024 issued by BSE.

Further, the Issuer has maintained the Recovery Expense Fund with the BSE (Please refer to the '**Summary Term Sheet**' for more details).

Details of Debenture Trustee	**Details of Registrar to Issue**	**Details of Credit Rating Agency 1**
Catalyst Trusteeship Limited	Integrated Registry Management Services Private Limited	**India Ratings & Research**
Registered Address: GDA House, Plot No. 85, Bhusari Colony (Right), Kothrud, Pune-411038, India	**Registered Address:** 2nd Floor, Kences Towers, 1 Ramakrishna Street North Usman Road T Nagar, Chennai- 600017 **Corporate Address:** 2nd Floor, "Kences Towers", No. 1 Ramakrishna Street, North Usman Road, T Nagar, Chennai – 600 017	**Registered Address** Wockhardt Tower, Level 4, West Wing, Plot C-2, G Block, Bandra Kurla Complex, Bandra (East), Mumbai MH 400051
Tel No.: 022- 49220502 **Fax No.:** 022-49220505	**Tel No.:** 044-28140801 **Fax No.:** 044-28142479	**Tel:** +912240001744
Contact Person: 022-49220505	**Contact Person:** Ms. Anusha N	Contact Person: Mr. Karan Gupta
Email: mumbai@ctltrustee.com **Website:** www.ctltrustee.com	**Email:** anusha@integratedindia.in **Website:** www. Integratedindia.in	Email: karan.gupta@indiaratings.co.in Website: www.indiaratings.co.in

Details of Credit Rating Agency 2	**Details of Statutory Auditors**	

CRISIL Ratings Limited **(A subsidiary of CRISIL Limited)**	M/s. Sundaram & Srinivasan	KKC & Associates LLP (formerly known as Khimji Kunverji & Co LLP)
CRISIL house, Central Avenue Hiranandani Business Park, Powai Mumbai, Maharashtra, 400076, India	New No. 4, Old No. 23, C P Ramaswamy Road, Alwarpet, Chennai – 600018	Sunshine Tower, Level 19, Senapati Bapat Marg, Elphinstone Road, Mumbai 400013, India
Tel No.: +91 22 3342 3000 **Fax No.: +91 22 4040 5800**	Website: www.sundaramandsrinivasan.com	Website: www.kkc.in
Contact Person: Krishnan Sitaraman **Email:** **crisilratingdesk@crisil.com** **Website:** https://www.crisil.com/	Email: yessendes@sundaramandsrinivasan.com Tel: +91 044- 24988762 Contact Person:	Tel: +91 22 61437333 Email- info@kkc.in Contact Person:

Details of the Arranger	**Legal Counsel**
standard chartered	Juris Corp advocates & solicitors
Standard Chartered Bank	Juris Corp, Advocates & Solicitors
5F, Crescenzo, C-38/39, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051	302, Century Bhavan, 3rd Floor, Dr. Annie Besant Road, Worli, Mumbai – 400030.
Email: SCBINRDCM@sc.com	Website: www.jclex.com
Contact person: Ms. Poonam Savla Tel: - 022 611 58947 Fax: - 022 611 57700	Phone: +91 (22) 67205555 Email: securities@jclex.com Contact Person: Partner, Securities

DETAILS OF PROMOTERS OF THE ISSUER COMPANY

Name of the Promoter	Shriram Capital Private Limited (formerly known as Shriram Financial Ventures (Chennai) Private Ltd
Date of Incorporation	2011
Age	Not Applicable
Registered Address	Shriram House, No.4 Burkit Road, T. Nagar, Chennai- 600 017
Educational Qualification	Not Applicable
Telephone Number	044-49052500
Email Address	sect@shriram.com
Experience in the business or Employment	Since 2011 in Financial Service business
Positions/Posts held in the past	Not Applicable
Directorships held	Not Applicable
Other ventures of each promoter	SCPL is the Promoter of Shriram Investment Holding Limited, Shriram General Insurance Company Limited, and Shriram Life Insurance Company Limited
Special achievements	-
Business and Financial activities	Systemically important Core Investment Company
Photograph	Not Applicable
Permanent Accountant Number	AAPCS5667M

Name of the Promoter	Shriram Ownership Trust
Date of Incorporation	11/09/2006
Age	Not Applicable
Registered Address	3rd Floor, Shriram House, No.4 Burkit Road, T. Nagar, Chennai- 600 017
Educational Qualification	Not Applicable
Telephone Number	044-49052500
Email Address	sot@shriram.com
Experience in the business or Employment	-
Positions/Posts held in the past	Not Applicable
Directorships held	Not Applicable
Other ventures of each promoter	Shriram Chits (India) Pvt Ltd
Special achievements	-
Business and Financial activities	-
Photograph	Not Applicable
Permanent Accountant Number	AAGTS2243H

The Company/ Issuer confirms that the Permanent Account Number and Bank Account Number(s) of the Promoter and Permanent Account Number of directors have been submitted to the stock exchanges on which the Debentures are proposed to be listed, at the time of filing of the Placement Memorandum.

ISSUE SCHEDULE

ISSUE/ BID OPENING DATE	27th March 2024
ISSUE/ BID CLOSING DATE	27th March 2024
PAY-IN DATE	28th March 2024
DEEMED DATE OF ALLOTMENT	28th March 2024
DATE OF EARLIEST CLOSING OF THE ISSUE	27th March 2024

The Issuer, subject to compliance with applicable law, reserves the right to change the Issue program, including the Deemed Date of Allotment, at its sole discretion, without giving any reasons or prior notice. Debentures will be open for subscription at the commencement of banking hours and close at the close of banking hours on the dates specified above. The Issue shall be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

ELIGIBLE INVESTORS

This Placement Memorandum and the contents thereof are restricted for only the intended recipient(s) who have been addressed directly through a communication by the Issuer and only such recipients are eligible to apply for the Debentures.

Please refer to Section 6 of this Placement Memorandum for the list of Eligible Investor and the detailed Application Process.

Note: Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them. Please also refer to the Section on 'Who Can Apply' in Section 6 of the Placement Memorandum.

ISSUE HIGHLIGHTS

Coupon Rate	The Debentures shall carry the Coupon at the floating rate being the aggregate of Benchmark + Spread of 1.86% (one decimal eight six percent) payable at such dates as set out in the Annexure IV with the initial Coupon Rate being 8.95% p.a. (eight-point nine five percent per annum) payable at such dates as set out in the Annexure IV from the Deemed Date of Allotment.

	The Coupon shall be subject to reset on the Benchmark Determination Date and the Spread shall remain constant.
Re-offer Yield	8.9402
Coupon Type	Floating
Coupon Payment Frequency	As per the dates as set out in Annexure IV
Redemption Date	Up to 25 (twenty-five) months and 1 (one) day from the Deemed Date of Allotment. Presuming the Deemed Date of Allotment is 28th March 2024 the Redemption Date shall be 29th April 2026.
Redemption Amount	Bullet Redemption in full.
Details of Debenture Trustee	Catalyst Trusteeship Limited Please refer to **Annexure I** of this Placement Memorandum for the consent letter dated 20th December 2023 and bearing reference number CL/DEB/23-24/1501 issued by Catalyst Trusteeship Limited granting its consent to act as debenture trustee in relation to the Issue of NCD being made by the Issuer in terms of this Placement Memorandum. Further, a debenture trustee appointment agreement executed on 22nd December 2023 by and between the Issuer and the Debenture Trustee, whereby the Debenture Trustee has been appointed as the debenture trustee in respect of the Debentures and to act for and on behalf of and for the benefit of the holders of such Debentures.
Nature and Issue Size	up to 73,300 (Seventy-Three Thousand and Three Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 7,33,00,00,000/- (Indian Rupees Seven Hundred and Thirty-Three Crores Only) with a green shoe option to retain oversubscription of up to 61,700 (Sixty One Thousand and Seven Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 6,17,00,00,000/- (Indian Rupees Six Hundred and Seventeen Crores Only) in total aggregating up to INR 13,50,00,00,000/- (Indian Rupees One Thousand Three Hundred and Fifty Crores Only)
Base Issue and Green Shoe Option	**Base Issue**: up to 73,300 (Seventy-Three Thousand and Three Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 7,33,00,00,000/- (Indian Rupees Seven Hundred and Thirty-Three Crores Only) **Green Shoe**: up to 61,700 (Sixty-One Thousand and Seven Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 6,17,00,00,000/- (Indian Rupees Six Hundred and Seventeen Crores Only) **Total:** Up to INR 13,50,00,00,000/- (Indian Rupees One Thousand Three Hundred and Fifty Crores Only)
Aggregate Size	up to 73,300 (Seventy-Three Thousand and Three Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 7,33,00,00,000/- (Indian Rupees Seven Hundred and Thirty-Three Crores Only) with a green shoe option to retain oversubscription of up to 61,700 (Sixty One Thousand

	and Seven Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 6,17,00,00,000/- (Indian Rupees Six Hundred and Seventeen Crores Only) in total aggregating up to INR 13,50,00,00,000/- (Indian Rupees One Thousand Three Hundred and Fifty Crores Only).
Details about Underwriting of the Issue including the Amount Undertaken to be Underwritten by the Underwriters.	Not Applicable
Specific declaration requested by BSE: non-equity regulatory capital	This issue of Debentures does not form part of non-equity regulatory capital mentioned under Chapter V of the SEBI Debt Listing Regulations. The face value of each Debenture is INR 1,00,000/- (Indian Rupees One Lakh Only).

ELECTRONIC BOOK MECHANISM AND DETAILS PERTAINING TO THE UPLOADING THE PLACEMENT MEMORANDUM ON THE ELECTRONIC BOOK PROVIDER PLATFORM.

The Issue shall be open for bidding and subscribed to in accordance with the guidelines issued by SEBI and the Stock Exchange pertaining to the procedure of Electronic Book Mechanism set out in the terms specified by the SEBI Master Circular, and the related operational guidelines issued by the concerned Electronic Book Provider, as may be amended, clarified or updated from time to time (collectively, "**Electronic Book Mechanism Guidelines**").

Mode of Allotment	Through Indian Clearing Corporation Limited (ICCL)
Allotment Size	up to 73,300 (Seventy-Three Thousand and Three Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 7,33,00,00,000/- (Indian Rupees Seven Hundred and Thirty-Three Crores Only) with a green shoe option to retain oversubscription of up to 61,700 (Sixty One Thousand and Seven Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 6,17,00,00,000/- (Indian Rupees Six Hundred and Seventeen Crores Only) in total aggregating up to INR 13,50,00,00,000/- (Indian Rupees One Thousand Three Hundred and Fifty Crores Only).
Manner of Settlement:	As per the process prescribed by the Electronic Book Mechanism Guidelines
Minimum Bid Lot and Multiple of Single Bid:	Minimum of 100 (Hundred) and multiples of 1 (one) thereafter Multiple Yield Allotment
Manner of Bidding	Closed Bidding
Manner of allotment in the Issue	Uniform Yield
Trading Lot Size	INR 1,00,000/- (Indian Rupees One Lakh Only)
Settlement Cycle (T+1/ T+2) where T refers to the date of bidding/ issue day	T+1

UNDERTAKINGS OF THE ISSUER

ISSUER'S ABSOLUTE RESPONSIBILITY: The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Placement Memorandum contains all information with regard to the Issuer and the Issue which is material in the context of the Issue, that the information contained in the Placement Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

GENERAL RISKS: Investment in debt and debt related securities involve a degree of risk and investors should not invest any funds in debt instruments unless they can afford to take the risk attached to such investments. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, the Investors must rely on their own examination of the Issuer and the Issue including the risks involved therein. For taking an investment decision, Investors must rely on their own examination of the Company and the Issue including the risks involved in it. The Debentures have not been recommended or approved by any regulatory authority in India, including the Securities and Exchange Board of India ("**SEBI**") nor does SEBI guarantee the accuracy or adequacy of this Placement Memorandum. Specific attention of investors is invited to the statement of 'Risk Factors' given in **Section 2** of this Placement Memorandum. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the Debentures or investor's decision to purchase the Debentures. This Placement Memorandum has not been submitted, cleared or approved by SEBI.

NO SIDE LETTERS: The Issuer has no side letter with any debenture holders except the one(s) disclosed in the Placement Memorandum(s). Any covenants later added shall be disclosed on the stock exchange website where the debentures are listed.

DISCLAIMER STATEMENT FROM THE ISSUER: The Issuer confirms that the information contained in this Placement Memorandum is true and correct in all material respects and is not misleading in any material respect. All information considered adequate and relevant about the Issue and the Issuer has been made available in this Placement Memorandum for the use and perusal of the potential investors/debenture holders and no selective or additional information would be available for a section of potential investors/debenture holders, in any manner whatsoever. The Issuer accepts no responsibility for statements made otherwise than in this Placement Memorandum or any other material issued by or at the instance of the Issuer and anyone placing reliance on any other source of information would be doing so at his/her/their own risk.

This Placement Memorandum has been prepared to provide general information about the Issuer and the Issue to potential debenture holders to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This Placement Memorandum does not purport to contain all the information that any potential investors/debenture holder may require. Neither this Placement Memorandum nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Placement Memorandum should not consider such receipt a recommendation to purchase any Debentures. Each potential investor/debenture holder contemplating purchasing any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential investors/debenture holders should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyse such investment and the suitability of such investment to such debenture holder's particular circumstances.

DEFINITIONS AND ABBREVIATIONS

The Company / Issuer / We / Our Company/ Us	Shriram Finance Limited having its Registered Office at Sri Towers, Plot No. 14A, South Phase, Industrial Estate, Guindy, Chennai – 600032.
Act	means individually and collectively provisions of the Companies Act, 2013 which have been notified and are in full force and effect and all amendment, enactment, re-enactment or modification thereof, from time to time, including the rules and regulations prescribed therein.
Additional Security	means such further security over which the charge shall be required to be created by the Company over such assets that shall be eligible to form a part of the Pool of Assets pursuant to the terms of the Transaction Documents, in order to comply with the requirements in relation to the maintenance of the Security Cover.
Application Form	The form used by the recipient of this Placement Memorandum to apply for subscription to the Debentures, provided in **Annexure XIV** of this Placement Memorandum.
Applicable Law	means any statute, national, state, provincial, local, municipal, foreign, international, multinational or other law, treaty, code, regulation, notification, ordinance, rule, judgement, rule of law, order, decree, government resolution, clearance, approval, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any statutory or governmental or regulatory authority, having jurisdiction over the matter in question, whether in effect as of the date of this Placement Memorandum or thereafter and in each case as amended.
Allot/Allotment/Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to the Issue.
Amounts Due	shall mean in relation to the Debentures, all Coupon (due and payable), default interest and prepayment charges, interest on application money, if any, payable in relation to the Debentures, costs (including legal costs on full indemnity basis), charges, expenses, commissions, fees including the remuneration of the Debenture Trustee and expenses payable to the Debenture Trustee and the Receiver, all taxes, dues, duties, levies, cess including stamp duty, registration and other fees and charges payable by the Company with respect to or on the Transaction Documents including those payable for the negotiation, preparation, execution, registration, preservation, protection and enforcement of the Transaction Documents, as may be outstanding/ payable at any given date, excluding the Redemption Amount in respect of the Debentures and wherever the context may require shall mean the aggregate of aforementioned amounts in respect of the Debentures.
Articles	The articles of association of the Company, as amended from time to time.
Benchmark	means the calculation of the 12 (twelve) months T-Bill rate basis a simple average (rounded off to two decimal points after zero) of the preceding 5 (five) working days before the Benchmark Determination Date published by the Financial Benchmarks India Pvt. Ltd. (FBIL) on their website http://www.fbil.org.in/ in the "T-Bill Curve" sub-tab or sub-menu under the main tab or main menu "Money Market/interest Rates" or any other such part of the respective website of FBIL as may be reorganized from time to time. The T-Bill rate as on the deemed date of allotment of the earlier debentures issued under this ISIN shall be 7.09% (seven decimal zero nine percent). If for any reason whatsoever, the Benchmark cannot be determined (including on any Benchmark Determination Date), then the alternative determination of the Benchmark will be basis the simple average (rounded off to 2 decimal points after zero) of the cut-off yield of the 12 month Treasury Bill as set by the Reserve Bank of India in the last weekly auctions of Treasury Bills conducted by Reserve Bank of India prior to such date on which Benchmark is to be determined (including the Benchmark Determination Date). For any reason whatsoever, the alternative determination of Benchmark is also not possible on any date (including the Benchmark Determination Date), then the Issuer and Debenture Trustee (acting on behalf of Majority Debenture Holders) shall mutually agree, in good faith, upon a replacement of the Benchmark rate with a new Benchmark, representative of 12 month T-bill rate and published by an authorized benchmark administrator, which shall be used for calculating Coupon Rate for the remaining tenor of Debentures.
Benchmark Determination Date	means the date falling at the end of 1 (one) year from the deemed date of allotment of the earlier debentures issued under this ISIN, for the Debentures calculated for the purpose of Coupon reset.

Board	Board of Directors of the Company or a Committee thereof of, formed or to be formed in this regard.
BSE	Means BSE Limited
Business Day	shall mean a day (other than a Saturday or Sunday or a public holiday within the meaning of Section 25 of the Negotiable Instruments Act, 1881) on which banks are open for general business in Delhi/ Mumbai or such other city where payments are to be made.
Coupon	shall mean interest payable on the Debentures at the rate mentioned in the Term Sheet, calculated on per day actual basis, payable at such dates as set out in the Annexure IV
Coupon Payment Date	shall mean the dates on which Coupon is payable on the Debentures by the Company, as more particularly detailed in Annexure IV of this Placement Memorandum. For sake of clarity, the first Coupon Payment Date would be on the date falling on lapse of 1 (one) year from the deemed date of allotment of the earlier debentures issued under this ISIN, notwithstanding the fact that a year may not have elapsed from the Deemed Date of Allotment. Further, the last Coupon Payment Date shall coincide with Redemption Date or any other date on which the Debentures are redeemed in accordance with the Debenture Trust Deed. In the event the Coupon Payment Date is not a Business Day, the Coupon payable on such Coupon Payment Date shall become payable on the Business Day immediately succeeding such Coupon Payment Date.
Credit Rating Agency (s)	India Ratings and Research Private Limited and CRISIL Ratings Limited or any other rating agency accredited with SEBI, appointed from time to time.
Date of Allotment	Means the date on which the Debentures being issued are deemed to be allotted to the Debenture Holder(s).
Debentures/ NCDs/Bonds	up to 73,300 (Seventy-Three Thousand and Three Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 7,33,00,00,000/- (Indian Rupees Seven Hundred and Thirty-Three Crores Only) with a green shoe option to retain oversubscription of up to 61,700 (Sixty One Thousand and Seven Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 6,17,00,00,000/- (Indian Rupees Six Hundred and Seventeen Crores Only) in total aggregating up to INR 13,50,00,00,000/- (Indian Rupees One Thousand Three Hundred and Fifty Crores Only).
Debenture Holder	means the several persons who are/will be holders of the Debentures and whose name(s) are entered in the Register of Debenture Holders as maintained by the Issuer as Debenture Holders and shall include the beneficial owner(s) of the Debentures in dematerialized form as per the list of beneficial owners prepared and maintained by the Depository as the case may be, as per the provisions of Depositories Act, 1996.
Debenture Trust Deed	Means the debenture trust deed executed on 27th December 2023 along with the amendment to debenture trust deed executed on or about the date hereof by and between the Issuer and the Debenture Trustee for capturing the detailed terms of the Issue.
Debenture Trustee	Trustee for the Debenture holders, in this case being in this case being Catalyst Trusteeship Limited
Depository/ies	National Securities Depository Limited ("**NSDL**") and Central Depository Services (India) Limited ("**CDSL**")
Debenture Obligations	refers to all the payment obligations of the Company in relation to the Debentures (including the Redemption Amount) as set out under the Debenture Trust Deed read together with the Transaction Documents, including the Amounts Due.
DP	Depository Participant.
Debenture Trustee Appointment Agreement or DTA	means the debenture trustee appointment agreement executed on or about the date hereof by and between the Issuer and the Debenture Trustee, whereby the Debenture Trustee is appointed as the debenture trustee in respect of the Debentures acting for and on behalf of the Debenture Holders.
Deed of Hypothecation	means the unattested deed of hypothecation executed/to be executed on or around thre date hereof between the Issuer and the Debenture Trustee for creation of exclusive first ranking and exclusive charge by way of hypothecation over the Hypothecated Assets in terms of the Transaction Documents for the benefit of the Debentuer Holders.
FEMA Regulations	The Regulations framed by the RBI under the provisions of the Foreign Exchange Management Act, 1999, as amended from time to time.
Final Settlement Date	means the date on which the Debenture Obligations have been irrevocably, unconditionally discharged in full and all Debentures have been redeemed by the Company in full.

FII	Foreign Institutional Investor (as defined under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995) registered with SEBI.
Financial Indebtedness	shall mean, in relation to any person, aggregate of: (i) All long term debt outstanding, whether secured or unsecured, of the said Person; plus (ii) Contingent liability pertaining to corporate/ financial guarantees given by the said Person, on behalf of any company/ special purpose vehicle/ subsidiary/ affiliate to the extent of outstanding of such guaranteed debt; plus (iii) Any short term debt outstanding of the said Person, including working capital or any other borrowing, whether secured or unsecured, whether availed in lieu of long term debt or by way of bridge financing for long term debt or any other purpose; Provided however, that non fund based working facilities used in regular business operations of the said Person, shall be excluded; plus (iv) Any amount raised by acceptance under any acceptance credit facility; plus (v) Any receivables sold or discounted (other than the receivables to the extent they are sold on a non- recourse basis); plus (vi) Any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; plus (vii) any derivative transaction entered into in connection with protection against or benefit from fluctuation in price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account); plus (viii) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; plus (ix) the amount of any liability under an advance or deferred purchase agreement if one of the primary reasons behind the entry into such agreement is to raise finance; plus (x) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (ix).
Governmental Authority	shall mean and include the President of India, the Government of India, the Governor and the Government of any State in India, any Ministry or Department of the same, any municipal or local government, any authority or private body exercising powers conferred by Applicable Law and any court or tribunal of competent jurisdiction or other judicial or quasi-judicial body, and shall include, without limitation, a stock exchange, Registrar of Companies and any regulatory body.
Group Company	shall mean any subsidiary and/or affiliate(s) of the Company.
Group	means the Company, its Holding Company and each of their respective Subsidiaries
Holding Company	means, in relation to a person, any other person in respect of which it is a Subsidiary.
Hypothecated Assets	shall mean the specific identified Pool of Assets with a Security Cover of 1.00x (one point zero zero times) over which charge shall be/ has been created in terms of the Deed of Hypothecation for securing the obligations of the Company in relation to the Debentures. Provided that loans given to Group Company(ies) of the Company shall not form a part of the Hypothecated Assets.
Initial Subscriber	shall mean the initial subscriber of Debentures, to whom the Debentures are offered for subscription by the Issuer.
I.T. Act	The Income-tax Act, 1961 as amended from time to time.
Initial Coupon	Shall have the meaning given to such term in the Term Sheet.
Investor	Any person subscribing to the Debentures in accordance with the terms of this Placement Memorandum and other Transaction Documents.

Issue	up to 73,300 (Seventy-Three Thousand and Three Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 7,33,00,00,000/- (Indian Rupees Seven Hundred and Thirty-Three Crores Only) with a green shoe option to retain oversubscription of up to 61,700 (Sixty One Thousand and Seven Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 6,17,00,00,000/- (Indian Rupees Six Hundred and Seventeen Crores Only) in total aggregating up to INR 13,50,00,00,000/- (Indian Rupees One Thousand Three Hundred and Fifty Crores Only).
ISIN	International Securities Identification Number
Memorandum / MoA	Memorandum of Association of the Company, as amended from time to time.
Material Adverse Effect	material adverse effect means an event, circumstance, occurrence or condition which has caused, as of any date of determination, or could be expected to cause a material adverse effect on or a material adverse change, in the judgment of Debenture Trustee, acting on the instruction of the Majority Debenture Holder(s) on: (a) the business activities, operations, property, assets, condition (financial or otherwise) or prospects, performance, assets and credit standing of the Issuer; (b) the ability of the Issuer /Company to enter into and to perform its obligations under the Transaction Documents or such other documents executed/ issued in relation to the Debentures to which the Issuer /Company is or will be a party; or (c) the legality or validity or enforceability or effectiveness of any of the Transaction Documents or any other related document or the rights or remedies of Debenture Holders thereunder; (d) legality or validity or enforceability of, or the effectiveness or ranking of any Security granted or purporting to be granted pursuant to any of, the Security Documents; (e)or any other effect or change which adversely affects the interest of the Debenture Holders or the Debenture Trustee.
Majority Debenture Holders	shall mean Debenture Holder(s) holding an aggregate amount representing not less than 66.67% (Sixty Six point Six Seven Percent) of the outstanding value of the Debentures
NBFC	Non-Banking Finance Company
NBFC Master Directions	shall mean the Master Directions – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 October 19, 2023 (as amended, modified or restated from time to time).
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the FEMA Regulations.
Person	means any natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, trust, union, association, government or any agency or thereof or any other entity that may be treated as a person under Applicable Law.
Placement Memorandum	This Placement Memorandum dated 22nd March 2024 which sets out the information regarding the issue of Debentures.
Pool of Assets	shall mean specific Receivables and book debts of the Company.
Private Placement Offer cum Application Letter	Shall mean the private placement offer cum application letter prepared in compliance with Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time, which shall be issued with respect to the Issue.
Receivables	means the specific identified loan assets/book debts loan assets of the Company as set out more particularly in the schedule in Deed of Hypothecation
Record Date	shall mean in relation to any date on which any payments are scheduled to be made by the Company to the Debenture Holders, the day falling 15 (fifteen) calendar days prior to such date.
Redemption Amount	shall mean the amounts outstanding towards the principal amount of Debentures on any given date.
Redemption Date	shall mean the date falling at the end of 25 (twenty-five) months and 1 (one) day from the Deemed Date of Allotment being 29th April 2026.
Register of Debenture Holders	means the register maintained by the Issuer at its registered office and containing the names of the Debenture Holders.
Registrar/Registrar to the Issue	Registrar to the Issue, in this case being Integrated Registry Management Services Private Limited.
ROC	The Registrar of Companies, Chennai
RTGS	Real Time Gross Settlement, an electronic funds transfer facility provided by RBI.
RBI	The Reserve Bank of India

SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).
SEBI Debt Listing Regulations/ SEBI Regulations	Means the (i) SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**NCS Regulations**"); (ii) the SEBI Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper" (SEBI/HO/DDHS/PoD1/P/CIR/2023/119) dated August 10, 2021 issued by SEBI ("**SEBI Master Circular**") and (iii) the SEBI Master Circular for Debenture Trustees (SEBI/HO/DDHS-PoD1/P/CIR/2023/109) dated March 31, 2023 issued by SEBI (**"SEBI Debenture Trustee Circular"**), each as amended, varied or modified from time to time and such other applicable rules, regulations, notifications and circulars issued by SEBI from time to time.
SEBI Master Circular	The Master Circular for issue and listing of non-convertible securities, securitised debt instruments, security receipts, municipal debt securities and commercial paper issued by Securities Exchange Board of India vide circular number SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021, as amended/ supplemented/ altered/ updated from time to time.
Security	The Security Interest created in terms of the Deed of Hypothecation and other Transaction Documents in favour of the Debenture Trustee for the benefit of the Debenture Holders.
Security Cover	Minimum security cover for the Hypothecated Assets of 1.0x (one times) to be maintained throughout the tenor of the Debentures.
Security Interest	Means the security created in favour of the Debenture Trustee for securing the obligations of the Company in relation to the Debentures and shall include the hypothecation to be created in terms of the Deed of Hypothecation.
Stock Exchange	shall mean BSE Limited.
Term Sheet/ Summary Term Sheet	Please refer to the 'Summary Term Sheet'/ 'Term Sheet' setout under **Chapter V** hereinbelow.
The Act	The Companies Act, 2013 or The Companies Act,1956 read with the Companies Act, 2013, as may be applicable.
Transaction Documents	Means and includes the following: a. this Placement Memorandum; b. Debenture Trust Deed; c. Debenture Trustee Agreement; d. Deed of Hypothecation; e. Power of Attorney; and f. All other agreements, letters, documents, undertakings and writings that are executed/may be executed by the Issuer in relation to the issue of the Debentures from time to time and designated as such by the Debenture Trustee.

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SECTION 1: NOTICE TO THE INVESTORS AND DISCLAIMER

GENERAL DISCLAIMER

This Placement Memorandum is neither a prospectus nor a statement in lieu of prospectus under the Companies Act, 2013. This document does not constitute an offer to the public generally to subscribe for or otherwise acquire the Debentures to be issued by Shriram Finance Limited.

This Placement Memorandum has been prepared in conformity with the Securities Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 issued vide notification number *SEBI/LAD-NRO/GN/2021/39 dated August 09, 2021*, as amended from time to time, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued vide Circular No. Sebi/Lad-Nro/Gn/2015-16/013 dated September 02, 2015, as amended form time to time, the SEBI Master Circular issued by Securities Exchange Board of India vide master circular number SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021, as amended from time to time, Section 42 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014.

No person has been authorized to give any information or to make any representation not contained in or incorporated by reference in this Placement Memorandum or in any material made available by the Company to any potential investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the Company.

This Placement Memorandum is for the exclusive use to whom it is delivered and it should not be circulated or distributed to third party/ (ies). The Issuer certifies that the disclosures made in this Placement Memorandum are generally adequate and are in conformity with the SEBI Regulations.

Apart from the Placement Memorandum, no offer document or prospectus has been prepared in connection with this Issue and no prospectus in relation to the Issuer or the Debentures relating to this offer has been delivered for registration nor is such a document required to be registered under the applicable laws.

This Placement Memorandum is issued by the Company and has been prepared by the Company to provide general information on the Company to potential investors to whom it is addressed and who are eligible and willing to subscribe to the Debentures and does not purport to contain all the information a potential investor may require. Where this Placement Memorandum summarizes the provisions of any other document, that summary should not be solely relied upon and the relevant document should be referred to for the full effect of the provisions. Neither this Placement Memorandum nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation. Any recipient of this Placement Memorandum should not consider such receipt a recommendation to purchase the Debentures. Each potential investor contemplating the purchase of any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential investors should consult their own legal, regulatory, tax, financial, accounting, and/or other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and the suitability of such investment to such potential investor's particular circumstances.

This Placement Memorandum shall not be considered as a recommendation to purchase the Debentures and recipients are urged to determine, investigate and evaluate for themselves, the authenticity, origin, validity, accuracy, completeness and adequacy or otherwise the relevance of information contained in this Placement Memorandum. The recipients are required to make their own independent valuation and judgment of the Company and the Debentures. It is the responsibility of potential investors to ensure that if they sell/ transfer these Debentures, they shall do so in strict accordance with this Placement Memorandum and other applicable laws, so that the sale does not constitute an offer to the public, within the meaning of The Act. The potential investors should also consult their own tax advisors on the tax implications relating to acquisition, ownership, sale or redemption of the Debentures and in respect of income arising thereon. Investors are also required to make their own assessment regarding their eligibility for making investment(s) in the Debentures. The Company or any of its directors, employees, advisors, affiliates; subsidiaries or representatives do not accept any responsibility and/ or liability for any loss or damage however arising and of whatever nature and extent in connection with the said information.

The Issuer confirms that, as of the date hereof, this Placement Memorandum (including the documents incorporated by reference herein, if any) contains all information that is material in the context of the Issue, is accurate in all material respects and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements herein, in the light of the circumstances under which they are made, not misleading. No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Placement Memorandum or in any material made available by the Issuer to any potential investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer.

As per the applicable provisions of the Companies Act, 2013 and the SEBI Debt Listing Regulations, it is not necessary for a copy of this Placement Memorandum to be filed with or submitted to the SEBI for its review and / or approval. Further, since the Issue is being made on a private placement basis, the provision of Section 26 of the Companies Act, 2013 shall not be applicable and accordingly, a copy of this Placement Memorandum has not been filed with the Registrar of Companies.

This Placement Memorandum and the contents hereof are addressed only to the intended recipients who have been addressed directly and specifically through a communication by the Company. All potential investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The contents of this Placement Memorandum are intended to be used only by those potential investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient or made public or its contents disclosed to a third person. No invitation is being made to any person other than the investor to whom this Placement Memorandum has been sent. Any application by a person to whom this Placement Memorandum has not been sent by the Company may be rejected without assigning any reason.

Invitations, offers and sales of Debentures shall only be made pursuant to this Placement Memorandum. You may not and are not authorised to: (1) deliver this Placement Memorandum to any other person; or (2) reproduce this Placement Memorandum in any manner whatsoever. Any distribution or reproduction or copying of this Placement Memorandum in whole or in part or any public announcement or any announcement to third parties regarding the contents of this Placement Memorandum is unauthorised. Failure to comply with this instruction may result in a violation of applicable laws of India and/or other jurisdictions. This Placement Memorandum has been prepared by the Company for providing information in connection with the proposed Issue.

The Issuer does not undertake to update the Placement Memorandum to reflect subsequent events after the date of the Placement Memorandum and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of the Placement Memorandum nor the issue of any Debentures made thereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Company since the date thereof.

This Issue is a domestic issue restricted to India and no steps have been taken or will be taken to facilitate the Issue in any jurisdictions other than India. Hence, this Placement Memorandum does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debentures or the distribution of this Placement Memorandum in any jurisdiction where such action is required. This Placement Memorandum is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where distribution or use of such information would be contrary to law or regulation. Persons into whose possession this Placement Memorandum comes are required to inform themselves about and to observe any such restrictions. This Placement Memorandum is made available to potential investors in the Issue on the strict understanding that it is confidential and may not be transmitted to others, whether in electronic form or otherwise.

DISCLAIMER OF THE RESERVE BANK OF INDIA

The Debentures have not been recommended or approved by the RBI nor does RBI guarantee the accuracy or adequacy of this Placement Memorandum. It is to be distinctly understood that this Placement Memorandum should not, in any way, be deemed or construed that the securities have been recommended for investment by the RBI. RBI does not take any responsibility either for the financial soundness of the Issuer, or the securities being issued by the Issuer or for the correctness of the statements made or opinions expressed in this Placement Memorandum. Potential investors may make

investment decision in the securities offered in terms of this Placement Memorandum solely on the basis of their own analysis and RBI does not accept any responsibility about servicing/ repayment of such investment.

DISCLAIMER OF THE SECURITIES & EXCHANGE BOARD OF INDIA

This Placement Memorandum has not been filed with SEBI. The Debentures have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this Placement Memorandum. It is to be distinctly understood that this Placement Memorandum should not, in any way, be deemed or construed that the same has been cleared or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the Issue is proposed to be made, or for the correctness of the statements made or opinions expressed in this Placement Memorandum. The issue of Debentures being made on private placement basis, filing of this Placement Memorandum is not required with SEBI; However, SEBI reserves the right to take up at any point of time, with the Issuer, any irregularities or lapses in this Placement Memorandum.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGE

As required, a copy of this Placement Memorandum would be duly filed with BSE in terms of SEBI Debt Listing Regulations. It is to be distinctly understood that submission of this Placement Memorandum to the BSE should not in any way be deemed or construed to mean that this Placement Memorandum has been reviewed, cleared or approved by BSE, nor does BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Placement Memorandum. BSE does not warrant that the Debentures will be listed or will continue to be listed on BSE nor does BSE take any responsibility for the soundness of the financial and other conditions of the Company, its promoters, its management or any scheme or project of the Company.

DISCLAIMER OF THE TRUSTEE

The Debenture Trustee, 'ipso facto' does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by Debenture Holders.

DISCLAIMER IN RESPECT OF JURISDICTION

Issue of these Debentures have been/will be made in India to investors as specified under clause "Who Can Apply" in this Placement Memorandum, who have been/shall be specifically approached by the Company. This Placement Memorandum is not to be construed or constituted as an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. The Debentures are governed by and shall be construed in accordance with the existing Indian laws as applicable in the state of Mumbai, India. Any dispute arising in respect thereof will be subject to the non–- exclusive jurisdiction of the courts and tribunals of the city of Mumbai.

DISCLAIMER CLAUSE OF THE RATING AGENCY

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned facilities or to buy, sell or hold any security. The Rating Agency has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Rating Agency do not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities / instruments are rated by the Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities / instruments.

DISCLAIMER CLAUSE OF THE LEAD ARRANGER

The Company has authorized Standard Chartered Bank ("Arranger") to distribute, in accordance with Applicable Law, this Placement Memorandum in connection with the proposed transaction outlined in it and the Debentures.

"Standard Chartered Bank" means Standard Chartered Bank and any Group Company, Subsidiary, Affiliate, Representative or Branch Office of Standard Chartered Bank and their respective Directors, Officers, Employees, Agents, Representatives and/or any Persons Connected with them. Nothing in this Placement Memorandum constitutes an offer of securities for sale in The United States or any other jurisdiction where such offer or placement would be in violation of any Law, Rule, or Regulation.

The Company has prepared this Placement Memorandum and the Company is solely responsible for its contents. The

Company will comply with all Laws, rules and regulations and has obtained all Governmental, regulatory and corporate approvals for the issuance of the Debentures. All the information contained in this Placement Memorandum has been provided by the Company or is from publicly available information, and such information has not been independently verified by the Arranger. No representation or warranty, expressed or implied, is or will be made, and no responsibility or liability is or will be accepted, by the Arranger or its Affiliates for the accuracy, completeness, reliability, correctness, or fairness of this Placement Memorandum or any of the information or opinions contained therein, and the Arranger hereby expressly disclaims, to the fullest extent permitted by Law, any responsibility for the contents of this Placement Memornadum and any liability, whether arising in tort or contract or otherwise relating to or resulting from this Placement Memornadum or any Information or errors contained therein or any omissions therefrom. By, accepting this Placement Memornadum, you agree that the Arranger will not have any such liability.

You should carefully read and retain this Placement Memornadum. However, you are not to construe the contents of this Placement Memornadum as Investment, Legal, Accounting, Regulatory or tax advice, and you should consult with your own advisors as to all Legal, Accounting, Regulatory, Tax, Financial and related matters concerning an Investment in the Debentures.

Standard Chartered Bank may purchase and hold the Debentures for its own account or for the accounts of its customers or enter into other Transactions (Including Derivatives) relating to the Debentures at the same time as the Offering of the Debentures. Standard Chartered Bank may have engaged in or may in the future engage in other dealings in the ordinary course of business with the Company and/or its Subsidiaries and Affiliate.

FORCE MAJEURE BEFORE CLOSING DATE

The Company reserves the right to withdraw the Issue at any time prior to the closing date thereof in the event of any unforeseen development adversely affecting the economic and/or regulatory environment or otherwise. In such an event, the Company will refund the application money, if any, collected in respect of the Debentures without assigning any reason.

ISSUE OF DEBENTURES IN DEMATERIALISED FORM

The Debentures will be issued in dematerialized form. The Issuer has made arrangements with the depositories for the issue of the Debentures in dematerialized form. Investors will have to hold the Debentures in dematerialized form as per the provisions of the Depositories Act, 1996. The Issuer shall take necessary steps to credit the Debentures allotted to the beneficiary account maintained by the Investor with its depository participant. The Issuer will make the allotment to Investors on the Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.

EACH PERSON RECEIVING THIS PLACEMENT MEMORANDUM ACKNOWLEDGES THAT SUCH PERSON:

(a) has reviewed the terms and conditions applicable to the Debentures as contained in this Placement Memorandum and has understood the same, and, on an independent assessment thereof, found the same acceptable for the investment made and has also reviewed the risk disclosures contained herein and has understood the risks, and determined that the investment in the Debentures are a suitable investment and that the Debenture Holders can bear the economic risk of that investment;

(b) has received all the information believed by it to be necessary and appropriate or material in connection with, and for investment in the Debentures;

(c) has sufficient knowledge, experience and expertise as an investor, to make the investment in the Debentures;

(d) has not relied on either the Company or any of its affiliate, associate, holding, subsidiary or group entities or any person acting in its or their behalf for any information, advice or recommendations of any sort expect as regards the accuracy of the specific factual information about the terms of the Debentures set out in this Placement Memorandum;

(e) has understood that information contained in this Placement Memorandum is not to be constructed as business or investment advice;

(f) has made an independent evaluation and judgment of all risks and merits before investing in the Debentures;

(g) has understood that the Debentures, even after being listed, may not be marketable or may not have a market at all;

(h) has legal ability to invest in the Debentures and the investment does not contravene any provision of any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the Debenture Holders or its assets.

(i) Neither the delivery of this Placement Memorandum nor any sale of Debentures made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

FORWARD LOOKING STATEMENTS

This Placement Memorandum contains certain forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as 'aim', 'anticipate', 'believe', 'expect', 'estimate', 'intend', 'objective', 'plan', 'project', 'shall', 'will', 'will continue', 'will pursue' or other words or phrases of similar import. Similarly, statements that describe our objectives, strategies, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about the Issuer that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from the Issuer's expectations include, but are not limited to, the following:

(a) delay or non-receipt of necessary government and other approvals;

(b) regulatory changes pertaining to the industry in India which have an impact on the Issuer's business and durability to respond to them;

(c) the Issuer's ability to successfully implement its strategy, growth and expansion;

(d) competition in the industry in which the Issuer operates in;

(e) the Issuer's ability to respond to technological changes;

(f) the Issuer's exposure to market risks;

(g) the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates,

(h) foreign exchange rates, equity prices and other rates or prices; and

(i) general economic and political conditions in India and globally, which have an impact on the Issuer's business and its ability to respond to them.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. All subsequent written and oral forward-looking statements attributable to the Issuer are expressly qualified in their entirety by reference to these cautionary statements. Neither the Issuer nor the registrar nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

SECTION 2: RISK FACTORS

The following are some of the important factors that could cause actual results to differ materially from the Company's expectations:

The following are the risks envisaged by the management of the Company relating to the Company, the Debentures and the market in general. Potential investors should carefully consider all the risk factors stated in this Placement Memorandum and/or the relevant Supplemental Placement Memorandum (s) and/or the Private Placement Offer cum Application Letter(s) in relation to the Debentures for evaluating the Company and its business and the Debentures before making any investment decision relating to the Debentures. The Company believes that the factors described below represent the principal risks inherent in investing in the Debentures but does not represent that the statements below regarding the risks of holding the Debentures are exhaustive. Potential Investors should also read the detailed information set out elsewhere in this Placement Memorandum and in the relevant Supplemental Placement Memorandum (s) and/or the Private Placement Offer cum Application Letter(s) and reach their own views prior to making any investment decision.

If any one of the following stated risks actually occurs, the Company's business, financial conditions and results of operations could suffer and, therefore, the value of the Company's Debentures could decline and/or the Company's ability to meet its obligations in respect of the Debentures could be affected. More than one risk factor may have simultaneous effect with regard to the Debentures such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No prediction can be made as to the effect that any combination of risk factors may have on the value of the Debentures and/or the Company's ability to meet its obligations in respect of the Debentures.

These risks and uncertainties are not the only issues that the Company faces. Additional risks and uncertainties not presently known to the Company or that the Company currently believes to be immaterial may also have a material adverse effect on its financial condition or business. Unless specified or quantified in the relevant risk factors, the Company is not in a position to quantify the financial or other implications of any risk mentioned herein below.

A. INTERNAL RISK FACTORS

Risks relating to our Company and its Business:

1. ***Instability of global and Indian economies and banking and financial sectors could affect the liquidity of our Company, which could have a material adverse effect on our Company's financial condition.***

   The credit markets in India have faced significant volatility, dislocation and liquidity constraints in the past 3 (three) financial years. The instability in the Indian credit markets has in the past resulted from significant write downs of asset value of financial institutions including banks (primarily in the public sector), housing finance companies and non-banking financial companies.

   Any protracted instability in the Indian credit markets or other macro-economic factors which may impact the overall liquidity available in the Indian credit markets in general or the amount of credit available to non-banking financial companies in particular, could adversely impact our ability to raise funds in a timebound manner and at commercially acceptable terms.

   Non-availability of credit may lead to disruption in our business, including asset-liability mismatches and an inability to grow our business, and may require our Company to seek alternate sources of funding, which may not be available on commercially acceptable terms or at all.

2. ***Our financial performance is highly sensitive to interest rate volatility and our lending and treasury operations may be impacted by any volatility in such interest rates, which could cause our net interest income and margins to decline and adversely affect our return on assets and profitability.***

   Our results of operations are substantially dependent upon the level of our net interest margins. As of June 23, our gross loan assets were Rs. 1,90,721.88 crores. We provide loans at fixed rates of interest. We borrow funds on both fixed and floating rates. We are exposed to interest rate risks as a result of lending to customers predominantly at fixed interest rates (and we typically do not have an escalation clause in our agreements), amounts and for periods

which may differ from our funding sources. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions and other factors, which have historically generated a high degree of volatility in interest rates in India. Difficult conditions in the global and Indian economy can affect the availability of credit. Volatility in interest rates in our borrowing operations can materially and adversely affect our financial performance and cash flows. In a rising interest rate environment, if the yield on our interest-earning assets does not increase simultaneously with or to the same extent as our cost of funds, or, in a declining interest rate environment, if our cost of funds does not decline simultaneously or to the same extent as the yield on our interest-earning assets, our net interest income and net interest margin would be adversely impacted. Additional risks arising from increasing interest rates, among others, include:

- increase in the rates of interest charged on various loans in our loan portfolio, which could result in the extension of loan maturities and higher monthly instalments due from borrowers which, in turn, could result in higher rates of default;
- reduction in the volume of loans as a result of clients' inability to service high interest rate payments; and
- reduction in the value of fixed income securities held in our investment portfolio.

Accordingly, our operations are susceptible to fluctuations in interest rates. Interest rates are highly sensitive and fluctuations thereof are dependent upon many factors which are beyond our control, including the monetary policies of the RBI, de-regulation of the financial services sector in India, domestic and international economic and political conditions, inflation and other factors, which may also adversely affect our treasury operations. Difficult conditions in the global and Indian economy can affect the availability of credit. In a rising interest rate environment, especially if the rise is sudden or sharp, we could be adversely affected by the decline in market value of our securities portfolio and other fixed income securities. We cannot assure that we will enter into any interest rate hedging instruments to adequately hedge against interest rate volatility in the future.

3. ***Our business requires raising substantial capital through borrowings and any disruption in funding sources would have a material adverse effect on our liquidity, financial condition and/or cash flows.***

As an asset finance company, our liquidity and on-going profitability are, in large part, dependent upon our timely access to, and the costs associated with, raising capital. As of March 31, 2023, 77.11% of our borrowed funds consisted of funds raised from financial institutions and banks (including public issues of non-convertible debentures), while the remaining 22.89% consisted of funds raised through retail borrowings (deposits). Our funding requirements are predominantly met through term loans from banks (including cash credit and external commercial borrowings,), the issue of redeemable non-convertible debentures and deposits (including public and corporate deposits), which constituted 32.6%, 19.15% and 22.89% of our total borrowings, respectively, as of March 31, 2023. Our credit providers include nationalised banks, private Indian banks, foreign institutional investors and foreign banks and we also rely on domestic retail investors. Our business, therefore, depends and will continue to depend on our ability to access diversified funding sources. Our ability to raise funds on acceptable terms and at competitive rates continues to depend on various factors including our credit ratings, the economic and regulatory environment and policy initiatives in India, developments in the international markets whether affecting the Indian economy or not, investors' and/or lenders' perception of demand for debt and equity securities of NBFCs and our current and future results of operations and financial condition. Changes in economic and financial conditions or continuing lack of liquidity in the market could make it difficult for us to access funds at competitive rates. Any such disruption in our ability to access primary funding sources at competitive costs would have a material adverse effect on our liquidity, financial condition and/or cash flows.

4. ***If we are unable to manage the level of non-performing assets or stage 3 in our loan portfolio, our financial position, results of operations and cash flows may suffer.***

In the past, we have seen increasing levels of Stage 3 Assets in our loan portfolio. As per our Standalone Financial Statements, our gross Stage 3 Assets were Rs. 11,382.18 crores as on March 31, 2023 and our net Stage 3 Assets were Rs 5,674.86 crore as on March 31, 2023. As per our Standalone Financial Statements, our Stage 3 Assets as a percentage of total loan assets was 6.21% as at March 31, 2023, and our net Stage 3 Assets as a percentage of net loan assets was 3.19% as at March 31, 2023.

We cannot be sure that we will be able to further improve our collections and recoveries in relation to our Stage 3

Assets, or otherwise adequately control our level of Stage 3 Assets in the future. We have also seen an increase in our gross Stage 3 Assets on account of changes in RBI regulations pertaining to time period for classification of our assets as Stage 3 Assets s in the past. Any further changes in RBI norms may cause further impediments in our ability to maintain our assets as standard.

In certain cases where a customer has delayed payments but has demonstrated an ability to continue servicing the relevant loan, we generally do not enforce the security but we allow the loan to remain outstanding and continue without restructuring, which can adversely affect the position of our asset quality and Stage 3 Assets/ECL provisioning. There can also be no assurance that in such cases the customer would not continue to delay payments, which could adversely affect our profitability and cash flows.

If we are not able to control or reduce our level of Stage 3 Assets, the overall quality of our loan portfolio may deteriorate, and our results of operations and/or cash flows may be adversely affected. Furthermore, in future our provisions may not be adequate when compared to the loan portfolios of other financial institutions. Moreover, there also can be no assurance that there will be no further deterioration in our provisioning coverage as a percentage of Stage 3 Provision coverage as a percentage of Stage 3 Assets or otherwise, or that the percentage of Stage 3 Assets that we will be able to recover will be similar to our past experience of recoveries of Stage 3 Assets. In the event of any deterioration in our Stage 3 Assets /impaired portfolio, there could be an even greater adverse impact on our results of operations and/or cash flows.

The RBI regulates some aspects of the recovery of non-performing loans, such as the use of recovery agents. Any limitation on our ability to recover, control and reduce non-performing loans as a result of these guidelines or otherwise could affect our collections and ability to foreclose on existing Stage 3 Assets.

As of March 31, 2023, our Stage 3 Provision coverage was 50.14%. In the event the overall credit quality of our loans deteriorates, the current level of our provisioning may be inadequate to cover the increase in our Stage 3 Assets. There can be no assurance that there will be no deterioration in the provisioning coverage as a percentage of gross Stage 3 Assets or otherwise or that the percentage of Stage 3 Assets that we will be able to recover will be similar to our past Stage 3 Assets recovery experience.

5. ***Significant portfolio of our business is focused on commercial vehicle finance for new and pre-owned commercial vehicles and any adverse developments in this sector and the automobile and transportation industry would adversely affect our results of operations***

As we predominantly focus on providing financing for pre-owned and new commercial vehicles, our asset and Stage 3 Assets portfolios have, and will likely continue in the future to have, a high concentration of pre-owned and new commercial vehicle financing arrangements. As of March 31, 2023, our product portfolio comprised of commercial vehicle financing of 50.24%, passenger vehicles 18.24%, construction equipment 7.74%, Farm equipment 1.87%, MSME 10.29%, Two wheelers 5.58%, Gold 2.41%, Personal loans and other loans 3.60% and 0.03% respectively.

Significant portfolio of our business is, therefore, entirely dependent on various factors that impact this vehicle segment such as the demand for transportation services in India, changes in Indian regulations and policies affecting pre-owned commercial vehicles, natural disasters and calamities, and the macroeconomic environment in India and globally. For example, prolonged lockdown due to the COVID-19 pandemic resulted in the road transport operators and dealers being closed for operations during which period, no fresh registration of vehicles was possible. Further, the Ministry of Road Transport and Highways, Government of India has introduced a vehicle scrappage policy, which reduces the overall life and road-worthiness of commercial vehicles or leads to a shift in preference for newer vehicles. Such factors may result in a decline in the sales or value of pre-owned commercial vehicles. Therefore, the demand for finance for pre-owned commercial vehicles may decline, which in turn may adversely affect our financial condition, the results of our operations and/or cash flows. In addition, the ability of commercial vehicle owners and/or operators to perform their obligations under existing financing agreements may be adversely affected if their businesses suffer.

Our business, to a large extent, depends on the continued growth in the automobile and transportation industry in India, which is influenced by a number of extraneous factors which are beyond our control, inter-alia including (a) the macroeconomic environment in India, (b) the demand for transportation services, (c) natural disasters and calamities, and (d) changes in regulations and policies in connection with motor vehicles. Such factors may result

in a decline in the sales or value of new and pre-owned commercial vehicles.

6. ***High levels of customer defaults could adversely affect our business, financial condition, results of operations and/or cash flows.***

We are subject to customer default risks including default or delay in repayment of principal or interest on our loans. Customers may default on their obligations to us as a result of various factors including bankruptcy, lack of liquidity, lack of business and operational failure. If borrowers fail to repay loans in a timely manner or at all, our financial condition, results of operations and/or cash flows will be adversely impacted.

In addition, certain customer portfolio lacks banking habits and individual borrowers generally are less financially resilient than larger corporate borrowers and, as a result, they can be more adversely affected by declining economic conditions and become unable to make timely payments in respect of the loans availed by them. In addition, majority of our client base belongs to the low and middle-income group. Some of the customers that we finance often do not have any credit history supported by tax returns and other related documents which would enable us to assess their creditworthiness.

Furthermore, unlike several developed economies, a nationwide credit bureau covering our customers does not exist, so there is less financial information available about the creditworthiness of individuals, particularly our client segment that is mainly from the low-income group and which typically has limited access to other financing sources. It is therefore difficult to carry out precise credit risk analyses on our clients. Although we follow certain procedures to evaluate the credit profile of our customers at the time of sanctioning a loan, we generally rely on the referrals from the local community and value of the asset provided as underlying collateral rather than on a stringent analysis of the credit profile of our customers. We may also not receive updated information regarding any change in the financial condition of our customers or may receive inaccurate or incomplete information as a result of any fraudulent misrepresentation on the part of our customers. Although we believe that our risk management controls are sufficient, we cannot be certain that they will continue to be sufficient or that additional risk management policies for individual borrowers will not be required.

Failure to continuously monitor the loan contracts, particularly for individual borrowers, could adversely affect our credit portfolio which could have a material and adverse effect on our results of operations, financial condition and/or cash flows.

7. ***We may not be able to recover, on a timely basis or at all, the full value of collateral or amounts which are sufficient to cover the outstanding amounts due under defaulted loans, which could adversely affect our business and results of operations.***

Our secured Asset Under Management ("**AUM**") are typically secured by a mix of both movable and immovable assets or other forms of collateral, depending on the nature of the product. The value of certain types of assets may decline due to inherent operational risks, the nature of the asset secured in our favour and adverse market and economic conditions.

For instance, in commercial/passenger vehicle loans and two-wheeler financing segments, the vehicles purchased by our customers are hypothecated in our favour as security for the loans provided by us. The value of the equipment or vehicles, however, is subject to depreciation or a reduction in value on account of a number of external factors (such as wear and tear), over the course of time. Consequently, the realizable value of the collateral for the loan provided by us, when liquidated, may be lower than the outstanding loan from such customers. Any default in repayment of the outstanding credit obligations by our customers may expose us to losses. Further, in the case of a default, we typically repossess the asset financed and sell such vehicles through auctions. The hypothecated vehicles, being movable property, may be difficult to locate or seize in the event of any default by our customers.

For personal loans and loans to small enterprises, we typically require immovable or movable property to be provided as collateral for the value of the loan amount. In cases where the borrower is unable to provide immovable or movable property as collateral, the borrower is typically required to furnish a guarantee. Any deterioration in the value of collateral or our failure to enforce such guarantees or to enforce our interests in such collateral in a timely manner, or at all, could adversely affect our operations and profitability.

For gold loans provided by us, gold jewellery and/or ornaments are provided as collateral. An economic downturn or sharp downward movement in the price of gold could result in a fall in collateral values. In the event of any decrease in the price of gold, customers may not repay their loans and the collateral gold jewellery securing the loans may have decreased significantly in value. If the price of gold decreases significantly, our financial condition and results of operations from this business product may be adversely affected. The impact on our financial position and results of operations of a decrease in gold values cannot be reasonably estimated because the market and competitive response to changes in gold values is not predeterminable. Additionally, we may not be able to realize the full value of the collateral, due to, among other things, inaccurate or fraudulent appraisal of gold by our workforce resulting in overvaluation, defects in the quality of gold or wastage on melting gold jewellery into gold bars.

Our housing loans are secured primarily by equitable or registered mortgages over property. Accordingly, a substantial portion of our loan portfolio is exposed to fluctuations in real estate prices and any negative events affecting the real estate sector. The value of real estate properties secured under our loans is largely dependent on prevalent real estate market conditions, as well the quality of the construction and the quality of the relevant developer. The value of the collateral on the loans disbursed by us may decline due to adverse market conditions including an economic downturn or a downward movement in real estate prices. Any developments or events that adversely affect the real estate sector, including without limitation, changes in government policies, introduction of any stringent norms regarding construction, floor space index or other compliances, may also result in diminishing the value of our collaterals. If any of the projects which form part of our collateral are delayed for any reason, it may affect our ability to enforce our security, thereby effectively diminishing the value of such security. Further, certain ownership documents of the immovable properties that are mortgaged to us may not be duly registered or adequately stamped. Failure to adequately stamp and register a document renders the document inadmissible in evidence. Consequently, should any default arise in relation to the corresponding loans, we may be unable to, or may incur additional expenses to, enforce our rights in relation to such mortgaged properties.

We may also be adversely affected by the failure of our employees to comply with internal procedures and inaccurate appraisal of credit or financial worth of our customers. In the event we are unable to check the risks arising from improper appraisal of creditworthiness, our business and results of operations may be adversely affected.

Any default in repayment of the outstanding credit obligations by our customers, or failure or delay to recover the expected value from sale of collateral security may expose us to potential losses, which could adversely affect our financial condition and results of operations. Furthermore, enforcing our legal rights by litigating against defaulting customers is typically a slow and expensive process in India. Accordingly, it may be difficult for us to recover amounts owed by defaulting customers in a timely manner or at all.

8. ***We operate in an increasingly competitive financial services industry, which creates significant pricing pressures and may adversely affect our net interest margins, income and market share. Further, our growth depends on our ability to compete effectively in this competitive environment.***

The financial services market is being served by a range of financial entities, including traditional banking institutions, public sector banks, NBFCs and small finance banks. Our competitors may have greater financial resources, may be larger in terms of business volume and customer base, may have greater brand recognition among customers, better institutional distribution platforms, more attractive schemes for customers and lower cost of funds compared to us. Moreover, as interest rate is a key factor driving a customer's decision in selecting a financier, competitors may offer loans at lower rates, owing to access to lower cost of capital, to retain market share. This competition is likely to further intensify as more and more international and domestic players enter into the Indian financial services industry as a result of regulatory changes. Our future success will depend, to a large extent, on our ability to respond in a timely and effective manner to these competitive pressures. There can be no assurance that we will be able to compete successfully with such competitors and gain market share.

Our primary competition historically has been private unorganized financiers who principally operate in the local market. However, the significant growth in the retail finance segment in recent periods has attracted private banks and NBFCs increasing their focus on this segment. In addition, interest rate deregulation and other liberalization measures have resulted in increased competition.

If we are unable to compete effectively with other participants in the retail finance sector, our business, future financial performance and the trading price of the Equity Shares may be adversely affected.

9. ***There are outstanding legal proceedings against our Company which may adversely affect our business, financial condition and results of operations.***

There are outstanding legal proceedings against our Company that are in the ordinary course of business or are incidental to our business and operations, including certain criminal proceedings, civil proceedings and tax proceedings and cases under the Negotiable Instruments Act, 1881, which, if determined against us, could have a material adverse effect on our goodwill, financial condition, results of operations and cash flows. These proceedings are pending at different levels of adjudication before various courts and tribunals, primarily relating to civil suits and tax disputes.

Further, there can be no assurance that the pending proceedings will be decided in our favour or that penal or other action will not be taken against our Company and/or any senior management party to such proceedings and/or or that the provisions we make will be adequate to cover all losses we may incur in such proceedings, or that our actual liability will be as reflected in any provision that we have made in connection with any such legal proceedings. We may be required to devote management and financial resources in the defence or prosecution of such legal proceedings. If a number of these disputes are determined against our Company and if our Company is required to pay all or a portion of the disputed amounts or if we are unable to recover amounts for which we have filed recovery proceedings, there could be a material and adverse impact on our reputation, business, financial condition and results of operations.

In addition, should any new developments arise, such as changes in Indian law or rulings against us by the regulators, appellate courts or tribunals, we may need to make provisions in our financial statements, which could increase our expenses and current liabilities. If we fail to successfully defend our claims or if our provisions prove to be inadequate, our business, results of operations and financial condition could be adversely affected.

10. ***Inaccurate appraisal of credit may adversely impact our business.***

We may be affected by the failure of employees to comply with internal procedures and the inaccurate appraisal of credit or financial worth of our clients. Inaccurate appraisal of credit may allow a loan sanction which may eventually result in a bad debt on our books of accounts. In the event that we are unable to check the risks arising out of such lapses, our business and results of operations may be adversely affected.

11. ***Large part of our collections are in cash and consequently we face the risk of misappropriation or fraud by our employees.***

Large portion of our collections from our customers is in cash. Large cash collections expose us to the risk of fraud, misappropriation or unauthorised transactions by our employees responsible for dealing with such cash collections. While we have taken insurance policies and coverage for cash in safes and in transit and undertake measures to detect and prevent any unauthorised transaction, fraud or misappropriation by our representatives and officers, this may not be sufficient to prevent or deter such activities in all cases, which may adversely affect our operations, profitability and/or cash flows. Further, we may be subject to regulatory or other proceedings in connection with any unauthorised transaction, fraud or misappropriation by our representatives and employees, which could adversely affect our goodwill, business prospects and future financial performance.

Our business is also susceptible to fraud by dealers, distributors and other agents through the forgery of documents and unauthorized collection of instalments on behalf of our Company. Given the high volume of transactions involving cash processed by us, certain instances of fraud and misconduct by our representatives or employees may go unnoticed for some time before they are discovered, and others successfully rectified. Even when we discover instances of fraud and other misconduct and pursue legal recourse or file claims with our insurance carriers, there can be no assurance that we will recover any amounts lost through such fraud or other misconduct.

12. ***Our significant indebtedness and the conditions and restrictions imposed by our financing arrangements could restrict our ability to conduct our business and operations in the manner we desire. If we are not in compliance with the covenants contained in such financial arrangements, including obtaining the relevant consents from our lenders for the Issue, our lenders could accelerate their respective repayment schedules, and enforce their respective security interests, which would lead to an adverse effect on our business, results of operations and financial condition.***

As per our Standalone Financial Statements, as of March 31, 2023, we had outstanding secured debt of Rs. 1,17,155 crore and unsecured debt of Rs. 40,751.29 crore. We will continue to incur additional indebtedness in the future. Most of our borrowings are secured by our immovable, movable and other assets. Our significant indebtedness could have several important consequences, including but not limited to the following:

- a portion of our cash flow may be used towards repayment of our existing debt, which will reduce the availability of our cash flow to fund working capital, capital expenditures, acquisitions and other general corporate requirements;

- our ability to obtain additional financing in the future at reasonable terms may be restricted or our cost of borrowings may increase due to sudden adverse market conditions, including decreased availability of credit or fluctuations in interest rates;

- fluctuations in market interest rates may affect the cost of our borrowings, as some of our indebtedness is at variable interest rates;

- there could be a material adverse effect on our business, financial condition, results of operations and/or cash flows if we are unable to service our indebtedness or otherwise comply with financial and other covenants specified in the financing agreements; and

- we may be more vulnerable to economic downturns, may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions.

Some of our financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations. Specifically, under some of our financing agreements, we require, and may be unable to obtain, consents from the relevant lenders for, among others, the following matters: entering into any scheme of merger; spinning-off of a business division; selling or transferring all or a substantial portion of our assets; making any change in ownership or control or constitution of our Company; making amendments in our Memorandum and Articles of Association and creating any further security interest on the assets upon which the existing lenders have a prior charge. Our financing agreements also typically contain certain financial covenants including the requirement to maintain, among others, specified debt-to-equity ratios, debt-to-net worth ratios, or Tier I to Tier II capital ratios that may be higher than statutory or regulatory requirements. These covenants vary depending on the requirements of the financial institution extending the loan and the conditions negotiated under each financing document. Such covenants may restrict or delay certain actions or initiatives that we may propose to take from time to time.

A failure to observe the covenants under our financing arrangements or to obtain necessary consents required thereunder may lead to the termination of our credit facilities, acceleration of all amounts due under such facilities and the enforcement of any security provided. Any acceleration of amounts due under such facilities may also trigger cross default provisions under our other financing agreements. If the obligations under any of our financing documents are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. Further, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. Any of these circumstances could adversely affect our business, credit rating, financial condition, results of operations and/or cash flows.

13. ***If the performance of our portfolios relating to various credit and financing facilities deteriorates, our business, financial condition, results of operations and/or cash flows may be adversely affected.***

We have in the past acquired and may in the future continue to acquire, portfolios relating to various credit and financing facilities from various originators including banks and other institutions, in the ordinary course of our business.

There can be no assurance that we will not experience any deterioration in the performance of any loan portfolio acquired by us or that may be acquired by us in the future. Any deterioration in such loan portfolios acquired by us, and an inability to seek recourse against loan portfolio originators, or otherwise recover the investments made in connection with the acquisition of such loan portfolios, would adversely impact our earnings realised from such loan portfolios and may adversely affect our business, financial condition and results of operations.

14. ***We face increasing competition in our business which may result in declining margins if we are unable to compete effectively.***

Our primary competition historically has been private unorganised financiers who principally operate in the local market. However, the significant growth in the retail finance segment in recent periods has resulted in various banks and non-banking finance companies increasing their focus on this sector. In addition, interest rate deregulation and other liberalisation measures have resulted in an increase in competition.

All of these factors have resulted in our Company facing increased competition from other lenders in the retail finance sector, including commercial banks and other NBFCs. Our ability to compete effectively will depend, to some extent, on our ability to raise low cost funding in the future. Furthermore, as a result of increased competition in the retail finance sector, the financial products are becoming increasingly standardised and variable interest rate and payment terms and lower processing fees are becoming increasingly common in the retail finance sector in India. There can be no assurance that we will be able to react effectively to these or other market developments or compete effectively with new and existing players in the increasingly competitive finance industry. Increasing competition may have an adverse effect on our net interest margin and other income, and if we are unable to compete successfully, our market share may decline.

If we are unable to compete effectively with other participants in our business, future financial performance and the trading price of the Debentures may be adversely affected.

15. ***We may not be able to successfully sustain our growth strategy.***

In recent years, we have experienced substantial growth. Our growth strategy includes growing our branch network and presence in rural centres. There can be no assurance that we will be able to sustain our growth strategy successfully or that we will be able to expand further or diversify our product portfolio. If we grow our branch network and presence too rapidly or fail to make proper assessments of credit risks associated with new borrowers, a higher percentage of our loans may become non-performing, which would have a negative impact on the quality of our assets and our financial condition.

We also face a number of operational risks in executing our growth strategy. We have experienced rapid growth in our retail-finance business; our branch network has expanded significantly, and we are entering into new, smaller towns and cities within India as part of our growth strategy. Our rapid growth exposes us to a wide range of increased risks, including business risks, such as the possibility that a number of our impaired loans may grow faster than anticipated, as well as operational risks, fraud risks and regulatory and legal risks. It will also place significant demands on our management, financial and other resources and will require us to continuously develop and improve our operational, financial and internal controls. Moreover, our ability to sustain our rate of growth depends significantly upon our ability to manage key issues such as selecting and retaining key managerial personnel, maintaining effective risk management policies, continuing to offer products which are relevant to our target base of clients, developing managerial experience to address emerging challenges and ensuring a high standard of client service. We will need to recruit new employees, who will have to be trained and integrated into our operations. We will also have to train existing employees to adhere properly to internal controls and risk management procedures. Failure to train our employees properly may result in an increase in employee attrition rates, require additional hiring, erode the quality of customer service, divert management resources, increase our exposure to high-risk credit and impose significant costs on us.

16. ***We may not be able to successfully consolidate and expand our product portfolio.***

We intend to consolidate and expand our product portfolio as part of our growth strategy. As per our Standalone Financial Statements, as of March 31, 2023, our assets under our management product portfolio comprised of commercial vehicle financing of 50.24%, passenger vehicles 18.24%, construction equipment 7.74%, Farm equipments 1.87%, MSME 10.29%, Two wheelers 5.58%, Gold 2.41%, Personal loans and other loans 3.60% and 0.03%, respectively of our total AUM.

We cannot assure that such diversification or expansion of operations will in future yield and/or continue to yield favourable or expected results, including acceptance of any new products/ services and/or business ventures by customers, as our overall profitability and success will be subject to various factors, including, among others, our ability to obtain necessary statutory and/or regulatory approvals and licences, our ability to effectively recruit, retain and motivate appropriate managerial talent and ability to compete with banks and other NBFCs that are already well established in this market segment, as well as our ability to effectively absorb additional infrastructure costs. Failure of diversification or expansion may result in our inability to recover pre-operative expenses and launch costs.

17. ***Our loan portfolio may no longer continue to be classified as priority sector advances by the RBI.***

The RBI currently mandates domestic commercial banks (excluding regional rural banks and small finance banks) operating in India, including and foreign banks with more than 20 branches in India, to maintain an aggregate 40% of adjusted net bank credit or a credit equivalent amount of off-balance-sheet exposure, whichever is higher as "priority sector advances." These include advances to agriculture, micro, small and medium enterprises (including SRTOs, which constitute the significant proportion of our loan portfolio), micro enterprises within the micro and small enterprises sector, export credit, education loans, housing loans, loans for building social infrastructure and renewable energy and advances to weaker sections where the Government seeks to encourage flow of credit for developmental reasons. Banks in India that have traditionally been constrained or unable to meet these requirements organically have relied on specialised institutions such as us that are better positioned to or exclusively focus on originating such assets through on-lending or purchase of assets or securitised and assigned pools to comply with these targets. We believe our securitised and assigned asset pools are particularly attractive to these banks as such transactions provide them with an avenue to increase their asset base through low-cost investments and limited risk for meeting these targets, through co-origination of such assets, purchase of assets or investments in securitized assets.

In the event that any part of our loan portfolio is no longer classified as a priority sector advance by the RBI, or if the commercial banks directly start providing 'priority sector advances', or if the laws relating to priority sector lending as applicable to the banks undergo a change, our ability to securitise our asset pool will be hampered, which may adversely affect our financial condition, results of operations and/or cash flows. While scheduled commercial banks may still choose to lend to NBFCs they may charge higher rates to do so because these loans no longer count towards their priority sector lending requirements. This may lead to an increase in the rates at which such loans have historically been offered to us, thus increasing our borrowing costs and adversely affecting our financial condition and results of operation.

As a result of these developments, our access to funds and the cost of our capital may be adversely affected and to the extent we are unable to secure replacement funding at similar cost or at all, our results of operations could be adversely affected.

18. ***We may experience difficulties in expanding our business into new regions and markets in India.***

As part of our growth strategy, we continue to evaluate attractive growth opportunities to expand our business into new regions and markets in India. Factors such as competition, culture, regulatory regimes, business practices and customs and customer requirements in these new markets may differ from those in our current markets, and our experience in our current markets may not be applicable to these new markets. In addition, as we enter new markets and geographical regions, we are likely to compete not only with other banks and financial institutions but also the local unorganised or semi-organised private financiers, who are more familiar with local regulations, business practices and customs, and have stronger relationships with customers. In particular, some of our competitors may have operational advantages in terms of access to broader knowledge sources and client base and implementation of newer technologies and rationalizing related operational costs.

As on March 31, 2023, we had 2,922 branches, including 732 branches in rural centres. If we were to expand our branch network further, any such expansion may be hit by challenges localized to such centres, including any political instability, terrorism or military conflict in these regions, occurrence of natural or man-made disasters, infectious disease outbreaks or other serious public health concerns, dependence on adequate monsoon and lower employment opportunities compared to urban areas. If we grow our branch network and presence too rapidly or fail to make proper assessments of credit risks associated with new borrowers, a higher percentage of our loans may become non-performing, which would have a negative impact on the quality of our assets and our financial condition.

If we plan to expand our geographical footprint, our business may be exposed to various additional challenges, including: obtaining necessary governmental approvals; identifying and collaborating with local business and partners with whom we may have no previous working relationship; successfully gauging market conditions in local markets with which we have no previous familiarity; attracting potential customers in a market in which we do not have significant experience or visibility; being susceptible to local taxation in additional geographical areas of India; and adapting our marketing strategy and operations to different regions of India in which different languages are spoken. Our inability to expand our current operations may adversely affect our business prospects, financial conditions, results of operations and/or cash flows.

19. ***Any downgrade of our credit ratings would increase borrowing costs and constrain our access to capital and lending markets and, as a result, would negatively affect our net interest margin and our business.***

The cost and availability of capital is also dependent on our short-term and long-term credit ratings. Ratings reflect a rating agency's opinion of our financial strength, operating performance, strategic position and ability to meet our obligations. Please refer to the table below for the ratings assigned to our short and long term debts, as of March 31, 2023:

Instruments	**Ratings as on March 31, 2023**	**Credit Rating Agency**
Commercial Paper	CARE A1+	CARE
Non-convertible debentures	CARE AA+/Stable	CARE
Subordinated debt	CARE AA+/Stable	CARE
Bank Loan Long-term	CRISIL AA+/Stable	CRISIL
Bank Loan Short-term	CRISIL A1+	CRISIL
Non-convertible debenture	CRISIL AA+/Stable	CRISIL
Long Term Principal Protected Market Linked Debentures	CRISIL PP-MLD AA+r/Stable	CRISIL
Short term debt	CRISIL A1+	CRISIL
Subordinated debt	CRISIL AA+/Stable	CRISIL
Long-Term Issuer Default Rating	BB/ Stable	Fitch Ratings
Offshore Rupee Denominated Bond (Masala Bond)	BB	Fitch Ratings
U.S. Dollar Senior Secured Notes	BB	Fitch Ratings
Short-Term Issuer Default Rating	B	Fitch Ratings
Local Currency Long Term Issuer Default Rating	BB/ Stable	Fitch Ratings
Fixed deposits	ICRA AA+ (Stable)	ICRA
Non-convertible debenture	ICRA AA+ (Stable)	ICRA
Commercial Paper	IND A1+	India Ratings & Research Private Limited
Non-convertible debenture	IND AA+/Stable	India Ratings & Research Private Limited
Subordinated debt	IND AA+/Stable	India Ratings & Research Private

Instruments	Ratings as on March 31, 2023	Credit Rating Agency
		Limited
Dual Recourse Market Linked Debentures	IND PP-MLD AAA(CE)emr'/ Stable	India Ratings & Research Private Limited
Dual Recourse Bond	IND AAA (CE)/Stable	India Ratings & Research Private Limited
Fixed deposit	IND AA+/Stable	India Ratings & Research Private Limited
Offshore Rupee Denominated Bond (Masala Bond)	BB-	Standard & Poor's Ratings
U.S. Dollar Senior Secured Notes	BB-	Standard & Poor's Ratings
Short-Term Issuer Credit Rating	B	Standard & Poor's Ratings
Long-Term Issuer Credit Rating	BB-/ Stable	Standard & Poor's Ratings

Any downgrade of our credit ratings would increase borrowing costs and constrain our access to capital and debt markets and, as a result, would negatively affect our net interest margin and our business. In addition, downgrades of our credit ratings could increase the possibility of additional terms and conditions being added to any additional financing or refinancing arrangements in the future. A downgrade of our credit ratings could also result in our lenders accelerating the repayment of certain of our borrowers in accordance with the terms of our borrowing arrangements with lenders. The ratings provided by credit rating agencies may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. Any such adverse development could adversely affect our business, financial condition, results of operations and/or cash flows.

20. ***If we are unable to successfully expand, maintain or leverage our partnership arrangements with private financiers involved in commercial vehicle financing, our business prospects, results of operations, financial conditions and/or cash flows may be affected.***

Our revenue sharing arrangements with private financiers involved in commercial vehicle financing across India is an integral part of our growth strategy. As of March 31, 2023, we have entered into strategic agreements with 500+ private financiers ranging from individual financiers and small local private financiers, including other NBFCs, to capitalise on their local knowledge, infrastructure and personnel base of our partners in order to source new customers. The revenue-sharing arrangements are at pre-determined amounts.

There can be no assurance that the other party will comply with the procedural and other conditions specified by us in connection with our arrangements with them in the context of customer origination, the credit appraisal process, loan administration and monitoring and any loan recovery processes, or that our partners will not act in any manner that could adversely affect our reputation, brand, customer relationships or business interests. For example, we have in the past experienced certain instances of fraud by some parties. There can also be no assurance that we will be able to leverage and benefit from these arrangements to effectively source a sufficient volume of new customers and business commensurate to the revenue-sharing and other incentives provided to our partners under our arrangements with them. Further, our financiers or the personnel they employ may be engaged in unethical or unlawful behaviour or they may misrepresent or mis-sell our products and services. Due to this, we may also suffer from reputational and legal risks and these actions may materially and adversely affect our business, financial condition and results of operations.

In addition, we may not be able to identify suitable private financiers in the future with whom we can successfully work through such arrangements, or in joint marketing and customer support activities, and there can be no assurance that we will be able to ensure any level of success with such arrangements for any sustained period of time. Furthermore, there can be no assurance that there will not be any dispute with the other parties the arrangements in

the future. If we are unable to successfully expand, maintain or leverage our arrangements and relationship with the parties to the arrangements, our business prospects, results of operations, financial conditions and/or cash flows may be adversely affected.

21. ***A decline in our capital adequacy ratio could restrict our future business growth.***

All deposit taking NBFCs are required to maintain a minimum capital adequacy ratio, consisting of Tier I and Tier II capital of not less than 15 % of its aggregate risk-weighted assets on balance sheet and risk- adjusted value of off-balance sheet items. Our capital adequacy ratio computed on the basis of applicable RBI requirements was 22.61% as of March 31, 2023 with Tier I Capital comprising 21.20%. If we continue to grow our loan portfolio and asset base, we will be required to raise additional Tier I Capital and Tier II Capital in order to continue to meet applicable capital adequacy ratios with respect to our business. Any difficulty in accessing funds required for Tier I Capital and Tier II Capital, including accessing capital markets could result in decline of our capital adequacy ratio. Further any regulatory change to the capital adequacy ratio requirements shall also have an adverse effect on our growth as we may have to raise further capital to maintain the required capital adequacy ratio. There can be no assurance that we will be able to raise adequate additional capital in the future on terms favourable to us or at all, and this may adversely affect the growth of our business.

22. ***As part of our business strategy we assign or securitise a substantial portion of our loan assets to banks and other institutions. Any deterioration in the performance of any pool of receivables assigned or securitised to banks and other institutions may adversely impact our financial performance and/or cash flows.***

As part of our means of raising and/or managing our funds, we assign or securitise a substantial portion of the receivables from our loan portfolio to banks and other institutions. Such assignment or securitisation transactions are conducted on the basis of our internal estimates of our funding requirements, which may vary from time to time. Our securitised and assigned assets of Rs. 23,593.57 crores as on March 31, 2023. Any change in statutory and/or regulatory requirements in relation to assignments or securitisations by financial institutions, including the requirements prescribed by RBI and the Government of India, could have an adverse impact on our assignment or securitisation transactions. The commercial viability of assignment and securitization transactions has been significantly affected by changes and developments relating to regulation governing such transactions. Such changes include:

- prohibition on carrying out securitization/ assignment transactions at rates lower than the prescribed base rate of the bank;
- prohibition on NBFCs such as our Company from offering credit enhancements in any form and liquidity facilities in the case of loan transfers through direct assignment of cash flows;
- minimum holding period or 'seasoning' and minimum retention requirements of assignment and securitization loans; and
- securitization/ assignments being eligible for classification under priority sector only if the interest rate charged to the ultimate borrower by the originating entity does not exceed base rate of such bank plus 8% per annum.

Any adverse changes in the policy and/or regulations in connection with securitisation of assets by NBFCs and/or new circulars and/or directions issued by the RBI in this regard, affecting NBFCs or the purchasers of assets, would affect the securitisation market in general and our ability to securitise and/or assign our assets.

For such transactions, in the event that a relevant bank or institution does not realise the receivables due under such loan assets, such bank or institution would have recourse to such credit enhancement, which could have a material adverse effect on our results of operations, financial condition and/or cash flows.

23. ***System failures or inadequacy and security breaches in computer systems may adversely affect our business.***

Our business is increasingly dependent on our ability to process, on a daily basis, a large number of transactions. Our financial, accounting or other data processing systems may fail to operate adequately or become disabled as a

result of events that are wholly or partially beyond our control, including a disruption of electrical or communications services.

Our ability to operate and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-effective basis. The information available to and received by our management through our existing systems may not be timely and sufficient to manage risks or to plan for and respond to changes in market conditions and other developments in our operations. We may experience difficulties in upgrading, developing and expanding our systems quickly enough to accommodate our growing customer base and range of products.

Our operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our computer systems, software and networks may be vulnerable to unauthorised access, computer viruses or other malicious codes and other events that could compromise data integrity and security.

Any failure to effectively maintain or improve or upgrade our management information systems in a timely manner could materially and adversely affect our competitiveness, financial position and results of operations. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation. In addition, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our businesses and the geographical areas in which we are located.

24. ***Some of our Directors may have interests in entities, which are in businesses similar to ours and this may result in conflicts of interest with us.***

As on the date of this Placement Memorandum, some of our Directors also have interests, as directors or shareholders in other entities engaged in the financial services space such as banks or other NBFCs, including certain of our related parties. There can be no assurance that such Directors will not be subject to conflicts of interest or that we will be able to deal with such conflicts of interest in a timely manner.

Further, commercial transactions in the future between us and related parties may result in conflicting interests which could have an adverse effect on our operations. Such factors may have an adverse effect on the results of our operations and financial condition.

25. ***We may not be able to maintain our current levels of profitability due to increased costs or reduced spreads.***

Our business strategy involves a relatively high level of on-going interaction with our customers. We believe that this involvement is an important part of developing our relationship with our customers, identifying new cross selling opportunities and monitoring our performance. However, this level of involvement also entails higher levels of costs and also requires a relatively higher gross spread, or margin, on the finance products we offer in order to maintain profitability. There can be no assurance that we will be able to maintain our current levels of profitability if the gross spreads on our finance products were to reduce substantially, which could adversely affect our results of operations and/or cash flows.

26. ***We face asset-liability mismatches which could affect our liquidity and consequently may adversely affect our operations, profitability and/or cash flows.***

We may face potential liquidity risks due to varying periods over which our assets and liabilities mature. Based on the structural liquidity position of our Company as on December 31, 2022 as per the RBI norms, our Company has positive asset liability cumulative mismatch of Rs. 20948.99 crore over a period of six months until June 30, 2023. As is typical for NBFCs, a portion of our funding requirements is met through short-term funding sources such as bank loans, working capital demand loans, cash credit, short-term loans and commercial paper. Consequently, our inability to obtain additional credit facilities or renew our existing credit facilities, in a timely and cost-effective manner or at all, may lead to mismatches between our assets and liabilities, which in turn may adversely affect our operations, financial performance and/or cash flows. Further, mismatches between our assets and liabilities are compounded in case of pre-payments of the financing facilities we grant to our customers.

We cannot assure you that our business will continue to generate sufficient cash to enable us to service our existing debt or to fund our other liquidity needs. Further, changes in economic, regulatory and financial conditions or lack of liquidity in the market due to internal as well as external factors could adversely affect our ability to access funds at competitive rates, which could adversely affect our liquidity and financial condition.

27. ***We have certain contingent liabilities which may adversely affect our financial condition.***

As per our Financial Statements, as of March 31, 2023, we had certain contingent liabilities not provided for. In the event that any of these contingent liabilities materialise, our financial condition may be adversely affected. Further, in the event there is a change in any statutory/ regulatory requirement with respect to contingent liabilities, our Company may be required to make additional provisions to meet the revised criteria which may have an adverse effect on our financial condition and profitability.

28. ***The trademark/service mark and logo in connection with the "Shriram" brand which we use is licensed to us and consequently, any termination or non-renewal of such license may adversely affect our goodwill, operations and profitability. Our inability to register such logo and/or to adequately protect the same may adversely affect our goodwill, operations and profitability.***

Pursuant to a license agreement dated November 21, 2014 between our Company and Shriram Ownership Trust ("**SOT**"), as amended in terms of agreement dated March 18, 2016 and novated in terms of the deed of novation cum amendment dated May 17, 2019 entered into between our Company, SOT and Shriram Value Services Limited ("**SVS**"), we are entitled to use the brand name "Shriram" and the associated mark. In this regard, our Company had to pay royalty to SOT until September 30, 2019 and currently to SVS (since SOT had gifted all its intellectual property in the brand name "Shriram" and its associated marks to SVS, the royalty for the same commencing from September 30, 2019 is payable to SVS) on the gross turnover of our Company. Along with the royalty, our Company also was required to pay to SOT (until September 30, 2019) and now SVS (commencing from September 30, 2019) amounts by way of reimbursement of actual expenses incurred by SOT / SVS in respect of protection and defence of the copyright. The license agreement is valid until September 30, 2024, after which the agreement will be automatically renewed for a further period of 5 (five) years on the same terms, unless otherwise decided by both parties or upon occurrence of a breach by either party of the material terms of the license arrangement. The agreement is not terminable unless mutually agreed by both parties.

In the event such license agreement is terminated or is not renewed or extended in the future, we may not be entitled to use the brand name "Shriram" and the associated mark in connection with our business operations. Consequently, we will not be able to derive the goodwill that we have been enjoying under the "Shriram" brand. Further, if the commercial terms and conditions including the consideration payable pursuant to the said agreement are revised unfavourably, our Company may be required to allocate larger portions of its profits and/or revenues towards such consideration, which would adversely affect our profitability.

Our inability to register such logo and/or to adequately protect the same may adversely affect our goodwill, operations and profitability.

We operate in a competitive environment, and we believe that our brand recognition is a significant competitive advantage to us. If the license and user agreement is not renewed or terminated, we may need to change our name, trade mark / service mark or the logo. Any such change could require us to incur additional costs and may adversely impact our goodwill, business prospects and results of operations.

29. ***We depend on our brand reputation and our failure to maintain our product image could have a material adverse effect on our business, financial condition and results of operations.***

We believe that the reputation of our brand among customers as a reliable company has contributed significantly to the growth and success of our business. Maintaining and enhancing the recognition and reputation of our products are, therefore, critical to our business and competitiveness. Many factors, some of which are beyond our control, are important to maintaining and enhancing our product image. These factors include our ability to maintain the reliability and quality of the services we offer and increase product awareness through brand building initiatives. A public perception that we do not provide satisfactory products, even if factually incorrect or based on isolated

incidents, could damage our reputation, undermine the trust and credibility we have established for our stakeholders including investors, lenders, customers and have a negative impact on our ability to attract new consumers or retain our current consumers.

30. ***Any adverse impact on the 'Shriram' brand may have an impact on the benefits accruing to us from the use of the brand resulting in an adverse impact on our business and results of operations.***

We benefit from our relationship with 'Shriram' group in many ways, such as reputation and experience. We believe that 'Shriram' brand is perceived to be that of a trusted provider of quality products and services. Our growth and future success are influenced, in part, by our continued relationship with the 'Shriram' group. If we cease to benefit from these relationships for any reason, our business and growth prospects may decline, and our business and results of operations may be adversely affected.

We cannot assure you that the established 'Shriram' brand name will not be adversely affected in the future by events such as actions that are beyond our control, including customer complaints and dissatisfaction or adverse publicity from any other source. Negative public opinion about the financial services industry generally or about the 'Shriram' brand name, if not immediately and sufficiently remedied, can have an adverse effect on our business and results of operations.

31. ***Inability to assess, monitor and manage risks inherent in our business and respond to technological and sectoral changes may adversely impact our results of operations and profitability.***

We are exposed to a variety of risks, including liquidity risk, interest rate risk, credit risk, operational risk and regulatory risks. The effectiveness of our risk management is limited by the quality and timeliness of available data.

Our hedging strategies and other risk management techniques may not be fully effective in mitigating our risks in all market environments or against all types of risk, including risks that are unidentified or unanticipated. Some methods of managing risks are based upon observed historical market behaviour. As a result, these methods may not predict future risk exposures, which could be greater than the historical measures indicated. Other risk management methods depend upon an evaluation of information regarding markets, customers or other matters. This information may not in all cases be accurate, complete, current or properly evaluated. Management of operational, legal or regulatory risk requires, among other things, policies and procedures to properly record and verify a number of transactions and events. Although we have established these policies and procedures, they may not be fully effective.

We have devoted significant resources to developing our risk management policies and procedures and expect to continue to do so in the future. Despite this, our policies and procedures to identify, monitor and manage risks may not be fully effective. Some of our methods of managing risk are based upon the use of observed historical market. As a result, these methods may not accurately predict future risk exposures which could be significantly greater than indicated by the historical measures. As we seek to expand the scope of our operations, we also face the risk of inability to develop risk management policies and procedures that are properly designed for those new business areas in a timely manner. Implementation and monitoring may prove particularly challenging with respect to businesses that we have recently initiated. Inability to develop and implement effective risk management policies may adversely affect our business, prospects, financial condition and results of operations.

Our future success will depend, in part, on our ability to respond to new technological advances and evolving NBFC and retail finance sector standards and practices on a cost-effective and timely basis. The development and implementation of such technology entails significant technical and business risks. There can be no assurance that we will successfully implement new technologies or adapt our transaction-processing systems to customer requirements or evolving market standards. Failure to adapt to new technologies and sectoral preferences in a timely manner or at all, may adversely impact out profitability and results of operations.

32. ***Our Promoters, Shriram Capital Private Limited and Shriram Ownership Trust (Promoters) and Promoter Group, beneficially own 25.51 per cent. Of our equity share capital and accordingly has the ability to exercise significant influence over the outcome of matters submitted to shareholders for approval, and their interests may differ from those of other holders of the debentures.***

Our Promoters and Promoter Group beneficially own 25.51 percent of our equity share capital as on March 31, 2023. Accordingly, our Promoters have the ability to significantly influence the outcome of matters submitted to shareholders for approving the timing and distribution of dividends and the election or termination of appointment of directors. This could delay, defer or prevent or impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in our Company's best interest. In addition, for so long as our Promoters continue to exercise significant influence over our Company, it may influence the material policies of our Company in a manner that could conflict with the interests of the security holders. The Promoters may have interests that are adverse to the interests of our other shareholders and may take positions with which we or our other shareholders do not agree.

33. ***We have entered into certain related party transactions.***

We have entered into transactions with certain related parties. While we believe that all such transactions have been conducted on an arm's length basis, we cannot assure you that we could not have obtained more favourable terms had such transactions been entered into with unrelated parties. Such transactions may give rise to current or potential conflicts of interest with respect to dealings between us and such related parties. Additionally, there can be no assurance that any dispute that may arise between us and related parties will be resolved in our favour.

34. ***Any failure by us to identify, manage, complete and integrate acquisitions, divestitures and other significant transactions successfully could adversely affect our results of operations, business prospects and/or cash flows.***

As part of our business strategy, we may acquire complementary companies or businesses, divest non-core businesses or assets, sale or dispose of any unit(s) or division(s), enter into strategic alliances and joint ventures and make investments/disinvestments to further our business or any other restructuring. In order to pursue this strategy successfully, we must identify suitable candidates for successfully completing such transactions, some of which may be large and complex, and manage the integration of acquired companies or employees. We may not fully realise all of the anticipated benefits of any such transaction within the anticipated timeframe or at all. Any increased or unexpected costs, unanticipated delays or failure to achieve contractual obligations could make such transactions less profitable or unprofitable. Managing business combination and investment transactions requires varying levels of management resources, which may divert our attention from other business operations, and may result in significant costs and expenses and charges to earnings. The challenges involved in integration include:

- combining product offerings and entering into new markets in which we are not experienced;
- consolidating and maintaining relationships with customers;
- consolidating and rationalising transaction processes and corporate and information technology infrastructure;
- integrating employees and managing employee issues;
- coordinating and combining administrative and other operations and relationships with third parties in accordance with applicable laws and other obligations while maintaining adequate standards, controls and procedures;
- achieving savings from infrastructure integration; and
- managing other business, infrastructure and operational integration issues.

35. ***Our success depends in large part upon our management team and key personnel and our ability to attract, train and retain such persons.***

Our ability to sustain our rate of growth depends significantly upon our ability to manage key issues such as selecting and retaining key managerial personnel, developing managerial experience to address emerging challenges and ensuring a high standard of client service. In order to be successful, we must attract, train, motivate and retain highly skilled employees, especially branch managers and relationship executives. If we cannot hire additional qualified

personnel or retain them, our ability to expand our business will be impaired and our revenue could decline. We will need to recruit new employees, who will have to be trained and integrated into our operations. We will also have to train existing employees to adhere properly to internal controls and risk management procedures. Failure to train and motivate our employees properly may result in an increase in employee attrition rates, require additional hiring, erode the quality of customer service, divert management resources, increase our exposure to high-risk credit and impose significant costs on us. Hiring and retaining qualified and skilled managers are critical to our future, as our business model depends on our credit appraisal and asset valuation mechanism, which are personnel-driven operations. Moreover, competition for experienced employees in the commercial vehicle finance sector can be intense. While we have an incentive, structure designed to encourage employee retention, our inability to attract and retain talented professionals, or the resignation or loss of key management personnel, may have an adverse impact on our business, future financial performance and/or cash flows.

36. ***Most of the properties used by our Company are occupied by our Company on lease and/or as shared office space. Any termination of the lease(s) or the other relevant agreements in connection with such properties or our failure to renew the same in a timely manner, or at all, could adversely affect our activities.***

Currently, most of the properties used by our Company for the purposes of our business activities are not owned by us. Termination of leases or other relevant agreements in connection with such properties which are not owned by us or our failure to renew the same, on favourable conditions, in a timely manner, or at all, could require us to vacate such premises at short notice, and could adversely affect our operations, financial condition and profitability.

37. ***We are exposed to fluctuations in the market values of our investment and other asset portfolio.***

Deterioration of the credit and capital markets could result in volatility of our investment earnings and impairments to our investment and asset portfolio, which could negatively impact our financial condition and reported income.

38. ***Being in the financial services industry, our operations may be adversely affected if we are unable to attract and retain qualified employees or if relations with employees deteriorate.***

As of March 31, 2023, we have 64,052 employees. Currently, none of our employees are members of any labor union. While we believe that we maintain good relationships with our employees, there can be no assurance that we will not experience future disruptions to our operations due to disputes or other problems with our work force, which may adversely affect our business and results of operations.

39. ***Our inability to obtain, renew or maintain our statutory and regulatory permits and approvals required to operate our business may have a material adverse effect on our business.***

We require certain statutory and/or regulatory permits and approvals for our business, including approvals in relation to our branch offices and other offices. In the future, we will be required to renew such permits and approvals and obtain new permits and approvals for any proposed operations. There can be no assurance that the relevant authorities will issue any of such permits or approvals in a timely manner or at all and/or on favourable terms and conditions. Failure by us to comply with the terms and conditions to which such permits or approvals are subject and/or to renew, maintain or obtain the required permits or approvals may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations.

40. ***Any changes in the statutory and/or regulatory requirements in connection with taxation could adversely affect our operations, profitability and cashflows.***

The operations, profitability and cash flows could be adversely affected by any unfavourable changes in central and state-level statutory and/or regulatory requirements in connection with direct and indirect taxes and duties, including income tax, goods and service tax and/or by any unfavourable interpretation taken by the relevant taxation authorities and/or courts and tribunals. For example, the Central Goods and Services Tax Act, 2017 implemented with effect from July 1, 2017 introduced Goods and Services Tax ("**GST**"), which has replaced the indirect taxes on goods and services, such as central excise duty, service tax, central sales tax, state value added tax, surcharge and excise, collected by the central and state governments. The introduction of GST has increased administrative compliance for the Companies which is a consequence of increased registration and form filing requirements.

41. ***We are subject to supervision and regulation by the RBI and other regulatory authorities in India, and changes in regulations governing us could adversely affect our business.***

We are regulated principally by and have reporting obligations to the RBI. We are also subject to the corporate, taxation and other laws in effect in India. The regulatory and legal framework governing us may continue to change as India's economy and commercial and financial markets evolve. In recent years, existing rules and regulations have been modified, new rules and regulations have been enacted and reforms have been implemented which are intended to provide tighter control and more transparency in India's finance sector.

We are subject to the RBI's guidelines on financial regulation of NBFCs, including capital adequacy, exposure and other prudential norms. The RBI also regulates the credit flow by banks to NBFCs and provides guidelines to commercial banks with respect to their investment and credit exposure norms for lending to NBFCs. The RBI's regulations of NBFCs could change in the future which may require us to restructure our activities, incur additional cost, impose restrictions on banks in relation to the exposure to NBFCs or could otherwise adversely affect our business and our financial performance. The RBI, from time to time, amends the regulatory framework governing NBFCs to address, among others, concerns arising from certain divergent regulatory requirements for banks and NBFCs.

The RBI, from time to time, amends the regulatory framework governing NBFCs to address concerns arising from certain divergent regulatory requirements for banks and NBFCs. We are subject to the NBFC Master Directions and Applicable Law.

The laws and regulations governing the banking and financial services industry in India have become increasingly complex and cover a wide variety of issues, such as interest rates, liquidity, securitisation, investments, ethical issues, money laundering and privacy. In some cases, there are overlapping regulations and enforcement authorities. Moreover, these laws and regulations can be amended, supplemented or changed at any time such that we may be required to restructure our activities and incur additional expenses to comply with such laws and regulations, which could materially and adversely affect our business and our financial performance.

Compliance with many of the regulations applicable to our operations in India, including any restrictions on investments, lending and other activities currently being carried out by our Company, involves a number of risks, particularly in areas where applicable regulations may be subject to varying interpretations. Further, compliance with many of the regulations applicable to our operations may involve significant costs and otherwise may impose restrictions on our operations. If the interpretation of the regulators and authorities varies from our interpretation, we may be subject to penalties and our business could be adversely affected. We are also subject to changes in Indian laws, regulations and accounting principles and practices. There can be no assurance that the laws governing our Company and its operations will not change in the future or that such changes or the interpretation or enforcement of existing and future laws and rules by governmental and regulatory authorities will not adversely affect our business and future financial performance.

Additionally, we are required to make various filings with the RBI, the Registrar of Companies and other relevant authorities pursuant to the provisions of RBI regulations, the Companies Act, 2013 and other regulations. If we fail to comply with these requirements, or a regulator claims we have not complied with these requirements, we may be subject to penalties and compounding proceedings. For example, in the past there has been an instance where a penalty was imposed on us by Insurance Regulatory and Development Authority of India, which was paid and settled by us. Further, the Enforcement Directorate has imposed a penalty of Rs. 50 million on our Company, which we have filed an appeal against. Imposition of any penalty or adverse findings by the RBI or other authorities may have an adverse effect on our business, operations results, financial condition and reputation.

42. ***As an NBFC, non-compliance with the RBI's observations made during its periodic inspections could expose us to penalties and restrictions.***

As an NBFC, we are subject to periodic inspection by the RBI under section 45N of the RBI Act, pursuant to which the RBI inspects our books of accounts and other records for the purpose of verifying compliance with applicable regulations, the correctness or completeness of any statement, information or particulars furnished to the RBI. RBI in the past issued observations pursuant to such periodic inspection and our Company had given clarifications in this regard. For example, RBI has in the past in its inspection reports, highlighted certain alleged deficiencies such as

reduction in the asset quality of our Company, improper monitoring of delegation of powers by the Board, mobilization of resources in excess of limits, breach of prescribed limits for issuance of commercial papers, deficiency in credit portfolio and shortcomings in complying with the corporate governance requirements. While we have responded to such observations and addressed them, we cannot assure you that the RBI will not make similar or other observations in the future. In the event we are unable to resolve the issues to the RBI's satisfaction, we may be restricted in our ability to conduct our business as we currently do. While we seek to comply with all regulatory provisions applicable to us, in the event we are unable to comply with the observations made by the RBI, we could be subject to penalties and restrictions which may be imposed by the RBI. Imposition of any penalty or adverse findings by the RBI during the ongoing or any future inspections may have an adverse effect on our business, results of operations, financial condition and reputation.

43. ***Our Subsidiary is subject to periodic inspections from National Housing Bank ("NHB"). Noncompliance with NHB observations may have a material adverse effect on and our Subsidiary's business, financial condition or results of operation.***

Our Subsidiary, Shriram Housing Finance Limited ("**SHFL**") is subjected to periodic inspections of books of accounts and other records by NHB for verifying the correctness or completeness of any statement, information or particulars furnished to the NHB or for obtaining any information which SHFL may have failed to furnish on being called upon to do so. Any irregularities found during such investigations by such regulatory authorities could similarly, expose us to warnings, penalties and restrictions. During the course of finalization of inspection, regulatory authorities may also share their findings and recommendations with us and give us an opportunity to provide justification and clarifications.

44. ***Our insurance coverage may not adequately protect us against losses.***

We maintain such insurance coverage as we believe is adequate for our operations. Our insurance policies, however, may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. We maintain general liability insurance coverage, including coverage for errors or omissions. We cannot, however, assure you that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim.

A successful assertion of one or more large claims against us that exceeds our available insurance coverage or changes in our insurance policies, including premium increases or the imposition of a larger deductible or co - insurance requirement, could adversely affect our business, financial condition and results of operations.

45. ***We have regional concentration in southern India and western India, and therefore are dependent on the general economic conditions and activities in these areas.***

We have a significant presence in south and west India. Our concentration in the southern and western states exposes us to any adverse geological, ecological, economic and/or political circumstances in that region. If there is a sustained downturn in the economy of south India or west India, or a sustained change in consumer preferences in those regions for any reason including consequences of the COVID-19 pandemic, our financial position may be adversely affected.

46. ***New product / services offered by us may not be successful.***

We introduce new products / services to explore new business opportunities from time to time. We also give business loans to our existing customers to cater to their additional finance needs for diversifying into allied and related business. We cannot assure you that all our new products and services and business ventures and broadening of our loan products and portfolio will always be profitable and this may result in our inability to recover our costs and expenses incurred on these initiatives. Further, our inability to offer new products/services or diversify and grow in new business areas could adversely affect our business and financial performance.

47. ***We may not be able to detect money-laundering and other illegal or improper activities fully or on a timely basis, which could expose us to additional liability and harm our business or reputation.***

We are required to comply with applicable Anti-Money Laundering Laws and Anti-Terrorism Laws and other regulations in India. In the course of our operations, we run the risk of failing to comply with the prescribed Know Your Customer ("**KYC**") procedures and the consequent risk of fraud and money laundering by dishonest customers, despite putting in place systems and controls to prevent the occurrence of these risks. In certain of our activities and in our pursuit of business, we run the risk of inadvertently offering our financial products and services ignoring customer suitability and appropriateness, despite having a Board-approved customer suitability policy and associated processes in place. Such incidents may adversely affect our business and our reputation. Although our Company believes that it has adequate internal policies, processes and controls in place to prevent and detect any activity that would fall foul of anti-money laundering provisions and to ensure KYC compliance, there can be no assurance that our Company will be able to fully control instances of any potential or attempted violation by other parties and may accordingly be subject to regulatory actions including imposition of fines and other penalties. We may accordingly be subject to regulatory actions including imposition of fines and other penalties by the RBI and other relevant governmental authorities to whom we report.

48. ***Our ability to pay dividends will depend on our future earnings, cash flows, working, capital requirements, financial condition, and restrictive covenants under our financing arrangement.***

Any future determination as to the declaration and payment of dividends will be decided by our Board and will be subject to the discretion of the Shareholders. The amount of our future dividend payments, if any, will depend on various factors such as our future earnings, cash flows, financial condition, working capital requirements, capital expenditures, restrictive covenants under our financing documents and in accordance with applicable laws. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on the equity shares. The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or the dividend amounts, if any, in the future. There is no guarantee that any dividends will be paid or that the amount thereof will not be decreased in the future.

49. ***Security breaches of customers' confidential information that we store may expose us to liability and harm our reputation.***

As part of our business, we store and have access to customers' bank information, credit information and other sensitive data. Any accidental security breaches or other unauthorized access to confidential information could expose us to liability related to the loss of the information, legal proceedings and negative publicity. While there have been no such incidents in the past, security measures could be breached by third party actions, intrusion into our software due to flaw in the software by hackers, due to employee error and malfeasance. In addition, we may be required under applicable regulations to notify individuals of data security breaches involving their personal data. Any security breach may cause our customers to lose confidence in the effectiveness of our data security measures, and in turn have an adverse effect on our business, operations, financial condition or cash flows.

50. ***Increase in competition from our peer group in the retail finance sector may result in reduction of our market share, which in turn may adversely affect our profitability.***

Our Company provides loans predominantly in suburban and rural areas in India. We have been increasingly facing competition from domestic and foreign banks and NBFCs operating in the retail finance segment of the industry. Some of our competitors are very aggressive in underwriting credit risk and pricing their products and may have access to funds at a lower cost, wider networks and greater resources than our Company. Our financial condition and results of operations are dependent on our ability to obtain and maintain low cost funds and to provide prompt and quality services to our customers. If our Company is unable to access funds at a cost comparable to or lower than our competitors, we may not be able to offer loans at competitive interest rates to our customers.

As a result of increased competition in our business, the terms of various loans are becoming increasingly standardised. We cannot assure you that we will be able to react effectively to standardisation of credit terms or other market developments or compete effectively with new and existing competitors. Increasing competition may have an adverse effect on our profitability, market share and results of operations. There can be no assurance that we will be able to successfully offer competitive interest rates on our loan products in the future. Increasing competition may also result in slower growth and a reduction in our net interest margin, and consequently may have an adverse effect on our results of operations and financial condition.

51. ***Our risk management policies and procedures may not adequately address unidentified or unanticipated risks.***

We have devoted significant resources to developing our risk management policies and procedures and expect to continue to do so in the future. Despite this, our policies and procedures to identify, monitor and manage risks may not be fully effective. Some of our methods of managing risk are based upon the use of observed historical market behaviour. As a result, these methods may not accurately predict future risk exposures which could be significantly greater than indicated by the historical measures. As we seek to expand the scope of our operations, we also face the risk of inability to develop risk management policies and procedures that are properly designed for those new business areas in a timely manner. Implementation and monitoring may prove particularly challenging with respect to businesses that we have recently initiated. Inability to develop and implement effective risk management policies may adversely affect our business, prospects, financial condition and results of operations.

52. ***We have not independently verified certain industry data in this Placement Memorandum.***

Unless stated otherwise, macroeconomic and industry data used throughout this Placement Memorandum has been obtained from publications prepared by providers of industry information, government sources and multilateral institutions. Such publications generally state that the information contained therein has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although the Issuer believes that industry data used in this Placement Memorandum is reliable, it has not been independently verified.

53. ***Our loans to small enterprises businesses depend on the performance of the small enterprises sector in India, and government policies and statutory and/or regulatory reforms in the small enterprises finance sector.***

The Government of India has from time to time taken economic policy initiatives to promote this sector and enhance credit to small and medium enterprises. Some of the initiatives of the Government to support small enterprise financing include setting up a credit guarantee fund trust for small industries, risk sharing facilities, venture capital funding and micro credit. The small enterprises finance sector currently is catered to largely by public sector banks, public financial institutions and local unorganized private financiers.

Any change in the regulatory requirements in connection with the small enterprise finance sector, change in government policies, slowdown in liberalization and reforms affecting the sector could affect the performance of small enterprises and demand for small enterprise finance, and, in turn, our business and results of operations.

54. ***Our gold loans business could be adversely impacted by RBI requirements in connection with lending against security of gold jewelry.***

Pursuant to the Applicable Law, all NBFC-Ds must (i) maintain an LTV ratio not exceeding 75 % for loans granted against the collateral of gold jewelry, and (ii) disclose in their balance sheet the percentage of such loans to their total assets.

In order to standardize the valuation and make it more transparent to the borrower, gold jewelry accepted as collateral is required to be valued at the average of the closing price of 22 carat gold for the preceding 30 days as quoted by the Bombay Bullion Association Limited or the historical spot gold price data publicly disseminated by a commodity exchange regulated by the Forward Markets Commission. While accepting the gold as collateral, the NBFC-Ds are required to give a certificate to the borrower, on their letter head of having assayed the gold and state the purity (in terms of carats) and the weight of the gold pledged.

There can be no assurance that the regulatory regime governing gold-backed financing by NBFCs will not be made more stringent in the future. Any such developments could adversely impact our gold loans business, thereby affecting our growth, operations, profitability and cash flows.

55. ***Our subsidiary, SHFL being an HFC, has significant exposure to the real estate sector and any negative events affecting this sector could adversely affect our business and result of operations.***

The primary security for the loans disbursed by SHFL is the underlying property; the value of this security is largely dependent on housing market conditions prevalent at that time. The value of the collateral on the loans disbursed by SHFL may decline due to adverse market conditions including an economic downturn or a downward movement in

real estate prices. In the event the real estate sector is adversely affected due to a decline of demand for real properties, changes in regulations or other trends or events, which negatively impact the real estate sector, the value of our collaterals may diminish which may affect our business and results of operations. Failure to recover the expected value of collateral could expose us to losses and, in turn, result in a material adverse effect on our business, results of operations and financial condition.

Any change in government and regulatory policies affecting the real estate sector may also affect demand for our loans, thereby adversely affecting our results of operations. The implementation of the Real Estate (Regulation and Development) Act, 2016 (the "**Real Estate Act**") has imposed significant compliance and reporting requirements on real estate developers, including the mandatory registration of real estate projects, restrictions on issuing advertisements or accepting advances in relation to real estate projects unless such projects are registered with the Real Estate Regulatory Authority and the maintenance of a separate account for depositing 70% of the amounts realized from allottees of each real estate project. Withdrawals can be made from the separate account only to cover the cost of the relevant project, in proportion to the percentage of completion of the project. Owing to the onerous compliance requirements and interpretational ambiguity arising from the Real Estate Act, the activity in the residential real estate segment may be subdued in the short term, leading to a decrease in the demand for our products.

56. ***Borrowing for the purchase or construction of property may not continue to offer borrowers the same fiscal benefits it currently offers and the housing sector may not continue to be regarded as a priority sector by the Government.***

The rapid growth in the housing finance industry in the last decade is in part due to the introduction of fiscal benefits for homeowners. Since the early 1990s, interest and principal repayments on capital borrowed for the purchase or construction of housing have been tax deductible up to certain limits and tax rebates have been available for borrowers of such capital up to specified income levels. There can be no assurance that the Government will continue to offer such tax benefits to borrowers at the current levels or at all. In addition, there can be no assurance that the Government will not introduce tax efficient investment options which are more attractive to borrowers than property investment. The demand for housing and/or housing finance may be reduced if any of these changes occur. The RBI has also provided incentives to the housing finance industry by extending priority sector status to housing loans. In addition, pursuant to Section 36(1)(viii) of the Income Tax Act, 1961, up to 20% of profits from the provision of long-term finance for the construction or purchase of housing, may be carried to a "Special Reserve" and are not subject to income tax. There can be no assurance that the Government will continue to make this fiscal benefit available to housing finance companies. If it does not, this may result in a higher tax outflow. Under its notification no. NHB(ND)/DRS/Policy Circular 65/2014-15 dated August 22, 2014, NHB stipulated that all housing finance companies are required to create and maintain a deferred tax liability on the Special Reserve under Section 36(1)(viii) of the Income Tax Act, 1961.

57. ***In the two-wheeler financing and auto financing segments, we typically rely on third-party original equipment manufacturers ("OEMs") and dealers to offer our products to their potential customers. If they prefer to promote our competitors' products it could affect our growth and adversely affect our results of operations.***

We rely on our non-exclusive relationships with OEMs and dealers to offer our two-wheeler financing and auto-financing products to potential customers. If these parties were to enter into exclusive arrangements with our competitors, or if they were to prefer our competitors' products, it could adversely affect our growth and results of operations.

58. ***Refusal in listing of any security of the Issuer during last three years by any of the stock exchanges in India or abroad***

As of the date of this Placement Memorandum, the Issuer has not been refused in listing of any security during the last 3 (three) financial years and the current financial year by any of the stock exchanges in India or abroad and therefore, this risk factor would not be applicable.

Risks Relating to the Utilization of Issue Proceeds

The Proceeds of the issue will be utilized in accordance with statutory and regulatory requirements (including requirements of RBI) and for on lending to grow the asset book and financing of commercial vehicles and refinancing of existing indebtedness in accordance with the terms and conditions of this Placement Memorandum.

It shall be ensured that the proceeds (a) are used in compliance with the applicable guidelines issued by Reserve Bank of India including SEBI Master Circular on Bank Finance to Non-Banking Financial Companies dated April 3, 2023, as amended from time to time, (b) are used for such purposes that are permitted for bank financing as per the applicable RBI norms and (c) are not permitted to be utilized towards activities like investment in capital markets, real estate, acquisition or purchase of land or for refinancing of debt which was used for the said purpose. The main objects clause of the Memorandum of Association of the Company permits the Company to undertake the activities for which the funds are being raised through the present Issue and also the activities which the Company has been carrying on till date. The management of the Company, in accordance with the policies formulated by it from time to time, will have flexibility in deploying the proceeds received from the issue. The Company shall however ensure compliance with disclosures in relation to the same as required in terms of the SEBI Debt Listing Regulations and other applicable laws.

Risks Relating to the Debentures

1. Changes in interest rates may affect the price of our Debentures.

The price of securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities tend to fall and when interest rates drop, the prices tend to increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of our Debentures.

2. Debentures that are listed or quoted or admitted to trading may not lead to greater liquidity

It is not possible to predict if and to what extent a secondary market may develop in the Debentures or at what price the Debentures will trade in the secondary market or whether such market will be liquid or illiquid. If so specified in this Placement Memorandum, application has been made to list or quote or admit to trading the Debentures on the stock exchange or quotation system(s) specified. If the Debentures are so listed or quoted or admitted to trading, no assurance is given that any such listing or quotation or admission to trading will be maintained. The fact that the Debentures may be so listed or quoted or admitted to trading does not necessarily lead to greater liquidity than if they were not so listed or quoted or admitted to trading. The listing of the Debentures is subject to receipt of the final listing and trading approval from the Stock Exchange.

The Company may, but is not obliged to, at any time purchase the Debentures at any price in the open market or by tender or private agreement where permitted by law. Any Debentures so purchased may be resold or surrendered for cancellation. The more limited the secondary market is, the more difficult it may be for holders of the Debentures to realise value for the Debentures prior to redemption of the Debentures.

3. Changes in government policies and laws in India may adversely affect the Debentures

Future government policies and changes in laws and regulations in India and comments, statements or policy changes by any regulator, including but not limited to the SEBI or the RBI, may adversely affect the Debentures. The timing and content of any new law or regulation is not within the Company's control and such new law, regulation, comment, statement or policy change could have an adverse effect on market for and the price of the Debentures.

4. Political instability or changes in the government could delay further liberalization of the Indian economy and adversely affect economic conditions in India generally

Since 1991, successive Indian governments have pursued policies of economic liberalization. The role of the Central and State Governments in the Indian economy as producers, consumers and regulators has remained significant. If there was to be any slowdown in the economic policies, or a reversal of steps already taken, it could have an adverse effect on the debt market which as such is exposed to the risks of the Indian regulatory and policy regime and also have an impact on global economic market.

5. You may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the Debentures.

Our ability to pay interest accrued on the Debentures and/or the principal amount outstanding from time to time in connection therewith would be subject to various factors inter-alia including our financial condition, profitability and the general economic conditions in India and in the global financial markets. We cannot assure you that we would be able to repay the principal amount outstanding from time to time on the Debentures and/or the interest accrued thereon in a timely manner or at all.

6. Payments to be made on the Debentures will be subordinated to certain tax and other liabilities preferred by law. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the Debentures.

The Debentures will be subordinated to certain liabilities preferred by law such as the claims of the Government on account of taxes, and certain liabilities incurred in the ordinary course of our business. In particular, in the event of bankruptcy, liquidation or winding-up, our Company's assets will be available to pay obligations on the Debentures only after all of those liabilities that rank senior to these Debentures have been paid as per relevant provisions of the Companies Act, 2013. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the Debentures.

7. Any downgrading in credit rating of our Debentures may affect the value of Debentures and thus our ability to raise further debts.

The rating of the Debentures by Rating Agency and/or agencies indicates high degree of safety regarding timely servicing of financial obligations and carrying very low credit risk. The ratings provided by Rating Agency may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions.

Any adverse revisions of our credit rating may adversely impact our ability to raise additional financing, the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our business and financial performance and our ability to obtain financing for lending operations.

8. There may be limited or sporadic trading of the Debentures on the WDM segment of the stock exchange. As a result, the liquidity and market prices of the non-convertible debentures may fail to develop and may accordingly be adversely affected.

There can be no assurance that an active market for the Debentures will develop. If an active market for the Debentures fails to develop or be sustained, the liquidity and market prices of the Debentures may be adversely affected. The market price of the Debentures would depend on various factors inter alia including (i) the interest rate on similar securities available in the market and the general interest rate scenario in the country; (ii) the market for listed debt securities; (iii) general economic conditions; and (iv) our financial performance, growth prospects and results of operations. The aforementioned factors may adversely affect the liquidity and market price of the Debentures, which may trade at a discount to the price at which you purchase the Debentures and/or be relatively illiquid.

9. Risks in relation to maintenance of security cover or full recovery of the security in case of enforcement

In the event that the Issuer is unable to meet its payment and other obligations towards Investors under the terms of the Debentures, the Debenture Trustee may enforce the Security as per the terms of security documents, and other related documents. The Investors recovery in relation to the Debentures will be subject to (i) the market value of such hypothecated property, (ii) finding willing buyers for the hypothecated property at a price sufficient to repay the potential investors amounts outstanding under the Debentures. The value realised from the enforcement of the Security may be insufficient to redeem the Debentures**.**

B. EXTERNAL RISK FACTORS

1. Majority of our business is primarily dependent on the automobile and transportation industry in India.

Our business to a large extent depends on the continued growth in the automobile and transportation industry in India, which is influenced by a number of extraneous factors which are beyond our control, inter-alia including (a)

the macroeconomic environment in India, (b) the demand for transportation services, (c) natural disasters and calamities, and (d) changes in regulations and policies in connection with motor vehicles. Such factors may result in a decline in the sales or value of new and pre-owned Commercial Vehicles. Correspondingly, the demand for availing finance for new and pre-owned commercial vehicles may decline, which in turn may adversely affect our financial condition and the results of our operations. Further, the ability of Commercial Vehicles owners and/or operators to perform their obligations under existing financing agreements may be adversely affected if their businesses suffer as a result of the aforesaid factors.

2. Changes in environmental or other laws may lead to a decline in the sale of vehicles, which could adversely affect our business, results of operations and prospects.

Our Company is engaged in vehicle financing across various states in India. Any regulation passed by either the central Government or any of the state Governments, or any orders of judiciary to ban the sale of a particular segment of vehicles or impose additional taxes on any particular segment of vehicles, could lead to a decline in the sales of such vehicles. For example, the Supreme Court of India imposed a ban on the sale of vehicles not complying with Bharat Emission Standards IV. Such regulatory amendments or orders of the judiciary may lead to a decline in our disbursements and adversely affect our business, results of operations and prospects.

3. Any slowdown in economic growth in India may adversely affect our business, results of operations and financial condition.

Our financial performance and the quality and growth of our business depend significantly on the health of the overall Indian economy, the gross domestic product growth rate and the economic cycle in India. All our assets and employees are located in India, and we intend to continue to develop and expand reach in all parts of the country depending upon the business opportunities. Further, economic developments outside India also adversely affect the Indian economy. Accordingly, our business is affected by domestic and international economic conditions, including rates of economic growth and the impact that such economic conditions have on consumer spending.

As an NBFC, we are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions because the commercial soundness of many financial institutions. This risk, which is sometimes referred to as "systemic risk", may adversely affect financial intermediaries, such as banks with whom we interact. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and adversely affect our business, results of operations and financial condition. As the Indian financial system operates within an emerging market, it faces risks of a nature and extent not typically faced in more developed economies.

Our performance and the growth of our business depends on the performance of the Indian economy and the economies of the regional markets we currently serve. These economies could be adversely affected by various factors, such as political and regulatory changes including adverse changes in liberalization policies, social disturbances, religious or communal tensions, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. Any slowdown in these economies could adversely affect the ability of our customers to afford our services, which in turn would adversely affect our business, results of operations and financial condition.

The current economic downturn has led to an increased level of consumer delinquencies, lack of consumer confidence, decreased market valuations and liquidity, increased market volatility and a widespread reduction of business activity generally, may enhance market volatility. The resulting economic pressure and dampened consumer sentiment may adversely affect our business and our results of operations.

There can be no assurances that government responses to the disruptions in the financial markets will restore consumer confidence, the markets or increase liquidity and the availability of credit. Continuation or worsening of this downturn or general economic conditions may have an adverse effect on our business, liquidity and results of operations.

4. A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely impact us.

One of the direct adverse impacts of the global financial crisis on India has been the reversal of capital inflows and a decline in exports, leading to pressures on the balance of payments and a sharp depreciation of the Indian Rupee

vis-à-vis the U.S. dollar. Any increased intervention by the RBI in the foreign exchange market to control the volatility of the exchange rate may result in a decline in India's foreign exchange reserves and reduced liquidity and higher interest rates in the Indian economy, which could adversely affect our business and our future financial performance.

5. Any downgrading of India's debt rating by an international rating agency could adversely affect our business, results of operations and financial condition.

Any adverse revision to India's credit rating for domestic and international debt by international rating agencies may adversely impact our ability to raise additional finances at favourable interest rates and other commercial terms. For example, Fitch Ratings has recently revised the outlook on India's sovereign ratings from stable to negative, while Moody's Investors Services has downgraded foreign currency and local currency long term issuer ratings to Baa3. This could have an adverse effect on our growth, financial performance and our operations.

6. Civil unrest, acts of violence, including terrorism or war involving India and other countries, could materially and adversely affect the financial markets and our business.

Civil unrest, acts of violence, including terrorism or war, may negatively affect the Indian stock markets and also materially and adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, make travel and other services more difficult and ultimately materially and adversely affect our business. Although the governments of India and neighbouring countries have recently been engaged in conciliatory efforts, any deterioration in relations between India and neighbouring countries might result in investor concern about stability in the region, which could materially and adversely affect our business, results of operations and financial condition.

7. Our business may be adversely impacted by natural calamities, unfavourable climatic changes, health epidemics or pandemics.

Natural disasters such as floods, earthquakes, famines and droughts have in the past had a negative impact on the Indian economy. Further, health epidemics and pandemics like the recent COVID-19 pandemic have also affected the Indian economy negatively. If any such natural disaster, unfavourable climatic changes or health epidemics and pandemics were to occur, our business could be affected due to the event itself or due to the inability to effectively manage the effects of the particular event.

Our operations, including our branch network, may be damaged or disrupted as a result of political instability, natural disasters such as earthquakes, floods, heavy rainfall, epidemics, tsunamis and cyclones and other events such as protests, riots and labour unrest. Such events may lead to the disruption of information systems and telecommunication services for sustained periods. They also may make it difficult or impossible for employees to reach our business locations. Damage or destruction that interrupts our provision of services could adversely affect our reputation, our relationships with our customers, our senior management team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged equipment or rebuild parts of our branch network. Any of the above factors may adversely affect our business, results of operations and financial condition.

8. Companies operating in India are subject to a variety of central and state government taxes and surcharges.

Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, value added tax, turnover tax, service tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. The central or state government may in the future further increase the corporate income tax it imposes. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Additional tax exposure could adversely affect our business and results of operations.

9. Investors may have difficulty enforcing foreign judgments in India against our Company or our management.

Our Company is a limited liability public company incorporated under the laws of India. Most of our Company's directors and executive officers named herein are residents of India and all or a substantial portion of the assets of

our Company and such persons are located in India. As a result, it may not be possible for investors to affect service of process on our Company or such persons in jurisdictions outside of India, or to enforce against them judgments obtained in courts outside of India. In addition, India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. The manner of recognition and enforcement of foreign judgments in India is dependent on whether the country in which the foreign judgment has been pronounced is a reciprocating territory or not. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the Foreign Exchange Management Act, 1999 to execute such a judgment or to repatriate outside India any amount recovered pursuant to execution. Any judgment in a foreign currency would be converted into Indian Rupees on the date of the judgment and not on the date of the payment. The Issuer cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

10. Use of Market Data

Unless stated otherwise, macroeconomic and industry data used throughout this Placement Memorandum has been obtained from publications prepared by providers of industry information, government sources and multilateral institutions. Such publications generally state that the information contained therein has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although the Issuer believes that industry data used in this Placement Memorandum is reliable, it has not been independently verified.

SECTION 3: REGULATORY DISCLOSURES

PART A

This Placement Memorandum is prepared in accordance with the provisions of SEBI Debt Listing Regulations and in this section the Issuer has set out the details required as per Schedule II of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

A. ISSUER INFORMATION

a. Brief summary of the business / activities of the Issuer and its line of business

I. Overview of the business of the Issuer

The Company is registered as a deposit-taking non-banking financial company ("**NBFC**") with the Reserve Bank of India ("**RBI**") under Section 45-IA of the Reserve Bank of India Act, 1934. Shriram Finance Limited is the country's biggest retail NBFC offering credit solutions for commercial vehicles, two-wheeler loans, car loans, home loans, gold loans, personal and small enterprise/ micro, small and medium enterprises ("**MSME**") loans, and a large fixed deposit franchise Pan-India. We are part of the 48-year-old Shriram Group, a financial conglomerate that has emerged as a trusted partner in creating transformative experiences and lasting impressions in customers' lives. Our Company (erstwhile Shriram Transport Finance Company Limited) was incorporated as a public limited company under the provisions of the Companies Act, 1956, by a certificate of incorporation dated June 30, 1979, issued by the Registrar of Companies, Tamil Nadu ("**ROC**"). Our Company commenced its operations, pursuant to a certificate of commencement of business dated October 9, 1979. Subsequently, our Company has obtained a certificate of registration dated September 4, 2000 bearing registration no. A-07-00459 issued by the RBI to carry on the activities of a NBFC under section 45-IA of the Reserve Bank of India Act, 1934, which has been renewed on April 17, 2007 (bearing registration no. 07-00459).

Shriram City Union Finance Limited and Shriram Capital Limited merged with Shriram Transport Finance Company Limited whose name has been changed to Shriram Finance Limited. Powered by cutting-edge technology, Shriram Finance Limited is a digitally mature financial institution that reflects the banking needs of Millennial and Gen-Z customers. The Company offers priority financial services to those in the unbanked and underbanked sectors, expanding our innovative product pipeline at every stage of disruption. The Company has over 7.324 million customers and has an AUM of over INR 1.85 trillion. Shriram Finance has branches, rural centres and outlets in 3,600+ locations and an employee strength of over 60,000 across India as of March 31, 2023. Our Company is also registered with Insurance Regulatory and Development Authority of India as a corporate agent to deal in general insurance and life insurance since 2013.

Our network of branches across India has been a key driver of our growth over the years. As of March 31, 2023, we had 2922 branches across India. We have also established our presence in 732 rural centres as of March 31, 2023. We have also strategically expanded our marketing network and operations by entering into revenue sharing agreements with more than 500 private financiers in the unorganized sector involved in commercial vehicle financing. As of March 31, 2023, the total number of our employees was 64,052.

Our AUM as of March 31, 2023 was Rs. 1,85,682.86 Crore on a standalone basis. Our capital adequacy ratio as of March 31, 2023 computed on the basis of applicable RBI requirements was 22.61% on standalone basis, compared to RBI stipulated minimum requirement of 15.00%. Our capital adequacy ratio as of March 31, 2022 computed on the basis of applicable RBI requirements was 22.97% on a standalone basis, compared to the RBI stipulated minimum requirement of 15.00%. Our Stage 3 Assets as a percentage of Total Loan Assets was 6.21% and our Stage 3 Assets net of Stage 3 Provision as a percentage of Net Loan Assets was 3.19% as of March 31, 2023, compared to 7.07%and 3.67% as of March 31, 2022 on a standalone basis, respectively.

Our Company's Financial Products

We have successfully diversified our product portfolio, which consists of commercial vehicle loans and loans to the small enterprise finance segment, two wheeler loans, loans against gold, auto loans, personal loans and housing finance loans. Within each of these segments, we offer a wide array of products to our customers. Each of our products differs in terms of the average tenure, average yield, average interest rate and average size of loan.

As per our Standalone Financial Statements, as of March 31, 2023, our assets under our management product portfolio comprised of commercial vehicle financing of 50.24%, passenger vehicles 18.24%, construction equipments 7.74%,

Farm equipments 1.87%, MSME 10.29%, Two wheelers 5.58%, Gold 2.41%, Personal loans and other loans 3.60% and 0.03% , respectively of our total AUM.

We believe that our diverse revenue streams reduce our dependence on any particular product, thus enabling us to spread and mitigate our risk exposure to any particular industry, business or customer segment.

As part of our presence in the entire commercial vehicle financing ecosystem, we also provide various types of working capital loans to our customers for the purchase of vehicle parts, tyres, insurance, repairs, etc. in connection with the operation of their trucks and other commercial vehicles. We also offer fuel financing.

Our Customer Base

Commercial Vehicle Segment

Our customer base is predominantly first time buyers ("**FTB**") and small road transport operators ("**SRTOs**"), other commercial vehicle operators and smaller construction equipment operators. We also provide trade finance to commercial vehicle operators. These customers typically have limited access to bank loans for commercial vehicle financing and limited credit histories. Our loans are secured by a hypothecation of the asset financed.

Small Enterprise Finance Segment

Our target customers in the small enterprise finance segment typically consist of self-employed professionals, wholesale and retail dealers, merchants, builders, small and medium scale manufacturing concerns and service providers. Typically, customers avail such borrowings to fund their businesses' expansion and to meet their working capital requirements. Each small enterprise finance loan is typically customized to suit the requirements of the customer after having assessed and understood their business model.

Two-Wheeler Loans

Our target customers in this segment typically include salaried and self-employed individuals in rural and semi urban areas. We also enter into arrangements with OEMs and dealers to offer our financial products to their potential customers, locally or nationwide, as the case may be.

Personal Loans

In the personal loan segment, we target customer segments that do not have easy access to banks or other modes of financing for immediate short- or medium-term funding requirements within reasonable time. Customers typically seek personal loans for medical treatment, education and weddings. Our officials reach out directly to our personal loan customers and visit them at their doorstep to carry out loan origination and credit evaluation, so as to ensure speedy processing of loans.

Housing Finance

We provide housing finance loans through our subsidiary Shriram Housing Finance Limited, which is registered as a non-deposit accepting HFC with the National Housing Bank. We grant housing finance loans for buying, renovating, extending and improving homes.

Miscellaneous

Our Company is also registered with the IRDAI as a corporate agent. Our Company deals in life insurance and general insurance products. Our Company has entered into agreements with Shriram General Insurance Company Limited ("SGIC"), Bajaj Allianz General Insurance Company Limited ("BAGICL") and Go Digit General Insurance Limited ("Go Digit") whereby the Company is appointed as their 'corporate agent' and is authorized to market and solicit insurance products provided by SGIC, BAGICL and Go Digit to its customers and clients subject to the limits prescribed and on the terms and conditions agreed to between the parties.

Our Company's Operations

Customer Origination

Customer Base

Our customer base is predominantly FTBs and SRTOs and other commercial vehicle operators, and smaller construction equipment operators. We also provide trade finance to commercial vehicle operators. These customers typically have limited access to bank loans for commercial vehicle financing and limited credit histories. Our loans are secured by a hypothecation of the asset financed.

Branch Network

As of March 31, 2023, we have a wide network of 2,922 branches across India and 64,052 employees. We have established branches at commercial vehicle hubs along various road transportation routes across India. As of March 31, 2023, all of our branch offices were connected to servers at our corporate office to enable real-time information with respect to our loan disbursement and recovery administration. Our customer origination efforts strategically focus on building long term relationships with our customers and address specific issues and local business requirements of potential customers in a specific region.

Partnership and Co-financing Arrangements with Private Financiers

SRTOs and FTBs generally have limited banking habits and credit history as well as inadequate legal documentation for verification of creditworthiness. In addition, because of the mobile nature of the hypothecated assets, SRTOs and FTBs have limited access to bank financing for pre-owned and new commercial vehicle financing. As a result, the pre-owned truck financing market in India is dominated by private financiers in the 43 unorganised sector. We have strategically expanded our marketing and customer origination network by entering into revenue sharing agreements with private financiers across India involved in commercial vehicle financing.

We enter into strategic revenue sharing agreements with private financiers ranging from individual financiers to small local private financiers, including other NBFCs. We have established a stable relationship with our revenue sharing partners through our extensive branch network. As a result of the personnel-intensive requirements of our business model, we rely on revenue sharing arrangements to effectively leverage the local knowledge, infrastructure and personnel base of our revenue sharing partners.

Our revenue sharing partners source applications for pre-owned and new commercial vehicle financing based on certain assessment criteria we specify, and are generally responsible for ensuring the authenticity of the customer information and documentation. The decision to approve a loan is, however, at our discretion. Our revenue sharing partners may directly arrange financing for such customer or approach another financier in connection with the proposed financing.

Our revenue sharing partners are responsible for obtaining all necessary documentation in connection with the loan proposals they originate. Revenue sharing partners are responsible for collection of instalments and penalties for all customers they originate. Revenue sharing partners are also responsible for any repossession of vehicles in the event of a default of a loan by customers they originate. However, the hypothecation of the vehicles financed are in the favour of our Company and not in the favour of our revenue sharing partners.

A typical revenue sharing arrangement involves the revenue-sharing ratio, amounts payable as quarterly advance payments to the revenue sharing partner, and details related to the retention of earnest money. Specifically, we typically stipulate a certain income-sharing arrangement on the interest on the loan, net of our cost of funding. Since the revenue sharing partner's share of income is only determined upon settlement of the individual loan contracts, we typically release quarterly advance payments to our revenue sharing partner. These payments are net of the earnest money deposit, which represents a pre-agreed percentage of the partner's revenue share. We allocate the earnest money towards a loan loss pool, as well as for business expansion purposes. Loan loss is typically calculated as our loss on principal and reimbursed expenses on loans from customers sourced by the revenue sharing partner, with interest at the rate of our cost of funds. The loss is shared between the parties in the same proportion as income. The parties usually stipulate that the amount available as earnest money deposit is in excess of a certain percentage of future receivables and may be withdrawn by the revenue sharing partner.

Other Marketing Initiatives

We continue to develop innovative marketing and customer origination initiatives specifically targeted at FTBs and SRTOs.

Revenue Sharing Agreements with Private Financiers

We believe that SRTOs and FTBs in India generally have limited banking habits and credit history as well as inadequate legal documentation for verification of creditworthiness. In addition, because of the mobile nature of the hypothecated assets, SRTOs and FTBs may have limited access to bank financing for pre-owned and new commercial vehicle financing. As a result, the pre-owned truck financing market in India is dominated by private financiers in the unorganised sector. We have strategically expanded our marketing and customer origination network by entering into revenue sharing agreements with more than 500 private financiers, as of March 31, 2023, located across India involved in commercial vehicle financing. We have established a stable relationship with our revenue sharing partners through our extensive branch network. As a result of the personnel-intensive requirements of our business model, we rely on revenue sharing arrangements to effectively leverage the local knowledge, infrastructure and personnel base of our revenue sharing partners.

In our typical revenue sharing agreements with our revenue sharing partners, we ensure that the revenue sharing partner sources the applications for pre-owned and new commercial vehicle financing based on certain assessment criteria we specify, and is generally responsible for ensuring the authenticity of the customer information and documentation. The decision to approve a loan is, however, at our discretion.

Branding/ advertising

We use the brand name "Shriram" for marketing our products pursuant to a license agreement dated November 21, 2014 between our Company and Shriram Ownership Trust ("SOT"), as amended in terms of agreement dated March 18, 2016 and novated in terms of the deed of novation cum amendment dated May 17, 2019 entered into between our Company, SOT and Shriram Value Services Limited ("SVS"). We believe that our brand is well recognised in India. We have launched various publicity campaigns through print and other media specifically targeted at our target customer profile, FTBs and SRTOs, to create awareness of our product features, including our speedy loan approval process, with the intention of creating and enhancing our product identity. We believe that our emphasis on product promotion will be a significant contributor to our results of operations in the future.

Customer Evaluation, Credit Appraisal and Disbursement

Due to our customer profile, in addition to a credit evaluation of the borrower, we rely on guarantor arrangements, the availability of security, referrals from existing relationships and close client relationships in order to manage our asset quality. All customer origination and evaluation, loan disbursement, loan administration and monitoring as well as loan recovery processes are carried out by our relationship executives. We do not utilise or engage direct selling or other marketing and distribution agents or appraisers to carry out these processes. We follow certain procedures for the evaluation of the creditworthiness of potential borrowers. The typical credit appraisal process is described below:

Initial Evaluation

When a customer is identified and the requisite information for a financing proposal is received, a branch manager or relationship executive meets with the customer to assess the customer's loan requirements and creditworthiness. The proposal form requires the customer to provide information on the customer's age, address, employment details and annual income, as well as information on outstanding loans and the number of commercial vehicles owned. The customer is required to provide proof of identification and residence for verification purposes. In connection with the loan application, the customer is also required to furnish a guarantor, typically another commercial vehicle owner, preferably an existing or former customer. Detailed information relating to the guarantor is also required.

For pre-owned commercial vehicles, our executives prepare a vehicle inspection and evaluation report to ascertain, among other matters, the registration details of the vehicle, as well as its condition and market value. A field investigation report is also prepared relating to the place of residence and of various movable and immovable properties of the customer and the guarantor. Each application also requires two independent references to be provided.

Credit Policies

We follow stringent credit policies to ensure the asset quality of our loans and the security provided for those loans. Any deviation from such credit policies in connection with a loan application requires prior approval. Our credit policies include the following:

In connection with any secured retail or small enterprise loan (other than loans secured by gold), we generally require immovable or movable property to be provided as security for the value of the loan amount and conduct appropriate legal diligence and valuation of such properties. In cases where the borrower is unable to provide property as security, the borrower is required to furnish a guarantee from an acceptable guarantor.

For our two-wheeler and vehicle loans, the two-wheeler or vehicle is hypothecated in favour of our Company until closure of the loan.

With respect to gold loans, the principal form of security we accept is gold ornaments. We typically do not extend loans against bullion, gold bars, coins or biscuits. The amount that we finance against gold is typically based on a fixed rate per gram of gold content in the jewellery. We appraise gold jewellery based on pre-defined policies and solely based on its gold content, without factoring in production cost, style, brand or value of any gemstones. Each business outlet offering gold loans has designated executives for gold appraisal who operate under a clear policy regarding their function and responsibilities. We generally lend between 50% and 60% of the price of gold as arrived at in line with the guidelines of RBI, and our loan amount is generally lower than the guidelines prescribed by RBI.

We finance vehicles that are used for commercial purposes. As these are income-generating assets, we believe that this asset type reduces our credit risk. Our loans include hypothecations in our favour. Loans must be secured by the personal guarantee of the borrower as well as at least one third party guarantor. The guarantor must be a commercial vehicle owner, preferably our existing or former customer, and preferably operating in the same locality as the borrower. Comprehensive insurance is required. We typically extend loans to vehicles that are less than 12 years but age limit may vary as per usability in specific geographies.

The maximum period for repayment in case of assets shall not be more than 84 months. Security received from the borrower is released on repayment of all dues or on collection of the entire outstanding loan amount, provided no other existing right or lien for any other claim exists against the borrower.

Approval Process

The branch manager evaluates the loan proposal based on supporting documentation and various other factors. The primary criteria for approval of a loan proposal is based on the guarantee provided by another commercial vehicle operator, preferably an existing or previous customer, as well as the valuation of the asset to be secured by the loan. In addition, our branch managers may also consider other factors in the approval process, such as length of residence, past repayment record and income sources.

The branch manager is authorised to approve a loan if the proposal meets the criteria established for the approval of a loan. We inform the customer of the outcome of the approval process, as well as the amount of loan approved, the terms and conditions of such financing, including the rate of interest (annualised) and the application of such interest during the tenure of the loan. A sanction letter is issued to the borrower incorporating all the financial details such as the loan amount, tenure and rate of interest and the loan disbursement takes place only on getting the sanction letter duly accepted by the borrower.

A chassis print of the vehicle is also obtained and maintained in the loan file. The relevant RTO endorsement forms are also required to be executed by the borrower prior to the disbursement of the loan. Prior to the loan disbursement, the loan officer ensures that a KYC checklist is completed by the Applicant. The loan officer verifies such information provided and includes such records in the relevant loan file. The loan officer is also required to ensure that the contents of the loan documents are explained in detail to the borrower, either in English or in the local language of the borrower, and a statement to such effect is included as part of the loan documentation. The borrower is provided with a copy of the loan documents executed by him.

Disbursement

Margin money and other charges are collected prior to loan disbursements. The disbursing officer retains evidence of the customer's acceptance of the terms and conditions of the loan as part of the loan documentation. Our Company has initiated steps to encourage the customers to make payments of loan instalments through internet banking and card payment.

Loan administration and monitoring

The borrower and the relevant guarantor are required to execute a standard form of Loan cum Hypothecation Agreement setting out the terms of the loan. A loan repayment schedule is attached as a schedule to the Loan cum Hypothecation Agreement, which generally sets out monthly repayment terms. The Loan cum Hypothecation Agreement also requires a promissory note to be executed containing an unconditional promise of payment to be signed by both the borrower and the relevant guarantor. A power of attorney authorising, among others, the repossession of the hypothecated vehicle upon loan payment default, is also required to be executed.

We provide payment options: cash, cheque, demand draft, mobile wallets, UPI, NACH and USSD. Repayments are made in monthly instalments. Loans disbursed are recovered from the customer in accordance with the loan terms and conditions agreed with the customer. As a service to our customers, our relationship executives offer to visit the customers on the payment date to collect the instalments due. We track loan repayment schedules of our customers, on a monthly basis, based on the outstanding tenure of the loans, the number of instalments due and defaults committed, if any. This data is analysed based on the vehicles financed and location of the customer.

Our management information system (**MIS**) department and centralised operating team monitors compliance with the terms and conditions for credit facilities. We monitor the completeness of documentation and creation of security through regular visits to our branches by our regional as well as head office executives and internal auditors. All borrower accounts are reviewed at least once a year, with a higher frequency for larger exposures and delinquent borrowers. Our lending team reviews collections regularly, personally contacts borrowers that have defaulted on their loan payments and conducts day-to-day operations including collection of instalments from 150 to 200 borrowers each, depending on territorial dispersal. Each branch customarily limits its commercial vehicle financing loans to approximately 1,500 customers, which enables closer monitoring of receivables. A new branch is opened to handle additional customers beyond that limit to ensure appropriate risk management. Close monitoring of debt servicing efficiency enables us to maintain high recovery ratios.

Collection and Recovery

We believe that our loan recovery procedure is particularly well suited to our target market in the commercial vehicle financing industry, as reflected by our high loan recovery ratios. The entire collection operation is administered in-house and we do not outsource loan recovery and collection operations. In the case of default, the reasons for the default are identified by the local relationship executive and appropriate action is initiated, such as requiring partial repayment and/or seeking additional guarantees or collateral.

For every 30 days of delay in loan instalment payments, the matter is escalated to our branch managers. In the event of a default on three loan instalments, the branch manager is required to make a personal visit to the borrower to determine the gravity of the loan recovery problem and provide suitable solutions.

We may initiate the process for repossession of the vehicle in the event of a default. Branch managers are trained to repossess vehicles and no external agency is involved in such repossession. Repossessed vehicles are held at designated secured facilities for eventual sale. The notice to the customer specifies the outstanding amount to be paid within a specified period, failing which the vehicle may be disposed of. In the event that there is a shortfall in the recovery of the outstanding amount from the sale of the vehicle, legal proceedings against the customer may be initiated.

The laws governing the registration of motor vehicles in India effectively establish vehicle ownership, as well as the claims of lenders. As a result, vehicle repossession in the event of default is a relatively uncomplicated procedure, such that the possibility of repossession provides an effective deterrent against default.

ASSET QUALITY

Our Company being an NBFC is covered by Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 and is required to comply with Ind AS for the preparation of their financial statements. Our Company records allowance for ECL for all loans, other debt financial instruments not held at fair value through profit and loss account.

Impairment of Financial Assets

The Expected Credit Loss ("**ECL**") allowance is based on the credit losses expected to arise over the life of the asset (the "**Lifetime ECL**"), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on 12 months expected credit loss ("**12 month ECL**").

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of the financial instrument. The 12 month ECL is the portion of Lifetime ECL that represents the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both Lifetime ECL and the 12 month ECL are calculated on collective basis grouped based on its loan portfolio into SME business loans, secured loans for new vehicles, secured loans for used vehicles, secured loans for equipment finance loans, etc.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since its initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Company does the assessment at the borrower level. If a borrower has various facilities having different past dues status, then the highest days past due is considered to be applicable for all the facilities of that borrower. Based on the above principal, the company categorizes its loans into Stage 1, Stage 2 and Stage 3 as described below:

The Company classifies all standard advances up to 30 days default period under Stage 1 where there has not been a significant increase in credit risk since its initial recognition or low credit risk at the reporting date and that are not credit impaired upon origination. All the exposures where there has been a significant increase in credit risk since its initial recognition but are not credit impaired are classified under Stage 2. Thirty days past due is considered as a significant increase in credit risk. All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified as Stage 3. For exposure that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying effective interest rate to be amortized cost (net of provision) rather than the gross carrying amount.

RBI has by its notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020, issued instructions and guidelines relate to specific prudential aspects of Ind AS implementation by NBFCs. As per the said notification, NBFCs shall hold impairment allowances as required by Ind AS. In parallel NBFCs shall also maintain the asset classification and compute provisions as per extant prudential norms on Income Recognition, Asset Classification and Provisioning ("**IRACP**") including borrower/beneficiary wise classification, provisioning for standard as well as restructured assets, NPA ageing, etc. A comparison between provisions required under IRACP and impairment allowances made under Ind AS 109 should be disclosed by NBFCs/ARCs in the notes to their financial statements to provide a benchmark to their Boards, RBI supervisors and other stakeholders, on the adequacy of provisioning for credit losses.

The following table sets forth, data regarding our Stage 3 Assets and capital adequacy ratios as per our Standalone Financial Statements:

(Rs. in crore)

	As on September 30, 2023 (SFL)	As on March 31, 2023 (SFL)	As on March 31, 2022 (STFC)	As on March 31, 2021 (STFC)
Stage 3 Assets	11,556.32	11,382.18	8,887.55	8,292.81
Stage 3 Asset net of Stage 3 Provision	5,420.17	5,674.86	4446.05	4,806.68
Total Loan Assets as per Ind AS (gross of Provisions) (1)	1,99,594.70	1,83,338.36	125,699.03	1,16,191.59
Net Loan Assets as per Ind AS (Net of Provisions) (2)		1,77,663.50	116,665.15	1,12,705.46

	As on September 30, 2023 (SFL)	As on March 31, 2023 (SFL)	As on March 31, 2022 (STFC)	As on March 31, 2021 (STFC)
Stage 3 Assets as a percentage of Total Loan Asset As per Ind AS (per cent.) (3)	5.80%	6.21%	7.07%	7.06%
Stage 3 Asset net of Stage 3 Provision as a percentage of Net Loan Assets as per Ind AS (per cent.) (4)	2.80%	3.19%	3.67%	4.26%
Tier I Capital Adequacy Ratio (per cent.)	21.06%	21.20%	20.70%	19.94%
Tier II Capital Adequacy Ratio (per cent.)	1.10%	1.41%	2.27%	2.56%

Note - The figures for the period after the appointed date for the merger of STFC and the Merged Entities (i.e. April 01, 2022) have been restated to take the effect of merger and are therefore not comparable with figures of STFC for the corresponding previous year periods or previously reported figures of STFC for the said quarters.

(2) *SFL means Shriram Finance Limited*

(3) STFC means Shriram Transport Finance Company Limited

(4) Merged Entities means Shriram Capital Limited and Shriram City Union Finance Limited

(1) Total Loan Assets as per Ind AS (gross of provisions): Secured hypothecation loans, other secured loans, retained interest on securitisation, unsecured loans and unsecured advance for hypothecation loans and includes accrued interest on loans given, unamortised loan origination cost and net of unamortised processing fee as determined under Ind AS excluding provisions.

(2) Net Loan Assets as per Ind AS (Net of Provisions): Secured hypothecation loans, other secured loans, retained interest on securitisation, unsecured loans and unsecured advance for hypothecation loans and includes accrued interest on loans given, unamortised loan origination cost and net of unamortised processing fee as determined under Ind AS as adjusted for ECL provisions.

(3) Stage 3 Assets as a percentage of Loan Book As per Ind AS: Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under Ind AS.

(4) Stage 3 Assets net of Stage 3 Provision.

As per our Standalone Financial Statements, our Stage 3 Assets as a percentage of total loan assets was 5.80% and 6.21% as at September 30, 2023 and March 31, 2023 respectively and our net Stage 3 Assets as a percentage of net loan assets was 2.80% and 3.19% as at September 30, 2023 and March 31, 2023 respectively. We believe that our eventual write offs are relatively low because of our relationship-based customer origination and customer support, prudent loan approval processes (including adequate collateral being obtained), and our ability to repossess and dispose of such collateral in a timely manner.

Other Business Initiatives

Our Company has entered into agreements with three petroleum retailers, wherein our Company has agreed to provide credit facilities to customers to enable them to purchase automotive fuels and lubricants from the retail outlets of these companies. In terms of these agreements, our Company conducts an assessment of the credibility of an applicant and sanctions credit limits, pursuant to which such members are eligible to purchase fuel and lubricants at retail outlets basis the credit limits sanctioned by our Company.

Funding Sources

We have expanded our sources of funds in order to reduce our funding costs, protect interest margins and maintain a diverse funding portfolio that will enable us to achieve funding stability and liquidity. Our sources of funding comprise term loans (including term loans from banks and financial institutions), cash credit from banks, redeemable non-convertible debentures, subordinated bonds, short-term commercial paper and inter-corporate deposits. Our Company also mobilises fixed deposits. As per our Standalone Financial Statements, as of September 30, 2023, we had an outstanding secured debt of Rs. 1,18,294.31 crore and unsecured debt of Rs. 47,050.04 crore, which were Rs. 1,17,155.00 crore and Rs. 40,751.29 crore as of March 31, 2023, respectively.

Borrowings

The following table sets forth the principal components of our secured borrowings, as per our Standalone Financial Statements:

(Rs. in crore except percentage)

Particulars	As on September 30, 2023 (SFL)		As on March 31, 2023 (SFL)		As on March 31, 2022		As on March 31, 2021	
	Amount	%	Amount	%	Amount	%	Amount	%
Senior secured notes	0	-	894.73	0.76	891.40	1.01	888.35	1.05
External commercial bond – Secured	10702.42	9.05	12513.28	10.68	19,011.29	16.60	17,779.55	20.95
Redeemable non-convertible debentures – Secured								
- Privately placed	27117.87	22.92	27648.08	23.60	18,768.05	21.36	15,153.29	17.85
- Public issue	1642.21	1.39	2508.89	2.14	2,500.63	2.85	5,776.24	6.81
Term loans Secured								
Term loan from banks – INR	32237.24	27.25	31900.26	27.23	16,755.62	19.07	13,304.70	15.67
Term loan from financial institutions/corporates – INR	10064.77	8.51	9296.56	7.94	5,685.24	6.47	3,783.20	4.46
External commercial borrowing – FCNR	10862.66	9.18	9828.01	8.39	4,243.13	4.83	4,122.49	4.86
Term loan fro– banks - INR - Securitization	25002.92	21.14	22106.09	18.87	19,538.08	22.24	23,403.60	27.57
Loans repayable on demand from Banks (Cash Credit from banks)	664.22	0.56	459.10	0.39	454.86	0.52	667.38	0.79
Total secured borrowings	**118294.31**	**100.00**	**117155.00**	**100.00**	**87,848.30**	**100**	**84,878.80**	**100**

Note - (1) The figures for the period after the appointed date for the merger of STFC and the Merged Entities (i.e. April 01, 2022) have been restated to take the effect of merger and are therefore not comparable with figures of STFC for the corresponding previous year periods or previously reported figures of STFC for the said quarters.
(2) *SFL means Shriram Finance Limited*
(3) STFC means Shriram Transport Finance Company Limited
(4) Merged Entities means Shriram Capital Limited and Shriram City Union Finance Limited

Increasingly, we depend on term loans from banks and the issue of redeemable non-convertible debentures as the primary sources of our funding. We believe that we have developed stable long term relationships with our lenders, have established a track record of timely servicing of our debts, and have been able to secure fixed rate long term loans of three to five years tenure to stabilise our cost of borrowings.

As per our Standalone Financial Statements, as of September 30, 2023; the aggregate outstanding amount of secured redeemable non-convertible debentures was Rs. 28,760.08 crore as compared to Rs. 30,156.97 crore as of March 31, 2023.

Our short-term fund requirements are primarily funded by cash credit from banks, including working capital loans. Cash credit from banks outstanding, as of September 30, 2023 was Rs. 664.22 crore while as of March 31, 2023, it was Rs. 459.10 crore.

The following table sets forth the principal components of our unsecured borrowings as per our Standalone Financial Statements:

(Rs. in crore except percentag)

Particulars	As on September 30, 2023 (SFL)		As of March 31, 2023 (SFL)		As of March 31, 2022		As of March 31, 2021	
	Amount	%	Amount	Amount	Amount	%	Amount	%
Redeemable non-convertible debentures – Unsecured								
- Privately placed	93.4	0.19	87.61	0.21	85.18	0.32	464.44	2.18
Deposits								
i. Public deposits	39390.74	83.72	34671.99	85.08	20190.08	75.76	15,790.71	74.07
ii. From corporate	1411.3	3.00	1467.84	3.60	1,729.76	6.49	392.11	1.84
iii. From others (Inter-corporate deposits from associate)	-	-	0.00	-	29.14	0.11	49.59	0.23
Subordinated debt	4373.20	9.30	4523.85	11.10	4614.25	17.32%	4,620.76	21.68
Commercial papers – Unsecured	1781.40	3.79						
Total unsecured borrowings	**47050.04**	**100.00**	**40,751.29**	**100.00**	**26,648.41**	**100.00**	**21,317.61**	**100.00**

As per our Standalone Financial Statements, as of September 30, 2023, our outstanding subordinated debt amounted to Rs. 4373.20 crore which stood at Rs. 4523.85 crore as of March 31, 2023. The debt is subordinated to our present and future senior indebtedness.

Securitisation and Assignment of Portfolio against Financing Activities

We also undertake securitisation and assignment transactions to increase our capital adequacy ratio, increase the efficiency of our loan portfolio and as a cost-effective source of funds. We sell part of our assets under financing activities from time to time through securitisation and assignment transactions as well as direct assignment. Our securitisation and assignment transactions involve provision of additional collateral and deposits or bank/corporate guarantee.

We continue to provide administration services for the securitised and assigned portfolio, the expenses for which are provided for at the outset of each transaction. The gains arising out of securitisation and assignment, which vary according to a number of factors such as the tenor of the securitised and assigned portfolio, the yield on the portfolio securitised and assigned and the discounting rate applied, are treated as income over the tenure of agreements as per RBI guidelines on securitisation of standard assets. Loss, if any is a recognized upfront.

Treasury Operations

Our treasury operations are mainly focused on meeting our funding requirements and managing short-term surpluses. Our fund requirements are currently predominantly met through loans and by issue of debentures to banks, financial institutions and mutual funds. We also place commercial paper and mobilise retail fixed deposits (including secured non-convertible debentures) and inter-corporate deposits. We have also raised subordinated loans eligible for Tier II capital. We believe that through our treasury operations, we are able to maintain our ability to repay borrowings as they mature and obtain new loans at competitive rates.

Our treasury department undertakes liquidity management by seeking to maintain an optimum level of liquidity and complying with the RBI requirement of asset liability management. The objective is to ensure the smooth functioning of all our branches and at the same time avoid the holding of excessive cash. Our treasury maintains a balance between interest-earning liquid assets and cash to optimise earnings.

Our treasury department also manages the collection and disbursement activities from our corporate office in Mumbai. We actively manage our cash and funds flow using various cash management services provided by banks. As part of

our treasury activities, we also invest our surplus funds in fixed deposits with banks, liquid debt-based mutual funds and government securities. Our investments are made in accordance with the investment policy approved by the Board.

Our investments are predominantly in government securities, mutual funds, bank fixed deposits and certificates of deposit with banks.

Capital Adequacy

We are subject to the capital adequacy ratio ("**CAR**") requirements prescribed by the RBI. We are currently required to maintain a minimum CAR of 15.00%, as prescribed under the Master Directions on Non-Banking Financial Company-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time, based on our total capital to risk-weighted assets. All deposit taking NBFCs have to maintain a minimum capital ratio, consisting of Tier I and Tier II capital, which shall not be less than 15.00% of its aggregate risk-weighted assets on balance sheet and risk adjusted value of off-balance sheet items. We ordinarily maintain capital adequacy higher than the statutorily prescribed CAR. As of September 30, 2023, our CAR computed on the basis of applicable RBI requirements was 22.15% compared to the minimum capital adequacy requirement of 15.00% stipulated by the RBI.

The following table sets out the capital adequacy ratios derived from Ind AS on a standalone basis as on September30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021:

Particulars	As of September 30, 2023 (SFL)	As of March 31, 2023 (SFL)	As of March 31, 2022 (STFC)	As of March 31, 2021 (STFC)
Capital adequacy ratio (per cent.)	22.15%	22.61%	22.97%	22.50%
Tier I Capital Adequacy Ratio (per cent.)	21.06%	21.20%	20.70%	19.94%
Tier II Capital Adequacy Ratio (per cent.)	1.10%	1.41%	2.27%	2.56%

Given the relatively minimal scale of our present operations in our other business lines such as corporate agency for insurance, we do not directly compete with others in these segments. However, as our operations in our other business lines expand, we may face significant competition in these segments in future.

Competition

In our principal business line, the pre-owned commercial vehicle financing sector, we experience competition from private unorganised financiers that principally operate in the local market. These private operators have significant local market expertise, but lack brand image and organizational structure. For new commercial vehicle financing, we compete with more conventional lenders, such as banks and other NBFCs. Given the relatively minimal scale of our present operations in our other business lines, we do not directly compete with others in these segments. However, as our operations in our other business lines expand, we may face significant competition in these segments in future.

Credit Rating

The following table sets forth certain information with respect to our credit ratings as on March 31, 2023:

Credit Rating Agency	Instruments	Ratings as on March 31, 2023
CARE	Commercial Paper	CARE A1+
CARE	Non-convertible debentures	CARE AA+/Stable
CARE	Subordinated debt	CARE AA+/Stable
CRISIL	Bank Loan Long-term	CRISIL AA+/Stable
CRISIL	Bank Loan Short-term	CRISIL A1+

CRISIL	Non-convertible debenture	CRISIL AA+/Stable
CRISIL	Long Term Principal Protected Market Linked Debentures	CRISIL PP-MLD AA+r/Stable
CRISIL	Short term debt	CRISIL A1+
CRISIL	Subordinated debt	CRISIL AA+/Stable
Fitch Ratings	Long-Term Issuer Default Rating	BB/ Stable
Fitch Ratings	Offshore Rupee Denominated Bond (Masala Bond)	BB
Fitch Ratings	U.S. Dollar Senior Secured Notes	BB
Fitch Ratings	Short-Term Issuer Default Rating	B
Fitch Ratings	Local Currency Long Term Issuer Default Rating	BB/ Stable
ICRA	Fixed deposit	[ICRA] AA+ (Stable)
ICRA	Non-convertible debenture	ICRA AA+ (Stable)
India Ratings & Research Private Limited	Commercial Paper	IND A1+
India Ratings & Research Private Limited	Non-convertible debenture	IND AA+/Stable
India Ratings & Research Private Limited	Subordinated debt	IND AA+/Stable
India Ratings & Research Private Limited	Dual Recourse Market Linked Debentures	IND PP-MLD AAA(CE)emr'/ Stable
India Ratings & Research Private Limited	Dual Recourse Bond	IND AAA (CE)/Stable
India Ratings & Research Private Limited	Fixed deposit	IND AA+/Stable
Standard & Poor's Ratings	Offshore Rupee Denominated Bond (Masala Bond)	BB-
Standard & Poor's Ratings	U.S. Dollar Senior Secured Notes	BB-
Standard & Poor's Ratings	Short-Term Issuer Credit Rating	B
Standard & Poor's Ratings	Long-Term Issuer Credit Rating	BB-/ Stable

The rating of the long term and short term instruments by Rating Agency and/or Agencies indicates high degree of safety regarding timely servicing of financial obligations and carrying very low credit risk.

Risk Management

We have developed a strong risk-assessment model in order to maintain healthy asset quality. The key risks and risk-mitigation principles we apply to address these risks are summarized below:

Interest Rate Risk

Our results of operations are dependent upon the level of our net interest margins. Net interest income is the difference between our interest income and interest expense. Since our balance sheet consists of rupee assets and predominantly Rupee liabilities, movements in domestic interest rates constitute the primary source of interest rate risk. We assess and manage the interest rate risk on our balance sheet through the process of asset liability management. We borrow funds at fixed and floating rates of interest, while we extend credit at fixed rates. In the absence of proper planning and

in a market where liquidity is limited, our net interest margin may decline, which may impact our revenues and ability to exploit business opportunities.

We have developed stable long-term relationships with our lenders, and established a track record of timely servicing our debts. This has enabled us to become a preferred customer with most of the major banks and financial institutions with whom we do business. Moreover, our valuation capabilities enable us to invest in good quality assets with stable, attractive yields. Significantly, our loans are classified as priority sector assets by the RBI, such that these loans, when securitised, find a ready market with various financial institutions, including our lenders.

Liquidity Risk

Liquidity risk arises due to non-availability of adequate funds or non-availability of adequate funds at an appropriate cost, or of appropriate tenure, to meet our business requirements. This risk is minimised through a mix of strategies, including asset securitisation and assignment and temporary asset liability gap.

We monitor liquidity risk through our asset liability management (ALM) function with the help of liquidity gap reports. This involves the categorisation of all assets and liabilities into different maturity profiles, and evaluating these items for any mismatches in any particular maturities, especially in the short-term. The ALM policy has capped the maximum mismatches in the various maturities in line with RBI guidelines and ALCO guidelines.

To address liquidity risk, we have developed expertise in mobilising long-term and short-term funds at competitive interest rates, according to the requirements of the situation. For instance, we structure our indebtedness to adequately cover the average three-year tenure of loans we extend. As a matter of practice, we generally do not deploy funds raised from short-term borrowing for long-term lending.

Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit department of the Company. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting.
The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties.

The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

Cash management risk

Our branches collect a substantial amount of our customers' payments in cash. Lack of proper cash management practices could lead to losses. To address cash management risks, we have developed advanced cash management checks that we employ at every level to track and tally accounts. Moreover, we conduct regular audits to ensure the highest levels of compliance with our cash management systems. Customers are gradually migrating towards non- cash payment modes such as NACH and Digital. Customers can use "MyShriram" app on their smartphones or create a login under "Customer online" option on the Company website http://www.stfc.in and make loan repayments. We are educating our customers for EMI payment through payment gateways and payments through debit cards by swiping them in our POS machines at the branches.

Employees

As of March 31, 2023, the total number of our employees was 64,052.
We have built a highly capable workforce primarily by recruiting fresh graduates. As our business model requires an entrepreneurial approach in dealing with truck operators, we prefer to recruit and train fresh graduates in achieving our

objectives. Moreover, we prefer to recruit our workforce from the area in which they will be serving our customers, in order to benefit from the workforce's knowledge of the local culture, language, preferences and territory. We emphasise both classroom training and on-the-job skills acquisition. Post recruitment, an employee undergoes induction training to gain an understanding of our Company and our operations. Our relationship executives are responsible for customer origination, loan administration and monitoring as well as loan recovery, which enables them to develop strong relationships with our customers. We believe our transparent organisational structure ensures efficient communication and feedback and drives our performance-driven work culture.

In a business where personal relationships are an important driver of growth, relationship executive attrition may lead to loss of business. We therefore endeavour to build common values and goals throughout our organisation, and strive to ensure a progressive career path for promising employees and retention of quality intellectual capital in our Company. We provide a performance-based progressive career path for our employees. For instance, we introduced an employee stock option plan in 2005 for eligible employees. We believe our attrition rates are among the lowest in the industry at managerial levels.

Intellectual Property

Pursuant to a license agreement dated November 21, 2014 between our Company and Shriram Ownership Trust ("SOT"), as amended in terms of agreement dated March 18, 2016 and novated in terms of the deed of novation cum amendment dated May 17, 2019 entered into between our Company, SOT and Shriram Value Services Limited ("SVS"), we are entitled to use the brand name "Shriram" and the associated mark. In this regard, our Company had to pay royalty to SOT until September 30, 2019 and currently to SVS (since SOT had gifted all its intellectual property in the brand name "Shriram" and its associated marks to SVS, the royalty for the same commencing from September 30, 2019 is payable to SVS) on the gross turnover of our Company. Along with the royalty, our Company also was required to pay to SOT (until September 30, 2019) and now SVS (commencing from September 30, 2019) amounts by way of reimbursement of actual expenses incurred by SOT / SVS in respect of protection and defence of the copyright. The license agreement is valid until September 30, 2024, after which the agreement will be automatically renewed for a further period of five years on the same terms, unless otherwise decided by both parties or upon occurrence of a breach by either party of the material terms of the license arrangement. The agreement is not terminable unless mutually agreed by both parties.

Technology

We use information technology as a strategic tool in our business operations to improve our overall productivity. We believe that our information systems enable us to manage our nationwide operations network well, as well as to effectively monitor and control risks.

Our Company has various security controls in place to mitigate risks and safeguard the Company against security breaches and technological lapses, including established disaster recovery centres located in different seismic zones, periodic upgrading of servers and data storage, accreditation from the International Organisation for Standardisation for our Company's information security management system and regular audits.

All our branches are online, connected through a virtual private network with our central server located at our data centre.

Property

Our registered office is at Sri Towers, 14A, South Phase, Industrial Estate, Guindy, Chennai – 600 032, Tamil Nadu, India. Our corporate office is at Wockhardt Towers, Level 3, West Wing, C-2, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, India. As of March 31,2023, we had 2922 branches across India. We typically enter into lease agreements for these strategic business units and branch locations.

C. HISTORY, MAIN OBJECTS AND KEY AGREEMENTS

Brief background of our Company

Our Company was incorporated as a public limited company under the provisions of the Companies Act, 1956, by a certificate of incorporation dated June 30, 1979, issued by the RoC. Our Company commenced its operations, pursuant to a certificate of commencement of business dated October 9, 1979. Subsequently, our Company has obtained a certificate of registration dated September 4, 2000 bearing registration no. A-07-00459 issued by the RBI to carry on the activities of a NBFC under section 45 IA of the RBI Act, 1934, which has been renewed on April 17, 2007 (bearing registration no. 07-00459).

The board of directors of Shriram Transport Finance Company Limited ("**STFCL**") in its meeting held on December 13, 2021 had approved a Composite Scheme of Arrangement and Amalgamation ("**Scheme**"), inter alia, involving amalgamation of Shriram Capital Limited (after de-merger of a few undertakings from the said Shriram Capital Limited ("**SCL**") and Shriram City Union Finance Limited ("**SCUF**", collectively with SCL, the "**Merged Entities**") with STFCL under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. STFCL had obtained approvals/no objection to the Scheme from various statutory authorities, as applicable, and had filed the petition before the Hon'ble National Company Law Tribunal, Chennai Bench ("**NCLT**") for sanction of the Scheme, which was listed for final hearing on October 19, 2022. The NCLT has by a common order pronounced on November 09, 2022, sanctioning the scheme. On November 14, 2022, the Company received the certified true copy of the common order dated November 14, 2022 issued by the NCLT sanctioning the Scheme. The appointed date of the Scheme was April 1, 2022 and the Scheme was effective from the date on which the common order of the Hon'ble NCLT was filed with the Registrar of Companies, Chennai. Further, pursuant to the common order of the Hon'ble NCLT and consequent upon receipt of fresh 'Certificate of Incorporation pursuant to change of name' the name of Shriram Transport Finance Company Limited has been changed to Shriram Finance Limited ("**SFL**").

Registered office and change in registered office of our Company

The registered office of our Company is Sri Towers, 14A, South Phase, Industrial Estate, Guindy Chennai, Tamil Nadu – 600 032.

Corporate Structure

Shriram Capital Private Limited (formerly known as Shriram Financial Ventures Pvt Ltd) and Shriram Ownership Trust are the Promoters of the Company. Our Company has a subsidiary company called Shriram Housing Finance Limited.

Amalgamation of Shriram Investments Limited and Shriram Overseas Finance Limited with our Company

The Hon'ble High Court of Madras vide its order dated November 25, 2005, approved the scheme of arrangement and amalgamation of the erstwhile SIL, with our Company ("SIL Scheme of Merger"). The appointed date for the SIL Scheme of Merger was April 1, 2005 and the record date for the purposes of re-organisation and issue of shares pursuant to the SIL Scheme of Merger was December 21, 2005.

The Hon'ble High Court of Madras vide its order dated December 1, 2006, approved the scheme of arrangement and amalgamation of the erstwhile SOFL with our Company ("SOFL Scheme of Merger"). The appointed date for the SOFL Scheme of Merger was April 1, 2005 and the record date for the purposes of re-organisation and issue of shares pursuant to the SOFL Scheme of Merger was February 9, 2007.

Amalgamation of Shriram Holdings (Madras) Private Limited with our Company

Pursuant to the SHMPL Scheme of Merger sanctioned under Section 391 to 394 read with Section 100 to 104 of the Companies Act, 1956, between our Company and SHMPL, as approved by the Hon'ble High Court of Madras vide the Merger Order, the business and undertaking of SHMPL, our erstwhile promoter, was merged into our Company with a view of, inter alia, reducing shareholding tiers, optimizing administrative costs and enabling the shareholders of SHMPL to hold equity shares directly in our Company. The appointed date under the SHMPL Scheme of Merger was April 1, 2012, and the SHMPL Scheme of Merger became effective from November 5, 2012 when a certified true copy of the order of the Hon'ble High Court of Madras approving the SHMPL Scheme of Merger was filed with the ROC by SHMPL and our Company, ("SHMPL Effective Date"). On the SHMPL Effective Date, SHMPL was merged into our

Company without winding up of SHMPL under Section 394 of the Companies Act, 1956. Pursuant to the SHMPL Scheme of Merger, 9,38,72,380 equity shares of the face value of Rs.10 each fully paid up of our Company, were issued and allotted, to the members of SHMPL whose names were recorded in the register of members of SHMPL on November 5, 2012 in connection with the SHMPL Scheme of Merger, in the ratio of 313:124 i.e. 313 equity shares of the face value of Rs.10 each fully paid up of our Company issued for every 124 equity shares of the face value of Rs.10 each fully paid up of SHMPL, held by the respective members thereof. Accordingly, 9,33,71,512 (Nine crores thirty-three lakhs seventy-one thousand five hundred and twelve only) equity shares of the face value of Rs.10 each of our Company, earlier held by SHMPL stood cancelled pursuant to the SHMPL Scheme of Merger coming into effect.

Amalgamation of Shriram Equipment Finance Company Limited with our Company

Pursuant to the SEFCL Scheme of Merger sanctioned under Section 391 to 394 of the Companies Act, 1956, and the other applicable provisions of the Act between our Company and SEFCL, as approved by the Hon'ble High Court of Madras vide the SEFCL Merger Order dated March 31, 2016. Accordingly, the business and undertaking of SEFCL, our erstwhile subsidiary, was merged into our Company to enable greater focus and attain synergy benefits which would inter alia result in simplification of group structures, integration of operations, better administration and cost reduction. The appointed date under the SEFCL Scheme of Merger was April 1, 2015, and the SEFCL Scheme of Merger became effective from April 19, 2016 when a certified true copy of the order of the Hon'ble High Court of Madras approving the SEFCL Scheme of Merger was filed with the ROC by SEFCL and our Company, ("SEFCL Effective Date"). On the SEFCL Effective Date, SEFCL was merged into our Company without winding up of SEFCL under Section 394 of the Companies Act, 1956 and the authorized share capital of our Company was reorganised from Rs.5,97,00,00,000 divided into 39,70,00,000 Equity Shares and 2,00,00,000 cumulative redeemable preference shares of Rs.100 each to ₹15,97,00,00,000 divided into 64,70,00,000 Equity Shares of Rs.10 each and 9,50,00,000 redeemable preference shares of Rs.100 each. Pursuant to the SEFCL Effective Date, no equity shares of our Company were allotted in lieu of our Company holding shares in SEFCL and the share capital of SEFCL stood cancelled.

Amalgamation of Shriram City Union Finance Limited and Shriram Capital Limited with our Company

Pursuant to Composite Scheme of Arrangement and Amalgamation which include merger of Shriram City Union Finance Limited (SCUF) and Shriram Capital Limited (SCL) with Shriram Transport Finance Company Limited (Scheme) sanctioned by the Hon'ble National Company Law Tribunal, Special Bench – II, Chennai vide its order dated November 14, 2022 read with Corrigendum dated November 17, 2022 to the order ("Order"). The Appointed Date of the Scheme is April 1, 2022. Pursuant to Clause 6.9 of the Scheme, the name of the Company had changed from "Shriram Transport Finance Company Limited" to "Shriram Finance Limited" with effect from November 30, 2022 upon the receipt of 'Certificate of Incorporation pursuant to change of name' issued by the Registrar of Companies (RoC-Chennai). The authorised share capital of our Company was reorganised from Rs. 15,970,000,000 divided into 647,000,000 Equity Shares of Rs. 10 each and 95,000,000 redeemable preference shares of Rs. 100 each to Rs. 426,550,000,000 divided into 2,975,500,000 Equity Shares of Rs. 10 each and 129,000,000 preference shares of Rs. 100 each. 17,43,44,710 equity shares of face value of Rs.10 each of the Company were issued and allotted to the members of SCUF and SCL whose names appeared in the Register of Members of SCUF and SCL as on Record Date i.e. November 30, 2022 in the share exchange ratio of 155 equity shares of Rs.10/- each fully paid up of the Company for every 100 equity shares of Rs.10/- each fully paid up of SCUF and 97,83,305 Equity Shares of Rs.10/- each fully paid up of the Company for every 10,00,00,000 Equity Shares of Rs. l/- each fully paid up of SCL. Accordingly, 2,23,71,594 Equity Shares of face value of Rs.10 each held by SCL in SCUF and 7,04,37,147 equity shares of face value of Rs.10 each of the Company held by SCL stood cancelled pursuant to the Scheme coming into effect.

Main objects of our Company

The main objects of our Company as contained in our Memorandum of Association are:

- To carry on and undertake business as Financiers and Capitalists, to finance operations of all kinds such as managing, purchasing, selling, hiring, letting on hire and dealing in all kinds of vehicles, motor cars, motor buses, motor lorries, scooters and all other vehicles;

- To undertake and carry on all operations and transactions in regard to business of any kind in the same way as an individual capitalist may lawfully undertake and carry out and in particular the financing Hire Purchase Contracts relating to vehicles of all kinds;

- To carry on and undertake business as Financier and Capitalists to finance operations of all kinds such as managing, purchasing, selling, hiring, letting on hire and dealing in all kinds of property, movable or immovable goods, chattels, lands, bullion;

- To undertake and carry on all operations and transactions in regard to business of any kind in the same manner as an individual capitalist may lawfully undertake and carryout and in particular financing hire purchase contracts relating to property or assets of any description either immovable or movable such as houses, lands, stocks, shares, Government Bonds;
- To carry on and become engaged in financial, monetary and other business transactions that are usually and commonly carried on by Commercial Financing Houses, Shroffs, Credit Corporations, Merchants, Factory, Trade and General Financiers and Capitalists;

- To lend, with or without security, deposit or advance money, securities and property to, or with, such persons and on such terms as may seem expedient;

- To purchase or otherwise acquire all forms of immovable and movable property including Machinery, Equipment, Motor Vehicles, Building, Cinema Houses, Animals and all consumer and Industrial items and to lease or otherwise deal with them in any manner whatsoever including resale thereof, regardless of whether the property purchased, and leased be new and/or used;

- To provide a leasing advisory counselling service to other entities and/or form the leasing arm for other entities;

- The Company shall either singly or in association with other Bodies Corporate act as Asset Management Company/Manager/Fund Manager in respect of any Scheme of Mutual Fund whether Open-End Scheme or Closed-end Scheme, floated/ to be floated by any Trust/Mutual Fund (whether offshore or on shore)/ Company by providing management of Mutual Fund for both offshore and onshore Mutual Funds, Financial Services Consultancy, exchange of research and analysis on commercial basis;

- Constitute any trust and to subscribe and act as, and to undertake and carry on the office or offices and duties of trustees, custodian trustees, executors, administrators, liquidators, receivers, treasurers, attorneys, nominees and agents; and to manage the funds of all kinds of trusts and to render periodic advice on investments, finance, taxation and to invest these funds from time to time in various forms of investments including shares, term loans and debentures etc.;

- Carry on and undertake the business of portfolio investment and Management, for both individuals as well as large Corporate Bodies and/or such other bodies as approved by the Government, in Equity Shares, Preference Shares, Stock, Debentures (both convertible and non-convertible), Company deposits, bonds, units, loans obligations and securities issued or guaranteed by Indian or Foreign Governments, States, Dominions, Sovereigns, Municipalities or Public Authorities and/or any other Financial Instruments, and to provide a package of Investment/Merchant Banking Services by acting as Managers to Public Issue of securities, to act as underwriters, issue house and to carry on the business of Registrar to Public issue/various investment schemes and to act as Brokers to Public Issue;

- Without prejudice to the generality of the foregoing to acquire any share, stocks, debentures, debenture-stock, bonds, units of any Mutual Fund Scheme or any other statutory body including Unit Trust of India, obligations or securities by original subscription, and/or through markets both primary, secondary or otherwise participating in syndicates, tender, purchase, (through any stock exchange, OTC exchange or privately), exchange or otherwise and to subscribe for the same whether or not fully paid up, either conditionally or otherwise, to guarantee the subscription thereof and to exercise and to enforce all rights and powers conferred by or incidental to the ownership thereof and to advance deposit or lend money against securities and properties to or with any company, body corporate, firms, person or association or without security and on such terms as may be determined from time to time;

- To engage in Merchant Banking activities, Venture Capital, acquisitions, amalgamations and all related merchant banking activities including loan syndication;

- To carry on the business as manufacturers, Exporters, Importers, Contractors, Sub-contractors, Sellers, Buyers, Lessors or Lessees and Agents for Wind Electric Generators and turbines, Hydro turbines, Thermal Turbines,

Solar modules and components and parts including Rotor blades, Braking systems, Tower, Nacelle, Control unit, Generators, etc. and to set up Wind Farms for the company and/or for others either singly or jointly and also to generate, acquire by purchase in bulk, accumulate, sell, distribute and supply electricity and other power (subject to and in accordance with the laws in force from time to time);

- To carry on business of an investment company or an Investment Trust Company, to undertake and transact trust and agency investment, financial business, financiers and for that purpose to lend or invest money and negotiate loans in any form or manner, to draw, accept, endorse, discount, buy, sell and deal in bills of exchange, hundies, promissory notes and other negotiable instruments and securities and also to issue on commission, to subscribe for, underwrite, take, acquire and hold, sell and exchange and deal in shares, stocks, bonds or debentures or securities of any Government or Public Authority or Company, gold and silver and bullion and to form, promote and subsidise and assist companies, syndicates and partnership to promote and finance industrial enterprises and also to give any guarantees for payment of money or performance of any obligation or undertaking, to give advances, loans and subscribe to the capital of industrial undertakings and to undertake any business transaction or operation commonly carried on or undertaken by capitalists, promoters, financiers and underwriters;

- To act as investors, guarantors, underwriters and financiers with the object of financing Industrial Enterprises, to lend or deal with the money either with or without interest or security including in current or deposit account with any bank or banks, other person or persons upon such terms, conditions and manner as may from time to time be determined and to receive money on deposit or loan upon such terms and conditions as our Company may approve provided that our Company shall not do any banking business as defined under the Banking Regulations Act, 1949;

- To carry on in India or elsewhere the business of consultancy services in various fields, such as, general, administrative, commercial, financial, legal, economic, labour and industrial relations, public relations, statistical, accountancy, taxation and other allied services, promoting, enhancing propagating the activity of investment in securities, tendering necessary services related thereto, advising the potential investors on investment activities, acting as brokers, sub-brokers, Investment Consultant and to act as marketing agents, general agents, sub agents for individuals/ bodies corporate/Institutions for marketing of shares, securities, stocks, bonds, fully convertible debentures, partly convertible debentures, Non-convertible debentures, debenture stocks, warrants, certificates, premium notes, mortgages, obligations, inter corporate deposits, call money deposits, public deposits, commercial papers, general insurance products, life insurance products and other similar instruments whether issued by government, semi government, local authorities, public sector undertakings, companies corporations, co-operative societies, and other similar organizations at national and international levels;

- To carry on the business of buying, selling of trucks and other CVs and reconditioning, repairing, remodelling, redesigning of the vehicles and also acting as dealer for the said vehicles, for all the second hand commercial and other vehicles and to carry on the business of buying, selling, importing, exporting, distributing, assembling, repairing and dealing in all types of vehicles including re-conditioned and re-manufactured automobiles, two and three wheelers, tractors, trucks and other vehicles and automobile spares, replacement parts, accessories, tools, implements, tyres and tubes, auto lamps, bulbs, tail light and head light bulbs, assemblies and all other spare parts and accessories as may be required in the automobile industry.

Subsidiaries or associate companies

As on the date of this Placement Memorandum, our Company has one Shriram Housing Finance Limited (SHFL) unlisted subsidiary company in which the Company holds 85.02% equity share capital. SHFL is a Non-Deposit-accepting housing finance company registered with the National Housing Bank and regulated by Reserve Bank of India (Registration Number- 08.0094.11). SHFL obtained license in August 2011 from NHB and started operations in December 2011. SHFL, CIN- U65929TN2010PLC078004 has its registered office at 123, Angappa Naicken Street, Chennai- 600001 and corporate office at Level 3, East Wing, Wockhardt Towers, C-2, G Block, Bandra – Kurla Complex, Mumbai – 400 051, www.shriramhousing.in with Branches in India. The equity shares of SHFL are not listed on any of stock exchange, but has debt securities listed on BSE Limited. SHFL provides loans for the purchase or construction of residential space and loans against property.

Our Company holds 44.56% of the ownership interest in Shriram Automall India Limited, which is the only associate company of our Company.

Corporate Structure of the Company

The Company is managed by its Board of Directors. The Promoters of the Company are Shriram Capital Private Limited (formerly, Shriram Financial Ventures Pvt Limited) and Shriram Ownership Trust. The Company has a subsidiary company called Shriram Housing Finance Limited and an Associate Shriram Automall India Limited

Key terms of our Material Agreements

License agreement dated November 21, 2014 between Shriram Ownership Trust ("SOT") and our Company read with the Addendum no. 1 to the license agreement dated March 18, 2016 between the same parties read with deed of novation cum amendment dated May 17, 2019 between the same parties and Shriram Value Services Limited ("SVS") (the "License Agreement"):

Pursuant to the License Agreement, SOT granted a non-exclusive license on a non-transferable and non-assignable basis to use the brand name "SHRIRAM" and the associated mark (the "Brand Name") to our Company in connection with the business activities of our Company in the territory of India during the term of the Brand Name. Pursuant to SOT gifting its intellectual property in "SHRIRAM" and associated marks to SVS, the Company, SOT and SVS have entered into a deed of novation cum amendment dated May 17, 2019 to record the same.

The main terms of the License Agreement include:

Consideration: A license fee of 1.00 per cent. on the total income of our Company every financial year. The total amount of license fee the Company pays to SOT (upto September 30, 2019) and to SVS (after September 30, 2019) in a Fiscal shall be subject to a ceiling of 5.00 127 per cent. of the profit of the Company before tax and license fee with effect from April 1, 2015. Duration: The License Agreement will remain in force for a period of five years commencing from until September 30, 2024, after which the agreement will be automatically renewed for a further period of five years on the same terms, unless otherwise decided by both parties or upon occurrence of a breach by either party of the material terms of the license arrangement. The agreement is not terminable unless mutually agreed by both parties. Each party is entitled to terminate this Agreement upon a material breach of the terms and conditions of the license set forth in the agreement by the other party, which has not been cured within a period of 90 days following receipt of written notice of such breach.

Arbitration: Any dispute or difference arising between SOT / SVS and our Company shall be referred to an arbitrator decided on a mutual consent and the decision of the arbitrator is final and binding on both the parties. The place of arbitration shall be in Chennai.

Service Agreement dated December 26, 2022 between Shriram Financial Ventures (Chennai) Private Limited (now Shriram Capital Private Limited) and our Company, ("Service Agreement")

Our Company has executed the Service Agreement with Shriram Financial Ventures (Chennai) Private Limited (now Shriram Capital Private Limited) ("SCPL") for formalising its arrangement with regard to the role and services to be provided by SCPL to our Company. The main terms of the Service Agreement are:

(a) **Role of SCPL:** SCPL shall provide certain high-end business and management support services to the Company which are extremely critical from the perspective of business operations of the Company. As these services are extremely strategic in nature and the Company will require these services of strategic nature from SCPL. These cover key areas such as strategy, synergy, business development, risk management, regulatory and taxation compliances, external relations, etc.

(b) **Consideration:** Rs.22,00,00,000 per annum (Rupees twenty two crore only) payable in equal quarterly instalments, excluding taxes (like Service Tax / GST etc. as may be applicable). The Fee shall be payable with effect from 01st December 2022. The Fee shall stand increased by 5% (five percent) per annum from December 1st of every year over the Fee paid during the previous year.

(c) **Term:** The Service Agreement came into effect on December 01, 2022 and shall remain valid for a period of 5 (five) years unless terminated earlier by either party with notice period of 1 (one) year. On the expiry of 5 (five) years, this Agreement shall automatically stand renewed with the same annual increases as set out herein, unless otherwise agreed to in writing between the SCPL and the Company.

(d) **Arbitration:** All disputes under the Service Agreement shall be settled by arbitration by a sole arbitrator to be mutually agreed by the parties in accordance with the provisions of Arbitration and Conciliation Act, 1996. The place of arbitration is in Chennai and the language of arbitration is English.

LEGAL PROCEEDINGS

We are, from time to time, involved in a number of legal proceedings in the ordinary course of our business, which involve matters pertaining to, amongst others, tax, regulatory, recovery proceedings and other disputes. Except as disclosed below, there is no outstanding litigation involving our Company that would have a material and adverse effect on the operations or the financial position of the Company.

Further, except as stated below, our Company is not aware of any pending litigation involving the Company which involves issues of moral turpitude or criminal liability, material violations of statutory regulations or proceedings relating to economic offences.

1. Our Company filed an appeal before the Supreme Court of India, Special Leave Petition (Civil) (9711-9713) of 2014 against the common final judgment and order dated October 8, 2013 passed by the High Court of Judicature at Calcutta in Writ Petition No. 24 of 2010, Writ Petition No. 4 of 2011 and Writ Petition No. 6 of 2011 challenging the decision to uphold the imposition of value added tax on NBFCs disposing off vehicles for recovery of loans taken by borrowers by treating said NBFCs as dealers as defined under Section 2 (11) of the West Bengal Value Added Tax 2003. The aforesaid matter is pending hearing and final decision.

2. Our Company, on April 8, 2019, received a show cause notice dated March 30, 2019 (the "**SCN**") from the Directorate of Enforcement which functions under the aegis of Ministry of Finance, Government of India. The SCN relates to the issue of warrants by SHMPL to a non-resident investor pursuant to a share subscription agreement executed in 2006. It is alleged in the SCN that warrants issued by SHMPL were not permitted instruments which could be issued to non-resident investors in 2006 and accordingly there was a contravention of provisions of the FEMA and the relevant rules made thereunder to the extent of Rs. 24,360.12 lacs. The SCN was issued to our Company in its capacity as a successor in interest of SHMPL to show cause as to why adjudication proceedings should not be initiated against it and certain individuals who were the then directors of SHMPL at the relevant time. During 2006 and 2007, SHMPL, which was classified as an investment holding company under the applicable regulatory regime, issued equity shares and warrants to Newbridge India Investments II Limited (the "**Newbridge**"). The approval granted by the Foreign Investment Promotion Board, also functioning under the aegis of Ministry of Finance, Government of India ("**FIPB**") (the "**FIPB Approval**"), permitted SHMPL to issue equity shares to the Newbridge and investment by SHMPL in equity shares and warrants to be issued by three non-banking financial companies in which 100% foreign direct investment was permitted under the extant direct foreign investment policy of the government of India, utilising the monies received from the Newbridge. All warrants issued by SHMPL to the Newbridge were converted into equity shares of SHMPL in 2006 and 2007. There was a delay on the part of SHMPL in filing the relevant forms indicating the receipt of monies from the Newbridge and issue of equity shares and warrants against such receipt, and the relevant forms were filed in 2013 (after amalgamation of SHMPL with our Company). Our Company, in the capacity of successor of interest of erstwhile SHMPL had filed a compounding application for the delay and had paid the penalty imposed on us by the RBI. At this time, the RBI had referred to the FIPB Approval (as amended by a subsequent letter from the FIPB dated January 31, 2006) and indicated that since the FIPB Approval only mentioned the issue of equity shares to the Newbridge, a post-facto approval/ clarification be obtained from the FIPB regarding issue of warrants to the Newbridge. Accordingly, our Company had, in a letter dated March 14, 2013 written to the FIPB, in response to which a letter dated March 20, 2013 was received by our Company from the FIPB stating that the policy regarding issue of warrants was not explicit in the year 2006 when the warrants in question were issued by then SHMPL and that since the warrants in question have already been converted into equity shares, there was no requirement of their approval. In the years 2016 and 2017, the Enforcement Directorate raised queries in relation to the aforementioned issue of warrants in the year 2006 by SHMPL, to which our Company has responded and provided all documents requested, including by way of personal appearances and submissions made by our executive director and senior management personnel. Pursuant thereto, the Company received the SCN on April 8, 2019. Our Company has filed its reply to the SCN on June 6, 2019, setting out why the Company believes that the issuance of the SCN was not warranted. The Company received an order dated March 4, 2020, from the Directorate of Enforcement ("**ED**") which imposed a penalty of Rs. 50,000,000 on the Company in connection with the matter citing contravention of provisions of Section 6(3)(b) of FEMA, 1999 read with Regulation 4 of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000. In this regard,

the ED has also levied a penalty of Rs. 5,000,000, each, on three persons, the then directors of the erstwhile SHMPL. Our Company has further filed a writ petition dated June 4, 2020, before the High Court of Madras, requesting, *inter alia*, for a stay of the order dated March 4, 2020. On July 1, 2020, the High Court of Madras has admitted the Company's writ petition challenging the order dated March 04, 2020 of the Directorate of Enforcement (ED) levying penalty of Rs. 50,000,000 on the Company and granted conditional stay order with the direction to the Company to deposit 25% of the penalty amount in the Court and the three persons to deposit 10% of their respective penalty amounts with the court within four weeks. The Company has deposited the amount with the Hon'ble Madras High Court. The matter is sub judice. The Deputy Legal Adviser, Directorate of Enforcement has filed an appeal before the Hon'ble Appellate Tribunal for Foreign Exchange, New Delhi (Appellate Tribunal) against the said order dated March 04, 2020 of the Special Director of Enforcement. The Company will contest the appeal filed in the Hon'ble Appellate Tribunal in the competent forum to seek appropriate legal remedy.

In relation to the SCN received by the Company in relation to the issue of warrants by SHMPL, our Company and our Director Mr. Ravi Devaki Venkataramam (erstwhile director of SHMPL and two persons, the erstwhile directors of the erstwhile SHMPL have received notices dated February 24, 2021 issued by the Zonal office of the Enforcement Directorate ("**Final Demand Notices**"), referring to its order of March 4, 2020 and the fact that payment has not been made as per the terms of the aforementioned notice. The notice provides a final opportunity to the addressees to make payment of the balance amount (over and beyond the monies deposited in accordance with the conditional stay order of the High Court of Madras) within 10 days of receipt of the notice. On March 11, 2021 the Company, said Director and the two erstwhile directors of SHMPL have sent replies to the Final Demand Notice, referring to the stay order granted by the High Court of Madras and stating that amounts paid by them have been paid as per the directions of the High Court of Madras. The reply further highlights that the order of the High Court was issued in the presence of the Enforcement Directorate and the payment of monies in accordance with the order has been acknowledged by the Enforcement Directorate.

Company's Writ Petition No. 8351/2020 challenging the said order of ED has been allowed by the Hon'ble Madras High Court vide its order dated July 27, 2023. The Hon'ble Madras High Court vide order dated July 27, 2023 has set aside the impugned order dated March 04, 2020 passed by the ED for levying penalty of Rs.5 crore on the Company and certain directors of erstwhile SHMPL.

3. Transgulf Frozen Food Containers Private Limited had filed, a first information report against, *inter alia*, our Company, our former director Mr. Arun Duggal and our Director Mr. Umesh Govind Revankar, on December 26, 2014 at the Kavi Nagar Police Station, District Ghaziabad under Sections 420, 467, 468, 471 and 120-B of the Indian Penal Code, 1860. A charge sheet was filed and a criminal case no. 10030 of 2016 read with case no. 2784/2017 was initiated against our Company. Mr. Umesh Revankar, director made personal appearance in the Court on 6th October,2022 and denied all charges contained in the charged sheet filed against him. His discharge application is pending in the court. Mr. Arun Duggal has sought exemption for personal appearance in the Court .Vide order dated 19th October, 2022, the Hon'ble High Court, Allahabad , allowed his application for exemption from personal appearance in the court and quashed the impugned order dated 29th September, 2019 passed by the Additional Sessions Judge , Ghaziabad in Criminal Application No. 32 of 2019 and order dated 27th October,2018 passed by the Additional Chief Judicial Magistrate , Ghaziabad in Criminal case No. 2784 of 2017 and remanded the case to the Trial Court, Ghaziabad to consider and decide the discharge application of Mr. Arun Duggal afresh in accordance with law. The Trial Court, Ghaziabad pronounced its order on 6th December, 2022 to dismiss the discharge application of Mr. Arun Duggal. The copy of the order is awaited. Mr. Arun Duggal has filed a revision petition before the Sessions court, Ghaziabad against the Discharge application.

4. Mr. Praveen Sharma has filed a first information report dated August 3, 2015 under Sections 406, 420, 465 and 506 of the Indian Penal Code, 1860, against, *inter alia*, our Director, Mr. Umesh Govind Revankar in relation to non-payment of his fees. The matter is currently pending before the Chief Judicial Magistrate, Lucknow. Thereafter, Mr. Revankar and certain other defendants had filed a petition before the High Court seeking quashing of the FIR. The petition has been disposed off by the High Court by way of an order dated April 25, 2016 on the ground that the cause of action was purely of a civil nature and with a direction to the State of UP to file the final report. The complainant has subsequently filed a protest petition before the Chief Judicial Magistrate, Lucknow, which is currently pending.

5. Mr. Abhishek Shukla has filed a first information report dated October 18, 2015 under Sections 406 and 420 of the Indian Penal Code, 1860, against, *inter-alia*, our Director, Mr. Umesh Govind Revankar in relation to non-payment of his fees. The matter is currently pending before the Chief Judicial Magistrate, Lucknow. Thereafter, a

petition by the defendants was filed before the High Court seeking quashing of the FIR. The petition has been disposed off by the High Court by way of an order dated April 1, 2016 on the ground that the cause of action was purely of a civil nature and with a direction to the State of UP to file the final report. The matter is currently pending. The complainant has subsequently filed a protest petition before the Chief Judicial Magistrate, Lucknow, which is currently pending.

6. Our Company filed a writ petition (7638/ 2009) before the High Court of Andhra Pradesh against the orders passed by the Commercial Tax Officer, Tirupati, dated March 20, 2009 where it has been held that STFC is liable to be assessed for tax under the Andhra Pradesh Value Added Tax Act, 2005 and the Andhra Pradesh General Sales Tax Act, 1957 for the years 2004-2005 and accordingly, STFC is liable to pay penalty on account of its alleged failure to obtain registration under the Andhra Pradesh General Sales Tax Act, 1957. Pursuant to the writ petition, the Company challenged the notices dated March 21, 2009, issued by the Commercial Tax Officer, Andhra Pradesh, proposing to levy interest and penalty. The High Court of Andhra Pradesh has, vide its order dated April 15, 2009, stayed the operation of the orders passed by the Commercial Tax Officer Tirupati subject to the Company depositing one-third of the disputed tax amount within four weeks from the date of aforesaid order, which the Company has deposited with the Hon'ble High Court. The aforesaid petition is pending hearing and final disposal.

7. Certain criminal cases and recovery suits have been filed by our Company against various parties in relation to alleged violations arising in the ordinary course of our business and operations under, amongst others, the Indian Penal Code. These matters are currently pending at various stages of adjudication.

Show cause notices and proceedings initiated by SEBI against the Company, Promoter or Promoter Group
NIL

Tax proceedings involving our Company

Particulars	No. of outstanding cases	Amount involved (in Rs. Millions)
Indirect Tax	**24**	**22,888.17**
Direct Tax	**26**	**1058.84**

1. Our Company filed a writ petition (no. 26590/2017 and no. 27066 to 27076/2017) before the High Court of Karnataka challenging the correctness of various orders of re-assessment passed by the Deputy Commissioner of Commercial Taxes, Bengaluru, under sections 39(1), 72(2) and 36(1) of the Karnataka Value Added Tax Act, 2003 (relating to interest amounts and penalty payable) pertaining to the tax period from 2010-2017. The issue under consideration in these petitions is whether a person (like our Company) is a "Dealer" within the Karnataka Value Added Tax Act, 2003 and whether on the sale by way of auction of the vehicles re-possessed from a defaulting borrower, our Company is liable to pay value added tax on such sale. The Honourable High Court of Karnataka, by its order dated 28 June 2017, has granted interim relief stating that no coercive process shall be taken against our Company for recovery of the demand amount by the Commercial Tax Officer, Bengaluru, subject to our Company depositing 30 per cent. of the disputed tax amount within four weeks from the date of aforesaid order, which our Company has deposited with the High Court. The petition is pending hearing and final disposal. Our Company has also prayed to stay all further proceedings pursuant to order of re-assessment and consequential notice of demand dated February 8, 2019 passed by Deputy Commissioner of Commercial Taxes (Audit) under Section 39(1) of the Act, pertaining to assessment periods commencing from April 1, 2016 to March 31, 2017. Company has opted for Karnataka VAT Amnesty scheme and is in midway of completing the process.

2. Our Company is contesting several disputed income tax, service tax and VAT matters before various appellate authorities. The contingent liabilities as per Indian Accounting Standard 37 as of September 30, 2023 included contingent liabilities in respect of income tax demands where the Company has filed an appeal before various authorities of ₹ 72.18 crores, VAT demand where the Company has filed an appeal before various appellate courts aggregating ₹ 12.57 crores and a service tax demand for ₹ 2,056.60 crores.

3. Our Company has received an order dated 19 December 2018 from the Commissioner of CGST and Central Excise demanding service tax on provision of collection of receivables in respect of Securitisation / Direct assignments, etc., amounting to INR 1,977.54 million for the period from 1 April 2008 to 31 March 2015. In relation to certain

securitisation / direct assignment transactions, our Company had charged a nominal fee or a nil fee for services provided in relation to collection and recovery of the assets assigned/ securitised and the Commissioner of CGST and Central Excise in their order has held that the services rendered by us has not been adequately valued and accordingly service tax has to be paid on the taxable value of our services (arrived at in the manner provided under the relevant rules and regulations in this regard), irrespective of actual fee charged, if any. The same is disclosed under contingent liability. Our Company has filed an appeal at the Customs Excise and Service Tax Appellate Tribunal, West Zonal Bench Mumbai, in the month of March 2019. Our Company's main contention in the appeal is that if the parties have commercially agreed that the fee for certain services in nil or nominal, the tax on such service should be limited to a portion of the fee so agreed upon. Matter is listed on December 07, 2023.

4. Our Company filed a writ petition (no. 45164 /2017) on 28 December 2017 before the High Court of Judicature at Hyderabad for the State of Telangana and State of Andhra Pradesh (the "High Court") against the order passed by the Deputy Commissioner (CT), Secunderabad Division, Hyderabad in suo moto revision proceeding in Rc.No.R1/46/2014 dated 8 November 2017. The issue under consideration in this petition is whether NBFCs are liable to pay tax on the monies generated from sale of repossessed vehicles for realizing the outstanding dues against loans advanced to customers and whether such sale of repossessed vehicles would constitute a "sale" within the meaning of the Andhra Pradesh Value Added Tax Act, 2005. The High Court of Judicature at Hyderabad for the State of Telangana and State of Andhra Pradesh, by its order dated 2 January 2018, has granted stay of recovery of disputed tax, subject to our Company paying one-third of the disputed tax amount within four weeks from the date of the aforesaid order, which our Company has deposited with the High Court. Since our Company has already paid one-third of the disputed tax amount, the High Court has in terms of its order dated August 20, 2020 granted interim stay with respect to the proceedings. The petition is pending hearing and final disposal.

5. The Company has received an orders from the office of the Commissioner (CGST) dated September 30, 2020 and March 17, 2021 which has raised a demand to the tune of INR 1,402.72 Crores and INR 375.94 crores respectively for the period from FY 2006-07 to 2015-16 and FY 2016-17 to 2017-18 (upto June 2017) respectively including interest and penalty. The order has been made on the basis that the Company, a registered NBFC, was providing hire-purchase and financial leasing services for commercial vehicles and did not pay service tax on the income earned on the said activities. The services being carried out by the Company referred to in the order came to light during the course of an audit of the accounts of Shriram Investments Limited, an entity which has been merged into the Company with effect from April 01, 2005. The Company has filed a writ petition in the Bombay High Court against the said Order received on December 24, 2020. The Company has filed separate Writ Petitions with High Court on 14.04.2023.

Proceedings involving our Promoter:

There are no litigation, economic or securities related offences, civil or criminal prosecutions for any offences, or regulatory proceedings (irrespective of whether they are covered under Part I of Schedule V of the Companies Act, 2013, as amended) tax liabilities, disputes, non-payment of statutory dues nor any defaults or arrears claimed against or otherwise involving the Promoter, whose outcome have a material adverse effect on the financial position, operations or prospects of the Company.

Legal Cases against erstwhile Shriram City Union Finance Limited and its Directors

1. Mr. Sangram Singh Madhavrao Ghatge, Karad branch customer

There is a criminal matter proceeding (106/2019) pending at District Court Karad which was filed by the Mr. Sangramsingh Madhavrao Ghatge against erstwhile Shriram City Union Finance Limited (SCUF) and Directors of SCUF in March 2019. The matter stems from a customer who belatedly in 2012 contested loan amount disbursed and interest rate charged by SCUF among other things as it wasn't in line with what he was promised by an agent and erstwhile SCUF. erstwhile SCUF disbursed the loan in line with its Policies, and the customer has been a non-starter in paying EMIs. This matter was taken to arbitration by SCUF in 2013 and the arbitration award for the case in favor of SCUF. Subsequently the complainant filed a criminal FIR in 2019. SCUF filed a writ petition bearing No. 2718/2019 in the Mumbai High Court for quashing of FIR. Last date of hearing was on July 1, 2021 but it did not come up for hearing due to many number of cases on board. Due to Covid SOP, only virtual hearing were allowed for those matters which were on board. Posted for hearing December 8, 2022 and adjourned to further date. It will be as per Case Management Information System of the honorable High Court.

2. Neeta Manish Mehta

There is a criminal matter proceeding (2664/2020) pending before honorable Judicial Magistrate in Nagpur which is filed by the Mrs. Neeta Manish Mehta against Shriram City Union Finance Limited (SCUF) and its Directors in 2017. The matter is contested by the borrower that she was deceived and would be publicly labelled as a willful defaulter by SCUF. SCUF has not published her name anywhere as a defaulter. SCUF has won an arbitration award basis non-repayment of loan by the borrower. She filed a criminal complaint at the Judicial Magistrate in Nagpur. SCUF filed writ petition No. 1145/2021 at the District Court, Nagpur, challenging issue process order of JMFC. Ad-Interim order staying the criminal proceeding passed by District Court. Both side argument completed. Matter kept for order. SCUF has filed a writ petition at Honourable High Court in Nagpur against it to order and to quash the original complaint. Matte stayed by District Court on October 4, 2021. Posted for hearing on January 24, 2023.

3. Y Balamurali Krishna

There is a civil proceeding (429/2019) pending at before the Hon'ble District IInd Additional District Judge, R.R. District at L.B. Nagar which is filed by the Y Balamurali Krishna against Shriram City Union Finance Limited (SCUF) and its Directors. The matter stems from a customer who is claiming INR 40 lakhs of damages for financial hardships and compensation for loss of business due to false suits filed by SCUF. The complainant has only paid 6 EMIs completely and one partially, post which SCUF had taken the case to the arbitration. The case was posted for hearing in September 2021(September 20, 2021) . As per ROC. No. 391/SO/2020 dt. March 16, 2020 of the Hon'ble High Court, T.S. The matter is posted for hearing on February 2, 2023.

4. Gunasekhar

The customer availed a Loan of Rs.18,00,000/- by agreeing to repay as per the schedule. executed Loan Agreement in favour of the Company. The Complainant for the loan transaction along with the guarantors also mortgaged his land by way of Regd Deposit of Title Deeds towards security. The complainant not able to pay installments hence, he proposed for one time settlement with the company. The complainant had put an allegation that there was an oral understanding between him and Company officials and the Company official offered to sell his land abating No-objection from the company.

FIR 6 of 2021 registered by Kalyandurg PS, Anantapur District for pending investigation before the PS and the Company filed Quash petition u/s 482 of Cr. PC on behalf of the Chairman. The same is yet to be filed before the Hon'ble High Court of Amaravathi (AP). The Hon'ble High court passed stay order for further investigation in Cr. No.6/2021, Kalyandurg town. Stay is pending and case settled outside court. Both parties set to withdraw the case before the Hon'ble court, Anantapur Dist shortly.

II. Corporate Structure of the Issuer

The Company is managed by its board of directors and does not have any holding company or subsidiary company. The Promoter of the Company is Shriram Capital Limited (formerly known as Shriram Financial Ventures (Chennai) Pvt Ltd and Shriram Ownership Trust. The Company has a subsidiary company called Shriram Housing Finance Ltd.

ACRONYMS:

A/C: Accounts
BTL: Branch Team Leader
BH: Branch Head
CH: Collection Head
CSE: Customer Service Executive
CFO: Chief Finance Officer
CSR: Corporate Social Responsibility
IT: Information Technology
Jt. MD: Joint Managing Director
HR: Human Resource
NH: National Head
RE: Relationship Executive
RBH: Regional Business Head
VC & MD: Vice Chairman & Managing Director
ZBH: Zonal Business Head

III. Project Cost and means of financing

Not Applicable.

IV. *A columnar representation of the audited financial statement both on standalone and consolidated basis for a period of three completed years along with the auditor's report and the requisite schedules, footnotes, summary etc. - Please refer* ***Annexure VII*** *of this Placement Memorandum.*

V. Key operational and financial parameters for the last 3 audited years (consolidated basis)

A summary of our key operational and financial parameters derived from Ind AS financial statements on a consolidated basis for the latest quarter ended on September 30, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 are as follows*:

*Please note that the above disclosures are made basis the financial statements prepared as per the IND AS requirements.

Note - (1) The figures for the period after the appointed date for the merger of STFC and the Merged Entities (i.e. April 01, 2022) have been restated to take the effect of merger and are therefore not comparable with figures of STFC for the corresponding previous year periods or previously reported figures of STFC for the said quarters.
(2) *SFL means Shriram Finance Limited*
(3) STFC means Shriram Transport Finance Company Limited
(4) Merged Entities means Shriram Capital Limited and Shriram City Union Finance Limited

A summary of our key operational and financial parameters derived from Ind AS financial statements on a consolidated basis for the latest quarter ended on September30, 2023, Fiscal 2023, Fiscal 2022, and Fiscal 2021 are as follows*:

(Rs. In Crores)

Parameters	As on September 30, 2023 (SFL)	Fiscal year 2023 (SFL)	Fiscal year 2022	Fiscal year 2021
Balance Sheet				
Total Financial assets	2,16,086.37	2,03,619.64	1,40,442.41	1,28,368.73
Total Non-financial assets	7,274.59	6,953.05	1,825.75	1,459.05
Total Assets	2,23,360.96	2,10,572.69	1,42,268.16	1,29,827.78
Total Financial liabilities	1,76,118.48	1,66,192.78	1,15,874.48	1,07,766.67
Total Non-financial liabilities	629.13	580.37	299.42	343.82
Equity (equity and other equity)	46,306.63	43,512.86	26,094.26	21,717.29
Non-Controlling Interest	306.72	286.68		
Total equity and liabilities	2,23,360.96	2,10,572.69	1,42,268.16	1,29,827.78
Profit and Loss				
Total revenue	17,188.93	30,508.39	19,274.23	17,436.40
From operations	17,174.56	30,476.78	19,255.17	17,420.45
Other income	14.37	31.61	19.06	15.95
Total Expenses	12,484.21	22,294.67	15,724.98	14,158.39
Total Comprehensive Income	3,525.48	5,993.55	2,598.28	2,406.01
Other comprehensive income	21.46	(26.48)	-122.82	92.82
Profit / loss	4,704.72	8,213.72	3,549.25	3,278.01
Profit / loss after tax	3,504.02	6,020.03	2,721.10	2,498.83
Earnings per equity share (face value Rs. 10/- per equity share)				
Basic (Rs.)	93.14	160.54	102.23	101.44
Diluted (Rs.)	92.76	159.83	102.23	101.44
Cash Flow				
Net cash generated from operating activities	(11,225.82)	(17,625.25)	-8,859.02	4238.76
Net cash used in / generated from investing activities	(121.68)	(193.04)	-34.33	-25.82
Net cash used in financing activities	7,431.29	11,819.51	8,504.86	12,225.59
Cash and cash equivalents at the beginning of the year / period	9,932.84	10,662.44	11,050.93	3,088.99
Cash and cash equivalents at the end of year / period	6,016.63	9,932.84	10,662.44	11,050.93
Additional information				
Net worth (1)		43,408.29	26,066.62	21,689.65
Cash and cash equivalents	6,016.63	9,932.84	10,662.44	11,050.93
Investments	7,916.85	7,430.07	6,971.23	3346.77
Asset Under Management as per Ind AS (2)		1,92,417.47	1,27,041	1,17,243
Off-balance sheet assets as per Ind AS (3)		2344.44	1,342	1,051
Total Borrowings	1,73,782.31	1,64,202.24	1,14,496.71	1,06,196 .41
Interest Income	16,389.44	29,205.87	18,646.26	17,128.14
Finance Costs	7,431.31	12,931.27	9,734.31	9,054 .24
Total Debts to Total assets		0.78	0.80	0.82
Debt Service Coverage Ratio	NA	NA	NA	N.A.
Interest service coverage ratio	NA	NA	NA	N.A.
Impairment on financial instruments		4,169.06	3,860.86	3,118.40

Parameters	As on September 30, 2023 (SFL)	Fiscal year 2023 (SFL)	Fiscal year 2022	Fiscal year 2021
Bad debts to Account receivable ratio	NA	NA	NA	N.A.
Stage 3 Assets as a percentage of Total Loan Assets as per Ind AS (gross of Provisions) (per cent.) (4)	NA	NA	NA	N.A.
Stage 3 Asset net of Stage 3 Provision as a percentage of Net Loan Assets as per Ind AS (per cent.) (5)	NA	NA	NA	N.A.
Tier I Capital Adequacy Ratio (per cent.)	NA	NA	NA	N.A.
Tier II Capital Adequacy Ratio (per cent.)	NA	NA	NA	N.A.

*Please note that the above disclosures are made basis the financial statements prepared as per the IND AS requirements.

Note - (1) The figures for the period after the appointed date for the merger of STFC and the Merged Entities (i.e. April 01, 2022) have been restated to take the effect of merger and are therefore not comparable with figures of STFC for the corresponding previous year periods or previously reported figures of STFC for the said quarters.
(2) *SFL means Shriram Finance Limited*
(3) STFC means Shriram Transport Finance Company Limited
(4) Merged Entities means Shriram Capital Limited and Shriram City Union Finance Limited

Notes:

(1) Net worth as defined in Section 2(57) of the Companies Act, 2013 means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

(2) *Asset Under Management as per Ind AS: Total loan assets and loan assets assigned, which continue to be serviced by the transferor.*

(3) *Off-balance sheet assets as per Ind AS: Hypothecation loans assigned till date, which continue to be serviced by the transferor.*

(4) Stage 3 Assets as a percentage of Total Loan Assets as per Ind AS (gross of Provisions): Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under Ind AS.

(5) Stage 3 Assets net of Stage 3 Provision

Standalone basis:

A summary of our key operational and financial parameters derived from Ind AS financial statements on a standalone basis for the latest quarter ended on September 30, 2023, Fiscal 2023, Fiscal 2022, and Fiscal 2021 are as follows*:

(Rs. in Crores)

Parameters	As on September 30, 2023 (SFL)	Fiscal year 2023 (SFL)	Fiscal year 2022	Fiscal year 2021
Balance Sheet				
Total Financial assets	2,07,610.26	1,97,385.68	1,40,280.34	1,28,219.81
Total Non-financial assets	6,562.26	6,278.18	1,825.75	1,459.05
Total Assets	2,14,172.52	2,03,663.86	1,42,106.09	1,29,678.86
Total Financial liabilities	1,67,525.48	1,59,785.10	1,15,874.48	1,07,766.67
Total Non-financial liabilities	612.38	572.12	299.42	343.82
Equity (equity and other equity)	46,034.66	43,306.64	25,932.19	21,568.37
Total equity and liabilities	2,14,172.52	2,03,663.86	1,42,106.09	1,29,678.86
Profit and Loss				
Total revenue	16,572.46	29,802.89	19,274.23	17,436.40
From operations	16,558.36	29,772.16	19,255.17	17,420.45

Parameters	As on September 30, 2023 (SFL)	Fiscal year 2023 (SFL)	Fiscal year 2022	Fiscal year 2021
Other income	14.10	30.73	19.06	15.95
Total Expenses	11,972.56	21,618.00	15,724.98	14,158.39
Total Comprehensive Income	3448.56	5,953.52	2,585.13	2,394.24
Other comprehensive income	22.28	(25.82)	(122.80)	-93.02
Profit / loss	4599.90	8,184.89	3,549.25	3,278.01
Profit / loss after tax (including Share of profit of associate)	3,426.28	5,979.34	2,707.93	2,487.26
Earnings per equity share (face value Rs. 10/- per equity share)				
Basic (Rs.)	91.40	159.69	101.74	100.97
Diluted (Rs.)	91.03	158.99	101.74	100.97
Cash Flow				
Net cash generated from operating activities	-9,379.01	-15,841.34	-8,859.02	-4,238.76
Net cash used in / generated from investing activities	-114.92	-180.06	-34.33	-24.89
Net cash used in financing activities	5,628.68	9,646.84	8,504.86	12,225.59
Cash and cash equivalents at the beginning of the year / period	9,505.30	10,662.44	11,050.93	3,088.99
Cash and cash equivalents at the end of year / period	5,640.05	9 ,505.30	10,662.44	11,050.93
Additional information				
Net worth (1)	45,930.1	43,202.07	25,905	21,541
Cash and cash equivalents	5,640.05	9 ,505.30	10,662.44	11,050.93
Investments	9,051.4	8,565.06	6,809.16	3197.85
Asset Under Management as per Ind AS (2)	2,02,640.96	1,85,682.86	1,27,041	1,17,243
Off-balance sheet assets as per Ind AS (3)	3,046.26	2344.44	1,342	1,051
Total Borrowings	1,65,344.35	1,57,906.29	1,14,496.71	1,06,196.41
Interest Income	15,904.51	28,607.36	18,646.26	17,128.14
Finance Costs	7,109.4	12,545.76	9,734.31	9,054.26
Total Debts to Total assets	0.78	0.78	0.81	0.82
Debt Service Coverage Ratio	NA	NA	NA	N.A.
Interest service coverage ratio	NA	NA	NA	N.A.
Impairment on financial instruments	2,007.16	4,159.17	3,860.86	3,118.40
Bad debts to Account receivable ratio	NA	NA	NA	N.A.
Stage 3 Assets as a percentage of Total Loan Assets as per Ind AS (gross of Provisions) (per cent.) (4)	5.8%	6.21%	7.07%	7.14%
Stage 3 Asset net of Stage 3 Provision as a percentage of Net Loan Assets as per Ind AS (per cent.) (5)	2.8%	3.19%	3.67%	4.26%
Tier I Capital Adequacy Ratio (per cent.)	21.06%	21.20%	20.70%	19.94%
Tier II Capital Adequacy Ratio (per cent.)	1.10%	1.41%	2.27%	2.56%

*Please note that the above disclosures are made basis the financial statements prepared as per the IND AS requirements.

Note - (1) The figures for the period after the appointed date for the merger of STFC and the Merged Entities (i.e. April 01, 2022) have been restated to take the effect of merger and are therefore not comparable with figures of STFC for the corresponding previous year periods or previously reported figures of STFC for the said quarters.
(2) *SFL means Shriram Finance Limited*
(3) STFC means Shriram Transport Finance Company Limited
(4) Merged Entities means Shriram Capital Limited and Shriram City Union Finance Limited

Notes:
(1) Net worth as defined in Section 2(57) of the Companies Act, 2013 means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
(2) *Asset Under Management as per Ind AS: Total loan assets and loan assets assigned, which continue to be serviced by the transferor.*
(3) *Off-balance sheet assets as per Ind AS: Hypothecation loans assigned till date, which continue to be serviced by the transferor.*
(4) Stage 3 Assets as a percentage of Total Loan Assets as per Ind AS (gross of Provisions): Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under Ind AS.
(5) Stage 3 Assets net of Stage 3 Provision.

VI. *Gross Debt Equity Ratio of the Company:-*

Before the issue of debt securities (as per latest audited balance sheet as on March 31, 2023)	3.64
After the issue of debt securities (as per latest audited balance sheet as on March 31, 2023)	3.67

VII. *Details of any other contingent liabilities of the Issuer based on the last audited financial statements including amount and nature of liability:*

Particulars	As on September 30, 2023	As at Year ended on March 31, 2023
In respect of Income tax demands where the Company has filed appeal before various authorities	55.87	55.87
VAT demand where the Company has filed appeal before various appellates	4.92	4.92
Service tax demands where the Company has filed appeal before various authorities	2056.61	2,056.61
Penalty levied for Contravention of provisions of Section 6(3)(b) of FEMA, 1999 read with Regulation 4 of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000	5.00	5.00
Total	**2122.4**	**2,122.4**

Future cash outflows in respect of above are determinable only on receipt of judgements /decisions pending with various forums/authorities. It is not practicable for the Company to estimate the timings of the cashflows, if any, in respect of the above pending resolution of the respective proceedings. The Company does not expect any reimbursement in respect of the above contingent liabilities. The Company is of the opinion that above demands are not sustainable and expects to succeed in its appeals. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on’the Company's financial position and results of operations.

VIII. The amount of corporate guarantee or letter of comfort issued by the Company along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture entity, group, company etc.) on behalf of whom it has been issued:

Nil

I. ***A brief history of the company since its incorporation giving details of its following activities:***

i. Details of Share Capital as on last quarter end i.e. September 30, 2023:

Share Capital	Rupees in Lakhs
AUTHORISED SHARE CAPITAL	
2,97,55,00,000 Equity Shares of Rs. 10/- each	297,550
12,90,00,000 Preference Shares of Rs. 100/- each	129,000
TOTAL	426,550
ISSUED	
37,53,47,083 Equity Shares of Rs. 10 /- each	37,534.71
SUBSCRIBED	
37,53,47,083 Equity Shares of Rs. 10 /- each	37,534.71
PAID-UP (FULLY PAID-UP)	
37,53,47,083 Equity Shares of Rs. 10 /- each	37,534.71
NOTES:	
The Equity Shares allotted for consideration other than cash are as follows: a) 6,06,33,350 fully paid-up Equity Shares of our Company have been allotted to the shareholders of Shriram Investments Ltd (SIL), pursuant to a scheme of amalgamation sanctioned by the Hon'ble High Court of Madras vide its order dated November 25, 2005, in a ratio of 1 fully paid up Equity Share of our Company, for every 1 fully paid up equity share of the face value of Rs. 10/- each, of SIL; b) 1,86,45,886 fully paid-up Equity Shares of our Company have been allotted to the shareholders of Shriram Overseas Finance Ltd (SOFL), pursuant to a scheme of amalgamation sanctioned by the Hon'ble High Court of Madras vide its order dated December 1, 2006, in a ratio of 3 fully paid up Equity Shares of our Company, for every 5 fully paid up equity shares of the face value of Rs. 10/- each, of SOFL; c) Pursuant to Shriram Holdings (Madras) Pvt. Ltd. (SHMPL) Scheme of Merger sanctioned vide the SHMPL Merger Order passed by the Hon'ble High Court of Madras, our Company issued and allotted 9,38,72,380 fully paid up equity shares of our Company to the shareholders of SHMPL, whose names appeared in the register of members on the specified date in connection with the aforesaid scheme of amalgamation, in a ratio of 313 fully paid up Equity shares of our Company, for every 124 fully paid up equity shares of the face value of Rs. 10 each, of SHMPL. d) Pursuant to the Composite Scheme of Arrangement and Amalgamation among Shrilekha Business Consultancy Private Limited (SBCPL) and Shriram Financial Ventures (Chennai) Private Limited (SFVPL) and Shriram Capital Limited (SCL) and Shriram Transport Finance Company Limited (STFC/the Company) (now Shriram Finance Limited) and Shriram City Union Finance Limited (SCUF) and Shriram LI Holdings Private Limited (SLIH) and Shriram GI Holdings Private Limited (SGIH) and Shriram Investment Holdings Limited (SIHL) and their respective Shareholders ("Scheme") sanctioned by the Hon'ble National Company Law Tribunal, Special Bench	

Share Capital	Rupees in Lakhs
– II, Chennai vide its Common order dated November 14, 2022, read with Corrigendum dated November 17, 2022 to the order ("Order"), the Board of Directors of the Company issued and allotted on December 12,2022, 17,43,44,710 new equity shares of face value of Rs.10/- each fully paid up to the eligible shareholders of erstwhile SCL and SCUF as per the share exchange ratio . 7,04,37,147 equity shares of face value of Rs.10/- each fully paid-up of the Company held by erstwhile SCL stood cancelled. Consequently, the issued and paid-up capital of the Company stood increased to Rs.374,42,72,760/- consisting of (37,44,27,276 equity shares of Rs.10/- each fully paid up	

ii. ***Changes in its capital structure as on last quarter end i.e.*** **September 30, 2023, for the last three years:**

Date of change (Annual General Meeting / Extraordinary General Meeting)	Particulars
AGM dated August 19, 2020	The Company issued and allotted 139,86,000 Equity Shares of face value Rs.10/- each to eligible qualified institutional buyers at the issue price of Rs.1,430/- per Equity Share (including a premium of Rs.1,420/- per Equity Share) at a discount of Rs.3.32 per Equity Share i.e. 0.23% of the floor price of Rs.1,433.32/- per Equity Share, aggregating to Rs.19,99,99,80,000/- by way of qualified institutions placement (QIP Issue). The QIP Issue opened on June 7, 2021 and closed on June 11, 2021. These equity shares were allotted on June 12, 2021.
EGM dated July 7, 2021	The Company issued and allotted on July 8, 2021 (i) 1,736,100 Equity Shares of the Company, fully paid-up, at a price of Rs. 1,440/- per Equity Share including a premium of Rs. 1,430/- per Equity Share, aggregating up to Rs. 2,499,984,000/- and (ii) 1,736,100 Warrants convertible into 1,736,100 Equity Shares at a price (including the warrant subscription price and the warrant exercise price) of Rs. 1,440/- each, aggregating up to Rs. 2,499,984,000/- on a preferential basis to Shriram Capital Limited, Promoter of the Company.
EGM dated July 7, 2021	The Company received the subscription money of Rs. 624,996,000/- for allotment of 1,736,100 Warrants convertible into Equity Shares, being 25% of the Issue price of Rs. 1,440/- of the Warrants at Rs. 360/- per Warrant, towards the warrant subscription price. The remaining amounts shall be payable as per the terms approved by the Members of the Company in its Extra-Ordinary General Meeting held on July 7, 2021.
EGM dated July 7, 2021	The Company issued and allotted on November 25, 2021, 17,36,100 Equity Shares of Face value of Rs. 10/- each fully paid up, allotted pursuant to exercise of option for conversion of 17,36,100 Warrants issued in terms of Chapter V of SEBI (ICDR) Regulations, 2018 (Preferential Issue) to Shriram Capital Limited (Promoter) of the Company.
Board Meeting dated December 13, 2021 & NCLT convened meeting held on July 4, 2022	Pursuant to the Composite Scheme of Arrangement and Amalgamation among Shrilekha Business Consultancy Private Limited (SBCPL) and Shriram Financial Ventures (Chennai) Private Limited (SFVPL) and Shriram Capital Limited (SCL) and Shriram Transport Finance Company Limited (STFC/the Company) (now Shriram Finance Limited) and Shriram City Union Finance Limited (SCUF) and Shriram LI Holdings Private Limited (SLIH) and Shriram GI Holdings Private Limited (SGIH) and Shriram Investment Holdings Limited (SIHL) and their respective Shareholders ("Scheme") sanctioned by the Hon'ble National Company Law Tribunal, Special Bench – II, Chennai vide its Common order dated November 14, 2022, read with Corrigendum dated November 17, 2022 to the order ("Order"), the Board of Directors of the Company issued and allotted on December 12,2022, 17,43,44,710 new equity shares of face value of Rs.10/- each fully paid up to the eligible shareholders of erstwhile SCL and SCUF as per the share exchange ratio . 7,04,37,147 equity shares of face value of Rs.10/- each fully paid-up of the Company held by erstwhile SCL stood cancelled. Consequently, the issued and paid-up capital

Date of change (Annual General Meeting / Extraordinary General Meeting)	Particulars
	of the Company stood increased to Rs.374,42,72,760/- consisting of (37,44,27,276 equity shares of Rs.10/- each fully paid up

i. Details of Equity Share Capital of the Company as on last quarter end i.e. September 30, 2023 and for the preceding three financial years and the current year:

Date of Allotment	No. of Equity Shares	Face Value	Issue Price	Consideration (Cash, other than Cash, etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital	Equity Share Premium	
June 12, 2021	139,86,000	Rs. 10	Rs. 1440	Cash	QIP	1,39,86,000	2,67,04,75,130	Rs. 1430/-	QIP
July 08, 2021	17,36,100	Rs. 10	Rs. 1440	Cash	Preferential Allotment	17,36,100	2,68,78,36,130	Rs. 1430/-	Preferential Allotment
November 25, 2021	17,36,100	Rs. 10	Rs. 1440	Cash	Conversion of warrants Equity Shares	17,36,100	2,70,51,97,130	Rs. 1430/-	Conversion of warrants Equity Shares
December 12,2022	* 10,39,07,563	Rs. 10	-	For consideration other than cash	Allotment of 17,43,44,710 equity shares pursuant to Composite Scheme of Arrangement and Amalgamation involving amalgamation of Shriram Capital Limited (after de-merger of a few undertakings from the said SCL and Shriram	10,39,07,5630	3,74,42,72,760	-----	Allotment of 17,43,44,710 equity shares pursuant to Composite Scheme of Arrangement and Amalgamation involving amalgamation of Shriram Capital Limited (after de-merger of a few undertakings from the said SCL and Shriram City Union Finance Limited with the Company

					City Union Finance Limited with the Company				
June 05,2023	4,09,508	Rs.10	Rs.193.55	Cash	ESOP (Shriram Finance Limited Employee Stock Option Scheme 2023 (No.1)	4,09,508	3,74,83,67,840	---	ESOP Allotment
July 11, 2023	1,91,334	Rs.10	Rs.193.55	Cash	ESOP (Shriram Finance Limited Employee Stock Option Scheme 2023 (No.1)	19,13,340	3,75,02,81,180	--	ESOP Allotment
August 01, 2023	80,215	Rs.10	Rs.193.55	Cash	ESOP (Shriram Finance Limited Employee Stock Option Scheme 2023 (No.1)	8,02,150	3,75,10,83,330	--	ESOP Allotment
August 17, 2023	1,12,060	Rs.10	Rs.193.55	Cash	ESOP (Shriram Finance Limited Employee Stock Option Scheme 2023 (No.1)	11,20,600	3,75,22,03,930	--	ESOP Allotment
September 08, 2023	1,26,690	Rs.10	Rs.193.55	Cash	ESOP (Shriram Finance Limited Employee	12,66,900	3,75,34,70,830	--	ESOP Allotment

					Stock Option Scheme 2023 (No.1)				

* Cancellation of 7,04,37,147 equity shares of face value of Rs. 10 each fully paid-up of the Company held by erstwhile Shriram Capital Ltd stood cancelled, consequent to Scheme of Arrangement and Amalgamation.

ii. Details of any Acquisition or Amalgamation in the preceding 1 (one) year*:*

The Board of Directors of the Company in its meeting held on December 13, 2021 had approved a Composite Scheme of Arrangement and Amalgamation ("Scheme"), inter alia, involving amalgamation of Shriram Capital Limited (after de-merger of a few undertakings from the said Shriram Capital Limited) and Shriram City Union Finance Limited with the Company under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Reserve Bank of India vide its letter dated June 15, 2022 conveyed its No- Objection to the Scheme with usual and normal conditions as generally stipulated in such similar approvals. As per the directions of the Hon'ble National Company Law Tribunal, Chennai ("NCLT") in the common order dated May 11, 2022, the meeting of the Equity Shareholders, Secured Creditors and Unsecured Creditors was held on July 4, 2022 and the Scheme was approved by the requisite majority of the Equity shareholders, Secured Creditors and Unsecured Creditors in their respective meetings. The Company has filed the Petition with NCLT on July 14, 2022 for sanctioning of the Scheme. Competition Commission of India vide its letter dated August 1, 2022 has conveyed its approval to the Composite Scheme under 31(1) of the Competition Act, 2002.

Pursuant to the Composite Scheme of Arrangement and Amalgamation among Shrilekha Business Consultancy Private Limited (SBCPL) and Shriram Financial Ventures (Chennai) Private Limited (SFVPL) and Shriram Capital Limited (SCL) and Shriram Transport Finance Company Limited (STFC/the Company) (now Shriram Finance Limited) and Shriram City Union Finance Limited (SCUF) and Shriram LI Holdings Private Limited (SLIH) and Shriram GI Holdings Private Limited (SGIH) and Shriram Investment Holdings Limited (SIHL) and their respective Shareholders ("Scheme") sanctioned by the Hon'ble National Company Law Tribunal, Special Bench – II, Chennai vide its Common order dated November 14, 2022, read with Corrigendum dated November 17, 2022 to the order ("Order"), the Board of Directors of the Company issued and allotted on December 12,2022, 17,43,44,710 new equity shares of face value of Rs.10/- each fully paid up to the eligible shareholders of erstwhile SCL and SCUF as per the share exchange ratio of the Scheme. 7,04,37,147 equity shares of face value of Rs. 10 each fully paid-up of the Company held by erstwhile SCL stood cancelled.

iii. Details of reorganization or reconstruction in the preceding 1 (one) year *: NIL*

iv. Details of shareholding of the company as on latest quarter end as on September 30, 2023:

i. Shareholding of the Company as on quarter ending September 30, 2023:

A. <u>Summary Statement holding of specified securities</u>

Sr No	*Category of shareholder*	*Nos. of shareh olders*	*No. of fully paid up equity shares*	*Shareholding as a % of total no. of shares*	*Number of equity shares held in dematerialized form*
1	Promoter & Promoter Group	4	9,55,16,276	25.45	9,55,16,276
2	Public	96869	27,98,30,807	74.55	27,81,22,137
	Total	**96873**	37,53,47,083	**100.00**	**37,36,38,413**

Notes: - Shares pledged or encumbered by the promoters (if any)- Nil

B. <u>Statement showing shareholding pattern of the Promoter and Promoter Group</u>

Sr	*Category of shareholder*	*Nos. of*	*No. of fully*	*Shareholding as*	*Number of equity*

No		*shareholders*	*paid up equity shares*	*a % of total no. of shares*	*shares held in dematerialized form*
1	Indian	0	0	0	0
A	Individuals/Hindu undivided Family	0	0	0	0
B	Central Government/ State Government(s)	0	0	0	0
C	Financial Institutions/ Banks	0	0	0	0
D	Any Other (specify)				
	Bodies Corporate	3	87979325	23.44	87979325
	Sub-Total (A)(1)	**3**	87979325	23.44	**87979325**
2	Foreign	0	0	0	0
A	Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0
B	Government	0	0	0	0
C	Institutions	0	0	0	0
D	Foreign Portfolio Investor	1	7536951	2.01	7356951
E	Any Other (specify)	0	0	0	0
	Sub-Total (A)(2)	0	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**4**	**95516276**	**25.45**	**95516276**

C. <u>Statement showing shareholding pattern of the Public shareholder</u>

Sr No	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares	Shareholding as a % of total no. of shares	Number of equity shares held in dematerialized form
1	Institutions				
A	Mutual Funds	28	35927836	9.57	35899691
B	Venture Capital Funds	0	0	0	0
C	Alternate Investment Funds	11	738855	0.20	738855
D	Foreign Venture Capital Investors	0	0	0	0
E	Foreign Portfolio Investors	871	205199836	54.67	205199836
F	Financial Institutions/ Banks	5	157985	0	157775
G	Insurance Companies	23	18771029	5.00	18771029
H	Provident Funds/ Pension Funds	1	1335788	0.36	1335788
I	Any Other (specify)				
	Sub-Total (B)(1)	**939**	**262131329**	**69.84**	**262102974**
2	Central Government/ State Government(s)/ President of India	2	190	0	190
	Sub-Total (B)(2)	2	190	0	190
3	Non-institutions				
A	Individuals -				
I	Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	91748	12038941	3.21	10375457
II	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	33	1514787	0.40	1514787
	Directors & KMP	10	69513	0.02	69513
B	NBFCs registered with RBI	5	37117	0.01	37117
C	Employee Trusts	0	0	0	0

D	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0
E	Any Other (specify)	1	12734	0	12734
F	IEPF	1	1285297	0.34	1285297
G	Unclaimed or Suspense or Escrow Account	1	171976	0.05	171976
H	Non-Resident Indian (NRI)	2323	484648	0.13	481648
I	Foreign Companies	0	0	0	0
J	Trusts	7	292255	0.08	292255
K	Clearing Members	36	609445	0.16	609445
L	HUF	1155	179482	0.05	179482
M	Bodies Corporate	550	966878	0.26	953047
N	Foreign Portfolio Investo– (Category - III)	2	519	0.00	519
O	LLP	56	35696	0.01	35696
	Sub-Total (B)(3)	**95928**	**1,76,99,288**	**4.72**	**1,60,18,973**
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	96869	279830807	74.55	27,81,22,137

Notes to shareholding pattern – Quarter ended on September 30, 2023

I. Shriram Capital Private Limited (formerly Shriram Financial Ventures (Chennai) Private Limited) is the Promoter holding 6,71,45,784 Equity Shares of the Company.

II. Shriram Ownership Trust is the Promoter holding 78,40,080 Equity Shares of the Company. The shares are held in the name of Trustees viz., Mr. R Thyagarajan and Mr. D V Ravi.

III. The Promoter Group as defined under Regulation 2(1)(t) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers Regulations, 2011, (SAST Regulations 2011): 1. Shriram Value Services Limited is the Promoter Group holding 1,29,93,461 Equity Shares of the Company 2. Shriram Life Insurance Company Limited 3. Shriram General Insurance Company Limited 4 Shriram Credit Company Limited 5. Shriram Asset Management Company Limited 6. Shriram Overseas Investments Private Limited 7. Bharat Investments Pte. Limited, Singapore . 8. Shriram Fortune Solutions Limited 9. Shriram Wealth Limited (formerly Shriram Wealth Advisors Limited) 10. Shriram Insight Share Brokers Limited 11. Shriram Seva Sankalp Foundation 12. SGI Philippines General Insurance Co Inc. 13. Sanlam Emerging Markets (Mauritius) Limited, 14. Novac Technology Solutions Private Limited 15. Novac Digital Services Pvt Ltd (formerly Techfactory Services Private Limited) 16. Novac Technology FZCO (Dubai) 17. Shriram LI Holdings Private Limited (formerly Snottor Technology Services Private Limited) 18. Sea Funds Management India Private Limited 19. Way2Wealth Insurance Brokers Private Limited 20. Way2Wealth Brokers Private Limited 21. Way2Wealth Commodities Private Limited. 22. Shriram Investment Holdings Private Limited 23. Shriram GI Holdings Private Limited (formerly Oner Infotech Services Private Limited) 24. Sanlam Life Insurance Limited is the Promoter Group holding 75,36,951 Equity Shares of the Company 25. Shriram Asset Reconstruction Private Limited.

IV. The Persons Acting in Concert (PAC), as defined in the SAST Regulations 2011 for the purpose of Regulation 10 of SAST Regulations, 2011: (i)Shriram Mutual Fund (SMF), (ii) Mrs. Vani Narayanan (Trustee of SMF), (iii) Mr R Thiagarajan (Trustee of SMF), (iv) Dr. Qudsia Gandhi (Trustee of SMF), (v) Mr. Mani Sridhar (Trustee of SMF) and (vi) Shriram Housing Finance Limited.

V. All the entities/persons mentioned in Note No. III and Note No. IV are PG and PACs respectively for more than three years, except the entity at Sr. No. (16), (19), (20),(21),(22) (23),(25) in Note No. III and Sr. No. (ii) and (iii) in Note No. IV are PACs respectively for less than three years.

VI. Mrs. Vani Narayanan Trustee of Shriram Mutual Fund holds equity shares in individual capacity.

VII. None of the above-mentioned entities/persons in Note No. III and IV hold any shares in the Company except the entity at Sr. No. 1 and 24 in Note No. III.

ii. List of top 10 holders of equity shares of the Company as on last quarter end i.e. September 30, 2023:

Sr. No.	Name of shareholders	Address	Total Number of Equity Shares held*	Percentage Holding (%)
1.	Shriram Capital Private Limited (Promoter)	Shriram House, No.4 Burkit Road, T. Nagar, Chennai- 600 017	67145784	17.89
2.	Government of Singapore	Citibank N.A. Custody Services FIFC- 9th Floor, G Block Bandra - East, Mumbai 400098	17007658	4.53
3.	Shriram Value Services Limited	No. 275, Statesman One, R K Mutt Road, Mylapore, Chennai – 600 004	12993461	3.46
4.	Government Pension Fund Global	Citibank N.A. Custody Services, FIFC- 9th Floor, G Block, Plot C-54 and C-55, BKC, Bandra (East), Mumbai - 400 098	8861401	2.36
5.	Life Insurance Corporation of India	ICICI Bank Ltd., SMS Dept 1st Floor Empire Complex, S B Marg Lower-Parel, Mumbai - 400 013	8329649	2.22
6.	Shriram Ownership Trust (Promoter)	Shriram House No.4 Burkit Road, T Nagar, Chennai- 600 017	7840080	2.09
7.	HDFC Mutual Fund (various sub funds)	HDFC Mid-Cap Opportunities Fund- HSBC Securities Services, 11th Floor, Bldg 3, NESCO - IT Park, NESCO Complex, W.E. Highway, Goregaon (East), Mumbai- 400063	7631037	2.03
8.	Sanlam Life Insurance Limited	Citibank N.A. Custody Services FIFC- 9th Floor, G Block Plot C-54 and C-55, BKC Bandra (East), Mumbai - 400 098	7536951	2.01
9.	Kotak Mahindra Trustee Co, Ltd. (various sub funds)	Standard Chartered Bank Securities Services, 3rd Floor, 23-25 Mahatma Gandhi Road, Fort Mumbai 400001	7112186	1.89
10.	Mirae Asset Fund (various sub funds)	Off CST Road, Kalina, Santacruz (East), Mumbai – 400098	5016415	1.34

**all shares are being held in dematerialized form.*

Details of promoters of the Company:

Details of promoter holding in the company as on the latest quarter end i.e. September 30, 2023:

Sr. No.	Name of shareholders	Total Number of Equity Shares held	Total Number of Equity Shares held	Percentage Holding (%)	No of Shares Pledged	% of Shares pledged with respect to

			in Demat Form			shares owned
1	Shriram Capital Private Limited –) Promoter	67145784	67145784	17.89	-	-
2	Shriram Ownership Trust Promoter	7840080	7840080	2.09	-	-
3	Sanlam Life Insurance Limited – Promoter Group	7536951	7536951	2.01	-	-
4	Shriram Value Services Limited - Promoter Group	12993461	12993461	3.46	-	-

C. Following details regarding the directors of the Company:

i. ***Details of the current Directors of the Company:***

Name, Designation, DIN and Occupation	Age	Address	Date of appointment	Details of other directorship	Whether wilful defaulter (Yes/No)
Mr. Jugal Kishore Mohapatra *Chairman, Non-Executive and Independent Director* DIN: 03190289 Term: Appointed as a Director in the category of Independent Director of the Company for the term of Three years commencing from December 4, 2022 to December 3, 2025 Occupation: Retired Civil Servant (I.A.S)	66 years	Flat No.101, Lova Villa, Plot No. 408, Saheed Nagar, Bhubaneswar - 751007	December 4, 2022	i. Urban Mass Transit Company Limited; ii. India International Bullion Exchange IFSC; iii. Foundation For Development Of Rural Value Chains;	No
Mr. Umesh Govind Revankar *Executive Vice Chairman* DIN: 00141189 Term: for a term of Five years from October 26, 2019 to October 25, 2024 Occupation: Service	57 years	1001, Simran CHS Ltd., Plot no. 9, 15th Road, Khar (West), Near Gabana HDFC Bank, Mumbai – 400052.	October 25, 2016	i. Shriram Investment Holdings Limited ii. Shriram Capital Private Limited iii. Shriram Gi Holdings Private Limited iv. Shriram Li Holdings Private Limited v. Shriram Credit Company Limited; vi. Shriram General Insurance Company Limited; vii. Shriram Automall India Limited;	No

Name, Designation, DIN and Occupation	Age	Address	Date of appointment	Details of other directorship	Whether wilful defaulter (Yes/No)
				viii. Shriram Life Insurance Company Limited ix. Finance Industry Development Council	
Mrs. Maya S. Sinha *Non- Executive and Independent Director* DIN: 03056226 Term: Appointed as a Director in the category of Independent Director of the Company for the term of Two years commencing from December 4, 2022 to December 3, 2024 Occupation: Service	63 years	11, Vipul Bldg., 28, B. G. Kher Marg, Malabar Hill, Mumbai - 400 006	December 4, 2022	i. Shreyas Shipping And Logistics Limited; ii. Tata Lockheed Martin Aerostructures Limited; iii. Prabhat Properties Private Limited; iv. Tata Advanced Systems Limited; v. Clear Maze Consulting Private Limited; vi. Tata Boeing Aerospace Limited; vii. CMC Skills Private Limited; viii. CMCEE Mega Skills Private Limited ix, Clear Maze Foundation x. Vishnusurya Projects And Infra Limited	No
Mr. Sridhar Srinivasan *Non-Executive and Independent Director* DIN: 00004272 Term: Re-appointed for 5 consecutive years commencing from October 20, 2019. Occupation: Management Consultant	71 years	D-905, Ashok Towers, Dr. S.S Rao Road, Parel, Mumbai- 400 012	October 20, 2014	i. Strides Pharma Science Limited; ii. Jubilant Pharmova Limited iii. Strategic Research and Information Capital Services Private Limited; iv. IIFL Home Finance Limited; v. GVFL Trustee Company Private Limited vi. Universal Trustees Private Limited vii. Essfore Consultancy Services LLP viii. Evyavan Asset Management Limited	No

Name, Designation, DIN and Occupation	Age	Address	Date of appointment	Details of other directorship	Whether wilful defaulter (Yes/No)
				ix. BSE Administration and Supervision Ltd. x. Go Fashion (India) Ltd. xi. BSV Associates LLP xii. Universal Trusteeship Services Limited	
Mr. Ravi Devaki Venkataraman *Non-Executive and Non-Independent Director* DIN: 00171603 Term: Liable to retire by Rotation Occupation: Service	57 years	B3E, Regal Palm Gardens, CEE DEE YES Apartments, Velachery Tambaram Road, Velachery, Chennai-600 042	June 18, 2015	i. Shriram Capital Private Limited; ii. DRP Consultants Pvt. Ltd.; iii. Shriram Properties Holding Pvt. Ltd; iv. Intelent Data Sciences Private Limited; v. Shriram Credit Company Limited; vi. Shriram Investment Holdings Limited vii. Take Sports Management Private Limited viii. APA Engineering Pvt. Ltd. ix. R.K.P. Management Consultants Private Limited x. Eywa Pharma Pte Limited	No
Mr. Pradeep Kumar Panja *Non-Executive and Independent Director* DIN: 03614568 Term: Re-appointed for the a term of 5 consecutive years with effect from October 25, 2023 upto October 24,2028 Occupation: Service	66 years	'Bhaskara', 21, I Main Road, 4th Cross, Gaurav Nagar, JP Nagar 7th Phase Bangalore 560 078	October 25, 2018	i. Brigade Enterprises Ltd.; ii. TVS Capital Funds Pvt. Ltd. iii. The Karnataka Bank Limited iv. Virescent Infrastructure Investment Manager Pvt. Ltd. v. Asset Reconstruction Company (India) Ltd.	No
Mr. Ignatius Michael Viljoen	49 years	419, Highland Road, Kensington, Johhannesburg,	May 14, 2019	i. Sanlam Credit Fund Advisor (Pty) Limited;	No

Name, Designation, DIN and Occupation	Age	Address	Date of appointment	Details of other directorship	Whether wilful defaulter (Yes/No)
Non-Executive and Non-Independent Director DIN: 08452443 Term: Liable to retire by Rotation Occupation: Credit Portfolio Manager at Sanlam Emerging Markets Protfolio Management		2094, South Africa		ii. African Life Holdings Limited; iii. African Life Financial Services Zambia Limited; and iv. Aflife Properties Limited v. Letshego Holdings Limited vi. Sanlam Africa Real Estate Advisor Proprietary Limited	
Mr. Y. S. Chakravarti *Managing Director & CEO* DIN: 00052308 Term: Appointed as Managing Director & CEO of the Company for a term of three years from December 05, 2022 to December 04, 2025. Occupation: Service	59 years	Flat No. 302, Banjara Heritage Apartments, Road No. 3 Panchavati Society, Banjara Hills, Hyderabad - 500 034	December 5, 2022 (December 13, 2021 to December 4, 2022 - Non Executive Director)	i. Shriram Housing Finance Ltd.; ii. Shriram Chits (India) Pvt. Ltd.	No
Mr. Parag Sharma *Whole Time Director designated as Joint Managing Director and Chief Financial Officer* DIN: 02916744 Term: appointed as Whole Time Director designated as Joint Managing Director and Chief Financial Officer of the Company for a period of five years with effect from December 13, 2021. Occupation: Service	53 years	B-1401, Ellora, Plot No.27, Sector -11, CBD Belapur, Navi Mumbai - 400614	December 13, 2021	NIL	No
Mr. S. Ravindran *Non-executive and Independent Director*	61 years	C 1601 Lakshachandi Heights Gen Avk Marg,	August 31, 2023	i. Tamilnad Mercantile Bank Limited.; ii. LTIDPL Indvit Services Ltd.	No

Name, Designation, DIN and Occupation	Age	Address	Date of appointment	Details of other directorship	Whether wilful defaulter (Yes/No)
DIN: 09778966 Term: Consecutive Five years with effect from August 31, 2023. Occupation: Professional		Gokuldham Goregaon East, Mumbai - 400063		iii. National Stock Exchange of India Ltd.	

Profile of Directors

Mr. Jugal Kishore Mohapatra (Chairman, Independent Director)

Mr. Jugal Kishore Mohapatra, a Post Graduate from Delhi School of Economics, joined Odisha Cadre of Indian Administrative Service (IAS) in 1979. He also holds Master's Degree in Economics from Boston University, USA. He was a secretary to the Hon'ble Chief Minister, Odisha, Principal Secretary Finance and Chief Secretary in the Government of Odisha. He had all round experience in Government of India and Government of Odisha. He served as Secretary in the Department of Fertilizers and Rural Development in Government of India during 2014-16. He served on the Board of NABARD Financial Services Limited as an Independent Director and also on the Board of NHPC Limited as an Independent Director.

Mr. Umesh Govind Revankar (Executive Vice Chairman)

Mr. Umesh Govind Revankar holds a bachelor's degree in business management from Mangalore University and a master of business administration (MBA) in finance. He attended the Advanced Management Program at Harvard Business School. Mr. Revankar started his career with the Shriram group as an executive trainee in 1987. He has been associated with the Shriram group for more than 3 decades and has an extensive experience in the financial services industry. During his stint with the Shriram Group, he has shouldered various responsibilities and worked in several key roles of business operations.

Mr. Y. S. Chakravarti (Managing Director and CEO)

Mr. Y. S. Chakravarti, (DIN 00052308) was a Managing Director and CEO of erstwhile Shriram City Union Finance Limited (SCUF). He is Bachelor of Commerce. He started his career in Shriram Chits Private Limited, Andhra Pradesh ('Shriram Chits') in June 1991 as an executive trainee. In the year 1998, he rose to the position of Chief Executive of Shriram Chits and was promoted to the position of Executive Director of Shriram Chits in March 2004. He was instrumental in achieving manifold expansion of the branch network business of Shriram Chits with 35,000 customer base and auction turnover of Rs.40 crores per annum. In the year 2008, he was promoted to take charge as Executive Director of erstwhile Shriram City Union Finance Limited (SCUF), initially as Business Head for financing purchase of two wheelers in the state of Andhra Pradesh. Under his leadership, Shriram Chits had expanded to 187 branches covering 5,00,000 customers and with an auction turnover of Rs.2,000 Crores per annum. 40% of the customers were small business owners. He was responsible for Andhra Pradesh becoming the leading contributor of the business of SCUF.

Mrs. Maya Sinha (Independent Director)

Mrs. Mrs. Maya S. Sinha is a graduate B.A. (Honours) in Economics and Mathematics from Lady Shri Ram College, Delhi University and holds a Masters' degree from the Delhi School of Economics, Delhi University, specialised in Econometrics, Monetary Finance and Public Economics. Mrs. Sinha was a member of the Indian Revenue Service

(IRS), 1981 Batch. She was Deputy Chairman of the Jawaharlal Nehru Port Trust. In her almost 30 year career in the Government of India, she served for about 23 years in the Income Tax Department. She worked for a considerable time in the Investigation Wing in New Delhi and Mumbai, apart from handling assessment and appeals of large corporates. She was on deputation as the Commissioner of Khadi and Village Industries Commission, a Government of India Undertaking engaged in employment generation through promotion of rural entrepreneurship.

Mr. S. Sridhar (Independent Director)

Mr. S. Sridhar, is an Independent Director of the Company. He studied at the Indian Institute of Technology, Delhi and Jamnalal Bajaj Institute of Management Studies, Mumbai. He was awarded the Lord Aldington Banking Research Fellowship for the year 1984 by the Indian Institute of Bankers. He has received many awards / honours, particularly for his innovative business models and intuition building.

He was Chairman and Managing Director of Central Bank of India until May 31, 2011 and earlier of National Housing Bank, India's regulator of Housing Finance Companies and the apex Financial Institution for housing. He is a banker with about 40 years' experience in commercial and development banking of which 13 years were at the CEO / Board level. He is widely acknowledged to be an innovative, market oriented banker and strategic thinker having provided transformational leadership to the organizations he had worked for. He was a pioneer in championing the concept of affordable housing in India and contributed significantly to public policy formulation.
Mr. Sridhar started his career with State Bank of India, India's largest commercial Bank. He also worked as Executive Director and Chief Operating Officer of Export Import Bank of India, India's apex export financing institution between 2001 and 2006.Currently, he serves as an Independent Director on the Boards of various companies, and also as a consultant to financial services companies.

Mr. Sridhar has served in various national level committees and task forces for framing financial sector policies. He was on the Managing Committee of the Indian Banks' Association, served on the Emerging Markets Council of the Institute of International Finance, Washington DC. He has been an invited speaker at numerous national and international Conferences including Chatham House Lectures.

Mr. Pradeep Kumar Panja (Independent Director)

Mr. Pradeep Kumar Panja holds Master's Degree in Science (Statistics) from the University of Madras. He is a Certified Associate of the Indian Institute of Bankers.
He is a career banker, retired as Managing Director (Corporate Banking) of State Bank of India (SBI), the largest bank of the country, in October 2015. During his long association of 39 years with SBI (3 years of which at Board level), he gained rich experience in various areas of banking including corporate and international banking, treasury management, information technology, retail, transaction banking, strategic planning, business development, risk management.

He has excellent track record of successfully leading large teams across various business verticals of SBI. He also successfully led the US Operations of SBI as the Country Head-US. He held multiple assignments driving large projects in the Information Technology Wing of SBI. As a Head of IT (Chief Information Officer), he led SBI's IT strategy, set up India's largest data warehouse. He also lead the analytics foray of SBI. During his association with SBI he was member of important committees of directors and was chairman of Risk Management Committee.
He is a member of Board of Directors of companies engaged in the business of real estate, asset reconstruction, software business, cements etc.

Mr. S. Ravindran

Mr. S. Ravindran, holds a bachelor's degree in Commerce. He is also a Chartered Accountant and Cost Accountant. He has an extensive work experience of 29 years at the Securities and Exchange Board of lndia (SEBI) and was Executive Director during the period from August 2011 to May 2022 handled all major Departments in SEBI and initiated/implemented various policy measures for development/ regulation of securities markets relating to Mutual Funds, Corporate Governance, Market Infrastructure Institutions and Market Intermediaries, Market Surveillance and Risk Management, IPOs, Accounting standers Disclosure and Transparency, Corporate restructuring, Takeovers, Buybacks, Delisting, Commodity Derivatives Market, etc. He was also an advisor to Central Bank of Bahrain on deputation from SEBI from January 2005 to January 2010 wherein he drafted and implemented Bahrain's Securities Market/Regulatory Framework as per International Standards and enabled Bahrain to enter into Multilateral MOU with IOSCO.

He has also served in various capacities as Chief General Manager, General Manager and Deputy General Manager at SEBI from March 1993 to January 2005. During his association with SEBI he had set up Surveillance Department and developed Integrated Market Surveillance System, handled major investigation cases relating to 1999-2001 Market Manipulations, resulting in various enforcement actions, implemented Accounting Standards through Listing Requirements, cleared more than 200 IPOs as Dealing Division Chief, handled more than 100 investigation cases as Investigating Authority, functioned as quasi-judicial Enquiry /Adjudication Officer, registration of MFs/ Market Intermediaries and Inspection of stock exchanges / Market Intermediaries. He also functioned as SEBI Nominee on the Governing Boards of stock exchanges. Currently, he is the Chairman of Intermediaries Advisory Committee of SEBI.

Mr. D.V. Ravi (Non-Executive and Non-Independent Director)

Mr. D.V. Ravi, is the Vice Chairman and Managing Director of Shriram Capital Private Limited, Promoter of the Company. He has been part of the Shriram Group since 1992 and has an extensive experience and expertise in the financial services and insurance domains and actively participates and is involved strategic matters of Shriram Group such as formulating Corporate Strategies, Building Teams and creating Synergy, Mergers & Acquisitions, Risk Management, Corporate Finance, Leadership development and Technology initiatives.
Mr. D.V. Ravi started his career in strategy and finance in the year 1987 with Karnataka Oil Seeds Federation, Bangalore where he held the responsibility of planning and managing the finance and technology initiatives of the entity.

Mr. Ignatius Michael Viljoen (Non-Executive and Non-Independent Director)

Mr. Ignatius Michael Viljoen is a Head of Credit-Sanlam Pan Africa Portfolio Management, South Africa and is responsible for a range of credit risk and credit portfolio management aspects across the various entities owned by the Sanlam Group outside of the Republic of South Africa. He has been associated with Sanlam Group since September 2003. Sanlam is a 100 year old company with strong financials, management and culture in South Africa. Sanlam is a diversified financial services group, headquartered in South Africa, operating across number of selected global markets. Mr. Ignatius Michael Viljoen is a nominee of Sanlam.

Mr. Parag Sharma (Joint Managing Director and Chief Financial Officer)

Mr. Parag Sharma has been working in Shriram group for more than three decades in the senior management positions and is playing key roles in the growth and expansion of business of the Company. Mr. Parag Sharma is a dynamic and accomplished Chief Financial Officer of the Company. He introduced innovative techniques and methods of raising funds through domestic as well as international sources and is expert in handling matters related to Finance & Accounts, MIS, Resource Mobilization, Treasury Management, Planning and Budgeting, Corporate Strategy and relationships with Rating agencies, Banks, Investors, Regulators, etc.

ii. Details of change in Directors in the preceding financial years and the current financial year: -

Name, Designation and DIN	**Date of Appointment**	**Date of cessation, if applicable**	**Date of resignation, if applicable**	**Remarks**
Mr. Y. S. Chakravarti *Non-Executive and Non-Independent Director* DIN: 00052308	December 13, 2021			Appointed in the category of Non-Executive and Non-Independent Director
Mr. Parag Sharma *Executive and Non-Independent Director designated as Joint*	December 13, 2021			Appointed in the category of Executive and Non-Independent Director designated as Joint Managing

Managing Director & Chief Financial Officer DIN: 02916744				Director & Chief Financial Officer
Mr. Lakshminarayanan Subramanian *Chairman, Non-Executive and Independent Director* DIN: 02808698	September 22, 2009		December 05, 2022	Resigned as an Independent Director and Chairman
Mrs. Kishori Udeshi *Non- Executive and Independent Director* DIN: 01344073	October 30, 2012		December 05, 2022	Resigned as an Independent Director
Mr. Y. S. Chakravarti *Managing Director & CEO* DIN: 00052308	December 05, 2022			Appointed as Managing Director & CEO of the Company from December 5, 2022, subject to approval of the shareholders of the Company
Mr. Umesh Govind Revankar *Executive Vice Chairman* DIN: 00141189	December 5, 2022			Re-designated as Executive Vice Chairman of the Company with effect from December 5, 2022, subject to approval of the shareholders of the Company.
Mr. Jugal Kishore Mohapatra *Chairman, Non-Executive and Independent Director* DIN: 03190289	December 4, 2022			Appointed as an Additional Director in the category of Independent Director of the Company, subject to approval of the shareholders of the Company for the term of Three years commencing from December 4, 2022 to December 3, 2025
Mrs. Maya S. Sinha *Non- Executive and Independent Director* DIN: 03056226	December 4, 2022			Appointment as an Additional Director in the category of Independent Director of the Company, subject to approval of the shareholders of the Company for the term of Two years commencing from December 4, 2022 to December 3, 2024
Mr. S. Ravindran *Additional Director in the category of Non-executive Independent Director* DIN: 09778966	August 31, 2023			Appointment as an Additional Director in the category of Independent Director of the Company, subject to approval of the shareholders of the Company for a term of 5 (five) consecutive years commencing from August 31, 2023 upto August 30, 2028. Regularisation through the Shareholders' Resolution

				through the Postal Ballot on October 05, 2023
Mr. Pradeep Kumar Panja *Non-Executive, Independent Director* DIN: 03614568	October 25, 2018			In the meeting of Board of Directors held on August 31, 2023, Re-appointed as an Independent Director of the Company, subject to approval of the shareholders for a second term of 5 (five) consecutive years commencing from October 25, 2023 upto October 24, 2028. Regularisation through the Shareholders' Resolution through the Postal Ballot on October 05, 2023

D. Following details regarding the Auditors of the Company:

i. Details of the Auditor of the Company:-

Name	Registered Office	Corporate Office and Website	Contact Person and Communication Details	Date of Appointment
M/s. Sundaram & Srinivasan Chartered Accountants	New No. 4, Old No. 23, C P Ramaswamy Road0018	www.sundaramandsrinivasan.com	Email: yessendes@sundaramandsrinivasan.com Tel: +91 044-24988762	15th September, 2021
M/s KKC & Associates LLP	Sunshine Tower, Level 19, Senapati Bapat Marg, Elphinstone Road, Mumbai 400013, India	www.kkc.in	Email-info@kkc.in Tel: +91 22 61437333	15th September, 2021

ii. Details of change in auditor for preceding three financial years and current financial year: -

Name	Address	Date of Appointment	Date of cessation, if applicable	Date of resignation, if applicable
M/s. Haribhakti & Co. LLP	705, Leela Business Park, Andheri-Kurla Road, Andheri I, Mumbai- 400059	Appointed in the AGM dated June 29, 2017	Not Applicable	September 15,2021 (after conclusion of Extraordinary General Meeting)
M/s. Pijush Gupta & Co.	P 199, CIT Road, Scheme IV-M, Kolkata, West Bengal – 700010	Appointed in the AGM dated June 29, 2017	Not Applicable	September 15,2021 (after conclusion of Extraordinary General Meeting)

E. Details of borrowing of the company, as on September 30, 2023:

i. Details of Outstanding Secured Loan Facilities:-

TERM LOAN

Name of Lender	Date of Disbursement	Date of Maturity	Amount Sanctioned	Amount outstanding as on September 30, 2023 (IND AS)	Repayment Schedule	Security
Bandhan Bank	21-Jun-2023	31-Mar-2026	50.00	41.67	12 Quarterly Installments	Receivables
Hongkong and Shanghai Banking Corp Ltd	20-Jun-2023	20-Jun-2028	350.00	332.58	20 Quarterly Installments	Receivables
South Indian Bank	30-Jun-2023	30-Jun-2027	150.00	140.47	12 Quarterly Installments	Receivables
Indus Ind Bank	30-Jun-2023	30-Jun-2026	200.00	197.04	8 Quarterly Installments	Receivables
BNP Paribas	30-Jun-2023	30-Jun-2026	200.00	200.08	Bullet	Receivables
Indian Overseas Bank	25-Oct-2021	31-Oct-2025	50.00	31.71	14 Quarterly Installments	Receivables
Canara Bank	17-Nov-2021	17-Nov-2026	500.00	337.33	19 Quarterly Installments	Receivables
Axis Bank	25-Nov-2021	30-Nov-2024	200.00	110.87	9 Quarterly Installments,	Receivables
Yes Bank	26-Nov-2021	26-Nov-2024	120.00	46.54	36 Monthly Installments	Receivables
Karur Vyasa Bank	04-Jan-2022	31-Mar-2025	50.00	24.78	36 Monthly Installments	Receivables
Canara Bank	27-May-2021	31-May-2025	200.00	92.43	15 Quarterly Installments	Receivables
Federal Bank	21-Jan-2022	21-Jan-2025	100.00	59.76	10 Quarterly Installments	Receivables
South Indian Bank	25-Jan-2022	25-Jan-2026	70.00	63.43	11 Quarterly Installments	Receivables
HDFC Bank	31-Dec-2021	30-Dec-2024	500.00	209.75	36 Monthly Installments	Receivables
HDFC Bank	27-Jan-2022	26-Jan-2024	250.00	41.59	24 Monthly Installments	Receivables

Woori Bank	24-Jan-2022	24-Jan-2025	60.00	26.03	36 Monthly Installments	Receivables
Bank of Baroda	10-Feb-2022	10-Feb-2026	250.00	178.62	14 Quarterly Installments	Receivables
Union Bank of India	25-Jan-2022	25-Jan-2026	200.00	131.42	15 Quarterly Installments	Receivables
Bank of Baroda	10-Feb-2022	10-Feb-2026	250.00	177.65	14 Quarterly Installments	Receivables
Dbs Bank Ltd	29-Mar-2022	29-Mar-2024	50.00	18.76	8 Quarterly Installments	Receivables
DBS Bank Ltd	12-Apr-2022	29-Mar-2024	150.00	56.28	8 Quarterly Installments	Receivables
HDFC Bank	27-May-2022	26-May-2025	500.00	277.33	36 Monthly Repayments	Receivables
HDFC Bank	30-May-2022	27-May-2024	500.00	166.40	24 Monthly Repayments	Receivables
Ratnakar Bank	06-Jun-2022	06-Jun-2024	150.00	56.10	8 Quarterly Installments	Receivables
Canara Bank	21-Jun-2022	30-Jun-2027	300.00	232.42	19 Quarterly Installments	Receivables
Bank of Baroda	30-Jun-2022	27-Jun-2026	500.00	391.09	14 Quarterly Installments	Receivables
Ujjivan Small Finance Bank Ltd	30-Jun-2022	30-Jun-2024	50.00	18.72	24 Monthly Installments	Receivables
Indus Ind Bank	30-Jun-2022	30-Jun-2025	500.00	286.89	36 Monthly Installments	Receivables
Bandhan Bank	30-Jun-2022	29-Jun-2026	200.00	146.43	15 Quarterly Installments	Receivables
Federal Bank	09-Sep-2022	09-Sep-2026	75.00	63.89	14 Quarterly Installments	Receivables
Federal Bank	09-Sep-2022	09-Sep-2026	75.00	63.83	14 Quarterly Installments	Receivables
Canara Bank	30-Sep-2022	30-Sep-2027	300.00	248.27	19 Quarterly Installments	Receivables

Indian Bank	30-Sep-2022	30-Sep-2026	350.00	278.57	15 Quarterly Installments	Receivables
Ratnakar Bank	14-Oct-2022	14-Sep-2024	80.00	50.01	8 Quarterly Installments	Receivables
Bank of Baroda	27-Oct-2022	27-Oct-2026	500.00	464.40	14 Quarterly Installments	Receivables
Syndicate Bank	25-Nov-2019	25-Nov-2023	150.00	9.94	15 Quarterly Installments	Receivables
Syndicate Bank	28-Nov-2019	28-Nov-2023	150.00	9.94	15 Quarterly Installments	Receivables
Bank of India	26-Mar-2020	23-Mar-2024	600.00	107.67	11 Quarterly Installments	Receivables
Federal Bank	12-Apr-2023	12-Apr-2027	75.00	75.00	14 Quarterly Installments	Receivables
Federal Bank	12-Apr-2023	12-Apr-2027	75.00	75.00	14 Quarterly Installments	Receivables
Karur Vyasa Bank	28-Apr-2023	28-Apr-2027	75.00	74.78	15 Quarterly Installments	Receivables
Indian Bank	29-Mar-2019	29-Mar-2024	300.00	25.36	20 Quarterly Installments	Receivables
Bank of India	21-Sep-2019	30-Sep-2024	650.00	127.02	20 Quarterly Installments	Receivables
Union Bank of India	10-Oct-2019	10-Oct-2024	500.00	122.69	20 Quarterly Installments	Receivables
Syndicate Bank	27-Dec-2019	27-Mar-2025	250.00	74.37	20 Quarterly Instalments	Receivables
Central Bank of India	18-Mar-2020	18-Mar-2025	500.00	148.17	20 Equal Quarterly Installments	Receivables
Indian Bank	31-Mar-2020	30-Mar-2025	500.00	139.78	20 Equal Quarterly Installments	Receivables
State Bank of India	08-May-2020	31-Mar-2025	50.00	14.04	20 Quarterly Installments	Receivables
State Bank of India	30-May-2020	31-Mar-2025	200.00	54.29	20 Quarterly Installments	Receivables

State Bank of India	16-Jul-2020	31-Mar-2025	250.00	69.14	20 Quarterly Installments	Receivables
Bank of Baroda	06-Aug-2020	06-Aug-2023	275.00	-	36 Quarterly Instalments	Receivables
Axis Bank	31-Aug-2020	31-Aug-2023	250.00	-	11 Quarterly Instalments	Receivables
Central Bank of India	24-Dec-2020	24-Dec-2025	500.00	222.31	20 Quarterly Installments	Receivables
Indus Ind Bank	31-Dec-2020	31-Dec-2023	150.00	18.75	Bullet.	Receivables
Union Bank Of India	05-Mar-2021	05-Mar-2026	500.00	244.45	20 Quarterly Installments	Receivables
UCO Bank	23-Mar-2021	23-Mar-2026	200.00	96.68	60 Monthly Installments	Receivables
UCO Bank	23-Mar-2021	23-Mar-2026	200.00	96.68	60 Monthly Installments	Receivables
Dhanlakshmi Bank	31-Mar-2021	31-Mar-2024	50.00	8.34	12 Quarterly Installments	Receivables
Federal Bank	31-Mar-2021	30-Mar-2025	200.00	73.09	48 Monthly Installments	Receivables
Emirates NBD Bank PJSC	25-Jun-2021	30-Jun-2024	70.00	17.51	12 Quarterly Installments	Receivables
Axis Bank	30-Jun-2021	30-Jun-2024	500.00	123.65	12 Quarterly Installments	Receivables
HDFC Bank	30-Jun-2021	30-Jun-2024	325.00	81.25	12 Quarterly Installments	Receivables
HDFC Bank	30-Jun-2021	30-Jun-2024	175.00	43.75	12 Quarterly Installments	Receivables
Equitas Small Finance Bank	30-Jun-2021	05-Jul-2024	200.00	55.80	35 Monthly Installments	Receivables
Indian Bank	02-Sep-2021	02-Sep-2026	1500.00	852.03	60 Monthly Instalm ents	Receivables
Indian Overseas Bank	16-Sep-2021	30-Jun-2026	300.00	162.25	20 Quarterly Installments	Receivables

Canara Bank	29-Sep-2021	29-Sep-2026	500.00	293.79	20 Quarterly Installments	Receivables
Standard Chartered Bank	29-Sep-2021	29-Apr-2024	175.00	174.97	Bullet	Receivables
Indus Ind Bank	30-Sep-2021	30-Sep-2024	200.00	98.89	Bullet	Receivables
DBS Bank Ltd	30-Sep-2021	30-Sep-2024	200.00	66.65	Bullet	Receivables
Doha Bank	29-Sep-2021	01-Oct-2024	24.00	8.00	12 Quarterly Installments	Receivables
Doha Bank	29-Sep-2021	01-Oct-2024	36.00	12.00	12 Quarterly Installments	Receivables
KEB Hana Bank	28-Dec-2021	28-Dec-2024	50.00	20.84	12 Quarterly Installments	Receivables
UCO Bank	31-Dec-2021	31-Dec-2026	200.00	129.23	60 Monthly Installments	Receivables
Union Bank of India	30-Dec-2021	30-Dec-2026	500.00	321.25	20 Quarterly Installments	Receivables
HDFC Bank	31-Dec-2021	30-Jun-2025	575.00	285.31	14 Quarterly Instalments	Receivables
HDFC Bank	31-Dec-2021	30-Jun-2025	175.00	86.83	14 Quarterly Instalments	Receivables
Hongkong and Shanghai Banking Corp Ltd	24-Mar-2022	12-Feb-2027	450.00	315.10	20 Quarterly Installments	Receivables
Indian Overseas Bank	29-Mar-2022	30-Mar-2027	200.00	140.20	20 Quarterly Installments	Receivables
Jana Small Finance Bank	25-Mar-2022	03-Apr-2025	75.00	42.59	36 Monthly Installments (Emi)	Receivables
Dhanlakshmi Bank	31-Mar-2022	31-Mar-2026	37.50	23.41	16 Quarterly Installments	Receivables
Bandhan Bank	31-Mar-2022	29-Mar-2025	150.00	74.94	12 Quarterly Installments	Receivables
HDFC Bank	31-Mar-2022	30-Sep-2025	750.00	428.57	14 Quarterly Installments	Receivables

HDFC Bank	31-Mar-2022	30-Sep-2025	250.00	142.86	14 Quarterly Installments	Receivables
Deutsche Bank	10-May-2022	08-May-2026	300.00	295.86	Bullet	Receivables
Bandhan Bank	31-May-2022	29-Mar-2025	50.00	25.03	12 Quarterly Installments	Receivables
Hongkong and Shanghai Banking Corp Ltd	27-Jun-2022	26-Jun-2027	100.00	73.32	20 Quarterly Installments	Receivables
Canara Bank	30-Jun-2022	30-Jun-2027	500.00	368.96	20 Quarterly Installments	Receivables
HDFC Bank	30-Jun-2022	29-Dec-2025	650.00	407.18	14 Quarterly Installments	Receivables
HDFC Bank	30-Jun-2022	29-Dec-2025	350.00	219.86	14 Quarterly Installments	Receivables
Axis Bank	15-Jul-2022	01-Jul-2026	750.00	498.38	16 Quarterly Installments	Receivables
Axis Bank	15-Jul-2022	01-Jul-2026	400.00	265.80	16 Quarterly Installments	Receivables
Bandhan Bank	29-Jul-2022	29-Mar-2025	50.00	25.00	12 Quarterly Installments	Receivables
Hongkong and Shanghai Banking Corp Ltd	18-Aug-2022	18-Aug-2027	450.00	360.10	20 Quarterly Installments	Receivables
Citi Bank	19-Sep-2022	18-Sep-2025	300.00	200.05	12 Quarterly Installments	Receivables
Punjab National Bank	27-Sep-2022	27-Sep-2027	500.00	397.99	60 Monthly Installments	Receivables
Bank of Baroda	28-Sep-2022	28-Sep-2027	1000.00	793.43	20 Quarterly Installments	Receivables
Canara Bank	30-Sep-2022	30-Sep-2027	500.00	392.91	20 Quarterly Installments	Receivables
Indian Bank	30-Sep-2022	30-Sep-2027	350.00	293.22	19 Quarterly Installments	Receivables
UCO Bank	20-Dec-2022	20-Dec-2027	250.00	211.32	60 Monthly Installments	Receivables

Axis Bank	31-Dec-2022	31-Dec-2026	1000.00	808.40	16 Quarterly Installments	Receivables
Axis Bank	31-Dec-2022	31-Dec-2026	500.00	404.20	16 Quarterly Installments	Receivables
Doha Bank	02-Mar-2023	01-Mar-2026	20.00	16.65	12 Quarterly Installments	Receivables
Emirates NBD Bank PJSC	21-Mar-2023	21-Mar-2026	70.00	58.36	12 Quarterly Installments	Receivables
Bank of Maharashtra	27-Mar-2023	27-Sep-2028	750.00	744.04	20 Quarterly Installments	Receivables
Punjab National Bank	29-Mar-2023	29-Mar-2028	500.00	447.65	20 Quarterly Installments	Receivables
Canara Bank	29-Mar-2023	29-Mar-2028	500.00	467.80	19 Quarterly Installments	Receivables
Bank of Baroda	31-Mar-2023	31-Mar-2028	1000.00	895.31	20 Quarterly Installments	Receivables
Indian Bank	31-Mar-2023	30-Mar-2028	200.00	179.21	20 Quarterly Installments	Receivables
Bandhan Bank	31-Mar-2023	31-Mar-2026	100.00	83.20	12 Quarterly Installments	Receivables
Equitas Small Finance Bank	31-Mar-2023	05-Apr-2026	100.00	86.32	36 Monthly Installments	Receivables
Canara Bank	30-Sep-2020	30-Sep-2024	500.00	132.55	15 Quarterly Installments	Receivables
The Catholic Syrian Bank Ltd	28-Sep-2020	28-Sep-2023	60.00	-	8 Quarterly Installments	Receivables
Indian Bank	30-Sep-2020	29-Sep-2024	300.00	84.89	14 Quarterly Installments	Receivables
Federal Bank	18-Dec-2020	18-Dec-2023	100.00	9.93	10 Quarterly Installments	Receivables
Bank of Baroda	17-Dec-2020	16-Sep-2024	200.00	56.61	14 Quarterly Installments	Receivables
Union Bank of India	31-Dec-2020	31-Dec-2024	200.00	65.66	15 Quarterly Installments	Receivables

Hongkong and Shanghai Banking Corp Ltd	16-Feb-2021	15-Feb-2024	150.00	22.75	33 Monthly Installments	Receivables
Indian Overseas Bank	31-Mar-2021	31-Mar-2025	300.00	126.40	14 Quarterly Installments	Receivables
South Indian Bank	31-May-2021	31-May-2025	75.00	47.55	11 Installments	Receivables
HDFC Bank	31-May-2021	31-May-2024	500.00	111.96	36 Monthly Installments	Receivables
Indian Overseas Bank	22-Jun-2021	30-Jun-2025	150.00	73.95	14 Quarterly Installments	Receivables
Equitas Small Finance Bank	30-Jun-2021	05-Jul-2024	100.00	33.44	12 Quarterly Installments	Receivables
Federal Bank	30-Jun-2021	30-Jun-2024	50.00	14.93	10 Quarterly Installments	Receivables
Indian Bank	31-Aug-2021	30-Aug-2025	500.00	327.46	12 Quarterly Installments	Receivables
Bank of Maharashtra	27-Aug-2021	26-Aug-2025	250.00	132.60	15 Quarterly Installments	Receivables
Hongkong and Shanghai Banking Corp Ltd	21-Sep-2021	20-Sep-2024	125.00	45.49	33 Monthly Installments	Receivables
Indian Bank	30-Sep-2021	30-Sep-2025	300.00	200.00	12 Quarterly Installments	Receivables
Indian Bank	22-Oct-2021	22-Oct-2025	700.00	525.02	12 Quarterly Installments	Receivables
Nabkisan Finance Ltd	02-Aug-2023	01-Sep-2026	100.00	99.75	11 Quarterly Installments	Receivables
Bank of India	24-Aug-2023	30-Sep-2028	1000.00	999.87	19 Quarterly Installments	Receivables
Axis Bank	21-Aug-2023	31-Aug-2027	400.00	400.00	16 Quarterly Installments	Receivables
Axis Bank	21-Aug-2023	31-Aug-2027	100.00	100.00	16 Quarterly Installments	Receivables
The Catholic Syrian Bank Ltd	31-Aug-2023	31-Aug-2027	50.00	49.81	15 Quarterly Installments	Receivables

Canara Bank	01-Sep-2023	31-Aug-2028	1000.00	989.54	20 Quarterly Installments	Receivables
Hongkong and Shanghai Banking Corp Ltd	18-Sep-2023	18-Sep-2028	50.00	50.01	20 Quarterly Installments	Receivables
Hongkong and Shanghai Banking Corp Ltd	18-Sep-2023	18-Sep-2028	150.00	150.04	20 Quarterly Installments	Receivables
Hongkong and Shanghai Banking Corp Ltd	18-Sep-2023	18-Sep-2028	200.00	200.05	20 Quarterly Installments	Receivables
Indian Bank	27-Sep-2023	27-Sep-2028	300.00	299.18	20 Quarterly Installments	Receivables
Federal Bank	26-Sep-2023	26-Sep-2027	215.00	214.56	16 Quarterly Installments	Receivables
Emirates NBD Bank PJSC	27-Sep-2023	27-Sep-2026	100.00	100.02	12 Quarterly Installments	Receivables
Citi Bank	28-Sep-2023	27-Sep-2024	200.00	200.00	Bullet Repayment	Receivables
Ujjivan Small Finance Bank Ltd	25-Sep-2023	30-Sep-2025	100.00	99.80	24 Quarterly Installments	Receivables
DBS Bank Ltd	30-Sep-2023	30-Sep-2028	200.00	200.05	18 Quarterly Installments	Receivables
				26,335.65		

**Security: Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.
***As per Ind AS.

Details of Outstanding Unsecured Term Loan Facilities: Nil

Details of Secured Loans Facilities from Working Capital Demand Loan**:

(Rs. in crores)

Sr. No.	Name of Lender	Date of Disbursement	Date of Maturity	Amount Sanctioned	Amount Outstanding as on September 30, 2023 (INDAS)	Repayment Schedule	Nature of security
1	DBS Bank Ltd	16-Jun-2023	18-Dec-2023	50.00	50.01	Bullet	Receivables
2	DBS Bank Ltd	14-Jun-2023	18-Dec-2023	400.00	400.10	Bullet	Receivables
3	State Bank of India	30-Jun-2023	06-Oct-2023	330.00	330.00	Bullet	Receivables

Sr. No.	Name of Lender	Date of Disbursement	Date of Maturity	Amount Sanctioned	Amount Outstanding as on September 30, 2023 (INDAS)	Repayment Schedule	Nature of security
4	Citi Bank	13-Oct-2022	12-Oct-2023	145.00	145.04	Bullet	Receivables
5	IndusInd Bank	31-Dec-2022	26-Dec-2023	75.00	74.81	Bullet	Receivables
6	Indian Bank	14-Aug-2023	13-Oct-2023	500.00	500.00	Bullet	Receivables
7	Bank of India	09-Aug-2023	05-Oct-2023	360.00	360.08	Bullet	Receivables
8	Yes Bank	18-Aug-2023	15-May-2024	300.00	300.00	Bullet	Receivables
9	Punjab National Bank	23-Aug-2023	04-Oct-2023	550.00	550.00	Bullet	Receivables
10	Ratnakar Bank	30-Aug-2023	06-Oct-2023	240.00	240.00	Bullet	Receivables
11	Sumitomo Mitsui Banking Corporation	11-Sep-2023	09-Sep-2024	330.00	330.08	Bullet	Receivables
12	Union Bank of India	14-Sep-2023	22-Dec-2023	500.00	499.89	Bullet	Receivables
13	Indian Overseas Bank	20-Sep-2023	20-Oct-2023	200.00	200.04	Bullet	Receivables
14	HDFC Bank	22-Sep-2023	19-Dec-2023	119.00	119.00	Bullet	Receivables
15	Standard Chartered Bank	25-Sep-2023	03-Oct-2023	0.60	0.60	Bullet	Receivables
16	Development Credit Bank	27-Sep-2023	22-Dec-2023	40.00	39.99	Bullet	Receivables
17	UCO Bank	27-Sep-2023	05-Oct-2023	120.00	120.00	Bullet	Receivables
18	Central Bank of India	30-Sep-2023	10-Oct-2023	150.00	150.00	Bullet	Receivables
19	Kotak Mahindra Bank	30-Sep-2023	30-Nov-2023	125.00	125.00	Bullet	Receivables
20	IndusInd Bank	29-Sep-2023	20-Sep-2024	160.00	158.94	Bullet	Receivables
21	Bank of Baroda	30-Sep-2023	07-Oct-2023	100.00	100.00	Bullet	Receivables
22	Standard Chartered Bank	28-Sep-2023	21-Dec-2023	240.00	240.00	Bullet	Receivables
23	Standard Chartered Bank	28-Sep-2023	22-Dec-2023	150.00	150.00	Bullet	Receivables
24	Standard Chartered Bank	28-Sep-2023	26-Dec-2023	175.00	175.00	Bullet	Receivables
25	Standard Chartered Bank	28-Sep-2023	27-Dec-2023	212.00	212.00	Bullet	Receivables
26	Standard Chartered Bank	28-Sep-2023	28-Dec-2023	223.00	223.00	Bullet	Receivables
27	Citi Bank	27-Sep-2023	26-Sep-2024	62.00	62.00	Bullet	Receivables
28	Citi Bank	28-Sep-2023	27-Sep-2024	31.00	31.00	Bullet	Receivables
29	Citi Bank	30-Sep-2023	27-Sep-2024	15.00	15.00	Bullet	Receivables
					5,901.59		

**Security: Secured by hypothecation of specific assets covered under hypothecation loan agreements

Details of Secured Loans Facilities from Financial Institutions:

(Rs. in crore)

Sr. No.	Name of lender	Date of Disbursement	Date of Maturity	Amount Sanctioned	Principal amount outstanding as on 30.09.23 (IND AS)	Repayment Schedule	Security
1	Micro Units Development Refinance Agency Ltd	30-Mar-2022	10-Jan-2025	200.00	109.21	11 Quarterly Installments	Receivables
2	SIDBI	31-Mar-2022	10-Mar-2025	1,000.00	542.87	11 Quarterly Installments	Receivables
3	National Bank for Agriculture and Rural Development	31-Dec-2020	31-Dec-2025	1,500.00	675.00	20 Quarterly Installments	Receivables
4	National Bank for Agriculture and Rural Development	30-Nov-2021	30-Sep-2026	1,500.00	975.00	19 Quarterly Installments	Receivables
5	Bajaj Finance Limited	30-Nov-2021	30-Nov-2024	60.00	24.93	12 Quarterly Installments	Receivables
6	Bajaj Finance Limited	31-Mar-2022	31-Mar-2025	5.00	2.49	12 Quarterly Installments	Receivables
7	Bajaj Finance Limited	04-Jan-2022	30-Nov-2024	10.00	4.15	12 Quarterly Installments	Receivables
8	Bajaj Finance Limited	22-Jun-2022	22-Jun-2025	125.00	83.72	12 Quarterly Installments	Receivables
9	Tata Capital Financial Services Ltd	29-Jun-2022	15-Jun-2025	500.00	292.26	12 Quarterly Installments	Receivables
10	National Bank for Agriculture and Rural Development	26-Feb-2021	31-Mar-2026	1,000.00	488.94	20 Quarterly Instalment	Receivables
11	SIDBI	19-Mar-2021	10-Jun-2026	400.00	219.30	20 Quarterly Installments	Receivables
12	Micro Units Development Refinance Agency Ltd	25-Mar-2021	10-Mar-2024	200.00	29.96	12 Quarterly Installments	Receivables
13	National Bank for Agriculture and Rural Development	01-Nov-2018	31-Jan-2024	500.00	10.18	11 Installments	Receivables
14	National Bank for Agriculture and Rural Development	13-Nov-2018	31-Jan-2024	324.00	6.59	11 Installments	Receivables
15	National Bank for Agriculture and Rural Development	28-Mar-2019	31-Jul-2024	320.00	13.02	11 Installments	Receivables

Sr. No.	Name of lender	Date of Disbursement	Date of Maturity	Amount Sanctioned	Principal amount outstanding as on 30.09.23 (IND AS)	Repayment Schedule	Security
16	National Bank for Agriculture and Rural Development	23-Jul-2021	30-Jun-2026	1,000.00	596.99	19 Quarterly Installments	Receivables
17	SIDBI	17-Aug-2021	10-Aug-2024	1,000.00	459.78	11 Quarterly Installments	Receivables
18	SIDBI	27-Sep-2022	10-Mar-2028	1,100.00	948.98	21 Quarterly Installments	Receivables
19	SIDBI	16-Mar-2023	10-Sep-2028	1,000.00	957.28	21 Quarterly Installments	Receivables
20	Micro Units Development Refinance Agency Ltd	24-Mar-2023	10-Jan-2026	375.00	342.58	11 Quarterly Installments	Receivables
21	National Bank for Agriculture and Rural Development	25-Jun-2019	31-Jul-2024	500.00	26.12	10 Half Yearly Installments	Receivables
22	National Bank for Agriculture and Rural Development	29-Sep-2020	30-Sep-2025	500.00	204.68	20 Quarterly Installments	Receivables
23	SIDBI	17-Feb-2021	10-May-2026	300.00	165.88	20 Quarterly Installments	Receivables
24	National Bank for Agriculture and Rural Development	26-Feb-2021	31-Mar-2026	1,000.00	493.79	20 Quarterly Installments	Receivables
25	Tata Capital Financial Services Ltd	25-Jun-2021	15-Jun-2024	300.00	74.51	12 Quarterly Installments	Receivables
26	Bajaj Finance Limited	31-Mar-2021	31-Mar-2024	43.75	8.72	10 Quarterly Installments	Receivables
27	SIDBI	08-May-2023	10-Oct-2028	950.00	954.97	21 Quarterly Installments	Receivables
28	Bajaj Finance Limited	02-Aug-2023	02-Aug-2026	150.00	150.76	12 Quarterly Installments	Receivables
29	Micro Units Development Refinance Agency Ltd	28-Aug-2023	10-Jun-2026	300.00	301.42	11 Quarterly Installments	Receivables
30	SIDBI	26-Sep-2023	10-Mar-2029	900.00	900.67	21 Quarterly Installments	Receivables
					10,064.77		

Details of External Commercial Borrowings:

(Rs. in Crores)

Sr. No.	Name of lender	Date of Disbursement	Date of Maturity	Amount Sanctioned	Principal amount outstanding as on 30.09.23 (IND AS)	Repayment Schedule	Security
1	Deutsche Bank	30-Jun-2023	30-Jun-2026	1,230.75	1231.00	Bullet	Receivables
2	BNP Paribas	25-Oct-2019	18-Apr-2026	947.23	493.31	13 Half- Yearly Installments	Receivables
3	BNP Paribas	05-Nov-2019	18-Apr-2026	42.77	20.51	13 Half Yearly Installments	Receivables
4	Proporco	24-Jan-2020	15-Jun-2027	499.10	424.36	11 Equal Half Yearly Installments	Receivables
5	Oesterreichische Entwicklungsbank AG	05-Mar-2020	11-Dec-2026	147.00	107.33	11 Half Yearly Installments	Receivables
6	BNP Paribas	03-Dec-2021	03-Dec-2024	187.35	211.32	Bullet	Receivables
7	Hongkong and Shanghai Banking Corp Ltd	01-Jun-2022	15-Dec-2031	7.77	822.31	16 Half Yearly Installments	Receivables
8	BNP Paribas	01-Jun-2022	15-Dec-2031	11.66	1257.20	16 Half Yearly Installments	Receivables
9	Asian Development Bank	27-Dec-2022	27-Dec-2027	828.60	831.56	9 Half Yearly Installments	Receivables
10	Emirates NBD Bank PJSC	20-Jan-2023	20-Jan-2026	814.00	842.04	Bullet	Receivables
11	Sumitomo Mitsui Banking Corporation	20-Jan-2023	20-Jan-2026	814.00	824.26	Bullet	Receivables
12	Citi Bank	20-Jan-2023	20-Jan-2026	613.58	634.11	Bullet	Receivables
13	Deutsche Bank	29-Mar-2023	30-Mar-2026	411.00	413.11	Bullet	Receivables
14	Canara Bank	06-Apr-2023	06-Apr-2026	410.65	417.94	Bullet	Receivables
15	Hongkong and Shanghai Banking Corp Ltd	31-Aug-2023	31-Aug-2026	1150.36	1152.00	Bullet	Receivables
16	Deutsche Bank	12-Sep-2023	15-Sep-2026	445.00	437.90	Bullet	Receivables
17	Standard Chartered Bank	27-Sep-2023	28-Sep-2026	415.75	412.15	Bullet	Receivables
18	RBL Bank Limited	28-Sep-2023	28-Sep-2026	332.72	330.25	Bullet	Receivables

**Security: Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

Details of Cash Credit facilities availed from bank:

*Secured** Cash Credits from banks (Utilised)*

Classification: - All loans below are classified as Standard

Sr. No.	Name of Lender	Amounts outstanding*** as on 30.09.23 (Rs. in lacs)	Repayment Schedule****
1	Axis Bank	7,216.75	Repayable on Demand
2	Central Bank of India	4,000.83	Repayable on Demand
3	Bank of India	22,493.42	Repayable on Demand
4	Indian Overseas Bank	7,436.21	Repayable on Demand
5	Punjab National Bank	4,495.89	Repayable on Demand
6	State Bank of India	19,304.15	Repayable on Demand
7	UCO Bank	2,005.86	Repayable on Demand
8	**Total**	**66,953.11**	

***Security: Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.*
****As per Ind AS.*
*****No prepayment charges applicable.*

*Secured** Cash Credits from banks (Unutilised)*
The aggregate amounts outstanding as on September 30, 2023
Classification: - All loans below are classified as Standard

Sr. No.	Name of Lender	Amounts outstanding*** as on 30.09.23 (Rs. in lacs)	Repayment Schedule****
1	Union Bank of India	-	Repayable on Demand
2	Bandhan Bank Ltd	-	Repayable on Demand
3	Federal Bank	-	Repayable on Demand
4	Indian Bank	-	Repayable on Demand
5	Canara Bank (Syndicate Bank)	-	Repayable on Demand
6	Barclays Bank	-	Repayable on Demand
7	HDFC Bank	-	Repayable on Demand
8	Hongkong and Shanghai Banking Corp Ltd	-	Repayable on Demand
9	ICICI Bank Limited	-	Repayable on Demand
10	ICICI Bank Limited	-	Repayable on Demand
11	Bank Of Baroda	-	Repayable on Demand
12	Kotak Mahindra Bank	-	Repayable on Demand
13	Ratnakar Bank	-	Repayable on Demand
14	Standard Chartered Bank	-	Repayable on Demand
15	Standard Chartered Bank	-	Repayable on Demand
16	Yes Bank	-	Repayable on Demand
17	SBM 21000192	-	Repayable on Demand
18	DEVELOPMENT BANK OF SINGAPORE A/C 811210001391	-	Repayable on Demand
19	HSBC Bank	-	Repayable on Demand
20	Indian Bank	-	Repayable on Demand
21	IndusInd Bank	-	Repayable on Demand
22	Karur Vysya Bank	-	Repayable on Demand
23	Punjab National Bank	-	Repayable on Demand
24	State Bank of Mauritius	-	Repayable on Demand
25	HDFC Bank	-	Repayable on Demand
26	Citi Bank	-	Repayable on Demand
27	Sumitomo Mitsui Banking Corporation(SMBC)	-	Repayable on Demand
28	DCB	-	Repayable on Demand
29	DBS	-	Repayable on Demand
	Total	**-**	SFL

***Security: Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.*
****As per Ind AS.*
*****No prepayment charges applicable.*

Details of Outstanding Non-Convertible Securities:

Details of Secured NCDs on Private Placement Basis:**

(Rs. In lakhs)

Series of NCD	Tenor/ Period of Maturity (Days)	Coupon	Issue Size	Amount Outstanding as on September 30, 2023 (as per IND AS)	Date of Allotment	Date of Redemption	Credit Rating	Security
SEFC 110 CRS	3653	9.90%	11,000.00	11,639.91	27-Feb-2015	27-Feb-2025	CARE AA+/Stable	Specific Receivables
SEREIS M 14 25 CRS	3653	9.90%	2,500.00	2,613.61	16-Apr-2015	16-Apr-2025	CARE AA+/Stable	Specific Receivables
AUG S002 OPTION II	3652	10.75%	3,600.00	3,908.27	13-Dec-2013	13-Dec-2023	CARE AA+/Stable	Specific Receivables
AUG D 005	3652	10.75%	1,000.00	1,105.11	09-Oct-2013	09-Oct-2023	CARE AA+/Stable	Specific Receivables
AUG S003	3652	10.75%	1,000.00	1,080.57	30-Dec-2013	30-Dec-2023	CARE AA+/Stable	Specific Receivables
P SCA 012	3653	10.60%	2,000.00	2,106.67	28-Mar-2014	28-Mar-2024	CARE AA+/Stable	Specific Receivables
AUG D 006	3653	10.60%	120.00	126.36	28-Mar-2014	28-Mar-2024	CRISIL AA+/Stable, CARE AA+; Stable	Specific Receivables
PPD 14-15 A6	3653	10.25%	30,000.00	30,036.14	18-Sep-2014	18-Sep-2024	IND AA+/Stable, CARE AA+; Stable	Specific Receivables
PPD 14-15 A10	3653	10.00%	2,200.00	2,203.62	19-Sep-2014	19-Sep-2024	IND AA+/Stable	Specific Receivables
PPD 14-15 B1	3653	10.25%	46,800.00	51,424.99	10-Oct-2014	10-Oct-2024	IND AA+/Stable, CARE AA+; Stable	Specific Receivables
PPD 14-15 B3	3653	10.10%	2,500.00	2,731.75	31-Oct-2014	31-Oct-2024	IND AA+/Stable	Specific Receivables
PPD 14-15 B6	3653	10.00%	33,250.00	36,167.99	13-Nov-2014	13-Nov-2024	IND AA+/Stable, CARE AA+; Stable	Specific Receivables

Series of NCD	Tenor/ Period of Maturity (Days)	Coupon	Issue Size	Amount Outstanding as on September 30, 2023 (as per IND AS)	Date of Allotment	Date of Redemption	Credit Rating	Security
PPD 14-15 C2	3653	9.90%	10,000.00	10,817.69	28-Nov-2014	28-Nov-2024	IND AA+/Stable, CARE AA+; Stable	Specific Receivables
PPD 14-15 C4	3653	9.80%	4,250.00	4,600.32	28-Nov-2014	28-Nov-2024	CARE AA+/Stable	Specific Receivables
PPD 14-15 C 31 OPT 2	3652	9.30%	10,000.00	10,482.38	18-Mar-2016	18-Mar-2026	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables
PPD 14-15 C 34 OPTION 2	3650	9.30%	14,000.00	14,654.46	29-Mar-2016	27-Mar-2026	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables
PPD 15-16 C35 2	3652	9.22%	17,900.00	18,642.49	13-Apr-2016	13-Apr-2026	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables
PPD 15-16 C36	3652	9.20%	2,600.00	2,704.25	22-Apr-2016	22-Apr-2026	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables
PPD 16-17 D13	3652	8.87%	11,000.00	11,121.40	08-Aug-2016	08-Aug-2026	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables
PPD 17-18-F-15-03	2618	8.72%	1,000.00	1,044.52	26-Mar-2018	26-May-2025	IND AA+/Stable	Specific Receivables
PPD-17-18-F-15-01	2618	8.72%	2,500.00	2,611.59	26-Mar-2018	26-May-2025	IND AA+/Stable	Specific Receivables
PPD-2020-21-05	3652	9.00%	5,000.00	5,171.42	29-Oct-2020	29-Oct-2030	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables
PPD-20-20-08	3652	9.00%	2,500.00	2,592.65	29-Oct-2020	29-Oct-2030	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables

Series of NCD	Tenor/ Period of Maturity (Days)	Coupon	Issue Size	Amount Outstanding as on September 30, 2023 (as per IND AS)	Date of Allotment	Date of Redemption	Credit Rating	Security
PPD MAR 2021	3650	8.00%	3,20,000.00	3,32,939.89	30-Mar-2021	28-Mar-2031	CRISIL AA+	Specific Receivables
PPD-21-22-50 CRS-2	914	8.37%	5,000.00	5,989.95	18-May-2021	18-Nov-2023	CRISIL PP-MLD AA+r/Stable	Specific Receivables
PPD-21-22-349.80 CRORES	914	8.37%	34,980.00	41,905.72	18-May-2021	18-Nov-2023	CRISIL PP-MLD AA+r/Stable	Specific Receivables
PPD-21-22-100 C	914	8.37%	10,000.00	11,979.91	18-May-2021	18-Nov-2023	CRISIL PP-MLD AA+r/Stable	Specific Receivables
PPD-2-21-22-50 CRS	914	8.37%	5,000.00	5,989.95	18-May-2021	18-Nov-2023	CRISIL PP-MLD AA+r/Stable	Specific Receivables
PPD-20-21-75 CRS	914	8.37%	7,500.00	8,987.11	18-May-2021	18-Nov-2023	CRISIL PP-MLD AA+r/Stable	Specific Receivables
PPD-2021-22	914	8.37%	13,000.00	15,574.35	18-May-2021	18-Nov-2023	CRISIL PP-MLD AA+r/Stable	Specific Receivables
PPD-21-22-100 CR	914	8.37%	10,000.00	11,980.27	18-May-2021	18-Nov-2023	CRISIL PP-MLD AA+r/Stable	Specific Receivables
PPD-21-22-150 CR	1096	8.24%	15,000.00	17,473.24	30-Sep-2021	30-Sep-2024	CRISIL PP-MLD AA+r/Stable	Specific Receivables
PPD-2021-22-81 CRS	914	8.37%	8,100.00	9,703.14	18-May-2021	18-Nov-2023	CRISIL PP-MLD AA+r/Stable	Specific Receivables
PPD-2021-22-101 CRS	914	8.37%	10,100.00	12,099.05	18-May-2021	18-Nov-2023	CRISIL PP-MLD AA+r/Stable	Specific Receivables
PPD-21-22-2100 CRS	3652	8.37%	2,10,000.00	2,25,554.44	12-Nov-2021	12-Nov-2031	IND AA+ & CRISIL AA+	Specific Receivables
PPD-21-22-65.50 CRS	914	8.37%	6,550.00	7,851.60	18-May-2021	18-Nov-2023	CRISIL PP-MLD AA+r/Stable	Specific Receivables

Series of NCD	Tenor/ Period of Maturity (Days)	Coupon	Issue Size	Amount Outstanding as on September 30, 2023 (as per IND AS)	Date of Allotment	Date of Redemption	Credit Rating	Security
PPD-21-22-25 CRS	3650	8.00%	2,500.00	2,580.16	28-Dec-2021	26-Dec-2031	IND AA+/ Stable & CRISIL AA+/ Stable	Specific Receivables
STFCL 01 PPD FEB 2021-22	728	6.80%	52,500.00	55,492.62	04-Feb-2022	02-Feb-2024	IND AA+/ Stable' by India Ratings	Specific Receivables
STFC PP2021-22K-06 OPTION-I	1124	7.40%	15,000.00	15,666.93	21-Feb-2022	21-Mar-2025	IND AA+/ Stable & CRISIL AA+/ Stable	Specific Receivables
STFC PP2021-22K-06 OPTION-2	730	7.00%	20,000.00	20,849.25	21-Feb-2022	21-Feb-2024	IND AA+/ Stable & CRISIL AA+/ Stable	Specific Receivables
STFCL 02 PPD FEB 2021-22	3652	8.56%	90,000.00	94,601.29	25-Feb-2022	25-Feb-2032	IND AA+/ Stable & CRISIL AA+/ Stable	Specific Receivables
STFCL 03 PPD MAR 2021-22	729	6.25%	25,000.00	26,217.01	17-Mar-2022	15-Mar-2024	CARE AA+/Stable	Specific Receivables
SERIES STFCL PP 2021-22 K-07	1127	7.45%	5,000.00	5,194.70	23-Mar-2022	23-Apr-2025	IND AA+	Specific Receivables
STFC MAY 2021-22 PPML Y 03 ISSUEANCE 10	914	8.37%	7,770.00	9,307.83	18-May-2021	18-Nov-2023	AA+/stable	Specific Receivables
SERIES STFCL PP 2021-22 K-07(REISSUE 1)	1127	7.45%	20,000.00	20,744.87	23-Mar-2022	23-Apr-2025	IND AA+/ Stable & CRISIL AA+/ Stable	Specific Receivables
SERIES PPD 17-18 F-15 OPTION III (REISSUE 2)	2618	8.72%	2,500.00	2,607.01	26-Mar-2018	26-May-2025	IND AA+/ Stable & CRISIL AA+/ Stable	Specific Receivables
STFCL MAY 2121-22 PPML Y-03 FURTHER ISSUANCE 11	914	8.37%	22,000.00	26,363.86	18-May-2021	18-Nov-2023	CRISIL PP-MLD AA+r/Stable	Specific Receivables

Series of NCD	Tenor/ Period of Maturity (Days)	Coupon	Issue Size	Amount Outstanding as on September 30, 2023 (as per IND AS)	Date of Allotment	Date of Redemption	Credit Rating	Security
SERIES STFCL PPD-II APR 2022-2023	2557	8.25%	10,000.00	10,257.66	25-Apr-2022	25-Apr-2029	IND AA+ /Stable	Specific Receivables
SERIES STFCL PPD-I APR 2022-23	731	6.80%	70,000.00	72,156.73	18-Apr-2022	18-Apr-2024	IND AA+ /Stable	Specific Receivables
STFCL JUL 2022-23 PE	731	7.93%	2,000.00	2,188.82	11-Jul-2022	11-Jul-2024	CRISIL PP-MLD AA+r/ Stable by CRISIL Ratings	Specific Receivables
STFCL JUL 2022-23 PPML Y-05 REISSUE 1	731	7.93%	10,480.00	11,470.05	11-Jul-2022	11-Jul-2024	CRISIL PP-MLD AA+r/ Stable by CRISIL Ratings	Specific Receivables
STFCL JUL 2022-23 PPML Y-05 (FURTHER ISSUE 02)	731	7.93%	12,500.00	13,680.90	11-Jul-2022	11-Jul-2024	CRISIL PP-MLD AA+r/ Stable by CRISIL Ratings	Specific Receivables
STFCL JUL 2022-23 PPML Y 05 FURTHER ISSUANCE 3	731	7.93%	9,820.00	10,757.24	11-Jul-2022	11-Jul-2024	CRISIL PP-MLD AA+r/ Stable by CRISIL Ratings	Specific Receivables
SERIES STFCL 01 PPD AUG 2022-23	3653	8.72%	3,30,000.00	3,33,538.03	17-Aug-2022	17-Aug-2032	CRISIL AA+/Stable by CRISIL and IND AA+/ by India Rating	Specific Receivables
STFCL SEP 2022-23 PPML Y-06	760	8.12%	6,470.00	7,037.80	02-Sep-2022	01-Oct-2024	CRISIL PP-MLD AA+r/ Stable by CRISIL Ratings	Specific Receivables
STFCL AUG 2022-23 PPML Y-06 REISSUE 1	760	8.12%	7,560.00	8,213.83	02-Sep-2022	01-Oct-2024	CRISIL PP-MLD AA+r/ Stable by CRISIL Ratings	Specific Receivables

Series of NCD	Tenor/ Period of Maturity (Days)	Coupon	Issue Size	Amount Outstanding as on September 30, 2023 (as per IND AS)	Date of Allotment	Date of Redemption	Credit Rating	Security
SERIES STFCL PPD-III SEPT 2022-23 (OPTION -2)	3653	8.55%	20,000.00	20,107.46	08-Sep-2022	08-Sep-2032	IND AA+/ Stable & CRISIL AA+/ Stable	Specific Receivables
SERIES STFCL PPD-III SEPT 2022-23 (OPTION -1)	729	7.60%	20,100.00	20,075.13	08-Sep-2022	06-Sep-2024	IND AA+ /Stable	Specific Receivables
SERIES STFCL PPD-IV 2022-23	3653	8.50%	2,700.00	2,881.64	18-Oct-2022	18-Oct-2032	IND AA+/Stable & CRISIL AA+/ Stable	Specific Receivables
STFCL NOV 2022-23 PPML Y-07	1096	8.77%	3,000.00	3,209.05	18-Nov-2022	18-Nov-2025	CRISIL PP-MLD AA+r/ Stable	Specific Receivables
STFCL NOV 2022-23 PPML Y-08	1188	8.86%	5,000.00	5,345.35	23-Nov-2022	23-Feb-2026	CRISIL PP-MLD AA+r/ Stable	Specific Receivables
STFCL PPD-IV 2022-23 (FURTHER ISSUANCE – 1)	3653	8.50%	11,000.00	11,887.88	18-Oct-2022	18-Oct-2032	IND AA+/Stable & CRISIL AA+/ Stable	Specific Receivables
STFCL SEP 2022-23 PPML Y-06 (FURTHER ISSUANCE – 2)	760	8.12%	1,950.00	2,114.94	02-Sep-2022	01-Oct-2024	CRISIL PP-MLD AA+r/ Stable	Specific Receivables
XIII	1551	9.25%	50,000.00	50,517.98	28-Feb-2020	28-May-2024	CRISIL AA	Specific Receivables
XX	3651	9.50%	3,000.00	3,301.00	08-Feb-2021	07-Feb-2031	CRISIL AA	Specific Receivables
XX	3287	9.25%	1,000.00	1,082.86	08-Feb-2021	08-Feb-2030	CRISIL AA	Specific Receivables
XXI	3287	9.25%	3,000.00	3,238.97	22-Feb-2021	22-Feb-2030	CRISIL AA	Specific Receivables

Series of NCD	Tenor/ Period of Maturity (Days)	Coupon	Issue Size	Amount Outstanding as on September 30, 2023 (as per IND AS)	Date of Allotment	Date of Redemption	Credit Rating	Security
XXI	3651	9.50%	3,000.00	3,291.13	22-Feb-2021	21-Feb-2031	CRISIL AA	Specific Receivables
XXIV	3652	9.00%	10,000.00	10,387.70	23-Jun-2021	23-Jun-2031	CRISIL AA	Specific Receivables
XXV	3652	8.75%	10,000.00	10,159.19	23-Jul-2021	23-Jul-2031	CRISIL AA	Specific Receivables
XXV	1096	8.25%	5,000.00	5,056.94	23-Jul-2021	23-Jul-2024	CRISIL AA	Specific Receivables
XXVI	1096	7.95%	26,000.00	25,942.21	12-Aug-2021	12-Aug-2024	CRISIL AA	Specific Receivables
XXVII	912	8.22%	20,000.00	23,569.68	01-Sep-2021	01-Mar-2024	CRISIL AA	Specific Receivables
XXVIII	1096	9.90%	30,000.00	29,868.76	21-Sep-2021	21-Sep-2024	CRISIL AA	Specific Receivables
XXVIII	3652	8.65%	18,900.00	18,811.59	21-Sep-2021	21-Sep-2031	CRISIL AA	Specific Receivables
XXIX	912	8.20%	30,000.00	34,577.91	23-Nov-2021	23-May-2024	CRISIL AA	Specific Receivables
XXX	3651	9.05%	60,000.00	65,037.34	21-Dec-2021	20-Dec-2031	CRISIL AA	Specific Receivables
XXXI	3652	9.00%	18,000.00	19,218.46	22-Feb-2022	22-Feb-2032	CRISIL AA	Specific Receivables
XXXII	915	8.20%	57,990.00	64,044.24	18-May-2022	18-Nov-2024	CRISIL AA	Specific Receivables
XXXIII	3653	8.85%	20,000.00	19,512.46	31-May-2022	31-May-2032	CRISIL AA	Specific Receivables

Series of NCD	Tenor/ Period of Maturity (Days)	Coupon	Issue Size	Amount Outstanding as on September 30, 2023 (as per IND AS)	Date of Allotment	Date of Redemption	Credit Rating	Security
XXXIV	792	8.10%	40,000.00	43,151.62	15-Sep-2022	15-Nov-2024	CRISIL AA	Specific Receivables
XXXIII	1096	8.30%	15,000.00	16,081.88	07-Oct-2022	07-Oct-2025	CRISIL AA	Specific Receivables
STFCL PPD V 2022-23 OPTION 2	1188	9.14%	12,500.00	12,981.60	15-Mar-2023	15-Jun-2026	CRISIL AA	Specific Receivables
NC 341CR MAR23	458	9.68%	34,100.00	35,355.43	24-Mar-2023	24-Jun-2024	CRISIL AA	Specific Receivables
NC 400CR MAR23	762	9.18%	40,000.00	41,764.44	21-Mar-2023	21-Apr-2025	CRISIL AA	Specific Receivables
SERIES STFCL PPD IV 2022 23 FURTHER ISSUE 2	3653	8.71%	3,500.00	3,737.64	18-Oct-2022	18-Oct-2032	CRISIL AA	Specific Receivables
STFCL PPD-IV 2022-23 FURTHER ISSUE 3 OPTION 1	3653	8.66%	1,000.00	1,057.68	18-Oct-2022	18-Oct-2032	CRISIL AA	Specific Receivables
STFCL PPD-IV 2022-23 FURTHER ISSUE 4 OPTION 1	3653	8.76%	5,000.00	5,260.05	18-Oct-2022	18-Oct-2032	CRISIL AA	Specific Receivables
NCD SERIES XXI-OPTION-1-	3287	10.16%	2,000.00	2,159.31	22-Feb-2021	22-Feb-2030	CRISIL AA	Specific Receivables
NCD SERIES XXI-OPTION-II	3651	10.34%	4,500.00	4,936.70	22-Feb-2021	21-Feb-2031	CRISIL AA	Specific Receivables
SERIES STFCL PPD-V 2022-23 FURTHER ISSUE 1 OPTION 3	1188	8.75%	16,500.00	17,095.20	15-Mar-2023	15-Jun-2026	IND AA+/STABLE & CRISIL AA+/STABLE	Specific Receivables
SERIES STFCL PPD-IV 2022-23 FURTHER	3653	8.50%	3,000.00	3,174.49	18-Oct-2022	18-Oct-2032	IND AA+/STABLE & CRISIL	Specific Receivables

Series of NCD	Tenor/ Period of Maturity (Days)	Coupon	Issue Size	Amount Outstanding as on September 30, 2023 (as per IND AS)	Date of Allotment	Date of Redemption	Credit Rating	Security
ISSUE 5 OPTION 1							AA+/STABLE	
SERIES STFCL PPD-VIII 2023-24 OPTION 2	1827	8.55%	1,250.00	1,295.68	28-Apr-2023	28-Apr-2028	IND AA+/STABLE & CRISIL AA+/STABLE	Specific Receivables
SERIES STFCL PPD-VIII 2023-24 OPTION 1	1827	8.75%	25,000.00	25,334.54	28-Apr-2023	28-Apr-2028	IND AA+/STABLE & CRISIL AA+/STABLE	Specific Receivables
9.00%SFLNCDS2024 FURTHER ISSUE 1 OPTION 2	458	9.00%	81,000.00	84,703.44	24-Mar-2023	24-Jun-2024	IND AA+/STABLE & CRISIL AA+/STABLE	Specific Receivables
SERIES STFCL PPD VII 2023 24 OPTION 2	792	8.83%	20,000.00	20,818.61	12-Apr-2023	12-Jun-2025	IND AA+/STABLE & CRISIL AA+/STABLE	Specific Receivables
SERIES STFCL PPD-IX 2023-24	1096	8.75%	5,500.00	5,642.77	04-May-2023	04-May-2026	CRISIL AA+/STABLE	Specific Receivables
SERIES STFCL PPD-V 2022-23 FURTHER ISSUE 2	1188	8.75%	7,000.00	7,330.40	15-Mar-2023	15-Jun-2026	IND AA+/STABLE & CRISIL AA+/STABLE	Specific Receivables
SERIES STFCL PPD-VIII 2023-24 FURTHER ISSUE-1	1827	8.75%	10,000.00	10,338.29	28-Apr-2023	28-Apr-2028	IND AA+/STABLE & CRISIL AA+/STABLE	Specific Receivables
STFCL PPD 4 2023 FURTHER ISSUE 6	3653	8.50%	20,000.00	21,043.02	18-Oct-2022	18-Oct-2032	IND AA+/STABLE & CRISIL AA+/STABLE	Specific Receivables
SERIES STFCL PPD V 2022 23	1188	8.75%	13,600.00	14,245.51	15-Mar-2023	15-Jun-2026	IND AA+/STABLE & CRISIL	Specific Receivables

Series of NCD	Tenor/ Period of Maturity (Days)	Coupon	Issue Size	Amount Outstanding as on September 30, 2023 (as per IND AS)	Date of Allotment	Date of Redemption	Credit Rating	Security
FURTHER ISSUE 3							AA+/STABLE	
PPD 17 18 F 15 REISSUE 3 OPTION 1	2618	8.72%	8,800.00	9,194.32	26-Mar-2018	26-May-2025	IND AA+/STABLE & CRISIL AA+/STABLE	Specific Receivables
SERIES STFCL PPD-X 2023-24 OPTION 2	731	8.65%	40,000.00	40,916.99	26-Jun-2023	26-Jun-2025	CRISIL AA+/STABLE	Specific Receivables
	1827	8.90%	81,500.00	80,708.36	20-Jul-2023	20-Jul-2028		Specific Receivables
	2618	8.72%	50,100.00	52,308.94	26-Mar-2018	26-May-2025		Specific Receivables
	1096	8.75%	8,500.00	8,754.16	04-May-2023	04-May-2026		Specific Receivables
	2618	8.72%	2,500.00	2,612.57	26-Mar-2018	26-May-2025		Specific Receivables
Grand Total			**25,74,540.00**	**2711786.89**				

Note** The Company's secured non-convertible debentures are secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property as per the terms of issue.

Details of Unsecured NCDs:

(Rs. in lakhs)

Series of NCD	Tenor/ Period of Maturity (Days)	Coupon Rate	Issue Size	Amount outstanding as on September 30, 2023 (*as per Ind AS)*	Date of Allotment	Date of Redemption	Credit Rating
PPH-18-19-01	1977	9.90%	8940	9340.15	22-Jan-2019	21-Jun-2024	CRISIL AA+/Stable, IND AA+/Stable
Total				**9340.15**			

(Rs. in Crores)

Details of Unsecured Subordinated Debt:

(Rs. in lakhs)

Series	Tenor / Period of maturity (days)	Coupon	Issue size	Amount outstanding as on September 30, 2023	Date of Allotment	Date of Redemption	Credit Rating
INE468M08102	3652	10.60%	1,000.00	1,014.48	12-Aug-2014	11-Aug-2024	CRISIL AA+/Stable
J1	5479	11.00%	2,920.00	-22,14,392.36	30-Aug-2010	30-Aug-2025	CRISIL AA+/Stable, CARE AA+; Stable
K1A	6575	11.05%	2,500.00	-27,35,310.58	15-Oct-2010	15-Oct-2028	CRISIL AA+/Stable, CARE AA+; Stable
J2	5479	11.00%	2,500.00	-19,20,168.05	09-Sep-2010	09-Sep-2025	CRISIL AA+/Stable, CARE AA+; Stable
SD STFC-04	5479	10.00%	1,500.00	-7,19,709.07	29-May-2013	29-May-2028	CRISIL AA+/Stable, CARE AA+; Stable
Series V 07-03	3652	11.00%	2,500.00	-2,691.25	04-Oct-2013	04-Oct-2023	CARE AA+; Stable
PPD_2016 17 1 OPT I	2737	8.50%	4,000.00	-2,87,673.31	01-Dec-2016	30-May-2024	CRISIL AA+/Stable, IND AA+/Stable
PPD_2016 17 1 OPT II	3652	8.50%	6,000.00	-20,50,455.19	01-Dec-2016	01-Dec-2026	CRISIL AA+/Stable, IND AA+/Stable
PPD_2016 17 2	3652	8.50%	7,500.00	-28,04,410.13	29-Dec-2016	29-Dec-2026	CRISIL AA+/Stable, IND AA+/Stable
SUB-17-18-01	3650	8.20%	10,000.00	-74,38,791.25	17-Oct-2017	15-Oct-2027	CRISIL AA+/Stable, IND AA+/Stable
SUB-17-18-02	3650	8.20%	10,000.00	-86,60,225.40	17-Oct-2017	15-Oct-2027	CRISIL AA+/Stable, IND AA+/Stable
SUB-17-18-03	3650	8.20%	3,500.00	3,774.42	17-Oct-2017	15-Oct-2027	CRISIL AA+/Stable, IND AA+/Stable
SUB-17-18-04	3650	8.20%	1,000.00	1,078.41	17-Oct-2017	15-Oct-2027	CRISIL AA+/Stable, IND AA+/Stable
SUB-17-18-05	3650	8.20%	1,500.00	-2,86,967.97	17-Oct-2017	15-Oct-2027	CRISIL AA+/Stable, IND AA+/Stable
SUB-17-18-06	3650	8.20%	1,400.00	-3,44,926.56	17-Oct-2017	15-Oct-2027	CRISIL AA+/Stable, IND AA+/Stable
SUB-17-18-06-01	3650	8.20%	500.00	-1,09,419.39	17-Oct-2017	15-Oct-2027	CRISIL AA+/Stable, IND AA+/Stable
SUB-17-18-06-02	3650	8.20%	1,000.00	1,078.41	17-Oct-2017	15-Oct-2027	CRISIL AA+/Stable, IND AA+/Stable

Series	Tenor / Period of maturity (days)	Coupon	Issue size	Amount outstanding as on September 30, 2023	Date of Allotment	Date of Redemption	Credit Rating
SUB-17-18-07	3650	8.20%	500.00	-1,23,188.07	17-Oct-2017	15-Oct-2027	CRISIL AA+/Stable, IND AA+/Stable
SUB-17-18-02	3653	9.00%	10,000.00	-30,12,002.41	23-Mar-2018	23-Mar-2028	CRISIL AA+/Stable, IND AA+/Stable
SUB-17-08-02-02	2588	8.95%	4,000.00	-9,44,247.59	28-Mar-2018	28-Apr-2025	CRISIL AA+/Stable, IND AA+/Stable
SUB-17-08-02-01	3653	9.00%	99,500.00	-2,76,77,988.93	28-Mar-2018	28-Mar-2028	CRISIL AA+/Stable, IND AA+/Stable
SUB-18-09-01	1976	10.25%	65,000.00	-10,72,68,216.62	28-Nov-2018	26-Apr-2024	CRISIL AA+/Stable, IND AA+/Stable
SUB-18-19-02	3653	10.51%	1,000.00	-7,11,406.28	12-Dec-2018	12-Dec-2028	CRISIL AA+/Stable, IND AA+/Stable
SUB-18-19-01-02	1976	10.25%	65,000.00	-10,59,96,221.38	28-Nov-2018	26-Apr-2024	CRISIL AA+/Stable, IND AA+/Stable
SUB-18-19-01-03	1976	10.25%	47,500.00	-7,84,81,394.69	28-Nov-2018	26-Apr-2024	CRISIL AA+/Stable, IND AA+/Stable
SUB-18-19-02-02	3653	10.51%	2,500.00	2,710.92	12-Dec-2018	12-Dec-2028	CRISIL AA+/Stable, IND AA+/Stable
SUB--18-19-03	2188	10.25%	55,000.00	-9,52,25,136.07	31-Dec-2018	27-Dec-2024	CRISIL AA+/Stable, IND AA+/Stable
SERIES STFCL SD - 01 2022-2023 (FURTHER ISSUE - 1)	3653	9.00%	5,000.00	-77,54,409.10	25-Oct-2022	25-Oct-2032	CRISIL AA+/Stable, IND AA+/Stable
SERIES STFCL SD - 01 2022-2023 (FURTHER ISSUE 2)	3653	8.75%	5,000.00	-85,84,603.29	25-Oct-2022	25-Oct-2032	CRISIL AA+/Stable, IND AA+/Stable
SERIES STFCL SD - 01 2022-2023	3653	8.75%	11,500.00	-2,69,03,856.20	25-Oct-2022	25-Oct-2032	CRISIL AA+/Stable, IND AA+/Stable
			4,30,820.00	**-49,22,48,154.50**			

Details of Public issue NCDs:

(Rs. in lakhs)

Description	Tenor/ Period of Maturity (Days)	Coupon	Issue Size	Amount Outstanding as on September 30, 2023 (as per IND AS)	Allotment Date	Redemption Date	Credit Rating	Security
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) Option -1	1826	8.93%	-	-	12-Jul-18	12-Jul-23	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) Option -2	3653	9.03%	4,992.67	4,977.64	12-Jul-18	12-Jul-28	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) Option -4	1826	9.30%	-	-	12-Jul-18	12-Jul-23	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) Option -5	3653	9.40%	42,489.00	42,887.47	12-Jul-18	12-Jul-28	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) Option -7	1826	9.31%	-	-	12-Jul-18	12-Jul-23	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 2 - Option -1	1826	9.12%	9,463.20	9,459.63	02-Nov-18	02-Nov-23	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 2 - Option -2	3653	9.30%	3,233.99	3,196.75	02-Nov-18	02-Nov-28	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 2 - Option -4	1826	9.50%	11,431.55	12,427.96	02-Nov-18	02-Nov-23	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 2 - Option -5	3653	9.70%	3,898.33	4,201.37	02-Nov-18	02-Nov-28	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of	1826	9.50%	4,212.97	6,604.53	02-Nov-18	02-Nov-23	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables

Description	Tenor/ Period of Maturity (Days)	Coupon	Issue Size	Amount Outstanding as on September 30, 2023 (as per IND AS)	Allotment Date	Redemption Date	Credit Rating	Security
Rs. 1,000/- each-(2018) TRANCH 2 - Option -6								
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 3 - Option -1	1826	9.12%	8,770.18	8,757.48	06-Feb-19	06-Feb-24	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 3 - Option -2	3653	9.30%	2,638.03	2,607.46	06-Feb-19	06-Feb-29	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 3 - Option -4	1826	9.50%	10,011.16	10,619.78	06-Feb-19	06-Feb-24	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 3 - Option -5	3653	9.70%	3,414.92	3,592.20	06-Feb-19	06-Feb-29	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 3 - Option -7	1826	9.51%	4,193.92	6,416.02	06-Feb-19	06-Feb-24	CRISIL AA+/Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 1 - Option -3	2557	9.31%	2,103.60	2,078.28	22-Aug-19	22-Aug-26	CRISIL AA+/Stable, CARE AA+; Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 1 - Option -2	1827	9.22%	3,434.55	3,416.36	22-Aug-19	22-Aug-24	CRISIL AA+/Stable, CARE AA+; Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 1 - Option -6	1827	9.60%	4,720.39	4,745.59	22-Aug-19	22-Aug-24	CRISIL AA+/Stable, CARE AA+; Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 1 - Option -7	2557	9.70%	2,619.03	2,615.62	22-Aug-19	22-Aug-26	CRISIL AA+/Stable, CARE AA+;	Specific Receivables

Description	Tenor/ Period of Maturity (Days)	Coupon	Issue Size	Amount Outstanding as on September 30, 2023 (as per IND AS)	Allotment Date	Redemption Date	Credit Rating	Security
							Stable, IND AA+/Stable	
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 1 - Option -9	1827	9.60%	1,757.41	2,559.82	22-Aug-19	22-Aug-24	CRISIL AA+/Stable, CARE AA+; Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 1 - Option -10	2557	9.70%	1,422.70	2,067.74	22-Aug-19	22-Aug-26	CRISIL AA+/Stable, CARE AA+; Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 2 - Option -2	1827	8.66%	1,629.97	1,615.38	28-Jan-20	28-Jan-25	CRISIL AA+/Stable, CARE AA+; Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 2 - Option -3	2557	8.75%	1,383.06	1,360.96	28-Jan-20	28-Jan-27	CRISIL AA+/Stable, CARE AA+; Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 2 - Option -5	1827	9.00%	3,470.35	3,651.71	28-Jan-20	28-Jan-25	CRISIL AA+/Stable, CARE AA+; Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 2 - Option -6	2557	9.10%	1,302.31	1,361.95	28-Jan-20	28-Jan-27	CRISIL AA+/Stable, CARE AA+; Stable, IND AA+/Stable	Specific Receivables
Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 2 - Option -8	1827	9.21%	1,515.80	2,073.84	28-Jan-20	28-Jan-25	CRISIL AA+/Stable, CARE AA+; Stable, IND AA+/Stable	Specific Receivables
VI	1827	9.75%	6,614.84	6,943.58	30-Apr-2019	30-Apr-2024	CRISIL AA	Specific Receivables
VII	1827	9.35%	3,505.80	3,538.12	30-Apr-2019	30-Apr-2024	CRISIL AA	Specific Receivables

Description	Tenor/ Period of Maturity (Days)	Coupon	Issue Size	Amount Outstanding as on September 30, 2023 (as per IND AS)	Allotment Date	Redemption Date	Credit Rating	Security
VIII	1827	9.75%	2,093.97	3,190.01	30-Apr-2019	30-Apr-2024	CRISIL AA	Specific Receivables
VI	1827	9.85%	5,227.32	5,299.70	25-Sep-2019	25-Sep-2024	CRISIL AA	Specific Receivables
VII	1827	9.45%	1,105.54	1,121.20	25-Sep-2019	25-Sep-2024	CRISIL AA	Specific Receivables
VIII	1827	9.88%	564.37	833.18	25-Sep-2019	25-Sep-2024	CRISIL AA	Specific Receivables

**Security: Secured by hypothecation of specific assets covered under hypothecation loan agreements.

Details of Commercial Papers:

Sr. No.	Series	ISIN	Date of allotment	Principal Amount	Amount Outstanding as on 30.09.2023 (as per IND AS)	Redemption/ Maturity Date	Repayment Terms
1	CSTFCP230531001	INE721A14DJ1	19-May-2023	46000.00	44,323.60	15-Mar-2024	at maturity
2	CSTFCP230531002	INE721A14DJ1	23-May-2023	27500.00	26,499.49	15-Mar-2024	at maturity
3	CSTFCP230930001	INE72IA14DL7	21-Sep-2023	109000.00	1,07,317.37	14-Dec-2023	at maturity
4				**1,82,500.00**	**1,78,140.47**		

Details of Masala Bonds:

Series Name	Tenure (Days)	Coupon	Issue Size	Amount Outstanding as on 30.09.2023 (as per IND AS)	Allotment Date	Redemption Date	Rating	Security**
NIL								

**Secured by hypothecation of specific assets covered under hypothecation loan agreements

Details of Dollar Bonds****

Series Name	Tenor (Days)	Coupon	Issue size	Amount Outstanding as on September 30, 2023 (as per IND AS)	Allotment Date	Redemption Date	Rating	Secured/ Unsecured
ED-1836.25 CRS-HSBC	1155	4.82%	1,83,625.00	2,15,814.45	13-Jan-2021	13-Mar-2024	BB-/ Stable by S&P RATINGS & BB/Negative by FITCH RATINGS	Secured
ED-1836.25 CRS- CITI	1155	4.82%	1,83,625.00	2,07,963.73	13-Jan-2021	13-Mar-2024	BB-/ Stable by S&P RATINGS & BB/Negative by FITCH RATINGS	Secured
DOLLAR BOND 6	1155	4.78%	1,63,035.00	1,87,131.96	13-Jan-2021	13-Mar-2024	BB-/ Stable by S&P RATINGS & BB/Negative by FITCH RATINGS	Secured
DOLLAR BOND 7	1277	4.54%	1,47,910.00	1,54,823.84	18-Jan-2022	18-Jul-2025	BB-/ Stable by S&P RATINGS & BB/Negative by FITCH RATINGS	Secured
DOLLAR BOND 7A	1277	4.54%	1,44,212.25	1,81,125.16	18-Jan-2022	18-Jul-2025	BB-/ Stable by S&P RATINGS & BB/Negative by FITCH RATINGS	Secured
DOLLAR BOND 8	1280	9.50%	1,23,300.00	1,23,382.45	29-Mar-2023	29-Sep-2026	BB-/ Stable by S&P RATINGS & BB/Negative by FITCH RATINGS	Secured
			1,09,129.35	10,70,241.59				

**Secured by hypothecation of specific assets covered under hypothecation loan agreements

Details of Deposits:

(Rs. In Crores)

Sr. No.	Lender/ Instrument/ Investors	Amount outstanding as on September 30, 2023 (As per IND-AS)	Maturity Date	Credit Rating	Secured/ Unsecured
1	Deposits – Public deposit	37,08,041.11	Redeemable over a period of 12 to 60 months	India Ratings & Research Private Limited Rating " IND AA+/Stable " and ICRA Rating " ICRA AA+(Stable)"	Unsecured
2	Deposits – Corporate	1,37,257.03	Redeemable over a period of 12 to 60 months	India Ratings & Research Private Limited Rating " IND AA+/Stable " and ICRA Rating " ICRA AA+(Stable)"	Unsecured
3	Recurring Deposits	22,887.77	12 to 60 months	India Ratings & Research Private Limited Rating " IND AA+/Stable "and ICRA Rating " ICRA AA+(Stable)"	Unsecured
	Total	38,68,185.91			

(Rs. In crores)

Other Financial Liabilities on account of Securitisation*:

Particulars	Outstanding Amount as on March 31, 2023 (IND-AS) (in lakhs)
Other financial liabilities on account of Securitisation	22, 106.09
Total	22,106.09

* While secured loan assets are securitised by the Company from time to time, on account of credit enhancement being provided by the Company in connection with these transactions and the IND AS requirements, the securitised assets continue to be shown as assets of the Company and the corresponding liability created on account thereof is classified as a financial liability of the Company.

ii. **List of top 10 holders of non-convertible securities in terms of value (in cumulative basis) as on September 30, 2023:*:***

Sr. No.	Name of the NCD Holder	Category of NCD Holder	Face value of NCD holding (Rs. in crores)	NCD Holding as a percentage of total debt securities outstanding of the issuer.
1	Life Insurance Corporation of India	Insurance Company	10,07,500	30.32%
2	Standard Chartered Bank	Foreign Bank	1,42,500	4.29%
3	Asian Infrastructure Investment Bank	Foreign Portfolio Investor	81,500	2.45%
4	Aditya Birla Sun Life Trustee Private Limited	Mutual Fund	73,500	2.21%
5	Post Office Life Insurance Fund	Insurance Fund	72,000	2.17%

6	Kotak Mahindra Bank Limited	Corporate Body	68,800	2.07%
7	NPS Trust- A/C UTI Retirement Solutions Pension Fund Scheme - Central Govt		65,100	1.96%
8	Shriram General Insurance Company Limited	Insurance Company	55,310	1.66%
9	Larsen and Toubro Limited	Corporate Body	43,000	1.29%
10	SBI Life Insurance Co. Ltd	Insurance Company	31,940	0.96%

iii. Details of the bank fund based facilities / rest of the borrowing (if any, including hybrid debt like Foreign Currency Convertible Bonds (FCCB), Optionally Convertible Debentures/ Preference Shares) from financial institutions or financial creditors, as on i.e. September 30, 2023:

Name of Party (in case of facility) / Name of Instrument	Type of facility / Instrument	Amount sanctioned / issued	Principal Amount outstanding	**Date of Repayment / Schedule**	**Credit Rating**	Secured / Unsecured	Security
NIL							

iv. Details of any outstanding borrowings taken/ debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option;

The Company till date has not issued any debt securities for consideration other than cash in whole or part/ pursuance of an option. The Company has issued debt securities at a Discount. Details of secured debt securities issued at a Discount as on September 30, 2023 are as follows:

ISIN NO.	**Series Name**	**Rating**	**Amount (Rs. In Crores)**	**Issued value (Rs. in Crores)**
INE721A08CY4	Series SUB 17-18 -01	CRISIL AA+/Stable, IND AA+/Stable	35	34.86
INE721A08CY4	Series SUB 17-18 -01 Reissue 1	CRISIL AA+/Stable, IND AA+/Stable	10	98.6
INE721A08CY4	Series SUB 17-18 -01 Reissue 2	CRISIL AA+/Stable, IND AA+/Stable	15	14.79
INE721A08CY4	Series SUB 17-18 -01 Reissue 3	CRISIL AA+/Stable, IND AA+/Stable	12	11.57
INE721A08CY4	Series SUB 17-18 -01 Reissue 4	CRISIL AA+/Stable, IND AA+/Stable	2	1.93
INE721A08CY4	Series SUB 17-18 -01 Reissue 5	CRISIL AA+/Stable, IND AA+/Stable	5	4.96
INE721A08CY4	Series SUB 17-18 -01 Reissue 6	CRISIL AA+/Stable, IND AA+/Stable	10	9.95
INE721A08CY4	Series SUB 17-18 -01 Reissue 7	CRISIL AA+/Stable, IND AA+/Stable	5	4.98

v. details of any outstanding borrowings taken/ debt securities issued for consideration other than cash. This information shall be disclosed whether such borrowing/ debt securities have been taken/ issued:

In whole or part: NIL

At a premium or discount: NILIn pursuance of an option or not: NIL

vi. *Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 3 years, including the current financial year. – Nil*

vii. *The amount of corporate guarantee issued by the Issuer along with the name of the counterparty (like name of the subsidiary, JV entity, group company, etc) on behalf of whom it has been issued- Nil*

viii. Any litigation or legal action pending or taken by a Government Department or a statutory body during the last three years immediately preceding the year of the issue of prospectus against the promoter of the company.- Nil

F. Consent Letter from the Debenture Trustee

The consent letter is enclosed as **Annexure I** of this Placement Memorandum

G. Names of all the recognized stock exchanges where the debt securities are proposed to be listed.
The NCDs are proposed to be listed on the Wholesale Debt Market (WDM) segment of the BSE.

H. *Other details.*

Debenture Redemption Reserve (DRR)
As per Rule 18 (7)(b)(ii) of the Companies (Share Capital and Debentures) Rules, 2014, Debenture Redemption Reserve is not required to be created for issue of privately placed debentures by Non-Banking Finance Companies registered with Reserve Bank of India under Section 45 IA of the RBI (Amendment) Act 1997.
The Company also undertakes that, if there is any further guidelines are formulated (or modified or revised) by the Central Government or any other authority in respect of creation of Debenture Redemption Reserve the Company shall abide by such guidelines.

Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, litigations resulting in material liabilities, corporate restructuring event, etc.) at the time of issue which may a'fect the issue or the investor's decision to invest / continue to invest in the non-convertible securities.

NIL

Details of default and non-payment of statutory dues.

NIL

The names of the debenture trustee shall be mentioned with the statement to the effect that the debenture trustee has given his consent to the Issuer for his appointment under regulation 4 (4) and in all the subsequent periodical communications sent to the holders of the Debentures.

The Company has appointed Catalysyt Trusteeship Limited a SEBI approved Trust Management Company as the agent and trustees for and on behalf of the Debenture Holders. The address and contact details of the Debenture trustee are as under:

Catalyst Trusteeship Limited
Unit No - 901, 9th Floor,
Tower-B, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel (W),
Mumbai-400013, Maharashtra, India
Tel: +91 22 4922 0555
Website: www.catalysttrustee.com

The **Catalyst Trusteeship Limited** has given its consent to the Company under the provisions of the SEBI Debt Listing Regulations to be appointed as the Debenture Trustee to this Issue and pursuant to the same, the Company and Catalyst

Trusteeship Limited has entered into a debenture trustee agreement dated on or around the date of this Placement Memorandum. Please refer to **Annexure I** of this Placement Memorandum for the debenture trustee consent letter dated 20th December 2023.

Details/Copy of Guarantee Letter or Letter of Comfort or any other Document / Letter with similar intent, if any
Not Applicable

The Issuer to provide details with respect to Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project.

NIL

Disclosure for Cashflow with date of interest / dividend/ redemption payment as per day count convention.

As set out in this Placement Memorandum.

Disclosures pertaining to wilful defaulter

Please refer to Section 4 of this Placement Memorandum.

Default in Payment

Please refer to the Term Sheet.

Default in Listing

Please refer to the Term Sheet.

Delay in allotment of securities

Not applicable.

Issue details:

Please refer to the Term Sheet above and Section 5 and Section 7 of the Placement Memorandum .

Application Process:

Please refer to Section 6 of this Placement Memorandum

Disclosure prescribed under PAS -4 of Companies (Prospectus and Allotment of Securities), Rules, 2014.

Please refer to **Part C of Section 3 of this Placement Memorandum**.

Additional Disclosures for NBFCs

Sr. No.	Particulars of disclosure	Details	Remarks
1.	Details with regard to lending done out of the issue proceeds of earlier issuances of debt securities (whether public issue or private placement) by NBFC	Lending Policy Classification of loans/ advances given to associates, entities/ person relating to board, senior management, promoters, others, etc. Classification of loans/ advances given, according to type of loans, denomination of loan outstanding by	Lending Policy - **Annexure VIII** of this Placement Memorandum Classification of Loans given to associate or entities related to Board, Senior management, promoters, etc. – Nil For further information - Annexed the related party disclosures as on September 30, 2023.

		loan to value, sectors, denomination of loans outstanding by ticket size, geographical classification of borrowers, maturity profile etc. Aggregated exposure to the top 20 borrowers with respect to the concentration of advances, exposures to be disclosed in the manner as prescribed by RBI in its stipulations on Corporate Governance for NBFCs or HFCs, from time to time. Details of loans, overdue and classified as non-performing in accordance with RBI stipulations.	Classification of loans into several maturity profile denomination,- *Please refer to the Part B of this Section 3 hereto.* Aggregated exposure to top 20 borrowers (As on March, 2023) – 0.28 % Details of loans, overdue and classified as Non performing assets (NPA) - *Please refer to the Part B of this Section 3 hereto.*
2.	Details of borrowings made by NBFC	Portfolio Summary of borrowings made by NBFC Quantum and percentage of Secured vs. Unsecured borrowings	Portfolio Summary of borrowings made by NBFC - *Please refer to the Part B of this Section 3 hereto.* Quantum and percentage of Secured vs. Unsecured borrowings - Secured Borrowings - 1,14,102.78 Crores – 74.42% Unsecured Borrowings - 39,224.79 - Rs. Crores – 25.58% Total - Rs. 1,53,327.57 Crores - 100.00 % (As on March, 2023)
3.	Details of change in shareholding	Any change in promoters holding in NBFC during last financial year beyond the threshold prescribed by Reserve Bank of India	*Please refer to the Part B of this Section 3 hereto.*
4.	Disclosure of Assets under management	Segment wise break up and type of loans	*Please refer to the Part B of this Section 3 hereto.*
5.	Details of Borrowers	Geographical location wise	*Please refer to the Part B of this Section 3 hereto.*
6.	Details of Gross NPA	Segment wise	*Please refer to the Part B of this Section 3 hereto.*
7.	Details of Assets and Liabilities	Residual maturity profile wise into several buckets	*Please refer to the Part B of this Section 3 hereto.*
8.	Disclosure of latest ALM statements to stock exchange		**Annexure IX** of this Placement Memorandum

A statement containing particulars of the dates of and parties to all material contracts, agreements involving financial obligations of the issuer:

By the very nature of its business, the Company is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts/ agreements/ documents involving financial obligations of the Company. However, the contracts/ agreements/ documents listed below which are or may be deemed to be material (not being contracts entered into in the ordinary course of the business carried on by the Issuer) in connection with the Issue:

1. Memorandum and Articles of Association of the Company as amended from time to time.

2. Resolution of the banking and finance committee of the Board of Directors passed at its meeting held on 20th December 2023 approving, inter-alia, the issue of non-convertible debentures read with the resolution passed by the Board of Directors on 24th December 2022.

3. Certified true copy of resolution passed by the shareholders of the Company on 04th July 2022 (through postal ballot), authorising the Board of Directors to borrow, for the purpose of the Company, upon such terms and conditions as the Board may think fit under Section 180(1) of the Companies Act, 2013.

4. Resolution passed by the shareholders of the Company authorising the Board of Directors to offer, issue and allot non-convertible debentures, in one or more series/tranches.

5. Credit Rating Letter dated 05th March 2024 from India Ratings and Research Private Limited, assigning the credit rating to the Issue.

6. Credit Rating Letter dated 08th March 2024 from CRISIL Ratings Limited, assigning the credit rating to the Issue.

7. Tripartite agreement between the Company, Integrated Registry Management Services Private Limited (Registrar & Transfer Agent) and CDSL.

8. Certified true copy of the Tripartite agreement between the Company and Integrated Registry Management Services Private Limited (Registrar & Transfer Agent) and NSDL.

9. Consent letter issued by Catalyst Trusteeship Limited dated 20th December 2023 to act as the Debenture Trustee to the Issue inclusion of its name in the form and context in which it appears in this Offer Document.

10. Certified true copy of the above documents are available for inspection at the Registered / Corporate Office of the Company until the date of closure of the respective Series of the Issue.

DOCUMENTS SUBMITTED TO THE DEBENTURE TRUSTEE

The following documents have been / shall be submitted to the Debenture Trustee in electronic form (soft copy) on or before the Deemed Date of Allotment:

(a) Memorandum and Articles of Association and necessary resolution(s) for the allotment of the Debentures;

(b) Copy of last three years' audited Annual Reports;

(c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;

(d) Latest Audited / Limited Review Half Yearly Consolidated (wherever available) and Standalone Financial Information (Profit & Loss statement, Balance Sheet and Cash Flow statement) and auditor qualifications, if any.

(e) An undertaking to the effect that the Issuer would, till the redemption of the debt securities, submit the details mentioned in point (d) above to the Debenture Trustee within the timelines as mentioned in Uniform Listing Agreement issued by SEBI vide circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015, as amended from time to time, for furnishing / publishing its half yearly/ annual result. Further, the Issuer shall within 180 (One Hundred Eighty) days from the end of the financial year, submit a copy of the latest annual report to the Debenture Trustee and the Debenture Trustee shall be obliged to share the details submitted under this clause with all 'Qualified Institutional Buyers' (QIBs) and other existing Debenture Holders within 2 (two) working days of their specific request.

<u>Additional Covenants/ Undertaking by the Company-</u>

The Issuer Company undertakes that:

a) Undertaking regarding RBI/ECGC Defaulters List

b) As per declaration submitted to the Company this is to confirm that none of its Directors are appearing on the RBI/ECGC defaulters list.

c) In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of 2% p.a. over the coupon rate will be payable by the Company for the defaulting period;

d) The Company will enter into a Trustee Agreement/Trust Deed, inter-alia, specifying the powers, authorities and obligations of the Company and the Trustees in respect of the Debentures.

e) The Company shall forward the listing application to the relevant Stock Exchanges and procure permission for listing of Debentures from the same within the 3 (three) days from the date of closure of the Issue. In case of delay in listing of the debt securities beyond 3 (three) days from the date of closure of the Issue, the Company will pay penal interest of 1% p.a. over the Coupon Rate from the date of allotment and till the listing of the Debentures, to the investor.In case the Debenture are not listed within 45 (forty-five) days from the closure of the Issue, subject to Applicable Law, the Debentures shall be mandatorily prepaid in terms of the Transaction Documents.

f) The Company undertakes that it shall not extend loans against the security of its own Debentures issued by way of this Private Placement.

g) The Company shall deploy funds raised through issue of Debentures on its own balance sheet and not to Facilitate resource requests of group entities/ parent company / associates.

h) The complaints received in respect of the Issue shall be attended to by the Company expeditiously and Satisfactorily.

i) It shall take all steps for completion of formalities for listing and commencement of trading at the Concerned stock exchange where securities are to be listed within specified time frame;

j) Necessary co-operation to the credit rating agencies shall be extended in providing true and adequate

k) Information till the debt obligations in respect of the instrument are outstanding.

l) That there is no wilful default by the company.

Issue/ Instrument specific regulations:

Transaction Documents

The detailed terms of the Debentures, including the events of default, covenants and undertakings, terms of the security created by the Issuer in relation to the Debentures shall be as per the Debenture Trust Deed executed by and between the Issuer and the Debenture Trustee in relation to issuance of up to 73,300 (Seventy-Three Thousand and Three Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 7,33,00,00,000/- (Indian Rupees Seven Hundred and Thirty-Three Crores Only) with a green shoe option to retain oversubscription of up to 61,700 (Sixty One Thousand and Seven Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 6,17,00,00,000/- (Indian Rupees Six Hundred and Seventeen Crores Only) in total aggregating up to INR 13,50,00,00,000/- (Indian Rupees One Thousand Three Hundred and Fifty Crores Only) on private placement basis.

Authority for the Placement

This private placement of Debentures is being made pursuant to the resolution of the board of directors of the company dated 24th December 2022 which has approved the placement of debentures. The issue of private placement of Debentures is within the overall limit in terms of special resolution passed under Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of securities) Rules, 2014, passed by the shareholders of the Company. The present issue is within the general borrowing limits under Section 180(1) (c) of the Companies Act, 2013 and pursuant to the approval of the shareholders of the Company to the Composite Scheme of Arrangement and Amalgamation at its Hon'ble National Company Law Tribunal, Chennai (NCLT) convened meeting held on July 4, 2022 read with NCLT order dated November 14, 2022 giving their consent to the borrowing by the Directors of the Company from time to time not exceeding over and above the aggregate of Rs.1,90,000 crores the then paid-up capital subject to any restrictions imposed by the terms of the agreement entered into from time to time for grant of loans to the Company of all monies deemed by

them to be requisite or proper for the purpose of carrying on the business of the Company. The borrowings under these Debentures will be within the prescribed limits as aforesaid.

The Company can carry on its existing activities and future activities planned by it in view of the existing Approvals, and no further approvals from any Government authority are required by the Company to carry on its said activities.

Minimum Subscription
100 debentures and in multiples of 1 thereafter.

Deemed Date of Allotment
Interest on Debentures shall accrue to the Debenture Holder(s) from and including the deemed date of allotment as set out in this Placement Memorandum. All benefits relating to the Debentures will be available to the investors from the Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment. The Company reserves the right to keep multiple allotment date(s)/ deemed date(s) of allotment at its sole and absolute discretion without any prior notice and shall have a right to allot the Debentures in tranches / series which shall form the part of this Issue. In case if the issue closing date is changed (pre-poned/ postponed), the Deemed Date of Allotment may also be changed (pre-poned/ postponed) by the Company at its sole and absolute discretion.

Underwriting
The present Issue of Debentures is on private placement basis and has not been underwritten.

Status of Debentures

The Debentures shall rank pari-passu inter se and without any preference or priority among themselves. Subject to any obligations preferred by mandatory provisions of the law prevailing from time to time, the Debentures shall also, as regards the principal amount of the Debentures, interest and all other monies secured in respect of the Debentures, rank pari passu with all other present and future holders of debentures issued by the Company in the same category.

Market Lot
The market lot shall be one Debenture of face value of Rs.1 Lakh each ("**Market Lot**"). Since the Debentures are being issued only in dematerialised form, the odd lots will not arise either at the time of issuance or at the time of transfer of debentures.

Redemption Premium/ Interest on Debentures
The Debentures shall carry interest at the rate as per term sheet (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof for which a certificate will be issued by the Company) payable to the holders of Debentures (the "Holders" and each, a "Holder") as of the relevant Record Date. The interest payable on any Interest Payment Date will be paid to the Debenture holder(s) whose names appear in the List of Beneficial Owners given by the Depository to the Company as on the Record Date.

Debentures in Dematerialized Form
The Company has finalized Depository Arrangements with National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) for dematerialization of the Debentures. The investor has to necessarily hold the Debentures in dematerialized form and deal with the same as per the provisions of Depositories Act, 1996 (as amended from time to time). The normal procedures followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

Applicants to mention their Depository Participant's name, DP-ID and Beneficiary Account Number/Client ID in the appropriate place in the Application Form. In case the depository arrangement is finalised before the completion of all legal formalities for issue of Debenture Certificates, Debentures to successful allottee(s) having Depository Account shall be credited to their Depository Account against surrender of letter of allotment.

Interest or other benefits with respect to the Debentures would be paid to those Debenture holders whose names appear on the list of beneficial owners given by the Depositories to the Issuer as on a record date/book closure date. The Issuer would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the

Depository and informed to the Issuer where upon the interest/benefits will be paid to the beneficiaries within a period of 30 days.

In case of incorrect details provided by the investors the Registrar will not credit the debentures to the Depository Account until the details are corrected by the investors.

Transfer of Debentures

Debentures shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL /CDSL Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

Transfer of Debentures to and from NRIs/ OCBs, in case they seek to hold the Debentures and are eligible to do so, will be governed by the then prevailing guidelines of RBI. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the company.

Future Borrowings

Subject to the terms of the Transaction Documents, the Company shall be entitled to make further issue of Debentures and/or raise further loans and/or avail of further referred payment/guarantee facilities from time to time for such amounts and from such persons/public financial institutions/banks or any other financial corporations or body corporate as it may deem fit and create charge over its assets in relation to the same. Provided that at the time of raising such further issue of Debentures and/or further term loans and/or availing deferred payment credit/guarantee facilities the Company maintains the Minimum Security Coverage stipulated in the Transaction Documents.

Disputes and Governing Law

The Debentures shall be construed to be governed in accordance with Indian Law. The competent alone shall have jurisdiction in connection with any matter arising out of or under these precincts.

Over and above, the said Debentures shall be subject to the Terms and Conditions to be incorporated in the Debentures to be issued to the allottees and the Debenture Trust Deed/Trustee Agreement.

Trading of Debentures

The trading of privately placed Debt securities would be permitted in the anonymous, order driven system of the Stock Exchange in a separate trading segment. The marketable lot would be one Debentures of face value of Rs. 1 lakh. All class of investors would be permitted to trade subject to the standard denomination/marketable lot. The trades executed on spot basis shall be required to be reported to the Stock Exchange.

List of Beneficial Owners

The Company shall request the Depository to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be.

Succession

In the event of demise of the sole/first holder/registered holder of the Debenture(s) or the last survivor, in case of joint holders for the time being, the Company will recognize the executor or administrator of the deceased Debenture holder, or the holder of succession certificate or other legal representative as having title to the Debenture(s). The Company shall not be bound to recognize such executor or administrator, unless such executor or administrator obtains probate, letter of administration wherever it is necessary, or such holder is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter. The Company may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debenture(s) standing in the name of the deceased Debenture holder on production of sufficient documentary proof or indemnity.

1) Where a non-resident Indian becomes entitled to the Debenture by way of succession, the following steps have to be complied:

2) Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the Debenture was acquired by the NRI as part of the legacy left by the deceased holder.

Proof that the NRI is an Indian National or is of Indian origin.

Such holding by the NRI will be will be governed by the then prevailing guidelines of RBI.

Disclosure Clause

In the event of default in the repayment of the principal and/or interest thereon on the due dates, the investors and/or the Reserve Bank of India/SEBI will have an unqualified right to disclose or publish the name of the borrower and its directors as defaulter in such manner and through such medium as the Investors and/or the Reserve Bank of India in their absolute discretion may think fit. Over and above, the said Debentures shall be subject to the Terms and Conditions to be incorporated in the Debentures to be issued to the allottees and in the Debenture Trust Deed/Trustee Agreement.

Registrars

Integrated Registry Management Services Private Limited Is acting as Registrar and Transfer agents for the Company for debt instruments. Requests for registration of transfer, along with Debenture Certificates/Letters of Allotment and appropriate transfer documents should be sent to the Registrars. The transferee shall also furnish name, address and specimen signatures and wherever necessary, authority for purchase of Debentures. The Registrars after examining the adequacy and correctness of the documentation shall register the transfer in its books. However, as the NCDs are compulsory issued in demat mode, this may not be applicable.

Debenture holder not a Shareholder

The Debenture holders will not be entitled to any of the rights and privileges available to the shareholders. The Debenture shall not confer upon the holders the right to receive notice(s) or to attend and to vote out any General Meeting(s) of the Company.

Modification of Rights

The rights, privileges, terms and conditions attached to all Debentures may be varied, modified or abrogated with the consent, in writing, of those holders of the Debentures who hold at least three fourth of the outstanding amount of the Debentures or with the sanction accorded pursuant to a resolution passed at a meeting of the Debenture holders, provided that nothing in such consent or resolution shall be operative against the Company where such consent or resolution modifies or varies the terms and conditions of the Debentures, if the same are not acceptable to the Company.

PART B

Additional Disclosures pursuant to the SEBI Master Circular.

(i) A portfolio summary with regard to industries/ sectors to hich borrowings have been made;

Borrowing profile as on March 31, 2023:

(Rs. in Crores)

Particulars	As on March 31, 2023 (SFL)	As on March 31, 2022 (STFC)	As on 31 March 2021 (STFC)
Senior secured notes	894.73	891.40	888.35
Secured NCD	30,156.97	21,268.68	20,929.53
External commercial bond - Secured	12513.28	19,011.29	17,779.55
Unsecured NCD	87.61	85.18	464.44
Subordinated Debt	4523.85	4,614.25	4,620.76
Commercial papers – Unsecured			
Term Loans from Banks	31900.26	16,755.62	13,304.70
ICD	0.00	29.14	49.59
Loans from Institutions	9296.56	5,685.24	3,783.20
External commercial borrowing	9828.01	4,243.13	4,122.49
Fixed Deposit	36139.83	21,919.84	16,182.82
Cash Credit	459.10	454.86	667.38
Securitisation	22106.09	19,538.08	23,403.60
Total	**157906.29**	**1,14,496.71**	**106,196.41**

Borrowing details	As on March 31, 2023 (SFL)	As on March 31, 2022 (STFC)	As on March 31, 2021 (STFC)
Category			
Borrowings in India	134670.27	90,351	83,406.02
Borrowings outside India	23236.02	24,146	22,790.39
Total	**157906.29**	**1,14,496.71**	**1,06,196.41**

Note - (1) The figures for the period after the appointed date for the merger of STFC and the Merged Entities (i.e. April 01, 2022) have been restated to take the effect of merger and are therefore not comparable with figures of STFC for the corresponding previous year periods or previously reported figures of STFC for the said quarters.
(2) *SFL means Shriram Finance Limited*
(3) STFC means Shriram Transport Finance Company Limited
(4) Merged Entities means Shriram Capital Limited and Shriram City Union Finance Limited

(ii) NPA exposures of the issuer for the last three financial years (both gross and net exposures) and provisioning made for the same as per the last audited financial statements of the Issuer.

Sr. No.	Particulars (Rs. in crores)	March 23 (SFL)	Mar 22	Mar 21

1	Gross Stage 3	11,382.18	8,887.55	8,295.21
2	ECL Provision Stage 3	5,707.32	4,441.50	3,488.53
3	Net Stage 3	5,674.86	4,446.05	4,806.68
4	Gross Stage 1 & 2	1,71,956.18	1,16,811.48	1,09,200.04
5	ECL Provision Stage 1 & 2	5,646.57	4,592.38	4,451.13
6	Net Stage 1 & 2	1,66,309.61	1,12,219.10	1,04,748.91

Note - (1) The figures for the period after the appointed date for the merger of STFC and the Merged Entities (i.e. April 01, 2022) have been restated to take the effect of merger and are therefore not comparable with figures of STFC for the corresponding previous year periods or previously reported figures of STFC for the said quarters.
(2) *SFL means Shriram Finance Limited*
(3) STFC means Shriram Transport Finance Company Limited
(4) Merged Entities means Shriram Capital Limited and Shriram City Union Finance Limited

(iii) Quantum and percentage of secured vis-à-vis unsecured borrowings made; and

As on March 31, 2023

Secured Borrowings - Rs. 1,17,155.00 Crores – 74.19%

Unsecured Borrowings – Rs. 40–751.29 Crores – 25.81% –
Total - Rs. 1,57, 906.29 Crores - 100.00 %

(iv) Any change in promoters' holdings during the last financial year beyond the threshold, as prescribed by RBI.

No change beyond the threshold limit.

(v) Type of Loans as on March 31, 2023:

Sr. No.	Type of Loans	Rs. (in crore)	Percentage
1	Secured	1,74,046.74	93.73
2	Unsecured	11,636.12	6.27
	Total assets under management (AUM)*^	185682.86	100

*Information required at borrower level (and not by loan account as customer may have multiple loan accounts);
^Issuer is also required to disclose off balance sheet items;

(vi) Denomination of loans outstanding by loan-to-value as on March 31, 2023

Sr. No.	LTV (at the time of origination)	Percentage of AUM
1	Upto 50%	7.03%
3	50%-60%	16.35%
4	60%-70%	37.70%
5	70%-80%	28.36%
6	80%-90%	8.66%
7	>90%	1.90%
	Total	**100%**

(vii) Sectoral Exposure as on March 31, 2023:

Sectors		As on March 31, 2023		
		Total Exposure (Rs. in crores)	Gross NPAs (Rs. in crores)	Percentage of Gross NPAs to total exposure in that Sector
1)	Agriculture and Allied Activities	-	-	-
2)	Industry	-	-	-

3)	Services			
i	Transport Operators	1,53,208.66	9,737.34	6.36%
ii	SME Loans	18,926.51	1,119.55	5.92%
iii	Others	-	-	-
	Total of Services	**1,72,135.17**	**10,856.89**	**6.31%**
4)	Personal Loan			
i	Gold loan	4,478.39	141.03	**3.15%**
ii	Others	6,724.86	384.25	**5.71%**
	Total of Personal Loan	**11,203.25**	**525.29**	**4.69%**
5)	Others, if any	-	-	-
	TOTAL	**1,83,338.42**	**11,382.18**	**6.21%**

Types of loans according to sectoral exposure as on March 31, 2023 is as follows:

Sr. No.	Type of loans (segment-wise break-up of AUM)	Amount (Rs. in crores)	Percentage of AUM (in %)
1	Commercial Vehicles	92,273.40	50.33
2	Construction Equipment	14,309.63	7.81
3	Farm Equipment	3,394.30	1.85
4	Gold Loan	4,478.39	2.44
5	MSME Loans	18,926.51	10.32
6	Passenger Vehicles	33,162.10	18.09
7	Personal Loans	6,675.12	3.64
8	Two Wheeler	10,069.24	5.49
9	Working Capital Loans	49.74	0.03
	Grand Total	**1,83,338.42**	**100.00**

(viii) Denomination of loans outstanding by ticket size as on March 31, 2023:*

Sr. No.	Ticket size (at the time of origination)*	Percentage of AUM
1	Upto Rs. 2.5 lakh	19.79%
–2	Rs. 2.5-5 lakh	33.87%
3	Rs. 5 - 10 lakh	34.46%
4	Rs. 10 - 25 lakh	7.39%
5	Rs. 25 - 1 crore	3.43%
6	>Rs. 1 crore	1.05%
	Total	**100%**

*Information required at the borrower level (and not by loan account as a customer may have multiple loan accounts)

(ix) Geographical classification of borrowers as on March 31, 2023:

Sr. No.	Top 5 states	Percentage of AUM
1	Tamil Nadu	16.69
2	Karnataka	10.16
3	Andhra Pradesh	10.14
4	Maharashtra	9.15
5	Telangana	8.60
	Total	**54.74**

(x) Details of loans overdue and classified as non-performing in accordance with RBI's stipulations:

I. Movement of gross NPA as on March 31, 2023

Movement of gross NPA*	Rupees (in crores) March 31, 2023
Opening gross NPA	8,887.55

- Additions during the year	11,093.21
- Reductions during the year	(8,598.57)
Closing balance of gross NPA	11,382.18

**Please indicate the gross NPA recognition policy (Day's Past Due)* -90 days past due is NPA Recognition Policy

II. Movement of provisions for NPA as on December 31, 2023

Movement of provisions for NPA	**Rupees (in crores) March 31, 2023**
Opening gross NPA	4,441.50
- Additions during the year	3,924.06
- Write-off/write-back of excess provisions	(2,658.29)
Closing balance	5,707.27

90 days past due is NPA Recognition Policy

(xi) *Segment-wise gross NPA as on March 31, 2023:*

Sr. No.	**Segment-wise gross NPA**	**Gross NPA (%) March 23**
1	**Retail**	
A	Mortgages (home loans and loans against property)	
B	Gold loans	3.15%
C	Vehicle finance	6.36%
D	MFI	
E	MSME	5.92%
F	Capital market funding (loans against shares, margin funding)	
G	Others	5.71%
2	**Wholesale**	
A	Infrastructure	
B	Real estate (including builder loans)	
C	Promoter funding	
D	Any other sector (as applicable)	
E	Others	
	Total	**6.21%**

(xii) Residual maturity profile of assets and liabilities (in line with the RBI format) as on March 31, 2023:

(Rs. In crores)

P–rticulars	**Upto 0 – 7 days**	**Upto 8 – 14 days**	**Upto 15 – 30 days**	**Over 1 month upto 2 months**	**Over 2 months upto 3 months**	**Over 3 months & upto 6 months**	**Over 6 months & upto 1 year**	**Over 1 year & upto 3 years**	**Over 3 years & upto 5 years**	**Over 5 years**	**Total**
Deposits *	263.83	116.96	453.06	636.32	788.10	2,473.58	4,756.63	18,544.71	8,240.84	-	**36,274.03**
Advances **	4,457.12	1,256.69	2,111.70	6,088.57	6,253.71	18,430.17	33,643.35	77,070.05	19,287.81	3,385.41	**1,71,984.58**
Investments	512.31	5.33	37.09	276.26	58.52	109.90	421.19	1,244.58	951.95	4,947.93	**8,565.06**

Borrowings ***	615.24	1,145.61	3,143.82	3,901.76	6,848.22	8,798.20	15,203.93	38,184.56	9,802.53	11,781.30	**99,425.17**
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	**-**
Foreign currency liabilities	-	-	127.33	-	124.23	4,961.73	6,167.05	7,496.34	2,442.69	1,021.92	**22,341.29**

* includes deposits from corporates and unclaimed matured deposit.

** net of Impairment loss allowance.

*** Excludes deposits which are shown separately and external commercial borrowings and external commercial bond which are shown separately under Foreign Currency Liabilities

PART C

Disclosures under Form PAS -4 pursuant to Section 42 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

Sub-Part A
PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

1. GENERAL INFORMATION

i. Name, address, website (if any) and other contact details of the company indicating both registered office and corporate office:
Name of the Company: Shriram Finance Limited
Website: www.shriramfinance.in
Contact Details: 022- 40959595

Registered office of the Company:

Sri Towers, Plot No.14A, South Phase, Industrial Estate, Guindy, Chennai – 600 032

Corporate Office of the Company:

Shriram Finance Limited.
Wockhardt Towers, Level – 3, West Wing,
C-2, G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051
Tel. No.: +91 22 4095 9595
Fax: +91 22 4095 9597/96

ii. Date of Incorporation of the Company: June 30, 1979. Our Company was incorporated as a public limited company under the provisions of the Companies Act, 1956.

iii. Business carried on by the company and its subsidiaries with the details of branches or units, if any:

We have successfully diversified our product portfolio, which consists of commercial vehicle loans and loans to the small enterprise finance segment, two wheeler loans, loans against gold, auto loans, personal loans and housing finance loans. Within each of these segments, we offer a wide array of products to our customers. Each of our products differs in terms of the average tenure, average yield, average interest rate and average size of loan.

As per our Standalone Financial Statements, as of March 31, 2023, our assets under our management product portfolio comprised of commercial vehicles, passenger vehicles, tractors, construction equipment, two wheelers, SME loans, gold loans of our total AUM.

We believe that our diverse revenue streams reduce our dependence on any particular product, thus enabling us to spread and mitigate our risk exposure to any particular industry, business or customer segment.

As part of our presence in the entire commercial vehicle financing ecosystem, we also provide various types of working capital loans to our customers for the purchase of vehicle parts, tyres, insurance, repairs, etc. in connection with the operation of their trucks and other commercial vehicles. We also offer fuel financing.

Our Customer Base

Commercial Vehicle Segment

Our customer base is predominantly first time buyers ("**FTB**") and small road transport operators ("**SRTOs**"), other commercial vehicle operators and smaller construction equipment operators. We also provide trade finance to

commercial vehicle operators. These customers typically have limited access to bank loans for commercial vehicle financing and limited credit histories. Our loans are secured by a hypothecation of the asset financed.

Small Enterprise Finance Segment

Our target customers in the small enterprise finance segment typically consist of self-employed professionals, wholesale and retail dealers, merchants, builders, small and medium scale manufacturing concerns and service providers. Typically, customers avail such borrowings to fund their businesses' expansion and to meet their working capital requirements. Each small enterprise finance loan is typically customized to suit the requirements of the customer after having assessed and understood their business model.

Two-Wheeler Loans

Our target customers in this segment typically include salaried and self-employed individuals in rural and semi urban areas. We also enter into arrangements with OEMs and dealers to offer our financial products to their potential customers, locally or nationwide, as the case may be.

Personal Loans

In the personal loan segment, we target customer segments that do not have easy access to banks or other modes of financing for immediate short- or medium-term funding requirements within reasonable time. Customers typically seek personal loans for medical treatment, education and weddings. Our officials reach out directly to our personal loan customers and visit them at their doorstep to carry out loan origination and credit evaluation, so as to ensure speedy processing of loans.

Housing Finance

We provide housing finance loans through our subsidiary Shriram Housing Finance Limited, which is registered as a non-deposit accepting HFC with the National Housing Bank. We grant housing finance loans for buying, renovating, extending and improving homes. As on June 30, 2023, SHFL operates through 123 branches.

iv. Brief particulars of the management of the company:

The day to day management of the Company is carried out by the following key people:

Mr. Umesh Revankar	-	Executive Vice Chairman
Mr. Y S Chakravarti	-	Managing Director & CEO
Mr. Parag Sharma	-	Joint Managing Director & Chief Financial Officer
Mr. S. Sunder	-	Joint Managing Director

Umesh Revankar- Executive Vice Chairman

He joined STFC as an Executive Trainee in 1987. He has been associated with Shriram Group for over 30 years and has shouldered various responsibilities and worked in several key roles of business operations. He holds a degree in MBA Finance.

Mr. Y S Chakravarti – Managing Director & CEO

Mr. Y. S. Chakravarti, is appointed as Managing Director and CEO of the Company. He holds a degree in Bachelor of Commerce. He started his career in Shriram Chits Private Limited, Andhra Pradesh ('Shriram Chits') in June 1991 as an executive trainee.

Parag Sharma- Joint Managing Director & CFO

He has over 28 years of experience in finance industry. He joined in 1995 and now heads the Finance function. He is a qualified Cost Accountant.

S. Sunder- Joint Managing Director

He has over 28 years of experience in finance industry. He joined in 1995 and now heads the Accounts and

Administration function. He is a qualified Cost Accountant.

v. Names, addresses, Director Identification Number (DIN) and occupations of the directors:

Please refer to Part A of Section 3 of this Placement Memorandum.

vi. Management's perception of risk factors:

The following are some of the important factors that could cause actual results to differ materially from the Company's expectations:

The following are the risks envisaged by the management of the Company relating to the Company, the Debentures and the market in general. Potential investors should carefully consider all the risk factors stated in the Placement Memorandum in relation to the Debentures for evaluating the Company and its business and the Debentures before making any investment decision relating to the Debentures. The Company believes that the factors described below represents the principal risks inherent in investing in the Debentures but does not represent that the statements below regarding the risks of holding the Debentures are exhaustive. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. Potential Investors should also read the detailed information set out elsewhere in the Placement Memornadum and reach their own views prior to making any investment decision.

If any one of the following stated risks actually occurs, the Company's business, financial conditions and results of operations could suffer and, therefore, the value of the Company's Debentures could decline and/or the Company's ability to meet its obligations in respect of the Debentures could be affected. More than one risk factor may have simultaneous effect with regard to the Debentures such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No prediction can be made as to the effect that any combination of risk factors may have on the value of the Debentures and/or the Company's ability to meet its obligations in respect of the Debentures.

These risks and uncertainties are not the only issues that the Company faces. Additional risks and uncertainties not presently known to the Company or that the Company currently believes to be immaterial may also have a material adverse effect on its financial condition or business. Unless specified or quantified in the relevant risk factors, the Company is not in a position to quantify the financial or other implications of any risk mentioned herein below.

A. INTERNAL RISK FACTORS

As set out in **Section 2** (*Risk Factors*) of the Placement Memorandum

B. EXTERAL RISK FACTORS

As set out in **Section 2** (*Risk Factors*) of the Placement Memorandum

vii. Details *of default, if any, including therein the amount involved, duration of default and present status, in repayment of –*

(a) Statutory dues: Nil

(b) Debentures and interest thereon: Nil

(c) Deposits and interest thereon: Nil

(d) Loan from any bank or financial institution and interest thereon: Nil

viii. Names*, designation, address and phone number, email ID of the nodal/ compliance officer of the Company, if any, for the private placement offer process:*

Name: Mr. U. Balasundararao
Designation: Company Secretary/ Compliance Officer
Address:

Shriram Finance Limited.
Wockhardt Towers, Level – 2, East Wing,
C-2, G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051
Tel. No.: +022-40959595/76
Fax: +91-22-4095 9597/96
E-mail id: BALASUNDAR@shriramfinance.in

ix. ***Any Default in Annual filling of the Company under the companies Act, 2013 or the rules made there under: -***
Not Applicable. No default has occurred in relation to annual filing of the Company under the Companies Act, 2013

ix. PARTICULARS OF OFFER:

i) Financial Position of the Company for the last 3 Financial Year	Please refer **Annexure V and Annexure VII** of this Placement Memorandum.
ii) Date of passing of board resolution	Board Resolution – 24th December 2022 Banking and Finance Committee Resolution – 20th December 2023.
iii) Date of passing of resolution in the general meeting, authorizing the offer of securities	Shareholder resolution passed by the shareholders of the Issuer under Section 42 of the Companies Act, 2013 dated February 25, 2024.
iv) Kinds of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued;	The Debentures being offered in terms of this Placement Memorandum are up to 73,300 (Seventy-Three Thousand and Three Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 7,33,00,00,000/- (Indian Rupees Seven Hundred and Thirty-Three Crores Only) with a green shoe option to retain oversubscription of up to 61,700 (Sixty One Thousand and Seven Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 6,17,00,00,000/- (Indian Rupees Six Hundred and Seventeen Crores Only) in total aggregating up to INR 13,50,00,00,000/- (Indian Rupees One Thousand Three Hundred and Fifty Crores Only)
v) Price at which the security is being offered including the premium, if any, along with justification of the price	Please refer to the Summary Term Sheet/ Term Sheet in this Placement Memorandum.
vi) Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer.	Not Applicable as the Debentures are being offered at face value of INR 1,00,000/- (Indian Rupees One Lakh Only) per Debenture
vii) Relevant date with reference to which the price has been arrived at; (Relevant date means a date at least thirty days prior to the date on which the general meeting of the company is schedule to be held)	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value of INR 1,00,000/- (Indian Rupees One Lakh Only).
viii) The class or classes of persons to whom the allotment is proposed to be made;	Please refer to the provisions regarding **'Who can Apply'** under the Placement Memorandum.
ix) Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) (not in case of issue of non-convertible debentures)	Not applicable

x) The Proposed time within which the allotment shall be completed.	Please refer to the Summary Term Sheet/ Term Sheet in this Placement Memorandum.
xi) The names of the proposed allottees and the percentage of post private placement capital that may be held by them (not required in case of issue of non- convertible debentures);	Not Applicable
xii) The change in control, if any in the company that would occur consequent to the private placement.	There would be no Change in control post issuance of Debentures.
xiii) The number of person to whom allotment on preferential basis / private placement / right issue has already been made during the year, in terms of number of securities as well as price.	

ISIN No.	Allotment Date	Allotment Price Per Debenture	Issued Amount (Rs. in crores)	No. of Investors
INE721A07QX8	18-04-2022	10,00,000	700	1
INE721A07QY6	25-04-2022	10,00,000	100	1
INE721A07QW0	23-03-2022	10,00,000	200	1
INE721A07NO4	23-03-2022	10,00,000	25	1
INE721A07QI9	25-05-2022	10,00,000	220	7
INE721A07QZ3	11-07-2022	10,00,000	20	1
INE721A07QZ3	19-07-2022	10,00,000	104.8	3
INE721A07RA4	17-08-2022	10,00,000	3300	2
INE721A07QZ3	30-08-2022	10,00,000	125	1
INE721A07RB2	02-09-2022	10,00,000	64.70	1
INE721A07RD8	08-09-2022	10,00,000	201	2
INE721A07RC0	08-09-2022	10,00,000	200	2
INE721A07QZ3	13-09-2022	10,00,000	98.2	1
INE721A07RB2	21-09-2022	10,00,000	75.6	2
INE721A07RE6	18-10-2022	10,00,000	27	1
INE721A08DG9	25-10-2022	100,00,000	115	3
INE721A07RF3	18-11-2022	10,00,000	30	1
INE721A07RG1	23-11-2022	10,00,000	50	1
INE721A07RE6	5-12-2022	10,00,000	110	4
INE721A07RB2	13-12-2022	10,00,000	19.5	1

INE722A07BH1	18-05-2022	10,00,000	448.60	35
INE722A07BI9	31-05-2022	10,00,000	110	3
INE722A07BH1	16-06-2022	10,06,282	133.63	26
INE722A07BI9	27-06-2022	10,05,815.58	90.52	1
INE722A07BJ7	15-09-2022	10,00,000	400	6
INE722A07BK5	07-10-2022	10,00,000	150	1
INE721A07RE6	14-02-2023	10,32,939	35	2
INE721A08DG9	21-02-2023	1,02,85,273	50	1
INE721A07RE6	15-03-2023	10,20,465.75	10	1
INE721A07RH9	15-03-2023	1,00,000	125	2
INE721A07RE6	21-03-2023	10,21,963.01	50	1
INE721A07RI7	21-03-2023	1,00,000	400	1
INE721A07RJ5	24/03/2023	1,00,000	341	6
INE721A07RK3	12/04/2023	1,00,000	200.00	1
INE721A07RH9	12-04-2023	1,00,000	165.00	3
INE721A07RE6	18-04-2023	10,00,000	30.00	1
INE721A07RJ5	18-04-2023	1,00,000	810.00	12
INE721A07RL1	28-04-2023	1,00,000	250.00	7
INE721A07RM9	28-04-2023	1,00,000	12.50	1
INE721A07RN7	04-05-2023	1,00,000	55.00	2
INE721A07RH9	10-05-2023	1,00,000	70.00	4
INE721A08DG9	19-05-2023	1,00,00,000	50.00	2
INE721A07RL1	25/05/2023	1,00,000	100.00	2
INE721A07RE6	02/06/2023	10,00,000	200.00	7
INE721A07RH9	07/06/2023	1,00,000	136.00	4
INE721A07NO4	26/06/2023	10,00,000	88.00	1
INE721A07RO5	26/06/2023	1,00,000	400.00	1
INE721A07RP2	20/07/2023	20/07/2028	815.00	1
INE721A07NO4	14/08/2023	26/05/2025	501.00	4
INE721A07RN7	05/09/2023	04/05/2026	85.00	3
INE721A07NO4	15/09/2023	26/05/2025	25.00	1
INE721A07RQ0	03/10/2023	05/10/2026	190.00	4
INE721A07RR8	03/10/2023	03/10/2026	300.00	1

	INE721A07RQ0	15/11/2023	05/10/2026	345.00	3
	INE721A07RS6	22/11/2023	22/11/2028	325.00	6
	INE721A07RT4	22/11/2023	22/11/2033	100.00	2
	INE721A07RN7	05/12/2023	04/05/2026	50.00	1
	INE721A07QT6	8/12/2023	21/03/2025	150.00	1
	INE721A07RU2	19/12/2023	19/12/2025	1164.00	18
	INE721A07RV0	19/12/2023	18/05/2027	151.00	9
	INE721A07RW8	29/12/2023	29/04/2026	1150.00	1
	INE721A07RX6	05/01/2024	05/01/2034	55.00	2
	INE721A07RY4	19/01/2024	19/01/2029	1201.00	12
	INE721A07RN7	19/01/2024	04/05/2026	75.00	3
	INE721A07RZ1	05/03/2024	18/03/2027	271.1	4
	Total			14,913.15	221

xiv) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not Applicable
xv) Amount which the company intends to raise by way of proposed offer of securities	up to 73,300 (Seventy-Three Thousand and Three Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 7,33,00,00,000/- (Indian Rupees Seven Hundred and Thirty-Three Crores Only) with a green shoe option to retain oversubscription of up to 61,700 (Sixty One Thousand and Seven Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 6,17,00,00,000/- (Indian Rupees Six Hundred and Seventeen Crores Only) in total aggregating up to INR 13,50,00,00,000/- (Indian Rupees One Thousand Three Hundred and Fifty Crores Only) on a private placement basis.
xvi) Terms of raising of securities: Duration, if applicable, Rate of dividend or rate of interest, mode of payment and repayment	Please refer to the Summary Term Sheet/ Term Sheet in this Placement Memorandum.
xvii) Proposed time schedule for which the Private placement cum application letter is Valid.	Please refer to the Summary Term Sheet/ Term Sheet in this Placement Memorandum.
xviii) Purposes and objects of the offer	Please refer to the Summary Term Sheet/ Term Sheet in this Placement Memorandum.
xix) Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects	Nil
xx) Principle terms of assets charged as security, if applicable	Please refer to the Summary Term Sheet/ Term Sheet in this Placement Memorandum.
xxi) The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the company and its future operations	Nil

x. Pre-issue and post issue shareholding pattern of the Company as on September 30, 2023:

	Category	Pre-issue	Post-issue

Sl. No.		No. of Shares held	% of Shares held	No. of Shares held	% of Shares held
A	**Promoters' Holding**				
1	Indian				
	Individual	-	-	-	-
	Shriram Capital Private Limited (formerly known as Shriram Financial Ventures (Chennai Pvt. Ltd.)	6,71,45,784	17.89	6,71,45,784	17.89
	Shriram Ownership Trust	78,40,080	2.09	78,40,080	2.09
	Shriram Value Services Ltd.	1,29,93,461	3.46	1,29,93,461	3.46
	Sub-total	8,79,79,325	23.44	8,79,79,325	23.44
2	Foreign Promoters	-	-	-	-
	Sanlam Life Insurance Limited	75,36,951	2.01	75,36,951	2.01
	Sub-total (A)	**9,55,16,276**	**25.45**	**9,55,16,276**	**25.45**
B	**Non-Promoters' Holding**				
1	Institutional Investor	26,21,31,519	69.84	26,21,31,519	69.84
2	Non-Institutional Investor				
	Private corporate Bodies	9,66,878	0.26	9,66,878	0.26
	Directors and relatives	46,872	0.01	46,872	0.01
	Indian Public	1,35,76,369	3.62	1,35,76,369	3.62
	Other Including Non-resident Indians (NRIs)	31,09,169	0.83	31,09,169	0.83
	Sub-total (B)	**27,98,30,807**	**74.55**	**27,98,30,807**	**74.55**
	GRAND TOTAL	**37,53,47,083**	**100.00**	**37,53,47,083**	**100.00**

2. **MODE OF PAYMENT FOR SUBSCRIPTION:** Cheque/ Demand Draft/ Other Banking Channels (NEFT/RTGS)

   Please refer to the Summary Term Sheet/ Term Sheet of this Placement Memorandum.

3. **DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.**

Any financial or other material interest of the directors, promoters or key managerial personnel in the Issue and the effect of such interest in so far as it is different from the interests of other persons	Nil

<table>
<tr><td>Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any Promoter of the Company during the last 3 (three) years immediately preceding the year of the circulation of this Placement Memorandum and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed</td><td>Nil</td></tr>
<tr><td>Remuneration of directors (during the current year and last 3 (three) financial years)</td><td><table>
<tr><td>For Current Year</td><td>The remuneration of directors for F.Y 2023-24 is Rs. 313.82 Lakhs</td></tr>
<tr><td>F.Y. 2022-23</td><td>The remuneration of directors for F.Y 2022-23 is Rs. 488.08 Lakhs</td></tr>
<tr><td>F.Y. 2021-22</td><td>The remuneration of directors for F.Y 2021-22 is Rs. 363.28 Lakhs</td></tr>
<tr><td>F.Y. 2020-21</td><td>The remuneration of directors for F.Y. 2020-21 is Rs 175.54 Lakhs</td></tr>
</table></td></tr>
<tr><td>Related party transactions entered during the last 3 (three) financial years immediately preceding the year of circulation of this Placement Memorandum including with regard to loans made or, guarantees given or securities provided</td><td>Please refer to Annexure X hereto</td></tr>
<tr><td>Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of circulation of this Placement Memorandum and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark</td><td>NIL</td></tr>
<tr><td>Details of any inquiry, inspections or investigations initiated or conducted under the Act or any previous company law in the last 3 (three) years immediately preceding the year of circulation of offer letter in the case of the Company and all of its subsidiaries. Also if there were any were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of this Placement Memorandum and if so, section-wise details thereof for the Company and all of its subsidiaries</td><td>NIL</td></tr>
<tr><td>Details of acts of material frauds committed against the Company in the last 3 (three) years, if any, and if so, the action taken by the company</td><td>Nil</td></tr>
</table>

4. FINANCIAL POSITION OF THE COMPANY

(a) The capital structure of the company in the following manner in a tabular form-

(i)(A) The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value);

Share Capital	**In Lakhs**
Authorised Share Capital	
2,97,55, 00, 000 Equity Shares of Rs. 10/- each	297,550
12,90,00,000 Preference Shares of Rs. 100/- each	129,000
Total	426,550
Issued	
37,53,47,083 Equity Shares of Rs. 10 /- each	37,534.71
Subscribed	
37,53,47,083 Equity Shares of Rs. 10 /- each	37,534.71
Paid-up Share Capital	
37,53,47,083 Equity Shares of Rs. 10 /- each	37,534.71
Notes:	Top of Form Bottom of Form
The Equity Shares allotted for consideration other than cash are as follows: a) 6,06,33,350 fully paid-up Equity Shares of our Company have been allotted to the shareholders of Shriram Investments Ltd (SIL), pursuant to a scheme of amalgamation sanctioned by the Hon'ble High Court of Madras vide its order dated November 25, 2005, in a ratio of 1 fully paid up Equity Share of our Company, for every 1 fully paid up equity share of the face value of Rs. 10/- each, of SIL; b) 1,86,45,886 fully paid-up Equity Shares of our Company have been allotted to the shareholders of Shriram Overseas Finance Ltd (SOFL), pursuant to a scheme of amalgamation sanctioned by the Hon'ble High Court of Madras vide its order dated December 1, 2006, in a ratio of 3 fully paid up Equity Shares of our Company, for every 5 fully paid up equity shares of the face value of Rs. 10/- each, of SOFL; c) Pursuant to Shriram Holdings (Madras) Pvt. Ltd. (SHMPL) Scheme of Merger sanctioned vide the SHMPL Merger Order passed by the Hon'ble High Court of Madras, our Company issued and allotted 9,38,72,380 fully paid up equity shares of our Company to the shareholders of SHMPL, whose names appeared in the register of members on the specified date in connection with the aforesaid scheme of amalgamation, in a ratio of 313 fully paid up Equity shares of our Company, for every 124 fully paid up equity shares of the face value of Rs. 10 each, of SHMPL.	

d) Pursuant to the Composite Scheme of Arrangement and Amalgamation among Shrilekha Business Consultancy Private Limited (SBCPL) and Shriram Financial Ventures (Chennai) Private Limited (SFVPL) and Shriram Capital Limited (SCL) and Shriram Transport Finance Company Limited (STFC/the Company) (now Shriram Finance Limited) and Shriram City Union Finance Limited (SCUF) and Shriram LI Holdings Private Limited (SLIH) and Shriram GI Holdings Private Limited (SGIH) and Shriram Investment Holdings Limited (SIHL) and their respective Shareholders ("Scheme") sanctioned by the Hon'ble National Company Law Tribunal, Special Bench – II, Chennai vide its Common order dated November 14, 2022, read with Corrigendum dated November 17, 2022 to the order ("Order"), the Board of Directors of the Company issued and allotted on December 12,2022, 17,43,44,710 new equity shares of face value of Rs.10/- each fully paid up to the eligible shareholders of erstwhile SCL and SCUF as per the share exchange ratio . 7,04,37,147 equity shares of face value of Rs.10/- each fully paid-up of the Company held by erstwhile SCL stood cancelled. Consequently, the issued and paid-up capital of the Company stood increased to Rs.374,42,72,760/- consisting of (37,44,27,276 equity shares of Rs.10/- each fully paid up)	

Size of the present offer: up to 73,300 (Seventy-Three Thousand and Three Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 7,33,00,00,000/- (Indian Rupees Seven Hundred and Thirty-Three Crores Only) with a green shoe option to retain oversubscription of up to 61,700 (Sixty One Thousand and Seven Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 6,17,00,00,000/- (Indian Rupees Six Hundred and Seventeen Crores Only) in total aggregating up to INR 13,50,00,00,000/- (Indian Rupees One Thousand Three Hundred and Fifty Crores Only) on a private placement basis.

(b) **Paid up capital**:

(A) **After the offer:** As the said offer pertains to secured rated listed, redeemable non-convertible debentures, it will not have an impact on the Share Capital of the Company.

(B) **After conversion of convertible instruments (if applicable): Not applicable, as each Debenture is a non-convertible debt instrument which is being issued at face value.**

(c) Share Premium Account (before and after the offer);

Share Premium Account	Amount (Rs. in Crs)
Before the Offer as on March 31, 2023	5,662.38
After the Offer	5,662.38

Note: *there will be no change in capital structure, i.e. the issued, subscribed and paid up capital and share premium account of the Company after issue of Debentures on private placement basis.*

(d) The details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration:

Date of allotment	Number of equity shares allotted	Face Value (₹)	Issue Price per equity share (₹)	Consideration
May 29, 1979	50,000	10	10.00	Cash
April 17, 1984	250,000	10	10.00	Cash
October 26, 1986	150,000	10	Not Applicable	Other than Cash

October 26, 1987	150,000	10	Not Applicable	Other than Cash
October 26, 1988	150,000	10	Not Applicable	Other than Cash
March 31, 1989	575,000	10	Not Applicable	Other than Cash
June 1, 1991	1,725,000	10	Not Applicable	Other than Cash
March 1, 1992	1,725,000	10	Not Applicable	Other than Cash
December 1, 1992	1,720,420	10	Not Applicable	Other than Cash
April 21, 1995	6,484,910	10	10.00	Cash
November 11, 1995	2,369	10	10.00	Cash
December 28, 1995	2,000	10	10.00	Cash
June 26, 1998	4,534,370	10	Not Applicable	Other than Cash
June 26, 1999	9,068,740	10	Not Applicable	Other than Cash
June 26, 2000	9,068,740	10	Not Applicable	Other than Cash
November 28, 2002	6,243,000	10	12.00	Cash
April 26, 2004	4,600,000	10	29.81	Cash
July 23, 2004	5,450,000	10	25.50	Cash
February 16, 2005	13,479,000	10	35.00	Cash
December 23, 2005	60,633,350	10	Not Applicable	Other than Cash
February 2, 2006	24,478,681	10	112.00	Cash
August 7, 2006	57,15,000	10	35.00	Cash
January 23, 2007	59,250	10	35.00	Cash
February 12, 2007	18,645,886	10	Not Applicable	Other than Cash
March 27, 2007	79,300	10	35.00	Cash
March 30, 2007	9,100,000	10	112.00	Cash
March 30, 2007	18,700	10	35.00	Cash
April 27, 2007	16,000	10	35.00	Cash
June 30, 2007	19,500	10	35.00	Cash
July 31, 2007	6,900,000	10	112.00	Cash
August 10, 2007	7,000	10	35.00	Cash
October 13, 2007	34,200	10	35.00	Cash
December 14, 2007	12,000,000	10	300.00	Cash
June 25, 2008	87,100	10	35.00	Cash
July 14, 2008	81,150	10	35.00	Cash
July 24, 2008	94,850	10	35.00	Cash
September 19, 2008	74,600	10	35.00	Cash
October 27, 2008	29,300	10	35.00	Cash
December 10, 2008	9,200	10	35.00	Cash
May 16, 2009	34,200	10	35.00	Cash
June 12, 2009	8,000,000	10	300.00	Cash
July 16, 2009	95,350	10	35.00	Cash
November 10, 2009	1,096,750	10	35.00	Cash
November 24, 2009	36,650	10	35.00	Cash
January 28, 2010	11,658,552	10	500.80	Cash
March 26, 2010	1,084,700	10	35.00	Cash
September 09, 2010	20,400	10	35.00	Cash
December 06, 2010	6,22,450	10	35.00	Cash
May 13, 2011	23,400	10	35.00	Cash
September 2, 2011	37,600	10	35.00	Cash
March 29, 2012	78,900	10	35.00	Cash
September 11, 2012	53,500	10	35.00	Cash

November 5, 2012	5,00,868	10	Not Applicable	Other than Cash
March 2, 2013	9,000	10	35.00	Cash
August 12, 2013	18,800	10	35.00	Cash
August 06, 2020	26,178,777	10	570.00	Cash
June 12,2021	13,986,000	10	1430.00	Cash
July 8, 2021	1,736,100	10	1440.00	Cash
November 25, 2021	1,736,100	10	1440.00	Cash
December 12, 2022	1,03,907,563	10	-	For consideration other than cash Allotment of 17,43,44,710 equity shares pursuant to Composite Scheme of Arrangement and Amalgamation involving amalgamation of Shriram Capital Limited (after de-merger of a few undertakings from the said SCL and Shriram City Union Finance Limited with the Company
June 05,2023	4,09,508	10	193.55	ESOP Allotment
July 11, 2023	1,91,334	10	193.55	ESOP Allotment
August 01, 2023	80,215	10	193.55	ESOP Allotment
August 17, 2023	1,12,060	10	193.55	ESOP Allotment
September 08, 2023	1,26,690	10	193.55	ESOP Allotment
Total	**37,53,47,083**			

(e) Provided that the issuer company shall disclose the number and price at which each of the allotments were made in the last one year preceding the date of the private placement offer cum application letter separately indicating the allotments made for considerations other than cash and the details of the considerations in each case:

Date of allotment	**Number of equity shares allotted**	**Face Value (₹)**	**Issue Price per equity share (₹)**	**Consideration**
December 12, 2022	1,03,907,563	10	-	**Shares issued for consideration other than cash pursuant to merger.**

(f) Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of private placement offer cum application letter:

(Rs. in Crores)

Year	Profit Before Tax	Provision for Tax	Profit after Tax
F.Y. 2022-23	8184.89	2205.55	5979.34
F.Y.2021-22	3,549.25	841.32	2,707.93
F.Y. 2020-21	3,278.01	790.75	2,487.26

(g) Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid)

Year	Dividend per share	Interest Coverage Ratio
F.Y. 2022-23	Rs. 15 (Interim Dividend) Rs. 20 (Final Dividend)	2.35
F.Y. 2021-22	Rs.20 (1st and 2nd Interim dividends))	1.86
F.Y. 2020-21	Rs. 12/- (Interim dividend) Rs. 6/- (Final dividend)	1.90

(h) A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue: Please refer to **Annexure V** of this Placement Memorandum.

(i) Audited Cash Flow Statement for the three years immediately preceding the date of issue: Please refer to **Annexure VII** of this Placement Memorandum.

(j) Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.
Nil

Sub-Part B

Applicant Details

Name:

Father's Name: Not Applicable

Complete address including flat/ house number/ street, locality, pin code:

Phone number, if any:

Email ID, if any:

PAN:

Bank account details:

Demat Account Details:

Tick whichever is applicable:-

(a) The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares.-☐ ;

(b) The applicant is required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained, and is enclosed herewith.-☐ .

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Signature of the applicant

Initial of the officer of the company designated to keep the record

SECTION 4: DISCLOSURES PERTAINING TO WILFUL DEFAULT

(a) Name of the bank declaring the entity as a wilful defaulter: **None**

(b) The year in which the entity is declared as a wilful defaulter: **None**

(c) Outstanding amount when the entity is declared as a wilful defaulter: **None**

(d) Name of the entity declared as a wilful defaulter: **None**

(e) Steps taken, if any, for the removal from the list of wilful defaulters: **None**

(f) Other disclosures, as deemed fit by the issuer in order to enable Investors to take informed decisions: **None**

(g) Any other disclosure as specified by the Board: **None**

SECTION 5: ISSUE DETAILS

1. Issue Structure and Process

This is a confidential Placement Memorandum setting out the terms and conditions pertaining to issue of up to 73,300 (Seventy-Three Thousand and Three Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 7,33,00,00,000/- (Indian Rupees Seven Hundred and Thirty-Three Crores Only) with a green shoe option to retain oversubscription of up to 61,700 (Sixty One Thousand and Seven Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 6,17,00,00,000/- (Indian Rupees Six Hundred and Seventeen Crores Only) in total aggregating up to INR 13,50,00,00,000/- (Indian Rupees One Thousand Three Hundred and Fifty Crores Only) on private placement basis.Your participation is subject to the completion and submission of Application Form along with cheque(s) / draft(s)/ cash (through Banking Channels) and acceptance of the offer by the Company.

The issuance of Debentures in terms of this Placement Memorandum does not qualify as issue of non-equity regulatory capital as mentioned in chapter V and XIII of SEBI (Issue and Listing of Non Convertible Securities) Regulations 2021.

2. Authority for the Placement

This private placement of Debentures is being made pursuant to the resolution of the Banking and Finance Committee passed at its meeting read with resolution of the board of directors of the company which has approved the placement of debentures. The issue of private placement of Debentures is within the overall limit in terms of resolution passed under Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of securities) Rules, 2014, passed by the shareholders of the Company on February 25, 2024**.** The present issue of is within the general borrowing limits in terms of the resolutionpassed under Section 180(1) (c) of the Companies Act, 2013, passed by the shareholders of the Company through postal ballot giving their consent to the borrowing by the Directors of the Company from time to time the then paid up Capital subject to any restrictions imposed by the terms of the agreement entered into from time to time for grant of loans to the Company of all monies deemed by them to be requisite or proper for the purpose of carrying on the business of the Company. The borrowings under these Debentures will be within the prescribed limits asaforesaid.

The Company can carry on its existing activitiesand future activities planned by it in view of the existing approvals, and no further approvals from any Governmental Authority are required by the Company to carry on its said activities.

The Company, the Debentures and Company's obligations under the Debentures shall, at all times, be subject to the provisions of the Act, rules framed thereunder, regulations/guidelines/directions of RBI (including the NBFC Master Directions and RBI circular no. DNBR (PD) CC No. 021/03.10.001/2014-15 dated February 20, 2015 (Raising Money through Private Placement of Non-Convertible Debentures (NCDs) by NBFCs), SEBI (including the SEBI Debt Listing Regulations) and Stock Exchanges and other Applicable Laws and regulations from time to time. The Debenture holders, by purchasing the Debentures, agree that the courts and tribunals in the city of Mumbai shall have non -exclusive jurisdiction with respect to any matters relating to the Debentures.

Further, the said Debentures shall be subject to the terms and conditions as contained this Placement Memorandum, the Debenture Trust Deed, the Debenture Trustee Appointment Agreement and the other Transaction Documents.

3. Objects & Utilization of the Issue Proceeds

The company proposes to raise up to 73,300 (Seventy-Three Thousand and Three Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 7,33,00,00,000/- (Indian Rupees Seven Hundred and Thirty-Three Crores Only) with a green shoe option to retain oversubscription of up to 61,700 (Sixty One Thousand and Seven Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 6,17,00,00,000/- (Indian Rupees Six Hundred and Seventeen Crores Only) in total aggregating up to INR 13,50,00,00,000/- (Indian Rupees One Thousand Three Hundred and Fifty Crores Only) on private placement basis. The Proceeds of the issue will be utilized in accordance with statutory and regulatory requirements (including requirements of RBI) and for financing of all the

asset classes, onward lending, refinancing of existing debt, meeting working capital requirement and other general purposes of the Company. It shall be ensured that the proceeds (a) are used in compliance with the applicable guidelines issued by Reserve Bank of India including SEBI Master Circular on Bank Finance to Non-Banking Financial Companies dated April 3, 2023, as amended from time to time, (b) are used for such purposes that are permitted for bank financing as per the applicable RBI norms and (c) are not permitted to be utilized towards activities like investment in capital markets, real estate, acquisition or purchase of land or for refinancing of debt which was used for the said purpose. Please refer to the Summary Term Sheet/ Term Sheet for the granular details of the Objects of the Issue.

The Main Object Clause of the Memorandum of Association of the Company enables it to undertake the activities for which the funds are being raised through the present issue and also the activities, which the Company has been carrying on till date.

It shall be ensured that the proceeds of the Debentures (a) are used in compliance with the applicable guidelines issued by Reserve Bank of India including SEBI Master Circular on Bank Finance to Non-Banking Financial Companies dated April 3, 2023, as amended from time to time, (b) are used for such purposes that are permitted for bank financing as per the applicable RBI norms and (c) are not permitted to be utilized towards activities like investment in capital markets, real estate, acquisition or purchase of land or for refinancing of debt which was used for the said purpose.

The expenses of the present Issue can be met from the Proceeds of the Issue. The Main Object Clause of the Memorandum of Association of the Company enables it to undertake the activities for which the funds are being raised through the present issue and also the activities, which the Company has been carrying on till date.

4. Deemed Date of Allotment

Coupon on Debentures shall accrue to the Debenture Holder(s) from and including the Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment. In case if the issue closing date is changed (pre-poned/ postponed), the Deemed Date of Allotment may also be changed (pre-poned/ postponed) by the Company at its sole and absolute discretion.

The final subscription to the Debentures shall be made by the Eligible Investors through the Electronic Book Mechanism as prescribed by SEBI under the SEBI Electronic Book Mechanism Guidelines by placing bids on the Electronic Book Platform during the Issue period.

5. Underwriting

The present Issue of Debentures is on private placement basis and has not been underwritten.

6. Status of Debentures

The Debentures shall rank *pari-passu* inter se and without any preference or priority among themselves and other secured senior debentures issued by the Company. The Debentures will be in the nature of secured senior debt and hence the claims of the holders thereof will have a priority over the claims of other unsecured creditors of our Company, subject to applicable statutory and/or regulatory requirements.

7. Payment on Redemption

Each Debenture of face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each will be redeemed on the Redemption Date.

The Debentures will not carry any obligation, for interest or otherwise, after the Redemption Date. The Debentures held in the dematerialized form shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the registered Debenture holders whose name appear in the Register of Debenture holders on the Record Date. Such payment will be a legal discharge of the liability of the Issuer towards the Debenture holders. On such payment being made, the Issuer will inform NSDL/CDSL and accordingly the account of the Debenture holders with NSDL/CDSL will be adjusted.

If the Due Date for payment of Coupon falls on a day that is not a Business Day, then the Due Date in respect of such payment shall be on the immediately succeeding Business Day, without any liability for making payment of interest for the delayed period.

If the principal payment date or the Redemption Date or the last coupon payment date falls on a day that is not a Business Day, then the due date for principal payment or the Redemption Date or the last coupon payment date shall be paid on the immediately preceding Business Day.

The Redemption Schedule along with the Cashflows for the Debentures has been attached hereto as **Annexure IV**.

8. Debenture Trustee

The Company has appointed **Catalyst Trusteeship Limited** as Debenture Trustee in respect of the Debentures. The Company will enter into a DTD, inter-alia, specifying the powers, authorities and obligations of the Company and the Debenture Trustee in respect of the Debentures.

Subject to the terms of the other Transaction Documents, the Debenture Holders shall, without any further act or deed, be deemed to have irrevocably given their consent to and authorised the Debenture Trustee or any of their agents or authorised officials to do, inter alia, all such acts, deeds and things necessary in respect of or relating to the Security to be created for securing the Debentures. Subject to Applicable Law, all rights and remedies under the Debenture Trust Deed and/or other security documents shall rest in and be exercised by the Debenture Trustee in terms of the Transaction Documents. Any payment made by the Company to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Company pro tanto to the Debentures Holder(s).

9. Market Lot

The market lot shall be one Debenture of face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each. Since the Debentures are being issued only in dematerialized form, the odd lots will not arise either at the time of issuance or at the time of transfer of debentures.

10. Tax Deduction at Source

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. Tax exemption certificate/ document, under Section 193 of the Income Tax Act, 1961, if any, must be lodged at the registered office of the Company or at such other place as may be notified by the company in writing, at least 30 calendar days before the Coupon Payment Dates.

Tax exemption certificate/ document in respect of non-deduction of tax at source on interest on application money, must be submitted along with the Application Form.

11. Debentures in Dematerialized Form

The Company has finalized Depository Arrangements with National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL) for dematerialization of the Debentures. The investor has to necessarily hold the Debentures in dematerialized form and deal with the same as per the provisions of Depositories Act, 1996 (as amended from time to time). The normal procedures followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

Applicants to mention their Depository Participant's name, DP-ID and Beneficiary Account Number/Client ID in the appropriate place in the Application Form. In case the depository arrangement dematerialised before the completion of all legal formalities for issue of Debenture Certificates, Debentures to successful allottee(s) having Depository Account shall be credited to their Depository Account against surrender of letter of allotment.

Interest or other benefits with respect to the Debentures would be paid to those Debenture holders whose names appear on the list of beneficial owners given by the Depositories to the Issuer as on a Record Date/book closure date. The Issuer would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified

by the Depository and informed to the Issuer where upon the interest/benefits will be paid to the beneficiaries within a period of 30 days.

12. Disputes and Governing Law

The Debentures shall be construed to be governed in accordance with Indian Law. The Parties agree that the courts and tribunals at Mumbai, India shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Transaction Documents and that accordingly, any suit, action or proceedings arising out of or in connection with the Transaction Documents may be brought in such courts..

Over and above the aforesaid terms and conditions, the said Debentures shall be subject to the terms and conditions to be incorporated in the Debentures to be issued to the allottees and the Debenture Trust Deed/Debenture Trustee Appointment Agreement.

13. Trading of Debentures

The trading of privately placed Debentures would be permitted in the anonymous, order driven system of the Stock Exchange in a separate trading segment. The marketable lot would be one Debentures of face value of INR 1,00,000/- (Indian Rupees One Lakh Only). All class of investors would be permitted to trade subject to the standard denomination/marketable lot. The trades executed on spot basis shall be required to be reported to the Stock Exchange.

14. Transaction Documents

The detailed terms of the Debentures, including the events of default, covenants and undertakings, terms of the security created by the Issuer in relation to the Debentures shall be as per the Debenture Trust Deed executed by and between the Issuer and the Debenture Trustee in relation to the issuance of Debentures.

The list of documents executed in connection with the issue and subscription of the Debentures have been provided in **Annexure XI** of this Placement Memorandum.

15. List of Beneficial Owners

The Company shall request the Depository to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be.

16. Creation of Security

All the securities as set out under the definition of 'Security' above shall be created in the manner as provided in the Term Sheet provided in this Placement Memorandum.

The Hypothecated Assets are free from any encumbrances and have been charged on first ranking exclusive basis in favour of the Debenture Trustee and accordingly, the Company is not required to obtain consent or letters ceding pari-passu charge from other lenders of the Company.

17. Term Sheet/ Summary Term Sheet

Security Name	8.95% SFL NCDs 2026 Further Issue 1
Details in relation to re-issuance of this proposed issuance of Debentures under the existing ISIN of the Issuer	ISIN: INE721A07RW8 Outstanding issue size: 1,15,000 (One Lakh and Fifteen Thousand) rated, listed, secured, redeemable, non-convertible debentures have been issued under the above-mentioned ISIN and are outstanding. Accrued Interest (Per Debenture): INR 2,200.8197/- (Indian Rupees Two Thousand Two Hundred Point Eight One Nine Seven Only) per Debenture.
Company/Issuer	Shriram Finance Limited
Type of Instrument	Secured, rated, listed, redeemable, non – convertible debentures
Nature of Instrument	Secured

Seniority	Senior
Mode of Issue	Private placement basis
Eligible Investors	Please refer Clause "Who can apply" of this Placement Memorandum.
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	The Debentures are proposed to be listed on the wholesale debt segment of BSE Limited ("**BSE**"). Please refer to **Annexure II** of this Placement Memorandum for a copy of the in-principle approval letter dated 21st March 2024 issued by BSE. In case of delay in listing of the Debentures beyond 3 (three) days from the date of closure of the Issue, the Company will pay penal interest of 1% p.a. over the Coupon Rate from the date of allotment till the listing of the Debentures, to the investor.In case the Debenture are not listed within 45 (forty-five) days from the closure of the Issue, subject to Applicable Law, the Debentures shall be mandatorily prepaid in terms of the Transaction Documents.
Rating of the Instrument	'INDAA+/Stable' by India Ratings and Research Private Limited and 'CRISILAA+/Stable' by Crisil Ratings Limited
Aggregate Issue Size	up to 73,300 (Seventy-Three Thousand and Three Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 7,33,00,00,000/- (Indian Rupees Seven Hundred and Thirty-Three Crores Only) with a green shoe option to retain oversubscription of up to 61,700 (Sixty One Thousand and Seven Hundred) rated, listed, secured, redeemable, non-convertible debentures having face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, of the aggregate nominal value of INR 6,17,00,00,000/- (Indian Rupees Six Hundred and Seventeen Crores Only) in total aggregating up to INR 13,50,00,00,000/- (Indian Rupees One Thousand Three Hundred and Fifty Crores Only)
Minimum subscription	100 (Hundred) and multiples of 1 (One) thereafter
Option to retain oversubscription (Amount)	Nil
Objects of the Issue	The Proceeds of the issue will be utilized in accordance with statutory and regulatory requirements (including requirements of RBI) and for on lending to grow the asset book and financing of commercial vehicles and refinancing of existing indebtedness in accordance with the terms and conditions of this Placement Memorandum. It shall be ensured that the proceeds (a) are used in compliance with the applicable guidelines issued by Reserve Bank of India including Master Circular on Bank Finance to Non-Banking Financial Companies dated April 3, 2023, as amended from time to time, (b) are used for such purposes that are permitted for bank financing as per the applicable RBI norms and (c) are not permitted to be utilized towards activities like investment in capital markets, real estate, acquisition or purchase of land or for refinancing of debt which was used for the said purpose.
Details of the utilization of the Proceeds	Please refer clause "Objects & Utilization of the Issue Proceeds" of this Placement Memorandum
Coupon Rate/ Interest	The Debentures shall carry the Coupon at the floating rate being the aggregate of Benchmark + Spread of 1.86% (one decimal eight six percent) payable at such dates as set out in the Annexure IV with the initial Coupon Rate being 8.95% p.a. (eight-point nine five percent per annum) payable at such dates as set out in the Annexure IV from the deemed date of allotment of the earlier debentures issued under this ISIN. The Coupon shall be subject to reset on the Benchmark Determination Date and the Spread shall remain constant.
Reoffer Yield	8.9402%
Alloted Quantity	73300 Units
Step Up Coupon Rate	NA

Coupon Payment Frequency	Annual and at maturity
Coupon Payment Dates	shall mean such dates as set out in the Annexure IV. At the expiry of 25 (twenty-five) months and 1 (one) day from the Deemed Date of Allotment and at maturity of the Debentures i.e. 29th April 2026. Please refer to **Annexure IV** hereto for the Redemption Schedule and the detailed cashflow in relation to the Debentures. For sake of clarity, the first Coupon Payment Date would be on the date falling on lapse of 1 (one) year from the deemed date of allotment of the earlier debentures issued under this ISIN, notwithstanding the fact that a year may not have elapsed from the deemed date of allotment of the earlier debentures issued under this ISIN.
Coupon Type	Floating
Coupon Reset Dates	Not applicable
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	Not applicable
Day Count Basis	Actual / Actual i.e. The interest shall be computed on the basis of actual number of days elapsed in a year, for this purpose a year to comprise of a period of 365 days. In case leap year, if February 29 fall during the tenor of a security, then the number of days shall be reckoned as 366 days for the whole one year period.
Interest on Application Money	Not Applicable.
Default Coupon Rate/ Default Interest Rate	In the event of non-compliance of the terms of the Debenture Trust Deed and other Transaction Documents, including occurrence of any Event of Default and non-payment of principal amount and Coupon in relation to the Debentures, an additional interest at the rate of 2% per annum over the Coupon Rate will be charged for the defaulting period. In case of delay in listing of the Debentures beyond 3 (three) days from the date of closure of the Issue, the Company will pay penal interest of 1% p.a. over the Coupon Rate from the date of allotment till the listing of the Debentures, to the investor.
Delay in execution of Debenture Trust Deed	The issuer and the Debenture Trustee shall execute the Trust Deed within such timelines as may be specified by the Board. Where an Issuer fails to execute the Trust Deed within the period specified, without prejudice to any liability arising on account of violation of the provisions of the Companies Act, 2013 and SEBI (Issue and Listing of Non Convertible Securities), 2021, the Issuer shall also pay interest of at least 2% (two percent) per annum or such other rate, as specified by the Board to the holder of debt securities, over and above the agreed Coupon Rate, till the execution of the Trust Deed.
Tenor	25 (twenty-five) months and 1 (one) day from the Deemed Date of Allotment.
Redemption Date	Shall be the date falling at the end of 25 (twenty-five) months and 1 (one) day from the Deemed Date of Allotment. Presuming the Deemed Date of Allotment is 28th March 2024, the Redemption Date would be 29th April 2026
Redemption Amount	Bullet Redemption in full.
Redemption Premium /Discount	Not Applicable
Issue Price/ Face Value	INR 1,00,000/- (Indian Rupees One Lakh Only) per Debenture
Discount at which security is issued and the effective yield as a result of such discount	N.A.
Put option Date	N.A.
Put option Price	N.A.
Call Option Date	N.A.
Call Option Price	N.A.
Put Notification Time	N.A.
Call Notification Time	N.A.
Face Value	INR 1,00,000/- (Indian Rupees One Lakh Only) per Debenture

Minimum Application and in multiples of Debt securities thereafter	100 (Hundred) and multiples of 1 (one) thereafter
Record Date	15 (Fifteen) calendar days prior to each Coupon Payment Date and Redemption date.
Issue Timing **1. Issue Opening Date** **2. Issue Closing Date** **3. Pay-in Date** **4. Deemed Date of Allotment** **5. Date of earliest closing, if any**	Issue Opening Date: 27th March 2024 Issue Closing Date: 27th March 2024 Pay-in Date: 28th March 2024 Deemed Date of Allotment: 28th March 2024 Date of earliest closing, if any: 27th March 2024
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	Payment of interest and principal will be made by way of Cheque/s DD's /Electronic mode. The pay-in of subscription monies for the Debentures shall be made by way of transfer of funds from the bank account(s) of the Eligible Investors (whose bids have been accepted on the Electronic Book Platform) as registered with the Electronic Book Provider in the manner provided in the Electronic Book Mechanism Guidelines. Please refer to Section 6 of this Placement Memorandum for detailed Application Process.
Depository	National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL)
Record Date	The date which will be used for determining the Debenture Holder(s) who shall be entitled to receive the amounts due towards payment of Interest and Maturity on any due date, which shall be the date falling 15 (Fifteen) calendar days prior to any due date
All covenants to the Issue (including side letters, accelerated payment clause, etc.)	Please refer to **Annexure VI** of this Placement Memorandum
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Placement Memorandum	A first ranking exclusive charge over the Hypothecated Assets created/ to be created in terms of the Deed of Hypothecation. The security is likely to be created by 28th March 2024 and in any case prior to the Deemed Date of Allotment The Issuer declares that the Debentures shall be considered as secured only if the security interest created over the Hypothecated Assets are registered Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee. Please refer to Annexure VI of this Placement Memorandum for more details.
Transaction Documents	shall mean and refer to the debenture trust deed, the debenture trustee appointment agreement, the deed of hypothecation, the power of attorney (if applicable), this Placement Memorandum executed/issued or to be executed/ to be issued in relation to the Debentures.
Conditions Precedent to Disbursement	(a) A certified true copy of the latest Charter Documents of the Issuer, certified as correct, complete and in full force and effect by the appropriate officer.

	(b) A certified true copy of the Board for issue of Debentures and inter alia with respect to: a. approving the borrowings by way of issue of Debentures contemplated by the Debenture Trust Deed; b. approving the creation of security interest in accordance with the provisions of the Transaction Documents; c. appointment of Catalyst Trusteeship Limited as Debenture Trustee; d. approving the terms and execution of, and the transactions contemplated by the Transaction Documents; e. authorising a director or directors or other authorised executives to execute the Transaction Documents; f. to appoint the other intermediaries in relation to the issue of Debentures; and g. authorising a Person or Persons, on its behalf, to sign and/or dispatch all documents and notices to be signed and/or dispatched by it under or in connection with the Transaction Documents. (c) A certified copy of a special resolution of the shareholders of the Company approving the private placement of the Debentures under Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, prescribed under Section 42 of the Companies Act. (d) A certificate from the authorised signatory of the Issuer/company secretary stating the following: a. the persons authorised to sign the Transaction Documents and any document to be delivered under or in connection therewith, on behalf of the Company, together with the names, titles and specimen signatures of such authorised signatories; b. that the Issuer has necessary powers under the Charter Documents of the Issuer to borrow monies by way of issue of the Debentures; c. that no consents and approvals are required from the Issuer from its creditors or any Governmental Authority or any other person for the issuance of Debentures; d. that the representations and warranties contained in the Debenture Trust Deed and the Transaction Documents are true and correct in all respects; e. no Event of Defaults or potential Event of Default has occurred or is subsisting; f. no Material Adverse Effect has occurred; g. no investor or shareholder consent and /or approval, pursuant to the articles of association of the Issuer or any shareholders' agreements or other documents and /or instruments entered into by the Issuer

	and its shareholders or investors, is required by the Issuer to enter into or perform its obligations under the Transaction Documents; h. the present issue of Debentures is within the limits authorised by the Board and the shareholders in the board resolution and the shareholders resolution respectively and that the same is still valid, binding and subsisting and have not been rescinded; and i. the issuance of the Debentures and the transactions contemplated herein will not have an adverse impact on the rights of any of the shareholders or investors of the Issuer. (e) A copy of the e-Form MGT-14 filed with the Registrar of Companies with respect to the board resolution or shareholders' resolution (as applicable and if required under the Act) passed for the issue of Debentures. (f) Receipt by the Debenture Trustee of a certificate issued by an independent practising chartered accountant certifying that the limits stated in special resolutions under Section 180(1)(c) and 180 (1) (a) of the Companies Act, 2013 passed by the shareholders, limits specified by the shareholders in their resolution passed in terms of the section 42 of the Companies Act, 2013 in their meeting the limit specified under the resolution passed by the board of directors in their meeting and the limit specified under the resolution passed by the banking and finance committee of board of directors in their meeting held on 20th December 2023, is not exceeded by the issue of Debentures and (ii) that the Receivables/Hypothecated Assets proposed to be charged form a part of stock-in-trade of the Company and accordingly the certificate under Section 281 of the Income Tax Act, 1961 will not be required. (g) Execution of each of the Transaction Documents (including the Security Documents), as may be required by the Debenture Trustee, in a form and substance satisfactory to the Debenture Trustee. (h) Receipt by the Debenture Trustee of credit rating letter obtained before issuing the Debentures having a rating of 'INDAA+/Stable' by India Ratings and Research Private Limited and 'CRISILAA+/Stable' by Crisil Ratings Limited. (i) Copy of the due diligence certificate from the Debenture Trustee. (j) The Issuer shall have circulated the Placement Memorandum for the issue of the Debentures. (k) The Issuer shall have obtained no-objection certificates from the Majority Debenture Holders of the Series I Debentures for amending the terms of the Debenture Trust Deed and execution of the Transaction Documents in respect of issue of this Series II Debentures. (l) The Issuer shall have uploaded the Placement Memorandum and the term sheet on the electronic book provider platform within the timelines set out under Applicable Law. (m) The Issuer shall have obtained in-principle approval from the Stock Exchange for listing of the Debentures.

	(n) Payment of all fees and stamp duty under the Transaction Documents executed is done to the satisfaction of the Debenture Trustee.
Condition Subsequent to Disbursement	(a) filing of Form CHG-9 by the Company in relation to the Security created over Hypothecated Assets and Hypothecated Assets with the relevant Registrar of Companies and provide evidence of the same, along with the document evidencing the payment of fees, within 14 (fourteen) days from the Deemed Date of Allotment; (b) certificate from the Registrar of Companies relating to Form CHG-9 filed by the Company for the Security created over the Hypothecated Assets along with a copy of acknowledgement of the charge and evidence of payment of fee in relation to such Form within 30 (thirty) days from the Deemed Date of Allotment; (c) Payment of stamp duty of over the Debentures, as shall be applicable within 3 (three) days from the issue closing date. (d) A certified copy of a special resolution of the shareholders of the Company under Section 180(1)(a) of the Companies Act. (e) Execution of the Security Documents, as may be required by the Debenture Trustee, in a form and substance satisfactory to the Debenture Trustee within 3 (three) days from the issue closing date. (f) copy of the Form PAS-3 filed with the Registrar of Companies, along with evidence of payment of fees in relation to the same, within 10 (ten) days from the Deemed Date of Allotment. Provided that Company shall not utilize the proceeds of issuance of Debentures until Form PAS-3 has been filed with the Registrar of Companies; (g) An end-use certificate from an independent Chartered Accountant, certifying the heads under which funds have been utilized in accordance with Transaction Documents, within 45 (forty five) days of the Deemed Date of Allotment. (h) Obtaining the final listing approval from the Stock Exchange(s) in respect of the Debentures (including but not limited to payment of all fees) and list the Debentures on the wholesale debt market segment of the Stock Exchange(s) within 3 (three) working days from the Issue Closing Date (as specified in the Placement Memorandum) of Debentures. (i) As applicable to the Issuer in accordance with the Applicable Law(s), relevant filings in the prescribed form to be made with an information utility registered with the Insolvency and Bankruptcy Board of India in accordance with Section 215 of the Insolvency Code and other regulations including the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017. (j) Providing all the necessary assistance to the Debenture Trustee for filing of and registering with the Central Registry under the Securitisation and

	Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 for the exercise of the rights, powers and authority hereby conferred on the Debenture Trustee for effecting and perfecting the Security created or purported to be created under the Deed of Hypothecation and for enforcement of such Security within the timeline stipulated under Applicable Law.
Events of Default (including manner of voting/ conditions of joining inter creditor agreement)	Please refer to **Annexure VI** of this Placement Memorandum.
Creation of Recovery Expense Fund	The Company shall create and maintain a recovery expense fund as per the provisions of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, and other Applicable Law, as amended from time to time, and if during the currency of these presents, any guidelines are formulated (or modified or revised) by SEBI or any other regulator under the Applicable Law in respect of creation of the recovery expense fund, the Company shall abide by such guidelines and execute all such supplemental letters, agreements and deeds of modifications as may be required by the Debenture Trustee
Conditions for breach of covenants (as specified in the Debenture Trust Deed)/ Consequences of an Event of Default	Please refer to **Annexure VI** of this Placement Memorandum.
Provision related to Cross Default	Please refer to **Annexure VII** of this Placement Memorandum.
Further Issuance	Company reserves the right to make multiple issuances under the same ISIN with reference to the SEBI Master Circular. Issue can be made either by way of creation of fresh ISIN or by way of issuance under the existing ISIN at premium / par / discount as the case may be in line with the SEBI Master Circular. No consent from the Arranger shall be required for any issuanfces under the same ISIN to be made by the Issuer. Provided that, the Company shall be entitled to make further issue(s) of debentures, raise further loans of advances and/or avail further deferred payment guarantees or other financial facilities from time to time from such persons/banks/financial institutions or body corporate/or any other agency on such terms and conditions as the Company may think appropriate in any manner having such ranking in priority, pari passu or otherwise and change the capital structure including the issue of shares of any class, on such terms and conditions as the Company may think appropriate, without having any need to obtain the consent of, or intimation to, the Debenture holders or the Debentures Trustees provided the Security Cover in relation to the Debentures is maintained at all times in accordance with the terms of the Transaction Documents. Notwithstanding anything contained in this sub-clause, the Company shall not avail any Indebtedness other than the ordinary course of its business. However, The Company shall not create further charge on the Hypothecated Assets without prior consent of the Debenture Trustee/debenture holders.
Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holders as customary for transaction of a similar nature and size and as executed under the appropriate Transaction Documents
Risk Factors pertaining to the Issue	Please refer to Section 2 of this Placement Memorandum.
Transaction Documents	shall mean and refer to the Debenture Trust Deed, the Debenture Trustee Appointment Agreement, the Deed of Hypothecation, this Placement Memorandum.
Governing Law and Jurisdiction	This Placement Memornadum shall be governed by and construed in accordance with the laws of India. The Parties agree that the courts and tribunals at Mumbai, India shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Transaction Documents and that accordingly, any suit, action or

	proceedings arising out of or in connection with the Transaction Documents may be brought in such courts.
Holiday convention/ Business Day Convention	If any Interest payment date/ coupon payment date (other than the Redemption Date) falls on a day which is not a Business Day, the payment to be made on the said day will be made on the following Business Day. If any principal payment date falls on a day which is not a Business Day, the payment will be made on the previous Business Day. However, on account of above, there would be no change in the dates of the future coupon payments and the same would be as per the schedule as set out in the Placement Memorandum. Further, if the Redemption Date/ Maturity Date falls on a day that is not a Business Day, the Redemption Amount shall be paid on the immediately preceding Business Day, along with Coupon (if any) accrued on the Debentures until but excluding the date of such payment, as mentioned in Chapter III of the SEBI Master Circular.
Early Redemption Event	NA
Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s) and Process of due diligence carried out by the debenture trustee:	Debenture Trustee Agreement (DTA) has been executed as per required regulations before opening of Issue. Service charges of Debenture Trustee are mentioned in the consent letter dated 20th December 2023 which has been annexed to this Placement Memorandum. The Debenture Trustee has carried out due diligence in accordance with the manner prescribed in the SEBI Master Curcular in relation to creation of Security in issuance of listed debt securities and due diligence by debenture trustee(s). Due Diligence (DD) will be carried out as per DT regulations and circulars issued by SEBI from time to time, which broadly includes following: • Chartered Accountant (CA)appointed by DT will be doing independent DD as per scope provided, regarding Security given for the issue by the company. • CA will verify and ensure that the asset provided by the issuer for creation of security are free from any encumbrances or necessary permission or consent has been obtained from existing charge holders. • CA will be doing independent DD as per information provided by the Issuer company. • Periodical DD will be carried out as per SEBI circulars from time to time as per nature of security provided. • Necessary DD certificate will be issued and will be available on Stock Exchanges from time to time for information of Debenture Holders. • As mentioned in this Placement Memorandum even though the Debentures are secured to the extent of 100% of the principal and interest amount, other charges, or any other amounts payable in relation to the Debentures or as per the terms of this Placement Memorandum, in favor of Debenture Trustee. DD will be carried out for maintenance of Stipulated Security Cover depending on information provided by the Issuer and Chartered Accountant appointed by Debenture Trustee or Debenture Trustee himself will not be responsible for misinformation provided by the Company.
Due Diligence by Debenture Trustee	As set out in **Annexure VI** hereto.
Due diligence certificate	Due diligence certificate as per the format specified in Schedule IV of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and in the SEBI Master Circular and shall be submitted to BSE at the time of filing this Placement Memorandum. The copy of the same has been attached in **Annexure XII** hereto
Bid Opening Date	27th March 2024
Bid Closing Date	27th March 2024
Minimum Bid Lot	100 (Hundred) and multiples of 1 (one) thereafter

Manner of bidding in the Issue	Closed Bidding
Manner of allotment in the Issue	Through the Stock Exchange
Manner of settlement in the Issue	As per the process prescribed by the Electronic Book Mechanism Guidelines
Settlement Cycle	T+1

Please note that while the Debentures are secured to the tune of 100% of the principal and interest amount or other charges, or any other amounts payable in relation to the Debentures or as per the terms of offer Transaction Documents, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.

The entire amount of INR 1,00,000/- (Indian Rupees One Lakh Only) per Debenture is payable along with the making of an application. Applicants can alternatively remit the application amount through RTGS on Pay-in Date on 28th March 2024 The Electronic Book Platform is BSE. The RTGS details are as under:

BENE NAME	:	SHRIRAM TRANSPORT FINANCE CO. LTD.
BANK	:	AXIS BANK LIMITED
ACCOUNT NO	:	004010300027210
A/C TYPE	:	CASH CREDIT
IFSC	:	UTIB0000004
BRANCH	:	FORT, MUMBAI

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SECTION 6: APPLICATION PROCESS

1. How to Apply

The Issue will open on the 'Issue Opening Date' and close on the 'Issue Closing Date' (both days inclusive) in relation to the Placement Memorandum. Potential investors who wish to invest in the Issue are requested to submit an application for the Debentures with all the accompanying documents and the application money at any time starting from the Issue Opening Date and upto the Issue Closing Date.

Applications for the Debentures must be made in the prescribed Application Form contained in this Placement Memorandum as provided by the Company and must be completed in block letters in English by the investors. Application Form must be accompanied by payment details. All Application Forms, duly completed, together with cheque/ demand draft or Electronic transfer drawn or made payable in favour of "Shriram Finance Limited" of the amount payable on application. Applications for the Debentures must be in the prescribed form (enclosed) and completed in BLOCK CAPITAL LETTERS in English and as per the instructions contained therein. Applications complete in all respects (along with all necessary documents as detailed in this Placement Memorandum) must be submitted before the last date indicated in the issue time table or such extended time as decided by the issuer. No separate receipt will be issued for the application money.

In case the payment is made through any electronic mode of payment such as RTGS/ NEFT, the funds have to be credited to account, the details of which shall be provided in the Private Placement cum Application Letter.

The subscription to the Debentures shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the EBP Guidelines by placing bids on the EBP platform during the Issue period. In case the Eligible Investors are not registered on the EBP platform, they will have to register themselves as investor on the said platform (as a one-time exercise) and also complete the mandatory KYC verification process. The Eligible Investors should also refer to the operational guidelines of the EBP in this respect. The disclosures required pursuant to the EBP Guidelines are set out hereinbelow:

Minimum bid lot: 100 Debentures and in multiples of 1 thereafter

Electronic Book Platform: BSE
Mode of bidding: Closed bidding
Manner of Allotment: Through Stock Exchange
Manner of Settlement: As per the process prescribed by the Electronic Book Mechanism Guidelines

Settlement Cycle: T+1

2. Who can apply

Nothing in this Placement Memorandum shall constitute and/or deem to constitute an offer or an invitation to offer, to be made to the public or any section thereof through this Placement and its contents should not be construed to be a prospectus under the Act. The Issue is a domestic issue and is being made in India only. This Placement Memorandum and the contents hereof are restricted for only the intended recipient(s) who have been addressed directly through a communication by the Company and only such recipients are eligible to apply for the Debentures. Subject to applicable law, the categories of investors eligible to subscribe to the Debentures in this Issue, when addressed directly, are:

1. Scheduled Commercial Banks;
2. Financial Institutions;
3. Qualified Institutional Buyer;
4. Primary/ State/ District/ Central Co-operative Banks (subject to permission from RBI);
5. Regional Rural Banks;
6. Mutual Funds;
7. Companies, Bodies Corporate authorized to invest in Debentures;

8. Provident Funds, Gratuity, Superannuation, subject to their Investment guidelines.
9. High Net Worth Individuals
10. Foreign Portfolio Investors

Shortlisted investors as may be identified by the Board prior to issuance of the offer(s)/invitation to subscribe to the Debentures, shall be considered as the "identified person(s)" to whom the Issuer can make private placement of the Debentures and only such "identified persons" shall receive a direct communication from the Issuer with offer to subscribe to the Debentures and only such "identified persons" shall be entitled to subscribe to the Debentures.

All investors are required to check and comply with Applicable Laws including the relevant rules / regulations / guidelines applicable to them for investing in this Issue of Debentures and the Issuer, is not in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.

No other person may apply. Hosting of this Placement Memorandum on the website of the BSE should not be construed as an offer or an invitation to offer to subscribe to the Debentures and the same has been hosted only as it is stipulated by the SEBI Debt Listing Regulations read with the EBP Circular. Investors should check their eligibility before making any investment.

Without prejudice to the aforesaid, where the selection of the eligible investors is required to be done pursuant to bidding mechanism on the electronic platform called the "**EBP Platform**" under the EBP Guidelines or any other successive arrangement/platform mandated by SEBI, only those Persons out of the aforesaid categories of investors, who are registered on the EBP Platform and are eligible to make bids for Debentures of the Issuer and to whom allocation is to be made by the Issuer pursuant to selection under the electronic book mechanism for issuance of securities on private placement basis in terms of the EBP Guidelines and the Electronic Book Providers shall be considered as "identified persons" for the purposes of Section 42(2) of the Companies Act, 2013 (as amended from time to time), to whom the Issuer shall make private placement of the Debentures and only such "identified persons" shall receive a direct communication from the Issuer with offer to subscribe to the Debentures and only such "identified persons" shall be entitled to subscribe to the Debentures.

Additionally, those arrangers/brokers/intermediaries etc. (as per the defined limits under the EBP Guidelines) specifically mapped by the Issuer on the EBP Platform are also eligible to bid/apply/invest for this Issue.

Although above investors are eligible to apply however only those investors, who are individually addressed through direct communication by the Company/ Sole Arranger, are eligible to apply for the Debentures. No other person may apply. Hosting of Placement Memorandum on the website of the BSE should not be construed as an offer or an invitation to offer to subscribe to the Debentures and the same has been hosted only as it is stipulated by the SEBI Debt Listing Regulations read with the EBP Guidelines. Investors should check their eligibility before making any investment.

The applications must be accompanied by certified true copies of (1) Memorandum and Articles of Association/ Constitution/ Bye-laws (2) Resolution authorizing investment and containing operating instructions (3) Specimen signatures of authorised signatories and (4) Xerox copy of PAN Card. (5) Registration Certificate (6) Necessary forms for claiming exemption from deduction of tax at source on the interest income/ interest on application money, wherever applicable.

3. Submission of Documents

For the sake of simplicity, we hereby provide the details of documents required to be submitted by various categories of applicants (who have applied for Allotment of the Debentures) while submitting the Application Form:

Applications by Banks / eligible Foreign Institutional Investors (subject to applicable law)

The application must be accompanied by copies of (i) Board Resolution authorizing investments and containing operating instructions or letter of authorization, if applicable or Power of Attorney, if applicable and (ii) specimen signatures of authorized signatories. (iii) Registration Certificate as may be applicable, as may be required to be

deposited under applicable law.

Applications by Corporate Bodies / Eligible Financial Institutions /Companies / Statutory Corporations / Trusts

The applications must be accompanied by copies of (i) Memorandum and Articles of Association /Debenture Trust Deed/ proof of Constitution, as may be applicable (ii) Resolution authorizing investment and containing operating instructions; (iii) Specimen signatures of authorized signatories; (iv) Necessary certificate for claiming exemption from deduction of tax at source on interest on application money, as may be required to be deposited under applicable law.

Application made by Mutual Funds / Insurance Companies

The application must be accompanied by copies of (i) SEBI Registration Certificate / IRDA Registration Certificate, as may be applicable. (ii) Authorised Signatories list containing operating instructions along with the specimen signatures and Power of Attorney forwarded by the custodian of the Mutual Fund/Insurance Company. (iii) Application Form shall clearly indicate the name of the concerned scheme for which application is being made, as may be required to be deposited under applicable law.. In case of applications by Mutual Funds registered with SEBI, a separate application must be made in respect of each scheme of the Mutual Fund and such applications will not be treated as multiple applications, provided that the application made by the Asset Management Company/ Trustee/ Custodian clearly indicate their intention as to the scheme for which the application has been made.

The list of documents required to be provided by an investor as mentioned above is only indicative and an investor will be required to provide all additional documents / authorizations / information, which may be required by the Issuer. Notwithstanding anything contained hereinabove, the Issuer may, but is not bound to revert to any investor for any additional documents / information and can accept or reject an application as it deems fit, without assigning any reasons.

Submission of completed Application Form

All applications duly completed accompanied by fund transfer instrument / fund transfer instructions from the respective investor's account to the account of the relevant clearing corporation, shall be submitted at the Corporate Office of the Issuer.

4. Applications under Power of Attorney / Relevant Authority

In case of applications made under a power of attorney or by a limited company or a body corporate or registered society or Mutual Fund, trusts etc., the relevant power of attorney or the relevant resolution or authority to make the application, as the case may be, together with the certified true copy thereof along with the certified copy of the Memorandum and Articles of Association and/or bye-laws as the case may be must be attached to the Application Form or lodged for scrutiny separately with the photocopy of the Application Form, quoting the serial number of the Application Form at the Issuer's office where the application has been submitted failing which the applications are liable to be rejected.

5. PAN/GIR No:

All applicants should mention their Permanent Account number (PAN) allotted under Income Tax Act, 1961 or where the same has not been allotted, the GIR Number and the IT Circle/Ward/District should be mentioned. In case where neither the PAN nor the GIR number has been allotted, or the applicant is not assessed to Income Tax, the fact of such non-allotment should be mentioned in the Application Form. Applications without this will be considered incomplete and are liable to be rejected.

6. Right to Accept or Reject Applications

The Issuer is entitled at its sole and absolute discretion to accept or reject any application, in part or in full, without assigning any reason thereof. Application Forms that are not complete in all respects or not in the prescribed form, may be rejected at the sole and absolute discretion of the Issuer. Any application, which has been rejected, would be intimated by the Issuer along with the refund warrant. Subject to the aforesaid, in case of over subscription, priority will be given to investors on a first come first serve basis. The investors will be required to remit the funds as well as submit the duly completed Application Form along with other necessary documents to Issuer by the Deemed Date of Allotment.

7. Fictitious Applications

Any person who (i) makes in a fictitious name, an application to the Issuer for acquiring, or subscribing for any Debentures therein, or (ii) otherwise induces the Issuer to allot or register any transferor of Debentures therein to him or any other person in a fictitious name, shall be punishable under the extant laws. Fictitious Applications will be rejected. Attention of applicants is specially drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013

8. Depository Arrangement

The Issuer has appointed Integrated Registry Management Services Private Limited as Registrar and Transfer Agents for the Debenture issuance. The Issuer has entered into depository arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

9. Debentures in Dematerialised mode

The Issuer will make allotment of Debentures to investors in due course after verification of the application form, the accompanying documents and on realization of the application money. The letter of allotment of Debentures will be credited in dematerialized form within 2 (Two) Business Days from the Deemed Date of Allotment. Investors will have to hold the Debentures in dematerialized form as per the provisions of Depositories Act. The Depository Participant's name, DP-ID and beneficiary account number must be mentioned at the appropriate place in the Application Form. Notwithstanding the foregoing, investors have the option to seek rematerialisation of Debentures(i.e. investors shall have the right to hold the NCDs in physical form) at any time in the future.

10. Loss of Letters of Allotment / Certificates / Interest cheques / Refund cheques

Loss of letter of allotment / Certificates / Interest cheques / Refund cheques should be intimated to the Issuer along with request for duplicate issue. Relevant statute and any other conditions as may be prescribed by the Issuer would govern the duplicate issue.

11. Letter/s of allotment/refund order(s) and interest in case of delay in dispatch

The beneficiary account of the investor(s) with National Securities Depository Ltd. (NSDL)/ Central Depository Services Ltd (CDSL) Depository Participant will be given initial credit within 2 (Two) Business Days from the Deemed Date of Allotment. The initial credit in the account will be akin to the letter of allotment. On completion of the all statutory formalities, such credit in the account will be akin to a Debenture Certificate.

The Issuer further agrees to pay interest as per the applicable provisions of the Companies Act, 2013, if the allotment letters/refund orders have not been dispatched to the applicants within 30 days from the date of the closure of the issue.

12. Applications under Power of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signatures of all the authorized signatories and the tax exemption certificate/document, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer at its registered office and/or Corporate Office.

In case of applications made under a Power of Attorney or by a Limited Company or a Body Corporate or Registered Society or Mutual Fund, and scientific and/or industrial research organizations or Trusts etc, the relevant Power of Attorney or the relevant resolution or authority to make the application, as the case may be, together with the certified true copy thereof along with the certified copy of the Memorandum and Articles of Association and/or Bye-Laws as the case may be must be attached to the Application Form or lodged for scrutiny separately with the photocopy of the Application Form, quoting the serial number of the Application Form at the Company's branch where the application has been submitted, or at the office of the Registrars to the Issue after submission of the Application Form to the bankers to the issue or any of the designated branches as mentioned on the reverse of the Application Form, failing which the applications are liable to be rejected. Such authority received by the Registrars to the Issue more than 10 days after closure of the subscription list may not be considered.

13. Signatures

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of a Bank or by a Magistrate/Notary Public under his/her official seal.

14. Nomination Facility

As per the Companies Act, 2013, only individuals applying as sole applicant/Joint Applicant can nominate, in the prescribed manner, a person to whom his Debentures shall vest in the event of his death. Non-individuals including holders of Power of Attorney cannot nominate.

15. Allotment Intimation

The Issuer has made depository arrangements with NSDL and CDSL for the issue of these Debentures in Dematerialized Form. The investors shall hold these Debentures in the dematerialized form and will be governed as per the provisions of the Depository Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL and CDSL (as applicable) from time to time and other Applicable Laws and rules notified in respect thereof.

Investors should mention their NSDL/ CDSL Depository Participant's name, DP-ID and Beneficiary Account Number at the appropriate place in the Application Form. The Issuer shall take reasonable steps to credit the Beneficiary Account of the Allottee(s), with the NSDL/ CDSL Depository Participant as mentioned in the Application Form, with the number of Debentures allotted. The applicant is responsible for the correctness of its details given in the Application Form vis-à-vis those with its DP. In case the information is incorrect or insufficient, the Issuer would not be liable for losses, if any.

The Issuer shall credit the NCDs in the demat account of the investors as per the details furnished in the Application Form.

16. Refund

The Issuer will execute and dispatch / credit to the DP account of the allottee the letters of Allotment / Allotment advice in favour of the allottee or Refund Letter along with refund amount, not later than 7 (seven) working days after receipt of completed Application Form or the Date of Allotment, whichever is later. After completion of all legal formalities, the Issuer will issue the Debentures Certificate(s) / credit the DP account of the allottee's against surrender of the letter(s) of allotment within three month(s) of the Deemed Date of Allotment or such extended period subject to obtaining the approvals, if any. The Issuer shall ensure dispatch of Refund Orders by Registered Post / Courier / Hand Delivery and adequate funds for the purpose shall be made available.

The Issuer agrees that it shall pay interest in accordance with provisions of the Companies Act, SEBI Regulations (as applicable), if there is a delay in dispatch of Allotment Letters / Refund Orders. The payment will be subject to deduction of tax at source at the rates prescribed under the provisions of the Income Tax Act, 1961 or any other statutory modification or re-enactment thereof.

SECTION 7: OTHER INFORMATION AND ISSUE PROCEDURE

The Debentures being offered as part of the Issue are subject to the provisions of the Act, the Memorandum and Articles of Association of the Issuer, the terms of Placement Memorandum and other terms and conditions as may be incorporated in the Transaction Documents.

Mode of Transfer/Transmission of Debentures

The Debentures shall be transferable freely; however, it is clarified that no Investor shall be entitled to transfer the Debentures to a person who is not entitled to subscribe to the Debentures. The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and the Applicable Law. The Debentures held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DPs of the transferor or transferee and the Applicable Laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, amounts due will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the R&T Agent as on the Record Date, under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in dematerialised form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

Transfer of the Debentures to and from FIIs/ NRIs/ OCBs, in case they seek to hold the Debentures and are eligible to do so, will be governed by the then prevailing guidelines issued by RBI.

Debentures held in Dematerialised Form

The Debentures shall be held in dematerialised form and no action is required on the part of the Debenture Holder(s) for redemption purposes and the redemption proceeds will be paid by cheque/fund transfer/RTGS to those Debenture Holder(s) whose names appear on the list of beneficiaries maintained by the R&T Agent. The names would be as per the R&T Agent's records on the relevant Record Date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action. The list of beneficiaries as of the relevant Record Date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the R&T Agent to the Issuer. If permitted, the Issuer may transfer payments required to be made in any relation by NEFT/RTGS to the bank account of the Debenture Holder(s) for redemption payments.

Debenture Trustee for the Debenture Holder(s)

The Issuer has appointed Cataltst Trusteeship Limited to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee have entered into a Debenture Trustee Appointment Agreement and the Issuer and the Debenture Trustee intend to enter into a Debenture Trust Deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Debenture Holder(s). Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer *pro tanto* to the Debenture Holder(s). The Debenture Trustee will protect the interest of the Debenture Holder(s) in regard to the repayment of principal and yield thereon and the Debenture Trustee will take necessary action, subject to and in accordance with the Debenture Trustee Appointment Agreement and the Debenture Trust Deed, at the cost of the Issuer. No Debenture Holder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, consistently fails to do so. The Debenture Trustee Appointment Agreement and the Debenture Trust Deed shall more specifically set out the rights and remedies of the Debenture Holder(s) and the manner of enforcement thereof.

Sharing of Information

The Issuer may, at its option, but subject to applicable law, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holder(s) available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, credit information companies, agencies, statutory bodies, as may be required and neither the Issuer nor its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

Tax Deduction at Source (TDS):

(a) Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source for which a certificate will be issued by the Company. As per the provisions of the Income Tax Act, 1961, with effect from June 1, 2008, no tax is deductible at source from the amount of interest payable on any listed dematerialised security, held by a person resident in India. Since the Debentures shall be issued in dematerialised mode and shall be listed on the wholesale debt segment of BSE, no tax will be deductible at source on the payment/credit of interest/174ematcit yield on Debentures held by any person resident in India. In the event of rematerialisation of the Debentures, or Debentures held by person resident outside India or a change in Applicable Law governing the taxation of the NCDs, the following provisions shall apply;

(b) In the event the Debentures are rematerialized and the Issuer is required to make a tax deduction, the Company shall make the payment required in connection with that tax deduction within the time allowed and in the minimum amount required by Applicable Law; and

(c) The Company shall within 30 (thirty) days after the due date of payment of any tax or other amount which it is required to pay, deliver to the Debenture Trustee evidence of such deduction, withholding or payment and of the remittance thereof to the relevant taxing or other authority.

Interest on application money shall be subject to TDS at the rates prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modification or re-enactment thereof for which a certificate will be issued by the Company.

For seeking TDS exemption / lower rate of TDS, relevant certificate / document must be lodged by the Debenture Holder(s) at the Corporate Office of the Company at least 15 (Fifteen) days before the interest payment becoming due. Tax exemption certificate / declaration of non-deduction of tax at source on interest on application money should be submitted along with the Application Form. For detailed tax implications of the investment in Debentures, investors should get in touch with their tax consultant.

Right of the Company to Purchase, Consolidate, Re-sell and Re-issue Debentures:

(a) **Purchase and Resale of Debentures:**

The Company may, subject to Applicable Law at any time and from time to time, at its sole and absolute discretion, purchase some or all of the Debentures held by the Debenture Holders (subject to payment of all applicable break costs) at any time prior to the specified date(s) of redemption as specified in the Placement Memorandum. Such buy-back of Debentures may be at par or at discount / premium to the face value at the sole discretion of the Company. The Debentures so purchased may, at the option of the Company, be cancelled, consolidated, held or resold in accordance with the provisions of the Applicable Law.

(b) **Reissue of Debentures:**

The Company shall have a right to repurchase the said Debentures (subject to payment of all applicable break costs) and cancel or re-issue them from time to time in accordance with the provisions of the Act

and Applicable Law. Upon such re-issue the person entitled to the Debentures shall have and shall be deemed always to have had, the same rights and priorities as if the Debentures had never been redeemed.

Where the Company has repurchased / redeemed any such Debentures, subject to the provisions the Companies Act, 2013 and other applicable legal provisions, the Company shall have and shall be deemed always to have had the right to keep such Debentures alive for the purpose of reissue and in exercising such right, the Company shall have and shall be deemed always to have had the power to reissue such Debentures either by reissuing the same Debentures or by issuing other Debentures in their place in either case, at such a price and on such terms and conditions (including any variations, dropping of or additions to any terms and conditions originally stipulated) as the Company may deem fit.

Consolidation of ISINs

So long as the terms and conditions of the existing securities of the Company (under the respective issues) in the International Securities Identification Number (ISIN) are not revised (i) otherwise than as may be required/permitted by regulations; or (ii) which results in breach of or violation of the regulations from time to time, which specifically precludes such revision, subject to Applicable Laws, subject to the Company obtaining the prior consent of the existing Debenture Holders (in writing), the Company reserves the right/is entitled to add additional securities (for such additional amounts as may be issued by the Company from time to time) to the existing ISIN from time to time under such terms and conditions, which may / may not be different from the existing securities under the respective issues under the same ISIN. Such additional securities and their terms may be such as are permitted by regulations or not specifically precluded by regulations from time to time. Further, such additional securities may be issued from time to time at such issue price, either at par or at premium or at discount to arrive at the contracted effective yield from time to time.

The securities listed by the Company under the terms of this Placement Memorandum be redeemed before maturity date by the Company, as per the financial or other terms as may have been mutually agreed upon between the Company and the security holder. The said redemption maybe done either on a pro rata basis or by lot or by any other manner whatsoever, as the Company may deem fit.

In this regard, the Company shall be entitled to:

(i) add such additional securities (for such additional amounts as may be issued by the Company from time to time) to the existing ISIN from time to time under such terms and conditions, which may / may not be different from the terms of securities under the respective issues existing under the said ISIN; and

(ii) select any of the listed securities in the ISIN for redemption as the Company may solely deem fit either by pro rata basis or by lot or by any other manner whatsoever, as the Company may deem fit, before maturity, from time to time.

Variation of Debenture Holder(s) rights

The rights, privileges and conditions attached to the Debenture(s) and this Placement Memorandum may be varied, modified or abrogated in accordance with the Articles of Association of the Company, Debenture Trust Deed and the Act and with the consent of the Majority Debenture Holder(s). Provided that nothing in such resolution shall be operative against the Issuer where such resolution modifies or varies the terms and conditions governing the Debenture(s) if the same are not acceptable to the Issuer.

Provided that the Debenture Trustee and the Issuer may agree to make any modifications in this Placement Memorandum which in the opinion of the Debenture Trustee is of a formal, minor or technical nature or is to correct a manifest error.

Notices:

The Issuer agrees to send notice of all meetings of the Debenture Holders specifically stating that the provisions for appointment of proxy as mentioned in Section 105 of the Companies Act, 2013 shall be applicable for such meeting. The notices, communications and writings to the Debenture Holder(s) required to be given by the Issuer shall be deemed to have been given if sent by registered post or through recognized overnight courier service or

by hand delivery to the sole / first allottee or sole/first registered Debenture Holder as the case may be at its address registered with the Issuer. All notices, communications and writings to be given by the Debenture Holder(s) shall be sent by registered post or through recognized courier service or by hand delivery to the Issuer at its Registered Office or to such persons at such address as may be notified by the Issuer from time to time and shall be deemed to have been received on actual receipt of the same.

Splitting:

Splitting of the Debentures is not applicable in the dematerialised mode form since the saleable lot is 1 (one) Debenture.

Transfers:

The Debentures may be transferred to any person duly qualified to acquire such Debentures under the Applicable Laws.

Letters of Allotment

The letter of allotment, indicating allotment of the Debentures, will be credited in dematerialised form within 2 (Two) Business Days from the Deemed Date of Allotment.

Succession:

In the event of demise of a Debenture Holder, the Company will recognize the executor or administrator of the demised Debenture Holder or the holder of succession certificate or other legal representative of the demised Debenture Holder as the registered holder of such Debentures, if such a person obtains probate or letter of administration or is the holder of succession certificate or other legal representation, as the case may be, from a court in India having jurisdiction over the matter and delivers a copy of the same to the Issuer. The Issuer may, in its absolute discretion, where it thinks fit, dispense with the production of the probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debentures standing in the name of the demised Debenture Holder on production of sufficient documentary proof or indemnity. In case a person other than individual holds the Debentures, the rights in the Debentures shall vest with the successor acquiring interest therein, including liquidator or any such person appointed as per the Applicable Law.

SECTION 8: DECLARATION

The Company and each of the directors of the Company hereby confirm and declare that:

a. the Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Companies Act, 2013 and the rules made thereunder;

b. the compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of Debentures, if applicable, is guaranteed by the Central Government; and

c. the monies received under the Issue shall be used only for the purposes and objects indicated in this Placement Memorandum.

I am authorized by the Banking and Finace committe of the Board of Directors of the Company *vide* resolution dated 20th December 2023 read with the resolution passed by the board of directors of the Company vide their resolution dated 24th December 2022 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Placement Memorandum has been suppressed or concealed and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and Articles of Association.

It Is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Date: 28th March 2024

Place: Mumbai, India

For Shriram Finance Limited

PARAG SHARMA

Digitally signed by PARAG SHARMA
DN: c=IN, st=Maharashtra, 2.5.4.20=15e7ad1aed0a10ec75e9b499ab5b8f223fe7a9e953172f4f23d8ba05190f65d050, postalCode=400614, street=B-1401,ELLORA, PLOT NO 27,OPP BELAPUR STATION SECTOR 11,C.B.D, BELAPUR,KONKAN BHAVAN, pseudonym=401476f49d86b5ff8f6e4f17806e288703, serialNumber=25dbeee1371ec14e59b7339984a489b3d83f8e1da3e9b44f3ce073aea97d74, cn=Personal, cn=PARAG SHARMA

Authorised Signatory

ANNEXURE I: DEBENTURE TRUSTEE CONSENT LETTER

(as attached seperately)

CL/DEB/23-24/1501 **Date : 20-Dec-2023**

To,
Tushar Verlani,
SHRIRAM FINANCE LIMITED,
Wockhardt Towers, Level- 3, West Wing, C-2, G- Block,
Bandra Kurla Complex, Bandra (East),
Mumbai,
Maharashtra,
India 400051.

Dear Sir/ Madam,

Re: Consent to act as a Debenture Trustee for Private Placement of Fully Paid, Rated, Listed, Redeemable, Transferable, Secured, Non-Convertible Debentures of ₹ 2500.00 Crores

We refer to your letter dated 20.12.2023 , requesting us to convey our consent to act as the Debenture Trustee for captioned issue of Debentures.

We hereby convey our acceptance to act as Debenture Trustees for the said issue Debentures, subject to execution of Debenture Trustee Agreement as per Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993, thereby agreeing to execute Debenture Trust Deed and to create the security if applicable within the timeline as per relevant Laws / Regulations and in the Offer Document / Information Memorandum / Disclosure Document / Placement Memorandum and company agreeing / undertaking to comply with the provisions of SEBI (Debenture Trustee) Regulations, 1993, SEBI (Issue and Listing o f Non-Convertible Securities) Regulations 2021, SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, Companies Act, 2013 and Rules thereunder and other applicable laws as amended from time to time.

Fee Structure for the proposed transaction will be as per annexure A.

Assuring you of the best professional services.
Thanking you.

Yours faithfully,

Catalyst Trusteeship Limited

Name : Saish Bhayye

Designation : Assistant Manager

ANNEXURE II – IN- PRINCIPLE APPROVAL FROM BSE

(as attached seperately)

ANNEXURE III – RATING LETTER

Rating Letter from India Ratings and Research Private Limited and CRISIL Ratings Limited dated 01st December 2023 and 08th March 2024.

(as attached seperately)

CRISIL Ratings

CONFIDENTIAL

RL/SHRTRAN/336898/NCD/0324/81250/14748139
March 08, 2024

Mr. Parag Sharma
Jt. Managing. Director
Shriram Finance Limited
Wockhardt Tower, 3rd floor, west wing
C-2, G-Block, Bandra- Kurla Complex
Bandra(E)
Mumbai City - 400051
9820908456

Dear Mr. Parag Sharma,

Re: CRISIL rating on the Non Convertible Debentures Aggregating Rs.33878.27 Crore of Shriram Finance Limited.

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated February 08, 2024 bearing Ref. no: RL/SHRTRAN/336898/NCD/0224/79056/74857629

Rating outstanding on the captioned debt instruments is "CRISIL AA+/Stable" (pronounced as "CRISIL double A plus rating" with Stable outlook). Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk..

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per the latest SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Malvika Bhotika
Director - CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings

***Disclaimer**: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301*

Mr. Parag Sharma
Joint Managing Director & CFO
Shriram Finance Limited
C-2, Level 3, West Wing, Wockhardt Towers,
Bandra Kurla Complex, Bandra (E),
2, NSC Bose Road,
Mumbai-400 051

March 05, 2024

Dear Sir/Madam,

Re: Rating Letter for non-convertible debenture (NCD) programme of Shriram Finance Limited (erstwhile Shriram Transport Finance Company Ltd.)

India Ratings and Research (Ind-Ra) is pleased to communicate the rating of:

- INR247,035.46mn NCDs: IND AA+/Stable

out of the above rated amount Shriram Finance has already raised INR 221,331.41mn of NCDs

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings

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We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings

K Gupta

Karan Gupta
Director

Annexure: ISIN

Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Ratings	Outstanding/Rated Amount(INR million)
NCDs	INE721A07OM6	06/02/2019	9.12	06/02/2024	WD	877.02
NCDs	INE721A07OP9	06/02/2019	9.50	06/02/2024	WD	1001.12
NCDs	INE721A07OS3	06/02/2019	9.50 p.a(Cumulative effective yield)	06/02/2024	WD	419.39
NCDs	INE721A07QR0	04/02/2022	12M T Bill+Spread (6.80% pa)	02/02/2024	WD	5250
NCDs	INE721A07QS8	21/02/2022	7.0000% p.a. (XIRR – 7.00%)	21/02/2024	WD	2000
NCDs	INE721A07HY5	18/09/2014	10.25	18/09/2024	IND AA+/Stable	3000
NCDs	INE721A07IG0	10/10/2014	10.25	10/10/2024	IND AA+/Stable	4680
NCDs	INE721A07II6	31/10/2014	10.10	31/10/2024	IND	250

					AA+/Stable	
NCDs	INE721A07IO4	13/11/2014	10.00	13/11/2024	IND AA+/Stable	3325
NCDs	INE721A07IR7	28/11/2014	9.90	28/11/2024	IND AA+/Stable	1000
NCDs	INE721A07NO4	26/03/2018	8.72	26/05/2025	IND AA+/Stable	600
NCDs	INE721A07JX3	18/03/2016	9.30	18/03/2026	IND AA+/Stable	1000
NCDs	INE721A07KB7	29/03/2016	9.30	27/03/2026	IND AA+/Stable	1400
NCDs	INE721A07KD3	13/04/2016	9.22	13/04/2026	IND AA+/Stable	1790
NCDs	INE721A07KE1	22/04/2016	9.20	22/04/2026	IND AA+/Stable	260
NCDs	INE721A07LD1	08/08/2016	8.87	08/08/2026	IND AA+/Stable	1100
NCDs	INE721A07NU1	12/07/2018	9.03	12/07/2028	IND AA+/Stable	499
NCDs	INE721A07NX5	12/07/2018	9.40	12/07/2028	IND AA+/Stable	5323
NCDs	INE721A07OC7	02/11/2018	9.30	02/11/2028	IND AA+/Stable	323.4
NCDs	INE721A07OF0	02/11/2018	9.70	02/11/2028	IND AA+/Stable	389.8
NCDs	INE721A07ON4	06/02/2019	9.30	06/02/2029	IND AA+/Stable	263.8
NCDs	INE721A07OQ7	06/02/2019	9.70	06/02/2029	IND AA+/Stable	341.49
NCDs	INE721A07OZ8	22/08/2019	9.22	22/08/2024	IND AA+/Stable	343.455
NCDs	INE721A07PA8	22/08/2019	9.31	22/08/2026	IND AA+/Stable	210.36
NCDs	INE721A07PD2	22/08/2019	9.60	22/08/2024	IND AA+/Stable	472.039
NCDs	INE721A07PE0	22/08/2019	9.70	22/08/2026	IND AA+/Stable	261.903
NCDs	INE721A07PG5	22/08/2019	Cumulative	22/08/2024	IND AA+/Stable	175.741
NCDs	INE721A07PH3	22/08/2019	Cumulative	22/08/2026	IND AA+/Stable	142.27
NCDs	INE721A07PJ9	28/01/2020	8.66	28/01/2025	IND AA+/Stable	162.997
NCDs	INE721A07PK7	28/01/2020	8.75	28/01/2027	IND AA+/Stable	138.306
NCDs	INE721A07PM3	28/01/2020	9.00	28/01/2025	IND AA+/Stable	347.035
NCDs	INE721A07PN1	28/01/2020	9.10	28/01/2027	IND AA+/Stable	130.231

NCDs	INE721A07PP6	28/01/2020	Cumulative	28/01/2025	IND AA+/Stable	151.58
NCDs	INE721A07PZ5	29/10/2020	9.00	29/10/2030	IND AA+/Stable	750
NCDs	INE721A07QM1	12/11/2021	8.37% p.a.	12/11/2031	IND AA+/Stable	21000
NCDs	INE721A07QO7	28/12/2021	8.00 % p.a.	26/12/2031	IND AA+/Stable	250
NCDs	INE721A07QT6	21/02/2022	7.4008% p.a. (XIRR – 7.40%)	21/03/2025	IND AA+/Stable	1500
NCDs	INE721A07QU4	25/02/2022	8.56 % p.a.	25/02/2032	IND AA+/Stable	9000
NCDs	INE721A07QW0	23/03/2022	7.4507% p.a. (XIRR – 7.45%)	23/04/2025	IND AA+/Stable	2500
NCDs	INE721A07QX8	18/04/2022	12M T Bill+Spread (6.80% pa)	18/04/2024	IND AA+/Stable	7000
NCDs	INE721A07QY6	25/04/2022	8.25% p.a.	25/04/2029	IND AA+/Stable	1000
NCDs	INE721A07RA4	17/08/2022	8.72% p.a.	17/08/2032	IND AA+/Stable	33000
NCDs	INE721A07RD8	08/09/2022	RBI Repo + 2.20%	06/09/2024	IND AA+/Stable	2010
NCDs	INE721A07RC0	08/09/2022	8.55% p.a.	08/09/2032	IND AA+/Stable	2000
NCDs	INE721A07RE6	18/10/2022	8.50% p.a.	18/10/2032	IND AA+/Stable	270
NCDs	INE721A07RE6	14/02/2023	8.5% (XIRR - 8.40%)	18/10/2032	IND AA+/Stable	350
NCDs	INE722A07AU6*	28/02/2020	9.25	28/05/2024	IND AA+/Stable	5000
NCDs	INE722A07AN1	08/02/2021	9.25	08/02/2030	IND AA+/Stable	100
NCDs	INE722A07AO9	08/02/2021	9.50	07/02/2031	IND AA+/Stable	300
NCDs	INE722A07AP6	22/02/2021	9.25	22/02/2030	IND AA+/Stable	200
NCDs	INE722A07AQ4	22/02/2021	9.50	21/02/2031	IND AA+/Stable	450
NCDs	INE722A07AP6	25/03/2021	9.25	22/02/2030	IND AA+/Stable	300
NCDs	INE722A07AQ4	25/03/2021	9.50	21/02/2031	IND AA+/Stable	300
NCDs	INE722A07AY8	12/08/2021	7.95	12/08/2024	IND AA+/Stable	2600
NCDs	INE722A07BA6	21/09/2021	8.65	21/09/2031	IND AA+/Stable	1890
NCDs	INE722A07BC2	21/09/2021	7.48	21/09/2024	IND AA+/Stable	3000
NCDs	INE722A07BE8	20/12/2021	9.05	20/12/2031	IND AA+/Stable	6000

NCDs	INE722A07BI9	31/05/2022	8.85	31/05/2032	IND AA+/Stable	2000
NCDs	INE721A07RE6	15/03/2023	8.50	18/10/2032	IND AA+/Stable	100
NCDs	INE721A07RH9	15/03/2023	8.75	15/06/2026	IND AA+/Stable	1250
NCDs	INE721A07RE6	21/03/2023	8.50	18/10/2032	IND AA+/Stable	500
NCDs	INE721A07RI7	21/03/2023	1 Year OIS + Spread of 2.8%	21/04/2025	IND AA+/Stable	4000
NCDs	INE721A07RJ5	24/03/2023	9.00	24/06/2024	IND AA+/Stable	3410
NCDs	INE721A07RK3	12/04/2023	9.00	12/06/2025	IND AA+/Stable	2000
NCDs	INE721A07RH9	12/04/2023	8.75	15/06/2026	IND AA+/Stable	1650
NCDs	INE721A07RE6	18/04/2023	8.50	18/10/2032	IND AA+/Stable	300
NCDs	INE721A07RJ5	18/04/2023	9.00	24/06/2024	IND AA+/Stable	8100
NCDs	INE721A07RL1	28/04/2023	8.75	28/04/2028	IND AA+/Stable	2500
NCDs	INE721A07RM9	28/04/2023	8.55/Partly Paid	28/04/2028	IND AA+/Stable	2500
NCDs	INE721A07RH9	10/05/2023	8.75	15/06/2026	IND AA+/Stable	700
NCDs	INE721A07RL1	25/05/2023	8.75	28/04/2028	IND AA+/Stable	1000
NCDs	INE721A07RE6	02/06/2023	8.85	18/10/2032	IND AA+/Stable	2000
NCDs	INE721A07RE6	05/12/2022	8.85	18/10/2032	IND AA+/Stable	1100
NCDs	INE721A07RH9	07/06/2023	8.75	15/06/2026	IND AA+/Stable	1360
NCDs	INE721A07NO4	26/06/2023	8.72	26/05/2025	IND AA+/Stable	880
NCDs	INE721A07RO5	26/06/2023	Repo + Spread of 215bps	26/06/2025	IND AA+/Stable	4000
NCDs	INE721A07NO4	15/09/2023	8.72	25/05/2025	IND AA+/Stable	250
NCDs	INE721A07NO4	14/08/2023	8.72	25/05/2025	IND AA+/Stable	5010
NCDs	INE721A07RQ0	03/10/2023	8.75	05/10/2026	IND AA+/Stable	1900
NCDs	INE721A07RR8	03/10/2023	OIS + Spread of 1.95%	03/10/2026	IND AA+/Stable	3000
NCDs	INE721A07RQ0	15/11/2023	8.75	05/10/2026	IND AA+/Stable	3450
NCDs	INE721A07RT4	22/11/2023	8.80	22/11/2033	IND	1000

					AA+/Stable	
NCDs	INE721A07QT6	08/12/2023	7.4008	21/03/2025	IND AA+/Stable	1500
NCDs	INE721A07RV0	19/12/2023	9.233	18/05/2027	IND AA+/Stable	1510
NCDs	INE721A07RW8	29/12/2023	12-month T-bill + Spread	29/04/2026	IND AA+/Stable	11500
NCDs	INE721A07RP2	20/07/2023	8.9	20/07/2028	IND AA+/Stable	8150
NCDs	INE722A07BK5	07/10/2022	8.3	07/10/2025	IND AA+/Stable	1500
NCDs	INE722A07BG3	22/02/2022	9.0	22/02/2032	IND AA+/Stable	1800
NCDs	INE721A07RX6	05/01/2024	8.75	05/12/2034	IND AA+/Stable	550
NCDs	INE721A07RY4	19/01/2024	9.15	19/01/2029	IND AA+/Stable	12010
NCDs (Unutilised)					IND AA+/Stable	25704.05

ANNEXURE IV: ILLUSTRATION OF CASHFLOW/ REDEMPTION SCHEDULE

Illustration of Cash Flows for Debentures (per Debenture)

Company	Shriram Finance Limited
Face Value (per security)	INR 1,00,000 /- (Indian Rupees One Lakh Only) per debenture
Date of Allotment	28th March 2024
Date of Redemption Date	29th April 2026
Redemption Amount	Bullet Redemption in full.
Coupon Rate	The Debentures shall carry the Coupon at the floating rate being the aggregate of Benchmark + Spread of 1.86% (one decimal eight six percent) payable at such dates as set out in the Annexure IV with the initial Coupon Rate being 8.95% p.a. (eight-point nine five percent per annum) payable at such dates as set out in the Annexure IV from the deemed date of allotment of the earlier debentures issued under this ISIN. The Coupon shall be subject to reset on the Benchmark Determination Date and the Spread shall remain constant.
Frequency of the interest payment with specified dates	Annual and on maturity
Day Count Convention	Actual/Actual

Please refer to the Business Day Convention as referred above in the Summary Term sheet.

Principal and Interest Repayment Schedule

Sr. No.	Payment Due Date	Actual Payment Date	Principal Repayment	Interest Payment
1	29th December 2024	30th December 2024	-	8950.00
2	29th December 2025	29th December 2025	-	8950.00
3	29th April 2026	29th April 2026	1,00,000	2967.00

Please refer to the Business Day Convention as referred above in the Summary Term sheet.

Please note that the above cashflows have been arrived at presuming the coupon rate is 9.00%, *throughout the tenor of the Debentures*

ANNEXURE V: STATEMENT OF UNAUDITED STANDALONE AND CONSLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED ON SEPTEMBER 30, 2023

LIMITED REVIEW REPORT

Sundaram & Srinivasan
Chartered Accountants
23 C P Ramaswamy Road
Alwarpet,
Chennai 600018

KKC & Associates LLP
Chartered Accountants
Level-19, Sunshine Tower,
Senapati Bapat Marg,
Elphinstone Road,
Mumbai, Maharashtra 400013

Independent Auditor's review report on unaudited standalone quarterly financial results of Shriram Finance Limited (formerly "Shriram Transport Finance Company Limited") under Regulation 33 and Regulation 52(4) read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To
The Board of Directors of
Shriram Finance Limited (formerly "Shriram Transport Finance Company Limited")

Introduction

1. We have reviewed the accompanying statement of unaudited standalone financial results of Shriram Finance Limited (formerly "Shriram Transport Finance Company Limited") ('the Company') for the quarter ended 30 September 2023 and year to date results for the period from 1 April 2023 to 30 September 2023 ('the Statement'), being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52(4) read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors of the Company, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard ('Ind AS') 34 'Interim Financial Reporting' specified in section 133 of the Companies Act, 2013, the circulars, guidelines and directions issued by Reserve Bank of India ('RBI') from time to time ('RBI guidelines') and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52(4) read with Regulation 63 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

Scope of Review

3. We conducted our review in accordance with the Standard on Review Engagements ('SRE') 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Conclusion

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable Ind AS and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52(4) read with Regulation 63 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

SUNDARAM & SRINIVASAN New No: 4, Old No: 23, CPR ROAD, CHENNAI 600 018. CHARTERED ACCOUNTANTS

kkc & associates llp Chartered Accountants

Sundaram & Srinivasan
Chartered Accountants
23 C P Ramaswamy Road
Alwarpet,
Chennai 600018

KKC & Associates LLP
Chartered Accountants
Level-19, Sunshine Tower,
Senapati Bapat Marg,
Elphinstone Road,
Mumbai, Maharashtra 400013

Other Matters

5. We draw attention to note 6 of the Statement which states that the Composite Scheme of Arrangement and Amalgamation ("Scheme"), has been given effect to based on the Appointed date 01 April 2022 as approved by National Company Law Tribunal which is deemed to be the acquisition date for the purpose of accounting under Ind AS 103 'Business Combinations'. Consequently, figures for the quarter and six months ended 30 September 2022 presented has been restated. The financial information of the erstwhile Shriram City Union Finance Limited ("erstwhile company") for the quarter and six months ended 30 September 2022 have been reviewed by joint auditors of the erstwhile company whose reports dated 21 October 2022 have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts with respect of this erstwhile company, is based solely on the reports of the erstwhile joint auditors, as adjusted for the accounting effects of the Scheme recorded by the Parent (in particular, the accounting effects for Ind AS 103 'Business Combination') and other consequential adjustments, which have been reviewed by us.

   Our conclusion on the Statement is not modified in respect of this matter.

For **Sundaram & Srinivasan**
Chartered Accountants
Firm Registration Number - 004207S

P Menakshi Sundaram
Digitally signed by P Menakshi Sundaram
Date: 2023.10.26 13:52:28 +05'30'

P Menakshi Sundaram
Partner
ICAI Membership Number: 217914
UDIN: 23217914BGWPIO5788
Place: Chennai
Date: 26 October 2023

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

DEVANG KIRIT DOSHI
Digitally signed by DEVANG KIRIT DOSHI
Date: 2023.10.26 14:06:25 +05'30'

Devang Doshi
Partner
ICAI Membership Number: 140056
UDIN: 23140056BGZQSH5788
Place: Mumbai
Date: 26 October 2023

SHRIRAM FINANCE LIMITED (formerly Shriram Transport Finance Company Limited)
CIN: L65191TN1979PLC007874
Regd. Office: Sri Towers, 14A, South Phase, Industrial Estate, Guindy, Chennai – 600 032, Tamil Nadu.
Tel. No: +91 44 4852 4666, Fax: +91 44 4852 5666. Website-www.shriramfinance.in, Email-secretarial@shriramfinance.in

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF-YEAR ENDED SEPTEMBER 30, 2023

(Rs. in crores)

Sr. No.	Particulars	Quarter Ended			Half-Year Ended		Year Ended
		30.09.2023 (Unaudited)	30.06.2023 (Unaudited)	30.09.2022 (Unaudited) Restated - Refer Note 6	30.09.2023 (Unaudited)	30.09.2022 (Unaudited) Restated - Refer Note 6	31.03.2023 (Audited)
	Revenue from operations						
(i)	Interest Income	8,216.56	7,687.95	7,094.69	15,904.51	13,874.30	28,607.36
(ii)	Dividend Income	1.45	-	5.34	1.45	6.52	6.52
(iii)	Rental Income	0.08	0.09	0.04	0.17	0.08	0.17
(iv)	Fees and Commission Income	106.51	66.77	46.22	173.28	117.75	242.61
(v)	Net Gain on Fair Value Changes	1.56	71.24	105.40	72.80	158.09	340.07
(vi)	Net Gain on Derecognition of Financial Instruments under Amortised Cost Category	112.52	76.85	55.21	189.37	83.96	224.46
(vii)	Other Operating Income	116.82	99.96	101.74	216.78	166.30	350.97
(I)	**Total Revenue from operations**	**8,555.50**	**8,002.86**	**7,408.64**	**16,558.36**	**14,407.00**	**29,772.16**
(II)	**Other Income**	**8.95**	**5.15**	**9.71**	**14.10**	**14.63**	**30.73**
(III)	**Total Income (I+II)**	**8,564.45**	**8,008.01**	**7,418.35**	**16,572.46**	**14,421.63**	**29,802.89**
	Expenses						
(i)	Finance Costs	3,621.86	3,487.54	3,234.24	7,109.40	6,185.82	12,545.76
(ii)	Fees and Commission Expenses	104.00	84.27	83.32	188.27	134.89	304.44
(iii)	Impairment on Financial Instruments	1,128.55	878.61	897.59	2,007.16	2,057.28	4,159.17
(iv)	Employee Benefit Expenses	790.38	790.39	583.10	1,580.77	1,176.29	2,506.11
(v)	Depreciation, Amortization and Impairment	136.78	131.87	54.17	268.65	108.23	524.18
(vi)	Other Expenses	430.60	387.71	469.69	818.31	854.97	1,578.34
(IV)	**Total Expenses**	**6,212.17**	**5,760.39**	**5,322.11**	**11,972.56**	**10,517.48**	**21,618.00**
(V)	**Profit Before Exceptional Items and Tax (III - IV)**	**2,352.28**	**2,247.62**	**2,096.24**	**4,599.90**	**3,904.15**	**8,184.89**
(VI)	**Exceptional Items**	-	-	-	-	-	-
(VII)	**Profit Before Tax (V +VI)**	**2,352.28**	**2,247.62**	**2,096.24**	**4,599.90**	**3,904.15**	**8,184.89**
(VIII)	**Tax Expense:**						
(1)	Current Tax	808.81	718.07	696.34	1,526.88	1,370.91	2,875.01
(2)	Deferred Tax	(207.37)	(145.89)	(155.21)	(353.26)	(360.82)	(680.96)
(3)	Tax adjustment for earlier years	-	-	-	-	-	11.50
(IX)	**Profit for the period (VII -VIII)**	**1,750.84**	**1,675.44**	**1,555.11**	**3,426.28**	**2,894.06**	**5,979.34**
(X)	**Other Comprehensive Income**						
(A) (i)	Items that will not be reclassified to Profit or Loss						
	Remeasurement Gain/ (Loss) on Defined Benefit Plan	(14.51)	(13.20)	(0.61)	(27.71)	(10.38)	(8.02)
	Gain/ (Loss) on Fair Valuation of Quoted Investments in Equity Shares	(1.45)	14.17	0.98	12.72	(18.68)	(11.80)
(ii)	Income Tax relating to items that will not be reclassified to Profit or Loss	4.01	(0.24)	(0.10)	3.77	7.31	4.99
	Subtotal (A)	**(11.95)**	**0.73**	**0.27**	**(11.22)**	**(21.75)**	**(14.83)**
(B) (i)	Items that will be reclassified to Profit or Loss Cash Flow Hedge Reserve	148.33	(103.56)	(33.85)	44.77	(134.74)	(14.68)
(ii)	Income Tax relating to items that will be reclassified to Profit or Loss	(37.33)	26.06	8.52	(11.27)	33.91	3.69
	Subtotal (B)	**111.00**	**(77.50)**	**(25.33)**	**33.50**	**(100.83)**	**(10.99)**
	Other Comprehensive Income for the period (A+B)	**99.05**	**(76.77)**	**(25.06)**	**22.28**	**(122.58)**	**(25.82)**
(XI)	**Total Comprehensive Income for the period (IX+X)**	**1,849.89**	**1,598.67**	**1,530.05**	**3,448.56**	**2,771.48**	**5,953.52**
(XII)	**Paid-up Equity Share Capital (Face Value Rs. 10/- per share)**	**375.35**	**374.84**	**374.43**	**375.35**	**374.43**	**374.43**
(XIII)	**Other Equity**						**42,932.21**
(XIV)	**Earnings Per Equity Share (Not annualised for the interim periods)**						
	Basic (Rs.)	46.67	44.73	41.53	91.40	77.29	159.69
	Diluted (Rs.)	46.51	44.52	41.37	91.03	77.01	158.99

SUNDARAM & SRINIVASAN New No: 4, Old No: 23, CPR ROAD, CHENNAI 600 018. CHARTERED ACCOUNTANTS

kkc & associates llp Chartered Accountants

SHRIRAM FINANCE LIMITED

SHRIRAM FINANCE LIMITED (formerly Shriram Transport Finance Company Limited)
CIN: L65191TN1979PLC007874
Regd. Office: Sri Towers, 14A, South Phase, Industrial Estate, Guindy, Chennai – 600 032, Tamil Nadu.
Tel. No: +91 44 4852 4666, Fax: +91 44 4852 5666. Website-www.shriramfinance.in, Email-secretarial@shriramfinance.in

Notes:

1 Statement of Assets and Liabilities

(Rs. in crores)

Sr. No.	Particulars	As at	
		30.09.2023 (Unaudited)	31.03.2023 (Audited)
	ASSETS		
(1)	**Financial Assets**		
(a)	Cash and Cash Equivalents	5,640.05	9,505.30
(b)	Bank Balance other than (a) above	5,035.62	6,312.11
(c)	Derivative Financial Instruments	286.39	668.81
(d)	Receivables		
	(I) Trade Receivables	25.46	17.00
	(II) Other Receivables	327.56	260.12
(e)	Loans	187,172.79	171,984.58
(f)	Investments	9,051.40	8,565.06
(g)	Other Financial Assets	70.99	72.70
	Total Financial Assets	**207,610.26**	**197,385.68**
(2)	**Non-Financial Assets**		
(a)	Current Tax Assets (Net)	721.66	716.97
(b)	Deferred Tax Assets (Net)	2,089.69	1,743.92
(c)	Investment Property	1.01	2.62
(d)	Property, Plant and Equipment	232.96	209.49
(e)	Right of Use Assets	517.49	490.21
(f)	Intangible Assets under development	-	66.08
(g)	Goodwill	1,406.73	1,406.73
(h)	Other Intangible Assets	1,180.01	1,217.65
(i)	Other Non-Financial Assets	412.71	424.51
	Total Non-Financial Assets	**6,562.26**	**6,278.18**
	Total Assets	**214,172.52**	**203,663.86**
	LIABILITIES AND EQUITY		
	LIABILITIES		
(1)	**Financial Liabilities**		
(a)	Payables		
	(I) Trade Payables		
	(i) total outstanding dues of micro enterprises and small enterprises	0.19	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	319.71	293.24
	(II) Other Payables		
	(i) total outstanding dues of micro enterprises and small enterprises	0.40	0.36
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.45	1.09
(b)	Debt Securities	41,337.30	43,652.59
(c)	Borrowings (Other than Debt Securities)	78,831.81	73,590.02
(d)	Deposits	40,802.04	36,139.83
(e)	Subordinated Liabilities	4,373.20	4,523.85
(f)	Lease Liabilities	593.30	563.46
(g)	Other Financial Liabilities	1,267.08	1,020.66
	Total Financial Liabilities	**167,525.48**	**159,785.10**
(2)	**Non-Financial Liabilities**		
(a)	Current Tax Liabilities (Net)	263.68	160.89
(b)	Provisions	254.45	211.48
(c)	Other Non-Financial Liabilities	94.25	199.75
	Total Non-Financial Liabilities	**612.38**	**572.12**
	Total Liabilities	**168,137.86**	**160,357.22**
(3)	**EQUITY**		
(a)	Equity Share Capital	375.35	374.43
(b)	Other Equity	45,659.31	42,932.21
	Total Equity	**46,034.66**	**43,306.64**
	Total Liabilities and Equity	**214,172.52**	**203,663.86**

SUNDARAM & SRINIVASAN New No: 4, Old No: 63, CPR ROAD, CHENNAI 600 018. CHARTERED ACCOUNTANTS

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2 Cash Flow Statement

(Rs. in crores)

Particulars	Half-Year Ended	
	30.09.2023 (Unaudited)	30.09.2022 (Unaudited)
A. Cash flow from Operating activities		
Profit Before Tax	4,599.90	3,904.15
Depreciation, Amortisation and Impairment	268.65	108.23
Interest on Income Tax Refund	-	(5.57)
Share Based Payments to Employees	9.30	103.88
Interest Income on Loans	(15,363.32)	(13,307.76)
Finance Costs	7,109.40	6,185.82
Loss/ (Profit) on Sale of Property, Plant and Equipments (Net)	(3.50)	0.51
Fair Value adjustments to Investments	1.00	0.85
Impairment on Loans	1,998.90	2,067.37
Impairment on Investments	10.23	(7.63)
Impairment on Undrawn Loan Commitment	(6.67)	(2.76)
Impairment on Other Assets	4.70	0.30
Net (Gain)/ Loss on Fair Value changes on Investment	(95.46)	(175.64)
Net (Gain)/ Loss on Fair Value changes on Direct Assignment	22.66	17.55
Net Gain on Derecognition of Financial Instruments under Amortised Cost Category	(189.37)	(83.96)
Cash Inflow from Interest on Loans	14,852.29	12,738.86
Cash Outflow towards Finance Costs	(5,678.10)	(4,918.48)
Operating Profit before Working Capital Changes	**7,540.61**	**6,625.72**
Movements in Working Capital:		
Decrease/ (Increase) in Loans	(16,676.08)	(11,869.42)
Decrease/ (Increase) in Investments	(389.39)	(1,593.32)
Decrease/ (Increase) in Receivables	90.80	64.51
Decrease/ (Increase) in Bank Deposits	1,276.49	(209.99)
Decrease/ (Increase) in Other Financial Assets	(2.99)	(7.48)
Decrease/ (Increase) in Other Non-Financial Assets	20.55	47.89
Increase/ (Decrease) in Payables	26.66	32.52
Increase/ (Decrease) in Other Financial Liabilities	246.69	(100.88)
Increase/ (Decrease) in Non-Financial Liabilities	(105.50)	(80.37)
Increase/ (Decrease) in Other Provision	21.93	18.21
Cash used in Operations	**(7,950.23)**	**(7,072.61)**
Direct Taxes Paid (Net of Refunds)	(1,428.78)	(1,114.60)
Net Cash Flows from/ (used in) Operating Activities (A)	**(9,379.01)**	**(8,187.21)**
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment and Intangible Assets	(121.45)	(64.14)
Proceeds from Sale of Property, Plant and Equipment and Intangible Assets	6.53	1.12
Net Cash generated from/ (used in) Investing Activities (B)	**(114.92)**	**(63.02)**
C. Cash Flow from Financing Activities		
Proceeds from Issue of Share Capital (including share premium and net of share issue expenses)	19.83	8.41
Proceeds/ (Repayment) on Settlement of Derivative Contracts	382.42	(754.21)
Increase/ (Decrease) in Fixed Deposits (Net)	4,148.03	3,214.86
Amount Received from Debt Securities	6,342.50	6,614.20
Repayment of Debt Securities	(9,107.85)	(2,702.02)
Proceeds/ (Repayment) of Subordinated Debts	(236.54)	(115.14)
Amount Received from Borrowings other than Debt Securities	34,260.64	31,607.89
Repayment of Borrowings other than Debt Securities	(29,329.42)	(27,511.56)
Payment of Lease Liabilities	(100.99)	(94.88)
Dividend Paid	(749.94)	(0.25)
Net Cash generated from/ (used in) Financing Activities (C)	**5,628.68**	**10,267.30**
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	(3,865.25)	2,017.07
Cash and Cash Equivalents at the beginning of the year	9,505.30	10,662.44
Cash and Bank Balances taken over on account of Amalgamation	-	5,217.41
Cash and Cash Equivalents at the end of the period	**5,640.05**	**17,896.92**

Components of Cash and Cash Equivalents (Rs. in crores)

Cash and Cash Equivalents at the end of the period	As at	
	30.09.2023 (Unaudited)	30.09.2022 (Unaudited)
i) Cash on Hand	140.39	152.70
ii) Cheques on Hand	3.23	4.85
iii) Balances with Banks (of the nature of Cash and Cash Equivalents)	3,675.09	5,657.33
iv) Call Money (CBLO)	-	3,498.28
v) Bank Deposit with original maturity upto three months or less	1,821.34	8,583.76
Total	**5,640.05**	**17,896.92**

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No: 4, Old No: 23, CPR ROAD, CHENNAI 600 018.

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3 The above results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors in their respective meetings held on October 26, 2023.

4 The standalone financial results of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. These standalone financial results together with the results for the comparative reporting period have been prepared in accordance with, the recognition and measurement principles laid down in Ind AS 34 - Interim Financial Reporting, circulars, guidelines and directions issued by the Reserve Bank of India (RBI), Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and other recognised accounting practices generally accepted in India.

The significant accounting policies applied in preparation of these standalone financial results are consistent with those followed in the annual standalone financial statements for the year ended March 31, 2023. These standalone financial results are available on the website of the Company (www.shriramfinance.in) and on the website of BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com).

5 The standalone financial results for quarter and half-year ended September 30, 2023 have been reviewed by the Statutory Auditors.

6 The Hon'ble National Company Law Tribunal, Chennai ("NCLT") had sanctioned the Composite Scheme of Arrangement and Amalgamation ("Scheme"), inter-alia, involving amalgamation of Shriram Capital Limited (SCL) (after de-merger of a few undertakings from the said SCL) and Shriram City Union Finance Limited (SCUF) with the Company under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 vide its order dated November 09, 2022 read with Corrigendum dated November 17, 2022 to the order effective from appointed date of the Scheme being April 01, 2022. Accordingly, the figures for the quarter and half-year ended September 30, 2022 had been restated to take the effect of transferor Companies SCUF and SCL and therefore will not be comparable with the previously reported figures for the same periods.

7 During the quarter the Company allotted 5,10,299 Equity Shares of face value of Rs.10/- each fully paid up at an exercise price of Rs.193.55 per equity share (including premium of Rs.183.55 per equity share) under the Shriram Finance Limited Employee Stock Option Scheme 2023 (No.1) on various dates.

8 The Company invoked resolution plans to relieve COVID-19 pandemic related stress to eligible borrowers. The resolution plans were based on the parameters laid down in the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on August 6, 2020 and May 5, 2021.

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Disclosure format prescribed as per the notification no. RBI/2020-21/16 DOR.NO.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 and RBI/2021-22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated May 05, 2021 :

(Rs. in crores)

Type of borrower	(A)	(B)	(C)	(D)	(E)
	Exposure to accounts classified as Standard consequent to implementation of Resolution Plan – Position as at the end of the previous half-year (A)	**Of (A), aggregate debt that slipped into NPA during the half-year**	**Of (A) amount written off during the half-year**	**Of (A) amount paid by the borrowers during the half- year**	**Exposure to accounts classified as Standard consequent to implementation of Resolution Plan – Position as at the end of this half-year**
Personal Loans #	553.52	24.05	1.47	121.93	406.07
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**553.52**	**24.05**	**1.47**	**121.93**	**406.07**

*as defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016
pertains to automobile loans

9 Disclosure pertaining to RBI Master Direction - RBI/DOR/2021-22/86DOR.STR.REC.51/21.04.048/ 2021-22 Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021.

a Details of transfer through assignment in respect of loans not in default during the half-year ended September 30, 2023:

Particulars	As at September 30, 2023
Count of loans accounts assigned	32,064
Amount of loan accounts assigned (Rs. in crores)	1,823.68
Weighted average maturity (in months)	48
Weighted average holding period (in months)	10
Retention of beneficial economic interest (%)	10.00%
Coverage of tangible security	100.00%
Rating wise distribution of rated loans	Non Rated

SUNDARAM & SRINIVASAN New No: 4, Old No: 33, CPR ROAD, CHENNAI 600 018. CHARTERED ACCOUNTANTS

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b Details of acquisition through assignment in respect of loans not in default during the half-year ended September 30, 2023:

Particulars	As at September 30, 2023
Count of loans accounts acquired	1,727
Amount of loan accounts acquired (Rs. in crores)	6.97
Weighted average maturity (in months)	19
Weighted average holding period (in months)	11
Retention of beneficial economic interest (%)	80.00%
Coverage of tangible security	80.09%
Rating wise distribution of rated loans	Not rated

c Details of stressed loans transferred during the half-year ended September 30, 2023:

Particulars	To ARCs	To permitted transferees	To other transferees
No: of accounts	6,731	-	-
Aggregate principal outstanding of loans transferred (Rs. in crores)	4.82	-	-
Weighted average residual tenor of loans transferred (in months)	3.67	-	-
Net book value of loans transferred (at the time of transfer) (Rs. in crores)	1.21	-	-
Aggregate consideration (Rs. in crores)	2.46	-	-
Additional consideration realized in respect of accounts transferred in earlier years (Rs. in crores)	-	-	-
Excess provisions reversed to the profit and loss account on account of sale of stressed loans (Rs. in crores)	-	-	-

d The Company has not acquired any stressed loans during the half-year ended September 30, 2023.

10 The Board of Directors in their meeting held on October 26, 2023 declared interim dividend of 200% (Rs. 20/- per equity share of face value of Rs. 10/- each fully paid up) for the financial year 2023-24. The record date for payment of interim dividend is November 06, 2023. The interim dividend will be paid to eligible Members on or before November 25, 2023 subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders.

11 Pursuant to the final dividend for the financial year 2022-23 declared by the shareholders at the 44th Annual General Meeting held on June 23, 2023, the Company paid the final dividend of Rs. 20/- (200%) per equity share of face value of Rs. 10/- each fully paid up aggregating to Rs.749,67,35,680/- (gross) subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders. The record date for payment of final dividend was June 16, 2023 and the payment was made on July 06, 2023. With this the total dividend for the financial year 2022-23 is Rs. 35/- per share (i.e. 350%).

12 Information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached in Annexure 1.

13 The Company's secured non-convertible debentures of Rs. 28,760.08 crores as on September 30, 2023 are secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and mortgage of immovable property and with a cover of 100% and above as per the terms of issue.

SUNDARAM & SRINIVASAN New No: 4, Old No: 23, CPR ROAD, CHENNAI 600 018. CHARTERED ACCOUNTANTS

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14 As on September 30, 2023 the security cover available in respect of secured non-convertible debt securities is 1.11 times. The security cover certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as Annexure 2.

15 The Company is primarily engaged in the business of financing and there are no separate reportable segments identified as per Ind AS 108 - Operating segments.

16 The figures for the previous periods/ year have been regrouped/ rearranged wherever necessary to conform to the current period presentation. There are no significant regroupings/ reclassification for the quarter under report.

For Shriram Finance Limited
(formerly Shriram Transport Finance Company Limited)

Y. S. Chakravarti
Managing Director & CEO
DIN: 00052308

Place: Mumbai
Date: October 26, 2023

SHRIRAM FINANCE LIMITED

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No: 4, Old No: 23, CPR ROAD, CHENNAI 600 018.

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Information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Annexure 1

Sr. No.	Particulars	Standalone					
		Quarter Ended			Half-Year Ended		Year Ended
		30.09.2023 (Unaudited)	30.06.2023 (Unaudited)	30.09.2022 (Unaudited) Restated - Refer Note 6	30.09.2023 (Unaudited)	30.09.2022 (Unaudited) Restated - Refer Note 6	31.03.2023 (Audited)
1	Debt-Equity Ratio (times) [1]	3.59	3.60	3.90	3.59	3.90	3.65
2	Debt Service Coverage Ratio [2]	NA	NA	NA	NA	NA	NA
3	Interest Service Coverage Ratio [2]	NA	NA	NA	NA	NA	NA
4	Outstanding Redeemable Preference Shares (Quantity)	Nil	Nil	Nil	Nil	Nil	Nil
5	Outstanding Redeemable Preference Shares (Value) (Rs. in crores)	Nil	Nil	Nil	Nil	Nil	Nil
6	Capital Redemption Reserve (Rs. in crores)	53.88	53.88	53.88	53.88	53.88	53.88
7	Debenture Redemption Reserve (Rs. in crores)	419.13	419.13	307.28	419.13	307.28	419.13
8	Networth [3] (Rs. in crores)	45,930.09	44,821.61	40,548.87	45,930.09	40,548.87	43,202.07
9	Net Profit After Tax (Rs. in crores)	1,750.84	1,675.44	1,555.11	3,426.28	2,894.06	5,979.34
10	Earnings Per Equity Share (Not annualised for the interim periods)						
	Basic (Rs.)	46.67	44.73	41.53	91.40	77.29	159.69
	Diluted (Rs.)	46.51	44.52	41.37	91.03	77.01	158.99
11	Current Ratio [2]	NA	NA	NA	NA	NA	NA
12	Long Term Debt to Working Capital [2]	NA	NA	NA	NA	NA	NA
13	Bad Debts to Accounts Receivable Ratio [2]	NA	NA	NA	NA	NA	NA
14	Current Liability Ratio [2]	NA	NA	NA	NA	NA	NA
15	Total Debts [4] to Total Assets	0.77	0.77	0.79	0.77	0.79	0.78
16	Debtors Turnover [2]	NA	NA	NA	NA	NA	NA
17	Inventory Turnover [2]	NA	NA	NA	NA	NA	NA
18	Operating Margin (%) [2]	NA	NA	NA	NA	NA	NA
19	Net Profit Margin (%) [5]	20.44%	20.92%	20.96%	20.67%	20.07%	20.06%
20	Sector Specific Equivalent Ratios						
	Capital Adequacy Ratio (%) [6]	22.15%	22.40%	23.16%	22.15%	23.16%	22.61%
	Gross NPA Ratio (%) [7]	5.79%	6.03%	6.31%	5.79%	6.31%	6.21%
	Net NPA Ratio (%) [8]	2.80%	2.96%	3.32%	2.80%	3.32%	3.19%
	NPA Provision Coverage Ratio (%) [9]	53.10%	52.55%	49.06%	53.10%	49.06%	50.14%
	Liquidity Coverage Ratio (%) [10]	219.57%	202.84%	238.42%	219.57%	238.42%	209.86%

Note

1 Debt-equity ratio = (Debt securities + Borrowings (other than debt securities) + Deposit + Subordinated liabilities)/ (Equity Share Capital + Other equity).
2 The Company is registered under the Reserve Bank of India Act, 1934 as Non-Banking Financial Company, hence these ratios are generally not applicable as per proviso to Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3 Networth is calculated as defined in section 2(57) of Companies Act 2013.
4 Total debts to total assets = (Debt securities + Borrowings (other than debt securities) + Deposit + Subordinated liabilities)/ Total assets.
5 Net profit margin = Net profit after tax/ Total Income.
6 Capital adequacy ratio = Total Capital funds/ Risk weighted assets, calculated as per applicable RBI guidelines.
7 Gross NPA ratio (%) = Gross stage 3 loans/Gross Loans.
8 Net NPA ratio (%) = Net stage 3 loans/(Gross loans - ECL on stage 3 loans) where Net stage 3 loans = Gross stage 3 loans - ECL on stage 3 loans.
9 NPA Provision coverage ratio (%) = ECL on stage 3 loans/ Gross stage 3 loans.
10 Liquidity Coverage Ratio (LCR) is calculated as per circular no. RBI/2019-20/88DDR.NBFC.(PD) CC. No. 102/03.10.001/2019-20 dated November 04, 2019 issued by the Reserve Bank of India. As per the said circular, LCR is applicable from December 1, 2020.
11 NPA = Non-performing Assets.

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Annexure 2

Standalone Security Cover certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(Rs. in crores)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to I)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari-passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-passu charge (excluding items Covered in column F)		Debt amount considered more than once (due to exclusive plus pari-passu charge		Market Value for Assets charged on Exclusive basis	Carrying/ book value for exclusive charge assets where market value is not ascertainable or applicable	Market Value for pari-passu charge Assets	Carrying value/ book value for pari-passu charge assets where market value is not ascertainable or applicable	Total Value (K + L + M + N)
												Relating to Column F		
		Book Value	Book Value	Yes/ No	Book Value	Book Value								
ASSETS														
Property, Plant and Equipment	Freehold Land and Building	0.16	-	-	-	-	232.80	-	232.96	1.05	-	-	-	1.05
Capital Work-in-Progress		-	-	-	-	-	-	-	-	-	-	-	-	-
Right of Use Assets		-	-	-	-	-	517.49	-	517.49	-	-	-	-	-
Goodwill		-	-	-	-	-	1,406.73	-	1,406.73	-	-	-	-	-
Other Intangible Assets		-	-	-	-	-	1,180.01	-	1,180.01	-	-	-	-	-
Intangible Assets under Development		-	-	-	-	-	-	-	-	-	-	-	-	-
Investments		-	-	-	-	-	9,051.40	-	9,051.40	-	-	-	-	-
Loans	Loans / advances given (net of provisions, NPAs and sell down portfolio)	31,801.49	100,536.90	-	-	-	54,834.40	-	187,172.79	-	31,801.49	-	-	31,801.49
Inventories		-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Receivables		-	-	-	-	-	25.46	-	25.46	-	-	-	-	-
Cash and Cash Equivalents		-	-	-	-	-	5,640.05	-	5,640.05	-	-	-	-	-
Bank Balances other than Cash and Cash Equivalents		-	-	-	-	-	5,035.62	-	5,035.62	-	-	-	-	-
Others		-	-	-	-	-	3,910.01	-	3,910.01	-	-	-	-	-
Total		**31,801.65**	**100,536.90**	-	-	-	**81,833.97**	-	**214,172.52**	**1.05**	**31,801.49**	-	-	**31,802.54**

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No: 4, Old No: 53, CPR Road, CHENNAI 600 018.

T.K.C. & associates LLP Chartered Accountants

SHRIRAM FINANCE LIMITED

SHRIRAM FINANCE LIMITED (formerly Shriram Transport Finance Company Limited)
CIN: L65191TN1979PLC007874
Regd. Office: Sri Towers, 14A, South Phase, Industrial Estate, Guindy, Chennai – 600 032, Tamil Nadu.
Tel. No: +91 44 4852 4666, Fax: +91 44 4852 5666. Website-www.shriramfinance.in, email-secretarial@shriramfinance.in

Annexure 2

Standalone Security Cover certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(Rs. in crores)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to I)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari-passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-passu charge (excluding items Covered in column F)		Debt amount considered more than once (due to exclusive plus pari-passu charge		Market Value for Assets charged on Exclusive basis	Carrying/ book value for exclusive charge assets where market value is not ascertainable or applicable	Market Value for pari-passu charge Assets	Carrying value/ book value for pari-passu charge assets where market value is not ascertainable or applicable	Total Value (K + L + M + N)
												Relating to Column F		
		Book Value	Book Value	Yes/ No	Book Value	Book Value								
LIABILITIES														-
Debt securities to which this certificate pertains		28,760.08	-	Yes	-	-	-	-	28,760.08	-	-	-	-	-
Other debt sharing pari-passu charge with above debt			-	-	-	-	-	-	-	-	-	-	-	-
Other Debt			10,702.42	-	-	-	1,874.80	-	12,577.22	-	-	-	-	-
Subordinated debt			-	-	-	-	4,373.20	-	4,373.20	-	-	-	-	-
Borrowings			78,831.81	-	-	-	-	-	78,831.81	-	-	-	-	-
Bank			-	-	-	-	-	-	-	-	-	-	-	-
Debt Securities			-	-	-	-	-	-	-	-	-	-	-	-
Others			-	-	-	-	40,802.04	-	40,802.04	-	-	-	-	-
Trade payables			-	-	-	-	319.90	-	319.90	-	-	-	-	-
Lease Liabilities			-	-	-	-	593.30	-	593.30	-	-	-	-	-
Provisions			-	-	-	-	254.45	-	254.45	-	-	-	-	-
Others			-	-	-	-	1,625.86	-	1,625.86	-	-	-	-	-
Total		28,760.08	89,534.23	-	-	-	49,843.55	-	168,137.86	-	-	-	-	-
Cover on Book Value														1.11
Cover on Market Value														
		Exclusive Security Cover Ratio	1.11		Pari-Passu Security Cover Ratio	-								

Notes:
1. We confirm that the Company has complied with the covenants mentioned in the disclosure documents of the Secured redeemable Non-convertible debentures for the half-year ended September 30, 2023.
2. The market value of Rs. 0.02 crore of the Freehold Land is on the basis of certified valuation done on May 23, 2022.
3. The market value of Rs. 1.02 crore of the Building is on the basis of certified valuation done on April 21, 2023.

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No: 4, Old No: 53, Cross Road, CHENNAI 600 018.

KKC & associates LLP Chartered Accountants

SHRIRAM FINANCE LIMITED

Particulars	As at September 30, 2023 (SFL)	As at March 31, 2023 (SFL)	As at March 31, 2022 (STFC)	As at March 31, 2021 (STFC)
ASSETS				
Financial assets				
Cash and cash equivalents	5,640.05	9,505.30	10,662.44	11,050.93
Bank balance other than (a) above	5,035.62	6,312.11	5,692.72	5,390.89
Derivative financial instruments	286.39	668.81	201.40	169.25
Receivables				
(I) Trade receivables	25.46	17.00	5.35	8.92
(II) Other receivables	327.56	260.12	192.67	49.90
Loans	1,87,172.79	1,71,984.58	1,16,665.15	1,08,303.04
Investments	9,051.40	8,565.06	6,971.23	3,346.77
Other financial assets	70.99	72.70	51.45	49.03
Total financial assets	207610.26	1,97,385.68	1,40,442.41	1,28,368.73
Non-financial Assets				
Current tax assets (net)	721.66	716.97	228.24	171.73
Deferred tax assets (net)	2,089.69	1,743.92	869.38	639.14
Investment property	1.01	2.62	1.97	2.00
Property, plant and equipment	232.96	209.49	110.56	124.44
Right-of-use assets	517.49	490.21	302.52	308.51
Goodwill	1,406.73	1,406.73		
Other intangible assets	1,180.01	1,217.65	3.04	2.39
Other non-financial assets	412.71	424.51	310.04	210.84
Intangible Assets under development		66.08		
Total non-financial assets	6562.26	6,278.18	1,825.75	1,459.05
Total assets	**2,14,172.52**	**2,03,663.86**	1,42,268.16	1,29,827.78
LIABILITIES AND EQUITY				
Liabilities				
Financial liabilities				
Payables				
(I) Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises	0.19	-	0.02	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	319.71	293.24	166.01	255.51
(II) Other payables				
(i) total outstanding dues of micro enterprises and small enterprises	0.40	0.36	1.46	0.37
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.45	1.09	1.21	0.54
Debt securities	41,337.30	43,652.59	41,256.55	40,061.87
Borrowings (other than debt securities)	78,831.81	73,590.02	46,676.93	45,281.37
Deposits	40,802.04	36,139.83	21,948.98	16,232.41
Subordinated liabilities	4,373.20	4,523.85	4,614.25	4,620.76
Lease liabilities	593.30	563.46	349.43	349.49
Other financial liabilities	1,267.08	1,020.66	859.64	964.35
Total financial liabilities	**1,67,525.48**	**1,59,785.10**	1,15,874.48	1,07,766.67
Non-financial liabilities				
Current tax liabilities (net)	263.68	160.89	36.82	102.02
Provisions	254.45	211.48	138.18	142.54

Particulars	As at September 30, 2023 (SFL)	As at March 31, 2023 (SFL)	As at March 31, 2022 (STFC)	As at March 31, 2021 (STFC)
Deferred tax liabilities (net)	-	-	-	-
Other non-financial liabilities	94.25	199.75	124.42	99.26
Total non-financial liabilities	**612.38**	**572.12**	299.42	343.82
Total liabilities	**1,68,137.86**	**1,60,357.22**	1,16,173.90	1,08,110.49
Equity				
Equity share capital	375.35	374.43	270.52	253.06
Other equity	45,659.31	42,932.21	25,823.74	21,464.23
Total equity	**46,034.66**	**43,306.64**	26,094.26	21,717.29
Total liabilities and equity	**2,14,172.52**	**2,03,663.86**	1,42,268.16	1,29,827.78

Profit and Loss Statement

(Rs. in Crores)

Particulars	As at September 30, 2023 (SFL)	As at March 31, 2023 (SFL)	As at March 31, 2022 (STFC)	As at March 31, 2021 (STFC)
Revenue from operations				
Interest income	15,904.51	28,607.36	18,646.26	17,128.14
Dividend income	1.45	6.52	-	-
Rental income	0.17	0.17	0.17	0.21
Fees and commission income	173.28	242.61	100.08	115.86
Net gain on fair value changes	72.80	340.07	221.70	21.80
Net gain on derecognition of financial instruments under amortised cost category	189.37	224.46	217.74	58.85
Other operating income	216.78	350.97	69.22	95.59
Total Revenue from operations	**16558.36**	**29,772.16**	**19,255.17**	**17,420.45**
Other Income	**14.1**	**30.73**	**19.06**	**15.95**
Total Income (I + II)	**16572.46**	**29,802.89**	**19,274.23**	**17,436.40**
Expenses				
Finance cost	7,109.40	12,545.76	9,734.31	9,054.26
Fees and commission expense	188.27	303.61	91.74	78.89
Net loss on fair value changes	-		-	-
Net loss of derecognition of financial instruments under amortised cost category	-		-	-
Impairment on financial instruments	2,007.16	4,159.17	3,860.86	3,118.40
Employee benefits expenses	1,580.77	2,506.11	997.09	906.25
Depreciation, amortization and impairment	268.65	524.18	135.37	137.36
Other expenses	818.31	1,579.17	905.61	863.23
Total Expenses	**11972.56**	**21,618.00**	**15,724.98**	**14,158.39**
Profit before exceptional items and tax (III - IV)	**4599.9**	**8,184.89**	**3,549.25**	**3,278.01**
Exceptional items	-	-	-	-
Profit before tax (V+ VI)	**4599.9**	**8,184.89**	**3,549.25**	**3,278.01**
Tax expense:				
(1) Current tax	1526.88	2,875.01	1,112.57	1,197.77
(2) Deferred tax	(353.26)	(680.96)	(188.93)	(545.36)
(3) Tax adjustment for earlier years	-	11.50	(82.32)	138.34
Profit for the year from continuing operations (VII-VIII)	**3426.28**	**5,979.34**	**2,707.93**	**2,487.26**
Share of profit of associate	-	-	13.17	11.57
Profit for the year (IX + X)	-	-	2,721.10	2,498.83
Other comprehensive income				

Particulars	As at September 30, 2023 (SFL)	As at March 31, 2023 (SFL)	As at March 31, 2022 (STFC)	As at March 31, 2021 (STFC)
(i) Items that will not be reclassified to profit or loss				
Remeasurement gain/(loss) on defined benefit plan	(27.71)	(8.02)	(3.24)	-
Gain / (loss) on Fair valuation of quoted investments in equity shares	12.72			
Share of other comprehensive income from associates		(11.80)	(0.03)	0.27
(ii) Income tax relating to items that will not be reclassified to profit or loss	3.77	4.99	0.82	-
Tax on share of other comprehensive income from associates	-	-	0.01	(0.07)
Subtotal (A)	(11.22)	(14.83)	(2.44)	0.20
(i) Items that will be reclassified to profit or loss Cash flow hedge		(14.68)		
Gain/(loss) on effective portion of hedging instruments in a cash flow hedge	44.77		(160.87)	-124.31
(ii) Income tax relating to items that will be reclassified to profit or loss	(11.27)	3.69	40.49	31.29
Subtotal (B)	**33.50**	**(10.99)**	**(20.38)**	**(93.02)**
Other comprehensive income (A + B)	**22.28**	**(25.82)**	**(122.82)**	**(92.82)**
Total Comprehensive income for the year (XI + XII)	**3448.56**	**5,953.52**	**2,598.28**	**2,406.01**
Earnings per equity share (face value Rs. 10/- per equity share)				
Basic (Rs.)	91.40	159.69	102.23	101.44
Diluted (Rs.)	91.03	158.99	102.23	101.44

Note - (1) The figures for the period after the appointed date for the merger of STFC and the Merged Entities (i.e. April 01, 2022) have been restated to take the effect of merger and are therefore not comparable with figures of STFC for the corresponding previous year periods or previously reported figures of STFC for the said quarters.
(2) *SFL means Shriram Finance Limited*
(3) STFC means Shriram Transport Finance Company Limited
(4) Merged Entities means Shriram Capital Limited and Shriram City Union Finance Limited

Cash flow Statement

(Rs. in Crores)

Particulars	As at September 30, 2023 (SFL)	As at March 31, 2023 (SFL)	As at March 31, 2022 (STFC)	As at March 31, 2021 (STFC)
Cash flow from Operating activities				
Profit before tax	4,599.90	8,184.89	3,549.25	3,278.01
Depreciation, amortisation and impairment	268.65	524.18	135.37	137.36
Share Based Payments to Employees	9.30	164.56	-	-
Interest on income tax refund	-	(14.66)	-	-
Interest income	(15,363.32)	(27,504.20)	(18,028.13)	(16,611.31)
Finance costs	7,109.40	12,545.76	9,734.31	9,054.26
Loss/(profit) on sale of property plant and equipments (net)	(3.50)	1.00	0.79	0.65
Fair Value adjustments to Investments	1.00	1.85	-	-
Impairment on loans	1,998.90	4,128.79	3,865.02	3,128.29
Impairment on investments	10.23	4.70	(2.00)	(4.22)

Particulars	As at September 30, 2023 (SFL)	As at March 31, 2023 (SFL)	As at March 31, 2022 (STFC)	As at March 31, 2021 (STFC)
Impairment on undrawn loan commitment	(6.67)	(0.40)	(4.00)	(5.45)
Impairment on other assets	4.70	26.08	1.84	(0.22)
Net (gain)/loss on fair value changes on investment	(95.46)	(373.62)	(236.83)	(2.85)
Net (gain)/loss on sale of mutual funds and certificate of deposits	-	-	-	(20.02)
Net (gain)/loss on fair value changes on direct assignment	22.66	33.55	15.13	1.07
Net (gain)/loss on fair value changes on derivatives	-	-	-	-
Net gain on derecognition of financial instruments under amortised cost category	(189.37)	(224.46)	217.74	47.05
Cash inflow from interest on loans	14,852.29	26,319.90	18,006.70	18,405.90
Cash outflow towards finance costs	(5,678.10)	(11,207.40)	(8,588.09)	(7,745.19)
Operating profit before working capital changes	**7,540.61**	**12,610.52**	**8,667.10**	**9,663.33**
Movements in Working capital:				
Decrease/(increase) in loans	(16,676.08)	(27,674.73)	(12,205.70)	(10,994.29)
(Increase)/decrease in investments	(389.39)	1,333.02	(3,372.48)	(372.28)
Decrease/(increase) in receivables	90.80	173.38	(372.06)	(90.83)
Decrease/(increase) in bank deposits	1,276.49	776.09	(301.83)	(1,164.96)
Decrease/(increase) in other financial assets	(2.99)	(20.12)	(4.26)	(10.11)
Decrease/(increase) in other non-financial assets	20.55	101.69	(14.67)	(41.13)
Increase/(decrease) in payables	26.66	66.16	13.51	111.67
Increase/(decrease) in other financial liabilities	246.69	(38.96)	(138.25)	(99.05)
Increase/(decrease) in non-financial liabilities	(105.50)	0.14	25.16	15.98
Increase/(decrease) other provision	21.93	55.99	(3.60)	1.66
Cash used in operations	**(7,950.23)**	**(12,616.82)**	**7,708.08**	**(2,980.01)**
Direct taxes paid (net of refunds)	(1,428.78)	(3,224.51)	(1151.94)	(1,258.75)
Net cash flows from/(used in) operating activities (A)	**(9,379.01)**	**(15,841.33)**	**8,859.02**	**(4,238.76)**
Cash flow from Investing activities				
Purchase of property, plant and equipment and intangible assets	(121.45)	(183.60)	(35.75)	(25.82)
Proceeds from sale of property, plant and equipment and intangible assets	6.53	3.54	1.42	0.93
Net cash generated from/(used in) investing activities (B)	**(114.92)**	**(180.06)**	34.33	(24.89)
Proceeds from issue of share capital (including share premium and net of share issue expenses)	19.83	12.16	2,478.57	1,472.64
Proceeds/(repayment) on settlement of derivative contracts	382.42	(467.41)	-32.15	589.48
Increase / (decrease) in Fixed deposits (net)	4,148.03	6,778.56	5,443.14	4,206.86
Repayments of deposit	-	-	-	-
Amounts received from debt securities	6,342.50	9,194.70	16,637.86	10,636.15
Repayments of debt securities	(9,107.85)	(13,992.22)	(16,203.36)	(5,797.45)

Particulars	As at September 30, 2023 (SFL)	As at March 31, 2023 (SFL)	As at March 31, 2022 (STFC)	As at March 31, 2021 (STFC)
Proceeds/(repayment) of subordinated debts	(236.54)	(136.34)	(50.32)	(1,069.27)
Amounts received from borrowings other than debt securities	34,260.64	61,633.95	41,477.93	38,480.04
Repayments of borrowings other than debt securities	(29,329.42)	(52,625.02)	(40,280.10)	(36,032.94)
Payment of Lease Liabilities	(100.99)	(188.73)	(114.90)	(107.33)
Dividend paid	(749.94)	(562.80)	(851.81)	(152.59)
Tax on dividend	-	-	-	-
Net cash flows from financing activities (C)	**5628.68**	**9,646.84**	**8,504.86**	**12,225.59**
Net increase/decrease in cash and cash equivalents (A+B+C)	(3,865.25)	(6,374.55)	(388.49)	7,961.94
Add: Adjustment on disposal of subsidiary	-	10,662.44	-	-
Cash and cash equivalents at the beginning of the year	9,505.30	5,217.41	11,050.93	3,088.99
Cash and cash equivalents at the end of the year	**5,640.05**	**9,505.30**	**10662.44**	**11,050.93**

	Cash and Cash Equivalents at the end of the year	As at September 30, 2023 (SFL)	As at September 30, 2023 (SFL)	As at March 31, 2022 (STFC)	As at March 31, 2021 (STFC)
i)	Cash on Hand	140.39	153.43	95.05	79.61
ii)	Cheques on Hand	3.23	4.87	5.56	6.16
iii)	Balances with Banks (of the nature of Cash and Cash Equivalents)	3,675.09	3,923.23	2,654.78	5,014.78
iv)	Call Money (CBLO)		499.72	3,198.60	2,498.85
v)	Bank Deposit with original maturity upto three months or less	1821.34	4,924.05	4708.45	3,451.53
	Total	**5640.05**	**9,505.30**	**10,662.44**	**11,050.93**

Note - (1) The figures for the period after the appointed date for the merger of STFC and the Merged Entities (i.e. April 01, 2022) have been restated to take the effect of merger and are therefore not comparable with figures of STFC for the corresponding previous year periods or previously reported figures of STFC for the said quarters.

(2) *SFL means Shriram Finance Limited*

(3) STFC means Shriram Transport Finance Company Limited

(4) Merged Entities means Shriram Capital Limited and Shriram City Union Finance Limited

ANNEXURE VI: KEY TERMS

(as attached separately)

ANNEXURE VII -SUMMARY INFORMATION OF OUR FINANCIAL POSITION OF THE COMPANY FOR THE LAST 3 (THREE) YEARS

(Rs. in crores)

Balance Sheet

Particulars	**As at September 30, 2023 (SFL)**	**As at March 31, 2023 (SFL)**	**As at March 31, 2022 (STFC)**	**As at March 31, 2021 (STFC)**
ASSETS				
Financial assets				
Cash and cash equivalents	5,640.05	9,505.30	10,662.44	11,050.93
Bank balance other than (a) above	5,035.62	6,312.11	5,692.72	5,390.89
Derivative financial instruments	286.39	668.81	201.40	169.25
Receivables				
(I) Trade receivables	25.46	17.00	5.35	8.92
(II) Other receivables	327.56	260.12	192.67	49.90
Loans	1,87,172.79	1,71,984.58	1,16,665.15	1,08,303.04
Investments	9,051.40	8,565.06	6,971.23	3,346.77
Other financial assets	70.99	72.70	51.45	49.03
Total financial assets	207610.26	1,97,385.68	1,40,442.41	1,28,368.73
Non-financial Assets				
Current tax assets (net)	721.66	716.97	228.24	171.73
Deferred tax assets (net)	2,089.69	1,743.92	869.38	639.14
Investment property	1.01	2.62	1.97	2.00
Property, plant and equipment	232.96	209.49	110.56	124.44
Right-of-use assets	517.49	490.21	302.52	308.51
Goodwill	1,406.73	1,406.73		
Other intangible assets	1,180.01	1,217.65	3.04	2.39
Other non-financial assets	412.71	424.51	310.04	210.84
Intangible Assets under development		66.08		
Total non-financial assets	6562.26	6,278.18	1,825.75	1,459.05
Total assets	**2,14,172.52**	**2,03,663.86**	1,42,268.16	1,29,827.78
LIABILITIES AND EQUITY				
Liabilities				
Financial liabilities				
Payables				
(I) Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises	0.19	-	0.02	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	319.71	293.24	166.01	255.51
(II) Other payables				
(i) total outstanding dues of micro enterprises and small enterprises	0.40	0.36	1.46	0.37
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.45	1.09	1.21	0.54
Debt securities	41,337.30	43,652.59	41,256.55	40,061.87
Borrowings (other than debt securities)	78,831.81	73,590.02	46,676.93	45,281.37
Deposits	40,802.04	36,139.83	21,948.98	16,232.41
Subordinated liabilities	4,373.20	4,523.85	4,614.25	4,620.76
Lease liabilities	593.30	563.46	349.43	349.49
Other financial liabilities	1,267.08	1,020.66	859.64	964.35

Particulars	As at September 30, 2023 (SFL)	As at March 31, 2023 (SFL)	As at March 31, 2022 (STFC)	As at March 31, 2021 (STFC)
Total financial liabilities	**1,67,525.48**	**1,59,785.10**	1,15,874.48	1,07,766.67
Non-financial liabilities				
Current tax liabilities (net)	263.68	160.89	36.82	102.02
Provisions	254.45	211.48	138.18	142.54
Deferred tax liabilities (net)	-	-	-	-
Other non-financial liabilities	94.25	199.75	124.42	99.26
Total non-financial liabilities	**612.38**	**572.12**	299.42	343.82
Total liabilities	**1,68,137.86**	**1,60,357.22**	1,16,173.90	1,08,110.49
Equity				
Equity share capital	375.35	374.43	270.52	253.06
Other equity	45,659.31	42,932.21	25,823.74	21,464.23
Total equity	**46,034.66**	**43,306.64**	26,094.26	21,717.29
Total liabilities and equity	**2,14,172.52**	**2,03,663.86**	1,42,268.16	1,29,827.78

Profit and Loss Statement

(Rs. in Crores)

Particulars	As at September 30, 2023 (SFL)	As at March 31, 2023 (SFL)	As at March 31, 2022 (STFC)	As at March 31, 2021 (STFC)
Revenue from operations				
Interest income	15,904.51	28,607.36	18,646.26	17,128.14
Dividend income	1.45	6.52	-	-
Rental income	0.17	0.17	0.17	0.21
Fees and commission income	173.28	242.61	100.08	115.86
Net gain on fair value changes	72.80	340.07	221.70	21.80
Net gain on derecognition of financial instruments under amortised cost category	189.37	224.46	217.74	58.85
Other operating income	216.78	350.97	69.22	95.59
Total Revenue from operations	**16558.36**	**29,772.16**	**19,255.17**	**17,420.45**
Other Income	**14.1**	**30.73**	**19.06**	**15.95**
Total Income (I + II)	**16572.46**	**29,802.89**	**19,274.23**	**17,436.40**
Expenses				
Finance cost	7,109.40	12,545.76	9,734.31	9,054.26
Fees and commission expense	188.27	303.61	91.74	78.89
Net loss on fair value changes	-		-	-
Net loss of derecognition of financial instruments under amortised cost category	-		-	-
Impairment on financial instruments	2,007.16	4,159.17	3,860.86	3,118.40
Employee benefits expenses	1,580.77	2,506.11	997.09	906.25
Depreciation, amortization and impairment	268.65	524.18	135.37	137.36
Other expenses	818.31	1,579.17	905.61	863.23
Total Expenses	**11972.56**	**21,618.00**	**15,724.98**	**14,158.39**
Profit before exceptional items and tax (III - IV)	**4599.9**	**8,184.89**	**3,549.25**	**3,278.01**
Exceptional items	-	-	-	-
Profit before tax (V+ VI)	**4599.9**	**8,184.89**	**3,549.25**	**3,278.01**
Tax expense:				
(1) Current tax	1526.88	2,875.01	1,112.57	1,197.77
(2) Deferred tax	(353.26)	(680.96)	(188.93)	(545.36)
(3) Tax adjustment for earlier years	-	11.50	(82.32)	138.34

Particulars	As at September 30, 2023 (SFL)	As at March 31, 2023 (SFL)	As at March 31, 2022 (STFC)	As at March 31, 2021 (STFC)
Profit for the year from continuing operations (VII-VIII)	**3426.28**	**5,979.34**	**2,707.93**	**2,487.26**
Share of profit of associate	-	-	13.17	11.57
Profit for the year (IX + X)	-	-	2,721.10	2,498.83
Other comprehensive income				
(i) Items that will not be reclassified to profit or loss				
Remeasurement gain/(loss) on defined benefit plan	(27.71)	(8.02)	(3.24)	-
Gain / (loss) on Fair valuation of quoted investments in equity shares	12.72			
Share of other comprehensive income from associates		(11.80)	(0.03)	0.27
(ii) Income tax relating to items that will not be reclassified to profit or loss	3.77	4.99	0.82	-
Tax on share of other comprehensive income from associates	-	-	0.01	(0.07)
Subtotal (A)	(11.22)	(14.83)	(2.44)	0.20
(i) Items that will be reclassified to profit or loss Cash flow hedge		(14.68)		
Gain/(loss) on effective portion of hedging instruments in a cash flow hedge	44.77		(160.87)	-124.31
(ii) Income tax relating to items that will be reclassified to profit or loss	(11.27)	3.69	40.49	31.29
Subtotal (B)	**33.50**	**(10.99)**	**(20.38)**	**(93.02)**
Other comprehensive income (A + B)	**22.28**	**(25.82)**	**(122.82)**	**(92.82)**
Total Comprehensive income for the year (XI + XII)	**3448.56**	**5,953.52**	**2,598.28**	**2,406.01**
Earnings per equity share (face value Rs. 10/- per equity share)				
Basic (Rs.)	91.40	159.69	102.23	101.44
Diluted (Rs.)	91.03	158.99	102.23	101.44

Note - (1) The figures for the period after the appointed date for the merger of STFC and the Merged Entities (i.e. April 01, 2022) have been restated to take the effect of merger and are therefore not comparable with figures of STFC for the corresponding previous year periods or previously reported figures of STFC for the said quarters.
(2) *SFL means Shriram Finance Limited*
(3) STFC means Shriram Transport Finance Company Limited
(4) Merged Entities means Shriram Capital Limited and Shriram City Union Finance Limited

Cash flow Statement

(Rs. in Crores)

Particulars	As at September 30, 2023 (SFL)	As at March 31, 2023 (SFL)	As at March 31, 2022 (STFC)	As at March 31, 2021 (STFC)
Cash flow from Operating activities				
Profit before tax	4,599.90	8,184.89	3,549.25	3,278.01
Depreciation, amortisation and impairment	268.65	524.18	135.37	137.36
Share Based Payments to Employees	9.30	164.56	-	-
Interest on income tax refund	-	(14.66)	-	-
Interest income	(15,363.32)	(27,504.20)	(18,028.13)	(16,611.31)
Finance costs	7,109.40	12,545.76	9,734.31	9,054.26

Particulars	As at September 30, 2023 (SFL)	As at March 31, 2023 (SFL)	As at March 31, 2022 (STFC)	As at March 31, 2021 (STFC)
Loss/(profit) on sale of property plant and equipments (net)	(3.50)	1.00	0.79	0.65
Fair Value adjustments to Investments	1.00	1.85	-	-
Impairment on loans	1,998.90	4,128.79	3,865.02	3,128.29
Impairment on investments	10.23	4.70	(2.00)	(4.22)
Impairment on undrawn loan commitment	(6.67)	(0.40)	(4.00)	(5.45)
Impairment on other assets	4.70	26.08	1.84	(0.22)
Net (gain)/loss on fair value changes on investment	(95.46)	(373.62)	(236.83)	(2.85)
Net (gain)/loss on sale of mutual funds and certificate of deposits	-	-	-	(20.02)
Net (gain)/loss on fair value changes on direct assignment	22.66	33.55	15.13	1.07
Net (gain)/loss on fair value changes on derivatives	-	-	-	-
Net gain on derecognition of financial instruments under amortised cost category	(189.37)	(224.46)	217.74	47.05
Cash inflow from interest on loans	14,852.29	26,319.90	18,006.70	18,405.90
Cash outflow towards finance costs	(5,678.10)	(11,207.40)	(8,588.09)	(7,745.19)
Operating profit before working capital changes	**7,540.61**	**12,610.52**	**8,667.10**	**9,663.33**
Movements in Working capital:				
Decrease/(increase) in loans	(16,676.08)	(27,674.73)	(12,205.70)	(10,994.29)
(Increase)/decrease in investments	(389.39)	1,333.02	(3,372.48)	(372.28)
Decrease/(increase) in receivables	90.80	173.38	(372.06)	(90.83)
Decrease/(increase) in bank deposits	1,276.49	776.09	(301.83)	(1,164.96)
Decrease/(increase) in other financial assets	(2.99)	(20.12)	(4.26)	(10.11)
Decrease/(increase) in other non-financial assets	20.55	101.69	(14.67)	(41.13)
Increase/(decrease) in payables	26.66	66.16	13.51	111.67
Increase/(decrease) in other financial liabilities	246.69	(38.96)	(138.25)	(99.05)
Increase/(decrease) in non-financial liabilities	(105.50)	0.14	25.16	15.98
Increase/(decrease) other provision	21.93	55.99	(3.60)	1.66
Cash used in operations	**(7,950.23)**	**(12,616.82)**	**7,708.08**	**(2,980.01)**
Direct taxes paid (net of refunds)	(1,428.78)	(3,224.51)	(1151.94)	(1,258.75)
Net cash flows from/(used in) operating activities (A)	**(9,379.01)**	**(15,841.33)**	**8,859.02**	**(4,238.76)**
Cash flow from Investing activities				
Purchase of property, plant and equipment and intangible assets	(121.45)	(183.60)	(35.75)	(25.82)
Proceeds from sale of property, plant and equipment and intangible assets	6.53	3.54	1.42	0.93
Net cash generated from/(used in) investing activities (B)	**(114.92)**	**(180.06)**	34.33	(24.89)
Proceeds from issue of share capital (including share premium and net of share issue expenses)	19.83	12.16	2,478.57	1,472.64
Proceeds/(repayment) on settlement of derivative contracts	382.42	(467.41)	-32.15	589.48

Particulars	As at September 30, 2023 (SFL)	As at March 31, 2023 (SFL)	As at March 31, 2022 (STFC)	As at March 31, 2021 (STFC)
Increase / (decrease) in Fixed deposits (net)	4,148.03	6,778.56	5,443.14	4,206.86
Repayments of deposit	-	-	-	-
Amounts received from debt securities	6,342.50	9,194.70	16,637.86	10,636.15
Repayments of debt securities	(9,107.85)	(13,992.22)	(16,203.36)	(5,797.45)
Proceeds/(repayment) of subordinated debts	(236.54)	(136.34)	(50.32)	(1,069.27)
Amounts received from borrowings other than debt securities	34,260.64	61,633.95	41,477.93	38,480.04
Repayments of borrowings other than debt securities	(29,329.42)	(52,625.02)	(40,280.10)	(36,032.94)
Payment of Lease Liabilities	(100.99)	(188.73)	(114.90)	(107.33)
Dividend paid	(749.94)	(562.80)	(851.81)	(152.59)
Tax on dividend	-	-	-	-
Net cash flows from financing activities (C)	**5628.68**	**9,646.84**	**8,504.86**	**12,225.59**
Net increase/decrease in cash and cash equivalents (A+B+C)	(3,865.25)	(6,374.55)	(388.49)	7,961.94
Add: Adjustment on disposal of subsidiary	-	10,662.44	-	-
Cash and cash equivalents at the beginning of the year	9,505.30	5,217.41	11,050.93	3,088.99
Cash and cash equivalents at the end of the year	**5,640.05**	**9,505.30**	**10662.44**	**11,050.93**

	Cash and Cash Equivalents at the end of the year	As at September 30, 2023 (SFL)	As at September 30, 2023 (SFL)	As at March 31, 2022 (STFC)	As at March 31, 2021 (STFC)
i)	Cash on Hand	140.39	153.43	95.05	79.61
ii)	Cheques on Hand	3.23	4.87	5.56	6.16
iii)	Balances with Banks (of the nature of Cash and Cash Equivalents)	3,675.09	3,923.23	2,654.78	5,014.78
iv)	Call Money (CBLO)		499.72	3,198.60	2,498.85
v)	Bank Deposit with original maturity upto three months or less	1821.34	4,924.05	4708.45	3,451.53
	Total	**5640.05**	**9,505.30**	**10,662.44**	**11,050.93**

Note - (1) The figures for the period after the appointed date for the merger of STFC and the Merged Entities (i.e. April 01, 2022) have been restated to take the effect of merger and are therefore not comparable with figures of STFC for the corresponding previous year periods or previously reported figures of STFC for the said quarters.

(2) *SFL means Shriram Finance Limited*

(3) STFC means Shriram Transport Finance Company Limited

(4) Merged Entities means Shriram Capital Limited and Shriram City Union Finance Limited

ANNEXURE VIII: LENDING POLICY

(as attached seperately)

MASTER CREDIT PROCESS MANUAL

Version: 2022v.1

FOR

SHRIRAM FINANCE LIMITED (Formerly known as Shriram Transport Finance Company Limited).

RECOMMENDED BY THE CREDIT COMMITTEE

- MR. Y.S. CHAKRAVARTI
- MR. PARAG SHARMA
- MR. SRIDHARAN P
- MR. SRINIVAS K
- MR. G.M. JILANI
- MR. NILESH S ODEDARA
- MR. SUDHARSHAN B HOLLA
- MR. HARDEEP SINGH TUR
- MR. S SUNDER

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Introduction to credit policy

At Shriram Finance Limited (Formerly known as Shriram Transport Finance Company Limited) (SFL) Commercial Vehicles were an integral part of business activity and even a barometer of country's economic growth to a certain extent. We have been in this business since 1979 and with our experience today the company is growing strong along with the economy.

SFL also started funding small unorganized businesses in the year 2016. While banks are shying away from funding micro businesses due to lack of documented proof and track record, we have found our way to be in the business through our unique business model. Person to person mapping is the key to success in any unorganized business, which we have championed over last four decades.

As a NBFC we are able to provide customized solutions to the requirements arising out of small businesses in semi urban and rural areas. By doing this we are providing an organized way of financing the borrowers. In this process we are liberating them from the clutches of Money lenders.

The company has carved a niche for financing the small ticket size loans as the demand for the same is growing and the economy of doing businesses, which are financially viable and growing small business sentiment with an individual groomed as self- employed business person.

Ours is a vertically integrated business model and offers a number of products which include Pre-owned CV Financing, New CV Financing, Loan against property, Gold loan, Small Business loans, other Working Capital Loans to existing customers, etc.

Scope of the Policy

This credit policy intends to communicate the Management Vision to all the employees and provide a guidance document to entrust responsibilities to various levels and ensure higher growth in business with improving quality.

It would also deal with Micro and small loans credit and commercial related matters and would define the Management Vision, Intent and the procedure to be followed by Branches, Regional offices and Zonal offices for managing the portfolio.

The Policy will cover all types of customers including Individuals and Non-Individuals.

Management Vision

Serving needy customers at the bottom of the pyramid has been the strategy of SFL since four decades. Extending the same strategy, we would like to strengthen the market leadership position in financing Used Commercial Vehicles, Business Loans while maintaining some presence in New Commercial Vehicle finance. We would like to create niche out of the unorganized market of small business loans as we have been successfully doing in used commercial vehicle funding.

The Strategy

We would like to expand our operational geography by penetrating into the semi urban and rural locations, through our branches, rural centres and revenue sharing partners. Keeping the strategy of funding in underserved area a priority will ensure higher NIMs and thus higher sustainability of business.

Securitisation/ Assignment

The company will be maintaining its own portfolio to securitisation/ assignment portfolio in the ratio of 70%:30%

Target Market

SFL serves the unbanked segment of micro and small industries. MSMEs which are currently thriving on self funded small-scale businesses and are not able to get credit from Banks due to lack of documentation and assessment. SFL having its presence through more than 1700 branches and more than 500 RSP/BSPs and another 800 rural touch points are equipped to understand these businesses at local level. SFL has the capacity to assess these businesses through its manpower and fund them as per their requirement. Unlike Banks, SFL is better equipped to handle such unbanked customers, hence the opportunities are huge.

MSME Definition:

The MSMED Act, 2006 defines the Micro, Small and Medium Enterprises based (i) on the investment in plant and machinery for those engaged in manufacturing or production, processing or preservation of goods and (ii) on the investment in equipment for enterprises engaged in providing or rendering of Services.

The investment in plant and machinery is the original cost excluding land and building and other items specified by the Ministry of Small-Scale Industries vide its notification no. S.O. 1722 (E) dated 05.10.2006.
The guidelines with regard to investment in plant and machinery or equipment as defined in the MSMED Act, 2006 are:

Manufacturing Enterprises and Enterprises rendering Services	Composite Criteria: Investment in Plant & Machinery*/equipment and Annual Turnover

Micro	Not exceeding Investment* Rs.1 Crore and Annual Turnover Rs. 5 Crore
Small	Investment* More than Rs.1 Crore but does not exceed Rs.10 Crore and Annual Turnover More than Rs. 5 Crore not exceeding Rs. 50 Crore
Medium	Investment* More than Rs.10 Crore but does not exceed Rs.50 Crore and Annual Turnover More than Rs. 50 Crore not exceeding Rs.250 Crore.

*The investment in plant and machinery is the original cost excluding land and building and other items specified by the Ministry of Small-Scale Industries vide its notification.

Product Offerings

Following Products are offered by SFL

Commercial Vehicles and Equipment

1. Light Goods Vehicle- All goods vehicle having gross vehicle weight below 16.2 Tonnes vehicle would be considered in this category.
2. Heavy Goods Vehicle- All vehicles excluding those in construction vehicle category having gross vehicle weight above 16.2 Tonnes would fall under this category.
3. Construction Vehicle- All Vehicles and RTA registered machinery used for construction purpose will come under this category. Tippers would be included under this category.
4. Machinery/ Equipment- All stationary equipments used for commercial purposes (Not registerable under RTA)
5. Passenger Commercial- All passenger vehicles used for commercial purposes would come under this category
6. Car and Utility Vehicles- All passenger car and utility vehicles
7. Tractor & Farm Equipment- All farm related vehicles and equipments would come under this category
8. Two Wheelers

Business Loans

1. Working Capital Loans
2. Loans for Capital Investment for expansion purposes
3. Personal Loans
4. Vendor Financing

Gold/Jewel Loans- A separate policy is placed for consideration and approval.

Loan Against Property- A separate policy is placed for consideration and approval.

Co lending in Partnership with Bank and NBFCs- A separate policy is placed for consideration and approval.

Unsecured loans

The company will have unsecured loans portfolio to a maximum extent of 25% of its total lending portfolio

1. Loan assistance for General Insurance
2. Loan assistance for Life Insurance
3. Loan assistance for Vehicle repairs
4. Loan assistance for Vehicle Working capital requirement such as Toll/Tax/Fuel etc.,
5. Tyre Loans for existing vehicle customer
6. Personal Loan to existing customers

Geographical Coverage:

We would serve our customers all India through our branch network of more than 1000 branches, 1000 rural centres and Revenue sharing partners across India. Criteria for funding through Revenue sharing partner would be detailed in separate policy document.

Customer Categorization:

Customer categorization is necessary for assessing the risks and controlling concentration of exposure with few customers. Building a diverse portfolio is necessary to ensure that risks are contained to the optimum level. Also, it helps in providing better service to key customers.

SFL customers would be categorized by the business turnover:

Category	Type	Description
C	Small Customer	Unorganised financials/ Business Turnover up to 50 Lakh
B	Mid Customer	Availability of Audited Financials or ITR/ Business Turnover of up to 1 Crore
A	Large Customer	Availability of Audited Financials or ITR/ Business Turnover above 1 Crore

In no case the total exposure to the Borrower should exceed the Reserve Bank of India guidelines on Single /Group Borrowing exposure norms.

Caution profile of customer:

Following category of customer including immediate family members would be termed as caution profile and will require credit approval from Zonal Credit Committee/JMD Committee irrespective of the exposure amount.

1. Any individual who has contested or is a potential contestant in election of legislative assembly / parliament, municipal body or panchayats
2. Any individual who holds office of any local/ regional political party/ National political party
3. Individuals working in police force (Gazetted officers to be excluded)
4. People who are known to have criminal / anti-social background
5. Repossession and collection agents
6. Individuals who are lawyers/ advocates.
7. Companies having close family shareholding or beneficial ownership.
8. Trusts, charities, NGOs/ unregulated clubs and organizations receiving donations
9. Customers that may appear to be Multi-level marketing companies

   The Company should refrain from extending business loans to entities without ensuring that they had the necessary registration under the Money Lending Act or any other appropriate regulation if they were primarily in the business of lending.

Customer Selection Criteria:

Customer selection Criterion- Individuals/ Proprietor

Parameter	**Qualification**	**Validation Document**
Stability	Min 6 months residence in same place	Utility Bills/ Govt issued ID proof
External Guarantor	Mandatory for all loans	KYC to be obtained
Guarantor Track Record	Satisfactory	Field Investigation to be certified as per Limits of various products
Trade Reference Checks	Satisfactory	Field Investigation to be certified as per Limits of various products

Customer selection Criterion- Other than Individuals/ Proprietor

Parameter	**Qualification**	**Validation Document**
Turnover	Rs 10 Lakh	Financials to be verified

Repayment Track record	Satisfactory	Bank statement
Debt Service Coverage Ratio	>=1	Cash flow statements
Guarantor	Mandatory/ Internal preferred	KYC to be obtained
Trade reference Checks	Satisfactory	Field Investigation to be certified as per Limits of various products

Organizational Credit Hierarchy:

We believe in our relationship with the customer and we work with our customers to make them grow. This is possible when faster decisions can be taken and monitoring can be done through meetings with customer on continuous basis.

Our competency is quick service and quicker decision on funding and settlements.

Keeping up with the organizational philosophy Branch Managers, Regional Business head or equivalent role and Zonal business Committee/JMD Committee/Central Credit Committee have authority to approve the proposals as delegated to them from time to time.

Hence, The Credit hierarchy starts with Branch Team Leader (BTL) in the branch, which would check the sanctity of basic documents collected for the specific case and then the appraisal is done by Branch head, Regional Business head or equivalent role and the appropriate Credit Committee as per policy

Exposure Guidelines

Company is mainly into retail lending, hence there is no cap on retail lending. Maximum exposure to the corporate sector will be not more than 15% of overall lending portfolio excluding exposure to NBFC's sector not more than 5%.

As a retail lender, company is mainly into auto loan sector lending. However, the company's maximum exposure will not be more than 5% of overall portfolio as a part of new initiatives/ventures.

The company will not

1. Lend to
    a. any single borrower exceeding fifteen per cent of its owned fund; and

b. any single group of borrowers exceeding twenty five per cent of its owned fund;

2. Invest in

a. the shares of another company exceeding fifteen per cent of its owned fund; and

b. the shares of a single group of companies exceeding twenty five per cent of its owned fund.

3. Lend and invest (loans/investments taken together) exceeding (a) twenty five per cent of its owned fund to a single party; and (b) forty per cent of its owned fund to a single group of parties.

The concentration of credit norms

1. Funding not to exceed 5 per cent for any single party and by 10 per cent for a single group of parties, if the additional exposure is on account of infrastructure loan and/ or investment

2. However, the above said limit is not applicable to investment/Loans made by the company in its subsidiaries/companies in the same group. But the same shall be reduced from the calculation of NOF

Capital Market Exposure

1. The company will maintain a Loan to Value (LTV) ratio of 50% for loans granted against the collateral of shares. LTV ratio of 50% shall be maintained at all times. Any shortfall in the maintenance of the 50% LTV occurring on account of movement in the share prices shall be made good within 7 working days.
2. In case where lending is being done for investment in capital markets, accept only Group 1 securities (specified in SMD/ Policy/ Cir - 9/ 2003 dated March 11, 2003 as amended from time to time, issued by SEBI) as collateral for loans of value more than Rs. 5 lakh, subject to review by the Company.

3. Report on-line to stock exchanges on a quarterly basis, information on the shares pledged in their favour, by borrowers for availing loans

Real estate Exposure:

The company will be lending mainly for Business activities in connection with Automobiles and shall be taking immovable properties as collateral..

Internal credit rating:

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of

risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit department of the Company. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties.

The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

The Company's internal credit rating grades on days past due(dpd) basis:

	Internal rating description Internal rating grade
Performing	
High grade	0 dpd
Standard grade	1 to 30 dpd
Sub-standard grade	31 to 60 dpd
Past due but not impaired	61 to 90 dpd
Non-performing	90+ dpd

Geographical concentration:

The company will be geographically concentrating in all the regions based on the business potential for disbursements for Lending for commercial vehicles which is the prime business of the company.

Funding in a particular state will not exceed 25% of overall lending portfolio.

Restructuring of loan:

The company will be doing its restructuring only based on its restructuring guidelines detailed in this policy

Asset Financing:

The company will be mainly financing the borrower for buying physical assets supporting productive/economic activity, such as automobiles, tractors and other commercial vehicles/assets and shall comply with RBI norms defined for AFC classification

Central Credit Committee:

Central Credit committee would be the apex body for regulating the credit culture in the company and would be responsible for the following:

1. Design and implementation of credit process
2. Implementation of Various credit assessment tools for helping operations team in better customer selection
3. Training for Credit assessment and monitoring of portfolio at various levels.
4. Monitoring of Delinquency and taking corrective actions
5. Decisions on write offs for loss cases
6. Decisions on funding in higher ticket size cases as decided from time to time

Zonal Credit Committee

Zonal Credit Committee consists of Zonal Business Head, Zonal Back Office Head, one or two Senior Regional Heads. Zonal Credit Committee can approve the escalations made by ZTL, RBH or equivalent role.

JMD Credit Committee

JMD Committee consists of JMD, Back office Head, one or two Senior Heads in the Geographical Unit. JMD Committee can approve the escalations made by ZCC, RBH or equivalent role.

Operation work flow:

Following would be the typical workflow for sourcing to disbursement of a file in a branch

Steps	Process Flow	Responsibility
1	Sourcing by RE	RE
2	Lead entry into system	RE
3	Collection of Documents	RE
4	Proposal Entry	CSE

5	Document Check	BTL
6	Branch Manager Assessment & Approval	BM
7	If escalation, then RBH or equivalent role /appropriate Committee Assessment & Approval	BM
8	Issue of Sanction Letter	BM
9	Signing of Agreement	RE/ BM
10	Margin Money Collection	RE/ BTL
11	Collection of Other Charges	RE/ BTL
12	Disbursement	BTL
13	Collection of Post Disbursement documents	BTL/RE
14	Dispatch to Doccell	BTL

Responsibility of Operations Team

In SFL operations team handles direct responsibility of Business and Credit. Hence it is important to understand the credit responsibilities at each level. While respective heads including ZBH, RBH & BM are responsible for overall wellbeing of the business under their control, they would be responsible for the entire process from customer selection to account settlement and for the documentation and recordings thereof.

It is important to understand that Zonal Team Leads (Commercial heads) reports into the ZBHs, Hence ZBH with the help of Zonal Team leads would be responsible for recording of the process in system or documents thereof. Following responsibilities would be entrusted to various levels of hierarchy in operations.

Role of ZBH in Credit Quality

Zonal Business Head (ZBH) is the supreme authority of all branches and regional offices falling under his zone. All credit decisions taken by the team would be his responsibility.

Zonal Business Head is assumed to be having the supreme understanding of the Management Vision, Business Strategy, Rules & Regulations, Delegation of powers and the Regulators requirements with regards to maintenance of documents and assessment records thereof.

ZBH with his structured team of Operations and Commercial personnel would ensure compliance at all time.

Role of RBH in Credit Quality

Regional Business Head (RBH) is the supreme authority of all branches falling under his region. All credit decisions taken by the team would be his responsibility.

RBH shall take the guidance of Business Strategy from respective ZBH which would be in line with the Management Vision and Rules & regulations framed from time to time.

RBH would utilize all the resources of Operations and Commercial team to undertake business and ensure compliance at all time.

It is to be noted that RBH denotes RBH or equivalent role across the credit policies for all products.

Role of Branch Manager in Credit Quality

Branch Manager plays very crucial role in SFL, as he is in direct contact with all the customers in his branch. All credit decisions would be taken by Branch Manager in his limits and it is his responsibility to prepare proper assessment (as guided from time to time) of all the proposals and decide on funding. Branch Manager is expected to record the assessment in fair way before sending the same to RBH or equivalent role / ZBH/ appropriate Credit committee as per limits assigned for various products.

Branch Head would ensure required documentation and legal compliance, while growing the business as per management expectations.

Role of RE

Relationship Executive (RE) is the touch point between SFL and customer. Being the face of the organization RE should be a well groomed person with sufficient knowledge of products, processes and documentation. Continuous learning is the key to keep abreast in business and compliance.

RE would be responsible to handle the customer and fulfill all documentation requirements for all the cases sourced by him. RE would understand the process in detail and communicate with customer to gain more information about him and get the proposal through with minimum deviations.

Responsibility of Business Processing Team:

Role of ZTL

Zonal Commercial Head (ZTL) plays very crucial role in managing whole process from identification of proposed customer to closure of the loan. ZTL would take guidance from Zonal Credit Committee/JMD Committee and would monitor the Credit assessment, Business processing and Documentation for the zone. ZTL would report all deviations and discrepancies to Zonal Credit Committee/JMD Committee on periodic basis and ensure compliance through his team of RTL and BTL in the zone.

Role to RTL

Regional Commercial Head (RTL) would take business processing guidance from the respective RBH or equivalent role and would be guided by ZTL for system & Documentation work. RTL is supposed to know all the Rules, Regulation, Policies and circulars and is bound to ensure compliance at all time.

Role of BTL

Branch Admin (BTL) has a critical role in any organization, as he comes in direct contact with the customer at the time of personal interaction and disbursement. BTL should help Branch manager prepare an exhaustive appraisal note and ensure that all details are captured. BTL would ensure compliance for all rules and regulations, policies and circulars for each case.

Delegation of Powers (DOP):

Delegation is important aspect for any organization to ensure seamless decision making and business processing, while entrusting the responsibilities of profit and loss at enterprise level.

There may be different levels of powers delegated at various levels in hierarchy with different products.

This delegation would be updated from time to time through circulars and specific DOP shall be recorded in product specific policies.

The responsibility of following the DOP in spirit lies with the entire operations team, while system team would try to incorporate the same in system.

Any deviation in the DOP would be treated as exception and would be escalated to Zonal Credit Committee/JMD Committee/Central Credit Committee as the case may be.

Documentation:

Documentation consists of two parts,

1. For assessment of the proposal,

2. Legal documentation for entering into contract with customer availing loan facility.

Both parts are important as pre disbursement assessment would give an indication whether the relationship with customer is going to be profitable in the long run.

Following documents are necessary to be maintained by branch for each loan proposal

Pre-Disbursement

1. Assessment documents:
    a. Duly filled application form
    b. KYC Documents
    c. Proof of Financial stability
    d. Proof of Financial viability
    e. Proof of application of funds
    f. Project report/ Projections report
    g. Assessment report by STFC employee
2. Legal Documentation:
    a. Loan Agreement
    b. Hypothecation deed on Assets Financed (Vehicle/ Machinery/ Stocks/ receivables) c. Letter of Guarantee
    d. Demand promissory Note
    e. Any other document as specified by legal team for the specific loan

    (All documents provided by customer should be self attested)

Post Disbursement

1. Collection of Proof of usage of funds for the purpose declared in application form
2. If project-based funding, Project completion report
3. For working capital disbursement, Stock report while ensuring that principal balance is only 75% of total stock at any point in time.
4. For machinery funding, Invoice to be taken and delivery of machine to be ensured.
5. Any other specific documents as applicable to various loans.

Collateral Management:

Collateral management includes selection of collaterals, risk in collaterals, valuation and inspection of collaterals, eligible financial collaterals and guarantees. Collateral is defined as the assets or rights provided to the financier by the borrower or a third party in order to secure a credit facility. Financier shall have the rights of secured creditor in respect of the assets/ contracts offered as security for the obligations of the borrower/ obligor.

Legal Verification

If property is taken as collateral, legal verification is must and it should clearly state that the property is free from any kind of encumbrance and is freely marketable. Also, legal verifier should certify the ownership of property.

Empanelment of Valuator & Valuation Report:

Regional Business Head or equivalent role should ensure that the Valuator is empaneled with SFL with a binding agreement on him to ensure that the valuations done by him are fair. There should be a panel of external Valuators for appointing them on rotational basis.

Fair Market value should be considered while taking the decision of funding and to ensure enough margin is maintained considering risk of price fluctuations.

Valuation should be done by two external valuators in case of proposed loan amount exceeds Rs.100 Lac. Lowest among the two valuations to be considered for deciding on the funding.

Selection of Collaterals

Vehicle Loan: SFL with its established processes may value the vehicles well and therefore in Vehicle loans (New/ Used) no additional collateral is required. However, it should be ensured that the loan to value for a Vehicle loan never crosses 95% during the tenure of the loan. Deviation upto 100% LTV has to be approved by Zonal Credit Committee/JMD Committee.

Gold/Jewel Loan Collateral – Collateral details covered in the Gold Loan policy

Business Loan

Primary Collateral: Primary collateral for the business loan would be the asset being generated by way of use of funds.

1. Stocks being funded would form the collateral for all working capital loans
2. Receivables of the financiers would form the collateral with SFL having its first charge on the same
3. Machines being funded should be hypothecated to SFL by way of an agreement with customer and taking original invoice into SFL custody
4. Other loans funded for working capital would have the business receivables and finished/ unfinished stocks as collateral to SFL

Customer would submit stock statement / receivables statement to SFL on quarterly basis ensuring coverage of the loan through collateral offered as agreed at the time of agreement.

In case of an individual/Non-individual being a borrower, Stock/Inventory statement may be submitted with self-certification of the borrower for all 4 quarters for loan value between Rs.5 lac and Rs.100 Lac. For more than Rs.100 Lac, it can be self-certified for 3 quarters and CA certified for March ended quarter.

In case of receivables funding, receivable statement to be verified and certified by authorized SFL executive for 3 quarters and CA certified statement for March ended quarter.

In case of Onward Lending to Financiers, receivable statement duly submitted on post disbursement against the lending should be certified by CA. The same to be verified and certified by authorized SFL executive to ensure that receivables submitted are as per the sanction. There after the receivable statement should be submitted every quarter as specified above.

It is important to ensure the value of proposed asset/s being taken as collateral and the decision lies with branch Manager/ RBH or equivalent role / Zonal Credit Committee/JMD Committee as per loan amounts in their limits

SFL wants to promote all kinds of small businesses but taking current assets as collateral may sometimes turnout to be risky due to conversion of current assets to cash may not be optimally possible all times.

Hence, SFL would ensure enough coverage through Property collateral for most of the loans disbursed for business purpose. This would be considered as secondary collateral

Secondary Collateral:

Secondary collateral should be obtained to ensure additional coverage against the loan outstanding.

The secondary collateral may be in the form of any of the below:

1. Residential Property
2. Commercial Property
3. Land
4. Vehicles
5. Machineries

Proper Valuation and legal search is compulsory in each case where property is being taken as collateral. However, in case of machineries a hypothecation agreement would suffice. While vehicles should be hypothecated by way of endorsement on Registration Certificate (RC)

Secondary property can be a single property of multiple properties against one loan agreement.

All properties which are taken as collateral should be entered into CERSAI so as to protect our first charge on the property

However, Registration of Mortgage of deposit of Title deed (MODT) may be followed as per the local practices in respective state. Zonal Credit Committee/JMD Committee would however take guidance form legal department and decide on the process of obtaining secondary collateral in respective zones

Total loan amount is restricted to the maximum of 90% of the value of primary and secondary collateral.

Loan Recall

SFL would mandate customers to ensure security coverage at the LTV decided at the time of agreement.

In case customer fails to maintain/ replace/ furnish security against the loan or the value of security falls thereby cover being reduced for a loan, SFL has right to recall the part/ total loan amount outstanding with future principal as on date and settle the loan within 15 days of the recall notice.

Failing to repay the loan/ satisfy security requirement, legal procedures would be followed.

RBI Guidelines

Guidance may be taken from the Master Directions of Reserve Bank of India, which may be accessed from the below link:

1. **Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016**

2. **Master Direction - Know Your Customer (KYC) Direction, 2016**

3. **Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs**

All circulars and amendments with reference to the said master directions should be followed in letter and spirit. Principal of "***Ignorantia juris non excusat or ignorantia legis neminem excusat***" would be applicable, which means that ignorance of law is no excuse for escaping the liability.

Guarantee Requirements

All loans should be backed by a strong guarantor except for Business Loans where Guarantor is optional. Guarantors from relatives should be avoided. Cross Guarantees should be avoided

In case of companies, internal guarantor(s) would be the promoter director(s) having management control in the company. Personal guarantees of all such directors would be taken

External guarantor would be the third party guarantor who does not have any stake or control in the company/ firm and does not belong to the same family and their in-laws.

Business Vintage:

Business Vintage should be defined for the applicant or his immediate family members. The business vintage should be evidenced by any proof of business/ tax payment receipt/ Field investigation for small ticket size cases as specified in the respective policy.

Residence Stability:

Residence stability is required to understand the customer's intention to continue in the city or shift the city on failure. This can be defined as period of stay in the same city. Documentation to prove the continuous residence in same city should be obtained and assessment of future stability may be obtained from the Field investigation and reference checks

Establishment of ownership

Ownership of Business, Vehicle, Machinery, Equipment etc. may be established by proof of purchase on the name of the applicant, Registration certificate in the name of owner, company etc.,

Financial Ratios & Financial Assessment

All financial ratios as required in the Customer assessment format would be required to be keyed in from the numbers available in financial statements including Profit and loss account, Balance sheet, Cash flow statement/bank statement, Credit Bureau statement etc.

Only latest financial reports should be taken for assessment.

Leverage: Leverage is defined as Total liabilities to tangible net worth of the company. This shows how much of the liabilities are covered through equity capital

Debt Service Coverage Ratio (DSCR): This is a measure of ability of the customer to service its debt repayment capacity. it is defined as (PAT+Depreciation+interest) / (Current portion (less than 12 months) of long term debt payable +short term debt due within 12 months+ interest. Debt would exclude WC limits, which are perennial in nature and get rolled over & Loans from friends and relatives, which is quasi-equity in nature.

PBDIT (Profit before Depreciation Interest and Taxes): Profit of the company should be in increasing trend and any dip in profit should be justified with detailed note. For partnership and closely held companies' remuneration paid to partners/ directors can be added back to profits.

Profitability: Profitability shall be defined as the ratio of PBDIT to gross sales / Total Billing/ Gross Revenue/ Contract receipts in the concerned financial year

Repayment track Record/ Repayment History:

Average delay (AD) shall be calculated as total no of days delay in a year for all installments divided by no of installments in a year. Advance installment days is not to be deducted from delay days

Peak Delay (PD) shall be calculated as the maximum no of days delay (DPD) in one single installment among all installments paid in a year.

One of the following will be used as evidence of the payment history:

- Statement of account from financiers providing details of the payment due dates , as well as the dates on which Loan payments were actually received
- Receipts issued by financiers for payments made, which will be accepted only for payments made by cash or by demand draft; in the event of payment by cheques, bank statements would be verified to validate payment history
- Prompt payment rebate letters from financiers recognizing & rewarding payment history
- Customer's loan statement of account and/or bank statement Track record would always mean for a minimum period of 12 months

Repeat Funding:

There would be a cooling period after funding for a minimum period of 6 months for business loan, no loan can be disbursed to such person until the loan was already sanctioned under single sanction letter in previous funding.

Appraisal done for an applicant would be only valid for 60 days. Fresh appraisal would be required for the applicant, in case of non- funding, case cancellation.

KYC Policy:

KYC policy would be guided by RBI Master Direction - Know Your Customer (KYC) Direction, 2016 as and when amended. KYC policy would be a separate policy and would be applicable to all products.

Environmental Clearances:

As per the notification issued by Ministry of Environment and Forests dated 27.01.1994 following needs to be followed:

As per the notification, Public Hearing is not required in respect of (i) small scale industrial undertakings located in (a) notified/designated industrial areas/industrial estates or (b) areas earmarked for industries under the jurisdiction of industrial development authorities; (ii) widening and strengthening of highways;(iii) mining projects (major minerals) with lease area up to 25 hectares, (iv) units located in Export Processing Zones, Special Economic Zones and (v) modernisation of existing irrigation projects.

In case of the following site specific projects:

(a) Mining;

(b) Pit-head thermal power stations;

(c) Hydro-power, major irrigation projects and/or their combination including flood control;

(d) Ports and Harbours (excluding minor ports);

(e) Prospecting and exploration of major minerals in areas above 500 hectares;

The project authorities will intimate the location of the project site to the Central Government in the Ministry of Environment and Forests while initiating any investigation and surveys. The Central Government in the Ministry of Environment and Forests will convey a decision regarding suitability or otherwise of the proposed site within a maximum period of thirty days. The said site clearance shall be granted for a sanctioned capacity and shall be valid for a period of five years for commencing the construction, operation or mining.

Take Over of loans:

If customer approaches for a loan which is already under finance with other Bank/Financial institution, such loans can be taken over based on the following -

i) Reason for change of lender to be taken from customer ii) Statement of Account and Letter with the proposed settlement amount to be obtained iii) Loan status should be standard asset. iv) NOC issuance procedure to be checked with the current lender. **v)** The proposal should satisfy our existing credit norms.

Deal Process Flow:

Lead Generation: Lead generation is most important part of business process flow; leads can be generated from existing customer base, customer/ guarantor references/ market references, etc.

All leads should be entered into the system for proper tracking of the leads for future reference, irrespective of whether the proposal is sanctioned or rejected.

Each lead captured today would be a business opportunity at some point in time.

Customer Meeting: If a lead fructifies into a meeting with customer, following should be done by the RE.

Basic Credit evaluation: During the meeting with the client, RE evaluates the client on various parameters like stability, client's business, his associations, his work in hand/ deployment intentions, asset base, financial facilities and discipline etc.

Asset/ Fund requirement justification: Basis the work in hand/ capital requirements/ deployment opportunities the Relationship executive does a primary assessment on Asset/ fund requirement and its profitable deployment.

In case of refinance, Relationship Executive would also do end use verification and application of same for business purpose. If the end use/ application of money is otherwise, cash flow justification and customer's ability on repayments should adequately justify the funding.

Documentation:

Once the RE gets convinced on funding the client and commercial viability of asset/ fund under the proposed deployment plan; he gets basic credit documents done. RE will also collect the copies of RC/ Invoice/ Property papers/ financial reports etc.

Rating & Reference Checks:

Post documentation, the RE will do the grading of the client with trade reference checks. Checks need to be done with.

- Suppliers: Existing suppliers of raw materials/ consumables forming at least 10% of total expenditure in business
- Similar Businesses: People operating in the same line of business and are peers to proposed client
- Principals/ Customers: People for whom the client may be working for in the capacity of agent OR those customers who contribute at least 10% of the share of his business.

Approval & Booking Process:

RE will provide basic KYC details of customer and guarantor & asset details to branch admin (BTL), who will generate customer ID and will go to stage -1 data entry and generate proposal number. He will run internal dedupe & Credit Bureau report for required cases.

Branch Manager will initiate valuation of Asset/ Inventory/ property through empanelled valuer

Branch Admin would ensure a complete file with required KYC, Application form, internal rating, Credit Bureau report, legal assessment, NACH Mandate , Customer assessment form and submit to Branch Manager

Branch Manager would record his assessment in the file for deciding on the Amount, LTV, Rate and tenure with specified reasons in deviations from the policy rates and LTV (If any) and approve the case under his limits and escalate the file to RBH or equivalent role / appropriate Credit committee as per the approval matrix

After approval is obtained, the branch admin would proceed for data entry into system and issue sanction letter with terms and conditions of the loan. All terms to be complied by the customer should be mentioned in the sanction letter viz, Periodic submission of documents, stock report, financial documents, maintenance of stocks etc.

Branch Manager initiates the process of mortgage/ hypothecation in registrar office/ vehicles as per the collateral being obtained.

Legal documents like agreement, hypothecation deed, Demand Promissory Note and other case specific documents should be signed by the customer and branch manager with the witnesses thereof.

If case is rejected, branch admin will capture the same as rejection and input the customer details in dedupe data.

Collection Process and Triggers:

SFL would have customer relationship based collection policy, there would not be policy driven norms for recovery of vehicle/ asset from the customer. Branch Manager would decide on the recovery of vehicle/asset from customer depending upon the relation with customer. However, Branch Manager would abide by the collection guidelines and would try to maintain most of the cases under 90 DPD.

As SFL look forward to following 90DPD NPA regime, any loan going into the 60 DPD bucket should be viewed stringently.

Buckets	**Proposed Action**
0 Bucket	RE follows up with the client for repayment and ensures collection through various modes available
1-30 Bucket	Branch Manager follows up the RE for collection and ensures the collection
31-60 Bucket	Branch Manager meets the customer and takes feedback on collection
61-90 Bucket	RBH or equivalent role to get involved for collection, meets customer for follow up of collection
91-120 Bucket	Loan recall notice to be sent giving 15 days notice. Asset Recovery formalities to be started to ensure vehicle custody in good condition
121+	Legal recovery procedure to start with sale of asset/ non availability of asset

Portfolio Monitoring:

The need for monitoring process is to identify related problem at early stage and helping business to take corrective action.

- Non-starter and early delinquency review
  The Branch Manager would obtain the data from respective RE and would start meeting the customers to understand the problems underlying the reason for delinquency and ensure roll back of customer to regular.
- A customer would be deemed to be a non- starter where first EMI remains unpaid
- Early delinquency customers would be those customers who have more than 3 EMIs outstanding within 12 months of contract.

Asset Recovery Policy:

Movable Assets:

Cases which are more than 3 EMI's due would qualify for the recovery of asset from the customer

For cases wherein the customer is in 0- 60 DPD and the asset is at risk with third party and the intention of the same is questionable then such assets should be recovered immediately.

Prior to asset recovery notices like 60 DPD and the loan recall notice have to be sent to the customer. Asset can only be recovered from the customer after 15 days of the date of sending of the notice.

After recovery of the asset from customer, Branch Manager would ensure that the police station under the jurisdiction of which the asset is recovered, has been informed.

After taking the custody the employee would make an inventory sheet and take the asset to the nearest empanelled parking yard of the company/ Automall Yard.

In case the circumstances prevail wherein we cannot park the asset in an empanelled yard, prior approval from RBH or equivalent role has to be taken for parking the asset at an un-empanelled location.

Post recovery of asset from customer, notice to be sent to the customer giving the details of the entire outstanding amount and a time period of 10 days to make the payment.

Resale Activity process

Assets in stock would be sold within reasonable time from the date of recovery from customer, including the notice period given to the customer.

For asset sale, valuation of movable assets must be done and the photographs in the prescribed format as required by the company.

Post receiving the quotes and resale approval from the RBH or equivalent role, the resale payment has to be deposited within 5 working days failure of which may lead to accepting the next best quote

0-10 days	Notice period of customers
11-30 days	Quotes to be collected
31-40 days	Resale approval and application of resale proceeds
41-90 days	Asset can be only in custody if the customer has taken legal action, Business team wants to further negotiate

Asset Liquidation process:

Once the asset has been recovered from customer, the same has to be reported into the system with 48 hours from the date of recovery.

Pre asset recovery notices, police intimation, post asset recovery notice, Inventory sheet duly signed by employee and the confirmation from parking yard will have to be handed over at the branch

RBH or equivalent role would be the final authority to decide on the sale amount.

Once the sale proceeds are received in the system, closure of the contract will have to be initiated and NOC handed over to the buyer.

Contracts that have shortfall will then be forwarded to legal department for recovery of the losses based on the terms of the agreement.

Branch Manager/ RBH or equivalent role would follow up with each case and ensure closure at earliest.

Immovable Assets:

Recovery from immovable assets would be triggered as done in movable assets; however, procedure followed would be as per state laws. All cases would be routed through legal retainers for sending notices and taking charge of property for auction. As real estate is state subject, recovery procedures as per state laws would be followed.

Asset Release approval Matrix:

All Outstanding dues paid (inclusive of Interest, penal, Cheque/NACH dishonour charges, Repo charges, & Legal expenses)

Approval authority to release the assets lies with Branch manager if the case is brought under 60 DPD Any

other deviations rest with RBH or equivalent role

Loan Settlement Matrix:

Loan settlement would be dealt through a separate "Policy For Recovery & Monitoring of Loans".

Restructuring of Loans

Due to various economic issues a loan may not perform up to the satisfaction of SFL. In such scenario it is critical to assess the viability of repayment by the customer in future. If there seems to be no future cash flows (unviable operations), it would be prudent to recover the asset funded and realise the balance amounts from the same and proceed for legal recovery for collection through sale of customer's other assets.

In case the arrears of the customer are temporary in nature and it is certain that repaying arrears in one shot would not be possible by the customer, restructuring a loan would be the viable option to help customer to come out of temporary issues

It is important to assess the future outlook of cash flows from the customer.

Restructuring of loans would be allowed subject to following conditions:

1. The customer has over dues as on the date of request.
2. The present assessment of the customer is positive and it is ensured that future repayments would not be impacted due to non-availability of enough cash flows.
3. Loan to Value should be maintained at reasonable levels.
4. Additional collateral may be taken in case the vehicle value / assets mortgaged with us do not support the LTV of funding amount.

1. 4. As per appraisal if there is a requirement of the outflow to customer to ensure fresh cash flows, SFL may decide to provide additional funds to customer based on revised assessment of the vehicle value maintaining the LTV as per policy.

Any deviations from this policy shall be approved by Zonal Business Committee/JMD Committee

Reserve Bank of India (RBI) has come out of Resolution framework applicable to all eligible borrowers vide its Notification No. RBI/2020-21/16 DOR. No. BP. BC /3/21.04.048/2020-21 dated August 6, 2020. RBI also issued Notification. RBI/2020-21/17 DOR. No. BP. BC/4/21.04.048/2020-21 dated August 6, 2020 issuing guidelines on Medium, Small and Medium Enterprises Sector – Restructuring of advances.

The following conditions will strictly be adhered to by the company in case of restructuring of any loan agreement is undertaken.

1. All Loans offered against Vehicles, Business and working capital Loans extended to such Loan borrowers that are standard as on March 1, 2020 having not more than 30 DPD will be considered. Further, the account should continue to remain standard till the date of invocation.
2. The date of invocation shall be the date on which both the borrower and the company have agreed to proceed with a resolution plan under this framework.
3. The Borrowers whose earnings are not likely to be regular enough to service their Loan Instalments (Principal plus interest) that are due for up to next 6 months would be covered under this scheme.
4. The actual resolution plan will vary from customer to customer depending on the stress levels that they are undergoing in the current environment.
5. Resolution under this framework may be invoked not later than December 31, 2020 and will be implemented within 180 days from the date of invocation.
6. The Company may allow extension of the residual tenor of the loan, with or without payment moratorium, by a period not more than two years. The moratorium period, if granted, shall come into force immediately upon implementation of the resolution plan.

7. The restructured loans would be sanctioned by the Regional Business Heads or equivalent role up to Loan exposure of Rs.10 Lakh and by Zonal Credit Committee/JMD Committee for Loan exposure beyond Rs.10 Lakh after perusing the request letter along with the proposal application form received from interested borrowers giving the details of loans to be restructured.
8. The existing credit policy will be followed with respect to any deviations while restructuring the Loans.
9. The monthly instalment will be structured in a manner that only interest is payable by the borrower in respect of the outstanding loan amount for up to the first 6 months depending upon the requirement of each borrower and the subsequent instalments will be structured in such a manner that the customer would be able to service them without any hassles.
10. The company will also follow the guidelines issued by Reserve Bank of India in respect of restructuring of its loans.

Further, Reserve Bank of India (RBI) had come out with Resolution framework 2.0 applicable to all eligible borrowers vide its notification RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021 for Individuals and Small Businesses and vide its notification RBI/2021-22/32 DOR.STR. REC.12/21.04.048/2021-22 dated May 5, 2021 for Micro, Small and Medium Enterprises (MSMEs) and the Company had framed a policy and implemented the Resolution Framework 2.0

Loans and advances to Directors

Unless sanctioned by the Board of Directors, The Company shall not grant loans and advances aggregating Rupees five crores and above to:
i) The directors (including the Chairman/ Managing Director) or relatives of directors. ii) any firm in which any of the directors or their relatives is interested as a partner, manager, employee or guarantor. iii) any company in which any of the directors, or their relatives is interested as a major shareholder, director, manager, employee or guarantor.

Provided that a director or her relatives shall be deemed to be interested in a company, being the subsidiary or holding company, if she is a major shareholder or is in control of the respective holding or subsidiary company.

Provided that directors who are directly or indirectly concerned or interested in any proposal should disclose the nature of their interest to the Board when any such proposal is discussed. they should recuse themselves from the meeting unless their presence are required by the other directors for the purpose of eliciting information and the directors so required to be present shall not vote on any such proposal.

The proposals for credit facilities of an amount less than Rupees five crore to these borrowers may be sanctioned by the appropriate authority in the Company under powers vested in such authority, but the matter should be reported to the Board.

Loans and advances to Senior Officers of the Company All Loans and advances sanctioned to senior officers of the Company shall be reported to the Board.

No senior officer or any Committee comprising, inter alia, a senior officer as member, shall, while exercising powers of sanction of any credit facility, sanction any credit facility to a relative of that senior officer. Such a facility shall be sanctioned by the next higher sanctioning authority under the delegation of powers.

In respect of grant of loans to Directors, their relatives, any firm/Company in which directors or their relatives are interested and senior officers; the Company shall obtain a declaration from the borrower giving details of the relationship of the borrower to their directors/ senior officers for loans and advances aggregating Rupees five crore and above. The Company shall recall the loan if it comes to its knowledge that the borrower has given a false declaration.

Loans and advances to Real Estate Sector

While appraising loan proposals involving real estate, The Company shall ensure that the borrowers have obtained prior permission from government/ local government/ other statutory authorities for the project, wherever required. To ensure that the loan approval process is not hampered on account of this, while the proposals may be sanctioned in normal course, the disbursements shall be made only after the borrower has obtained requisite clearances from the government / other statutory authorities and submit the same to the Company.

The above norms as mentioned Loans and advances to Directors/Senior officers/Real estate sector relating to grant of loans and advances will equally apply to awarding of contracts.

Explanation: The term 'loans and advances' will not include loans or advances against - a.

Government securities

b. Life insurance policies
c. Fixed deposits
d. Stocks and shares
e. Housing loans, car advances, etc. granted to an employee of the Company under any scheme applicable generally to employees.

Provided that the Company's interest/lien is appropriately marked with legal enforceability.

ANNEXURE IX: LATEST ALM STATEMENT

Break up of ALM as on September 30, 2023

Time Bucket	0-7 days	8-14 days	15-30/31 days	Over 1 to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to one year	Over one year to 3 years	Over 3 to 5 years	Over 5 years	Total
A. Outlows	2,846	1,471	2,079	4,645	7,583	18,148	27,834	69,363	21,437	60,922	**2,16,328**
B. Inflows	10,625	1,634	2,894	7,482	8,358	22,238	39,441	85,973	21,451	14,110	2,14,206
C. Mismatch (B-A)	7,780	164	814	2,837	775	4,090	11,607	16,609	14	(46,812)	(2,122)
D. Cum. Mismatch	7,780	7,943	8,757	11,594	12,369	16,459	28,066	44,675	44,689	(2,122)	
E. {C as % Of A (%)}	**273.37**	**11.12**	**39.15**	**61.07**	**10.22**	**22.54**	**41.70**	**23.95**	**0.07**	**(76.84)**	**(0.98)**

ANNEXURE X: RELATED PARTY TRANSACTIONS

(as attached seperately)

Shriram Finance Limited

Related Parties as on September 30, 2023 (Consolidated)

	Relationship		Name of the party
I.	Promoter	:	Shriram Capital Private Limited Shriram Ownership Trust
II.	Promoter Group	:	Shriram Value Services Limited Novac Technology Solutions Private Limited Shriram Fortune Solutions Limited Shriram General Insurance Company Limited Shriram Insight Share Brokers Limited Shriram Life Insurance Company Limited Shriram Asset Management Company Limited Shriram Credit Company Limited Shriram Overseas Investments Private Limited Shriram Wealth Limited Bharath Investments Pte. Limited, Singapore SGI Philippines General Insurance Co. Inc. Novac Digital Service Private Limited Shriram LI Holdings Private Limited SEA funds Management India Private Limited Way2wealth Insurance Brokers Private Limited Way2wealth Securities Private Limited (upto 31 March 2023) Way2wealth Brokers Private Limited (w.e.f. 1 April 2023) Way2wealth Commodities Private Limited Shriram GI Holdings Private Limited Shriram Investment Holdings Limited (upto 5 September 2023) Shriram Investment Holdings Private Limited (w.e.f. 6 September 2023) Shriram Asset Reconstruction Private Limited Novac Technology FZCO Shriram Seva Sankalp Foundation Sanlam Life Insurance Limited
III.	Subsidiary	:	Shriram Housing Finance Limited
IV.	Associates	:	Shriram Automall India Limited Cartradeexchange Solutions Private Limited Adroit Inspection Service Private Limited Augeo Asset Management Private Limited
V.	Key Management Personnel (KMP)	:	Mr. Umesh Revankar, Executive Vice Chairman Mr. Y. S. Chakravarti, Managing Director & CEO Mr. Jugal Kishore Mohapatra, Chairman Mr. Parag Sharma, Joint Managing Director & CFO Mr. S. Sridhar, Independent Director Mr. Pradeep Kumar Panja, Independent Director Mrs. Maya Sinha, Independent Director Mr. S Ravindran, Non-Executive Independent Director (w.e.f. 31 August 2023) Mr. D. V. Ravi, Director Mr. Ignatius Michael Viljoen, Director Mr. Srinivas K., Joint Managing Director Mr. G. M. Jilani, Joint Managing Director Mr. P. Sridharan, Joint Managing Director Mr. Sudarshan Holla, Joint Managing Director Mr. Nilesh Odedara, Joint Managing Director Mr. S. Sunder, Joint Managing Director Mr. R. Chandrasekar, Joint Managing Director & Chief Compliance Officer Mr. Aseem Gandhi, Executive Director (Upto 27 July 2023) Mr. U Balasundararao, Company Secretary & Compliance officer Mr. Hardeep Singh Tur, Chief Risk Officer

VI.	Relatives of Key Management Personnel (with whom the company has transactions)	: Mrs. Suchita U. Revankar (Spouse of Mr. Umesh Revankar) Mrs. Geeta G. Revankar (Mother of Mr. Umesh Revankar) Mr. Anil G. Revankar (Brother of Mr. Umesh Revankar) Mr. Shreyas U. Revankar (Son of Mr. Umesh Revankar) Mr. Shrishgovind U. Revankar (Son of Mr. Umesh Revankar) Mrs. P. Suchitra (Sister of Mr. Pradeep Kumar Panja) Mrs. P. Surekha (Sister of Mr. Pradeep Kumar Panja) Mrs. Rama Sharma (Mother of Mr. Parag Sharma) Ms. Atibhi Sharma (Daughter of Mr. Parag Sharma) Mr. Amit Sharma (Brother of Mr. Parag Sharma) Mrs. Sujatha Sunder (Spouse of Mr. S. Sunder) Mrs. S. Arulmozhi (Spouse of Mr. P. Sridharan) Mr. Sree Bhargav Y. (Son of Mr. Y. S. Chakravarti) Mrs. Barathy Chandrasekar (Spouse of Mr. R. Chandrasekar) Mrs. Deepika Karthik (Daughter of Mr. R. Chandrasekar) Mr. Karthik (Husband of Daughter of Mr. R. Chandrasekar) Ms. S. Karunyalakshmi (Daughter of Mr. P. Sridharan) Mrs. Uma Swaminathan (Mother of Mrs. Maya Sinha)
VII.	Employee's Benefit Plan	: Shriram Transport Finance Company Limited Employees Group Gratuity Assurance Scheme Shriram City Union Finance Limited Employees Group Gratuity Assurance Scheme

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken. In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					Notes
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
1	Shriram Capital Private Limited	Promoter	Any other transaction	Service Charges Paid	23.00	Approved	11.00	0.02	5.98										
2	Shriram Capital Private Limited	Promoter	Any other transaction	Received towards Business Auxilliary Services	0.24	Approved	0.11	0.00	0.00										
3	Shriram Capital Private Limited	Promoter	Any other transaction	Share capital	67.15	Approved	0.00	67.15	67.15										
4	Shriram Capital Private Limited	Promoter	Dividend paid		134.29	Approved	134.29	0.00	0.00										
5	Shriram Ownership Trust	Promoter	Dividend paid		15.68	Approved	15.68	0.00	0.00										
6	Shriram Ownership Trust	Promoter	Any other transaction	Share capital	7.84	Approved	0.00	7.84	7.84										
7	Shriram Seva Sankalp Foundation	Promoter Group	Any other transaction	CSR expenses Paid	97.00	Approved	31.73	0.00	0.00										
8	Shriram Seva Sankalp Foundation	Promoter Group	Any other transaction	Investment in equity shares	0.04	Approved	0.00	0.04	0.04										
9	Novac Technology Solutions (P) Limited	Promoter Group	Any other transaction	Voice call services & IT & BPO charges Paid	150.00	Approved	70.58	7.88	12.41										
10	Novac Technology Solutions (P) Limited	Promoter Group	Any other transaction	Super App Paid	63.00	Approved	42.00	0.00	37.53										
11	Novac Technology Solutions (P) Limited	Promoter Group	Any other transaction	Gratuity, leave encashment, bonus and leave travel allowances received	0.02	Approved	0.02	0.00	0.00										
12	Sanlam Life Insurance Limited	Promoter Group	Dividend paid		15.07	Approved	15.07	0.00	0.00										
13	Sanlam Life Insurance Limited	Promoter Group	Any other transaction	Share capital	7.54	Approved	0.00	7.54	7.54										

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.									Notes
										In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
14	Shriram Asset Management Company Limited	Promoter Group	Any other transaction	Rent paid	0.10	Approved	0.01	0.00	0.00										
15	Shriram Asset Management Company Limited	Promoter Group	Any other transaction	Paid towards Investment in Mutual Fund	10.00	Approved	10.00	12.00	0.00										
16	Shriram Asset Management Company Limited	Promoter Group	Any other transaction	Interest on non-convertible debenture Paid	0.00	At applicable rates on respective NCDs	0.19	0.00	0.00										
17	Shriram Asset Management Company Limited	Promoter Group	Any other transaction	Non convertible debenture repaid	2.07	Approved	2.07	0.00	0.00										
18	Shriram Asset Management Company Limited	Promoter Group	Any other transaction	Other administrative income	0.00	Approved	0.00	0.00	0.00										
19	Shriram Asset Management Company Limited	Promoter Group	Any other transaction	Investment in Mutual Fund Redeemed	22.10	Approved	22.10	0.00	0.00										
20	Shriram Asset Management Company Limited	Promoter Group	Any other transaction	Non-convertible debenture accepted	0.00	Overall limit of Rs.1000 crores approved for Promoter Group and Associates.	0.00	2.24	0.03										
21	Shriram Asset Management Company Limited	Promoter Group	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.1000 crores approved for Promoter Group and Associates.	10.00	64.11	55.84										

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken. In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					Notes
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
22	Shriram Credit Company Limited	Promoter Group	Any other transaction	Recovery of common sharing expenses	0.10	Approved	0.06	0.00	0.00										
23	Shriram Financial Products Solutions (Chennai) Private Limited	Promoter Group	Any other transaction	Commission & Sales Promotion Paid	0.00	Approved	0.00	1.90	0.00										
24	Shriram Fortune Solutions Limited	Promoter Group	Purchase of fixed assets		0.00	Approved	0.00	0.30	0.00										
25	Shriram Fortune Solutions Limited	Promoter Group	Any other transaction	Recovery of common sharing expenses	1.00	Approved	0.02	0.00	0.00										
26	Shriram Automall India Limited	Associates	Any other transaction	Gratuity, leave encashment, bonus and leave travel allowances received	0.04	Approved	0.04	0.00	0.00										
27	Shriram Insight Share Brokers Limited	Promoter Group	Any other transaction	Gratuity, leave encashment, bonus and leave travel allowances received	0.06	Approved	0.06	0.00	0.00										
28	Shriram Fortune Solutions Limited	Promoter Group	Any other transaction	Gratuity, leave encashment, bonus and leave travel allowances received	0.00	Approved	0.00	4.25	0.00										
29	Shriram General Insurance Company Limited	Promoter Group	Any other transaction	Insurance premium paid	11.00	Approved	5.65	0.00	0.00										
30	Shriram General Insurance Company Limited	Promoter Group	Any other transaction	security deposit paid	0.00	Approved	0.00	0.00	0.20										

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.									Notes
										In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
31	Shriram General Insurance Company Limited	Promoter Group	Any other transaction	Interest on subordinated debt Paid	0.00	At applicable rates on respective sub debts	20.55	0.00	0.00										
32	Shriram General Insurance Company Limited	Promoter Group	Any other transaction	Interest on non-convertible debenture Paid	0.00	At applicable rates on respective NCDs	2.14	0.00	0.00										
33	Shriram General Insurance Company Limited	Promoter Group	Any other transaction	Subordinated debt repaid	165.80	Approved	165.80	0.00	0.00										
34	Shriram General Insurance Company Limited	Promoter Group	Any other transaction	Recovery of common sharing expenses	0.10	Approved	0.01	0.00	0.00										
35	Shriram General Insurance Company Limited	Promoter Group	Any other transaction	Insurance claim received	0.02	Approved	0.02	0.00	0.00										
36	Shriram General Insurance Company Limited	Promoter Group	Any other transaction	Commission received	44.56	Approved	44.56	6.81	9.00										
37	Shriram General Insurance Company Limited	Promoter Group	Any other transaction	Non-convertible debenture accepted	0.00	Overall limit of Rs.1000 crores approved for Promoter Group and Associates.	0.00	213.15	406.18										

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.									Notes
										In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
38	Shriram General Insurance Company Limited	Promoter Group	Any other transaction	Sub Debt accepted	0.00	Overall limit of Rs.1000 crores approved for Promoter Group and Associates.	0.00	354.25	179.10										
39	Shriram Insight Share Brokers Limited	Promoter Group	Any other transaction	Other administrative expenses	0.02	Approved	0.02	0.00	0.01										
40	Shriram Insight Share Brokers Limited	Promoter Group	Any other transaction	Commission & Sales Promotion Paid	16.00	Approved	5.97	0.68	1.23										
41	Shriram Insight Share Brokers Limited	Promoter Group	Any other transaction	Non-convertible debenture accepted	0.00	Overall limit of Rs.1000 crores approved for Promoter Group and Associates.	0.00	0.07	0.00										
42	Shriram Investment Holding Limited	Promoter Group	Any other transaction	Other Receivable	0.00	Approved	0.00	11.87	0.00										
43	Shriram Life Insurance Company Limited	Promoter Group	Any other transaction	Insurance premium received	0.04	Approved	0.04	0.00	0.00										
44	Shriram Life Insurance Company Limited	Promoter Group	Any other transaction	Insurance premium paid	16.50	Approved	16.10	0.00	0.00										
45	Shriram Life Insurance Company Limited	Promoter Group	Any other transaction	security deposit paid	0.00	Approved	0.00	0.00	0.35										
46	Shriram Life Insurance Company Limited	Promoter Group	Any other transaction	Interest on subordinated debt Paid	0.00	At applicable rates on respective sub debts	3.21	0.00	0.00										

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.									Notes
										In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
47	Shriram Life Insurance Company Limited	Promoter Group	Any other transaction	Interest on non-convertible debenture Paid	0.00	At applicable rates on respective NCDs	2.35	0.00	0.00										
48	Shriram Life Insurance Company Limited	Promoter Group	Any other transaction	Subordinated debt repaid	26.70	Approved	26.70	0.00	0.00										
49	Shriram Insight Share Brokers Limited	Promoter Group	Any other transaction	Non convertible debenture repaid	0.06	Approved	0.06	0.00	0.00										
50	Shriram Life Insurance Company Limited	Promoter Group	Any other transaction	Gratuity, leave encashment, bonus and leave travel allowances received	0.44	Approved	0.44	0.80	0.00										
51	Shriram Life Insurance Company Limited	Promoter Group	Any other transaction	Commission received	49.97	Approved	49.97	6.23	11.19										
52	Shriram Life Insurance Company Limited	Promoter Group	Any other transaction	Non-convertible debenture accepted	0.00	Overall limit of Rs.1000 crores approved for Promoter Group and Associates.	0.00	172.33	177.63										
53	Shriram Life Insurance Company Limited	Promoter Group	Any other transaction	Sub Debt accepted	0.00	Overall limit of Rs.1000 crores approved for Promoter Group and Associates.	0.00	168.95	146.64										
54	Shriram Value Services Limited	Promoter Group	Any other transaction	License Fees Paid	171.98	Approved	171.98	79.35	96.88										

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.									Notes
										In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
55	Shriram Value Services Limited	Promoter Group	Dividend paid		25.99	Approved	25.99	0.00	0.00										
56	Shriram Value Services Limited	Promoter Group	Any other transaction	Non-convertible debenture accepted	0.00	Overall limit of Rs.1000 crores approved for Promoter Group and Associates.	0.00	53.14	0.00										
57	Shriram Value Services Limited	Promoter Group	Any other transaction	Share capital	12.99	Approved	0.00	12.99	12.99										
58	Shriram Wealth Limited	Promoter Group	Any other transaction	Commission & Sales Promotion Paid	5.00	Approved	0.37	0.04	0.05										
59	Shriram Credit Company Limited	Promoter Group	Any other transaction	Debt Syndication Services	5.00	Approved	0.31	0.00	0.00										
60	Shriram Credit Company Limited	Promoter Group	Any other transaction	Commission & Sales Promotion Paid	50.00	Approved	12.69	0.00	1.86										
61	Way2wealth Brokers Private Ltd	Promoter Group	Any other transaction	Commission & Sales Promotion Paid	2.00	Approved	0.43	0.07	0.12										
62	Adroit Inspection Service Private Limited	Associates	Any other transaction	Commission Paid	3.00	Approved	0.31	0.00	0.04										
63	Cartradeexchange Solutions Private Limited	Associates	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.1000 crores approved for Promoter Group and Associates.	0.50	18.43	19.69										

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken. In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					Notes
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
64	Shriram Automall India Limited	Associates	Any other transaction	Rent & Other administrative expenses Paid	35.00	Approved	14.49	0.00	0.00										
65	Shriram Automall India Limited	Associates	Any other transaction	Revenue Sharing Paid	1.00	Approved	0.30	0.00	0.00										
66	Shriram Insight Share Brokers Limited	Promoter Group	Any other transaction	Interest on non-convertible debenture Paid	0.00	At applicable rates on respective NCDs	0.01	0.00	0.00										
67	Shriram Automall India Limited	Associates	Any other transaction	Interest on non-convertible debenture Paid	0.00	At applicable rates on respective NCDs	0.96	0.00	0.00										
68	Shriram Value Services Limited	Promoter Group	Any other transaction	Non convertible debenture repaid	50.00	Approved	50.00	0.00	0.00										
69	Shriram Automall India Limited	Associates	Any other transaction	Non convertible debenture repaid	3.20	Approved	3.20	0.00	0.00										
70	Shriram Insight Share Brokers Limited	Promoter Group	Any other transaction	Recovery of common sharing expenses	5.00	Approved	0.00	0.00	0.00										
71	Shriram Automall India Limited	Associates	Any other transaction	Recovery of common sharing expenses	2.00	Approved	0.13	0.00	0.00										
72	Shriram Automall India Limited	Associates	Any other transaction	Received towards Rent & electricity	7.00	Approved	1.99	0.00	0.00										
73	Shriram Automall India Limited	Associates	Any other transaction	Revenue Sharing Received	1.00	Approved	0.07	0.00	0.00										
74	Shriram Automall India Limited	Associates	Any other transaction	Outstanding Expenses	0.00	Approved	0.00	1.06	1.42										

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.									Notes
										In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
75	Shriram Automall India Limited	Associates	Any other transaction	Non-convertible debenture accepted	0.00	Overall limit of Rs.1000 crores approved for Promoter Group and Associates.	0.00	16.88	13.42										
76	Shriram Automall India Limited	Associates	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.1000 crores approved for Promoter Group and Associates.	17.00	89.32	110.03										
77	Shriram Automall India Limited	Associates	Any other transaction	Investment in equity shares	187.06	Approved	0.00	183.74	187.06										
78	Shriram Transport Finance Co. Ltd. Employees Group Gratuity Assurance Scheme	Other related party	Any other transaction	Employer contribution to employees group gratuity assurance scheme	25.00	Approved	14.01	0.00	0.00										
79	Mr. Umesh Revankar	Key Management Personnel	Remuneration		0.81	Approved	0.81	0.00	0.00										
80	Mr. Y. S. Chakravarti	Key Management Personnel	Remuneration		0.76	Approved	0.76	0.00	0.00										
81	Mr. Jugal Mohapatra	Key Management Personnel	Any other transaction	Commission & sitting fee paid to directors	0.13	Approved	0.13	0.00	0.00										

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken. In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					Notes
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
82	Mr. Parag Sharma	Key Management Personnel	Remuneration		0.47	Approved	0.47	0.00	0.00										
83	Mr. Parag Sharma	Key Management Personnel	Dividend paid		0.09	Approved	0.09	0.00	0.00										
84	Mr. Parag Sharma	Key Management Personnel	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.10 crores approved for Key Management Personnels and their relatives	0.00	0.00	0.00										
85	Mr. Parag Sharma	Key Management Personnel	Any other transaction	Share capital	0.05	Approved	0.00	0.05	0.05										
86	Mr. S. Sridhar	Key Management Personnel	Any other transaction	Commission & sitting fee paid to directors	0.28	Approved	0.28	0.00	0.00										
87	Mr. S. Sridhar	Key Management Personnel	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.10 crores approved for Key Management Personnels and their relatives	0.00	0.22	0.23										
88	Mr. Pradeep Kumar Panja	Key Management Personnel	Any other transaction	Commission & sitting fee paid to directors	0.28	Approved	0.28	0.00	0.00										

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken. In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					Notes
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
89	Shriram Value Services Limited	Promoter Group	Any other transaction	Interest on non-convertible debenture Paid	0.00	At applicable rates on respective NCDs	3.96	0.00	0.00										
90	Mr. Pradeep Kumar Panja	Key Management Personnel	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.10 crores approved for Key Management Personnels and their relatives	0.06	0.06	0.06										
91	Mr. S Ravindran	Key Management Personnel	Any other transaction	Commission & sitting fee paid to directors	0.01	Approved	0.01	0.00	0.00										
92	Mrs. Maya Sinha	Key Management Personnel	Any other transaction	Commission & sitting fee paid to directors	0.15	Approved	0.15	0.00	0.00										
93	Mr. D. V. Ravi	Key Management Personnel	Dividend paid		0.00	Approved	0.00	0.00	0.00										
94	Mr. D. V. Ravi	Key Management Personnel	Any other transaction	Share capital	0.00	Approved	0.00	0.00	0.00										
95	Mr. Srinivas K	Key Management Personnel	Remuneration		0.39	Approved	0.39	0.00	0.00										
96	Mr. G M Jilani	Key Management Personnel	Remuneration		0.40	Approved	0.40	0.00	0.00										

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken. In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					Notes
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
97	Mr. G M Jilani	Key Management Personnel	Dividend paid		0.03	Approved	0.03	0.00	0.00										
98	Mr. G M Jilani	Key Management Personnel	Any other transaction	Share capital	0.02	Approved	0.00	0.02	0.02										
99	Mr. P.Sridharan	Key Management Personnel	Remuneration		0.41	Approved	0.41	0.00	0.00										
100	Mr. P.Sridharan	Key Management Personnel	Any other transaction	Share capital	0.00	Approved	0.00	0.00	0.00										
101	Mr. Sudarshan Holla	Key Management Personnel	Remuneration		0.43	Approved	0.43	0.00	0.00										
102	Mr. Sudarshan Holla	Key Management Personnel	Dividend paid		0.00	Approved	0.00	0.00	0.00										
103	Mr. Sudarshan Holla	Key Management Personnel	Any other transaction	Share capital	0.00	Approved	0.00	0.00	0.00										
104	Mr. Nilesh Odedara	Key Management Personnel	Remuneration		0.44	Approved	0.44	0.00	0.00										
105	Mr. S.Sunder	Key Management Personnel	Remuneration		0.49	Approved	0.49	0.00	0.00										
106	Mr. S.Sunder	Key Management Personnel	Dividend paid		0.00	Approved	0.00	0.00	0.00										

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.									Notes
										In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
107	Mr. S.Sunder	Key Management Personnel	Any other transaction	Share capital	0.00	Approved	0.00	0.00	0.00										
108	Mr. R Chandrasekar	Key Management Personnel	Remuneration		0.46	Approved	0.46	0.00	0.00										
109	Mr. R Chandrasekar	Key Management Personnel	Dividend paid		0.01	Approved	0.01	0.00	0.00										
110	Mr. R Chandrasekar	Key Management Personnel	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.10 crores approved for Key Management Personnels and their relatives	0.00	1.02	1.06										
111	Mr. R Chandrasekar	Key Management Personnel	Any other transaction	Share capital	0.01	Approved	0.00	0.01	0.01										
112	Mr. Aseem Gandhi	Key Management Personnel	Remuneration		0.97	Approved	0.97	0.00	0.00										
113	Mr. U.Balasundara Rao	Key Management Personnel	Remuneration		0.46	Approved	0.46	0.00	0.00										
114	Mr. U.Balasundara Rao	Key Management Personnel	Dividend paid		0.00	Approved	0.00	0.00	0.00										

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken. In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					Notes
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
115	Mr. U.Balasundara Rao	Key Management Personnel	Any other transaction	Share capital	0.00	Approved	0.00	0.00	0.00										
116	Mr. Hardeep Singh Tur	Key Management Personnel	Remuneration		0.48	Approved	0.48	0.00	0.00										
117	Mrs. P Surekha	Relatives of Key Management Personnel	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.10 crores approved for Key Management Personnels and their relatives	0.00	0.13	0.14										
118	Mr. Amit Sharma	Relatives of Key Management Personnel	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.10 crores approved for Key Management Personnels and their relatives	0.00	0.02	0.00										
119	Mr. Anil G. Revankar	Relatives of Key Management Personnel	Dividend paid		0.00	Approved	0.00	0.00	0.00										
120	Mr. Anil G. Revankar	Relatives of Key Management Personnel	Any other transaction	Share capital	0.00	Approved	0.00	0.00	0.00										

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken. In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					Notes
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
121	Mr. Karthik	Relatives of Key Management Personnel	Any other transaction	Share capital	0.00	Approved	0.00	0.00	0.00										
122	Shriram Asset Management Company Limited	Promoter Group	Any other transaction	Interest on fixed deposit Paid	0.00	At applicable rates on respective deposits	4.38	0.00	0.00										
123	Mr. Parag Sharma	Key Management Personnel	Any other transaction	Interest on fixed deposit Paid	0.00	At applicable rates on respective deposits	0.00	0.00	0.00										
124	Mr. Pradeep Kumar Panja	Key Management Personnel	Any other transaction	Interest on fixed deposit Paid	0.00	At applicable rates on respective deposits	0.01	0.00	0.00										
125	Mr. Parag Sharma	Key Management Personnel	Any other transaction	Fixed deposit repaid	0.00	Approved	0.00	0.00	0.00										
126	Mr. Pradeep Kumar Panja	Key Management Personnel	Any other transaction	Fixed deposit repaid	0.05	Approved	0.05	0.00	0.00										
127	Shriram Asset Management Company Limited	Promoter Group	Any other transaction	Fixed deposit repaid	16.74	Approved	16.74	0.00	0.00										

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken. In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					Notes
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
128	Mr. Shirish U. Revankar	Relatives of Key Management Personnel	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.10 crores approved for Key Management Personnels and their relatives	0.00	0.05	0.06										
129	Mr. Shreyas U. Revankar	Relatives of Key Management Personnel	Any other transaction	Interest on fixed deposit Paid	0.00	At applicable rates on respective deposits	0.00	0.00	0.00										
130	Mr. Shreyas U. Revankar	Relatives of Key Management Personnel	Any other transaction	Fixed deposit repaid	0.00	Overall limit of Rs.5 crores approved for Key Management Personnels and their relatives	0.00	0.00	0.00										
131	Mr. Shreyas U. Revankar	Relatives of Key Management Personnel	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.10 crores approved for Key Management Personnels and their relatives	0.01	0.07	0.07										
132	Mr. Sree Bhargav Y.	Relatives of Key Management Personnel	Any other transaction	Share capital	0.00	Approved	0.00	0.00	0.00										

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken. In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					Notes
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
133	Mrs. Barathy Chandrasekar	Relatives of Key Management Personnel	Any other transaction	Share capital	0.00	Approved	0.00	0.00	0.00										
134	Mr. Sree Bhargav Y.	Relatives of Key Management Personnel	Dividend paid		0.00	Approved	0.00	0.00	0.00										
135	Mrs. Deepika Karthik	Relatives of Key Management Personnel	Dividend paid		0.00	Approved	0.00	0.00	0.00										
136	Mrs. Deepika Karthik	Relatives of Key Management Personnel	Any other transaction	Share capital	0.00	Approved	0.00	0.00	0.00										
137	Mrs. Geeta G. Revankar	Relatives of Key Management Personnel	Any other transaction	Interest on fixed deposit Paid	0.00	At applicable rates on respective deposits	0.01	0.00	0.00										
138	Mrs. Geeta G. Revankar	Relatives of Key Management Personnel	Any other transaction	Fixed deposit repaid	0.00	Overall limit of Rs.5 crores approved for Key Management Personnels and their relatives	0.03	0.00	0.00										

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.									Notes
										In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
139	Mrs. Geeta G. Revankar	Relatives of Key Management Personnel	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.10 crores approved for Key Management Personnels and their relatives	0.03	0.12	0.13										
140	Mrs. P Suchitra	Relatives of Key Management Personnel	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.10 crores approved for Key Management Personnels and their relatives	0.00	0.33	0.35										
141	Mr. Amit Sharma	Relatives of Key Management Personnel	Any other transaction	Fixed deposit repaid	0.00	Overall limit of Rs.5 crores approved for Key Management Personnels and their relatives	0.02	0.00	0.00										
142	Mrs. S. Arulmozhi	Relatives of Key Management Personnel	Any other transaction	Fixed deposit repaid	0.00	Overall limit of Rs.5 crores approved for Key Management Personnels and their relatives	0.14	0.00	0.00										

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken. In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					Notes
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
143	Ms. Atibhi Sharma	Relatives of Key Management Personnel	Any other transaction	Fixed deposit repaid	0.00	Overall limit of Rs.5 crores approved for Key Management Personnels and their relatives	0.05	0.00	0.00										
144	Mrs. Rama Sharma	Relatives of Key Management Personnel	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.10 crores approved for Key Management Personnels and their relatives	0.00	0.39	0.40										
145	Mr. Amit Sharma	Relatives of Key Management Personnel	Any other transaction	Interest on fixed deposit Paid	0.00	At applicable rates on respective deposits	0.01	0.00	0.00										
146	Ms. Atibhi Sharma	Relatives of Key Management Personnel	Any other transaction	Interest on fixed deposit Paid	0.00	At applicable rates on respective deposits	0.01	0.00	0.00										
147	Mrs. S. Arulmozhi	Relatives of Key Management Personnel	Any other transaction	Interest on fixed deposit Paid	0.00	At applicable rates on respective deposits	0.01	0.00	0.00										

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken. In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					Notes
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
148	Mrs. S. Arulmozhi	Relatives of Key Management Personnel	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.10 crores approved for Key Management Personnels and their relatives	0.00	0.06	0.10										
149	Mrs. Suchita U. Revankar	Relatives of Key Management Personnel	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.10 crores approved for Key Management Personnels and their relatives	0.00	0.88	0.91										
150	Mrs. Sujatha Sunder	Relatives of Key Management Personnel	Any other transaction	Interest on fixed deposit Paid	0.00	At applicable rates on respective deposits	0.00	0.00	0.00										
151	Mrs. Sujatha Sunder	Relatives of Key Management Personnel	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.10 crores approved for Key Management Personnels and their relatives	0.00	0.05	0.05										

Related party transactions (Rs in Crores)

										Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.									
Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					Notes
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
152	Ms. Atibhi Sharma	Relatives of Key Management Personnel	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.10 crores approved for Key Management Personnels and their relatives	0.06	0.06	0.06										
153	Mrs. Uma Swaminathan	Key Management Personnel	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.10 crores approved for Key Management Personnels and their relatives	0.02	0.00	0.02										
154	Mr. Sree Bhargav Y.	Relatives of Key Management Personnel	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.10 crores approved for Key Management Personnels and their relatives	0.00	0.00	0.00										

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken. In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					Notes
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
155	Mr. Anil G. Revankar	Relatives of Key Management Personnel	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.10 crores approved for Key Management Personnels and their relatives	0.03	0.00	0.03										
156	Ms. S. Karunyalakshmi	Relatives of Key Management Personnel	Any other transaction	Fixed deposit accepted	0.00	Overall limit of Rs.10 crores approved for Key Management Personnels and their relatives	0.00	0.01	0.01										
157	Shriram Housing Finance Limited	Subsidiary	Any other transaction	Payments for Assignment	80.00	Approved	27.42	0.00	0.00										
158	Shriram Housing Finance Limited	Subsidiary	Any other transaction	Recovery of common sharing expenses	0.10	Approved	0.11	0.00	0.00										
159	Shriram Housing Finance Limited	Subsidiary	Any other transaction	Commission received on Disbursements	0.10	Approved	0.02	0.01	0.00										
160	Shriram Housing Finance Limited	Subsidiary	Any other transaction	Received towards Rent and electricity	2.00	Approved	0.05	0.00	0.00										
161	Shriram Housing Finance Limited	Subsidiary	Any other transaction	Gratuity, Leave encashment & Bonus Payable	0.00	Approved	0.00	0.58	0.00										

Related party transactions (Rs in Crores)

Sr No	Details of the counterparty		Type of related party transaction	Details of other related party transaction	Value of the related party transaction as approved by the audit committee	Remarks on approval by audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken. In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Details of the loans, inter-corporate deposits, advances or investments					Notes
	Name	Relationship of the counterparty with the listed entity or its subsidiary						Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Details of other indebtedness	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)	
162	Shriram Housing Finance Limited	Subsidiary	Any other transaction	Rent payable	0.00	Approved	0.00	0.01	0.00										
163	Shriram Housing Finance Limited	Subsidiary	Any other transaction	Gratuity, Leave encashment & Bonus rceivable	0.00	Approved	0.00	0.23	0.00										
164	Shriram Housing Finance Limited	Subsidiary	Any other transaction	Collection fees income	0.10	Approved	0.09	0.00	0.07										
165	Shriram Housing Finance Limited	Subsidiary	Any other transaction	Other administrative income	0.03	Approved	0.03	0.00	0.00										
166	Shriram Housing Finance Limited	Subsidiary	Any other transaction	Disbursement of New Assignment	157.50	Approved	149.67	0.00	0.00										
167	Shriram Housing Finance Limited	Subsidiary	Any other transaction	Investment in equity share	1562.24	Approved	0.00	1562.24	1562.24										
Total value of transaction during the reporting period							1234.31312												

ANNEXURE XI

1. ***Updated disclosures under Section 3: Regulatory Disclosures of the Placement Memorandum***

   (as attached seperately)

ANNEXURE XII: LIST OF DOCUMENTS EXECUTED IN CONNECTION WITH THE ISSUE AND SUBSCRIPTION OF DEBENTURES

1. Debenture Trustee Consent Letter.
2. Certified true copy of the resolution passed by the board of directors of the Issuer.
3. Certified true copy of the shareholder's resolution of the Issuer.
4. This Placement Memorandum dated 22nd March 2024.
5. DTAA dated executed on or around the date of this Placement Memorandum.
6. Debenture Trust Deed executed on or around the date of this Placement Memorandum.
7. Deed of Hypothecation executed on or around the date of this Placement Memorandum.
8. Tripartite agreements executed between the Issuer, the Depository and the Registrar and Transfer Agent.
9. Credit rating letters from Indian Ratings and Research Private Limited and CRISIL Ratings Limited in respect of the credit rating for the Debentures vide its letters dated 05th March 2024 and 08th March 2024.
10. In-principle approval as received from the BSE for listing of the Debentures.

ANNEXURE XIII: COPY OF THE DUE DILIGENCE CERTIFICATE RECEIVED FROM THE DEBENTURE TRUSTEE

(as attached seperately)

CL/23-24/ 06231 **(Annexure IIA)**

DUE DILIGENCE CERTIFICATE TO BE GIVEN BY THE DEBENTURE TRUSTEE AT THE TIME OF FILING THE DRAFT OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM
(Applicable for Secured and Unsecured Issuances)

To,
The Manager,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai- 400001.

Dear Sir / Madam,

SUB.: ISSUE UP TO 75,000 (SEVENTY-FIVE THOUSAND) RATED, LISTED, SECURED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES HAVING FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, FOR CASH, AT PAR, OF THE AGGREGATE NOMINAL VALUE OF INR 7,50,00,00,000/- (INDIAN RUPEES SEVEN HUNDRED AND FIFTY CRORES ONLY) WITH A GREEN SHOE OPTION TO RETAIN OVERSUBSCRIPTION OF UP TO 60,000 (SIXTY THOUSAND) RATED, LISTED, SECURED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES HAVING FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, FOR CASH, AT PAR, OF THE AGGREGATE NOMINAL VALUE OF INR 6,00,00,00,000/- (INDIAN RUPEES SIX HUNDRED CRORES ONLY) IN TOTAL AGGREGATING UP TO INR 13,50,00,00,000/- (INDIAN RUPEES ONE THOUSAND THREE HUNDRED AND FIFTY CRORES ONLY) BY WAY OF PRIVATE PLACEMENT BY SHRIRAM FINANCE LIMITED.

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.

2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:

We confirm that:

a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued and listed.

b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).

c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.

d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or private placement memorandum/ information memorandum and all disclosures made in the offer document or private placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement**.**

e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.

f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum and given an undertaking that debenture trust deed would be executed before filing of listing application.

g) All disclosures made in the draft offer document or private placement memorandum/ information memorandum with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

Place: Mumbai
Date: March 20, 2024

For Catalyst Trusteeship Limited

For CATALYST TRUSTEESHIP LIMITED

Authorised Signatory

Ms. Kalyani Pandey
Compliance Officer

ANNEXURE XIV – APPLICATION FORM

Private Placement of Debentures Application Form	**Application No**	**:**	_____
	Addressee	**:**	
Date		**:**	____

To,
The Board of Directors
SHRIRAM FINANCE LIMITED (CIN: L65191TN1979PLC007874*)*

Registered Office: Sri Towers, Plot No.14A, South Phase, Industrial Estate, Guindy, Chennai – 600032.

Corporate Office: Wockhardt Towers, Level – 3, West Wing, C-2, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051.

Dear Sirs,

Having read and understood the contents of the Private Placement Offer Letter (as defined overleaf), I/we apply for allotment to me/us of the Debentures. The amount payable on application as shown below is remitted herewith. In case of allotment, please place my/our name(s) on the Register of Debenture Holders. I/We bind ourselves by the terms and conditions as contained in the Private Placement Offer Letter. We note that the Board of Directors is entitled in its absolute discretion to accept or reject this application whole or in part without assigning any reasons whatsoever.

(PLEASE READ THE INSTRUCTIONS ON THE REVERSE CAREFULLY BEFORE FILLING UP THIS APPLICATION FORM)

APPLICANT'S DETAILS (IN BLOCK LETTERS):

First/Sole Applicant:
_____
Second Applicant:
_____
Third Applicant:
_____
Address:
_____
_____
Pin Code: _____ **Tel / Mobile No:** _____ **Email:**
_____
PAN No: _____ **Applicant Category Code (please refer overleaf):** _____
(Furnishing of Applicant's Details is mandatory, failing which the Application is liable to be rejected)

Investment Details:

Face Value (Rs. / Debenture)		Rs. 1,00,000/- (Rupees One Lakh Only)
Issue Price (Rs. / Debenture)		Rs. 1,00,000/- (Rupees One Lakh Only)
Minimum Application of and in multiples of Debentures thereafter		10 Debentures and in multiples of 1 Debenture thereafter
No of Debentures Applied		
Amount Payable (Rs.)		
Grand Total	**Total No of Debentures Applied**	
	Total Amount Payable (Rs.)	

Payment Details [(1)]:

Amount Paid (Rs.) – in words	
Amount Paid (Rs.) – in figures	

Mode of Payment (select whichever is applicable)	☐ RTGS☐ FUND TRANSFER
Date of RTGS/ NEFT/ ECS/ FUND TRANSFER	
Name of the Bank through which the Electronic Fund Transfer is made	
UTR No.	

Note: (1) The Application Form must be accompanied with the UTR confirmation. The details of the bank account to which payment needs to be made are provided overleaf.

Applicant's depository details (2):

DP Name															**Depository**	☐ NSDL ☐ CDSL	
DP ID / Client ID																	

Note: (2) Please note that allotment of Debentures shall be compulsorily made in dematerialized form.

Signature

	Name of the Authorised Signatories	Designation	Signature
1			
2			
3			

Date: _____

---------- **Tear Here** ----------

Application No: _____

SHRIRAM FINANCE LIMITED (CIN:L65191TN1979PLC007874*))*

Registered Office: Sri Towers, Plot No. 14A, South Phase, Industrial Estate, Guindy, Chennai - 600032.

Corporate Office: Wockhardt Towers, Level - 3, West Wing, C-2, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.

ACKNOWLEDGEMENT SLIP

Received from: _____ Date: _____

Issue Price (Rs. / Debenture)	Rs. 1,00,000/-	**Mode of Payment**	☐ RTGS ☐ FUND TRANSFER	**Date stamp & signature of the Registrar**	
		Date of Remittance			
No of Debentures applied for		**Name of the Bank**			
Amount Paid (Rs.)		**UTR No.**			

INSTRUCTIONS

1. The application would be accepted as per the terms of the issue of listed Non – Convertible Debentures ("**Debentures**") on private placement basis offered by way of the private placement offer letter dated 22nd March 2024 ("**Private Placement Offer Letter**"). Applicants are requested to refer to the application procedure set forth in the Placement Memorandum.

2. Application forms must be completed in full in BLOCK LETTERS IN ENGLISH. A blank space must be left between two or more parts of the name.

3. The sole/first applicant should mention his/her/its PAN Number allotted under Income Tax Act, 1961. Income Tax as applicable will be deducted at Source at the time of payment of Interest on Application / Refund Money.

4. Signatures should be made in English or in any of the Indian languages. Thumb impressions must be attested by an authorised official of a Bank or by a Magistrate/Notary Public under his/her official seal.

5. The various categories of applicants eligible to apply along with their category codes are as given below:

1	Financial Institution	2	Company, Bodies Corporate, including public sector undertakings
3	Insurance Company	4	Mutual Funds
5	Provident funds/ gratuity funds / pension funds	6	Scheduled Commercial Banks
7	Any other person authorized to invest in this Issue		

Applicants are hereby required to ascertain their eligibility to apply for the Issue.

6. Applicants shall be bound by the terms and conditions as contained in the Placement Memorandum, including the basis of allotment as specified therein.

7. Applicants are requested to read the Placement Memorandum carefully prior to making an investment decision in the Debentures.

8. Allotment of Debentures shall be compulsorily made in dematerialized form.

9. The payment of interest / dividend / redemption shall be made to the bank account linked with the demat account of the applicant, wherein the allotment of the Debentures is made / held.

10. Application forms duly completed in all respects must be sent via email and in original to Registrar to the Issuer as specified below.

11. Application Money can be remitted only through electronic transfer of funds during the Issue Period, i.e. during banking hours commencing from 0800 hours and ending on 1615 hours:

12. Cash, money orders, postal orders and stock invest **WILL NOT** be accepted.

13. The Application Form must be accompanied with the UTR confirmation.

14. Payment needs to be made to the following account:

Bank Name	
Branch	
Account Name	
Account Number	
IFSC Code	
Address	

15. Receipt of applications will be acknowledged by Registrar to the Issuer in the "Acknowledgement Slip", appearing below the Application Form. No separate receipt will be issued.

16. **APPLICATIONS NOT ACCOMPANIED BY THE REQUIRED DOCUMENTS ARE LIABLE TO BE REJECTED.**

Address for submission of Application Forms along with the Relevant Documents

SHRIRAM
Transport Finance Company Limited
A WINNING RELATIONSHIP

FINANCIAL SECTION

STANDALONE ACCOUNTS	
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To the Members of
Shriram Transport Finance Company Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of Shriram Transport Finance Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the state of affairs of the Company as at March 31, 2021, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 63 to the standalone financial statements which describes the staging of accounts to whom moratorium benefit was extended and uncertainty caused by COVID-19 pandemic with respect to the Company's estimates of Impairment of loans to customers. Further, the extent to which the COVID-19 pandemic will impact the Company's financial performance is dependent on future developments, which are highly uncertain. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Impairment Loss Allowance of loans and advances

Impairment loss allowance of loans and advances ("Impairment loss allowance") is a Key Audit Matter as the Company has significant credit risk exposure considering the large loan portfolio across a wide geographical range. The value of loans and advances on the balance sheet is significant and there is a high degree of complexity and judgment involved in estimating individual and collective credit impairment provisions, write-offs against these loans and to additionally determine the potential impact of unprecedented COVID 19 pandemic on asset quality and provision of the Company. The Company's model to calculate expected credit loss ("ECL") is inherently complex and judgment is applied in determining the correct construction of the three-stage impairment model ("ECL Model") including the selection and input of forward looking information. ECL provision calculation require the use of large volumes of data. The completeness and reliability of data can significantly impact accuracy of the modelled impairment provisions. The accuracy of data flows and the implementation of related controls are critical for the integrity of the estimated impairment provisions.

Audit Procedures included but were not limited to the following:

We have started our audit procedures with understanding of the internal control environment related to Impairment loss allowance. Our procedures over internal controls focused on recognition and measurement of impairment loss allowance. We assessed the design and tested the operating effectiveness of the selected key controls implemented by the Company.

We also assessed whether the impairment methodology used by the Company is in accordance with the assumptions and methodology approved by the Board of Directors of the Company which is based on and in compliance with

Ind AS 109 "Financial Instruments". Particularly we assessed the approach of the Company regarding definition of Default, Probability of Default, Loss Given Default and incorporation of forward-looking information for the calculation of ECL.

For loans and advances which are assessed for impairment on a portfolio basis we performed particularly the following procedures:

- We tested the reliability of key data inputs and related management controls;
- We checked the stage classification as at the balance sheet date as per the definition of Default of the Company;
- We validated the ECL Model and its calculation by involving our Information Technology Expert;
- We have checked on sample basis that the stage classification for the borrowers has been given in accordance with the Resolution Framework issued by Reserve Bank of India (the 'RBI') and the Board approved policy for ECL provisioning and stage classification with respect to such accounts;
- We have verified whether the ECL provision is made in accordance with the Board Approved Policy in this regard;
- We have also calculated the ECL provision manually for selected samples;
- We have assessed the assumptions made by the Company in making accelerated provision considering forward looking information and based on an event in a particular geographical range;
- We have reviewed the process of the Company to grant moratorium to the borrowers as per the Regulatory Package announced by the RBI. Further, we have relied on the assumption of the management that there will be no significant increase in the credit risk in the cases where moratorium is given and that the staging based on the days past due (DPD) will be considered as per the RBI COVID-19 Regulatory Package. We have tested on samples basis the DPD freeze for cases where moratorium is provided and not provided in accordance with RBI COVID-19 Regulatory Package;
- With respect to additional provision made by the Company on account of the impact of COVID-19 pandemic, we broadly reviewed the underlying assumptions and estimates used by the management for the same but as the extent of impact is dependent on future developments which are highly uncertain, we have primarily relied on those assumptions and estimates. These assumptions and estimates are a subject matter of periodic review by the Company; and
- We have checked the provision on Loan Assets as per IRACP norms as required under RBI circular dated March 13, 2020. We have checked the DPD and provision in accordance with the RBI regulations in that regard further considering the Regulatory Packages issued by RBI dated March 27, 2020 and May 23, 2020 and RBI circular dated April 17, 2020.

For loans and advances which are written off during the year under audit, we read and understood the methodology and policy laid down and implemented by the Company in this regards along with its compliance on sample basis.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Director's Report and Corporate Governance Report, but does not include the standalone financial statements, consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of the written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act;

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";

g. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 49 on Contingent Liabilities to the standalone financial statements;

(ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 10 to the standalone financial statements;

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No : 103523W/W100048

Sumant Sakhardande
Partner
Membership Number: 034828
UDIN: 21034828AAAACL9851

Place: Mumbai
Date: April 29, 2021

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

Pijush Kumar Gupta
Partner
Membership Number: 015139
UDIN: 21015139AAAAAT4693

Place: Gurugram
Date: April 29, 2021

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of Shriram Transport Finance Company Limited on the standalone Ind AS financial statements for the year ended March 31, 2021]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone Ind AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) During the year, the fixed assets of the Company have been physically verified by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) Based on the examination of the registered sale deed/transfer deed and other relevant records evidencing title / possession provided to us, we report that, the title deeds of all the immovable properties comprising of land and buildings which are freehold other than self - constructed assets included in Property, Plant and Equipment, are held in the name of the Company as at the balance sheet date.

(ii) The Company is in the business of providing services and does not have any inventory. Accordingly, clause 3(ii) of the Order is not applicable.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, clause 3(iii) of the Order is not applicable to the Company.

(iv) The Company has complied with the provisions of sections 185 and 186(1) of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable. Further, the provisions of Section 186, except for Section 186(1), of the Act are not applicable to the Company as it is engaged in the business of financing.

(v) In our opinion, the Company has complied with the directives issued by Reserve Bank of India, the provisions of sections 73 to 76 of the Act and the rules framed there under with regard to the acceptance of deposits. Further, no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

(vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of section 148 of the Act and the rules framed there under.

(vii) (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax (GST), cess and any other material statutory dues applicable to it. During the year 2017-18, sales tax, value added tax, service tax and duty of excise subsumed in GST and are accordingly reported under GST.

No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) As informed, the provisions of customs duty and excise duty is not applicable to the Company. The dues outstanding with respect to, income tax, sales tax, service tax, value added tax and GST on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount* (Rs. In crores)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act,1961	Income Tax demands	13.44	A.Y. 2017-18	Assessing Officer
Income Tax Act,1961	Income Tax demands	26.10	A.Y. 2016-17	Assessing Officer
Income Tax Act,1961	Income Tax demands	5.46	A.Y. 2014-15	Madras High Court
Income Tax Act,1961	Income Tax demands	5.79	A.Y. 2014-15	Assessing Officer
Income Tax Act,1961	Income Tax demands	1.80	A.Y. 2014-15	CIT (Appeals)
Income Tax Act,1961	Income Tax demands	1.53	A.Y. 2013-14	Madras High Court
Income Tax Act,1961	Income Tax demands	5.02	A.Y. 2013-14	Assessing Officer

ANNEXURE 1

TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

Name of the statute	Nature of dues	Amount* (Rs. In crores)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act,1961	Income Tax demands	0.47	A.Y. 2012-13	Madras High Court
Income Tax Act,1961	Income Tax demands	5.27	A.Y. 2012-13	Assessing Officer
Income Tax Act,1961	Income Tax demands	10.00	A.Y. 2011-12	Assessing Officer
Income Tax Act,1961	Income Tax demands	9.21	A.Y. 2010-11	Assessing Officer
Income Tax Act,1961	Income Tax demands	10.26	A.Y. 2009-10	Madras High Court
Income Tax Act,1961	Income Tax demands	1.84	A.Y. 2008-09	Madras High Court
Income Tax Act,1961	Income Tax demands	0.27	A.Y. 2007-08	Madras High Court
Income Tax Act,1961	Income Tax demands	0.08	A.Y. 2006-07	Assessing Officer
Finance Act, 1994 (Service tax)	Service tax on hire purchase and lease transaction	204.89	1st April 2003 to 28th February 2006	Commissioner of CGST & Central Excise
Finance Act, 1994 (Service tax)	Service tax on hire purchase and lease transaction	5.72	1st March 2006 to 31st March 2010	Supreme Court
Finance Act, 1994 (Service tax)	Service tax demand on securitisation collection commission	192.88	F.Y. 2008-09 to 2014-2015	CESTAT (Custom, Excise and Service tax appellate tribunal)
Finance Act, 1994 (Service tax)	Service tax on interest on hypothecation loans	1,392.72	F.Y. 2005-06 to 2015-16	Mumbai High Court
Finance Act, 1994 (Service tax)	Service tax on interest on hypothecation loans	375.94	F.Y. 2016-17 and April 01, 2017 to June 30, 2017	The Company is in the process of filing an appeal with Mumbai High Court.
Maharashtra Value Added Tax	Value added tax	0.00#	F.Y. 2005-06	Maharashtra Sales Tax Tribunal
Maharashtra Value Added Tax	Value added tax	0.00#	F.Y. 2006-07	Deputy Commissioner of Sales Tax - Appeals – Mumbai
Maharashtra Value Added Tax	Value added tax	5.40	F.Y. 2007-08 to 2013-14	Maharashtra Sales Tax Tribunal
Maharashtra Value Added Tax	Value added tax	0.79	F.Y. 2014-15	Joint Commissioner of Sales tax
Maharashtra Value Added Tax	Value added tax	0.21	F.Y. 2012-13 to 2013-14	Deputy Commissioner of Sales Tax - Appeals - Mumbai
Maharashtra Value Added Tax	Value added tax	0.01	F.Y. 2014-15	Joint Commissioner of Sales tax
Maharashtra Value Added Tax	Value added tax	0.02	F.Y. 2015-16	Joint Commissioner of Sales tax
Maharashtra Value Added Tax	Value added tax	0.29	F.Y. 2016-17	Joint Commissioner of Sales tax

Name of the statute	Nature of dues	Amount* (Rs. In crores)	Period to which the amount relates	Forum where dispute is pending
Andhra Pradesh Value Added Tax	Value added tax	3.48	F.Y. 2005-06 to 2008-09	High court of Telangana
Andhra Pradesh Value Added Tax	Value added tax	3.27	F.Y 2009-10 to 2010-11 and 1st April 2011 to 31st August 2012	High court of Telangana
Andhra Pradesh Value Added Tax	Value added tax	0.12	F.Y. 2010-11 to 2012-13	High court of Telangana
Rajasthan Value Added Tax	Value added tax	1.16	F.Y. 2006-07 to 2011-12	High Court of Rajasthan
Rajasthan Value Added Tax	Value added tax	1.59	F.Y. 2012-13 to 2015-16 And 1st April, 2016 to 4th Nov 2016	Rajasthan Tax Tribunal, Ajmer
Karnataka Value Added Tax	Value added tax	8.07	F.Y. 2010-11 to 2016-17	High court of Karnataka
Orissa Value Added Tax	Value added tax	0.09	F.Y. 2008-09 to 2012-13	Orissa Tax Tribunal
Telangana Value Added Tax	Value added tax	9.81	F.Y. 2013-14 to 2016-17 and April 17 to June 17	High Court of Telangana

*Above amounts are net of amount paid under protest, wherever paid.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores

(viii) During the year, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks or dues to debenture holders. The Company has not taken any loan or borrowing from government.

(ix) The Company has prima facie utilized the moneys raised by way of further public offer (Rights issue) for the purpose for which they were raised. In our opinion, monies raised by the Company by way of debt instruments and term loans were applied for the purposes for which those were obtained, though idle/surplus funds which were not required for immediate utilisation were gainfully invested in liquid assets payable on demand.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) Managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order is not applicable to the Company.

(xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the details have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, clause 3(xiv) of the Order is not applicable to the Company.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with them during the year and hence provisions of section 192 of the Act are not applicable.

(xvi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the registration has been obtained by the Company.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No : 103523W/W100048

Sumant Sakhardande
Partner
Membership Number: 034828
UDIN: 21034828AAAACL9851

Place: Mumbai
Date: April 29, 2021

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

Pijush Kumar Gupta
Partner
Membership Number: 015139
UDIN: 21015139AAAAAT4693

Place: Gurugram
Date: April 29, 2021

ANNEXURE 2

TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Shriram Transport Finance Company Limited on the standalone financial statements for the year ended March 31, 2021]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Shriram Transport Finance Company Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the

possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No : 103523W/W100048

Sumant Sakhardande
Partner
Membership Number: 034828
UDIN: 21034828AAAACL9851

Place: Mumbai
Date: April 29, 2021

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

Pijush Kumar Gupta
Partner
Membership Number: 015139
UDIN: 21015139AAAAAT4693

Place: Gurugram
Date: April 29, 2021

BALANCE SHEET

AS AT MARCH 31, 2021

(Rs. in crores)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	8	11,050.93	3,088.99
(b) Bank balance other than (a) above	9	5,390.89	4,225.93
(c) Derivative financial instruments	10	169.25	758.73
(d) Receivables	11		
(I) Trade receivables		8.92	10.50
(II) Other receivables		49.90	5.64
(e) Loans	12	108,303.04	102,231.63
(f) Investments	13	3,197.85	2,798.48
(g) Other financial assets	14	49.03	38.70
Total financial assets		**128,219.81**	**113,158.60**
(2) Non-financial assets			
(a) Current tax assets (net)	15	171.73	249.10
(b) Deferred tax assets (net)	43	639.14	62.50
(c) Investment property	16	2.00	2.03
(d) Property, plant and equipment	17	124.44	149.88
(e) Right-of-use assets	18	308.51	334.29
(f) Other intangible assets	19	2.39	2.67
(g) Other non-financial assets	20	210.84	169.57
Total non-financial assets		**1,459.05**	**970.04**
Total assets		**129,678.86**	**114,128.64**
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Payables			
(I) Trade payables	21		
(i) total outstanding dues of micro enterprises and small enterprises		-	0.40
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		255.51	143.44
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		0.37	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		0.54	1.13
(b) Debt securities	22	40,061.87	34,266.96
(c) Borrowings (other than debt securities)	23	45,281.37	42,474.60
(d) Deposits	24	16,232.41	11,960.12
(e) Subordinated liabilities	25	4,620.76	5,670.07
(f) Lease liabilities	18	349.49	362.81
(g) Other financial liabilities	26	964.35	912.32
Total financial liabilities		**107,766.67**	**95,791.85**
(2) Non-financial liabilities			
(a) Current tax liabilities (net)	27	102.02	102.02
(b) Provisions	28	142.54	146.33
(c) Other non-financial liabilities	29	99.26	83.28
Total non-financial liabilities		**343.82**	**331.63**
Total liabilities		**108,110.49**	**96,123.48**
(3) Equity			
(a) Equity share capital	30	253.06	226.88
(b) Other equity	31	21,315.31	17,778.28
Total equity		**21,568.37**	**18,005.16**
Total liabilities and equity		**129,678.86**	**114,128.64**

See accompanying notes to the financial statements

As per our report of even date

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Sumant Sakhardande
Partner

Membership No. 034828
Mumbai
April 29, 2021

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

Pijush Kumar Gupta
Partner

Membership No. 015139
Gurugram
April 29, 2021

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

S. Lakshminarayanan
Chairman
DIN: 02808698
New Delhi
April 29, 2021

Umesh Revankar
Vice Chairman & Managing Director
DIN: 00141189
Mumbai
April 29, 2021

Parag Sharma
Joint Managing Director & CFO
Mumbai
April 29, 2021

Vivek M. Achwal
Company Secretary
Mumbai
April 29, 2021

(Rs. in crores)

Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from operations			
(i) Interest income	32	17,128.14	16,267.46
(ii) Dividend income		-	0.19
(iii) Rental income		0.21	0.22
(iv) Fees and commission income	33	115.86	194.97
(v) Net gain on fair value changes	34	21.80	11.92
(vi) Net gain on derecognition of financial instruments under amortised cost category		58.85	-
(vii) Other operating income	35	95.59	80.73
(I) Total Revenue from operations		**17,420.45**	**16,555.49**
(II) **Other income**	36	15.95	20.27
(III) Total Income (I + II)		**17,436.40**	**16,575.76**
Expenses			
(i) Finance cost	37	9,054.26	8,270.26
(ii) Fees and commission expense	38	78.89	56.88
(iii) Impairment on financial instruments	39	3,118.40	2,794.88
(iv) Employee benefits expenses	40	906.25	1,010.82
(v) Depreciation, amortisation and impairment	41	137.36	141.05
(vi) Other expenses	42	863.23	863.20
(IV) Total expenses		**14,158.39**	**13,137.09**
(V) Profit before exceptional items and tax (III - IV)		**3,278.01**	**3,438.67**
(VI) Exceptional items		-	-
(VII) Profit before tax (V+ VI)		**3,278.01**	**3,438.67**
(VIII) Tax Expense:			
(1) Current tax	43	1,197.77	921.20
(2) Deferred tax	43	(545.36)	14.79
(3) Tax adjustment for earlier years	43	138.34	0.84
(IX) Profit for the year from continuing operations (VII - VIII)		**2,487.26**	**2,501.84**
(X) Profit for the year		**2,487.26**	**2,501.84**
(XI) Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plan		-	(6.33)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	1.59
Subtotal (A)		**-**	**(4.74)**
B (i) Items that will be reclassified to profit or loss			
Cash flow hedge reserve			
Gain/(loss) on effective portion of hedging instruments in a cash flow hedge		(124.31)	-
(ii) Income tax relating to items that will be reclassified to profit or loss		31.29	-
Subtotal (B)		**(93.02)**	**-**
Other comprehensive income (A + B)		**(93.02)**	**(4.74)**
(XII) Total comprehensive income for the year (X + XI)		**2,394.24**	**2,497.10**
(XIII) Earnings per equity share (face value Rs. 10/- per equity share)			
Basic (Rs.)	44	100.97	107.44
Diluted (Rs.)	44	100.97	107.44

See accompanying notes to the financial statements

As per our report of even date
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Sumant Sakhardande
Partner

Membership No. 034828
Mumbai
April 29, 2021

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

Pijush Kumar Gupta
Partner

Membership No. 015139
Gurugram
April 29, 2021

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

S. Lakshminarayanan
Chairman

DIN: 02808698
New Delhi
April 29, 2021

Umesh Revankar
Vice Chairman & Managing Director
DIN: 00141189
Mumbai
April 29, 2021

Parag Sharma
Joint Managing Director & CFO
Mumbai
April 29, 2021

Vivek M. Achwal
Company Secretary
Mumbai
April 29, 2021

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2021

A. Equity share capital

Particulars	Number of shares	(Rs. in crores)
As at March 31, 2019	**226,882,736**	**226.90**
Changes during the year (refer note 30 Equity)	-	(0.02)
As at March 31, 2020	**226,882,736**	**226.88**
Changes during the year (refer note 30 Equity)	**26,178,777**	26.18
As at March 31, 2021	**253,061,513**	**253.06**

B. Other equity

(Rs. in crores)

Particulars	Reserves and surplus							Other comprehensive income		Total
	Statutory reserve	Capital reserve	Securities premium	Debenture redemption reserve #	Capital redemption reserve	General reserve	Retained earnings	Remeasurement gain/(loss) on defined benefit plan	Effective portion of cash flow hedges	
Balance as at April 01, 2019	**3,168.55**	**27.62**	**1,754.81**	**374.62**	**53.88**	**2,164.35**	**8,070.47**	**(4.92)**	**-**	**15,609.38**
Profit for the year	-	-	-	-	-	-	2,501.84	-	-	**2,501.84**
Other comprehensive income for the year	-	-	-	-	-	-	-	(4.74)	-	**(4.74)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**2,501.84**	**(4.74)**	**-**	**2,497.10**
Transferred to/(from) (refer note 31 Other equity)	500.38	-	-	235.79	-	250.19	(986.36)	-	-	-
Transferred from share forfeiture account	-	0.02	-	-	-	-	-	-	-	**0.02**
Dividends (interim and final)	-	-	-	-	-	-	(272.26)	-	-	**(272.26)**
Tax on dividend (interim and final)	-	-	-	-	-	-	(55.96)	-	-	**(55.96)**
Balance as at March 31, 2020	**3,668.93**	**27.64**	**1,754.81**	**610.41**	**53.88**	**2,414.54**	**9,257.73**	**(9.66)**	**-**	**17,778.28**

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

(Rs. in crores)

Particulars	Reserves and surplus							Other comprehensive income		Total
	Statutory reserve	Capital reserve	Securities premium	Debenture redemption reserve #	Capital redemption reserve	General reserve	Retained earnings	Remeasurement gain/(loss) on defined benefit plan	Effective portion of cash flow hedges	
Balance as at April 01, 2020	**3,668.93**	**27.64**	**1,754.81**	**610.41**	**53.88**	**2,414.54**	**9,257.73**	**(9.66)**	**-**	**17,778.28**
Profit for the year	-	-	-	-	-	-	2,487.26	-	-	**2,487.26**
Other comprehensive income for the year	-	-	-	-	-	-	-	-	(93.02)	**(93.02)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**2,487.26**	**-**	**(93.02)**	**2,394.24**
Securities premium proceeds received on issue of equity shares (refer note 30 Equity and note 31 Other equity)	-	-	1,466.01	-	-	-	-	-	-	**1,466.01**
Rights issue expenses (refer note 30 Equity and note 31 Other equity)	-	-	(19.55)	-	-	-	-	-	-	**(19.55)**
Transferred to/(from) (refer note 31 Other equity)	497.46	-	-	311.00	-	248.73	(1,057.19)	-	-	-
Dividends (interim)	-	-	-	-	-	-	(303.67)	-	-	**(303.67)**
Balance as at March 31, 2021	**4,166.39**	**27.64**	**3,201.27**	**921.41**	**53.88**	**2,663.27**	**10,384.13**	**(9.66)**	**(93.02)**	**21,315.31**

Refer note 31 Other equity

See accompanying notes to the financial statements

As per our report of even date
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Sumant Sakhardande
Partner

Membership No. 034828
Mumbai
April 29, 2021

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

Pijush Kumar Gupta
Partner

Membership No. 015139
Gurugram
April 29, 2021

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

S. Lakshminarayanan
Chairman

DIN: 02808698
New Delhi
April 29, 2021

Umesh Revankar
Vice Chairman &
Managing Director
DIN: 00141189
Mumbai
April 29, 2021

Parag Sharma
Joint Managing Director & CFO
Mumbai
April 29, 2021

Vivek M. Achwal
Company Secretary
Mumbai
April 29, 2021

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2021

(Rs. in crores)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	3,278.01	3,438.67
Depreciation, amortisation and impairment	137.36	141.05
Interest on income tax refund	-	(5.80)
Interest income	(16,611.31)	(15,690.72)
Finance costs	9,054.26	8,270.26
Loss/(profit) on sale of property plant and equipments (net)	0.65	(1.17)
Impairment on loans	3,128.29	2,748.87
Impairment on investments	(4.22)	42.22
Impairment on undrawn loan commitment	(5.45)	4.39
Impairment on other assets	(0.22)	(0.60)
Net (gain)/loss on fair value changes on investment	(2.85)	0.87
Net (gain)/loss on sale of mutual funds and certificate of deposits	(20.02)	(18.67)
Net (gain)/loss on fair value changes on direct assignment	1.07	-
Net (gain)/loss on fair value changes on derivatives	-	5.88
Net gain on derecognition of financial instruments under amortised cost category	47.05	-
Cash inflow from interest on loans	18,405.90	14,487.74
Cash outflow towards finance costs	(7,745.19)	(7,608.85)
Operating profit before working capital changes	**9,663.33**	**5,814.14**
Movements in working capital:		
Decrease/(increase) in loans	(10,994.29)	(7,026.05)
Decrease/(increase) in investments	(372.28)	1,176.17
Decrease/(increase) in receivables	(90.83)	12.28
Decrease/(increase) in bank deposits	(1,164.96)	(1,273.60)
Decrease/(increase) in other financial assets	(10.11)	(1.22)
Decrease/(increase) in other non-financial assets	(41.13)	(28.09)
Increase/(decrease) in payables	111.67	10.38
Increase/(decrease) in other financial liabilities	(99.05)	(104.04)
Increase/(decrease) in non-financial liabilities	15.98	13.79
Increase/(decrease) in other provision	1.66	7.69
Cash used in operations	**(2,980.01)**	**(1,398.55)**
Direct taxes paid (net of refunds)	(1,258.75)	(1,065.03)
Net cash flows from/(used in) operating activities (A)	**(4,238.76)**	**(2,463.58)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	(25.82)	(57.80)
Proceeds from sale of property, plant and equipment and intangible assets	0.93	2.60
Net cash generated from/(used in) investing activities (B)	**(24.89)**	**(55.20)**

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

(Rs. in crores)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital (including share premium and net of share issue expenses)	1,472.64	-
Proceeds/(repayment) on settlement of derivative contracts	589.48	(826.31)
Increase / (decrease) in fixed deposits (net)	4,206.86	1,661.62
Amount received from debt securities	10,636.15	17,215.18
Repayment of debt securities	(5,797.45)	(16,861.23)
Proceeds/(repayment) of subordinated debts	(1,069.27)	487.32
Amount received from borrowings other than debt securities	38,480.04	38,439.54
Repayment of borrowings other than debt securities	(36,032.94)	(35,112.77)
Payment of lease liabilities	(107.33)	(96.38)
Dividend paid	(152.59)	(272.38)
Tax on dividend	-	(55.96)
Net cash generated from/(used in) financing activities (C)	**12,225.59**	**4,578.63**
Net increase in cash and cash equivalents (A+B+C)	7,961.94	2,059.85
Cash and cash equivalents at the beginning of the year	3,088.99	1,029.14
Cash and cash equivalents at the end of the year	**11,050.93**	**3,088.99**

(Rs. in crores)

Components of cash and cash equivalents	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents at the end of the year		
i) Cash on hand	79.61	41.24
ii) Cheques on hand	6.16	2.38
iii) Balances with banks (of the nature of cash and cash equivalents)	5,014.78	1,810.59
iv) Call Money (CBLO)	2,498.85	-
v) Bank deposit with original maturity less than three months	3,451.53	1,234.78
Total	**11,050.93**	**3,088.99**

The above Cash flow statement has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.

See accompanying notes to the financial statements

As per our report of even date
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Sumant Sakhardande
Partner

Membership No. 034828
Mumbai
April 29, 2021

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

Pijush Kumar Gupta
Partner

Membership No. 015139
Gurugram
April 29, 2021

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

S. Lakshminarayanan
Chairman

DIN: 02808698
New Delhi
April 29, 2021

Umesh Revankar
Vice Chairman & Managing Director
DIN: 00141189
Mumbai
April 29, 2021

Parag Sharma
Joint Managing Director & CFO
Mumbai
April 29, 2021

Vivek M. Achwal
Company Secretary
Mumbai
April 29, 2021

SHRIRAM

Transport Finance Company Limited

A WINNING RELATIONSHIP

FINANCIAL SECTION

STANDALONE ACCOUNTS

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To the Members of
Shriram Transport Finance Company Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

1. We have audited the accompanying standalone financial statements of Shriram Transport Finance Company Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information ("the Standalone Financial Statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

4. We draw attention to Note 63 to the Standalone Financial Statements which describes the facts that the additional Expected Credit Loss ('ECL') provision on account of COVID–19 is based on the Company's historical experience, collection efficiencies post lockdown, internal assessment, and other emerging forward-looking factors on account of the pandemic. However, the actual impact may vary due to prevailing uncertainty caused by the pandemic. Further, the extent to which the COVID–19 pandemic will impact the Company's financial performance is dependent on future developments, which are highly uncertain. Our Opinion is not modified in respect of this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the year under report. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial statements.

   A. Impairment Loss Allowance of loans and advances

   (Reference to Note 12 read with Statement of Accounting Policies Note 6.1(xi) and Note No. 63 of the Other Notes forming part of Standalone Financial statements– Schedule to the Standalone Financial Statements)

	(Rs. in crores)
Gross Advances	125,699.03
Provisions*	9,033.88
Net Advances	116,665.15
COVID-19 Provision*	2,052.58

(*COVID-19 Provisions - towards management overlay on account of COVID-19 is included in above provisions)

B. Significant estimates and judgment involved

Key Audit Matter

During the year, Reserve Bank of India issued revised guidelines (including clarifications thereon) on Income Recognition and Asset Classification norms ("IRAC"). These guidelines prescribe the prudential norms for identification and classification of such assets as Stage 3 / NPAs.

The Company has applied its judgement to determine the identification and classification of such assets as Stage 3 / NPAs by applying quantitative as well as qualitative factors. The risk of identification of such assets as Stage 3 / NPAs is affected by factors like stress and liquidity concerns of such assets.

Impairment loss allowance of loans and advances ("Impairment loss allowance") is a Key Audit Matter as the Company has significant credit risk exposure considering the large loan portfolio across a wide geographical range. The value of loans and advances on the balance sheet is significant and there is a high degree of complexity and judgment involved in estimating individual and collective credit impairment provisions, write-offs against these loans and to additionally determine the asset quality and provision of the Company. The Company's model to calculate expected credit loss ("ECL") is inherently complex and judgment is applied in determining the correct construction of the three-stage impairment model ("ECL Model") including the selection and input of forward looking information. ECL provision calculation require the use of large volumes of data. The completeness and reliability of data can significantly impact accuracy of the modelled impairment provisions. The accuracy of data flows and the implementation of related controls are critical for the integrity of the estimated impairment provisions.

C. Auditor's Response

Audit Procedures included but were not limited to the following:

We have started our audit procedures with understanding of the internal control environment related to Impairment loss allowance. Our procedures over internal controls focused on recognition and measurement of impairment loss allowance. We assessed the design and tested the operating effectiveness of the selected key controls implemented by the Company.

We also assessed whether the impairment methodology used by the Company is in accordance with the assumptions and methodology approved by the Board of Directors of the Company which is based on and in compliance with Ind AS 109 "Financial Instruments".

Accordingly, we assessed the approach of the Company regarding definition of Default, Probability of Default (PD), Loss Given Default (LGD) and incorporation of forward-looking information for the calculation of ECL.

For loans and advances which are assessed for impairment on a portfolio basis we performed particularly the following procedures:

- Read the Company's policies for identification, classification and assessing compliance for Stage 3 / NPAs customers in line with the IRAC norms;
- We understood the design, reliability and operating effectiveness of key data inputs and related management controls;
- We performed substantial audit procedure relating to identification and classification of Stage 3 / NPAs by the company.
- We tested the identification / grouping of the loan accounts mapped with the customer code as identified by the management;
- We tested the exception reports generated from the company's software systems where the loan accounts have been recorded.
- We performed analytical procedures to identify possible cases of evergreening of loans and tested these on sample basis.
- We checked the stage classification as at the balance sheet date as per the definition of Default of the Company and Reserve Bank of India circulars issued from time to time;
- We validated the ECL Model and its calculation by involving our Information Technology Expert;
- We have checked on sample basis that the stage classification for the borrowers has been given in accordance with the Resolution Framework issued by Reserve Bank of India (the 'RBI') and the Board approved policy for ECL provisioning and stage classification with respect to such accounts;
- We have verified whether the ECL provision is made in accordance with the Board Approved Policy in this regard;

- We have also calculated the ECL provision manually for selected samples;
- We have assessed the assumptions made by the Company in making accelerated provision considering forward looking information and based on an event in a particular geographical range;
- With respect to additional provision made by the Company on account of the impact of COVID-19 pandemic, we broadly reviewed the underlying assumptions and estimates used by the management for the same but as the extent of impact is dependent on future developments which are highly uncertain, we have primarily relied on those assumptions and estimates. These assumptions and estimates are a subject matter of periodic review by the Company; and
- We have assessed disclosure requirements for classification and identification of Stage 3/ NPAs in accordance with RBI circulars including those issued specifically issued for COVID-19 related matters.

For loans and advances which are written off during the year under audit, we read and understood the methodology and policy laid down and implemented by the Company in this regards along with its compliance on sample basis.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

7. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report like Management Discussion and Analysis, Director's Report and Corporate Governance Report, but does not include the Standalone Financial Statements and our auditors' report thereon which we obtained prior to the date of this auditor's report, and Annual Report, which is expected to be made available to us after that date.

8. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

9. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the Standalone Financial Statements

10. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting standards ("Ind AS") specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

12. In preparing the Standalone Financial Statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the Standalone Financial Statements

14. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report

that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

15.1 Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

15.2 Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.

15.3 Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

15.4 Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

15.5 Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Other Matter

19. The comparative financial statements of the Company for the year ended 31 March 2021 included in Standalone Financial Statements, were audited by the then Joint statutory auditors "Haribhakti & Co. LLP, Chartered Accountants" and "Pijush Gupta & Co., Chartered Accountants" whose reports dated 29 April 2021 expressed an unmodified opinion on those financial statements. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

20. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a

statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

21. As required by Section 143(3) of the Act, we report that:

21.1 We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

21.2 In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

21.3 The standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, the statement of changes in equity and the standalone cash flow statement dealt with by this Report are in agreement with the books of account.

21.4 In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

21.5 On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

21.6 With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

21.7 With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;

22. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us, we report as under:

22.1 The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its Standalone Financial Statements – Refer Note 49 to the Standalone Financial Statements;

22.2 The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 10 to the Standalone Financial Statements;

22.3 There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

22.4 (a) The management has represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has also represented to us, to the best of its knowledge and belief, that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause 22.4(a) and 22.4(b) contain any material misstatement.

22.5 As stated in Note 30 to the Standalone Financial Statements

(a) The final dividend proposed in the previous year, declared, and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.

(c) The Board of Directors of the Company have not proposed final dividend for the year. As such the interim dividend aggregating to Rs. 20/-per share (i.e. 200 %) shall be the final dividend for the financial year 2021-22 . The amount of dividend declared is in accordance with section 123 of the Act, as applicable.

For **Sundaram & Srinivasan**
Chartered Accountants
Firm Registration Number - 004207S

P Menakshi Sundaram
Partner
Membership Number: 217914
UDIN: 22217914AHYPLD3562
Place: Mumbai
Date: 28 April 2022

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm Registration Number - 105146W/W- 100621

Gautam Shah
Partner
Membership Number: 117348
UDIN:22117348AHYPWL1328
Place: Mumbai
Date: 28 April 2022

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Shriram Transport Finance Company Limited for the year ended 31 March 2022

(Referred to in paragraph 20 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ("PPE") and relevant details of right-of-use assets.

The Company is maintaining proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) and intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988 as amended in 2016) and rules made thereunder. Refer note 84 to the Standalone Financial Statements.

ii. (a) The Company is in the business of providing loans and does not have any physical inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to it.

(b) During the year, the Company has availed sanctioned working capital limit in excess of Rs. 5 crores from Banks or Financial Institutions on the basis of security of Loans. Based on our examination of the records of the company, the quarterly returns/ statements filed by the company with the said bank are in agreement with the books of accounts maintained by the Company.

iii. (a) Since the Company's principal business is to give loans. Accordingly, the provision of clause 3(iii)(a) of the Order is not applicable to it.

(b) The Company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934. In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees, provided during the year are, prima facie, not prejudicial to the Company's interest.

(c) The Company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its customers as stipulated. In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer notes 12 and 63 to the Standalone Financial Statements for summarised details of such loans/advances which are not repaid by borrowers as per stipulations. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.

(d) The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors and report total amount overdue including principal and/or payment of interest by its

customers for more than 90 days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer notes 12 and 63 to the Standalone Financial Statements for summarised details of such loans/advances which are not repaid by borrowers as per stipulations. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.

(e) Since the Company's principal business is to give loans. Accordingly, the provision of clause 3(iii)(e) of the Order is not applicable to it.

(f) Based on our audit procedures, according to the information and explanation made available to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.

iv. According to the information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees in contravention of provisions of Section 185 of the Act. The Company has complied with the provisions of Section 186(1) of the Act; the other provisions of Section 186 of the Act are not applicable to the Company.

v. In our opinion and according to the information and explanations given to us, the Company being a non-banking financial company registered with the Reserve Bank of India, the provisions of sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted are not applicable to the Company. We are informed by the Management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

vi. The Central Government has not prescribed the maintenance of cost records under sub-section (1) section 148 of the Act for the business activities carried out by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion and according to the information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues relating to amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it with the appropriate authorities during the year.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and any other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company did not have dues which have not been deposited as on March 31, 2022, except for the following:

Name of the statute	Nature of dues	Amount* (Rs. In crores)	Period to which the amount relates @	Forum where dispute is pending
Income Tax Act, 1961	Income Tax demands	35.25	A.Y. 2018-19	CIT (Appeals)
Income Tax Act, 1961	Income Tax demands	13.44	A.Y. 2017-18	ITAT
Income Tax Act, 1961	Income Tax demands	26.10	A.Y. 2016-17	Madras High Court
Income Tax Act, 1961	Income Tax demands	5.46	A.Y. 2014-15	Madras High Court
Income Tax Act, 1961	Income Tax demands	5.79	A.Y. 2014-15	Assessing Officer
Income Tax Act, 1961	Income Tax demands	1.80	A.Y. 2014-15	CIT (Appeals)
Income Tax Act, 1961	Income Tax demands	1.53	A.Y. 2013-14	Madras High Court
Income Tax Act, 1961	Income Tax demands	5.02	A.Y. 2013-14	Assessing Officer

ANNEXURE A

TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

Name of the statute	Nature of dues	Amount* (Rs. In crores)	Period to which the amount relates @	Forum where dispute is pending
Income Tax Act, 1961	Income Tax demands	0.47	A.Y. 2012-13	Madras High Court
Income Tax Act, 1961	Income Tax demands	5.27	A.Y. 2012-13	Assessing Officer
Income Tax Act, 1961	Income Tax demands	10.00	A.Y. 2011-12	Assessing Officer
Income Tax Act,1961	Income Tax demands	9.21	A.Y. 2010-11	Assessing Officer
Income Tax Act, 1961	Income Tax demands	10.26	A.Y. 2009-10	Madras High Court
Income Tax Act, 1961	Income Tax demands	1.84	A.Y. 2008-09	Madras High Court
Income Tax Act, 1961	Income Tax demands	0.27	A.Y. 2007-08	Madras High Court
Income Tax Act, 1961	Income Tax demands	0.08	A.Y. 2006-07	Assessing Officer
Finance Act, 1994 (Service tax)	Service tax on interest on hypothecation loans	1,768.66	F.Y. 2005-06 to April 01, 2017 to June 30, 2017	Mumbai High Court
Finance Act, 1994 (Service tax)	Service tax demand on securitisation collection commission	192.88	F.Y. 2008-09 to 2014-2015	CESTAT (Custom, Excise and Service tax appellate tribunal)
Finance Act, 1994 (Service tax)	Service tax on hire purchase and lease transaction	3.90	1st March 2006 to 31st March 2010	Supreme Court
Maharashtra Value Added Tax	Value added tax	0.29	F.Y. 2016-17	Joint Commissioner of Sales tax- Mazgaon
Maharashtra Value Added Tax	Value added tax	0.02	F.Y. 2015-16	Joint Commissioner of Sales tax - Bandra
Maharashtra Value Added Tax	Value added tax	0.79	F.Y. 2014-15	Joint Commissioner of Sales tax - Mazgaon
Maharashtra Value Added Tax	Value added tax	0.01	F.Y. 2014-15	Joint Commissioner of Sales tax - Bandra
Maharashtra Value Added Tax	Value added tax	0.21	F.Y. 2012-13 to 2013-14	Deputy Commissioner of Sales Tax - Appeals - Mumbai
Maharashtra Value Added Tax	Value added tax	5.40	F.Y. 2007-08 to 2013-14	Maharashtra Sales Tax Tribunal
Maharashtra Value Added Tax	Value added tax	0.00#	F.Y. 2006-07	Deputy Commissioner of Sales Tax - Appeals – Mumbai
Maharashtra Value Added Tax	Value added tax	0.00#	F.Y. 2005-06	Maharashtra Sales Tax Tribunal - Pune
Andhra Pradesh Value Added Tax	Value added tax	0.12	F.Y. 2010-11 to 2012-13	High court of Telangana - Hyderabad
Andhra Pradesh Value Added Tax	Value added tax	3.27	F.Y 2009-10 to 2010-11 and 1st April 2011 to 31st August 2012	High court of Telangana - Hyderabad
Andhra Pradesh Value Added Tax	Value added tax	3.48	F.Y. 2005-06 to 2008-09	High court of Andhra Pradesh – Vijaywada
Rajasthan Value Added Tax	Value added tax	1.59	F.Y. 2012-13 to 2015-16 And 1st April, 2016 to 4th Nov 2016	Rajasthan Tax Tribunal, Ajmer

Name of the statute	Nature of dues	Amount* (Rs. In crores)	Period to which the amount relates @	Forum where dispute is pending
Rajasthan Value Added Tax	Value added tax	1.16	F.Y. 2006-07 to 2011-12	Supreme Court – Delhi
Karnataka Value Added Tax	Value added tax	8.07	F.Y. 2010-11 to 2016-17	High court of Karnataka
Orissa Value Added Tax	Value added tax	0.09	F.Y. 2008-09 to 2012-13	DCCT – Bhubaneshwar
Telangana Value Added Tax	Value added tax	9.81	F.Y. 2013-14 to 2016-17 and April 17 to June 17	High Court of Telangana
Tamil Nadu Value Added Tax	Value added tax	3.73	F.Y. 2014-15 to 2016-17 and April 17 to June 17	The Company is in the process of filing an appeal with Madras High Court.
Tamil Nadu Value Added Tax	Value added tax	2.90	F.Y. 2006-07 to 2013-14	Supreme Court – Delhi

*Above amounts are net of amount paid under protest, wherever paid.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores

@ A.Y. = Assessment Year, F.Y. = Financial Year

viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans from bank during the year for the purposes for which they were obtained, other than temporary parking in Cash credit account for a few days at the end of the year, pending utilization towards purpose for which the same are obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) & (f) The company has not taken any funds from any entity or person on account of or to meet the obligations of its associate. The Company does not have any subsidiaries or joint ventures.

x. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised any moneys raised by way of further public offer during the current financial year. In our opinion, monies raised by the Company by way of debt instruments and term loans were applied for the purposes for which those were obtained, though idle/ surplus funds which were not required for immediate utilization were gainfully invested in liquid assets payable on demand.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made preferential allotment of equity shares during the year. The Company has complied with the relevant provisions of the Act in connection with the funds raised through preferential allotment and the same have been utilised for the purposes for which they were raised

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the course of our audit, other than the instances of fraud noticed and reported by the management in terms of the regulatory provisions applicable to the Company amounting to Rs. 3.14 crore comprising of 2 instances.

(b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations given to us, there were no whistle blower complaints received during the year by the Company.

xii. The Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered, during the course of our audit, the reports of the Internal Auditor(s) for the period under audit, issued to the Company during the year till date, in determining the nature, timing and extent of our audit procedures in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors".

xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company and hence provisions of section 192 of the Act, 2013 are not applicable to the Company.

xvi. (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.

(b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) According to the information and explanations given to us, the Company is not a Core Investment Company ('CIC') as defined under the Regulations by the Reserve Bank of India.

(d) As per information provided in course of our audit, the Group to which the Company belongs has 3 CIC's as defined in the Core Investment Companies (Reserve Bank) Directions, 2016.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. During the year, Haribhakti & Co. LLP, Chartered Accountants and Pijush Gupta & Co., Chartered Accountants, the joint Statutory auditors of the Company have resigned with effect from 15 September 2021 consequent to amended rules/ regulations applicable to the Company. (i.e. vide RBI circular dated 27 April 2021). According to the information and explanations given to us, there have been no issues, objections or concerns raised by the said outgoing joint statutory auditors of the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, along with details provided in Note 47 to the Standalone Financial statements which describe the maturity analysis of assets & liabilities other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) According to the information and explanations given to us and based on our examination of the records of the Company, it is not required to transfer any unspent amount pertaining to the year under report to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub section 5 of section 135 of the said Act

(b) According to the information and explanations given to us and based on our examination of the records of the Company, there is no amount which is remaining unspent under sub section 5 of section 135 of the Act pursuant to any ongoing CSR project.

xxi. Information of qualification remarks with respect to Associate as reported by Component auditor in their CARO report are as follows:

Sr. No.	Name of the Company	CIN	Holding Company/ subsidiary/Associate/ Joint Venture	Clause number of the CARO report which is qualified or adverse
1	Shriram Automall India Limited	U50100TN2010PLC074572	Associate and its subsidiaries	Clause vii (a)

For **Sundaram & Srinivasan**
Chartered Accountants
Firm Registration Number - 004207S

P Menakshi Sundaram
Partner
Membership Number: 217914
UDIN: 22217914AHYPLD3562
Place: Mumbai
Date: 28 April 2022

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm Registration Number - 105146W/W- 100621

Gautam Shah
Partner
Membership Number: 117348
UDIN:22117348AHYPWL1328
Place: Mumbai
Date: 28 April 2022

Annexure B to the Independent Auditor's report on the Standalone Financial Statements of Shriram Transport Finance Company Limited for the year ended 31 March 2022

(Referred to in paragraph 21.6 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

Opinion

1. We have audited the internal financial controls with reference to the Standalone Financial Statements of Shriram Transport Finance Company Limited ("the Company") as at 31 March 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.
2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

Management's responsibility for Internal Financial Controls

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ("SA"), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Financial Statements were established and maintained and whether such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to the Standalone Financial Statements

7. A company's internal financial controls with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Standalone Financial Statements include those policies and procedures that (1) pertain

to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

8. Because of the inherent limitations of internal financial controls with reference to the Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **Sundaram & Srinivasan**
Chartered Accountants
Firm Registration Number - 004207S

P Menakshi Sundaram
Partner
Membership Number: 217914
UDIN: 22217914AHYPLD3562
Place: Mumbai
Date: 28 April 2022

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm Registration Number - 105146W/W- 100621

Gautam Shah
Partner
Membership Number: 117348
UDIN:22117348AHYPWL1328
Place: Mumbai
Date: 28 April 2022

BALANCE SHEET

AS AT MARCH 31, 2022

(Rs. in crores)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	8	10,662.44	11,050.93
(b) Bank balance other than (a) above	9	5,692.72	5,390.89
(c) Derivative financial instruments	10	201.40	169.25
(d) Receivables	11		
(I) Trade receivables		5.35	8.92
(II) Other receivables		192.67	49.90
(e) Loans	12	116,665.15	108,303.04
(f) Investments	13	6,809.16	3,197.85
(g) Other financial assets	14	51.45	49.03
Total financial assets		**140,280.34**	**128,219.81**
(2) Non-financial assets			
(a) Current tax assets (net)	15	228.24	171.73
(b) Deferred tax assets (net)	43	869.38	639.14
(c) Investment property	16	1.97	2.00
(d) Property, plant and equipment	17	110.56	124.44
(e) Right-of-use assets	18	302.52	308.51
(f) Other intangible assets	19	3.04	2.39
(g) Other non-financial assets	20	310.04	293.32
Total non-financial assets		**1,825.75**	**1,541.53**
Total assets		**142,106.09**	**129,761.34**
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Payables	21		
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		0.02	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		166.01	152.52
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		1.46	0.37
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1.21	0.54
(b) Debt securities	22	41,256.55	40,061.87
(c) Borrowings (other than debt securities)	23	46,676.93	45,281.37
(d) Deposits	24	21,948.98	16,232.41
(e) Subordinated liabilities	25	4,614.25	4,620.76
(f) Lease liabilities	18	349.43	349.49
(g) Other financial liabilities	26	859.64	1,149.82
Total financial liabilities		**115,874.48**	**107,849.15**
(2) Non-financial liabilities			
(a) Current tax liabilities (net)	27	36.82	102.02
(b) Provisions	28	138.18	142.54
(c) Other non-financial liabilities	29	124.42	99.26
Total non-financial liabilities		**299.42**	**343.82**
Total liabilities		**116,173.90**	**108,192.97**
(3) Equity			
(a) Equity share capital	30	270.52	253.06
(b) Other equity	31	25,661.67	21,315.31
Total equity		**25,932.19**	**21,568.37**
Total liabilities and equity		**142,106.09**	**129,761.34**

See accompanying notes to the financial statements

As per our report of even date

For **Khimji Kunverji & Co LLP**
Chartered Accountants
ICAI Firm Registration No. 105146W/W-100621

Gautam Shah
Partner

Membership No. 117348
Mumbai
April 28, 2022

For **Sundaram & Srinivasan**
Chartered Accountants
ICAI Firm Registration No. 004207S

P Menakshi Sundaram
Partner

Membership No. 217914
Mumbai
April 28, 2022

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

S. Lakshminarayanan
Chairman

DIN: 02808698
Mumbai
April 28, 2022

Umesh Revankar
Vice Chairman & Managing Director
DIN: 00141189
Mumbai
April 28, 2022

Parag Sharma
Joint Managing Director & CFO
DIN: 02916744
Mumbai
April 28, 2022

Vivek M. Achwal
Company Secretary

Mumbai
April 28, 2022

(Rs. in crores)

Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from operations			
(i) Interest income	32	18,646.26	17,128.14
(ii) Dividend income		-	-
(iii) Rental income		0.17	0.21
(iv) Fees and commission income	33	100.08	115.86
(v) Net gain on fair value changes	34	221.70	21.80
(vi) Net gain on derecognition of financial instruments under amortised cost category		217.74	58.85
(vii) Other operating income	35	69.22	95.59
(I) Total Revenue from operations		**19,255.17**	**17,420.45**
(II) Other Income	36	19.06	15.95
(III) Total Income (I + II)		**19,274.23**	**17,436.40**
Expenses			
(i) Finance cost	37	9,734.31	9,054.26
(ii) Fees and commission expenses	38	91.74	78.89
(iii) Impairment on financial instruments	39	3,860.86	3,118.40
(iv) Employee benefits expenses	40	997.09	906.25
(v) Depreciation, amortisation and impairment	41	135.37	137.36
(vi) Other expenses	42	905.61	863.23
(IV) Total expenses		**15,724.98**	**14,158.39**
(V) Profit before exceptional items and tax (III - IV)		**3,549.25**	**3,278.01**
(VI) Exceptional items		-	-
(VII) Profit before tax (V+ VI)		**3,549.25**	**3,278.01**
(VIII) Tax Expense:			
(1) Current tax	43	1,112.57	1,197.77
(2) Deferred tax	43	(188.93)	(545.36)
(3) Tax adjustment for earlier years	43	(82.32)	138.34
(IX) Profit for the year from continuing operations (VII - VIII)		**2,707.93**	**2,487.26**
(X) Profit for the year		**2,707.93**	**2,487.26**
(XI) Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plan		(3.24)	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.82	-
Subtotal (A)		**(2.42)**	-
B (i) Items that will be reclassified to profit or loss			
Cash flow hedge reserve			
Gain/(loss) on effective portion of hedging instruments in a cash flow hedge		(160.87)	(124.31)
(ii) Income tax relating to items that will be reclassified to profit or loss		40.49	31.29
Subtotal (B)		**(120.38)**	**(93.02)**
Other comprehensive income (A + B)		**(122.80)**	**(93.02)**
(XII) Total Comprehensive income for the year (X + XI)		**2,585.13**	**2,394.24**
(XIII) Earnings per equity share (face value Rs. 10/- per equity share)	44		
Basic (Rs.)		101.74	100.97
Diluted (Rs.)		101.74	100.97

See accompanying notes to the financial statements

As per our report of even date

For **Khimji Kunverji & Co LLP**
Chartered Accountants
ICAI Firm Registration No. 105146W/W-100621

Gautam Shah
Partner

Membership No. 117348
Mumbai
April 28, 2022

For **Sundaram & Srinivasan**
Chartered Accountants
ICAI Firm Registration No. 004207S

P Menakshi Sundaram
Partner

Membership No. 217914
Mumbai
April 28, 2022

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

S. Lakshminarayanan
Chairman

DIN: 02808698
Mumbai
April 28, 2022

Umesh Revankar
Vice Chairman & Managing Director
DIN: 00141189
Mumbai
April 28, 2022

Parag Sharma
Joint Managing Director & CFO
DIN: 02916744
Mumbai
April 28, 2022

Vivek M. Achwal
Company Secretary

Mumbai
April 28, 2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

A. Equity share capital

(1) Current reporting period

(Rs. in crores)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
As at March 31, 2021				As at March 31, 2022
253.06	-	253.06	17.46	270.52

(2) Previous reporting period

(Rs. in crores)

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
As at March 31, 2020				As at March 31, 2021
226.88	-	226.88	26.18	253.06

B. Other equity

(1) Current reporting period

(Rs. in crores)

Particulars	Share application money pending allotment	Reserves and surplus									Other comprehensive income	Money received against share warrants	Total
		Capital reserve	Securities premium	Other Reserves									
				Statutory reserve	Debenture redemption reserve #	Capital redemption reserve	General reserve	Remeasurement gain/(loss) on defined benefit plan	Retained earnings		Effective portion of cash flow hedges		
Balance at the beginning of the current reporting period (as at April 01, 2021)	-	27.64	3,201.27	4,166.39	921.41	53.88	2,663.27	(9.66)	10,384.13		(93.02)	-	21,315.31
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-		-	-	-
Restated balance at the beginning of the current reporting period	-	27.64	3,201.27	4,166.39	921.41	53.88	2,663.27	(9.66)	10,384.13		(93.02)	-	21,315.31
Profit for the year	-	-	-	-	-	-	-	-	2,707.93		-	-	2,707.93
Other comprehensive income for the year	-	-	-	-	-	-	-	(2.42)	-		(120.38)	-	(122.80)
Total comprehensive income for the year	-	-	-	-	-	-	-	(2.42)	2,707.93		(120.38)	-	2,585.13
Dividends (interim)	-	-	-	-	-	-	-	-	(539.65)		-	-	(539.65)
Dividends (final for the year ended March 31, 2021)	-	-	-	-	-	-	-	-	(160.23)		-	-	(160.23)
Transferred to/(from) (refer note 31 Other equity)	-	-	-	541.59	(614.13)	-	270.80	-	(198.26)		-	-	-
Any other change:													
Securities premium proceeds received on issue of equity shares (refer note 30 Equity and note 31 Other equity)	-	-	2,482.54	-	-	-	-	-	-		-	-	2,482.54
Share issue expenses (refer note 30 Equity and note 31 Other equity)	-	-	(21.43)	-	-	-	-	-	-		-	-	(21.43)
Money received against share warrants	-	-	-	-	-	-	-	-	-		-	250.00	250.00
Shares allotted during the year	-	-	-	-	-	-	-	-	-		-	(250.00)	(250.00)
Balance at the end of the current reporting period (as at March 31, 2022)	-	27.64	5,662.38	4,707.98	307.28	53.88	2,934.07	(12.08)	12,193.92		(213.40)	-	25,661.67

(2) Previous reporting period

(Rs. in crores)

Particulars	Share application money pending allotment	Reserves and surplus								Other comprehensive income	Money received against share warrants	Total
		Capital reserve	Securities premium	Other Reserves								
				Statutory reserve	Debenture redemption reserve #	Capital redemption reserve	General reserve	Remeasurement gain/(loss) on defined benefit plan	Retained earnings	Effective portion of cash flow hedges		
Balance at the beginning of the current reporting period (as at April 01, 2020)	-	**27.64**	**1,754.81**	**3,668.93**	**610.41**	**53.88**	**2,414.54**	**(9.66)**	**9,257.73**	-	-	**17,778.28**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	**27.64**	**1,754.81**	**3,668.93**	**610.41**	**53.88**	**2,414.54**	**(9.66)**	**9,257.73**	-	-	**17,778.28**
Profit for the year	-	-	-	-	-	-	-	-	2,487.26	-	-	**2,487.26**
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	(93.02)	-	**(93.02)**
Total comprehensive income for the year	-	-	-	-	-	-	-	-	**2,487.26**	**(93.02)**	-	**2,394.24**
Dividends (interim)	-	-	-	-	-	-	-	-	(303.67)	-	-	**(303.67)**
Transferred to/(from) (refer note 31 Other equity)	-	-	-	497.46	311.00	-	248.73	-	(1,057.19)	-	-	-
Any other change:												
Securities premium proceeds received on issue of equity shares (refer note 30 Equity and note 31 Other equity)	-	-	1,466.01	-	-	-	-	-	-	-	-	**1,466.01**
Rights issue expenses (refer note 30 Equity and note 31 Other equity)	-	-	(19.55)	-	-	-	-	-	-	-	-	**(19.55)**
Balance at the end of the current reporting period (as at March 31, 2021)	-	**27.64**	**3,201.27**	**4,166.39**	**921.41**	**53.88**	**2,663.27**	**(9.66)**	**10,384.13**	**(93.02)**	-	**21,315.31**

Refer note 31 Other equity

See accompanying notes to the financial statements

As per our report of even date
For **Khimji Kunverji & Co LLP**
Chartered Accountants
ICAI Firm Registration No. 105146W/W-100621

Gautam Shah
Partner

Membership No. 117348
Mumbai
April 28, 2022

For **Sundaram & Srinivasan**
Chartered Accountants
ICAI Firm Registration No. 004207S

P Menakshi Sundaram
Partner

Membership No. 217914
Mumbai
April 28, 2022

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

S. Lakshminarayanan
Chairman

DIN: 02808698
Mumbai
April 28, 2022

Umesh Revankar
Vice Chairman &
Managing Director
DIN: 00141189
Mumbai
April 28, 2022

Parag Sharma
Joint Managing Director & CFO
DIN: 02916744
Mumbai
April 28, 2022

Vivek M. Achwal
Company Secretary

Mumbai
April 28, 2022

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	3,549.25	3,278.01
Depreciation, amortisation and impairment	135.37	137.36
Interest income on loans	(18,028.13)	(16,611.31)
Finance costs	9,734.31	9,054.26
Loss/(profit) on sale of property plant and equipment (net)	0.79	0.65
Impairment on loans	3,865.02	3,128.29
Impairment on investments	(2.00)	(4.22)
Impairment on undrawn loan commitment	(4.00)	(5.45)
Impairment on other assets	1.84	(0.22)
Net (gain)/loss on fair value changes on investment	(236.83)	(22.87)
Net (gain)/loss on fair value changes on direct assignment	15.13	1.07
Net gain on derecognition of financial instruments under amortised cost category	217.74	58.85
Cash inflow from interest on loans	18,006.70	18,405.90
Cash outflow towards finance costs	(8,588.09)	(7,745.19)
Operating profit before working capital changes	**8,667.10**	**9,675.13**
Movements in working capital:		
Decrease/(increase) in loans	(12,205.70)	(10,994.29)
Decrease/(increase) in investments	(3,372.48)	(372.28)
Decrease/(increase) in receivables	(372.06)	(102.64)
Decrease/(increase) in bank deposits	(301.83)	(1,164.96)
Decrease/(increase) in other financial assets	(4.26)	(10.11)
Decrease/(increase) in other non-financial assets	(14.67)	(41.13)
Increase/(decrease) in payables	13.51	8.68
Increase/(decrease) in other financial liabilities	(138.25)	3.94
Increase/(decrease) in non-financial liabilities	25.16	15.98
Increase/(decrease) in other provision	(3.60)	1.66
Cash used in operations	**(7,707.08)**	**(2,980.02)**
Direct taxes paid (net of refunds)	(1,151.94)	(1,258.75)
Net cash flows from/(used in) operating activities (A)	**(8,859.02)**	**(4,238.77)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	(35.75)	(25.82)
Proceeds from sale of property, plant and equipment and intangible assets	1.42	0.94
Net cash generated from/(used in) investing activities (B)	**(34.33)**	**(24.88)**

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(Rs. in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital (including share premium and net of share issue expenses)	2,478.57	1,472.64
Proceeds/(repayment) on settlement of derivative contracts	(32.15)	589.48
Increase / (decrease) in fixed deposits (net)	5,443.14	4,206.86
Amount received from debt securities	16,637.86	10,636.15
Repayment of debt securities	(16,203.36)	(5,797.45)
Proceeds/(repayment) of subordinated debts	(50.32)	(1,069.27)
Amount received from borrowings other than debt securities	41,477.93	38,480.04
Repayment of borrowings other than debt securities	(40,280.10)	(36,032.94)
Payment of lease liabilities	(114.90)	(107.33)
Dividend paid	(851.81)	(152.59)
Net cash generated from/(used in) financing activities (C)	**8,504.86**	**12,225.59**
Net increase in cash and cash equivalents (A+B+C)	(388.49)	7,961.94
Cash and cash equivalents at the beginning of the year	11,050.93	3,088.99
Cash and cash equivalents at the end of the year	**10,662.44**	**11,050.93**

(Rs. in crores)

Components of cash and cash equivalents	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents at the end of the year		
i) Cash on hand	95.05	79.61
ii) Cheques on hand	5.56	6.16
iii) Balances with banks (of the nature of cash and cash equivalents)	2,654.78	5,014.78
iv) Call money (CBLO)	3,198.60	2,498.85
v) Bank deposit with original maturity upto three months or less	4,708.45	3,451.53
Total	**10,662.44**	**11,050.93**

The above Cash flow statement has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.

See accompanying notes to the financial statements

As per our report of even date

For **Khimji Kunverji & Co LLP**
Chartered Accountants
ICAI Firm Registration No. 105146W/W-100621

Gautam Shah
Partner

Membership No. 117348
Mumbai
April 28, 2022

For **Sundaram & Srinivasan**
Chartered Accountants
ICAI Firm Registration No. 004207S

P Menakshi Sundaram
Partner

Membership No. 217914
Mumbai
April 28, 2022

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

S. Lakshminarayanan
Chairman

DIN: 02808698
Mumbai
April 28, 2022

Umesh Revankar
Vice Chairman & Managing Director
DIN: 00141189
Mumbai
April 28, 2022

Parag Sharma
Joint Managing Director & CFO
DIN: 02916744
Mumbai
April 28, 2022

Vivek M. Achwal
Company Secretary

Mumbai
April 28, 2022

Financial
Statements

To The Members of
Shriram Finance Limited (formerly Shriram Transport Finance Company Limited)

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

1. We have audited the accompanying standalone financial statements of Shriram Finance Limited (formerly Shriram Transport Finance Company Limited) ('the Company'), which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information ('the Standalone Financial Statements').

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Emphasis of Matter

4. We draw attention to notes 52 and 74 of the Standalone financial statements which state that the Composite Scheme of Arrangement and Amalgamation ('Scheme'), has been given effect to, based on the Appointed date 01 April 2022 as approved by National Company Law Tribunal which is deemed to be the acquisition date for the purpose of accounting under Ind AS 103 'Business Combinations'. Our opinion on the Standalone financial statements is not modified in respect of this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current year. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial statements.

Key Audit Matter	How the matter was addressed in our audit
Acquisition accounting for the Composite Scheme of Arrangement and amalgamation ('Scheme') of Shriram Capital Limited (SCL) and Shriram City Union Finance Limited (SCUF) with the Company During the year, the Hon'ble National Company Law Tribunal, Chennai Bench ('NCLT') has approved the Composite Scheme of Arrangement and Amalgamation ('Scheme'), inter alia, involving amalgamation of Shriram Capital Limited (SCL) with its Remaining undertaking with the Company and amalgamation of Shriram City Union Finance Limited (SCUF) with its entire undertaking with the Company, vide order dated 9 November 2022 to be read with Corrigendum order dated 17 November 2022 effective from Appointed date of the Scheme being 1 April 2022. Accounting for the amalgamation has involved judgment in order to: • determine the fair value of consideration transferred; • identify and measure the fair value of the identifiable assets acquired and liabilities assumed; • allocate the purchase consideration between identifiable assets and liabilities, goodwill and Intangible assets (distribution network); This is a material acquisition for the Company and given the level of estimation and judgement required, we considered it to be a key audit matter. The most significant judgement relates to the identification and valuation of intangible assets acquired. The identified intangible assets are the distribution network. This includes complex valuation considerations and requires the use of specialists. (Reference to Notes 52 and 74 read with Statement of Accounting Policies Note 6.15 to the Standalone Financial Statements)	Audit procedures included but were not limited to the following: • Obtained an understanding of the Scheme and the transaction from the management and identified key terms relevant to the accounting for the transaction. • Read relevant parts of the approval obtained from NCLT and assessed the Company's conclusion as regard business combination accounting in accordance with Ind AS 103 with respect to the amalgamation. • We tested the completeness of the identified assets and liabilities acquired by comparison to the scheme of arrangement, through discussions with the Company. • We assessed the Company's determination of fair values for assets and liabilities acquired including intangible assets and the methods used to value the underlying assets by: ► reading the valuation report prepared by the appointed external valuation specialists. ► evaluating the competence, objectivity and integrity of the appointed external valuation specialists. ► discussing with the external valuation specialists and management the appropriateness of the methods used to determine the fair values of distribution rights and including assumptions such as the discount rates applied. ► evaluating appropriateness of adequate disclosures in accordance with the applicable accounting standards.
Impairment Loss Allowance of loans and advances (Reference to Note 12 read with Statement of Accounting Policies Note 6.1(xi) and Note No. 64 of the Other Notes forming part of Standalone Financial statements– Schedule to the Standalone Financial Statements) (in INR Crores) Gross Advances 1,83,338.42 **Provisions*** 11,353.84 **Net Advances** 171,984.58 **COVID–19 Provisions*** 1,107.49 (*COVID-19 Provisions - towards management overlay on account of COVID-19 is included in above provisions)	Audit Procedures included but were not limited to the following: We have started our audit procedures with understanding of the internal control environment related to Impairment loss allowance. Our procedures over internal controls focused on recognition and measurement of impairment loss allowance. We assessed the design and tested the operating effectiveness of the selected key controls implemented by the Company. We also assessed whether the impairment methodology used by the Company is in accordance with the assumptions and methodology approved by the Board of Directors of the Company which is based on and in compliance with Ind AS 109 'Financial Instruments'.

Key Audit Matter	How the matter was addressed in our audit
Significant estimates and judgment involved Key Audit Matter Reserve Bank of India has issued Master circular and other clarifications on Income Recognition and Asset Classification and Provisioning pertaining to Advances ('IRAC'). These guidelines prescribe the prudential norms for identifying and classifying of advances as Stage 3 / NPAs. The Company has applied significant judgement to determine the identification and classification of such assets as Stage 3 / NPAs by applying quantitative as well as qualitative factors. The risk of identification of such assets as Stage 3 / NPAs is affected by factors like stress and liquidity concerns of such assets. Impairment loss allowance of loans and advances ('Impairment loss allowance') is a Key Audit Matter as the Company has significant credit risk exposure considering the large loan portfolio across a wide geographical range. The value of loans and advances on the balance sheet is significant and there is a high degree of complexity and judgment involved in estimating individual and collective credit impairment provisions, write-offs against these loans and to additionally determine the asset quality and provision of the Company. The Company's model to calculate expected credit loss ('ECL') is inherently complex and judgment is applied in determining the correct construction of the three-stage impairment model ('ECL Model') including the selection and input of forward looking information. ECL provision calculation requires the use of large volumes of data. The completeness and reliability of data can significantly impact accuracy of the modelled impairment provisions. The accuracy of data flows and the implementation of related controls are critical for the integrity of the estimated impairment provisions.	Accordingly, we assessed the approach of the Company regarding definition of Default, Probability of Default (PD), Loss Given Default (LGD) and incorporation of forward-looking information for the calculation of ECL. For loans and advances which are assessed for impairment on a portfolio basis we performed particularly the following procedures: • We read the Company's policies for identification, classification and assessing compliance for Stage 3 / NPAs customers in line with the IRAC norms; • We understood the design, reliability and operating effectiveness of key data inputs and related management controls; • We performed substantial audit procedure relating to identification and classification of Stage 3 / NPAs by the company; • We tested the identification / grouping of the loan accounts mapped with the customer code as identified by the management; • We tested the exception reports generated from the company's software systems where the loan accounts have been recorded; • We performed analytical procedures to identify possible cases of evergreening of loans and tested these on sample basis; • We checked the stage classification as at the balance sheet date as per the definition of Default of the Company and Reserve Bank of India circulars issued from time to time; • We validated the ECL Model and its calculation by involving our Information Technology Expert; • We have checked on sample basis that the stage classification for the borrowers has been given in accordance with the Resolution Framework issued by Reserve Bank of India (the 'RBI') and the Board approved policy for ECL provisioning and stage classification with respect to such accounts; • We have verified whether the ECL provision is made in accordance with the Board Approved Policy in this regard; • We have also calculated the ECL provision manually for selected samples; • We have assessed the assumptions made by the Company in making accelerated provision considering forward looking information and based on an event in a particular geographical range; • With respect to management overlay made by the Company on account of the impact of COVID-19 pandemic, we broadly reviewed the underlying assumptions and estimates used by the management for the same but as the extent of impact is dependent on future developments which are highly uncertain, we have primarily relied on those assumptions and estimates. These assumptions and estimates are a subject matter of periodic review by the Company; and • We have assessed disclosure requirements for classification and identification of Stage 3/ NPAs in accordance with RBI circulars including those issued specifically issued for COVID-19 related matters. • For loans and advances which are written off during the year under audit, we read and understood the methodology and policy laid down and implemented by the Company in this regards along with its compliance on sample basis.

Other Information

7. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Standalone Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.

8. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

9. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

10. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting standards ('Ind AS') specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

11. In preparing the Standalone Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the Standalone Financial Statements

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

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

    14.1. Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    14.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.

    14.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting

estimates and related disclosures made by the Management.

14.4. Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

14.5. Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

18. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

19. As required by Section 143(3) of the Act, we report that:

19.1 We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

19.2 In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

19.3 The standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, the statement of changes in equity and the standalone cash flow statement dealt with by this Report are in agreement with the books of accounts.

19.4 In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.

19.5 On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

19.6 With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

19.7 In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

20. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

20.1. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its Standalone Financial Statements – Refer Note 49 to the Standalone Financial Statements;

20.2. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 10 to the Standalone Financial Statements;

20.3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

20.4. The Management has represented, to best of their knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

20.5. The Management has represented, to best of their knowledge and belief, that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

20.6. Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representation under para 20.4 and 20.5 contain any material misstatement.

20.7. In our opinion and according to the information and explanations given to us,

a) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.

b) As stated in Note 30 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

21. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. 01 April 2023, reporting under this clause is not applicable.

For **Sundaram & Srinivasan**
Chartered Accountants

Firm Registration Number - 004207S

P Menakshi Sundaram
Partner
ICAI Membership Number: 217914
UDIN: 23217914BGWPCD9078
Place: Mumbai
Date: 27 April 2023

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Devang Doshi
Partner
ICAI Membership Number: 140056
UDIN: 23140056BGZQQK9518
Place: Mumbai
Date: 27 April 2023

Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of Shriram Finance Limited (formerly Shriram Transport Finance Company Limited) for the year ended 31 March 2023

(Referred to in paragraph 18 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ('PPE') and relevant details of right-of-use assets.

The Company is maintaining proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company. Consequent to effect of scheme of amalgamation involving amalgamation of Shriram Capital Limited (after de-merger of few undertakings from the said Shriram Capital Limited) and Shriram City Union Finance Limited with the Company and change in the name of the company from Shriram Transport Finance Company Limited to Shriram Finance Limited, the Company is in process of applying for the name change in respect of its immovable properties.

(d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year.

(e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Refer Note 87 to the standalone Financial Statements.

ii. (a) The Company is in the business of providing loans and does not have any physical inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to it.

(b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of rupees five crore, in aggregate, from banks or financial institutions on the basis of security of Loans. Based on our examination of the records of the Company, the quarterly returns/statements filed by the company with the said bank are in agreement with the books of accounts of the Company.

iii. (a) The Company's principal business is to give loans. Accordingly, the provision of clause 3(iii)(a) of the Order is not applicable to it.

(b) The Company, is a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934. In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest.

(c) The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its customers as stipulated. In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer notes 12 and 64 to the Standalone Financial Statements for summarised

details of such loans/advances which are not repaid by borrowers as per stipulations. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.

(d) The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors and reports total amount overdue including principal and/or payment of interest by its customers for more than 90 days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer notes 12 and 64 to the Standalone Financial Statements for summarised details of such loans/advances which are not repaid by borrowers as per stipulations. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.

(e) Since the Company's principal business is to give loans, the provision of clause 3(iii)(e) of the Order is not applicable to it.

(f) Based on our audit procedures and according to the information and explanation made available to us, the Company has not granted any loans or advances in the nature of loans to Promoters/Related Parties (as defined in section 2(76) of the Act) which are either repayable on demand or without specifying any terms or period of repayment.

iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees in contravention of the provisions of sections 185 and 186(1) of the Act, the other provision of the section 186 of the Act are not applicable to the Company.

v. In our opinion and according to the information and explanations given to us, the Company being a NBFC registered with the Reserve Bank of India, the provisions of sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted are not applicable to the Company. We are informed by the Management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

vi. The Central Government has not prescribed the maintenance of cost records under the sub-section (1) of Section 148 of the Act for any of the business activities carried out by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues have generally been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' state Insurance, Income Tax, Goods and Services Tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company did not have dues which have not been deposited as on March 31, 2023, except for the following:

Name of the statute	Nature of dues	Amount* (Rs. In Crores)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act,1961	Income Tax demands	0.04	A.Y.2020-21	CIT (Appeals)
Income Tax Act,1961	Income Tax demands	0.12	A.Y.2018-19	CIT (Appeals)
Income Tax Act,1961	Income Tax demands	13.63	A.Y. 2017-18	CIT (Appeals)
Income Tax Act,1961	Income Tax demands	0.45	A.Y. 2014-15	Assessing Officer

Name of the statute	Nature of dues	Amount* (Rs. In Crores)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act,1961	Income Tax demands	0.73	A.Y. 2014-15	CIT (Appeals)
Income Tax Act,1961	Income Tax demands	1.20	A.Y. 2013-14	Assessing Officer
Income Tax Act,1961	Income Tax demands	0.00	A.Y. 2012-13	Madras High Court
Income Tax Act,1961	Income Tax demands	1.09	A.Y. 2012-13	Assessing Officer
Income Tax Act,1961	Income Tax demands	5.88	A.Y. 2011-12	Assessing Officer
Income Tax Act,1961	Income Tax demands	4.89	A.Y. 2010-11	Assessing Officer
Income Tax Act,1961	Income Tax demands	3.86	A.Y. 2009-10	Assessing Officer
Income Tax Act,1961	Income Tax demands	0.18	A.Y. 2008-09	Assessing Officer
Income Tax Act,1961	Income Tax demands	0.22	A.Y. 2007-08	Assessing Officer
Income Tax Act,1961	Income Tax demands	0.00	A.Y. 2006-07	Assessing Officer
Income Tax Act,1961	Income Tax demands##	2.51	A.Y.2021-22	CIT (Appeals)
Income Tax Act,1961	Income Tax demands##	0.02	A.Y.2020-21	CIT (Appeals)
Income Tax Act,1961	Income Tax demands##	0.01	A.Y.2018-19	CIT (Appeals)
Income Tax Act,1961	Income Tax demands##	0.16	A.Y.2015-16	CIT (Appeals)
Income Tax Act,1961	Income Tax demands##	0.81	A.Y. 2014-15	Assessing Officer
Income Tax Act,1961	Income Tax demands##	1.23	A.Y.1997-98	Assessing Officer
Finance Act, 1994 (Service tax)	Service tax on interest on hypothecation loans	1,768.66	F.Y. 2005-06 to April 01, 2017 to June 30, 2017	Mumbai High Court
Finance Act, 1994 (Service tax)	Service tax demand on securitisation collection commission	192.88	F.Y. 2008-09 to 2014-2015	CESTAT (Custom, Excise and Service Tax Appellate Tribunal, Mumbai)
Finance Act, 1994 (Service tax)	Service tax on hire purchase and lease transaction	208.79	1st March 2006 to 31st March 2010	Supreme Court

Name of the statute	Nature of dues	Amount* (Rs. In Crores)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994 (Service tax)	ST on Collection of receivables in respect of Securitisation/ Direct Assignment ##	36.30	1st April 2009 to 30th September 2014	CESTAT (Customs, Excise and Service Tax Appellate Tribunal, Chennai)
Finance Act, 1994 (Service tax)	Service Tax on Additional Finance Charge ##	40.57	1st October 2012 to 30th June 2017	CESTAT (Customs, Excise and Service Tax Appellate Tribunal, Chennai)
Maharashtra Value Added Tax	Value added tax	0.00#	F.Y. 2005-06	Maharashtra Sales Tax Tribunal – Pune
Andhra Pradesh Value Added Tax	Value added tax	0.00**	F.Y. 2010-11 to 2012-13	High court of Telangana – Hyderabad
Andhra Pradesh Value Added Tax	Value added tax	0.00**	F.Y 2009-10 to 2010-11 and 1st April 2011 to 31st August 2012	High court of Telangana – Hyderabad
Andhra Pradesh Value Added Tax	Value added tax	3.48	F.Y. 2005-06 to 2008-09	High court of Andhra Pradesh – Vijaywada
Karnataka Value Added Tax	Value added tax	8.07	F.Y. 2010-11 to 2016-17	High court of Karnataka
Orissa Value Added Tax	Value added tax	0.09	F.Y. 2008-09 to 2012-13	DCCT – Bhubaneshwar
Telangana Value Added Tax	Value added tax	0.00**	F.Y. 2013-14 to 2016-17 and April 17 to June 17	High Court of Telangana
Tamil Nadu Value Added Tax	Value added tax	3.73	F.Y. 2014-15 to 2016-17 and April 17 to June 17	The Company is in the process of filing an appeal with Madras High Court.
Tamil Nadu Value Added Tax	Value added tax	2.90	F.Y. 2006-07 to 2013-14	Supreme Court – Delhi
Tamil Nadu Value Added Tax	Value added tax##	0.00$	F.Y. 2014-15 to 2016-17 and April 17 to June 17	Appellate Tribunal, Chennai
Tamil Nadu Value Added Tax	Value added tax##	0.00$	F.Y. 2007-08 to 2013-14	Supreme Court – Delhi
Kerala Value Added Tax	Value added tax##	0.05	F.Y. 2007-08	Dy. Commissioner (Appeals), Kerala

*Above amounts are net of amount paid under protest, wherever paid.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores

$ Amounts where entire Disputed Tax amount is deposited is presented as Rs 0.00 crores

** Cases which are entered into Amnesty Scheme and awaiting for closure Orders are presented as Rs 0.00 crores as the entire Disputed Tax dues is settled.

Case added of Erstwhile Shriram City Union Finance Limited.

viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961)

ix. (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained, other than temporary parking in Cash credit account for a few days during the year, pending utilization towards the purpose for which the same are obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary or associate. The Company does not have any joint venture.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary or associate. The Company does not have any joint venture.

x. (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised any moneys raised by way of further public offer during the current financial year. In our opinion, monies raised by the Company by way of debt instruments and term loans were applied for the purposes for which those were obtained, though idle/ surplus funds which were not required for immediate utilization were gainfully invested in liquid assets payable on demand.

(b) In our opinion and according to the information and explanations given to us the Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the year.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year, other than the instances of fraud noticed and reported by the management in terms of the regulatory provisions applicable to the Company amounting to Rs. 0.59 Crores comprising of 4 instances.

(b) No report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.

xii. (a) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered, during the course of our audit, the reports of the Internal Auditor(s) for the period under audit, issued to the Company during the year till date, in determining the nature, timing and extent of our audit procedures in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors".

xv. According to the information and explanations given to us and in our opinion; during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company and hence provisions of section 192 of the Act are not applicable to the Company.

xvi. (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.

(b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) According to the information and explanations given to us, the Company is not a CIC as defined in the regulations made by Reserve Bank of India.

(d) According to the information and explanations given to us in the course of our audit, the Group to which the Company belongs has 4 CIC's as defined in the Core Investment Companies (Reserve Bank) Directions, 2016.

xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable / paragraph 3(xviii) of the Order is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, along with details provided in Note 47 to the Standalone Financial statements which describe the maturity analysis of assets & liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) According to the information and explanations given to us and based on our examination of the records of the Company, it is not required to transfer any unspent amount pertaining to the year under report to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of section 135 of the said Act.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, there is no amount which is remaining unspent under sub-section (5) of Section 135 of the Act pursuant to any ongoing projects.

For **Sundaram & Srinivasan**
Chartered Accountants

Firm Registration Number - 004207S

P Menakshi Sundaram
Partner
ICAI Membership Number: 217914
UDIN: 23217914BGWPCD9078
Place: Mumbai
Date: 27 April 2023

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Devang Doshi
Partner
ICAI Membership Number: 140056
UDIN: 23140056BGZQQK9518
Place: Mumbai
Date: 27 April 2023

Annexure 'B' to the Independent Auditors' report on the Standalone Financial Statements of Shriram Finance Limited (formerly Shriram Transport Finance Company Limited) for the year ended 31 March 2023

(Referred to in paragraph '19.6' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

Opinion

1. We have audited the internal financial controls with reference to the Standalone Financial Statements of Shriram Finance Limited (formerly Shriram Transport Finance Company Limited) ('the Company') as at 31 March 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

Management's responsibility for Internal Financial Controls

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to the Standalone Financial Statements

7. A company's internal financial controls with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Standalone Financial Statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable

detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

8. Because of the inherent limitations of internal financial controls with reference to the Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **Sundaram & Srinivasan**
Chartered Accountants

Firm Registration Number - 004207S

P Menakshi Sundaram
Partner
ICAI Membership Number: 217914
UDIN: 23217914BGWPCD9078
Place: Mumbai
Date: 27 April 2023

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Devang Doshi
Partner
ICAI Membership Number: 140056
UDIN: 23140056BGZQQK9518
Place: Mumbai
Date: 27 April 2023

SHRIRAM Finance

STANDALONE BALANCE SHEET
AS AT MARCH 31, 2023

(Rs. in crores)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	8	9,505.30	10,662.44
(b) Bank balance other than (a) above	9	6,312.11	5,692.72
(c) Derivative financial instruments	10	668.81	201.40
(d) Receivables	11		
(I) Trade receivables		17.00	5.35
(II) Other receivables		260.12	190.49
(e) Loans	12	171,984.58	116,665.15
(f) Investments	13	8,565.06	6,809.16
(g) Other financial assets	14	72.70	51.45
Total financial assets		**197,385.68**	**140,278.16**
(2) Non-financial assets			
(a) Current tax assets (net)	15	716.97	228.24
(b) Deferred tax assets (net)	43	1,743.92	869.38
(c) Investment property	16	2.62	1.97
(d) Property, plant and equipment	17	209.49	110.56
(e) Right-of-use assets	18	490.21	302.52
(f) Intangible assets under development	19A	66.08	-
(g) Goodwill	19B	1,406.73	-
(h) Other intangible assets	19B	1,217.65	3.04
(i) Other non-financial assets	20	424.51	312.22
Total non-financial assets		**6,278.18**	**1,827.93**
Total assets		**203,663.86**	**142,106.09**
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Payables	21		
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	0.02
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		293.24	166.01
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		0.36	1.46
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1.09	1.21
(b) Debt securities	22	43,652.59	41,256.55
(c) Borrowings (other than debt securities)	23	73,590.02	46,676.93
(d) Deposits	24	36,139.83	21,948.98
(e) Subordinated liabilities	25	4,523.85	4,614.25
(f) Lease liabilities	18	563.46	349.43
(g) Other financial liabilities	26	1,020.66	859.64
Total financial liabilities		**159,785.10**	**115,874.48**
(2) Non-financial liabilities			
(a) Current tax liabilities (net)	27	160.89	36.82
(b) Provisions	28	211.48	138.18
(c) Other non-financial liabilities	29	199.75	124.42
Total non-financial liabilities		**572.12**	**299.42**
Total liabilities		**160,357.22**	**116,173.90**
(3) Equity			
(a) Equity share capital	30	374.43	270.52
(b) Other equity	31	42,932.21	25,661.67
Total equity		**43,306.64**	**25,932.19**
Total liabilities and equity		**203,663.86**	**142,106.09**

See accompanying notes to the financial statements

As per our report of even date
For KKC & Associates LLP
(formerly Khimji Kunverji & Co LLP)
Chartered Accountants
ICAI Firm Registration No.: 105146W/W100621

Devang Doshi
Partner

Membership No.: 140056
Mumbai
April 27, 2023

For Sundaram & Srinivasan
Chartered Accountants
ICAI Firm Registration No.: 004207S

P Menakshi Sundaram
Partner

Membership No.: 217914
Mumbai
April 27, 2023

For and on behalf of the Board of Directors of

Shriram Finance Limited
(formerly Shriram Transport Finance Company Limited)

Jugal Kishore Mohapatra
Chairman

DIN: 03190289
New Delhi
April 27, 2023

Y. S. Chakravarti
Managing Director & CEO
DIN: 00052308
Mumbai
April 27, 2023

Parag Sharma
Joint Managing Director & CFO
DIN: 02916744
Mumbai
April 27, 2023

U Balasundararao
Company Secretary

Mumbai
April 27, 2023

STANDALONE STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in crores)

Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations			
(i) Interest income	32	28,607.36	18,646.26
(ii) Dividend income		6.52	-
(iii) Rental income		0.17	0.17
(iv) Fees and commission income	33	242.61	100.08
(v) Net gain on fair value changes	34	340.07	221.70
(vi) Net gain on derecognition of financial instruments under amortised cost category		224.46	217.74
(vii) Other operating income	35	350.97	69.22
(I) Total Revenue from operations		**29,772.16**	**19,255.17**
(II) Other Income	36	30.73	19.06
(III) Total Income (I + II)		**29,802.89**	**19,274.23**
Expenses			
(i) Finance cost	37	12,545.76	9,734.31
(ii) Fees and commission expenses	38	303.61	91.74
(iii) Impairment on financial instruments	39	4,159.17	3,860.86
(iv) Employee benefits expenses	40	2,506.11	997.09
(v) Depreciation, amortisation and impairment (Refer note 16,17 and 19)	41	524.18	135.37
(vi) Other expenses	42	1,579.17	905.61
(IV) Total Expenses		**21,618.00**	**15,724.98**
(V) Profit before exceptional items and tax (III - IV)		**8,184.89**	**3,549.25**
(VI) Exceptional items		-	-
(VII) Profit before tax (V+ VI)		**8,184.89**	**3,549.25**
(VIII) Tax Expense:			
(1) Current tax	43	2,875.01	1,112.57
(2) Deferred tax	43	(680.96)	(188.93)
(3) Tax adjustment for earlier years	43	11.50	(82.32)
(IX) Profit for the year from continuing operations (VII - VIII)		**5,979.34**	**2,707.93**
(X) Profit for the year		**5,979.34**	**2,707.93**
(XI) Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plan		(8.02)	(3.24)
Gain / (loss) on Fair valuation of quoted investments in equity shares		(11.80)	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		4.99	0.82
Subtotal (A)		**(14.83)**	**(2.42)**
B (i) Items that will be reclassified to profit or loss			
Cash flow hedge reserve			
Gain/(loss) on effective portion of hedging instruments in a cash flow hedge		(14.68)	(160.87)
(ii) Income tax relating to items that will be reclassified to profit or loss		3.69	40.49
Subtotal (B)		**(10.99)**	**(120.38)**
Other comprehensive income (A + B)		**(25.82)**	**(122.80)**
(XII) Total Comprehensive income for the year (X + XI)		**5,953.52**	**2,585.13**
(XIII) Earnings per equity share (face value Rs. 10/- per equity share)	44		
Basic (Rs.)		159.69	101.74
Diluted (Rs.)		158.99	101.74

See accompanying notes to the financial statements

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Chartered Accountants
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Devang Doshi
Partner

Membership No.: 140056
Mumbai
April 27, 2023

For Sundaram & Srinivasan
Chartered Accountants
ICAI Firm Registration No.: 004207S

P Menakshi Sundaram
Partner

Membership No.: 217914
Mumbai
April 27, 2023

For and on behalf of the Board of Directors of
Shriram Finance Limited
(formerly Shriram Transport Finance Company Limited)

Jugal Kishore Mohapatra
Chairman

DIN: 03190289
New Delhi
April 27, 2023

Y. S. Chakravarti
Managing Director & CEO
DIN: 00052308
Mumbai
April 27, 2023

Parag Sharma
Joint Managing Director & CFO
DIN: 02916744
Mumbai
April 27, 2023

U Balasundararao
Company Secretary

Mumbai
April 27, 2023

A. **Equity Share Capital**

(1) **Current Reporting Period**

(Rs. in crores)

Balance at the beginning of the current reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current reporting period	Balance at the end of the current reporting period
As at March 31, 2022			(Refer note 52)	As at March 31, 2023
270.52	-	270.52	103.91	374.43

(2) **Previous Reporting Period**

(Rs. in crores)

Balance at the beginning of the previous reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
As at March 31, 2021				As at March 31, 2022
253.06	-	253.06	17.46	270.52

B. **Other Equity**

(1) **Current Reporting Period**

(Rs. in crores)

Particulars	Share Application Money Pending Allotment	Reserves And Surplus										Other Comprehensive Income		Money Received Against Share Warrants	Total
		Capital Reserve	Securities Premium	Other Reserves											
				Statutory Reserve	Debenture Redemption Reserve #	Capital Redemption Reserve	General Reserve	Remeasurement Gain/ (Loss) On Defined Benefit Plan	Retained Earnings	Share Options Out standing	Amalgamation Adjustment Reserves	Gain/(loss) on fair valuation of investments in equity shares	Effective Portion of Cash Flow Hedges		
Balance at the beginning of the Current Reporting Period (As at April 01, 2022)	-	27.64	5,662.38	4,707.98	307.28	53.88	2,934.07	(12.08)	12,193.92	-	-	-	(213.40)	-	25,661.67
Changes in Accounting Policy/ Prior Period Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effects of business combination (Refer note 52)	-	76.93	-	1,706.81	-	-	-	-	-	-	(1,706.81)	-	-		76.93
Restated balance at the beginning of the Current Reporting Period	-	104.57	5,662.38	6,414.79	307.28	53.88	2,934.07	(12.08)	12,193.92	-	(1,706.81)	-	(213.40)	-	25,738.60
Profit for the year	-	-	-	-	-	-	-	-	5,979.34	-	-	-	-	-	5,979.34
Other Comprehensive Income for the year	-	-	-	-	-	-	-	(6.00)	-	-	-	(8.83)	(10.99)	-	(25.82)
Total Comprehensive Income for the year	-	-	-	-	-	-	-	(6.00)	5,979.34	-	-	(8.83)	(10.99)	-	5,953.52
Dividends (Interim)	-	-	-	-	-	-	-	-	(561.64)	-	-	-	-	-	(561.64)
Transferred to/ (from) (Refer note 31)	-	-	-	1,195.87	111.85	-	597.94	-	(1,988.41)	83.65	-	-	-	-	0.90
Any Other Change:															
Securities Premium proceeds received on issue of Equity Shares (Refer note 30 and 31)	-	-	11,689.60	-	-	-	-	-	-	-	-	-	-	-	11,689.60
Expenses on Employee Stock Option Plan	-	-	-	-	-	-	-	-	-	164.56	-	-	-	-	164.56
Exercise of Employee Stock Option Plan	-	-	-	-	-	-	-	-	-	(53.33)	-	-	-	-	(53.33)
Transferred to/(from) (Refer note 31) on account of share forfeiture	-	-	-	-	-	-	0.04	-	-	(0.04)	-	-	-	-	-
Balance at the end of the Current Reporting Period (As at March 31, 2023)	-	104.57	17,351.98	7,610.66	419.13	53.88	3,532.05	(18.08)	15,623.21	194.84	(1,706.81)	(8.83)	(224.39)	-	42,932.21

(2) Previous Reporting Period

(Rs. in crores)

Particulars	Share Application Money Pending Allotment	Reserves And Surplus										Other Comprehensive Income		Money Received Against Share Warrants	Total
		Capital Reserve	Securities Premium	Other Reserves											
				Statutory Reserve	Debenture Redemption Reserve #	Capital Redemption Reserve	General Reserve	Remeasurement Gain/ (Loss) On Defined Benefit Plan	Retained Earnings	Share Options Out standing	Amalgamation Adjustment Reserves	Gain/(loss) on fair valuation of investments in equity shares	Effective Portion Of Cash Flow Hedges		
Balance at the beginning of the Previous Reporting Period (As at April 01, 2021)	-	**27.64**	**3,201.27**	**4,166.39**	**921.41**	**53.88**	**2,663.27**	**(9.66)**	**10,384.13**	-	-	-	**(93.02)**	-	**21,315.31**
Changes in Accounting Policy/ Prior Period Errors	-	-	-		-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the Previous Reporting Period	-	**27.64**	**3,201.27**	**4,166.39**	**921.41**	**53.88**	**2,663.27**	**(9.66)**	**10,384.13**	-	-	-	**(93.02)**	-	**21,315.31**
Profit for the year	-	-	-	-	-	-	-	-	**2,707.93**	-	-	-	-	-	**2,707.93**
Other Comprehensive Income for the year	-	-	-	-	-	-	-	(2.42)	-	-	-	-	(120.38)	-	**(122.80)**
Total Comprehensive Income for the year	-	-	-	-	-	-	-	**(2.42)**	**2,707.93**	-	-	-	**(120.38)**	-	**2,585.13**
Dividends (Interim)	-	-	-	-	-	-	-	-	(539.65)	-	-	-	-	-	**(539.65)**
Dividends (Final for the year ended March 31, 2021)	-	-	-	-	-	-	-	-	(160.23)	-	-	-	-	-	**(160.23)**
Transferred to/ (from) (Refer note 31)	-	-	-	541.59	(614.13)	-	270.80	-	(198.26)	-	-	-	-	-	-
Any Other Change:															
Securities Premium proceeds received on issue of Equity Shares (Refer note 30 and 31)	-	-	2,482.54	-	-	-	-	-	-	-	-	-	-	-	**2,482.54**
Share Issue Expenses (Refer note 30 and 31)	-	-	(21.43)	-	-	-	-	-	-	-	-	-	-	-	**(21.43)**
Money received against Share Warrants	-	-	-	-	-	-	-	-	-	-	-	-	-	250.00	**250.00**
Shares Allotted during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	(250.00)	**(250.00)**
Balance at the end of the Previous Reporting Period (As at March 31, 2022)	-	**27.64**	**5,662.38**	**4,707.98**	**307.28**	**53.88**	**2,934.07**	**(12.08)**	**12,193.92**	-	-	-	**(213.40)**	-	**25,661.67**

 # Refer note 31 - Other equity

See accompanying notes to the financial statements

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Partner

Membership No.: 140056
Mumbai
April 27, 2023

For Sundaram & Srinivasan

Chartered Accountants
ICAI Firm Registration No.: 004207S

P Menakshi Sundaram
Partner

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For and on behalf of the Board of Directors of

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Parag Sharma
Joint Managing Director & CFO
DIN: 02916744
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April 27, 2023

U Balasundararao
Company Secretary

Mumbai
April 27, 2023

STANDALONE CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in crores)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	8,184.89	3,549.25
Depreciation, amortisation and impairment	524.18	135.37
Interest on income tax refund	(14.66)	-
Share based payments to employees	164.56	-
Interest income on loans	(27,504.20)	(18,054.67)
Finance costs	12,545.76	9,734.31
Loss/(profit) on sale of property plant and equipment (net)	1.00	0.79
Fair value adjustments to investments	1.85	-
Impairment on loans	4,128.79	3,865.02
Impairment on investments	4.70	(2.00)
Impairment on undrawn loan commitment	(0.40)	(4.00)
Impairment on other assets	26.08	1.84
Net (gain)/loss on fair value changes on investment	(373.62)	(236.83)
Net (gain)/loss on fair value changes on direct assignment	33.55	15.13
Net gain on derecognition of financial instruments under amortised cost category	(224.46)	217.74
Cash inflow from interest on loans	26,319.90	18,006.70
Cash outflow towards finance costs	(11,207.40)	(8,588.09)
Operating profit before working capital changes	**12,610.52**	**8,640.56**
Movements in working capital:		
Decrease/(increase) in loans	(27,674.73)	(12,179.16)
Decrease/(increase) in investments	1,333.02	(3,372.48)
Decrease/(increase) in receivables	173.38	(369.88)
Decrease/(increase) in bank deposits	776.09	(301.83)
Decrease/(increase) in other financial assets	(20.12)	(4.26)
Decrease/(increase) in other non-financial assets	101.69	(16.85)
Increase/(decrease) in payables	66.16	13.51
Increase/(decrease) in other financial liabilities	(38.96)	(138.25)
Increase/(decrease) in non-financial liabilities	0.14	25.16
Increase/(decrease) in other provision	55.99	(3.60)
Cash used in operations	**(12,616.82)**	**(7,707.08)**
Direct taxes paid (net of refunds)	(3,224.51)	(1,151.94)
Net cash flows from/(used in) operating activities (A)	**(15,841.33)**	**(8,859.02)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	(183.60)	(35.75)
Proceeds from sale of property, plant and equipment and intangible assets	3.54	1.42
Net cash generated from/(used in) investing activities (B)	**(180.06)**	**(34.33)**

(Rs. in crores)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital (including share premium and net of share issue expenses)	12.16	2,478.57
Proceeds/(repayment) on settlement of derivative contracts	(467.41)	(32.15)
Increase/(decrease) in fixed deposits (net)	6,778.56	5,443.14
Amount received from debt securities	9,194.70	16,637.86
Repayment of debt securities	(13,992.22)	(16,203.36)
Proceeds/(repayment) of subordinated debts	(136.34)	(50.32)
Amount received from borrowings other than debt securities	61,633.95	41,477.93
Repayment of borrowings other than debt securities	(52,625.02)	(40,280.10)
Payment of lease liabilities	(188.73)	(114.90)
Dividend paid	(562.80)	(851.81)
Net cash generated from/(used in) financing activities (C)	**9,646.84**	**8,504.86**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(6,374.55)	(388.49)
Cash and cash equivalents at the beginning of the year	10,662.44	11,050.93
Cash and bank balances taken over on account of amalgamation	5,217.41	-
Cash and cash equivalents at the end of the year	**9,505.30**	**10,662.44**

(Rs. in crores)

Components of cash and cash equivalents	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents at the end of the year		
i) Cash on hand	153.43	95.05
ii) Cheques on hand	4.87	5.56
iii) Balances with banks (of the nature of cash and cash equivalents)	3,923.23	2,654.78
iv) Call money (CBLO)	499.72	3,198.60
v) Bank deposit with original maturity upto three months or less	4,924.05	4,708.45
Total	**9,505.30**	**10,662.44**

The above Cash flow statement has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.

See accompanying notes to the financial statements

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DIN: 03190289
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