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FORWARD LOOKING STATEMENT

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.

CORPORATE

INFORMATION

Corporate Identity Number (CIN)

L65191TN1979PLC007874

BOARD OF DIRECTORS

Chairman (Non – Executive)

Mr. S. Lakshminarayanan (Independent)

Managing Director & CEO

Mr. Umesh Revankar
(w.e.f. October 26, 2016)

Directors

Mr. S. M. Bafna (Independent)

Mr. Amitabh Chaudhry (Independent)

Mrs. Kishori Udeshi (Independent)

Mr. S. Sridhar (Independent)

Mr. Puneet Bhatia

Mr. Gerrit Lodewyk Van Heerde

Mr. D. V. Ravi

Mr. Jasmit Singh Gujral

(Managing Director & CEO upto October 25, 2016)

Mr. Ramakrishnan Subramanian

(upto February 03, 2017)

COMPANY SECRETARY

Mr. Vivek Achwal

AUDITORS

M/s. S. R. Batliboi & Co. LLP, Chartered Accountants

M/s. G. D. Apte & Co., Chartered Accountants

REGISTRAR & SHARE

TRANSFER AGENT

Integrated Registry Management Services

Private Limited,

2nd Floor, 'Kences Towers', No. 1,

Ramakrishna Street, North Usman Road,

T. Nagar, Chennai - 600 017. Tel: 044 2814 0801/02/03,

Fax: 044 2814 2479

DEBENTURE TRUSTEES

IDBI Trusteeship Services Limited

Asian Building, Ground Floor, 17, R Kamani Marg,

Ballard Estate, Mumbai – 400 001.

Mr. S. Gunware

Tel No. : +91 22 40807000 | Fax: + 91 22 66311776

itsl@idbitrustee.com

Axis Trustee Services Limited

Axis House, Wadia International Centre,

Pandurang Budhkar Marg, Worli, Mumbai – 400 025

Mr. Devraj Rao

Tel: +91 22 62260075/74

debenturetrustee@axistrustee.com

Catalyst Trusteeship Limited(Formerly known as

GDA Trusteeship Limited)

Office No. 83 – 87, 8th floor , 'Mittal Tower', 'B' Wing,

Nariman Point, Mumbai – 400021

Mr. Umesh Salvi

Tel No : +91 22 – 49220555 Fax No +91 22 49220505

umesh.salvi@ctltrustee.com

REGISTERED OFFICE

Mookambika Complex, 3rd Floor, No. 4,

Lady Desika Road, Mylapore, Chennai – 600 004.

Tel: +91 44 2499 0356 Fax: +91 44 2499 3272

CORPORATE OFFICE

Wockhardt Towers, West Wing, Level-3, C-2, G-Block,

Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra.

Tel: 022 4095 9595, Fax: 022 4095 9597

LISTED AT

National Stock Exchange of India Ltd.

BSE Ltd.

Singapore Exchange Securities Trading Limited (Masala Bonds)

INSTITUTIONS

Small Industries Development Bank of India (SIDBI)

National Bank for Agriculture and Rural Development

J P Morgan Securities India Private Limited

BANKERS

Abu Dhabi Commercial Bank

Allahabad Bank

Andhra Bank

Axis Bank Ltd

Bank of America N.A.

Bank of Bahrain & Kuwait B.S.C

Bank of Baroda

Bank of Ceylon

Bank of India

Bank of Maharashtra

The Bank of Tokyo Mitsubishi UFJ, Ltd

Barclays Bank PLC

Canara Bank

Central Bank of India

Citibank N.A.

Credit Suisse AG

DBS Bank Ltd

Dena Bank

FirstRand Bank Ltd

HDFC Bank Ltd

The Hongkong and Shanghai Banking Corporation Ltd

ICICI Bank Limited

IDBI Bank Limited

IDFC Bank Limited

Indian Bank

Indian Overseas Bank

IndusInd Bank

Industrial and Commercial

Bank of China

Jammu & Kashmir Bank Limited

Karnataka Bank Limited

KarurVysya Bank Limited

Kotak Mahindra Bank Limited

Mizuho Bank Limited

Oriental Bank of Commerce

Punjab & Sind Bank

Punjab National Bank

RBL Bank Limited

SBM Bank (Mauritius) Limited

South Indian Bank Limited

Standard Chartered Bank

State Bank of India

Sumitomo Mitsui Banking Corporation

Syndicate Bank

The Federal Bank Limited

The Zororastian Co-operative Bank Limited

UCO Bank

Union Bank of India


United Bank of India

United Overseas Bank

Vijaya Bank

Woori Bank

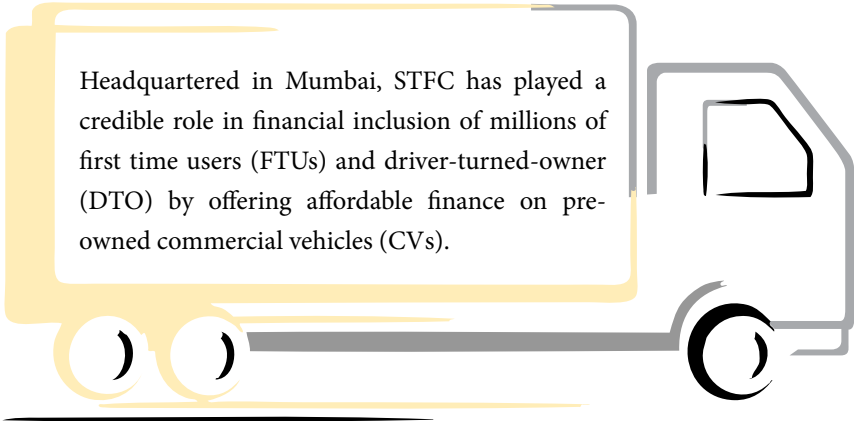
Yes Bank Limited



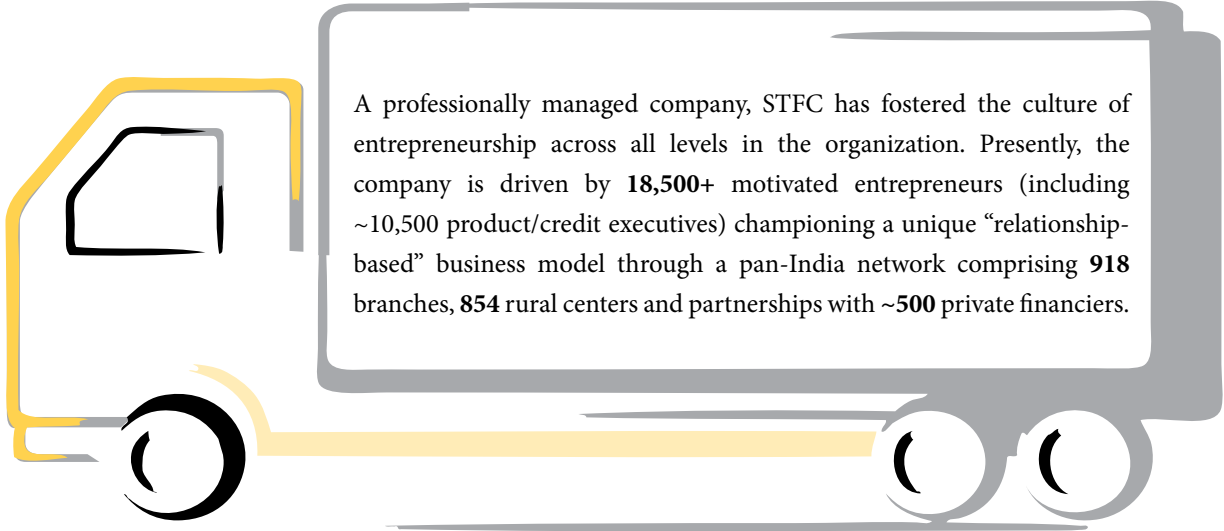
Shriram Transport Finance Company Limited (STFC) is the flagship company of Shriram Group – a diversified group with interests in financial services, manufacturing, value added services, project development, engineering services, pharmaceuticals, etc.



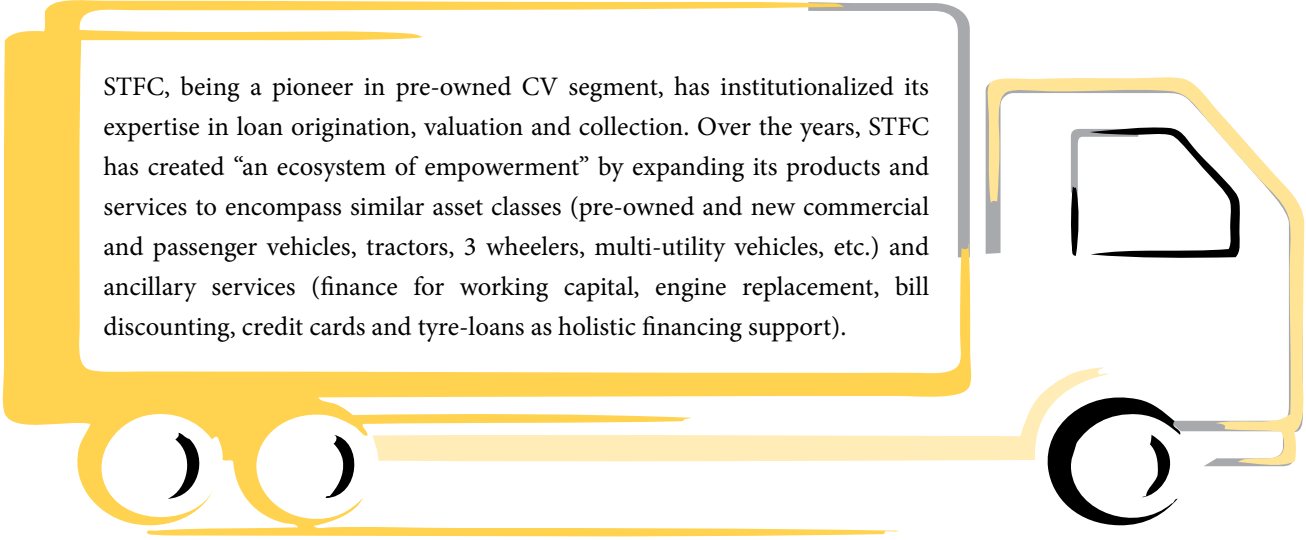
Established in 1979, STFC is one of the largest asset financing Non-Banking Finance Company.



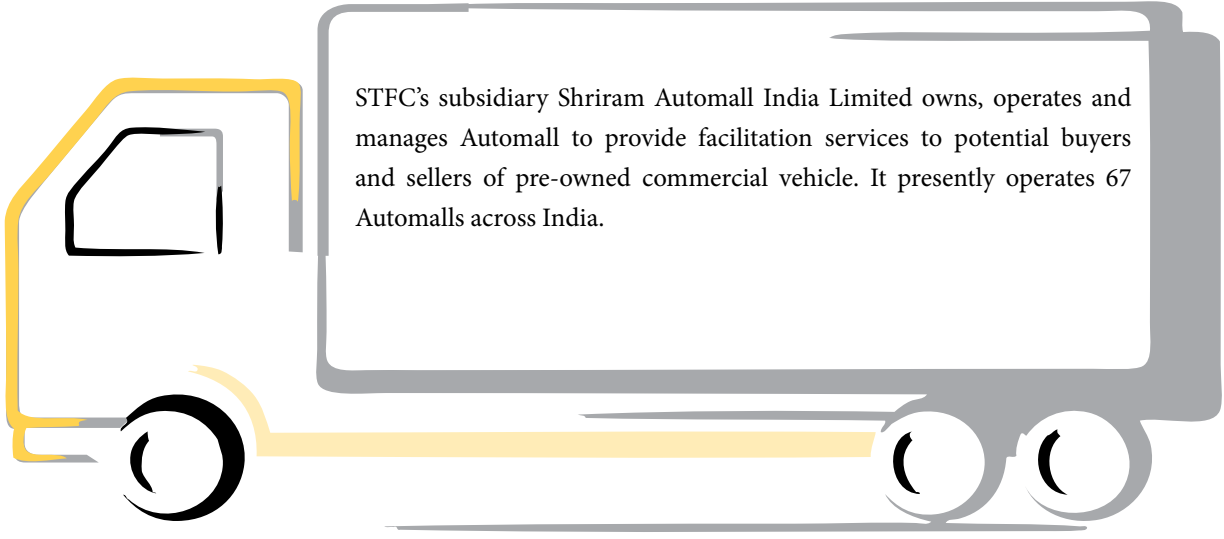
Headquartered in Mumbai, STFC has played a credible role in financial inclusion of millions of first time users (FTUs) and driver-turned-owner (DTO) by offering affordable finance on pre-owned commercial vehicles (CVs).



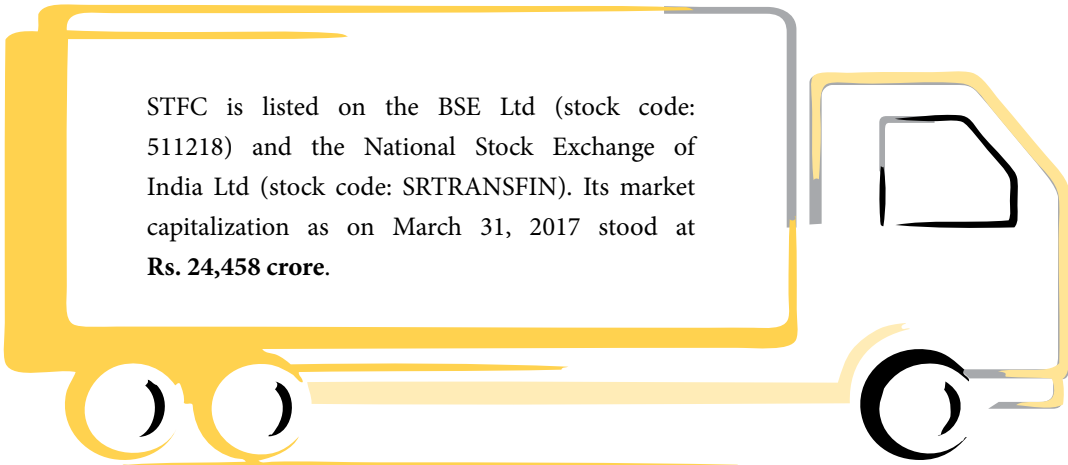
A professionally managed company, STFC has fostered the culture of entrepreneurship across all levels in the organization. Presently, the company is driven by **18,500+** motivated entrepreneurs (including ~10,500 product/credit executives) championing a unique “relationship-based” business model through a pan-India network comprising **918** branches, **854** rural centers and partnerships with ~**500** private financiers.



STFC, being a pioneer in pre-owned CV segment, has institutionalized its expertise in loan origination, valuation and collection. Over the years, STFC has created “an ecosystem of empowerment” by expanding its products and services to encompass similar asset classes (pre-owned and new commercial and passenger vehicles, tractors, 3 wheelers, multi-utility vehicles, etc.) and ancillary services (finance for working capital, engine replacement, bill discounting, credit cards and tyre-loans as holistic financing support).



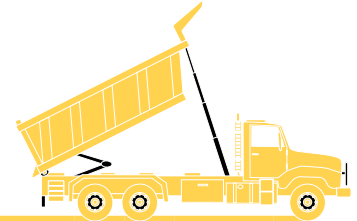
STFC’s subsidiary Shriram Automall India Limited owns, operates and manages Automall to provide facilitation services to potential buyers and sellers of pre-owned commercial vehicle. It presently operates 67 Automalls across India.



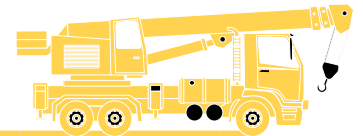
STFC is listed on the BSE Ltd (stock code: 511218) and the National Stock Exchange of India Ltd (stock code: SRTRANSFIN). Its market capitalization as on March 31, 2017 stood at **Rs. 24,458 crore.**

STANDALONE BASIS

Assets under management **Rs. 78,760.93** crore



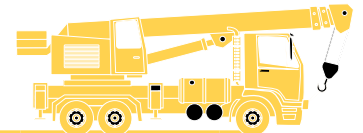
Securitisation done for the year 2016-17 **Rs. 11,214.20** crore



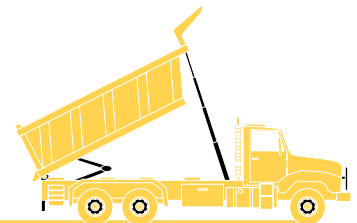
Total income for the year 2016-17 **Rs. 10,830.61** crore



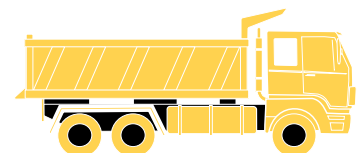
The profit after tax stands at **Rs. 1,257.34** crore



Net interest income for the year 2016-17 **Rs. 5,521.18** crore



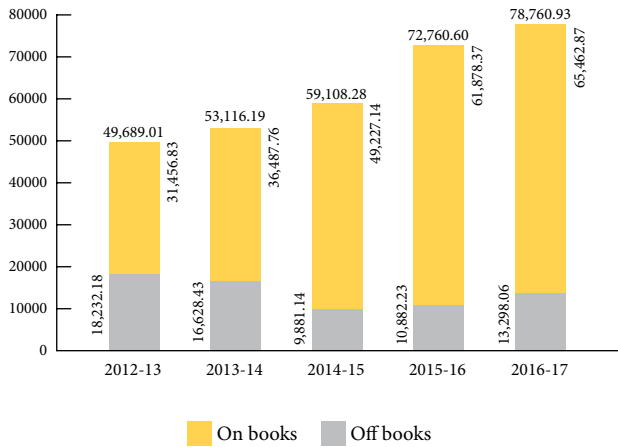
The earning per share stands at **Rs. 55.42**



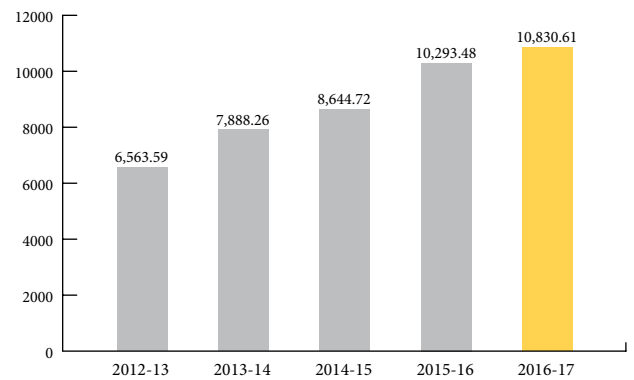
ANNUAL

PERFORMANCE TRENDS STANDALONE BASIS*

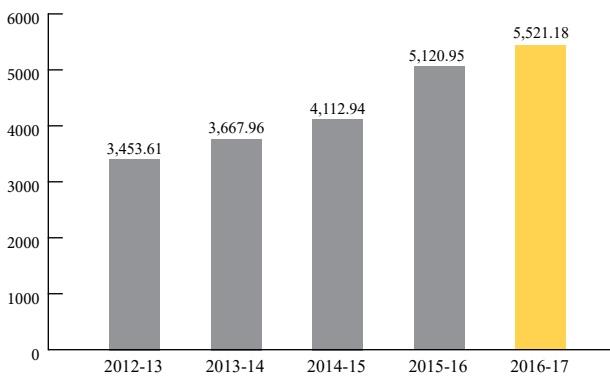
ASSETS UNDER MANAGEMENT (Rs. crore)



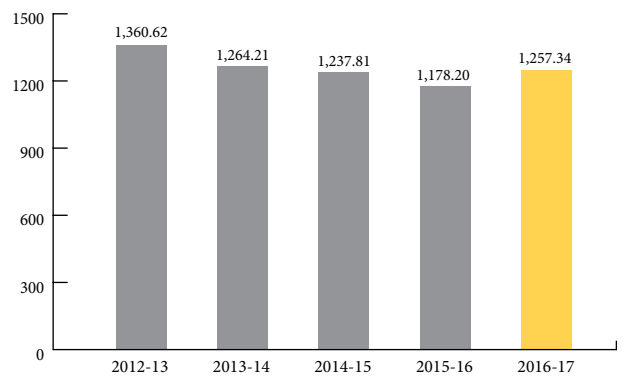
TOTAL INCOME (Rs. crore)



NET INTEREST INCOME (Rs. crore)

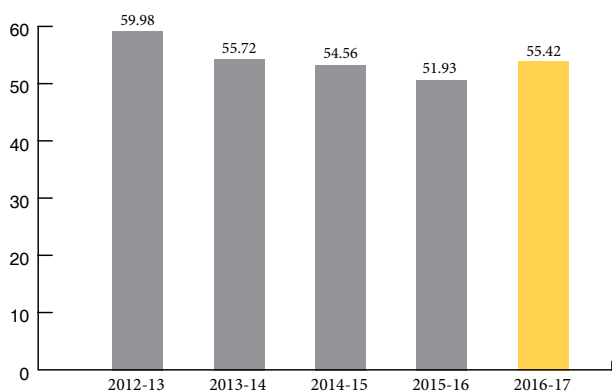


NET PROFIT (Rs. crore)

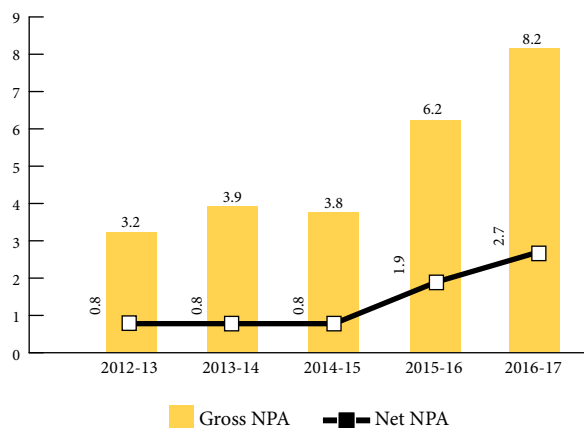


*The standalone financials for 2015-16 and 2016-17 include the performance of erstwhile wholly owned subsidiary Shriram Equipment Finance Company Limited which has been amalgamated with STFC - the Appointed date being April 1, 2015. Hence, the numbers are not strictly comparable with the standalone financials for previous years.

EPS (BASIC) (Rs.)

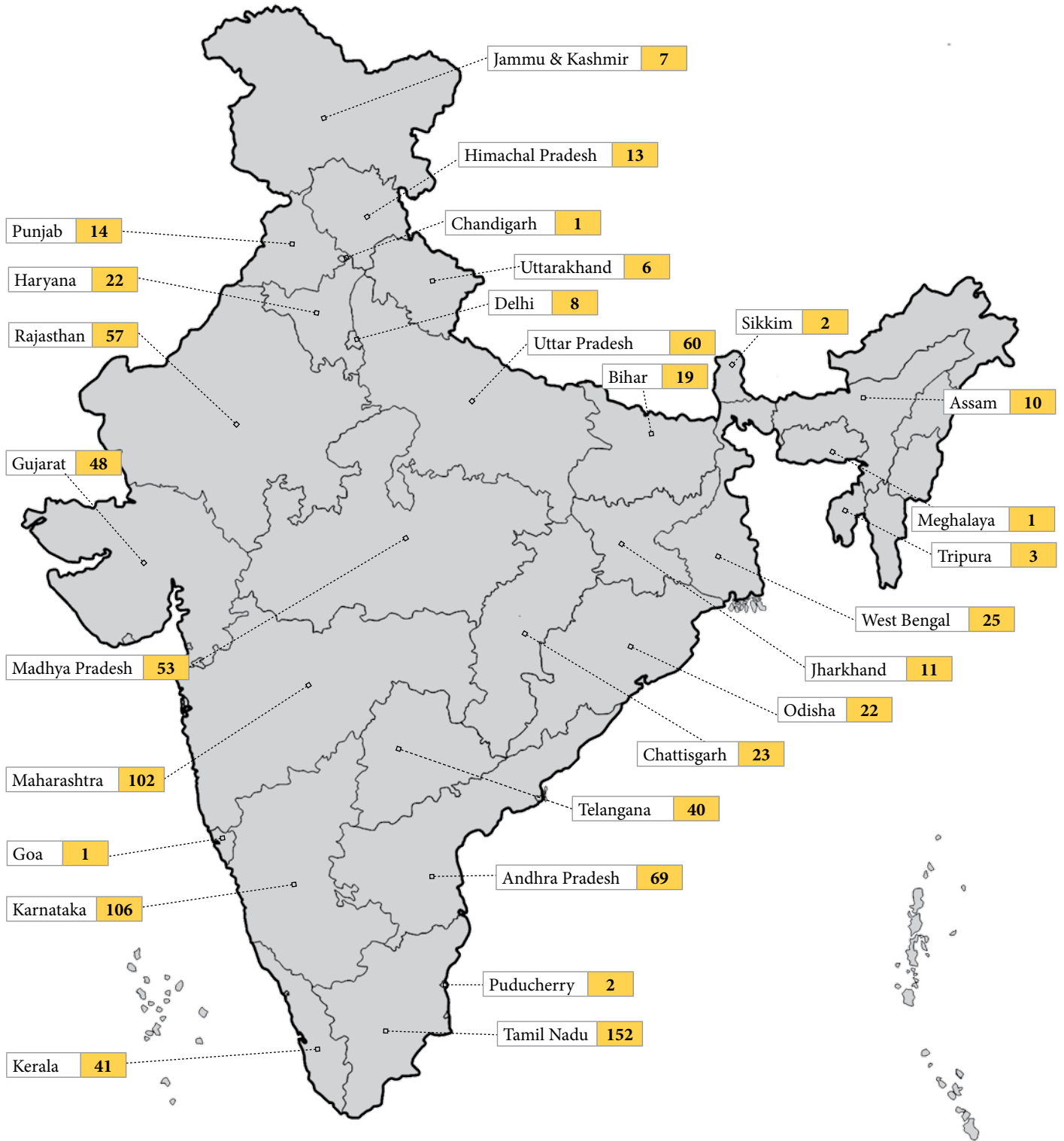


NPA (%)



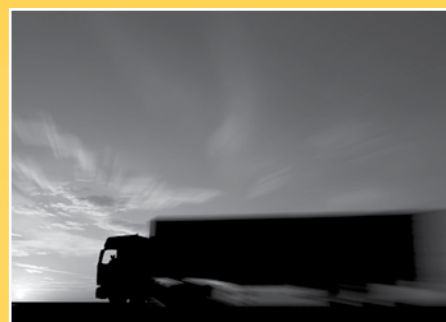
*The standalone financials for 2015-16 and 2016-17 include the performance of erstwhile wholly owned subsidiary Shriram Equipment Finance Company Limited which has been amalgamated with STFC - the Appointed date being April 1, 2015. Hence, the numbers are not strictly comparable with the standalone financials for previous years.

BRANCH NETWORK AS ON MARCH 31, 2017 : 918 BRANCHES



List of branches with addresses is available on the Company's website at the web link:
<http://www.stfc.in/branch-locator.aspx>

Management Discussion and Analysis



GLOBAL ECONOMIC OVERVIEW

Global economic activity and trade picked up modestly from the later part of 2016. Global financial markets were influenced by three events, viz., the US election, expectations and materialisation of the policy rate hike by the Federal Reserve, and uncertainty surrounding the Brexit road map. The US economy bounced back strongly in Q3:2016, due to robust consumer spending and continuing improvement in the labour market. In the UK, economic growth gained momentum in second half of 2016, notwithstanding the uncertainties surrounding the negotiations relating to Brexit, as exports rose substantially following the weakening of the pound. In the Euro area, GDP growth accelerated in second half of 2016. The Japanese economy continued to recover at a modest pace even as the momentum weakened in second half of 2016.

Economic activity in Emerging Markets continued to be divergent. In China, even though year on year GDP growth improved in Q4:2016, the quarter on quarter growth showed a sharp loss of momentum. Economic contraction has eased in Russia with the improvement in the mining and manufacturing sectors, rise in oil prices and policy initiatives.

Crude oil prices rose to a multiyear high in December 2016 after OPEC members agreed to cut production in end-November 2016. Oil prices rose in April 2017 on account of strong demand and uncertainty over the conflict in Syria. Reduced OPEC volumes and stronger US output will result in a deeper discount for US crude and support greater exports from the US to Asia over the coming months.

INDIAN ECONOMIC OVERVIEW

The year was marked by major events namely demonetization of specified bank notes, conclusion of legislative assembly elections in five states, passage of Goods and Services Tax (GST) Bill by the Parliament. On November 8, 2016, the government announced the demonetization of ₹500 and ₹1,000 denomination notes, thereby rendering 86% of the cash in circulation as invalid. The decline in cash in circulation had led to increase in bank deposits with a resultant decline in interest rates on deposits, loans and government securities as well as a decline in real-estate prices, increase in savings, digitalization, income disclosure with a resultant increase in collections by tax and other local authorities. The immediate effect of demonetization was on the daily wages/earnings of the contract and unskilled labourers employed

in highly labour intensive, unorganized sector, construction, transportation sectors etc. These sectors are more dependent on cash for working capital requirements. There was a temporary decline in demand due to shortage of cash. This had caused layoff of contract workers, disruption in production activities due to manpower loss, etc. The impact of demonetisation is dissipating with entry of replacement notes in circulation.

Inflation in terms of the wholesale price index (WPI) was closely co-moving with consumer price index (CPI) inflation during October-December 2016, but it shot up in January and further in February to close to three percentage points above CPI inflation, driven by a sharp pick-up in international commodity prices. After moderating continuously over the last six months to a historic low, retail inflation measured by year-on-year changes in the CPI turned up in February to 3.7 per cent.

The current account deficit for the first three quarters of the financial year narrowed to 0.7% of GDP. For the whole year it is likely to remain at less than 1 % of GDP.

During April-December 2016, the Foreign Direct Investment (FDI) showed net capital inflows with manufacturing, communications and financial services being preferred sectors. Foreign Portfolio Investment (FPI) during November 2016 to January 2017 showed net outflows. FPI flows turned positive in February and March 2017.

From February 2017 onwards, the rupee has appreciated due to equity portfolio inflows on policy announcements made in the Union Budget and easing of concerns about the speed of Fed policy rate hikes. Factors such as India's low current account deficit, the emphasis of monetary policy on the 4% inflation target, the transient impact of demonetisation on economic activity, and the commitment to fiscal prudence announced in the Union Budget provided stability to the exchange rate. The rupee gained further in March as FPI inflows, especially equity, were boosted by the outcome of State elections, which augur well for accelerating the pace of reforms. The level of foreign exchange reserves was US\$ 369.9 billion on March 31, 2017.

As per the second advance estimates report dated 28th February 2017 of the Central Statistics Office (CSO), the growth in GDP during 2016-17 is estimated at 7.1% as compared with the growth rate of 7.9% in 2015-16. The sectors which are likely to register growth rate of over 7.0 percent are 'public administration, defence and other services', 'manufacturing' and 'trade, hotels, transport, communication and services related to broadcasting'. Agriculture, forestry and fishing gross value added (GVA) is now projected to grow 4.4% in FY17 against 4.1% estimated

in January. Mining swung to a positive 1.3% growth for the full year against 1.8% contraction factored in earlier. Construction is pegged to grow 3.1%, manufacturing 7.7% and utilities 6.6%. Foodgrains production has touched an all-time high of 272 million tons, with record production of rice, wheat and pulses.

FINANCIAL SERVICES SECTOR

India's financial services sector is diversified, comprising of entities such as commercial banks, co-operatives, insurance companies, pension funds, mutual funds, non-banking financial companies and other various entities. As on December 31, 2016, the total managed retail credit (including off balance sheet book) of NBFCs stood at ~Rs. 5.6 trillion, growing year-on-year by about 17.5% in 9M FY 2017 (as against 19.5% in FY 2016 and 14.8% in FY 2015). The total NBFC retail credit including SME exposure stood at about Rs. 6.2 trillion as on December 31, 2016, growing year-on-year by about 19.0% in 9M FY 2017 (as against 21.2% in FY 2016 and 16.2% in FY 2015).

COMMERCIAL AND PASSENGER VEHICLE INDUSTRY

After strong recovery in FY 2015-16 on back of replacement-led demand, the Commercial Vehicle (CV) industry started on strong note in fiscal 2016-17. However, after witnessing healthy growth of 13% in the first quarter, the growth momentum came to a grinding halt from June 2016 onwards as Medium and Heavy Commercial Vehicle (M&HCV) (Truck) started witnessing sudden contraction. Waning replacement demand along with uncertainty related to the impact of GST on vehicle prices put brakes on M&HCV (Truck) sales as fleet operators held back on their fleet renewal or addition plans on expectations that vehicles prices may fall once GST is implemented.

According to the press release issued by Society of Indian Automobile Manufacturers, the overall Commercial Vehicles segment sales registered a growth of 4.16 percent in April 2016-March 2017 as compared to the same period last year. M&HCVs grew by 0.04 percent and Light Commercial Vehicles grew by 7.41 percent during April 2016-March 2017 over the same period last year. The sales of Passenger Vehicles grew by 9.23 percent in April 2016-March 2017 over the same period last year. Within the Passenger Vehicles, Passenger Cars, Utility Vehicles and Vans grew by 3.85 percent, 29.91 percent and 2.37 percent respectively during April 2016-March 2017 over the same period last year.

PRE-OWNED COMMERCIAL VEHICLES

The pre-owned CV segment has always been largely unorganized. However, the company has been engaged in the initiative to corporatize this untapped segment. The pre-owned commercial vehicles segment is the key segment

of presence for the company ever since its inception. The company has established its leadership in the segment and targets the largest market segment of pre-owned vehicles ageing between 5-10 years. Market for pre-owned truck financing is underpenetrated with majority of the market with private financiers who charge high interest rates.

These pre-owned trucks being affordable for small, aspiring owner-cum-drivers are preferred to help them initiate their entrepreneurial journey as a Small Road Transport Operator (SRTO). The company empowers such SRTOs and new drivers with affordable financing and advice regarding commercial vehicles.

FINANCIAL AND OPERATIONAL PERFORMANCE

(Rs. in Crore)

SR. NO.	PARTICULARS	2016-17	2015-16
1	Total Income	10,830.61	10,293.48
2	Net Interest Income	5,521.18	5,120.95
3	Capital Adequacy Ratio	16.94%	17.56%
4	Assets Under Management	78,760.93	72,760.60
5	Securitisation done during the year	11,214.20	8,991.75

The Gross NPA was 8.17 % in 2016-17 as compared to 6.18 % in 2015-16. The Net NPA was 2.66% in 2016-17 as compared to 1.91% in 2015-16. NPAs were higher on account of stringent NPA norms at 120 days past due pursuant to Reserve Bank of India Notification No. DNBR.011/CGM(CDS) dated March 27, 2015.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company believes that strong internal control system and processes play a critical role in the health of the Company. The Company's well-defined organizational structure, documented policy guidelines, defined authority matrix and internal controls ensure efficiency of operations, compliance with internal policies and applicable laws and regulations as well as protection of resources. Moreover, the Company continuously upgrades these processes and systems in line with the best available practices. The internal control system is supplemented by extensive internal audits, regular reviews by the management and standard policies and guidelines which ensure reliability of financial and all other records. The Internal Auditor directly reports to the Audit Committee. He prepares audit plan after discussions with Audit Committee. The Internal Audit reports are periodically reviewed by the Audit Committee. The Company has, in material respect, an adequate internal financial control over financial reporting and such controls are operating effectively.

Human resources

The total number of employees in the Company is 18885. The average age of the employees is about 30 years. For further details please refer to the Business Responsibility Report.

SWOT ANALYSIS

Strengths

- Pioneer in the pre-owned commercial vehicles financing sector
- One of the largest asset financing companies in India with Pan-India presence with 918 branch offices

- Unique relationship-based business model with extensive experience and expertise in credit appraisal and collection process
- Strong brand name
- A well-defined and scalable organizational structure based on product, territory and process knowledge
- Strong financial track record with rapid growth in AUMs
- Experienced senior management team
- Strong relationships with public, private as well as foreign banks, institutions and investors
- More than 14.5 lacs customers across India

Weakness

- Business and growth directly linked with the GDP growth of the country

Opportunities

- Growth in the Commercial vehicles, passenger vehicles and tractors market
- Loans for working capital requirements of CV users
- Partnerships with private financiers to enable enhancement of reach without significant investments in building infrastructure
- Increased penetration into rural markets leading to growth in cargo LCVs
- On boarding customers on technology platform

Threats

- Stringent NPA norms
- Competition from captive finance companies and small banks
- Geo-political issues
- Ad-hoc policies on phasing out of older vehicles

RISK MANAGEMENT

The Company is exposed to variety of risks such as credit risk, economy risk, interest rate risk, liquidity risk and cash management risk, among others. The Company has Enterprise Risk Management Framework which involves risk identification, risk assessment and risk mitigation planning for the Company. The Board of Directors has constituted a Risk Management Committee comprising three members, a majority of whom are Directors. The terms of reference of the Risk Management Committee include periodical review of the risk management policy, risk management plan, implementing and monitoring of the risk management plan and mitigation of the key risks. The Risk owners are accountable to the Risk Committee for identification, assessment, aggregation, reporting and monitoring of the risk related to their respective areas/functions.

The expertise in credit appraisal and collection developed by the company over the past three decades helps mitigating credit risk. We lend on relationship based model applying advanced credit assessment procedures and maintain regular contact with customers.

In order to mitigate liquidity risk, we ensure that the short-term and long-term fund resources are favorably matched with deployment. We resort to long-term funding instruments such as Debentures, on shore and offshore bonds, securitization. We continue to enjoy the trust and support from our investors, security holders, depositors, banks and financial institutions, due to our impeccable record in servicing its debt obligations on time.

In order to mitigate interest rate risk, we have developed innovative resource mobilization techniques and prudent fund management practices, among others. Besides, superior credit rating of the Company's financial instruments enables us to raise funds at competitive rates.

The Company's Asset Liability Management Committee regularly reviews the interest rate and liquidity risks.

We are diversifying our assets portfolio focusing on passenger vehicles and tractors segment. We have also started financing the working capital needs of petrol pumps, tyre dealers, vehicle body builders and workshops forming part of ecosystem of commercial vehicle operations.

The customers of the Company who primarily are SRTOs prefer payment of EMIs in cash in view of cash and carry nature of transportation business and their under developed banking habits. As such, demonetization had a temporary impact on the collections of the Company. Due to progressive increase in cash in circulation, near normalcy has now been restored.

In order to mitigate cash management risk associated with collection of EMIs, we have initiated steps for on boarding our customers on technology platform. This is a challenge and a long term process as historically our substantial monthly collections are in the form of cash due to the under-developed banking habits of our customers. We ensure efficient and secured collection across all our branches through a robust cash management network with leading banks. We have adopted stringent checks and internal controls across all branches. At the regional level, the branch collections are monitored and reconciled on a daily basis. We are educating and encouraging our customers to adopt advanced methods of payment.

In order to mitigate operation risk we continuously monitor our internal processes and systems.

OUTLOOK

The parliament took a decisive step towards a possible roll out of Goods and Services Tax (GST) on July 1, 2017 by passing the four related legislations on GST. The state governments will have to pass the GST law in their respective state assemblies. GST will be a single levy to replace multiple central and state taxes to make the country a seamless national market and is expected to boost India's growth rate.

According to RBI, GVA growth is projected to strengthen to 7.4% in 2017-18. Inflation is expected to average 4.5% in the first half and 5 % in the second half of the FY 2017-18.

Domestic sales of passenger vehicles are expected to grow from 2.8 million in 2016 to 9.4 - 13.4 million by 2026. Domestic sales of commercial vehicles are expected to grow from 0.7 million in 2016 to 2.0 - 3.9 million by 2026.

The Budget 2017 proposals include the Government's commitment to double the farmers' income in 5 years. With further boost to the infrastructure and rural sector announced in the Budget 2017, it will contribute in increasing the business of the Company.

CAUTIONARY STATEMENT

This report contains forward-looking statements extracted from reports of Government Authorities / Bodies, Industry Associations etc. available on the public domain which may involve risks and uncertainties including, but not limited to, economic conditions, government policies, dependence on certain businesses and other factors. Actual results, performance or achievements could differ materially from those expressed or implied in such forward-looking statements. This report should be read in conjunction with the financial statements included herein and the notes thereto. The Company does not undertake to update these statements.

Directors' Report



Your Directors have pleasure in presenting their Thirty Eighth Annual Report and the Audited Statements of Accounts of the Company for the financial year ended March 31, 2017.

FINANCIAL HIGHLIGHTS

Particulars	(Rs. in lacs)	
	2016-17	2015-16
Profit Before Depreciation And Taxation	195,783.33	181,773.73
Less: Depreciation and amortisation	3,390.78	3,630.61
Profit Before Tax	192,392.55	178,143.12
Less: Provision for taxation	66,658.30	60,323.36
Profit After Tax	125,734.25	117,819.76
Add: Balance brought forward from previous year	418,745.82	383,829.91
Add: Additions on account of amalgamation as on April 01, 2015	-	(3,503.89)
Balance available for appropriation	544,480.07	498,145.78
Appropriations		
General reserve	12,600.00	12,000.00
Statutory reserve	25,200.00	24,000.00
Debenture redemption reserve	(15,945.04)	16,043.39
Dividend on equity shares of Rs.10/- each	9,075.31	22,688.27
Tax on dividend	1,847.52	4,668.30
Balance carried to Balance Sheet	511,702.28	418,745.82

DIVIDEND

Your Directors have maintained total dividend of Rs. 10/- per equity share i.e. 100% for the financial year ended March 31, 2017 consisting of an interim dividend of Rs. 4/- per equity share i.e. 40% declared at the Board meeting held on October 25, 2016 and a final dividend of Rs. 6/- per equity share i.e. 60% recommended at the Board meeting held on April 27, 2017. The interim dividend was paid to the eligible shareholders on November 16, 2016.

TRANSFER TO RESERVES

The amounts proposed to be transferred to General Reserve

CREDIT RATING

The credit rating enjoyed by the Company as on March 31, 2017 is as follows:

Credit Rating Agency	Instruments	Ratings
CARE	Non-Convertible Debentures	CARE AA+
CARE	Subordinated Debt	CARE AA+
CRISIL	Fixed Deposit	CRISIL FAAA/Stable
CRISIL	Subordinated Debt	CRISIL AA+/Stable
CRISIL	Non-Convertible Debentures	CRISIL AA+/Stable
CRISIL	Short Term Debt	CRISIL A1+
CRISIL	Bank Loan- Short Term	CRISIL A1+
CRISIL	Bank Loan- Long Term	CRISIL AA+/ Stable
ICRA	Fixed Deposit	MAA+ with Stable outlook
India Ratings & Research Pvt. Ltd. (Formerly known as "FITCH")	Non-Convertible Debentures	IND AA+/Stable Outlook
India Ratings & Research Pvt. Ltd. (Formerly known as FITCH")	Subordinated Debt	IND AA+/Stable Outlook
Fitch Ratings	Long-Term Issuer Default Rating	BB+/Stable Outlook
Fitch Ratings	Short-Term Issuer Default Rating	B
Standard & Poor's Ratings	Long-Term Issuer Credit Rating	BB+/Stable
Standard & Poor's Ratings	Short-Term Issuer Credit Rating	B
Standard & Poor's Ratings	Offshore Rupee Denominated Bond (Masala Bond)	BB+

OPERATIONS & COMPANY'S PERFORMANCE

For the financial year ended March 31, 2017, your Company earned Profit Before Tax of Rs. 192,392.55 lacs as against Rs. 178,143.12 lacs in the previous financial year and the Profit After Tax of Rs. 125,734.25 lacs as against Rs. 117,819.76 lacs in the previous financial year. The total Income for

and Statutory Reserve and from Debenture Redemption Reserve are mentioned in the Financial Highlights under the heading 'Appropriations'.

CAPITAL ADEQUACY RATIO

Your Company's total Capital Adequacy Ratio (CAR), as of March 31, 2017, stood at 16.94 % of the aggregate risk weighted assets on balance sheet and risk adjusted value of the off-balance sheet items, which is above the regulatory minimum of 15%.

the year under consideration was Rs. 1,083,061.23 lacs and total expenditure was Rs. 890,668.68 lacs. The revised NPAs norms stipulated by Reserve Bank of India which required higher provisioning in respect of Non-Performing loan assets in a phased manner had impacted the profitability of the Company during the current year.

Mobilization of funds from following sources/instruments during the financial year ended March 31, 2017 was as under:

		(Rs. in lacs)
Sr. No.	Particulars	Funds mobilized by the Company
1	Non-Convertible Debentures - Institutional	831,225.00
2	Subordinated Debts - Institutional	17,500.00
3	Term Loans from Banks - Secured	1,135,365.50
4	Term Loans from Banks - Unsecured	16,000.00
5	Term Loans from Financial Institutions / corporates - Secured	110,000.00
6	Commercial Papers	640,500.00
7	Fixed Deposit	278,542.69
8	Offshore Rupee Denominated Bonds (Masala Bonds)	135,000.00

As on March 31, 2017, the outstanding hypothecation loans were Rs. 6,410,197.35 lacs. The total Assets Under Management had increased from Rs. 7,276,060.55 lacs as on March 31, 2016 to Rs. 7,876,093.08 lacs as on March 31, 2017. During the Financial Year 2016-17, the company securitised its assets worth Rs. 1,121,420.00 lacs (accounting for 14.24 % of the total assets under management as on March 31, 2017) as against Rs. 899,175.10 lacs during the Financial Year 2015-16. With securitisation, the company ensures better borrowing profile, leading to lower interest liability owing to its lending to priority sector as per RBI. The outstanding securitised assets portfolio stood at Rs. 1,329,474.16 lacs as on March 31, 2017.

The Company continued its focus on financing of pre-owned commercial vehicles. Our relationship based business model enabled us to maintain the leadership position in the pre-owned commercial vehicles financing segment. For further penetration into rural market, the Company opened 51 new Rural Centres and 65 new Branch Offices. With this the total number of Rural Centres has now increased to 854 and the total number of Branch offices across India has now increased to 918.

ISSUE OF SECURITIES

Share Capital

There was no change in the paid up Equity Share Capital in the Financial Year 2016-17.

Issue of Masala Bonds

In order to diversify the borrowing portfolio of the Company and to open new market/avenue for borrowing, the Company issued Rs. 135,000 lacs 8.25% Senior Secured Notes Due

2020 which are listed on the Singapore Exchange Securities Trading Limited. The proceeds of Notes have been utilized in accordance with the guidelines issued by the Reserve Bank of India.

FIXED DEPOSITS

As on March 31, 2017, there were 15,150 fixed deposits aggregating to Rs. 13,039.67 lacs that have matured but remained unclaimed. There were no deposits, which were claimed but not paid by the Company. The unclaimed deposits have since reduced to 11,077 deposits amounting to Rs. 8,693.13 lacs. Appropriate steps are being taken continuously to obtain the depositors' instructions so as to ensure renewal/ repayment of the matured deposits in time.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Director retiring by rotation

Mr. Gerrit Lodewyk Van Heerde, Non-Executive Non-Independent Director of the Company will retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers himself for re-appointment.

Change in Directors

Mr. Ramakrishnan Subramanian resigned from the directorship of the Company on February 03, 2017. He was appointed as an Additional Director in the capacity of Non-Executive Non-Independent Director of the Company by the Board of Directors in its meeting held on July 27, 2016.

Mr. Jasmit Singh Gujral resigned as Managing Director & CEO of the Company and also from the directorship of the Company with effect from close of business hours on October 25, 2016. The Board of Directors have placed on record their

appreciation of the services rendered by Mr. Jasmit Singh Gujral and Mr. Ramakrishnan Subramanian.

On recommendation of Nomination and Remuneration Committee, the Board of Directors in its meeting held on October 25, 2016 has appointed Mr. Umesh Revankar as an Additional Director and also as Managing Director & CEO of the Company. The Board of Directors recommend the resolutions contained in Notice of the ensuing AGM for his appointment as Director and also as Managing Director & CEO of the Company. There was no other change in Key Managerial Personnel of the Company during the year under review.

DECLARATION BY INDEPENDENT DIRECTORS

The Board has received the declaration from all the Independent Directors as per the Section 149(7) of the Companies Act, 2013 (the 'Act') and the Board is satisfied that all the Independent Directors meet the criteria of independence as mentioned in Section 149(6) of the Companies Act, 2013.

POLICIES ON APPOINTMENT OF DIRECTORS AND REMUNERATION

The Company's Policy on Board Diversity provides criteria for appointment of directors. The Company's Remuneration Policy provides for remuneration of Managing Director & CEO, Independent Director, Key Managerial Personnel, Employees, etc. These Policies are annexed to this report as Annexure I and II. The Nomination and Remuneration Committee also takes into account the Fit and Proper criteria for appointment of directors as stipulated by Reserve Bank of India.

NUMBER OF MEETINGS OF THE BOARD

During the year five Board Meetings were held. The details of the Board and various Committee meetings are given in the Corporate Governance Report.

BOARD EVALUATION

Pursuant to the provisions of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its various Committees. The evaluation was conducted on the basis of a structured questionnaire which comprises performance criteria such as performance of duties and obligations, independence of judgement, level of engagement and participation, contribution in enhancing the Board's overall effectiveness,

etc. The Board of Directors has expressed its satisfaction on functioning and performance of Board and Committees and the performance of individual directors.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Act, the Directors confirm that, to the best of their knowledge and belief:

- a) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- b) That such accounting policies as mentioned in note 2.1 to the financial statements have been selected and applied consistently, and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for the year ended on that date;
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Annual Accounts have been prepared on a going concern basis.
- e) The Company had followed the internal financial controls laid down by the directors and that such internal financial controls are adequate and were operating effectively.
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RBI GUIDELINES

The Company continues to comply with all the requirements prescribed by the Reserve Bank of India, from time to time.

BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2)(f) of the Listing Regulations, Business Responsibility Report is annexed and forms part of the Annual Report

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Report on CSR activities for the Financial Year 2016-17 is annexed to this report as Annexure-III. The composition

of CSR Committee is included in the Report on CSR activities. The CSR Policy is uploaded on the Company's website at the web link:<http://stfc.in/pdf/Corporate-Social-Responsibility-Policy.pdf>

DISCLOSURES AS PER THE SECTION 134 OF THE ACT, READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

Extract of Annual Return

The extract of the annual return in the Form MGT 9 is annexed to this report as Annexure-IV.

Conservation of Energy, Technical Absorption and Foreign Exchange Earnings and Outgo

The information pursuant to Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 is as follows:

- a. The Company has no activity involving conservation of energy or technology absorption.
- b. The Company does not have any Foreign Exchange Earnings.
- c. Outgo under Foreign Exchange – Rs. 1,367.99 lacs.

Loans, guarantee or investments

Pursuant to Section 186(11)(a) of the Act read with Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the loan made, guarantee given or security provided in the ordinary course of business by a Non-Banking Financial Company (NBFC) registered with Reserve Bank of India are exempt from the applicability of provisions of Section 186 of the Act. As such the particulars of loans and guarantee have not been disclosed in this Report.

During the year under review the Company has invested surplus funds in various securities in the ordinary course of business. For details of the Current Investments and Non-Current Investments of the Company refer to Note 10 & 14 respectively of the financial statements.

Contracts or Arrangements with Related Parties

The Related Party Transactions (RPTs) were entered in ordinary course of business on an arm's length basis and were in compliance with the provisions of the Act and the Listing Regulations. The statement of RPTs was reviewed by the Audit Committee on a quarterly basis. Omnibus approval of the Audit Committee was obtained for the RPTs of repetitive nature. As required under the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, the Policy on Materiality

of Related Party Transactions and dealing with Related Party Transactions as approved by the Board is annexed to this report as Annexure-V and is also uploaded on the Company's website at the web link:

<http://stfc.in/pdf/Policy-on-Materiality-of-Related-Party-Transactions-and-dealing-with-Related-Party-Transactions-v1.pdf>.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act along with the justification for entering into such contract or arrangement in Form AOC-2 does not form part of the report. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company save and except the payment of sitting fees and commission to Independent Directors. For details of the transactions with Related Party refer to the note 27 to the financial statements.

Risk Management

The Company's Risk Management Policy deals with identification, mitigation and management of risks across the organization. The same has been dealt with in the Management Discussion and Analysis Report annexed to the Annual Report.

Whistle Blower Policy/ Vigil Mechanism

The Company's Whistle Blower Policy provides a mechanism under which an employee/director of the Company may report unethical behaviour, suspected or actual fraud, violation of code of conduct and personnel policies of the Company. The Vigil Mechanism ensures standards of professionalism, honesty, integrity and ethical behavior. The Whistle Blower Policy/Vigil Mechanism is uploaded on the Company's website: <http://www.stfc.in/pdf/Whistle-Blower-Policy-Vigil-Mechanism-2017.pdf>

Financial summary/highlights

The details are spread over in the Annual Report as well as are provided in the beginning of this report.

Subsidiaries, joint ventures or associate companies

Shriram Automall India Limited (SAIL), Wholly Owned subsidiary of the Company through its 67 Automalls located across the Country provides fee-based facilitation services for the sale of pre-owned commercial and passenger vehicles, agricultural and construction equipments, dealer's stock of pre-owned two wheelers, etc. repossessed by banks and

financing companies. For the year ended March 31, 2017, SAIL's total income from operations was Rs. 8,030.53 lacs as against Rs. 7,452.95 lacs in the previous year 2015-16 and the Net Profit of Rs. 829.15 lacs as against net profit of Rs. 542.07 lacs in the previous year 2015-16. Eleven new Automalls were opened during the Financial Year 2016-17.

The annual report and the annual accounts of SAIL and the related detailed information shall be made available to shareholders of the Company seeking such information. The annual accounts of the SAIL shall also be kept for inspection by shareholders at the Registered Office of the Company and of the SAIL. The annual accounts of SAIL shall be available on the website of the Company viz. <http://www.stfc.in/annual-reports.aspx> The Company shall furnish hard copy of details of accounts of the SAIL to any shareholder on demand.

No Company has become or ceased to be its Subsidiary, joint venture or associate company during the year.

Internal Financial Control System

The Company's well defined organisational structure, documented policy guidelines, defined authority matrix and internal financial controls ensure efficiency of operations, protection of resources and compliance with the applicable laws and regulations. Moreover, the Company continuously upgrades its systems and undertakes review of policies. The internal financial control is supplemented by extensive internal audits, regular reviews by management and standard policies and guidelines to ensure reliability of financial and all other records to prepare financial statements and other data. The Audit Committee of the Board reviews internal audit reports given along with management comments. The Audit Committee also monitors the implemented suggestions.

Composition of Audit Committee

The Audit Committee comprises of four directors namely, Mr. S. Sridhar – Chairman, Mrs. Kishori Udeshi, Mr. S. M. Bafna and Mr. Puneet Bhatia.

Others

- There were no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company and the date of the Directors' report.
- There are no significant and material orders passed by the Regulators or courts or tribunals impacting the going concern status and company's operations in future.

- There was no change in the nature of business of the Company. The company continues to be an Asset Finance Company.
- During the year under review, there were no cases filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- Disclosure regarding details relating to Deposits covered under Chapter V of the Act is not applicable since our company is a Non-Banking Financial Company regulated by Reserve Bank of India. The Company accepts deposits as per Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016.

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Section 129 of the Act read with Rule 5 to the Companies (Accounts) Rules, 2014, Statement comparing salient features of the financial statement of Subsidiary (Form AOC-1) and a statement on consolidated financial position of the Company with that of the subsidiary is attached to the Annual Report. The consolidated financial statements attached to this Annual Report are prepared in compliance with the applicable Accounting Standards and Listing Regulations.

PARTICULARS OF EMPLOYEES

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Disclosure required as under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended is annexed to this report as Annexure-VI.

AUDITORS

M/s. S. R. Batliboi & Co. LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No. 301003E / E300005) and M/s. G. D. Apte & Co., Chartered Accountants, Mumbai, (ICAI Firm Registration No. 100515W), Auditors of the Company will retire at the conclusion of the ensuing AGM. In compliance with mandatory rotation of Auditors as per provision of Section 139 of the Act and the Companies (Audit and Auditors) Rules 2014, the Company is required to appoint new Auditors in place of the retiring joint Auditors at the ensuing AGM.

The Audit Committee and the Board of Directors have recommended appointment of M/s Haribhakti & Co. LLP, Chartered Accountants, Mumbai (Firm Registration No. 103523W/W100048) and M/s Pijush Gupta & Co. Chartered Accountants, Kolkata (Firm Registration No. 309015E) as new joint Auditors. Certificates have been received from them to the effect that their appointment as Auditors of the Company, if made would be within the limits prescribed under Section 139 and 141 of the Act. They have also confirmed that they hold a valid peer review certificate as prescribed under Listing Regulations. The Board of Directors recommend passing of the resolution for appointment of new joint Auditors at the ensuing AGM.

The Auditors' Report to the Shareholders for the year under review does not contain any qualification.

SECRETARIAL AUDIT

The Board had appointed Mr. P. Sriram, Practicing Company Secretary (Certificate of Practice No.3310) (Membership No. FCS 4862) to carry out Secretarial Audit under the provisions of Section 204 of the Act for the financial year 2016-17. The Secretarial Audit Report is annexed to this report as Annexure-VII. The report does not contain any qualification.

CORPORATE GOVERNANCE

Pursuant to Schedule V of the Listing Regulations the following Reports/Certificates form part of the Annual Report:

- the Report on Corporate Governance;

- the Certificate duly signed by the Managing Director & CEO and Chief Financial Officer on the Financial Statements of the Company for the year ended March 31, 2017 as submitted to the Board of Directors at their meeting held on April 27, 2017;
- the declaration by the Managing Director & CEO regarding compliance by the Board members and senior management personnel with the Company's Code of Conduct ; and
- the Management Discussion & Analysis Report

The Auditors' Certificate on Corporate Governance is annexed to this report as Annexure-VIII.

ACKNOWLEDGEMENT

The Board of Directors would like to place on record their gratitude for the guidance and cooperation extended by Reserve Bank of India and the other regulatory authorities. The Board takes this opportunity to express their sincere appreciation for the excellent patronage received from the Banks and Financial Institutions and for the continued enthusiasm, total commitment, dedicated efforts of the executives and employees of the Company at all levels. We are also deeply grateful for the continued confidence and faith reposed on us by the Shareholders, Depositors, Debenture holders and Debt holders.

For and on behalf of the Board of Directors

S. Lakshminarayanan
Chairman

Mumbai
April 27, 2017

(DIN : 02808698)

POLICY ON BOARD DIVERSITY

1. Vision

The Company recognizes the importance and benefits of having the diverse Board to enhance quality of its performance.

2. Policy Statement

The Company believes that a diverse Board will enhance the quality of the decisions made by the Board by utilizing the different skills, qualification, professional experience, gender, knowledge etc. of the members of the Board of Directors (Board), necessary for achieving sustainable and balanced development. For appointments of persons to office of directors and deciding composition of the Board, the Nomination and Remuneration Committee (NRC) and the Board shall also have due regard to this policy on Board diversity. In this process the NRC /Board will take into consideration qualification and wide experience of the directors in the fields of banking, finance, regulatory, administration, legal, commercial vehicle segment apart from compliance of legal and contractual requirements of the Company.

The total number of directors constituting the Board shall be in accordance with the Articles of Association of the Company. The Board of directors of the Company shall have an optimum combination of executive and non-executive directors with at least one woman director and the composition of the Board shall be in accordance with requirements of the Articles of Association of the Company, the Companies Act,2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the statutory, regulatory and contractual obligations of the Company.

3. Review of Policy

The NRC will review the policy from time to time and make recommendations on any required changes to Board for consideration and approval.

REMUNERATION POLICY

The Board of Directors of the Company has constituted Nomination and Remuneration Committee in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of the Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. Composition of Nomination and Remuneration Committee (Committee)

The Committee shall consist of minimum three non-executive directors out of which two shall be independent directors. The Chairman of the Committee shall be an independent director.

The quorum for any meeting of the Committee shall be either two members or one third of the members of the Committee present whichever is greater (any fraction to be rounded off to the next whole number) subject to a minimum of two independent members present.

All decisions taken at the Committee meeting shall be by a majority vote of the members present.

The Chairman of the Company (whether executive or non-executive) may be appointed as a member of the Committee but shall not chair such Committee. The Chairman of the Committee or in his absence, any other member of the Committee authorized by him in this behalf shall attend the general meetings of the Company to answer the shareholders queries. No member of the Committee shall have a relationship that may interfere with his independence from management and the Company or with the exercise of his duties as a Committee member.

The Committee may invite such of the executives of the Company, as it considers appropriate (and particularly the Managing Director & CEO) to be present at the meetings of the Committee, but on occasions it may also meet without the presence of any executives of the Company.

The Company Secretary shall act as the Secretary to the Committee.

2. Objective of Remuneration policy :

To lay down a framework in relation to remuneration of (a) Directors (Executive and Non-Executive) (b) Key Managerial Personnel (c) Senior Management Personnel

3. Definitions :

“Act” means the Companies Act, 2013 and the rules framed thereunder, as amended from time to time.

“Board” means Board of Directors of the Company.

“Company” means Shriram Transport Finance Company Limited

“Directors” mean Directors of the Company.

“Key Managerial Personnel” means (a) Managing Director (b) Chief Executive Officer (CEO), (c) Chief Financial Officer (CFO) and (d) Company Secretary;

“Policy or This Policy” means “Remuneration Policy of the Company.”

“Senior Management Personnel” means the personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the whole-time directors including the functional heads.

4. Meetings of Committee :

The Committee shall meet at least two times in a year.

The Committee may adopt procedural rules for its meetings and the conduct of its business, not inconsistent with this Policy, the Company’s Articles of Association or applicable laws. The Committee is governed by the same rules regarding meetings (including meetings by video conferencing), passing resolution by circulation, notice, waiver of notice, and voting requirements as are applicable to the Board. Adequate provision will be made for notice to members of all meetings.

The Committee agenda is developed by the Chairman of the Committee and the Managing Director & CEO with input from appropriate members of its core management team. The Committee may meet periodically with Senior Management personnel in separate executive sessions.

When present, the Chairman of the Committee shall preside over the Committee meetings. In his absence, the Committee members present may appoint a chairman from among themselves. The Chairman of the Committee shall report to the Board on Committee meetings and actions and the Company Secretary shall keep minutes of all Committee meetings which are distributed to the Committee members for review and approval.

5. Powers of the Committee:

The Committee shall have powers, which include the following:

- i) To examine any activity within its terms of reference.
- ii) To seek information from any employee.
- iii) To obtain outside legal or other professional advice.
- iv) To secure attendance of outsiders with relevant expertise, if it considers necessary.
- v) Any other matter as may be assigned by the Board of Directors from time to time.

The Committee shall have the resources and authority necessary to discharge its duties and responsibilities. The Committee shall have authority to appoint and terminate outside counsel or other experts or consultants as it deems appropriate, including sole authority to approve the firms' fees and other retention terms. The Committee may for this purpose utilise the office of the Company Secretary to appoint and interact with such outside counsel or other experts or consultants. The Company will provide the Committee with appropriate funding, as the Committee determines for the payment of compensation to the Company's outside counsel and other advisors as it deems appropriate and administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. In discharging its responsibilities, the Committee is empowered to examine any matter relating to compensation and remuneration of which are brought to its attention. The Committee will have access to the Company's books, records, facilities, and personnel. Any communications between the Committee and legal counsel in the course of obtaining legal advice will be considered privileged communications of the Company and the Committee will take all necessary steps to preserve the privileged nature of those communications.

6. Role of the Committee :

- i) Formulation of the criteria for determining qualifications, positive attributes, and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees. The Committee shall ensure that -
 - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - relationship of remuneration to performance is clear and meets appropriate performance benchmarks ;and
 - remuneration to directors, Key Managerial Personnel and Senior Management Personnel involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
- ii) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down by the Committee, recommend to the Board their appointment and removal.
- iii) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- iv) To carry out evaluation of every director's performance.
- v) To determine whether to extend or continue the term of appointment of the Independent Director on the basis of the report of performance evaluation of independent directors.
- vi) Devising a policy on Board diversity
- vii) Formulation of Succession policy for Managing Director and CEO, Key Managerial personnel and Senior Management Personnel.

This policy shall be disclosed in the Board's report.

7. Remuneration of Managing Director & CEO:

The Committee is responsible for assisting the Board of Directors in the Board's overall responsibilities relating to determination on their behalf and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration package for Managing Director & CEO including pension rights and any compensation payment. The following shall be the principal recurring processes of the Committee in carrying out its responsibilities relating to Managing Director & CEO Compensation. The processes are set forth as a guideline with the understanding that the Committee may supplement them as appropriate.

- i) Provide independent oversight of and consult with Company management regarding the Company's compensation, bonus, pension and other benefit plans, policies and practices applicable to the Company.

- ii) Develop guidelines for and annually review and approve (a) the annual basic salary, (b) the annual incentive and bonus, including the specific goals and amount and (c) equity compensation for the Managing Director & CEO
- iii) Review and approve (a) employment agreements, severance arrangements and change in control agreements/provisions and (b) any other benefits, compensation or arrangements for the Managing Director & CEO.
- iv) If in any financial year the Company has no profits or its profit are inadequate then Managing Director & CEO shall be entitled to receive the remuneration perquisite and benefits as approved by the Committee, Board of Directors and shareholders subject to compliance with the applicable provisions of the Act read with Schedule V to the Act, if and to the extent necessary with the approval of Central Government.
- v) In consultation with outside consultants, evaluate and recommend the form and amount of compensation to the director and make recommendations to the Board.

8. Remuneration of Independent Directors:

The Company is being benefited from the expertise, advise and inputs provided by the Independent Directors. The Independent Directors devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advice, suggestion and guidance to the management of the Company from time to time.

Independent Directors of the Company are paid following remuneration:**9. Sitting Fees :**

Rs. 50,000/- for every meeting of Board and Rs. 25,000/- for every Committee meeting and Rs 15,000/- for every meeting of Independent Directors attended by them.

10. Commission :

Equal commission be paid to all Independent Directors. However, Independent Directors who hold office for part of Financial Year be paid commission on pro-rata basis. The amount of commission will be decided by the Board of Directors for every financial year within the limit specified under the Act subject to the approval of shareholders obtained by passing necessary resolution in the general meeting of the Company.

11. Non-Executive Non-Independent Directors :

Non-Executive Non-Independent Directors shall be entitled to reimbursement of expenses for attending the meetings of the Board/Committees but shall not be entitled to receive the sitting fees.

12. Employee Stock Option :

In order to attract and retain the key/ quality talent and to motivate the employees to achieve long term business goals, the Board may consider at appropriate time re-introduction of Employee Stock Options for the identified employees in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

13. General Responsibilities:

- i) Report to the Board on matters discussed at each Committee meeting.
- ii) Examine any matter brought to its attention within the scope of its duties.
- iii) Evaluate annually its own performance and discuss the outcome of the evaluation with the Board.
- iv) To review compensation related disclosures to be filed or submitted by the Company pursuant to applicable rules.
- v) The Committee shall review and reassess the adequacy of this Policy annually and recommend any proposed changes to the Board for approval.
- vi) Perform other functions as requested by the Board.

14. Changes in the governing laws:

Any changes in the governing laws such as the Listing agreements, Companies Act 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the other Laws, Rules, Notifications and Guidelines, if any, issued/ framed thereunder and applicable to the Company which has an effect of enlarging the scope, role and power of the Committee shall automatically form part of this policy to enlarge the role of the Committee provided herein above.

REPORT ON CSR ACTIVITIES

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

The object of CSR Policy of the Company is to continue to contribute towards social welfare projects for benefits of 'Aam Aadmi' focusing on providing education, vocational training, promoting health care facilities to economically weaker and underprivileged section of the Society and to do such other activities as may be permissible under Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The details of the CSR activities undertaken can be accessed at <http://stfc.in/annual-reports.aspx>

2. The Composition of the CSR Committee:

* Name of the Member	Category
Mr. Umesh Revankar	Chairman
Mr. S. Lakshminarayanan	Member
Mrs. Kishori Udeshi	Member
Mr. Amitabh Chaudhary	Member
Mr. Puneet Bhatia	Member

*Mr. Jasmit Singh Gujral ceased to be Member/Chairman of the Committee from October 26, 2016 consequent to his resignation as Managing Director & CEO of the Company.

Mr. Umesh Revankar took over as Managing Director & CEO of the Company w.e.f. October 26, 2016

For details please refer to Page No. 44 of Corporate Governance Report

3. Average Net Profit of the Company for last three financial years:- Rs.181,648.36 lacs.

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):- Rs.3,632.97 lacs

5. Details of CSR spent during the financial year.

(a) Total amount spent for the financial year:- Rs.1,193.15 lacs

(b) Amount unspent, if any:- Rs.2,439.82 lacs

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

(Rs. in lacs)							
Sr No	CSR project or activity identified.	Sector in which the Project is covered	Projects or programs (1)Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or Programs wise	Amount spent on the projects or Programs Sub-heads: (1)Direct expenditure on projects or programs. (2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency *
1	Scholarship Scheme	Education	Across India	700.00	381.03	381.03	Implementing Agency
2	Khel Khel Mein Project	Education	Navi Mumbai Maharashtra	3.00	0.60	0.60	Implementing Agency
3	Shriram Educational Centres	Education	Chennai (Tamil Nadu),Andhra Pradesh (Karnataka)	752.50	1.32	1.32	Direct
4	Safe Drinking Water	Preventive Healthcare	Vijayawada,Hyderabad, (Andhra Pradesh) Jaipur (Rajasthan) & Bhubaneswar (Orissa)	147.00	146.81	146.81	Implementing Agency

(Rs. in lacs)

Sr No	CSR project or activity identified.	Sector in which the Project is covered	Projects or programs (1)Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or Programs wise	Amount spent on the projects or Programs Sub-heads: (1)Direct expenditure on projects or programs. (2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency *
5	Drivers' Training	Training and skill development	Pune,Nashik, Nagpur, (Maharashtra), Chennai (Tamil Nadu), Bikaner (Rajasthan) Chindwara (Madhya Pradesh)	1800.00	534.24	534.24	Implementing Agency
6	Swachh Bharat Abhiyan	Sanitation	New Delhi	12.50	12.50	12.50	Implementing Agency
7	Mobile Van Project	Preventive health care	Mumbai (Maharashtra), Bangalore (Karnataka) & Chennai (Tamil Nadu)	53.00	52.07	52.07	Implementing Agency
8	Mobile Medical Unit & Health Clinic	Preventive health care	Mumbai (Maharashtra), Bangalore (Karnataka) Chennai (Tamil Nadu), Hyderabad,Vijayawada, Bhubaneshwar and Jaipur (Rajasthan)	179.00	61.58	61.58	Implementing Agency
9	Feeding to poor people	Eradication of hunger and poverty	Chennai (Tamil Nadu)	3.00	3.00	3.00	Implementing Agency
	Total			3650.00	1193.15	1193.15	

* Shriram Foundation, Wockhardt Foundation, Piramal Swasthya Management and Research Institute, Enable Health Society, Shankara Vidya Kendra and Sri Arunachala Smaranamrutam Seva Trust are implementing agencies involved in the above Projects engaged in carrying out various CSR projects/programs/activities.

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

The CSR Committee had recommended budget of Rs.3,650 lacs for spending on various CSR projects for the Financial year 2016-17 and the same was also approved by the Board of Directors. However, the actual CSR spending fell short of the targeted spending as per the said Budget for various reasons such as organizational changes in an implementing agency, delay in disbursement of educational scholarships on account of hurdles in opening of bank accounts due to crowding at banks after November 08, 2016, drop-outs of students, failure of a shortlisted implementing agency to initiate project implementation which necessitated identification and appointment of a new implementing agency to execute the project, challenges in identification of competent implementing agency etc. The process of streamlining the activities has been initiated.

The new implementing agencies with better skills, expertise, experience, professionalism and strength in terms of manpower and network have since been appointed and we will endeavour to achieve the targeted spending on CSR in coming years.

7. A responsibility statement of the CSR committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company:-

The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the company.

For and on behalf of the Board of Directors

Umesh Revankar

Managing Director & CEO
(Chairman, CSR Committee)

(DIN :00141189)

Place : Mumbai

Date: April 27, 2017

ANNEXURE - IV

DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2017

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

1. REGISTRATION AND OTHER DETAILS

a. CIN	L65191TN1979PLC007874
b. Registration Date	June 30, 1979
c. Name of the Company	Shriram Transport Finance Company Limited
d. Category/Sub-Category of the Company	Non-Banking Financial Company
e. Address of the Registered office and contact details	Mookambika Complex, 3rd Floor, No. 4, Lady Desika Road, Mylapore, Chennai, Tamil Nadu – 600004, Telephone No.: 044-24990356, Fax: 044 2499 3272
f. Whether listed company Yes / No	Yes
g. Name, Address and Contact details of Registrar and Transfer Agent, if any	Integrated Registry Management Services Private Limited, 2nd Floor, Kences Towers, No. 1, Ramakrishna Street, North Usman Road, T.Nagar, Chennai – 600017, Telephone No.: 044-28140801 to 28140803, Fax : 044-28142479

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company

As per Attachment (I)

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

As per Attachment (II)

4. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

a. Category-wise Share Holding

As per Attachment (III)

b. Shareholding of Promoters

As per Attachment (IV)

c. Change in Promoters' Shareholding (please specify, if there is no change)

As per Attachment (V)

d. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

As per Attachment (VI)

e. Shareholding of Directors and Key Managerial Personnel

As per Attachment (VII)

5. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

As per Attachment (VIII)

6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

As per Attachment (IX)

b. Remuneration to Other Directors:

As per Attachment (X)

c. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

As per Attachment (XI)

7. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

As per Attachment (XII)

ATTACHMENT (I)

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company are given below:

Sr. No.	Name and Description of Main Products / Services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Finance for commercial vehicles and other loans	64920 Other credit granting	98.16%

ATTACHMENT (II)

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No	Name of the Company	Address of the company	CIN/GLN	Holding/ Subsidiary / Associate	No. of shares held (%)	Applicable section
1	Shriram Automall India Limited	Mookambika Complex, 3rd Floor, No. 4, Lady Desika Road, Mylapore, Chennai, Tamil Nadu, India - 600004	U50100TN2010PLC074572	Wholly Owned Subsidiary	100.00(*)	2(87)

(*)Includes 60 fully paid Equity Shares of Rs. 10/- each held by six nominees of company each holding 10 Equity Shares of Rs.10/- each fully paid up on behalf and for the benefit of Shriram Transport Finance Company Limited.

ATTACHMENT (III)

4. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

a) Category-wise Share Holding

Category of Shareholder	No. of shares held at the beginning of the year (01/04/2016)				No. of shares held at the end of the year (31/03/2017)				% Change during the year		
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares			
A	PROMOTERS										
1	Indian										
	a	Individual/HUF	0	0	0	0.00	0	0	0	0.00	0.00
	b	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
	c	State Governments	0	0	0	0.00	0	0	0	0.00	0.00
	d	Bodies Corporate	59103162	0	59103162	26.05	59173023	0	59173023	26.08	0.03
	e	Banks / FIs	0	0	0	0.00	0	0	0	0.00	0.00
	f	Any other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total A(1)		59103162	0	59103162	26.05	59173023	0	59173023	26.08	0.03
2	Foreign										
	a	NRI - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	b	Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	c	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
	d	Banks / FIs	0	0	0	0.00	0	0	0	0.00	0.00
	e	Any other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total A(2)		0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoter (A)= (A)(1) +(A)(2)		59103162	0	59103162	26.05	59173023	0	59173023	26.08	0.03

Category of Shareholder		No. of shares held at the beginning of the year (01/04/2016)				No. of shares held at the end of the year (31/03/2017)				% Change during the year	
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
B	Public Shareholding										
1	Institutions										
	a	Mutual Funds (includes UTI)	3790453	34045	3824498	1.69	3978840	34045	4012885	1.77	0.08
	b	Financial Institutions / Banks	679080	210	679290	0.30	886433	210	886643	0.39	0.09
	c	Central Government	411974	0	411974	0.18	0	0	0	0.00	-0.18
	d	State Governments	0	0	0	0.00	0	0	0	0.00	0.00
	e	Venture capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	f	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
	g	FIIIs	66704689	0	66704689	29.40	10199338	0	10199338	4.50	-24.90
	h	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
	i	Any other (Specify)									
		Foreign Portfolio Investor 1 & 2	54514686	0	54514686	24.03	107485107	0	107485107	47.37	23.34
		Alternate Investment Fund	0	0	0	0.00	7300	0	7300	0.00	0.00
		Sub Total B(1)	126100882	34255	126135137	55.59	122557018	34255	122591273	54.03	-1.56
2	Non-Institutions										
	a	Bodies Corporate									
	(i)	Indian	25981004	35553	26016557	11.47	26714013	34854	26748867	11.79	0.32
	(ii)	Overseas	0	50	50	0.00	0	50	50	0.00	0.00
	b	Individuals									
	(i)	Individual Shareholders holding Nominal Share Capital upto Rs.1 Lakh	6891966	4673348	11565314	5.10	7238865	4301677	11540542	5.09	-0.01
	(ii)	Individual Shareholders holding Nominal Share Capital in excess of Rs.1 Lakh	2229214	186937	2416151	1.06	2345725	186937	2532662	1.12	0.06
	c	Any other (Specify) Clearing Members	467317	0	467317	0.21	1098547	0	1098547	0.48	0.28
		Trusts	271412	0	271412	0.12	282003	0	282003	0.12	0.00
		NRI	275347	124750	400097	0.18	290080	124750	414830	0.19	0.01
		Limited Liability Partnership	40000	0	40000	0.02	24874	0	24874	0.01	-0.01
		Foreign National	0	0	0	0.00	635	0	635	0.00	0.00
		Foreign Portfolio Investor 3	465604	0	465604	0.21	2471364	0	2471364	1.09	0.88
		NBFC	1935	0	1935	0.00	4066	0	4066	0.00	0.00
		Sub Total B(2)	36623799	5020638	41644437	18.37	40470172	4648268	45118440	19.89	1.53
		Total Public Share holding (B)= (B) (1)+(B)(2)	162724681	5054893	167779574	73.96	163027190	4682523	167709713	73.92	-0.03
C	Shares held by Custodians for GDRs and ADRs		0	0	0	0.00	0	0	0	0.00	0.00
		Grand Total (A) + (B) + (C)	221827843	5054893	226882736	100.00	222200213	4682523	226882736	100.00	0.00

Notes -

- I 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 Ownership Trust, (2) Shriram Financial Ventures (Chennai) Private Limited, (3) Shriram Life Insurance Company Limited, (4)Shriram General Insurance Company Limited, (5)Shriram Credit Company Limited, (6) Shriram Asset Management Company Limited, (7)Bharat Reinsurance Brokers Private Limited, (8)Shriram Overseas Investments Private Limited, (9)Shriram Investment Holdings Limited, (10)Bharat Investments Pte. Limited,Singapore, (11) Shriram City Union Finance Ltd, (12) Shriram Fortune Solutions Limited, (13) Shriram Wealth Advisors Limited, (14)Shriram Insight Share Brokers Limited, (15)Shriram Financial Products Solutions (Chennai) Private Limited, (16) Shriram Housing Finance Limited, (17) Insight Commodities and Futures Private Limited (18) Shrilekha Business Consultancy Private Limited* (19) Shriram SevaSankalp Foundation and (20) SGI Philippines General Insurance Co Inc.

- II. The Persons Acting in Concert (PAC), as defined in the SAST Regulations 2011 for the purpose of Regulation 10 of SAST Regulations, 2011: (i) Sanlam Emerging Markets (Mauritius) Limited, (ii) Shriram Mutual Fund (SMF), (iii) Mr. S Krishnamurthy (Trustee of SMF), (iv) Mr. S M Prabhakaran (Trustee of SMF), (v) Mr. V N Shivashankar (Trustee of SMF), (vi) Dr. Qudisia Gandhi (Trustee of SMF), (vii) Mr. Mani Sridhar (Trustee of SMF), (viii) Shriram Automall India Limited and (ix) Sanlam Life Insurance Limited.
- III All the entities/persons mentioned in Note No. I and Note No. II are PACs for not less than three years except the entities at Sr. No. (18) and (19) in Note No. I and the person at Sr. No (vii) in Note No II which are PACs for less than three years.
- IV None of the above-mentioned entities/persons in Note No. I and II hold any shares in the Company except the entity at Sr. No. (ix) in Note No. II.
- * Shrelekha Financial Services (a firm registered under the Partnership Act 1932) has been converted into a Private Limited Company (as "Shrelekha Business Consultancy Private Limited") under part 1 of Chapter XXI of the Companies Act, 2013 with effect from January 09, 2017.

ATTACHMENT (IV)

4. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

b) Share holding of Promoters

Sr. No.	Shareholder's Name	Share holding at the beginning of the Year (as on 01/04/2016)			Share holding at the end of the year (as on 31/03/2017)			% change in share holding during the year (01/04/2016 to 31/03/2017)
		No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Shriram Capital Limited	59103162	26.05	N.A	59173023	26.08	N.A	0.03
Total		59103162	26.05	N.A	59,173,023	26.08	N.A	0.03

ATTACHMENT (V)

4. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

c) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particular	Date	Shareholding at the beginning(01/04/2016) to (31/03/2017)		Increase/ Decrease in shareholding	Cumulative Shareholding during the year (01/04/2016 to 31/03/2017)		Reason
			No. of shares	% of total Shares of the company		No. of shares	% of total Shares of the company	
1	Shriram Capital Limited	01/04/2016	59,103,162	26.05				
		15/11/2016			2162	59105324	26.05	Market Purchase
		22/12/2016			59526	59164850	26.08	Market Purchase
		26/12/2016			8173	59173023	26.08	Market Purchase
		31/03/2017		59173023	26.08			

ATTACHMENT (VI)

4. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

d) Shareholding Pattern of top ten Shareholders (other than Directors Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of Shareholder's	Shareholding at the beginning of the year (01/04/2016)		Changes during the year		Cumulative Shareholding during the year (01/04/2016 to 31/03/2017)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	NAME : PIRAMAL ENTERPRISES LIMITED						
	Opening Balance as on 01/04/2016	22600000	9.961	0	0	0	0
	Closing Balance as on 31/03/2017					22600000	9.961
2	Name : SANLAM LIFE INSURANCE LIMITED						
	Opening Balance as on 01/04/2016	6757267	2.978	0	0	0	0
	Closing Balance as on 31/03/2017					6757267	2.978
3	Name : ABU DHABI INVESTMENT AUTHORITY (UNDER VARIOUS SUB ACCOUNTS)						
	Opening Balance as on 01/04/2016	5502651	2.425	0	0	0	0
	22/04/2016	0	0	(113659)	-0.050	5388992	2.375
	29/04/2016	0	0	(247483)	-0.109	5141509	2.266
	06/05/2016	0	0	(194814)	-0.086	4946695	2.180
	20/05/2016	0	0	79594	0.035	5026289	2.215
	27/05/2016	0	0	1814	0.001	5028103	2.216
	03/06/2016	0	0	(18173)	-0.008	5009930	2.208
	10/06/2016	0	0	(230417)	-0.102	4779513	2.107
	24/06/2016	0	0	136	0.000	4779649	2.107
	22/07/2016	0	0	92989	0.041	4872638	2.148
	26/08/2016	0	0	8044	0.004	4880682	2.151
	02/09/2016	0	0	(30309)	-0.013	4850373	2.138
	09/09/2016	0	0	7879	0.003	4858252	2.141
	16/09/2016	0	0	2224	0.001	4860476	2.142
	23/09/2016	0	0	12094	0.005	4872570	2.148
	30/09/2016	0	0	2632	0.001	4875202	2.149
	07/10/2016	0	0	4977	0.002	4880179	2.151
	14/10/2016	0	0	60000	0.026	4940179	2.177
	18/11/2016	0	0	30000	0.013	4970179	2.191
	25/11/2016	0	0	10000	0.004	4980179	2.195
	02/12/2016	0	0	(440473)	-0.194	4539706	2.001
	09/12/2016	0	0	(624042)	-0.275	3915664	1.726
	23/12/2016	0	0	(161645)	-0.071	3754019	1.655
	30/12/2016	0	0	(58618)	-0.026	3695401	1.629
	03/03/2017	0	0	(17100)	-0.008	3678301	1.621
	31/03/2017	0	0	1455000	0.641	5133301	2.263
	Closing Balance as on 31/03/2017					5133301	2.263
4	NAME : GOVERNMENT OF SINGAPORE (UNDER VARIOUS SUB ACCOUNTS)						
	Opening Balance as on 01/04/2016	5244244	2.311	0	0	0	0
	08/04/2016	0	0	135223	0.060	5379467	2.371
	15/04/2016	0	0	(1488)	-0.001	5377979	2.370
	22/04/2016	0	0	(73704)	-0.032	5304275	2.338
	29/04/2016	0	0	18344	0.008	5322619	2.346
	06/05/2016	0	0	(62561)	-0.028	5260058	2.318
	13/05/2016	0	0	(6)	0.000	5260052	2.318
	27/05/2016	0	0	(121802)	-0.054	5138250	2.265
	03/06/2016	0	0	101755	0.045	5240005	2.310
	10/06/2016	0	0	(140782)	-0.062	5099223	2.248
	17/06/2016	0	0	(47691)	-0.021	5051532	2.226
	08/07/2016	0	0	(40301)	-0.018	5011231	2.209
	22/07/2016	0	0	1425	0.001	5012656	2.209
	29/07/2016	0	0	(29665)	-0.013	4982991	2.196
	05/08/2016	0	0	(47580)	-0.021	4935411	2.175
	12/08/2016	0	0	(62831)	-0.028	4872580	2.148

Sl. No.	Name of Shareholder's	Shareholding at the beginning of the year (01/04/2016)		Changes during the year		Cumulative Shareholding during the year (01/04/2016 to 31/03/2017)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	02/09/2016	0	0	(14332)	-0.006	4858248	2.141
	09/09/2016	0	0	2486	0.001	4860734	2.142
	16/09/2016	0	0	1416	0.001	4862150	2.143
	07/10/2016	0	0	15086	0.007	4877236	2.150
	14/10/2016	0	0	(84408)	-0.037	4792828	2.112
	21/10/2016	0	0	(594799)	-0.262	4198029	1.850
	28/10/2016	0	0	(100516)	-0.044	4097513	1.806
	04/11/2016	0	0	(415379)	-0.183	3682134	1.623
	11/11/2016	0	0	(30693)	-0.014	3651441	1.609
	18/11/2016	0	0	(139202)	-0.061	3512239	1.548
	25/11/2016	0	0	(4853)	-0.002	3507386	1.546
	02/12/2016	0	0	(131520)	-0.058	3375866	1.488
	09/12/2016	0	0	(4818)	-0.002	3371048	1.486
	23/12/2016	0	0	(142746)	-0.063	3228302	1.423
	30/12/2016	0	0	15746	0.007	3244048	1.430
	06/01/2017	0	0	14727	0.006	3258775	1.436
	13/01/2017	0	0	(93440)	-0.041	3165335	1.395
	20/01/2017	0	0	(46912)	-0.021	3118423	1.374
	03/02/2017	0	0	(299850)	-0.132	2818573	1.242
	10/02/2017	0	0	(35530)	-0.016	2783043	1.227
	03/03/2017	0	0	(12711)	-0.006	2770332	1.221
	10/03/2017	0	0	(438)	0.000	2769894	1.221
	17/03/2017	0	0	(11280)	-0.005	2758614	1.216
	24/03/2017	0	0	(245178)	-0.108	2513436	1.108
	31/03/2017	0	0	(44744)	-0.020	2468692	1.088
	Closing Balance as on 31/03/2017					2468692	1.088
5	Name : SMALLCAP WORLD FUND, INC						
	Opening Balance as on 01/04/2016	4928739	2.172	0	0	0	0
	17/06/2016	0	0	(87969)	-0.039	4840770	2.134
	24/06/2016	0	0	(128492)	-0.057	4712278	2.077
	30/06/2016	0	0	(95417)	-0.042	4616861	2.035
	01/07/2016	0	0	(188122)	-0.083	4428739	1.952
	14/10/2016	0	0	(17991)	-0.008	4410748	1.944
	21/10/2016	0	0	(217610)	-0.096	4193138	1.848
	28/10/2016	0	0	(99682)	-0.044	4093456	1.804
	09/12/2016	0	0	(2050000)	-0.904	2043456	0.901
	Closing Balance as on 31/03/2017					2043456	0.901
6	Name : CENTAURA INVESTMENTS (MAURITIUS) PTE LIMITED						
	Opening Balance as on 01/04/2016	4490960	1.979	0	0	0	0
	02/09/2016	0	0	(171,846)	-0.076	4319114	1.904
	Closing Balance as on 31/03/2017					4319114	1.904
7	Name : STICHTING DEPOSITARY APG EMERGING MARKETS EQUITY POOL						
	Opening Balance as on 01/04/2016	4476786	1.973	0	0	0	0
	06/05/2016	0	0	(150482)	-0.066	4326304	1.907
	13/05/2016	0	0	45978	0.020	4372282	1.927
	27/05/2016	0	0	39349	0.017	4411631	1.944
	03/06/2016	0	0	(172675)	-0.076	4238956	1.868
	10/06/2016	0	0	(233738)	-0.103	4005218	1.765
	22/07/2016	0	0	(16931)	-0.007	3988287	1.758
	29/07/2016	0	0	(5681)	-0.003	3982606	1.755
	05/08/2016	0	0	316724	0.140	4299330	1.895
	12/08/2016	0	0	37777	0.017	4337107	1.912
	23/09/2016	0	0	(13884)	-0.006	4323223	1.905
	30/09/2016	0	0	(4658)	-0.002	4318565	1.903
	07/10/2016	0	0	(21926)	-0.010	4296639	1.894

Sl. No.	Name of Shareholder's	Shareholding at the beginning of the year (01/04/2016)		Changes during the year		Cumulative Shareholding during the year (01/04/2016 to 31/03/2017)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	04/11/2016	0	0	(10995)	-0.005	4285644	1.889
	18/11/2016	0	0	(658829)	-0.290	3626815	1.599
	25/11/2016	0	0	(545250)	-0.240	3081565	1.358
	02/12/2016	0	0	(80331)	-0.035	3001234	1.323
	13/01/2017	0	0	(224815)	-0.099	2776419	1.224
	20/01/2017	0	0	(123985)	-0.055	2652434	1.169
	03/02/2017	0	0	(225824)	-0.100	2426610	1.070
	10/02/2017	0	0	(865)	0.000	2425745	1.069
	24/02/2017	0	0	(18483)	-0.008	2407262	1.061
	03/03/2017	0	0	667388	0.294	3074650	1.355
	10/03/2017	0	0	(310547)	-0.137	2764103	1.218
	17/03/2017	0	0	321460	0.142	3085563	1.360
	24/03/2017	0	0	(451576)	-0.199	2633987	1.161
	31/03/2017	0	0	(16181)	-0.007	2617806	1.154
	Closing Balance as on 31/03/2017	0	0			2617806	1.154
8	Name : NEW WORLD FUND INC	0	0				
	Opening Balance as on 01/04/2016	3312410	1.46	0	0	0	0
	22/04/2016	0	0	270000	0.119	3582410	1.579
	29/07/2016	0	0	(7085)	-0.003	3575325	1.576
	05/08/2016	0	0	(399915)	-0.176	3175410	1.400
	13/01/2017	0	0	1085530	0.478	4260940	1.878
	Closing Balance as on 31/03/2017					4260940	1.878
9	Name : KUWAIT INVESTMENT AUTHORITY FUND (UNDER VARIOUS SUB ACCOUNTS)						
	Opening Balance as on 01/04/2016	3119560	1.375	0	0	0	0
	08/04/2016	0	0	(123732)	-0.055	2995828	1.320
	22/04/2016	0	0	(72454)	-0.032	2923374	1.288
	29/04/2016	0	0	(43995)	-0.019	2879379	1.269
	06/05/2016	0	0	(69037)	-0.030	2810342	1.239
	13/05/2016	0	0	(56642)	-0.025	2753700	1.214
	27/05/2016	0	0	(26174)	-0.012	2727526	1.202
	03/06/2016	0	0	39801	0.018	2767327	1.220
	10/06/2016	0	0	85578	0.038	2852905	1.257
	17/06/2016	0	0	77000	0.034	2929905	1.291
	24/06/2016	0	0	58214	0.026	2988119	1.317
	08/07/2016	0	0	4786	0.002	2992905	1.319
	05/08/2016	0	0	(26294)	-0.012	2966611	1.308
	12/08/2016	0	0	(14537)	-0.006	2952074	1.301
	19/08/2016	0	0	(15263)	-0.007	2936811	1.294
	02/09/2016	0	0	(18118)	-0.008	2918693	1.286
	09/09/2016	0	0	(39803)	-0.018	2878890	1.269
	23/09/2016	0	0	(46263)	-0.020	2832627	1.248
	30/09/2016	0	0	(96754)	-0.043	2735873	1.206
	21/10/2016	0	0	187000	0.082	2922873	1.288
	11/11/2016	0	0	50600	0.022	2973473	1.311
	18/11/2016	0	0	(135774)	-0.060	2837699	1.251
	25/11/2016	0	0	(332850)	-0.147	2504849	1.104
	09/12/2016	0	0	(204280)	-0.090	2300569	1.014
	16/12/2016	0	0	(35405)	-0.016	2265164	0.998
	23/12/2016	0	0	(34281)	-0.015	2230883	0.983
	30/12/2016	0	0	(91507)	-0.040	2139376	0.943
	06/01/2017	0	0	(343399)	-0.151	1795977	0.792
	13/01/2017	0	0	(59979)	-0.026	1735998	0.765
	20/01/2017	0	0	(7955)	-0.004	1728043	0.762
	03/02/2017	0	0	(71304)	-0.031	1656739	0.730
	10/02/2017	0	0	(367732)	-0.162	1289007	0.568

Sl. No.	Name of Shareholder's	Shareholding at the beginning of the year (01/04/2016)		Changes during the year		Cumulative Shareholding during the year (01/04/2016 to 31/03/2017)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	17/02/2017	0	0	(130986)	-0.058	1158021	0.510
	10/03/2017	0	0	110270	0.049	1268291	0.559
	17/03/2017	0	0	71305	0.031	1339596	0.590
	24/03/2017	0	0	(68175)	-0.030	1271421	0.560
	Closing Balance as on 31/03/2017					1271421	0.560
10	Name : VANGUARD EMERGING MARKETS STOCK INDEX FUND, ASERIES OF VANGUARD INTERNATIONAL EQUITY INDE X FUND						
	Opening Balance as on 01/04/2016	2626213	1.158	0	0	0	0
	08/04/2016	0	0	8540	0.004	2634753	1.161
	22/04/2016	0	0	7420	0.003	2642173	1.165
	20/05/2016	0	0	(4666)	-0.002	2637507	1.162
	27/05/2016	0	0	(9353)	-0.004	2628154	1.158
	03/06/2016	0	0	(14231)	-0.006	2613923	1.152
	10/06/2016	0	0	7442	0.003	2621365	1.155
	17/06/2016	0	0	(7755)	-0.003	2613610	1.152
	24/06/2016	0	0	5795	0.003	2619405	1.155
	22/07/2016	0	0	5994	0.003	2625399	1.157
	29/07/2016	0	0	18102	0.008	2643501	1.165
	05/08/2016	0	0	14491	0.006	2657992	1.172
	12/08/2016	0	0	15120	0.007	2673112	1.178
	19/08/2016	0	0	21504	0.009	2694616	1.188
	09/09/2016	0	0	9600	0.004	2704216	1.192
	23/09/2016	0	0	(13236)	-0.006	2690980	1.186
	07/10/2016	0	0	10240	0.005	2701220	1.191
	14/10/2016	0	0	7040	0.003	2708260	1.194
	21/10/2016	0	0	24000	0.011	2732260	1.204
	28/10/2016	0	0	9600	0.004	2741860	1.208
	11/11/2016	0	0	20800	0.009	2762660	1.218
	25/11/2016	0	0	25280	0.011	2787940	1.229
	02/12/2016	0	0	14400	0.006	2802340	1.235
	06/01/2017	0	0	7800	0.003	2810140	1.239
	13/01/2017	0	0	16575	0.007	2826715	1.246
	20/01/2017	0	0	7800	0.003	2834515	1.249
	03/02/2017	0	0	23400	0.010	2857915	1.260
	17/02/2017	0	0	6500	0.003	2864415	1.263
	24/03/2017	0	0	14085	0.006	2878500	1.269
	31/03/2017	0	0	13772	0.006	2892272	1.275
	Closing Balance as on 31/03/2017					2892272	1.275
11	Name : OPPENHEIMER INTERNATIONAL SMALL COMPANY FUND						
	Opening Balance as on 01/04/2016	2052930	0.905	0	0	0	0
	02/12/2016	0	0	523529	0.231	2576459	1.136
	10/03/2017	0	0	273435	0.121	2849894	1.256
	Closing Balance as on 31/03/2017					2849894	1.256
12	Name : PLATINUM ASIA FUND						
	Opening Balance as on 25/11/2016	990477	0.437	0	0	0	0
	02/12/2016	0	0	289423	0.128	1279900	0.564
	09/12/2016	0	0	1002632	0.442	2282532	1.006
	16/12/2016	0	0	132168	0.058	2414700	1.064
	Closing Balance as on 31/03/2017					2414700	1.064

ATTACHMENT (VII)

4. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

e) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name	Shareholding at the beginning of the year (01/04/2016)		Changes during the year		Cumulative Shareholding during the year (01/04/2016 to 31/03/2017)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	UMESH REVANKAR						
	PAN : ACSPR0783M						
	Opening Balance as on 01/04/2016	18450	0.008				
	Market sale on 03/05/2016			5000	0.001	13450	0.005
	Market sale on 09/05/2016			5000	0.001	8450	0.004
	Market sale on 27/05/2016			8450	0.004	0	0.000
	Closing Balance as on 31/03/2017					0	0.000
2	S. M. BAFNA						
	PAN : AABPB5180H						
	Opening Balance as on 01/04/2016	1200	0.001				
	Closing Balance as on 31/03/2017					1200	0.001
3	PARAG SHARMA						
	PAN : ABDPS9129C						
	Opening Balance as on 01/04/2016	41000	0.02				
	Closing Balance as on 31/03/2017					41000	0.02

ATTACHMENT (VIII)

5. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment as on March 31, 2017

(Rs. in lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,821,328.23	378,045.50	779,696.67	4,979,070.40
ii) Interest due but not paid(unclaimed)	1,959.95	904.58	1,140.00	4,004.53
iii) Interest accrued but not due	84,694.45	42,393.20	48,646.79	175,734.44
Total (i+ii+iii)	3,907,982.63	421,343.28	829,483.46	5,158,809.37
Change in Indebtedness during the financial year				
• Addition	2,625,276.73	722,482.95	379,754.84	3,727,514.52
• Reduction	2,343,294.11	721,944.17	297,353.76	3,362,592.04
Net Change	281,982.62	538.78	82,401.08	364,922.48
Indebtedness at the end of the financial year				
i) Principal Amount	4,086,623.66	376,967.98	847,418.19	5,311,009.83
ii) Interest due but not paid(unclaimed)	2,004.73	505.50	2,490.17	5,000.40
iii) Interest accrued but not due	101,336.86	44,408.58	61,976.18	207,721.62
Total (i+ii+iii)	4,189,965.25	421,882.06	911,884.54	5,523,731.85

* Addition and reduction includes Interest

ATTACHMENT (IX)

6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) Remuneration to Managing Director, Whole-time Directors and/or Manager

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs.)
		*Umesh Revankar - Managing Director and CEO	*Jasmit Singh Gujral - Managing Director and CEO	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	32,19,410	40,64,516	72,83,926
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	12,45,161	0	12,45,161
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	- as % of profit	0	0	0
	- others, specify...	0	0	0
5	Others, please specify	0	0	0
	PF Contribution	2,31,231	10,800	2,42,031
	NPS Contribution	1,92,590	0	1,92,590
	Total (A)	48,88,392	40,75,316	89,63,708

Note-

The Ceiling on remuneration of Managing Director and CEO as per Section 197 of the Companies Act, 2013 (the Act) is Rs. 96,20,99,063 i.e. 5% of the net profit computed as per Section 198 of the Act.

*Change in the Managing Director and CEO : Mr. Jasmit Singh Gujral was appointed as Managing Director & CEO in place of Mr. Umesh Revankar who resigned as Managing Director & CEO from April 30, 2016. Mr. Jasmit Singh Gujral ceased to be Managing Director & CEO and also Director of the Company from October 26, 2016. Mr. Umesh Revankar is appointed as Managing Director & CEO from October 26, 2016

ATTACHMENT (X)

b) Remuneration to Other Directors

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount (Rs.)
		S. M. Bafna	Kishori Udeshi	S. Lakshminarayanan	Amitabh Chaudhry	S. Sridhar	
1	Independent Directors						
	• Fee for attending board committee meetings	630,000	555,000	455,000	530,000	355,000	252,5000
	• Commission	500,000	500,000	500,000	500,000	500,000	250,0000
	• Others, please specify	0	0	0	0	0	0
	Total (1)	11,30,000	10,55,000	955,000	10,30,000	855,000	50,25,000
Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount (Rs.)	
		D V Ravi	Ramakrishnan Subramanian	Puneet Bhatia	Gerrit Lodewyk Van Heerde		
2	Other Non-Executive Directors						
	• Fee for attending board committee meetings						
	• Commission						
	• Others, please specify						
	Total (2)	0	0	0	0	0	
	Total (B)=(1+2)	11,30,000	10,55,000	955,000	1,030,000	855,000	50,25,000
	Total Managerial Remuneration	11,30,000	10,55,000	955,000	1,030,000	855,000	50,25,000

Note-

The ceiling on remuneration to Directors other than Managing Director, Whole-time Directors and/or Manager is Rs. 192,419,813 i.e. 1% of the net profits of the Company calculated as per Section 198 of the Act.

ATTACHMENT (XI)

c) REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (Rs.)
		Company Secretary	CFO	
		Vivek M. Achwal	Parag Sharma	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30,96,127	36,84,400	67,80,527
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	- as % of profit	0	0	0
	- others, specify...	0	0	0
5	Others, please specify	0	0	0
	PF Contribution	1,10,880	2,23,200	3,34,080
	NPS Contribution	0	1,86,000	1,86,000
	Total	32,07,007	40,93,600	73,00,607

ATTACHMENT (XII)

7. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS AND DEALING WITH RELATED PARTY TRANSACTIONS

1. Introduction

The Board of Directors (the "Board") of Shriram Transport Finance Company Limited (the "Company") has adopted the following policy ("Policy") on materiality of Related Party Transactions and dealing with Related Party Transactions. The policy is in line with requirement of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Companies Act 2013.

2. Definitions

"Arm's Length Transaction" means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

"Audit Committee" means the Audit Committee of the Company constituted by the Board of Directors of the Company in accordance with Section 292A of the Companies Act, 1956 (now Section 177 of the Companies Act, 2013) and regulation 18 of the Listing Regulations.

"Policy" means the Company's Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions.

"Related Party" with reference to the Company means a person or entity which is a Related Party under section 2(76) of the Act, or under the applicable accounting standards.

"Related Party Transaction" or "(RPT)" means transactions as given under clause (a) to (g) of section 188 of the Companies Act, 2013 and / or as defined in regulation 2(1)(zc) of Listing Regulations.

"Material Related Party Transaction (Material RPT)" shall mean related party transactions as defined under the regulation 23(1) of Listing Regulations.

"The Act" means the Companies Act, 2013.

Any term not defined herein shall have the same meaning as assigned thereto in the Act, Listing Regulations or any other applicable law or regulation.

3. Objective of the policy

The objective of this policy is to regulate transactions between the Company and its Related Parties as determined based on the Act, Listing Regulations and any other laws and regulations as may be applicable to the Company. The provisions of this Policy are designed to govern the approval process and disclosure requirements to ensure transparency in the conduct of RPTs in the best interest of the Company and its shareholders.

4. Identification of Related Parties

In addition to any other declaration/disclosure which may be required to be made under the Act and the rules made thereunder, and the Listing Regulations, every director and key managerial personnel shall provide a written declaration to the Company Secretary or any other officer of the Company authorized by the Board of Directors, containing the following information-

- i. List of Relatives
- ii. List of firms in which he/she or his/her relative is a partner.

- iii. List of private companies in which he/she is a member or director.
- iv. List of public companies in which he/she is a director and holds either individually or along with his/her relatives more than 2% of the paid up share capital ;
- v. List of bodies corporate whose Board of Directors, Managing Director, or Manager is accustomed to act in accordance with his/her directions, instructions or advice (other than directions, instructions or advice given in a professional capacity).
- vi. List of persons/bodies corporate on whose directions, instructions, or advice he/she is accustomed to act (other than directions, instructions, or advice received in professional capacity).

The Director and the Key Managerial Personnel shall immediately intimate the Company Secretary or any other officer authorized by the Company, regarding any changes in the aforesaid declaration.

Every Director, Key Managerial Personnel of the Company shall give a prior notice to the Company regarding a potential Related Party Transaction with the Company which may, directly or indirectly, involve either him/her or his/her relative, along with all relevant details and documents.

5. Policy

All RPTs should be referred to the Audit Committee of the Company for approval, irrespective of its materiality. The Audit Committee shall also approve any subsequent modification of RPTs. Onus will be on the Business Head and the Finance Head of each division and / or Company to refer RPT or potential RPTs to the audit committee.

The Audit Committee shall consider the following while approving an RPT –

- Nature of relationship with related party;
- Nature, material terms, monetary values and particulars of the contract or arrangement;
- Method and manner of determining the pricing and other commercial terms;
- Whether the transaction is at arm's length; and
- Any other information relevant or important for the Audit Committee / Board to take a decision on the proposed transaction.

Members of the Audit Committee, who are directly or indirectly interested in any RTP shall not participate in any meeting held for the approval of that RTP.

The Audit Committee may seek professional assistance of an independent valuer or a Chartered Accountant or a Cost Accountant or a legal counsel or any other professionally qualified person in order to determine whether or not a particular Related Party Transaction is an Arm's Length Transaction and in the ordinary course of business.

Any changes in the policy on account of regulatory requirements will be reviewed and approved by the Audit Committee and the Board. The Audit Committee / Board will give suitable directions / guidelines to implement the same.

6. Approval Process

The Company will enter into any Related Party Transactions only with the prior approval of the Audit Committee. No prior approval of Audit Committee is required to be obtained by the Company, if the RPT is proposed to be entered into with its wholly owned subsidiaries. The Audit Committee may grant omnibus approval for the proposed Related Party Transaction subject to the following conditions:

- a. The Audit Committee shall lay down the criteria for granting omnibus approval in line with the policy on Related Party Transactions of the Company and such approval shall be applicable in respect of transactions which are repetitive in nature;
- b. The Audit Committee satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company;
- c. Such omnibus approval shall specify the following:
 - Name(s) of the Related Party;
 - Nature of the transaction;
 - Period of transaction;
 - Maximum amount of transaction that can be entered into;
 - The indicative base price / current contracted price and the formula for variation in the price, if any, and;
 - Such other conditions as the Audit Committee may deem fit.
- d. In such cases where the need for Related Party Transaction cannot be foreseen and details as required above are not available, the Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs. 1 crore per transaction;
- e. The Audit committee shall review, at least on a quarterly basis, the details of RPTs entered into by the Company pursuant to each of the omnibus approval given;
- f. Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.
In the event transaction, contract or arrangement with the Related Party is either not in the ordinary course of business or is not at arm's length or both, the Company shall comply with the provisions of the Act and the Rules framed thereunder and obtain approval of the Board and its shareholders, as applicable.

7. Transaction in ordinary course of business and on arm's length basis

The Audit Committee will have the discretion to recommend / refer any matter relating to the Related Party Transaction to the Board for the approval. The Audit Committee or the Board shall, in respect of the RPT referred to them for approval, after considering the materials placed before them, judge if the transaction is in the ordinary course of business or at arm's length basis. In case the Audit Committee is not able to arrive at such a decision, the same shall be referred to the Board, which shall decide if the transaction is in the ordinary course of business or at arm's length basis.

In the event any RPT is not in the ordinary course of business or at arm's length, the Audit Committee may refer the same to the Board for its consideration / approval. If any member of the Board is directly or indirectly interested in an RPT, he/she shall not participate in any meeting wherein such RPT is placed before the Board for approval.

8. Shareholders' Approval

Consent of the Board and the Shareholders would be taken in respect of all RPTs, except in the following cases:

1. Where the transactions are below the threshold limits specified in the Act & Rules thereunder or the Listing Regulations, as may be applicable; or
2. Where the transactions are entered into by the Company in its ordinary course of business and are on an Arms' Length basis; or
3. Where the transactions to be entered into individually or taken together with previous transactions during a financial year does not exceed ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company.

9. Related Party Transactions not approved under this Policy

In the event the Company becomes aware of a transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed forthwith by the Audit Committee. The Audit Committee shall consider all of the relevant facts and circumstances regarding the RPT, and shall evaluate all options available to the Company, including ratification, revision or termination of the RPT. The Audit Committee shall also examine the facts and circumstances pertaining to the failure of reporting such RPT to the Audit Committee under this Policy and failure of the internal control systems, and shall take any such action it deems appropriate.

In any case, where the Audit Committee determines not to ratify a RPT that has been commenced without approval, the Audit Committee, as appropriate, may direct additional actions including, but not limited to, discontinuation of the transaction or seeking the approval of the shareholders. In connection with any review of a RPT, the Audit Committee has authority to modify any procedural requirements of this Policy.

10. Disclosures

Appropriate disclosures as required under the Act and the Listing Regulations will be made in the Annual / Board's Report and to the Stock Exchanges. The Company Secretary of the Company shall be responsible for ensuring that the required disclosures relating to RPTs are duly made.

11. Amendments to the Policy

The Board of Directors on its own and / or as per the recommendations of Audit Committee can amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.

Details pertaining to remuneration as required under Section 197(12) of the Companies Act 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) (a) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each Director for the Financial year 2016-17:-

Name of Independent Directors	Category	*Remuneration for FY 2015 -16 (Rs. in lacs)	*Remuneration for FY 2016-17 (Rs. in lacs)	% Increase in Remuneration in FY 2016-17	Ratio of Remuneration of each Director to Median Remuneration of Employees
(i)	(ii)	(iii)	(iv)	(v)= (iv)- (iii)	(vi)
Mr. S. Lakshminarayanan Chairman	Non-Executive	5.00	5.00	Nil	1.97x
Mr. S. M. Bafna	Non-Executive	5.00	5.00	Nil	1.97x
Mr. Amitabh Chaudhry	Non-Executive	5.00	5.00	Nil	1.97x
Mrs. Kishori Udeshi	Non-Executive	5.00	5.00	Nil	1.97x
Mr. S. Sridhar	Non-Executive	5.00	5.00	Nil	1.97x

*Excludes Sitting fees. The Independent directors are entitled to Sitting fees and commission as per the statutory provisions and within the limit approved by the Shareholders. The Non-executive Non-Independent Directors did not receive any remuneration from the Company.

- (b) The percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and Company Secretary in the Financial year 2016-17:-

Name of Key Managerial Personnel	Category	Remuneration for FY 2015 -16 (Rs. in lacs)	Remuneration for FY 2016-17 (Rs. in lacs)	% Increase in Remuneration in FY 2016-17	Ratio of Remuneration of each Director to Median Remuneration of Employees
*Mr. Umesh Revankar (April 2016 & 26th October 2016 to 31st March 2017)	Managing Director & CEO	52.45	48.88	* Not Applicable	* Not Applicable
*Mr. Jasmit Singh Gujral (30th April 2016 to 25th October 2016)	Managing Director & CEO	Nil	40.75	* Not Applicable	* Not Applicable
Mr. Parag Sharma	Chief Financial Officer	34.84	40.93	17.50	Not Applicable
Mr. Vivek Achwal	Company Secretary	30.37	32.07	5.59	Not Applicable

* Mr. Jasmit Singh Gujral did not receive any remuneration in the financial year 2015-16. Further Mr. Umesh Revankar held the office for the part of financial year 2016-17. As such, the details of percentage increase in their remuneration in financial year 2016-17 are not given. Further, for these reasons the ratio of their remuneration to the Median remuneration of employees is not given.

- (ii) In the Financial year 2016-17, there was an increase of 1.51% in the median remuneration of the employees.
 (iii) There were 18885 permanent employees on the roll of Company as on March 31, 2017.
 (iv) For employees other than Managerial Personnel who were in employment for whole of the Financial Year 2015-16 and Financial Year 2016-17, the average increase was 20.41%. The average increase for Managerial Personnel was 8.74%. The increase in the managerial remuneration is reasonable having regard to the performance, qualification and experience of the managerial personnel and the same is in line with the industry standards/benchmark.
 (v) It is hereby affirmed that the remuneration paid to the Directors, Key Managerial Personnel and employees is as per the Remuneration policy of the Company.

FORM NO.MR-3

SECRETARIAL AUDIT REPORT

FINANCIAL YEAR ENDED MARCH 31, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To

The Members

Shriram Transport Finance Company Limited

CIN L65191TN1979PLC007874

Mookambika Complex, 3rd Floor

No:4, Lady Desika Road, Mylapore

Chennai 600004

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Shriram Transport Finance Company Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of Company's books, papers, minute books, forms, statutory registers and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has during the audit period covering the financial year ended on March 31, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

- 1) The Companies Act, 2013(the Act) and the rules made there under;
- 2) The Securities Contracts(Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2009;
 - d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - f) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- 6) Reserve Bank of India Act, 1934
- 7) Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016
- 8) Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016.
- 9) Master Direction - External Commercial Borrowings, Trade Credit, Borrowing and Lending in Foreign Currency by Authorised Dealers and Persons other than Authorised Dealers as amended.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

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

I further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions were carried out with unanimous approval of the Board and there was no instance of dissent voting by any member during the period under review.

I have examined the systems and processes of the Company in place to ensure the compliance with general laws like Labour Laws, Employees Provident Funds Act, Employees State Insurance Act, considering and relying upon representations made by the Company and its Officers for systems and mechanisms formed by the Company for compliance under these laws and other applicable sector specific Acts, Laws, Rules and Regulations applicable to the Company and its observance by them.

I further report that

there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with other applicable laws on the operation of the Company and the rules made thereunder.

I further report that

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

- (i) Private Placement offer letter for Secured Redeemable Non-Convertible Debentures pursuant to Section 42 of the Companies Act, 2013 read with Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
- (ii) Private Placement offer letter for Unsecured Redeemable Non-Convertible Subordinated Debt in the nature of Debentures pursuant to Section 42 read with rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules 2014.
- iii) Redemption of Certain Options of NCD issued vide Public Issue made in the years 2010 and 2013.
- (iv) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.

Place: Chennai
Date: April 25, 2017

P. Sriram & Associates
FCS No. 4862
CP No: 3310

This Report is to be read with my testimony of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure - A

To
The Members
Shriram Transport Finance Company Limited

My report of even date is to be read along with this supplementary testimony.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, the company had followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.,
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Chennai
Date: April 25, 2017

P. Sriram & Associates
FCS No. 4862
CP No: 3310

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Members of

Shriram Transport Finance Company Limited

Wockhardt Towers, Level 3, West Wing
C-2, G-Block, Bandra Kurla Complex,
Bandra (East), Mumbai - 400051

1. The accompanying Corporate Governance Report prepared by the Company, contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2017. This report is required by the Company for annual submission to the Stock Exchanges and to be sent to the Shareholders of the Company.

Management's Responsibility

- The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
- The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

- Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 3 above.
- We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan

Partner

Membership Number: 102102

Place of Signature: Mumbai

Date: April 27, 2017

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:

- Reading of the information prepared by the Company and included in its Corporate Governance Report;
- Obtained and read the minutes of the following committee meetings held April 01, 2016 to March 31, 2017:
 - Board of Directors meeting;
 - Audit Committee;
 - Nomination and Remuneration Committee;
 - Stakeholders Relationship Committee; and
 - Risk management Committee; and
- Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

- Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable as at March 31, 2017, referred to in paragraph 1 above.

Other matters and Restriction on Use

- This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
- This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to Corporate Governance Report and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For G. D. Apte & Co.

Chartered Accountants

ICAI Firm Registration Number: 100515W

Ameya D. Tambekar

Partner

Membership Number: 128355

Place of Signature: Mumbai

Date: April 27, 2017

Corporate Governance Report



The Report for the financial year ended March 31, 2017 on compliance by the Company with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) is given below.

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

- (a) Enhancing long term Shareholder value through
 - Assisting the top management in taking sound business decisions; and
 - Prudent financial management.
- (b) Achieving transparency and professionalism in all decisions and activities of the Company.
- (c) Achieving excellence in Corporate Governance by
 - Conforming to the prevalent guidelines on Corporate Governance, and excelling in, wherever possible.
 - Reviewing periodically the existing systems and controls for further improvements.

ETHICS/GOVERNANCE POLICIES

The Company, strive to conduct its business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner.

BOARD OF DIRECTORS

The Company has put in place an internal governance structure. The Board of Directors of the Company consists

of professionals from varied disciplines. The day to day management of the affairs of the Company is entrusted with the senior management personnel, headed by the Managing Director and CEO, who functions under the overall supervision, direction and control of the Board of Directors of the Company. The Board meets regularly to discuss, review and decide upon the matters such as policy formulation, setting up of goals, appraisal of performances with the goals and control functions, etc. Some of the powers of the Board have also been delegated to Committee(s), which monitors the day-to-day affairs relating to operational matters. The Board thus exercises close control over the overall functioning of the Company with a view to enhance the stakeholders value.

The Independent Directors have made disclosures confirming that there are no material, financial and/or commercial transactions between Independent Directors and the Company which could have potential conflict of interest with the Company at large.

BOARD MEETING AND PROCEDURES

The detailed Agenda, setting out the business to be transacted at the Meeting(s), supported by detailed notes is sent to each Director at least seven days before the date of the Board Meeting(s) and of the Committee Meeting(s). In some instances, documents are tabled at the meetings and the presentations are also made by the respective executives on the matters related to them at the Board or Committee Meetings. The Directors are also provided the facility of video conferencing to enable them to participate effectively in the Meeting(s), as and when required.

The Board evaluates its own performance, performance of its Committees and individual Directors on an annual basis and monitors the effectiveness of the Company’s governance practices for enhancing the stakeholders value.

During the year under review, five meetings of the Board of Directors were held on April 29, 2016, July 27, 2016, October 25, 2016, January 31, 2017 and March 10, 2017.

The maximum gap between any two meetings was not more than one hundred and twenty days. As mandated by Regulation 25 of the Listing Regulations as of March 31, 2017, none of the Independent Directors of the Company served as an Independent Director in more than seven listed entities and as per Regulation 26 of Listing Regulations none of Directors is a member of more than ten Committees or

acting as Chairperson of more than five Committees of the companies in which he/she is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

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

COMPOSITION OF BOARD

The Company's policy is to maintain an optimum combination of Executive and Non-Executive/Independent Directors. The composition of Board of Directors, is given in the table below and is in conformity with Regulation 17(1) of the Listing Regulations and other applicable regulatory requirements.

Name of the Director and Category of Directorship	No. of Board Meetings attended	Whether attended the last AGM	Total no. of Directorships	Total no. of Memberships of the Committees of Board		Total no. of Chairmanships of the Committees of Board	
				Memberships in Audit / Stakeholders Relationship Committee	Memberships in other Committees	Chairmanships in Audit / Stakeholders Relationship Committee	Chairmanships in other Committees
Mr. S.Lakshminarayanan Chairman Non-Executive Independent Director DIN: 02808698	4	Yes	3	1	2	1	1
(*)Mr. Umesh Revankar, Executive, Managing Director and CEO DIN: 00141189	4	No	5	2	4	0	1
Mr. S. M. Bafna Non-Executive Independent Director, DIN: 00162546	5	Yes	1	0	0	0	0
Mr. Puneet Bhatia Non-Executive Non-Independent Director DIN: 00143973	2	No	4	0	0	0	0
Mr. Amitabh Chaudhry Non-Executive Independent Director. DIN: 00531120	5	Yes	3	1	8	0	0
Mrs. Kishori Udeshi Non-Executive Independent Director DIN: 01344073	5	Yes	5	2	5	1	3
Mr. Gerrit Lodewyk Van Heerde, Non-Executive Non-Independent Director DIN: 06870337	5	Yes	1	0	1	0	0
Mr. S. Sridhar Non-Executive Independent Director DIN: 00004272	4	Yes	8	2	2	4	0
Mr. D. V. Ravi Non-Executive Non-Independent Director DIN:00171603	5	Yes	6	2	4	0	1
(*)Mr. Jasmit Singh Gujral Managing Director and CEO DIN: 00196707	2	Yes	NA	NA	NA	NA	NA
**Mr. Ramakrishnan Subramanian Non-Executive Non-Independent Director DIN: 02192747	2	NA	NA	NA	NA	NA	NA

Notes:

1. In the above table, the total number of Directorships of a Director excludes his/her Directorships in the Company, Section 8 Company, Private Limited Companies and Foreign Companies.
2. The Memberships and Chairmanships of Directors in Committees do not include their Memberships and Chairmanships in the Company.
3. None of the above Directors are related inter- se.
4. *Change in the Managing Director and CEO : Mr. Jasmit Singh Gujral was appointed as Managing Director & CEO in place of Mr. Umesh Revankar who resigned as Managing Director & CEO from April 30, 2016. Mr. Jasmit Singh Gujral ceased to be Managing Director & CEO and also Director of the Company from October 26, 2016. Mr. Umesh Revankar is appointed as Managing Director & CEO from October 26, 2016.
5. ** Mr. Ramakrishnan Subramanian ceased to be Director of the Company w.e.f February 03, 2017. He was appointed as an Additional Director on July 27, 2016.

MEETING OF INDEPENDENT DIRECTORS

The Company's Independent Directors met on January 30, 2017 without the presence of Executive Directors or members of management. The meeting was attended by all Independent Directors. In the meeting, the Independent Directors reviewed performance of Non-Independent Directors, Board as a whole, Chairman and every Independent Directors. They were evaluated on parameters such as attendance, level of engagement and contribution, independence of judgments, safeguarding the interest of all other stakeholders. They assessed the quality, quantity and timelines of flow of information between the Company Management and the Board.

FAMILIARIZATION PROGRAMME

Pursuant to Regulation 25(7) of the Listing Regulations, the Company has put in place a system to familiarize its Independent Directors about the Company, its financial products, the industry and business model of the Company and its subsidiary. In addition, the Company also keeps the Independent Directors, updated on the events and developments in the industry and business environment. During the Financial Year 2016-17 a Familiarisation Programme was conducted on January 31, 2017 which was attended by the Independent Directors of the Company. Pursuant to Regulation 46 of Listing Regulations the details of Familiarization Programme is uploaded on the Company's website at the web link: <http://stfc.in/pdf/Familiarisation-Programme-2017-STFC.pdf>

POLICY FOR PROHIBITION OF INSIDER TRADING

In compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted a Code for Prohibition of Insider Trading for Directors/ Designated persons of the Company, relating to dealings by them in the securities of the Company.

The Code also provides for periodical disclosures from Directors/ Designated persons as well as pre-clearance of transactions by such persons.

COMMITTEES OF DIRECTORS

AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act 2013 ('the Act') and Regulation 18 read with Part C of the Schedule II of the Listing Regulations. All the members of the Committee have wide experience in fields of Banking & Finance, Accounts, Regulatory and Financial service industry.

Terms of Reference

The terms of reference of the Audit Committee, inter alia includes:

1. Overseeing the financial reporting process.
2. To ensure proper disclosure in the Quarterly, Half yearly and Annual Financial Statements.
3. To recommend appointment, re-appointment of auditors, fixing of their remuneration and approval of payment to auditors for any other services rendered by them.
4. Reviewing, with the management, the Financial Statements before submission to the Board.
5. Reviewing the adequacy of internal audit function.
6. Reviewing the findings of any internal examinations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
7. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
8. To discuss with the management, the senior internal audit executives and the auditor/s the Company's major risk exposures, guidelines and policies.
9. To review the functioning of the Whistle Blower Mechanism.
10. Approval of appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background etc. of the candidate.

11. Review and monitor the Auditor's independence, performance and effectiveness of audit process.
12. Approval or any subsequent modification of transactions of the Company with related parties and granting omnibus approval to related party transactions which are in the ordinary course of business and on an arm's length basis and to review and approve such transactions.
13. Scrutiny of inter-corporate loans and investments.
14. Valuation of undertakings or assets of the Company, wherever it is necessary.
15. To review the financial Statements, in particular, the investments made by the Unlisted Subsidiary Company. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Company has an Internal Audit Department which is headed by a qualified Chartered Accountant, who is responsible for conducting independent Internal Audit. The Internal Auditor reports directly to the Audit Committee of the Board.

During the year under review, five meetings were held on April 29, 2016, July 26, 2016, October 24, 2016, January 31, 2017 and March 10, 2017. The maximum gap between any two meetings was not more than one hundred and twenty days. The necessary quorum was present for all the meetings.

Composition

Name of the Member	Status	No. of Meetings Attended
Mr. S. Sridhar	Chairman	5
Mrs. Kishori Udeshi	Member	5
Mr. S. M. Bafna	Member	5
Mr. Puneet Bhatia	Member	1
Mr. Ramakrishnan Subramanian (July 27, 2016 to February 03, 2017)	Member	1

The Company Secretary acts as the Secretary for the Audit Committee. The Statutory Auditors, Internal Auditor, the Managing Director & CEO, the Chief Financial Officer, the Head of Accounts Department of the Company and other invitees also attend the meeting.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) has been constituted by the Board as per the requirements of the provisions of Section 178 of the Act and Regulation 19 read with Part D of the Schedule II of the Listing Regulations.

Terms of Reference

The terms of reference of the NRC, inter alia includes:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key

Managerial Personnel and other employees after ensuring that-

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

2. To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down by the Committee and recommend to the Board their appointment and removal.
3. To formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors.
4. To carry out evaluation of every Director's performance.
5. To determine whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. To devise a policy on Board diversity.
7. Formulation of Succession policy for Managing Director and CEO, Key Managerial Personnel and Senior Management Personnel.

During the year, the Committee met five times on April 29, 2016, May 27, 2016, July 27, 2016, October 25, 2016 and January 30, 2017. The necessary quorum was present for all the meetings.

Composition

Name of the Member	Status	No. of Meetings Attended
Mr. S. M. Bafna	Chairman	5
Mr. S. Lakshminarayanan	Member	5
Mr. Amitabh Chaudhry	Member	5
Mr. Puneet Bhatia	Member	1

Remuneration of Independent Directors:

The Company is being benefited from the expertise, advise and inputs provided by the Independent Directors. The Independent Directors devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advise, suggestion and guidance to the management of the Company from time to time.

Non-Executive Independent Directors of the Company are paid following remuneration:

Sitting Fees

Rs. 50,000/- for every meeting of Board. Rs. 25,000/- for every Committee meeting and Rs 15,000/- for every meeting of Independent Directors attended by them. No sitting fees is paid to Non-Independent Director.

Commission

Equal commission is being paid to all Independent Directors. However, Independent Directors who hold office for part of financial year are paid commission on pro-rata basis. The shareholders of the Company in their 34th Annual General Meeting held on July 05, 2013 have approved payment of commission to Independent Directors for a period of five years ending March 31, 2017 subject to the limit of 1% of net profits of the Company as calculated pursuant to the Act. The amount of commission for every financial year will be decided by the Board of Directors.

Remuneration of Managing Director and CEO:

The NRC is responsible for assisting the Board of Directors in the Board's overall responsibilities relating to determination on their behalf and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration package for Managing Director & CEO including pension rights and any compensation payment. The following shall be the principal recurring processes of the NRC in carrying out its responsibilities relating to Managing

Director & CEO compensation. The processes are set forth as a guideline with the understanding that the Committee may supplement them as appropriate.

1. Provide independent oversight of and consult with Company management regarding the Company's compensation, bonus, pension, and other benefit plans, policies and practices applicable to the Company.
2. Develop guidelines for and annually review and approve (a) the annual basic salary, (b) the annual incentive and bonus, including the specific goals and amount, and (c) equity compensation for the Managing Director & CEO.
3. Review and approve (a) employment agreements, severance arrangements, and change in control agreements / provisions, and (b) any other benefits, compensation or arrangements, for the Managing Director and CEO.
4. If in any financial year the Company has no profits or its profit are inadequate then Managing Director & CEO shall be entitled to receive the remuneration perquisite and benefits as approved by the NRC, Board of Directors and shareholders subject to compliance with the applicable provisions of the Act read with Schedule V to the Act, if and to the extent necessary with the approval of Central Government.
5. In consultation with outside consultants, evaluate and recommend the form and amount of compensation to the Director and make recommendations to the Board.

The details of sitting fees/remuneration paid to the Directors during the financial year 2016 - 17 are as under:

Sr. No.	Name of the Director	Sitting Fees for attending Meetings (Rs.)	Salary & Perquisites (Rs.)	Commission (to be paid) (Rs.)	Total (Rs.)
1	Mr. S. Lakshminarayanan	455,000	-	500,000	955,000
2	Mr. Umesh Revankar (*)	-	4,888,392	-	4,888,392
3	Mr. S. M. Bafna	630,000	-	500,000	1,130,000
4	Mr. Puneet Bhatia	-	-	-	-
5	Mr. Amitabh Chaudhry	530,000	-	500,000	1,030,000
6	Mrs. Kishori Udeshi	555,000	-	500,000	1,055,000
7	Mr. Gerrit Lodewyk Van Heerde	-	-	-	-
8	Mr. S. Sridhar	355,000	-	500,000	855,000
9	Mr. Jasmit Singh Gujral (*)	-	4,075,316	-	4,075,316
10	Mr. Ramakrishnan Subramanian (July 27, 2016 to February 03, 2017)	-	-	-	-
	Service Tax on sitting fees paid to the Directors	214,190	-	-	214,190

Notes:

* For further details kindly refer paragraph titled 'Composition of Board' forming part of this report.

Mr. Umesh Revankar is appointed as the Managing Director and CEO of the Company for a period of 3 years with effect from October 26, 2016. His remuneration includes salary and incentive of ₹ 3,219,410. Perquisites of ₹1, 245,161 and contribution to Provident Fund and NPS of ₹ 423,821. The appointment may be terminated by giving three months' notice in writing or salary in lieu thereof. No severance fees are payable on termination of employment.

Details of Shares / Warrants held by the Directors as on March 31, 2017 are as below:

Mr. S. M. Bafna is holding 1200 equity shares of the Company. No other Non-Executive Directors hold any shares and convertible instruments in the Company.

Performance Evaluation

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out the performance evaluation of all Directors including Independent Directors and Non-Independent Directors, Managing Director and CEO of the Company, Chairman of the Board, and Board as a whole i.e self-evaluation through a structured evaluation process covering various aspects of the functioning of the Board, frequency of meetings of the Board and Committees and individual Director's role and level of participation at the meetings, independence of judgment, performance of their duties and obligations and implementation of good Corporate Governance Practices, enhancing long term stakeholders value etc. The Directors further assessed the quality, quantity and time lines of flow of information between the Company, Management and the Board.

The Board expressed its satisfaction on functioning of Board and its Committees, the performance of individual Directors, Chairman of the Board, performance of the Board and its Committees.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee is constituted in line with the provisions of Section 178 (5) of the Act and Regulation 20 of Listing Regulations.

Terms of reference

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

The Committee in particular looks into:

1. To oversee and reviews redressal of shareholder and investor grievances, on matters relating to transfer of securities, non-receipt of annual report, non-receipt of dividends/interests.
2. To issue duplicate share/debenture certificate(s) reported lost, defaced or destroyed as per the laid down procedure and to resolve the grievances of security holders of the Company.
3. Attending to complaints of security holders routed by SEBI (SCORES)/Stock Exchanges/RBI or any other Regulatory Authorities.
4. Taking decision on waiver of requirement of obtaining the Succession Certificate/Probate of Will on case to case basis within the parameters set out by the Board of Directors.
5. To monitor transfer of the amounts/shares transferable to Investor Education and Protection Fund.
6. To list the securities of the Company on Stock Exchanges.
7. Any other matters that can facilitate better investor

services and relations.

During the year, the Committee met two times on April 29, 2016 and January 30, 2017. The necessary quorum was present for all the meetings.

Composition

Name of the Member	Status	No. of Meetings Attended
Mr. S. Lakshminarayanan	Chairman	2
Mr. Umesh Revankar(*)	Member	1
Mr. Amitabh Chaudhry	Member	2
Mr. Jasmit Singh Gujral (*)	Member	-
Mr. Ramakrishnan Subramanian (July 27, 2016 to February 03, 2017)	Member	-

Notes:

* For further details kindly refer the paragraph titled 'Composition of Board' forming part of this report.

Mr. Vivek Achwal, Company Secretary also acts as the Compliance Officer of the Company.

The status of security holders grievances is monitored by the Committee periodically and the minutes of the Committee are made available to the Board.

STAKEHOLDERS'/INVESTORS' COMPLAINTS:

Particulars	No. of Complaints		
	Equity	NCDs	General
Complaints pending as on April 1, 2016	NIL	NIL	1
Complaints received during the period April 01, 2016 to March 31, 2017	9	5	7
Complaints identified and reported under Regulation 13(3) of Listing Regulations	9	5	7
Complaints disposed of during the year ended March 31, 2017	9	5	8
Complaints unresolved as of March 31, 2017	NIL	NIL	NIL

As on March 31, 2017, no investor grievance has remained unattended/ pending for more than thirty days.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee has been constituted in line with the provisions of Section 135 of the Act and the rules made thereunder. The Committee also monitors implementation of Business Responsibility Policy of the Company.

The terms of reference of the CSR Committee broadly comprises of:

1. Formulating and recommending to the Board of Directors the CSR Policy and monitoring the same from time to time.
2. The Committee will review and evaluate the

sustainability agenda, suggest modifications, discuss and recommend action plan to take the CSR activities forward.

3. CSR Committee will monitor the spend on CSR activities by the Company as well as ensure that the Company spends atleast the minimum sum as may be prescribed from time to time pursuant to the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 or such higher sum as may be decided by the Board of Directors of the Company.
4. Review of Company's Business Responsibility Policy from time to time.
5. Approval of Business Responsibility Report for every financial year.
6. Any other matter as may be necessary for implementation of Business Responsibility Policy.

During the year under review, the Committee met three times on April 29, 2016, May 27, 2016 and January 30, 2017. The necessary quorum was present for all the meetings.

Composition

Name of the Member	Status	No. of Meetings Attended
Mr. Umesh Revankar(*)	Chairman	3
Mr. S. Lakshminarayanan (w.e.f. April 30, 2016)	Member	2
Mrs. Kishori Udeshi	Member	2
Mr. Puneet Bhatia	Member	-
Mr. Amitabh Chaudhry	Member	3
Mr. Jasmit Singh Gujral(*)	Member	-

Notes:

* For further details kindly refer paragraph titled 'Composition of Board' forming part of this report.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee has been constituted in line with the Regulation 21 of Listing Regulations as amended.

The terms of reference of the Risk Management Committee are as follows:

1. Review of Risk Management Policy.
2. Approval of Risk Management Plan, implementing and monitoring the Risk Management Plan.
3. Such other matters as may be delegated by Board from time to time.

During the year under review, the Committee met four times on June 04, 2016, September 29, 2016, December 12, 2016 and February 28, 2017. The necessary quorum was present for all the meetings.

Composition

Name of the Member	Status	No. of Meetings Attended
Mr. Umesh Revankar(*)	Chairman	3
Mr. D. V. Ravi	Member	2
Mr. Vinay Kelkar (upto September 30, 2016)	Member	2
Mr. Jasmit Singh Gujral (*)	Member	1
Mr. Ramakrishnan Subramanian (July 27, 2016 to February 03, 2017)	Member	1
Mr. S. Sunder (w.e.f. October 25, 2016)	Member	1

Notes:

* For further details kindly refer paragraph titled 'Composition of Board' forming part of this report.

ASSET LIABILITY MANAGEMENT COMMITTEE

Terms of reference

The terms of reference of Asset Liability Management Committee (ALM) are as follows:

The ALM Committee is responsible for assisting the Board of Directors in Balance Sheet planning from risk-return perspective including the strategic management of interest and liquidity risk. Its function includes –

1. Liquidity risk management.
2. Management of market risks.
3. Funding and capital planning.
4. Profit planning and growth projection.
5. Forecasting and analysing future business, environment and preparation of contingency plans.

During the year under review, the Committee met four times on April 28, 2016, July 26, 2016, October 24, 2016 and January 31, 2017. The necessary quorum was present for all the meetings.

Composition

Name of the Member	Status	No. of Meetings Attended
Mrs. Kishori Udeshi- (w.e.f. October 24, 2016)	Chairman	4
Mr. Umesh Revankar(*)	Member	3
Mr. Parag Sharma	Member	4
Mr. Ramakrishnan Subramanian (July 27, 2016 to February 03, 2017)	Member	1
Mr. Jasmit Singh Gujral(*)	Member	1

Notes:

* For further details kindly refer paragraph titled 'Composition of Board' forming part of this report.

BANKING AND FINANCE COMMITTEE**Terms of reference**

The Banking and Finance Committee has been formed to monitor resource mobilisation and to ensure efficient and timely decisions on the matters relating to Banking and Finance activities of our Company. The Committee meets regularly to discharge its functions.

During the year under review, the Committee met 68 times. The necessary quorum was present for all the meetings.

Composition

Name of the Member	Status	No. of Meetings Attended
Mr. Umesh Revankar(*)	Chairman	33
Mr. Parag Sharma	Member	66
Mr. Vinay Kelkar (upto September 30, 2016)	Member	34
Mr. S. Sunder	Member	29
Mr. Jasmit Singh Gujral(*)	Member	14

Notes:

* For further details kindly refer paragraph titled 'Composition of Board' forming part of this report.

GENERAL BODY MEETINGS**(i) Annual General Meeting (AGM):**

Details of the last three Annual General Meetings (AGM) and Special Resolutions passed thereat are given below:

Year	AGM	Location	Date & Time	Details of Special Resolutions passed
2013-14	35th AGM	The Music Academy, T. T. Krishnamachari Auditorium (Main Hall), No. 168 T.T.K. Road, Royapettah, Chennai 600014.	July 09, 2014 at 11.00 A.M	(i) To borrow monies for the purpose of the business of Company under Section 180(1)(c) of the Act, (ii) Issue of securities under Section 42 of the Act on private placement basis and (iii) Alteration of the Articles of Association of the Company under Section 14 of the Act.
2014-15	36th AGM	Narada Gana Sabha (Main Hall), No.314, TTK Road, Alwarpet, Chennai - 600 018	July 31, 2015 at 11.00 A.M	(i) To borrow monies for the purpose of the business of Company under Section 180(1)(c) of the Act and (ii) Issue of securities under Section 42 of the Act on private placement basis.
2015-16	37th AGM	Narada Gana Sabha (Main Hall), No.314, TTK Road, Alwarpet, Chennai - 600 018	July 27, 2016 at 11.00 A.M	(i) To borrow monies for the purpose of the business of Company under Section 180(1)(c) and other applicable provisions, if any, of the Act, (ii) Creation of security in connection with borrowings under Section 180(1)(a) and other applicable provisions, if any, of the Act, (iii) Issue of securities under Section 42 of the Act on private placement basis, and (iv) Alteration of Articles of Association under Section 14 of the Act.

At the ensuing 38th AGM to be held on June 29, 2017 three special resolutions are proposed namely, (i) to borrow monies for the purpose of the business of Company under Section 180(1)(c) and other applicable provisions, if any, of the Act, (ii) creation of security in connection with borrowings under Section 180(1)(a) and other applicable provisions, if any, of the Act and (iii) Issue of Non-Convertible Debentures under Section 42 of the Act on private placement basis.

(ii) Postal Ballot

- During the year 2015-16, no resolution was passed by the Company through Postal Ballot.
- At present there is no proposal to pass any special resolution through Postal Ballot

DISCLOSURES

- There are no materially significant Related Party Transactions (RPTs) with the Company's Promoters, Directors, Key Managerial Personnel or their relatives, which may have potential conflict with the interests of the Company at large. Disclosures on transactions with related parties, as required under the Indian Accounting Standard 18, have been incorporated in the Notes to the Accounts. The statement of RPTs is placed before the Audit Committee and the Board on quarterly basis. Omnibus approval was obtained for the transactions of repetitive nature.

The Policy on Materiality of RPTs and dealing with RPTs as approved by the Board is uploaded on the Company's website at the web link : <http://stfc.in/pdf/Policy-on-Materiality-of-Related-Party-Transactions-and-dealing-with-Related-Party-Transactions-v1.pdf>

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company save and except the payment of sitting fees and commission to Independent Directors. The details of the transactions with Related Party are provided in the notes to the Financial Statements.

- There are no instances of non-compliance by the Company, penalties or strictures imposed on the Company by the Stock Exchanges and SEBI, or any statutory authority on any matter related to capital markets during the last three years.
- The Company has adopted Code of Conduct ('Code') for the Members of the Board and Senior Management Personnel as required under Regulation 5 of the Listing Regulations. All the Board Members and the Senior Management Personnel have affirmed compliance of the Code. The Annual Report of the Company contains a declaration to this effect signed by the Managing Director & CEO. Further, the Code of Conduct of the Company applicable to the Board and Senior Management Personnel is also posted on the website of the Company.
- The Company has adopted the Whistle Blower Policy and has established the necessary mechanism in line with the Stock Exchanges, for employees to report concerns about unethical behavior. No person has been denied access to the Audit Committee. The Vigil Mechanism as per Regulation 22 of Listing Regulations ensures standards of professionalism, honesty, integrity and ethical behaviour. The Whistle Blower Policy/Vigil Mechanism is uploaded on the Company's website at the web link of <http://stfc.in/pdf/Whistle-Blower-Policy-Vigil-Mechanism-2017.pdf>
- The Company does not have any material listed/unlisted subsidiary companies as defined in Regulation 24 (1) of Listing Regulations. However, the Company has framed the Policy on Material Subsidiaries and the same is uploaded on the Company's website at the web link: <http://stfc.in/pdf/Policy-on-Material-Subsidiaries-v1.pdf>
- Details of compliance with Mandatory requirements and adoption of non-mandatory requirements
 1. The Company has complied with all the applicable mandatory requirements of the Listing Regulations.
 2. The Company has also adopted the non-mandatory requirement as specified in the Listing Regulations regarding unmodified Financial Statements, separate posts of Chairperson and Chief Executive Officer and Reporting of Internal Auditor.

The Company has complied all the disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations.

SHARE CAPITAL AUDIT

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

CERTIFICATION BY MANAGING DIRECTOR AND CEO AND THE CHIEF FINANCIAL OFFICER

In terms of Listing Regulations, the certification by the Managing Director and CEO and the Chief Financial Officer is annexed to this Annual Report.

MEANS OF COMMUNICATION

The Board recognizes the importance of two-way communication with shareholders and giving a balanced report of results and progress and responding to questions and issues raised in a timely and consistent manner. The Audited financial results, the quarterly results and half-yearly results of the Company are published in English (Business Standard) and Tamil newspapers (Makkal Kural). Press release is also given in the leading newspapers. Upto date financial results, press releases, quarterly investors' presentations and presentations made to institutional investors or to the analysts, official news releases and other general information about the Company are also available on the Company's website <http://stfc.in/Intimation-of-schedule-of-analyst-meetings.aspx>. Shareholders have been provided with an opportunity to provide their email id for receiving correspondence and annual report in electronic form. The annual report has been sent in electronic form to shareholders, who have provided their email id. Physical copies of the annual report have been provided to such shareholders based on a request received from them for this purpose.

Our Company does online filing with National Stock Exchange of India Ltd (NSE) and BSE Limited (BSE) through web based application: NEAPS (NSE Electronic Application Processing System) and BSE Listing Centre.

The Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part A of Schedule III of the Listing Regulations including material information having a bearing on the performance / operations of the Company or other price sensitive information.

The Board of Directors has approved a policy for determining materiality of events and a team comprising of Senior Managerial Personnel for the purpose of determining materiality of an event or information and making disclosures to Stock Exchanges.

GENERAL SHAREHOLDER INFORMATION

38th Annual General Meeting

Particulars	
a. Date, Time and Venue	June 29, 2017 at 11.00 A.M, Narada Gana Sabha (Main Hall), No.314, TTK Road, Alwarpet, Chennai - 600 018.
b. Financial Year	2016-17
c. Dividend Payment Date	An Interim Dividend of 40% was declared by the Board of Directors at its meeting held on October 25, 2016 and the payments thereof were effected on November 16, 2016. The payment of final dividend, upon declaration by the shareholders at the Annual General Meeting, will be made on or after July 04,2017
d. The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s)	BSE Limited P J Towers, Dalal Street, Mumbai – 400 001. National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot no. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai – 400 051 The Company has paid the annual listing and custodian fees for the financial year 2017-18 to the Stock Exchanges and Depositories.
e. Stock Code	
BSE Limited	511218
National Stock Exchange of India Limited	SRTRANSFIN
Singapore Exchange Securities Trading Limited	X51549374475 (Masala Bonds)
Demat ISIN in NSDL & CDSL	INE721A01013

The Company's Non-Convertible Debentures (NCDs) offered for subscription to public under the Prospectus dated May 06, 2010, July 16, 2012, July 05, 2013, September 23, 2013 and Tranche I Prospectus & Shelf Prospectus both dated June 24, 2014 are listed on NSE and BSE. The ISIN details for these NCDs are as under:

Security Description	ISIN	Codes in Stock Exchanges	Coupon (%) p.a.	Coupon Duration and Interest Payable	Date of Allotment	Maturity Dates
NCDs II - 2010						
Secured NCDs (Option II) (Reserved Individuals)	INE721A07AO1	BSE – 934796 NSE - N9	10.25% (*)	SEMI-ANNUAL	June 02, 2010	June 01, 2017
Secured NCDs (Option II) (Unreserved Individuals)	INE721A07AN3	BSE - 934797 NSE - NA	10.00%	SEMI-ANNUAL	June 02, 2010	June 01, 2017
Secured NCDs (Option II) (Others)	INE721A07AM5	BSE - 934798 NSE - NB	9.50%	SEMI-ANNUAL	June 02, 2010	June 01, 2017
Unsecured double bond NCDs (Option IV) (Others)	INE721A08968	BSE - 934804 NSE - NH	NA	NA	June 02, 2010	100% to be redeemed on June 01, 2017 plus a premium of Rs. 1000/-
Unsecured NCDs (Option V) (Reserved Individuals)	INE721A08AC4	BSE - 934805 NSE - NI	11.00%	ANNUAL	June 02, 2010	June 01, 2017
Unsecured NCDs (Option V) (Unreserved Individuals)	INE721A08AB6	BSE - 934806 NSE - NJ	10.75%	ANNUAL	June 02, 2010	June 01, 2017
Unsecured NCDs (Option V) (Others)	INE721A08AA8	BSE - 934807 NSE - NK	10.25%	ANNUAL	June 02, 2010	June 01, 2017
NCDs IV- 2012						
Secured NCDs (Series II)	INE721A07DM9	BSE – 934851 NSE – NS	(&) 10.50%	ANNUAL	August 10, 2012	August 09, 2017

Security Description	ISIN	Codes in Stock Exchanges	Coupon (%) p.a.	Coupon Duration and Interest Payable	Date of Allotment	Maturity Dates
Secured NCDs (Series IV)	INE721A07DO5	BSE – 934853 NSE – NU	NA	(!!)	August 10, 2012	August 09, 2017
NCDs V-July 2013						
Secured NCDs (Series II)	INE721A07FV5	BSE – 934887 NSE – NW	(@) 9.80%	ANNUAL	August 01, 2013	July 31, 2017 (50% of the Face Value of the NCDs payable at the end of the 48 months from Date of Allotment) and July 31, 2018 (Remaining 50% of the Face Value of the NCDs payable at the end of the 60 months from Date of Allotment)
Secured NCDs (Series III)	INE721A07FW3	BSE – 934888 NSE – NX	(#) 9.40%	MONTHLY	August 01, 2013	July 31, 2018
Secured NCDs (Series V)	INE721A07FY9	BSE – 934890 NSE – NZ	NA	(*@)	August 01, 2013	July 31, 2017 (50% of the Face Value of the NCDs payable at the end of the 48 months from Date of Allotment) and July 31, 2018 (Remaining 50% of the Face Value of the NCDs payable at the end of the 60 months from Date of Allotment)
NCDs VI - October 2013						
Secured NCDs (Series II)	INE721A07GS9	BSE – 934916 NSE – Y2	(##) 10.75%	ANNUAL	October 24, 2013	October 24, 2018
Secured NCDs (Series III)	INE721A07GT7	BSE – 934917 NSE – Y3	(\$\$) 10.75%	ANNUAL	October 24, 2013	October 24, 2020
Secured NCDs (Series V)	INE721A07GV3	BSE – 934919 NSE – Y5	NA	(*@@)	October 24, 2013	October 24, 2018
Secured NCDs (Series VI)	INE721A07GW1	BSE – 934920 NSE – Y6	NA	(*@@@)	October 24, 2013	October 24, 2020
NCDs VII - June 2014						
Secured NCDs (Series I)	INE721A07HH0	BSE – 935128 NSE – Y7	(**)(^^) 9.85%	ANNUAL	July 15, 2014	July 15, 2017
Secured NCDs (Series II)	INE721A07HI8	BSE – 935130 NSE – Y8	(**)(###) 10.00%	ANNUAL	July 15, 2014	July 15, 2019
Secured NCDs (Series III)	INE721A07HJ6	BSE – 935132 NSE – Y9	(**)(~~) 10.15%	ANNUAL	July 15, 2014	July 15, 2021
Secured NCDs (Series IV)	INE721A07HK4	BSE – 935134 NSE – YA	(**)(&&&) (***) 9.57%	MONTHLY	July 15, 2014	July 15, 2019

Security Description	ISIN	Codes in Stock Exchanges	Coupon (%) p.a.	Coupon Duration and Interest Payable	Date of Allotment	Maturity Dates
Secured NCDs (Series V)	INE721A07HL2	BSE – 935136 NSE – YB	(**) (&&&) (^^^) 9.71%	MONTHLY	July 15, 2014	July 15, 2021
Secured NCDs (Series VI)	INE721A07HM0	BSE – 935138 NSE – YC	NA	(@#)	July 15, 2014	July 15, 2017
Secured NCDs (Series VII)	INE721A07HN8	BSE – 935140 NSE – YD	NA	(@##)	July 15, 2014	July 15, 2019
Secured NCDs (Series VIII)	INE721A07HO6	BSE – 935142 NSE – YG	NA	(@###)	July 15, 2014	July 15, 2021

Note:

- (*) - Senior Citizens (First Allottee) shall be entitled to an additional interest at the rate of 0.25 % per annum.
- NA - Not Applicable
- (&) – The NCD Holders who are Individuals shall be eligible for the additional incentive on coupon @ 0.90% per annum for NCD held on any Record Date.
- (!!)- The NCD Holders who are Individuals will be redeemed for an amount of ₹1,716.15 per NCD and the NCD Holders who are Non-Individuals will be redeemed for an amount of ₹ 1,647.90 per NCD.
- (@) – The NCD Holders who are Individuals shall be eligible for the additional incentive on coupon @ 1.35% per annum for NCD held on any Record Date.
- (#) – The NCD Holders who are Individuals shall be eligible for the additional incentive on coupon @ 1.23% per annum for NCD held on any Record Date.
- (*@)-The NCD Holders who are Individuals will be redeemed for an amount of ₹ 763.37 per NCD at the end of the 48 months from the Date of Allotment and ₹ 848.48 per NCD at the end of 60 months from the Date of Allotment. NCD Holders who are Non-Individuals will be redeemed for an amount of ₹ 726.93 per NCD at the end of the 48 months from the Date of Allotment and ₹ 798.17 per NCD at the end of 60 months from the Date of Allotment.
- (##) – The NCD Holders who are Individuals shall be eligible for the additional incentive on coupon @ 0.75% per annum for NCD held on any Record Date.
- (\$\$) – The NCD Holders who are Individuals shall be eligible for the additional incentive on coupon @ 1.00% per annum for NCD held on any Record Date.
- (*@@) –The NCD Holders who are Individuals will be redeemed for an amount of ₹1,723.87 per NCD and the NCD Holders who are Non-Individuals will be redeemed for an amount of ₹ 1,666.63 per NCD.
- (*@@@) - The NCD Holders who are Individuals will be redeemed for an amount of ₹2,177.70 per NCD and the NCD Holders who are Non-Individuals will be redeemed for an amount of ₹2,044.79 per NCD.
- (^^) - The NCD Holders who are Individuals shall be eligible for the additional incentive on coupon @ 1.15% per annum for NCD held on any Record Date for the amount outstanding.
- (###) –The NCD Holders who are Individuals shall be eligible for the additional incentive on coupon @ 1.25% per annum for NCD held on any Record Date for the amount outstanding.
- (~~) –The NCD Holders who are Individuals shall be eligible for the additional incentive on coupon @ 1.35% per annum for NCD held on any Record Date for the amount outstanding.
- (***) - The NCD Holders who are Individuals shall be eligible for the additional incentive on coupon @ 1.14% per annum for NCD held on any Record Date for the amount outstanding and The NCD Holders who are Non- Individuals on any Record Date the interest will be calculated on coupon @ 9.57% per annum for the amount outstanding.
- (^^^)-The NCD Holders who are Individuals shall be eligible for the additional incentive on coupon @ 1.23% per annum for NCD held on any Record Date for the amount outstanding and the NCD Holders who are Non- Individuals on any Record Date the interest will be calculated on coupon @ 9.71% per annum for the amount outstanding.
- (**) - Senior Citizens (only First Allottees) shall be entitled to an additional yield at the rate of 0.25 % per annum.
- (&&&) – For series IV and V, Senior citizens (only First Allottee) will get a coupon of 10.94% per annum and 11.17% per annum respectively payable monthly.
- (@#)- The NCD Holders who are Individuals will be redeemed for an amount of ₹1,368.02 per NCD, the NCD Holders who are Non-Individuals will be redeemed for an amount of ₹1,325.90 per NCD and the NCD Holders who are Senior Citizens (only First Allottee) will be redeemed for an amount of ₹1,377.29 per NCD at the end of the 36 months from the Date of Allotment.
- (@##)-The NCD Holders who are Individuals will be redeemed for an amount of ₹1,704.62 per NCD, the NCD Holders who are Non-Individuals will be redeemed for an amount of ₹1,610.93 per NCD and

the NCD Holders who are Senior Citizens (only First Allottee) will be redeemed for an amount of ₹ 1,723.87 per NCD at the end of the 60 months from the Date of Allotment.

21. (@###)-The NCD Holders who are Individuals will be redeemed for an amount of ₹2,143.79 per NCD, the NCD Holders who are Non-Individuals will be redeemed for an amount of ₹1,968.44 per NCD and the NCD Holders who are Senior Citizens (only First Allottee) will be redeemed for an amount of ₹2,177.70 per NCD at the end of the 84 months from the Date of Allotment.

Subject to applicable tax deducted at source, if any.

Wherever redemption payment due date falls on a non-working day, then the Company will make the payment on the previous working day and wherever NCDs interest payment due date falls on a non-working day, then the Company will make the payment on the next working day.

1. Pursuant to the provisions of Section 125 of the Act, the dividends which remain unclaimed for a period of seven years will be transferred by the Company to the "Investor Education and Protection Fund" (IEPF) established by the Central Government as and when they fall due. Shareholders who have not encashed their dividend warrant/ payment instrument(s) so far are requested to make their claim to the Company's Corporate Office or to the Company's Registrar and Share Transfer Agent, Integrated Registry Management Services Private Limited, 2nd Floor, Kences Towers, No. 1, Ramakrishna Street North Usman Road, T Nagar, Chennai - 600 017 before transfer to IEPF on the respective dates mentioned below. The intimation in this regard is being sent to the concerned shareholders.

Financial Year	Type of Dividend	Due date Dividend transfer to IEPF
2009-2010	Final Dividend	July 21, 2017
2010-2011	Interim Dividend	December 2, 2017
2010-2011	Final Dividend	July 30, 2018
2011-2012	Interim Dividend	December 15, 2018
2011-2012	Final Dividend	August 10, 2019
2012-2013	Interim Dividend	January 2, 2019
2012-2013	Final Dividend	August 10, 2020
2013-2014	Interim Dividend	December 4, 2020
2013-2014	Final Dividend	August 15, 2021
2014-2015	Interim Dividend	November 26, 2021
2014-2015	Final Dividend	June 6, 2022
2015-2016	Interim Dividend	December 5, 2022
2015-2016	Final Dividend	September 2, 2023
2016-2017	Interim Dividend	December 1, 2023

2. As per Government of India Gazette notification No. REGD. NO. D. L.-33004/99 dated February 28, 2017 issued by Ministry of Corporate Affairs (MCA), the Company is required to transfer to Investor Education and Protection Fund Authority (IEPF Authority), the shares in respect of which the dividend is not claimed/ remains unpaid for seven consecutive years. For details click on the link http://www.iepf.gov.in/IEPF/pdf/IEPF_Refund_Amendment_Rules_03032017.pdf
3. All the members may have to claim such dividend and shares from such IEPF or IEPF Authority in accordance with the Rules prescribed by the Central Government under the Act.
4. The dividend distribution policy of the Company is available on the website. For details click on the link for <http://stfc.in/pdf/Dividend-Distribution-Policy-2017.pdf>

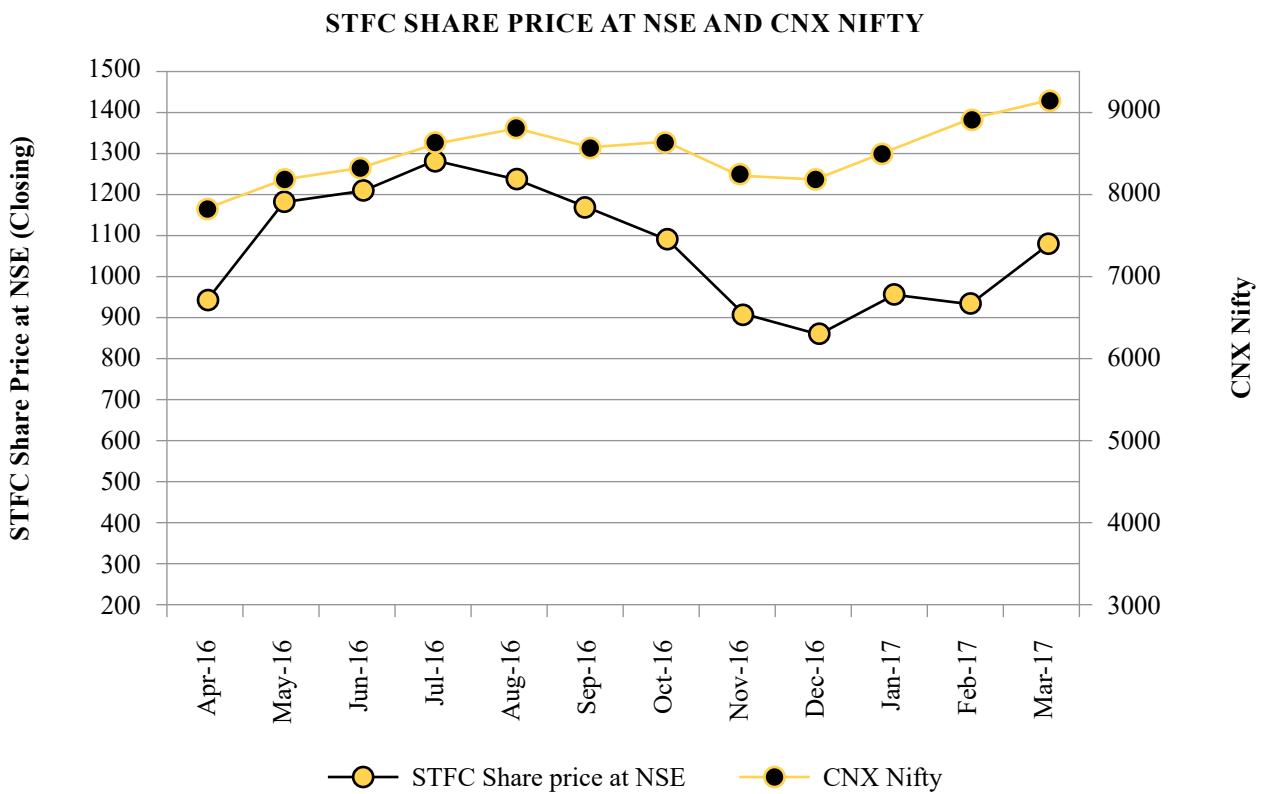
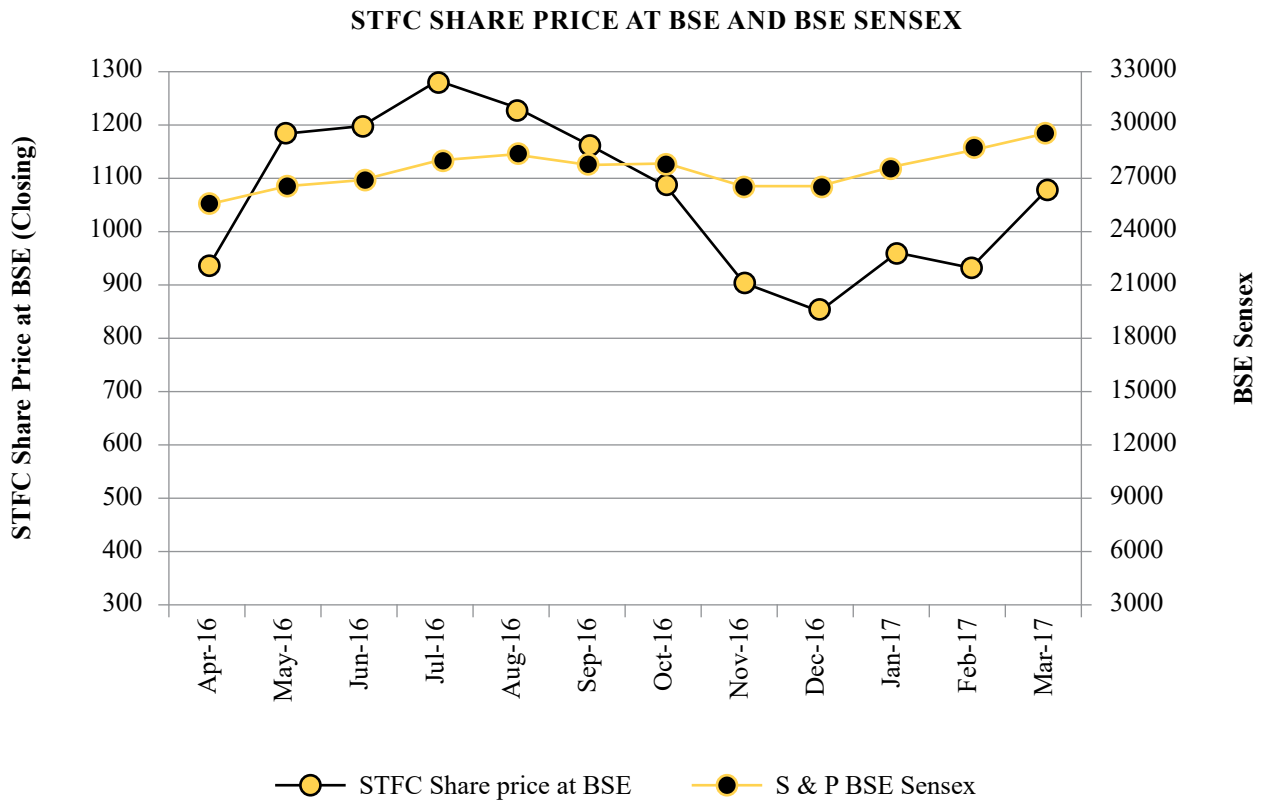
GENERAL SHAREHOLDER INFORMATION

f. Stock Market Data

The high and low market price and volume of shares traded during each month of the financial year ended March 31, 2017 are given below:

Months	BSE Limited			National Stock Exchange of India Ltd.		
	Share Prices		Volume (No. of Shares)	Share Prices		Volume (No. of Shares)
	High (Rs.)	Low (Rs.)		High (Rs.)	Low (Rs.)	
April 2016	1007.65	907.15	566991	1008.70	906.45	7801974
May 2016	1219.00	955.00	1520111	1219.80	962.90	21277917
June 2016	1224.50	1096.55	1263413	1225.00	1096.05	14407171
July 2016	1323.75	1156.00	1373054	1322.00	1155.00	14580691
August 2016	1325.00	1228.00	715975	1324.40	1227.45	9826081
September 2016	1242.00	1107.00	669234	1242.00	1102.15	13031915
October 2016	1254.20	1070.00	598124	1255.00	1069.00	10382582
November 2016	1098.00	795.00	1283452	1098.55	795.00	23738716
December - 2016	928.40	778.00	4829402	928.90	778.05	18743549
January 2017	995.40	855.50	773094	996.65	855.00	13998604
February 2017	985.00	925.00	561226	985.00	925.00	12305949
March 2017	1090.00	890.00	1215481	1090.00	888.20	19246329

STFC Share Price performance in comparison to BSE Sensex and S & P CNX Nifty



g. No equity shares are suspended from trading during the Financial Year 2016-17.

h. Registrar to an Issue and Share Transfer Agent

The name of our Registrar and Share Transfer Agent viz Integrated Enterprises (India) Limited has been changed to **Integrated Registry Management Services Private Limited** (SEBI Registration INR000000544) subsequent to the demerger of Integrated Enterprises (India) Limited pursuant to the scheme of de-merger approved by the Hon'ble High Court of Madras on June 3, 2016 with no effective change of ownership or management or the operational team. The Registrar and Share Transfer Agent of the Company is:

Integrated Registry Management Services Private Limited

2nd Floor, Kences Towers, No. 1,
Ramakrishna Street, North Usman Road, T Nagar, Chennai - 600 017
Ph: 044 - 2814 0801 - 03 Fax no: 044 - 28142479
Email: anusha@integratedindia.in
Website: www.integratedindia.in

i. Note Trustee for Masala Bonds

The Hongkong and Shanghai Banking Corporation Limited, Level 30, 1 Queen's Road Central, Hong Kong.

j. Share Transfer System:

The authority to approve share transfers has been delegated by the Board of Directors to the Securities Transfer Committee (STC). Shares sent for transfer in physical form are registered and returned by our Registrar & Share Transfer Agent in fifteen days of receipt of documents, provided the documents are found to be in order. The STC considers the transfer proposals generally on a weekly basis.

k. Distribution of shareholding as on March 31, 2017

Sr. No.	No. of Equity shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1	1 - 500	44067	87.07	5013721	2.21
2	501 - 1000	3878	7.66	2880056	1.27
3	1001 - 2000	1321	2.61	1886264	0.83
4	2001 - 3000	366	0.72	904178	0.40
5	3001 - 4000	120	0.24	421564	0.19
6	4001 - 5000	105	0.21	484792	0.21
7	5001 - 10000	188	0.37	1349528	0.59
8	10001 and above	566	1.12	213942633	94.30
	Total	50611	100.00	226882736	100.00

Categories of shareholders as on March 31, 2017

Sr. No.	Category	Total	
		No. of Shares held	% of shareholding
1	PROMOTERS	59173023	26.08%
2	FOREIGN PORTFOLIO INV.1&2	107485107	47.37%
3	BODIES CORPORATE	26748867	11.79%
4	RESIDENT INDIAN	14070804	6.21%
5	DIRECTORS & RELATIVES	2400	0.00%
6	F I I	10199338	4.50%
7	MUTUAL FUND/UTI	4012885	1.77%
8	FOREIGN PORTFOLIO INV.3	2471364	1.09%
9	CLEARING MEMBER	1098547	0.48%
10	N R I/OCB	414880	0.18%
11	TRUSTS	282003	0.13%
12	BANK/FINANCIAL INSTITUTION	886643	0.39%
13	LIMITED LIABILITY PARTNERSHIP	24874	0.01%
14	ALTERNATIVE INVESTMENT FUND	7300	0.00%
15	NBFC's	4066	0.00%
16	FOREIGN NATIONALS	635	0.00%
	GRAND TOTAL	226882736	100.00%

l. Dematerialization of shares and liquidity

The Company's scrip forms part of the compulsory Demat segment for all investors effective from July 24, 2000. To facilitate the investors in having an easy access to the demat system, the Company has signed up with both NSDL and CDSL. The connectivity has been established through Integrated Registry Management Services Private Limited. As on March 31, 2017, the total of 222200213 equity shares constituting 97.94% of the paid up capital, have been dematerialized.

m. The Company has not issued any outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity.

n. Commodity price risk or foreign exchange risk and hedging activities : Not Applicable

o. Locations

For details about branches kindly refer "Our Reach" on page no. 7 in the Annual Report.

p. Address for correspondence & Registered Office:

Registered Office:

Mookambika Complex, 3rd Floor, No.4, Lady Desika Road, Mylapore, Chennai – 600 004, Tamil Nadu.

Tel.: 91-44-24990356 Fax: 91-44-24993272

Corporate Office:

Wockhardt Towers, Level-3, West Wing, C-2, G-Block, Bandra-Kurla Complex, Bandra - (East), Mumbai - 400 051.

Phone: 91-22 - 40959595, Fax: 91-22 - 40959596/97, Website: www.stfc.in

Email ID for Investor Grievance:

The following email ID has been designated for communicating investors' grievances.

- For Equity Shares related queries/complaints: secretarial@stfc.in
- For Public Issue of Non-Convertible Debentures 2010 related queries/complaints: stfcncd2@stfc.in
- For Public Issue of Non-Convertible Debentures 2012 related queries/complaints: stfcncd4comp@stfc.in
- For Public Issue of Non-Convertible Debentures 2013- July related queries/complaints: stfcncd5comp@stfc.in
- For Public Issue of Non-Convertible Debentures 2013- September related queries/complaints: stfcncd6comp@stfc.in
- For Public Issue of Non-Convertible Debentures 2014- related queries/complaints: stfcncd7comp@stfc.in

The aforesaid email ids have been displayed on the Company's website

q. Unclaimed Shares in Physical Form

As required under Schedule V of Listing Regulations the Company has opened "STFC – Unclaimed Suspense Account" with the Depository Participants for the purpose of transferring unclaimed equity shares held in physical form. The Company will transfer the shares lying unclaimed to the eligible shareholders as and when the request for the same has been received after proper verification. As on March 31, 2017 there were 335142 unclaimed equity shares in the Unclaimed Suspense Account. The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Particulars	No. of Shareholders	No. of Shares
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on April 01, 2016.	1291	341587
Number of Shareholders / legal heirs who approached the Company for transfer of shares from the Unclaimed Suspense Account, for the period from April 01, 2016 to March 31, 2017.	20	6445
Number of Shareholders / legal heirs to whom the shares were transferred from the Unclaimed Suspense Account upon receipt and verification of necessary documents, for the period from April 01, 2016 to March 31, 2017.	20	6445
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on March 31, 2017.	1271	335142

CEO/CFO CERTIFICATION

To,

The Board of Directors of Shriram Transport Finance Co. Ltd.

We, to the best of our knowledge and belief, certify that-

- a. We have reviewed financial statements and the cash flow statements for the year ended March 31, 2017 and that to the best of our knowledge and belief;
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have disclosed, based on our evaluation wherever applicable to the Auditors and the Audit Committee that;
 - i. There were no significant changes in internal controls over financial reporting during the year;
 - ii. All the significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statement; and
 - iii. There were no instances of significant fraud of which we are become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

UMESH REVANKAR

Managing Director & CEO

PARAG SHARMA

Executive Director & CFO

Mumbai
April 27, 2017

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

The Board of Directors of Shriram Transport Finance Company Limited at its Meeting held on January 29, 2005 adopted Code of Conduct as amended on October 27, 2010 to be followed by all Members of the Board and Senior Management Personnel of the Company respectively in compliance with the Regulation 17(5) of Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 with the Stock Exchanges where the shares of the Company are listed.

As per Regulation 17(5) and Regulation 26(3) of Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 executed with the Stock Exchanges, all Board Members and Senior Management Personnel have affirmed Compliance with the Code of Conduct for the year ended March 31, 2017.

UMESH REVANKAR

Managing Director & CEO

Mumbai
April 27, 2017

BUSINESS RESPONSIBILITY

REPORT 2016-17

SECTION A

GENERAL INFORMATION

SR.

NO.	PARTICULARS	DETAILS
1	Corporate Identity Number (CIN) of the Company	L65191TN1979PLC007874
2	Name of the Company	Shriram Transport Finance Company Limited ("the Company")
3	Registered address	Mookambika Complex, 3rd Floor, No. 4, Lady Desika Road, Mylapore, Chennai, Tamil Nadu - 600004. Tel No: +91 44 2499 0356 Fax: +91 44 2499 3272
4	Website	www.stfc.in
5	Email id	vivekmadhukar.a@stfc.in
6	Financial year reported	2016-17
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	The Company holds a certificate of registration dated September 4, 2000 bearing registration no. 07-00459 issued by the Reserve Bank of India to carry on the activities of a Non-Banking Financial Company (NBFC) in the category of asset financing company under section 45 IA of the Reserve Bank of India Act, 1934, which has been renewed on April 17, 2007.
8	Three key products/services of the Company (as in balance sheet)	The Company was established in 1979 and we have a long track record of over three decades in the commercial vehicle financing industry in India. We are one of the largest Indian asset financing NBFC, with a primary focus on financing pre-owned commercial vehicles.
9	Number of locations	(i) International : Nil (ii) National : 918 Branches
10	Markets served by the Company -Local/State/National/International	Financing of pre-owned and new commercial vehicle throughout the country.

SECTION B

FINANCIAL DETAILS OF THE COMPANY

SR.

NO.	PARTICULARS	AMOUNT (Rs. In Lacs)
1	Paid up Capital	22,690.67
2	Total Turnover	1,083,061.23
3	Total profit after taxes	125,734.25
4	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	0.95%
5	List of Activities in which expenditure in above point 4 has been incurred: Please refer Report on CSR activities forming part of Annexure III of the Directors' Report.	

SECTION C

OTHER DETAILS

SR.

NO.	PARTICULARS	DETAILS
1	Company subsidiary	Shriram Automall India Limited
2	Subsidiaries participating in Company's BR initiatives	Yes, 1 Subsidiary Company
3	Other entities (e.g. suppliers, distributors etc.) participating in Company's BR initiatives	No

SECTION D

BR INFORMATION

1. **Details of Director/Directors Responsible For BR**
 - a. Details of the Director/Directors responsible for implementation of the BR policy/policies

Mr. Umesh Revankar,
Designation: Managing Director and CEO
DIN No. 00141189

- b. Details of the BR head

NO.	PARTICULARS	DETAILS
1	DIN Number (if applicable)	Not Applicable
2	Name	Mr. S. Sunder
3	Designation	Executive Director - Accounts & Admin
4	Telephone number	91-022-40959595
5	e-mail id	secretarial@stfc.in

2. Principle-Wise (As Per NVGs) BR Policy/Policies (Reply In Y/N)

(a) Details of Compliance (Reply in Y/N)

Sr. No	Questions	Ethics, transparency and accountability	Product safety	Well-being of employees	Stakeholders engagement	Human rights	Environment policy	Public and regulatory policy	Inclusive growth	Value to customers and consumers
		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	N	Y	Y	N	Y	N	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	(i) The Code of conduct of the Company is available at http://stfc.in/pdf/codeofconduct.pdf (ii) The Whistle Blower Policy / Vigil Mechanism of the Company is available at http://www.stfc.in/pdf/Whistle-Blower-Policy-Vigil-Mechanism-2017.pdf (iii) The Fair practice code of the Company is available at http://stfc.in/pdf/Fair-Practice-Code-NEW.pdf (iv) Corporate Social Responsibility Policy http://www.stfc.in/pdf/Corporate-Social-Responsibility-Policy.pdf Note: The remaining policies of the Company are internal documents and are not accessible to the public.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	N	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

(b) If answer to the question at Sr. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles	---	---	---	---	---	---	---	---	---
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	---	---	---	---	---	---	---	---	---
3	The company does not have financial or manpower resources available for the task	---	---	---	---	---	---	---	---	---
4	It is planned to be done within next 6 months	---	---	---	---	---	---	---	---	---
5	It is planned to be done within the next 1 year	---	---	---	---	---	---	---	---	---
6	Any other reason (please specify)	---	---	---	---	---	---	---	---	---

3. Governance related to BR

The Business Responsibility Performance is being monitored by CSR Committee on periodical basis. The Company has been publishing the Business Responsibility (BR) Report annually.

SECTION E

PRINCIPLE-WISE PERFORMANCE

Ethics of The Company

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability:

Our philosophy on Corporate Governance, inter alia, is aimed at enhancing long term shareholder value, achieving transparency and professionalism in all decisions and activities of the Company and achieving excellence in corporate governance.

We have developed good governance structure for our organization and formulated procedures and practices that ensure ethical conduct at all levels of the organization. We continuously review and upgrade the procedures and practices. We maintain transparency in our communication with our shareholders. We have Whistle Blower Policy in place. We do not engage in any practice that is abusive, corrupt or anti-competition. We have avoided complicity with actions of third party that violates Business Responsibility Principles.

We conducted programs to familiarize the directors with changes in regulatory and business environment. We have deployed the practice of separating the roles of the Chairman of the Board and the CEO to ensure the right focus to governance. The Chairman of the Board is Non-executive Independent Director. Our Board has reviewed its own performance, the performance of Individual Directors, functioning of the Committees, based on the criteria formulated by the Nomination and Remuneration Committee. During the process, the Board also reviewed the Corporate Governance Practices, ethical standards in the Company.

CONTRIBUTION TO SUSTAINABILITY

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

We are engaged in the business of financing of commercial vehicles. Our focus is on financing pre-owned commercial vehicle generally up to 10 years old. In this process we check authorization /certificates for safety, fitness and emission of the vehicle. Our various initiatives are aimed at influencing our customers for creating awareness about environment protection, reducing impact of emissions from on-road vehicles on the environment. We make appeal to our customers for timely maintenance of the vehicles. We give loans to them for replacement of tyres and engine parts. We provide training to unemployed youths from rural and urban areas for driving of commercial vehicles. The driving school imparts training for safe driving of heavy commercial vehicles.

EMPLOYEES WELL-BEING

Principle 3: Businesses should promote wellbeing of all employees

We believe that our employees are our most valuable asset and greatest strength. We provide equal opportunity to all employees starting from their recruitment irrespective of their caste, creed, gender, race, religion, language, disability or sexual orientation. Our employees belong to all parts of the country and are selected based on individual merit without any discrimination or preference. Several female employees of the Company have reached senior positions in the organization and are involved in the decision making process. Free medical checkup camps are conducted on an ongoing basis in order to promote health consciousness among the employees. Our relationship with employees continues to be cordial. We do not have any trade union or employee association.

We have systems in place to inculcate high performance culture in the organization. We organize periodically the training programmes for upgrading functional and soft skills of employees. The employees who have successfully completed the Management Education Program are acting as mentor providing on the job training and guidance to their colleagues. We look forward to percolate this process throughout the organization. In order to ensure healthy working conditions and prevent sexual harassment of women employees, we have constituted Internal Complaints Committee at various places.

STAKEHOLDERS ENGAGEMENT

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

During the period of cash crunch arising out of demonetization of specified bank notes, we took several measures to reduce our customers' plight. Our field staff was closely engaged with them to facilitate smooth collection of loan installments through payment gateways, wallets, UPI and with swipe of his debit card. We had already developed "MY STFC" app for enabling customers to pay through various payment gateways. We also supplied POS machines to all the branches for enabling debit card swiping.

Our Fair Practice Code provides mechanism for redressal of customer complaints. Our policy is to treat all customers in fair manner. Our entire recovery and collection operation is administered in-house and we do not outsource loan recovery and collection operations. We have relationship based recovery procedures well-suited to our target market in the commercial vehicle financing industry.

We have track record of payment of Interim and Final dividend for past several years consistently. Our good track record has enabled us to obtain high credit ratings from the reputed Credit Rating Institutions. This enables smooth raising of funds from investors. We continued to service our Fixed Deposit holders on time and offer good rate of returns. We are regular in payment of interest and repayment of credit facilities availed from Banks and Financial Institutions. We enjoy good reputation, goodwill and standing in the financial markets. We make periodical follow up with our investors requesting them to collect their unpaid dividend, interest, maturity proceeds of Fixed Deposits and Debentures etc. We have made appeal to them to update their database with us for faster communication and prompt service.

HUMAN RIGHTS

Principle 5: Businesses should respect and promote human rights

As a good corporate citizen we respect the human rights of those who we engage with. We pay fair wages to our employees and do not discriminate between male and female employees. They are treated equally with dignity and are given equal opportunities, rights and benefits. We comply and adhere to all the human rights laws and guidelines. We strive to percolate these values at all levels in the organization.

ENVIRONMENT

Principle 6: Business should respect, protect and make efforts to restore the environment

Through our environment policy we continue to create awareness about environment protection among employees and customers. In the process of loan disbursement we check fitness certificate of the financed vehicle for safe driving. The loan vehicles are insured and the insurance policy is renewed regularly and the borrowers have obtained proper PUC. We provide financial assistance to the borrowers for replacement of tyres, engine parts etc. which enables timely maintenance of loan vehicles, safe driving, reducing accidents and pollution. We have aligned our loan disbursement policy with the applicable environmental policies.

We are continuously making appeal to our shareholders to participate in the 'Green initiative' to reduce use of paper by converting their holding of physical shares into electronic shareholding by dematerialization, receiving soft copies of annual reports using internet facilities, receiving dividend by direct credit to their bank accounts instead of physical dividend warrants etc. As a part of Green initiative for paperless office, we use electronic methods of communication within and outside our offices and avoid use of paper as far as possible. For payment of Interest, dividend, maturity amount of debentures and fixed deposits etc. as far as possible we use methods of electronic remittances such as NECS, NEFT, RTGS which also ensures faster credit of money to the bank accounts of the investors, avoids use of paper for dividend warrants, interest warrants, cheques. Our objective is to achieve highest level of paperless office by adopting practices, methods and modern techniques in our internal and external communication with all stakeholders.

INFLUENCING PUBLIC & REGULATORY POLICIES

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

We take up the issues and matters impacting our business segment and give our suggestions in respect of the proposals of the regulatory and government bodies directly as well as through chambers of commerce and industrial associations such as Finance Industry Development Council (FIDC), Confederation of Indian Industries (CII) and Federation of Indian Chambers of Commerce and Industry (FICCI) in the best interest of the commercial vehicle financing segment of the Industry, Small Road Transport Operators (SRTOs).

INCLUSIVE GROWTH

Principle 8: Businesses should support inclusive growth and equitable development

We cater to the financing needs of SRTOs and First Time Users (FTUs) generally belonging to the weaker sections of the society all over the country. In order to provide financial assistance for purchase of vehicles in the regions where banking services are not easily available, we have opened several rural centers catering to their needs. We promote the 'financial inclusion' which is the focus point of all welfare initiatives of the government. We provide finance to these pre-owned commercial vehicle operators at favorable interest rates and repayment terms as compared to private financiers in the unorganized sector.

VALUE OF CUSTOMERS

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

We have track record of loyal customers who have achieved advancement, progress, growth of their business through long term relationship with us. We effectively implement the Fair Practice Code for redressal of customer grievances. Apart from providing loans, we help our customers with settlement of insurance claims, renewal of insurance policy, obtaining of permits from RTOs, tie-up with service centers for refurbishing vehicles.

BUSINESS RESPONSIBILITY PARAMETER INDEX

Principle-Wise Performance

Principle 1

- | | | |
|---|---|--|
| 1 | Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others? | Yes it covers Company and its subsidiary. |
| 2 | How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so. | No complaint was received regarding ethical and other matters contained in this principle. |

Principle 2

- | | | |
|---|---|---|
| 1 | List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities. | The Company is not engaged in manufacture of any goods. It is engaged in the business of financing of commercial vehicles. |
| 2 | For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):
a. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?
b. Reduction during usage by consumers (energy, water) has been achieved since the previous year? | Not Applicable |
| 3 | Does the company have procedures in place for sustainable sourcing (including transportation)?
a. If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so. | Not Applicable |
| 4 | Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?
(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors? | The Company provides services relating to vehicle financing through its branches and rural service centers. As a matter of practice, we give preference for recruitment of local persons in our branches. |
| 5 | Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so. | Not Applicable |
-

Principle 3

1	Please indicate the Total number of employees.	18885
2	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	NIL
3	Please indicate the Number of permanent women employees.	965
4	Please indicate the Number of permanent employees with disabilities	27
5	Do you have an employee association that is recognized by management	No
6	What percentage of your permanent employees is members of this recognized employee association?	Not Applicable
7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	
	Child labour/forced labour/involuntary labour	NIL
	Sexual harassment	NIL
	Discriminatory employment	NIL
8	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	Yes, 58% employees were given safety & skill training programmes in the last year.
	(a) Permanent Employees	
	(b) Permanent Women Employees	
	(c) Casual/Temporary/Contractual Employees	
	(d) Employees with Disabilities	

Principle 4

1	Has the company mapped its internal and external stakeholders? Yes/No	Yes
2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders	Yes
3	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.	Yes, Please refer to the Principle 4 of the Report.

Principle 5

1	Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures / Suppliers / Contractors /NGOs / Others?	Yes, The policy also extends to our subsidiary.
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	No complaint was received for human rights violation during the reporting period.

Principle 6

1	Does the policy related to Principle 6 cover only the company or extends to the Group /Joint Ventures / Suppliers /Contractors /NGOs /others.	The policy extends to Company as well as subsidiary.
2	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.	Yes, We have Environment policy in place. We have taken the green initiative through paperless office, etc.
3	Does the company identify and assess potential environmental risks? Y/N	No
4	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	No
5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	No
6	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Not Applicable.
7	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year	Nil

Principle 7

1	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	Yes. We are member of Finance Industry Development Council (FIDC), Confederation of Indian Industries (CII) and Federation of Indian Chambers of Commerce and Industry (FICCI) and various other state/city level associations.
2	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	Yes Governance & Administration

Principle 8

1	Does the company have specified programmes / initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	Yes, Please refer to the Principle 8 of the Report.
2	Are the programmes /projects undertaken through in-house team / own foundation / external NGO / government structures / any other organization?	Yes, the projects are undertaken through coordination and collaboration between in-house team and external NGOs.
3	Have you done any impact assessment of your initiative?	No
4	What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?	Yes, Please refer to the Section B of the Report.
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so	Yes, We actively encourage participation of stakeholders in various programs. This includes both volunteering and proactive participation.

Principle 9

1	What percentages of customer complaints / consumer cases are pending as on the end of financial year?	1.79%.
2	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)	Not Applicable
3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	No
4	Did your company carry out any consumer survey/ consumer satisfaction trends?	No



FINANCIAL SECTION

STANDALONE ACCOUNTS

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To the Members of
Shriram Transport Finance Company Limited

REPORT ON THE FINANCIAL STATEMENTS

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, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply

with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2017, its profit and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's report) Order, 2016 ("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 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and except for the matter referred to in para g (iv) below, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

- (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;
- (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided disclosures in Note 50 in the standalone financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 9, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including those in Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management. However, as stated in note 50 in the standalone financial statements, the borrowers of the Company have directly deposited cash in the Company's bank accounts and we report that we were not made available sufficient and appropriate audit evidence to report on the matter of denomination wise details of such deposits, the details of which, as represented to us, are not available with the Company.

For **S.R. BATLIBOI & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per Shrawan Jalan
Partner
Membership No. 102102

Place: Mumbai
Date: April 27, 2017

For **G. D. Apte & Co.**
Chartered Accountants
ICAI Firm Registration No. 100515W

Ameya D. Tambekar
Partner
Membership No. 128355

Place: Mumbai
Date: April 27, 2017

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our Report of even date

Re: Shriram Transport Finance Company Limited (“the Company”)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment/ fixed assets are held in the name of the company.
- (ii) The Company’s business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us, 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 Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 of the Companies Act, 2013 in respect of loans to directors including entities in which they are interested have been complied with by the Company and the provisions of section 186 of the Companies Act, 2013 are not applicable to the Company.
- (v) In respect of deposits accepted, in our opinion and according to the information and explanations given to us, directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under, to the extent applicable, have been complied with. 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.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees’ state insurance, income-tax, service tax, value added tax, cess and other material statutory dues applicable to it. The provision relating to sales tax, custom duty and excise duty are currently not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, service tax, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. As informed, provisions of sales tax, custom duty and excise duty are currently not applicable to the Company.
- (c) According to the records of the Company, the dues outstanding of income-tax, value added tax and service tax dues disputed by the Company, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax demands	12,660.41	A.Y. 2014-15	CIT (Appeals)
Income Tax Act, 1961	Income Tax demands	7,154.48	A.Y. 2013-14	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax demands	274.37	A.Y. 2012-13	Madras High Court
Income Tax Act, 1961	Income Tax demands	7,618.04	A.Y. 2012-13	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax demands	2,375.45	A.Y. 2011-12	Assessing Officer
Income Tax Act, 1961	Income Tax demands	5,082.53	A.Y. 2010-11	Assessing Officer
Income Tax Act, 1961	Income Tax demands	7,828.28	A.Y. 2009-10	Madras High Court
Income Tax Act, 1961	Income Tax demands	2,226.73	A.Y. 2008-09	Madras High Court
Income Tax Act, 1961	Income Tax demands	1,815.03	A.Y. 2007-08	Madras High Court
Income Tax Act, 1961	Income Tax demands	390.67	A.Y. 2006-07	Madras High Court
Finance Act, 1994 (Service tax)	Service tax on hire purchase and lease transactions	21,230.18	F.Y. 2003-04 to 2009-10	CESTAT (Custom, Excise and Service tax appellate tribunal)
Finance Act, 1994 (Service tax)	Service tax demands	300*	F.Y. 2003-04 to 2004-05	Commissioner of Central Excise and Customs
Finance Act, 1994 (Service tax)	Interest on Input Tax Credit reversal on CBLO income	9.45*	F.Y. 2010-11	CESTAT (Custom, Excise and Service tax appellate tribunal)

Name of the statute	Nature of dues	Amount (Rs. In lacs)	Period to which the amount relates	Forum where dispute is pending
Maharashtra Value Added Tax	Value added tax	0.20*	F.Y. 2006-07	Maharashtra Sales Tax Tribunal
Maharashtra Value Added Tax	Value added tax	578.64*	F.Y. 2006-07 to 2013-14	Maharashtra Sales Tax Tribunal
Andhra Pradesh Value Added Tax	Value added tax	348.41*	F.Y. 2005-06 to 2008-09	Andhra Pradesh High court
Rajasthan Value Added Tax	Value added tax	193.52*	F.Y. 2006-07 to 2013-14	Rajasthan Tax Board
Rajasthan Value Added Tax	Value added tax	82.23*	F.Y. 2014-15 to 2015-16 and 1st April, 2016 to 4th November 2016	Dy. Commissioner (Appeals)
Orissa Value Added Tax	Value added tax	9.04*	F.Y. 2008-09 to 2012-13	JCCT Appeals & Commissioner of Commercial Tax

*Net of amount paid under protest

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer, hence not commented upon.
- Further, monies raised by the Company by way of debt instruments and term loans were applied for the purpose for which those were raised, though idle/surplus funds which were not required for immediate utilization were gainfully invested in liquid assets payable on demand.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the 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 Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

For **S.R. BATLIBOI & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per Shrawan Jalan
Partner
Membership No. 102102

Place: Mumbai
Date: April 27, 2017

For **G. D. Apte & Co.**
Chartered Accountants
ICAI Firm Registration No. 100515W

Ameya D. Tambekar
Partner
Membership No. 128355

Place: Mumbai
Date: April 27, 2017

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SHRIRAM TRANSPORT FINANCE COMPANY LIMITED**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Shriram Transport Finance Company Limited ("the Company") as of March 31, 2017 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with

the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A

ANNEXURE 2

TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

STANDALONE ACCOUNTS

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls,

material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. BATLIBOI & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per Shrawan Jalan
Partner
Membership No. 102102

Place: Mumbai
Date: April 27, 2017

For **G. D. Apte & Co.**
Chartered Accountants
ICAI Firm Registration No. 100515W

Ameya D. Tambekar
Partner
Membership No. 128355

Place: Mumbai
Date: April 27, 2017

Particulars	Note No	(Rs. in lacs)	
		As at March 31, 2017	As at March 31, 2016
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	22,690.67	22,690.67
(b) Reserves and surplus	4	1,107,532.20	992,720.78
		1,130,222.87	1,015,411.45
(2) Non-current liabilities			
(a) Long-term borrowings	5	3,370,018.31	3,026,967.38
(b) Other long-term liabilities	6	131,085.66	116,350.63
(c) Long-term provisions	7	389,393.83	284,271.68
		3,890,497.80	3,427,589.69
(3) Current liabilities			
(a) Short-term borrowings	8	498,313.75	333,035.34
(b) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		173,212.74	151,136.57
(c) Other current liabilities	6	1,709,067.45	1,818,197.18
(d) Short-term provisions	7	39,716.00	50,959.95
		2,420,309.94	2,353,329.04
Total		7,441,030.61	6,796,330.18
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	9		
(i) Property, plant and equipment		8,217.04	9,961.01
(ii) Intangible assets		160.57	145.29
(b) Non-current investments	10	149,713.52	125,216.98
(c) Deferred tax assets (net)	11	36,228.16	30,770.26
(d) Long-term loans and advances	12	4,730,887.55	4,301,019.05
(e) Other non-current assets	13	7,514.84	1,387.51
		4,932,721.68	4,468,500.10
(2) Current assets			
(a) Current investments	14	5,220.97	10,399.52
(b) Cash and bank balances	15	444,068.53	236,385.69
(c) Short-term loans and advances	12	2,053,132.32	2,075,986.71
(d) Other current assets	13	5,887.11	5,058.16
		2,508,308.93	2,327,830.08
Total		7,441,030.61	6,796,330.18
Significant accounting policies	2.1		

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

As per our report of even date

For **S.R. BATLIBOI & Co. LLP**

ICAI Firm Registration No. 301003E/E300005

Chartered Accountants

per **Shrawan Jalan**

Partner

Membership No. 102102

Mumbai

April 27, 2017

For **G. D. Apte & Co.**

ICAI Firm Registration No. 100515W

Chartered Accountants

Ameya D. Tambekar

Partner

Membership No. 128355

For and on behalf of the Board of Directors of

Shriram Transport Finance Company Limited

S. Lakshminarayanan

Chairman

DIN: 02808698

Parag Sharma

Chief Financial Officer

Umesh Revankar

Managing Director & CEO

DIN: 00141189

Vivek M. Achwal

Company Secretary

STATEMENT OF **PROFIT AND LOSS**
FOR THE YEAR ENDED MARCH 31, 2017

STANDALONE ACCOUNTS

Particulars	Note No	(Rs. in lacs)	
		Year ended March 31, 2017	Year ended March 31, 2016
INCOME			
Revenue from operations	16	1,082,875.14	1,028,977.79
Other income	17	186.09	370.33
Total		1,083,061.23	1,029,348.12
EXPENDITURE			
Employee benefit expenses	18	54,822.94	58,908.03
Finance cost	19	518,741.75	505,792.60
Depreciation and amortisation	9	3,390.78	3,630.61
Other expenses	20	69,281.16	72,194.28
Provisions and write-offs	21	244,432.05	210,679.48
Total		890,668.68	851,205.00
Profit before taxation		192,392.55	178,143.12
Provision for taxation			
Current tax		72,116.20	65,445.17
Deferred tax		(5,457.90)	(5,121.81)
Total tax expense/(income)		66,658.30	60,323.36
Profit after tax from operations		125,734.25	117,819.76
Earnings per share	22		
Basic (Rs.)		55.42	51.93
Diluted (Rs.)		55.42	51.93
Nominal value of equity share (Rs.)		10.00	10.00
Significant accounting policies	2.1		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date

For **S.R. BATLIBOI & Co. LLP**

ICAI Firm Registration No. 301003E/E300005

Chartered Accountants

per **Shrawan Jalan**

Partner

Membership No. 102102

Mumbai

April 27, 2017

For **G. D. Apte & Co.**

ICAI Firm Registration No. 100515W

Chartered Accountants

Ameya D. Tambekar

Partner

Membership No. 128355

For and on behalf of the Board of Directors of

Shriram Transport Finance Company Limited

S. Lakshminarayanan

Chairman

DIN: 02808698

Parag Sharma

Chief Financial Officer

Umesh Revankar

Managing Director & CEO

DIN: 00141189

Vivek M. Achwal

Company Secretary

Particulars	(Rs. in lacs)	
	Year ended March 31, 2017	Year ended March 31, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxes	192,392.55	178,143.12
Depreciation and amortisation	3,390.78	3,630.61
Loss/(profit) on sale of fixed assets (net)	27.26	36.37
Provision for diminution in value of investments	0.37	-
Employees stock option compensation cost	-	(47.77)
Premium on government securities	124.17	82.30
Amortisation of discount on government securities	(227.97)	(221.42)
Amortisation of issue expenses for equity shares	152.78	152.78
Amortisation of public issue expenses for non-convertible debentures	1,074.35	1,303.09
Provision for credit loss on securitisation	10,173.79	4,821.98
Provisions for Non-performing Assets and bad debt written off	230,583.52	200,867.02
Provisions for standard assets	3,674.37	4,990.48
Provision for gratuity	(186.14)	199.74
Provision for leave encashment	(49.74)	417.69
Operating profit before working capital changes	441,130.09	394,375.99
Movements in working capital:		
Increase/(decrease) in trade payables	22,076.17	35,167.66
Increase/(decrease) in provisions	(14,362.51)	26,518.40
Increase/(decrease) in other liabilities	81,995.21	48,582.72
(Increase)/decrease in investments	(19,216.80)	196,738.13
Decrease/(increase) in loans and advances	(531,118.65)	(1,411,045.68)
Decrease/(increase) in bank deposits (having original maturity of more than three months) (net)	(180,709.38)	(25,820.25)
Decrease/(increase) in other assets	(1,373.35)	974.74
Cash generated from operations	(201,579.22)	(734,508.29)
Direct taxes paid (net of refunds)	(67,582.55)	(56,091.88)
Net cash flow from in operating activities (A)	(269,161.77)	(790,600.17)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed including intangible assets	(1,733.61)	(3,749.66)
Proceeds from sale of fixed assets	46.50	50.98
Net cash used in investing activities (B)	(1,687.11)	(3,698.68)

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

STANDALONE ACCOUNTS

Particulars	(Rs. in lacs)	
	Year ended March 31, 2017	Year ended March 31, 2016
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received from institutional borrowing	2,801,296.98	2,350,574.28
Amount received from senior secured notes	135,000.00	-
Increase/(decrease) in retail borrowings	16,459.47	97,743.41
Amount redeemed for public issue of non-convertible debentures	(150,105.01)	(41,795.50)
Repayment of institutional borrowing	(2,470,711.98)	(1,855,069.86)
Dividend paid	(22,688.27)	(22,688.27)
Tax on dividend	(4,618.80)	(4,618.80)
Net cash from financing activities (C)	304,632.39	524,145.26
Net increase/(decrease) in cash and cash equivalents (A + B + C)	33,783.51	(270,153.59)
Cash and cash equivalents at the beginning of the year	80,379.57	348,832.76
Cash and bank balances taken over on account of amalgamation	-	1,700.40
Cash and cash equivalents at the end of the year	114,163.08	80,379.57

Components of cash and cash equivalents	(Rs. in lacs)	
	As at March 31, 2017	As at March 31, 2016
Cash and cash equivalents at the end of the year		
i) Cash on hand	7,865.26	10,079.91
ii) Cheques on hand	3,175.11	4,698.24
iii) Balances with scheduled banks in:		
Current accounts	102,039.50	59,641.88
Unclaimed dividend accounts *	1,083.21	923.26
Deposits with original maturity of less than three months	-	5,036.28
Total cash and cash equivalents (note 15)	114,163.08	80,379.57

Significant accounting policies (note 2.1)

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

Notes

- The above cash flow statement have been prepared under the indirect method set out in Accounting Standard (AS)-3, 'Cash Flow Statement' notified pursuant to the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.
- All figures in brackets indicate outflow.
- Direct tax paid is treated as arising from operating activities and are not bifurcated between investment and financing activities.
- The amalgamation of Shriram Equipment Finance Company Limited (SEFCL) with Company is non-cash transaction and hence, has no impact on the Company's cash flow for the year ended March 31, 2016 (Refer note 33).
- *5) These balances are not available for use by the Company as they represent corresponding unclaimed dividend liability.

As per our report of even date

For **S.R. BATLIBOI & Co. LLP**

ICAI Firm Registration No. 301003E/E300005

Chartered Accountants

per Shrawan Jalan

Partner

Membership No. 102102

Mumbai

April 27, 2017

For **G. D. Apte & Co.**

ICAI Firm Registration No. 100515W

Chartered Accountants

Ameya D. Tambekar

Partner

Membership No. 128355

For and on behalf of the Board of Directors of

Shriram Transport Finance Company Limited

S. Lakshminarayanan

Chairman

DIN: 02808698

Parag Sharma

Chief Financial Officer

Umesh Revankar

Managing Director & CEO

DIN: 00141189

Vivek M. Achwal

Company Secretary

1 CORPORATE INFORMATION

Shriram Transport Finance Company Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on BSE Limited and National Stock Exchange of India Limited. The Company provides finance for commercial vehicles, equipments and other loans.

The Company is registered with the Reserve Bank of India (RBI), Ministry of Corporate Affairs and Insurance Regulatory and Development Authority of India (IRDA). The registration details are as follows:

RBI	07-00459
Corporate Identity Number (CIN)	L65191TN1979PLC007874
IRDA	CA0197

2 BASIS OF PREPARATION

The financial statements have been prepared in conformity with generally accepted accounting principles to comply in all material respects with the notified Accounting Standards ('AS') under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non-Banking Finance Company ('NBFC'). The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year except for the change in accounting policy explained below. The complete financial statements have been prepared along with all disclosures.

2.1 Significant accounting policies

(a) Change in accounting policy

Accounting for proposed dividend

As per the requirements of pre-revised AS 4, the Company used to create a liability for dividend proposed/declared after the Balance Sheet date if dividend related to periods covered by the financial statements. Going forward, as per AS 4(R), the Company cannot create provision for dividend proposed/declared after the Balance Sheet date unless a statute requires otherwise. Rather, Company will need to disclose the same in notes to the financial statements. Accordingly, the Company has disclosed dividend proposed by board of directors after the Balance Sheet date in the notes.

Had the Company continued with creation of provision for proposed dividend, its surplus in the Statement of Profit and Loss would have been lower by Rs. 16,384.24 lacs and current provision would have been higher by Rs. 16,384.24 lacs (including dividend distribution tax of Rs. 2,771.28 lacs).

(b) Current/non-current classification of assets/liabilities

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

(c) Use of estimates

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

(d) Fixed assets, depreciation/amortisation and impairment

Property, plant and equipment

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is provided on Straight Line Method ('SLM') using the rates arrived at based on the useful lives estimated by the management. The Company has used the following useful life to provide depreciation on its fixed assets:

Particulars	Useful life as prescribed by Schedule II of the Companies Act, 2013	Useful life estimated by Company
Building	60 years	60 years
Plant and machinery	15 years	15 years
Electrical equipment	10 years	10 years
Generator	10 years	10 years
Furniture and fixture	10 years	10 years
Air conditioner	5 years	5 years
Electronic equipment	5 years	5 years
Office equipment	5 years	5 years
Refrigerator	5 years	5 years
Motor car	8 years	8 years
Vehicles	10 years	10 years
Server and networking	6 years	6 years
Computer	3 years	3 years

Leasehold improvement is amortised on SLM over the lease term subject to a maximum of 60 months.

Depreciation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss till the date of acquisition/sale.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Amortisation is provided on Straight Line Method ('SLM'), which reflect the management's estimate of the useful life of the intangible asset.

Particulars	Rates (SLM)
Computer software	33.33%

Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss till the date of acquisition/sale.

Impairment of fixed assets

The carrying amount of assets is reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

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

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment. The reversal of impairment is recognised in Statement of Profit and Loss, unless the same is carried at revalued amount and treated as revaluation reserve.

(e) Investments

Investments intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of the investments.

An investment in buildings, which is not intended to be occupied substantially for use by, or in the operations of, the Company, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Depreciation on building component of investment property is calculated on a straight-line basis using the rate arrived at based on the useful life as prescribed as per the Schedule II of the Companies Act, 2013.

(f) Provisioning/Write-off of assets

Non-performing loans are written off/provided for, as per management estimates, subject to the minimum provision required as per Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as and when amended. Delinquencies on assets securitised/assigned are provided for based on management estimates.

Provision on standard assets is made as per Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as and when amended.

Pursuant to Reserve Bank India (RBI) notification no. DNBR 011/CGM (CDS) dated March 27, 2015, the Company has revised its recognition norms of Non-Performing Assets (NPA) from 150 days to 120 days and increased provision on standard assets from 0.30% to 0.35%. Had the Company continued to use the earlier policy of classification of NPA and provision for standard asset, provisions and write-offs for the year ended March 31, 2017 would have been lower by Rs. 36,867.13 lacs, income from operations for the same period would have been higher by Rs. 1,769.38 lacs and profit before tax for the same period would have been higher by Rs. 38,636.51 lacs (net of tax Rs. 25,265.19 lacs).

(g) Loans

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

(h) Leases

Where the Company is the lessor

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

Where the Company is the lessee

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

(i) Foreign currency translation

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences

All exchange differences are dealt with including differences arising on translation settlement of monetary items in the Statement of Profit and Loss.

Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/liability

The premium or discount arising at the inception of forward exchange contract is amortised and recognised as an expense/income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or expense for the period.

(j) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- i. Income from financing activities is recognised on the basis of internal rate of return on time proportion basis. All other charges relating to financing activities are recognised on accrual basis.
- ii. Subvention income is recognised as income over the tenor of the loan agreements. For the agreements foreclosed/transferred through assignment, balance of subvention income is recognised as income at the time of such foreclosure/transfer through assignment.
- iii. Income recognised and remaining unrealised after installments become overdue for 120 days or more in case of secured/unsecured loans are reversed and are accounted as income when these are actually realised.
- iv. Additional finance charges/additional interest are treated to accrue only on realisation, due to uncertainty of realisation and are accounted accordingly.
- v. Income apportioned on securitisation/direct assignment of loan receivables arising under premium structure is recognised over the tenure of securities issued by SPV/agreements. Interest spread under par structure of securitisation/direct assignment of loan receivables is recognised on realisation over the tenure of the 'securities issued by SPV'/agreements. Loss, if any/expenditure for securitisation/direct assignment is recognised upfront.
- vi. Interest income on fixed deposits/margin money, call money (Collateralised borrowing and lending obligation), certificate of deposits, pass through certificates, subordinated debts, non-convertible debentures, government

securities, inter-corporate deposits and treasury bills are recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Discount, if any, on government and other securities acquired as long-term investments is recognised on a time proportion basis over the tenure of the securities.

- vii. Dividend is recognised as income when right to receive payment is established by the date of Balance Sheet.
- viii. Profit/loss on the sale of investments is computed on the basis of weighted average cost of investments and recognised at the time of actual sale/redemption.
- ix. Income from services is recognised as per the terms of the contract on accrual basis.
- x. Income from operating lease is recognised as rentals, as accrued on straight line basis over the period of the lease.

(k) Retirement and other employee benefits

Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. All the employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future provident fund benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit Method. The Company fully contributes all ascertained liabilities to The Trustees - Shriram Transport Finance Company Limited Employees Group Gratuity Assurance Scheme. Trustees administer contributions made to the trust and contributions are invested in a scheme of insurance with the IRDA approved Insurance Companies. The Company recognises the net obligation of the gratuity plan in the Balance Sheet as an asset or liability, respectively in accordance with AS-15 'Employee Benefits'. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss in the period in which they arise.

Leave encashment

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

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

The Company presents the entire leave as a current liability in the Balance Sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(l) Income tax

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

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

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

such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period i.e the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for credit available in respect of MAT under the Income tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT credit entitlement". The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(m) Segment reporting policies

Identification of segments:

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Unallocated items:

Unallocated items include income, expenses, assets and liabilities which are not allocated to any reportable business segment.

Segment policies :

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

(n) Earnings per share

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

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

(o) Provisions

A provision is recognised when the Company has a present obligation as a result of past event; it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

(p) Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand, cheques on hand, remittances in transit and short-term investments with an original maturity of three months or less.

(q) Equity shares and debentures issue expenses

Expenses incurred on issue of equity shares are charged to Statement of Profit and Loss on a straight line basis over a period of 10 years.

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

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

(r) Borrowing costs

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

(s) Employee stock compensation costs

In accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, issued by The Institute of Chartered Accountants of India, the Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortised over the vesting period of the option on a straight line basis.

(t) Contingent liabilities

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

		(Rs. in lacs)	
		As at March 31, 2017	As at March 31, 2016
3	SHARE CAPITAL		
Authorised			
	647,000,000 (March 31, 2016: 647,000,000)	64,700.00	64,700.00
	Equity shares of Rs.10/- each		
	95,000,000 (March 31, 2016: 95,000,000)	95,000.00	95,000.00
	Preference shares of Rs.100/- each		
		159,700.00	159,700.00
Issued and subscribed share capital			
	226,936,877(March 31, 2016: 226,936,877) equity shares of Rs. 10/- each	22,693.69	22,693.69
Paid up (fully paid up)			
	Equity shares		
	226,882,736 (March 31, 2016: 226,882,736) equity shares of Rs. 10/- each	22,688.27	22,688.27
		22,688.27	22,688.27
	48,000 equity shares of Rs.10/- each (Rs. 5/- each paid up forfeited)	2.40	2.40
	Total	22,690.67	22,690.67

	As at March 31, 2017		As at March 31, 2016	
	Number of shares	Rs. in lacs	Number of shares	Rs. in lacs
a. Reconciliation of the equity shares outstanding at the beginning and at end of reporting period				
Shares outstanding at the beginning of the year	226,882,736	22,688.27	226,882,736	22,688.27
Movement during the year	-	-	-	-
Shares outstanding at the end of the year	226,882,736	22,688.27	226,882,736	22,688.27

b. Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend is subject to the approval of the shareholders in the ensuing annual general meeting.

During the year ended March 31, 2017, the amount of per equity share dividend recognised as distributions to equity shareholders was Rs.10.00 (March 31, 2016 : Rs. 10.00). Out of the total dividend declared during the year ended March 31, 2017, amount of interim dividend paid was Rs. 4.00 per equity share (March 31, 2016: Rs. 4.00) and amount of final dividend proposed was Rs. 6.00 per equity share (March 31, 2016: Rs. 6.00).

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

c. Shares reserved for issue under options

During the year ended March 31, 2017 Nil (March 31, 2016: Nil) equity shares were vested and exercised.

d. Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

The Company has issued total 582,168 equity shares (March 31, 2016 : 722,068) during the period of five years immediately preceding the reporting date on exercise of options granted under the employee stock option plan (ESOP) wherein part consideration was received in form of employee service and includes 500,868 (March 31, 2016 : 500,868) equity shares issued on account of merger of Shriram Holdings (Madras) Private Limited.

3 SHARE CAPITAL (Contd.)

e. Details of shareholders holding more than 5% equity shares in the Company

Details of shareholding	As at March 31, 2017		As at March 31, 2016	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Equity shares of Rs. 10/- each				
Shriram Capital Limited	59,173,023	26.08%	59,103,162	26.05%
Piramal Enterprises Limited	22,600,000	9.96%	22,600,000	9.96%

As per the records of the Company, including its register of shareholders/members, the above shareholding represents legal ownerships of shares.

f. Proposed dividends on equity shares:

Particulars	(Rs. in lacs)	
	As at March 31, 2017	As at March 31, 2016
The board proposed dividend on equity shares after the Balance Sheet date		
Proposed dividend on equity shares for the year ended on March 31, 2017: Rs. 6.00 per share (March 31, 2016: Rs. 6.00 per share)	13,612.96	13,612.96
Tax on proposed dividend	2,771.28	2,771.28
Total	16,384.24	16,384.24

Particulars	(Rs. in lacs)	
	As at March 31, 2017	As at March 31, 2016
Capital reserve	2,761.83	2,761.83
Capital redemption reserve	5,388.35	5,388.35
Securities premium account	175,481.06	175,481.06
Debenture redemption reserve		
Balance as per last account	78,834.65	62,791.26
Add: Transfer from surplus balance in the Statement of Profit and Loss	23,710.34	31,310.86
Less: Transfer to Statement of Profit and Loss on account of redemption	(39,655.38)	(15,267.47)
Closing balance	62,889.61	78,834.65
Other reserves		
Statutory reserve pursuant to Section 45-IC of The RBI Act, 1934		
Balance as per last account	208,855.44	180,199.79
Add: Additions on account of amalgamation as on April 1, 2015 (Refer note 33)	-	4,655.65
Add: Transfer from surplus balance in the Statement of Profit and Loss	25,200.00	24,000.00
Closing balance	234,055.44	208,855.44
General reserve		
Balance as per last account	102,653.63	90,653.63
Add: Transfer from surplus balance in the Statement of Profit and Loss	12,600.00	12,000.00
Closing balance	115,253.63	102,653.63
Surplus in Statement of Profit and Loss		
Balance as per last account	418,745.82	383,829.91
Add: Additions on account of amalgamation as on April 1, 2015 (Refer note 33)	-	(3,503.89)
Add: Profit for the current year	125,734.25	117,819.76

4 RESERVES AND SURPLUS (Contd.)

	As at March 31, 2017	As at March 31, 2016
		(Rs. in lacs)
Less: Appropriations		
Transfer to statutory reserve as per Section 45-IC of The RBI Act, 1934	(25,200.00)	(24,000.00)
Transfer to general reserve	(12,600.00)	(12,000.00)
Transfer to/from debenture redemption reserve	15,945.04	(16,043.39)
Interim dividend [amount per share Rs. 4.00 (March 31, 2016: Rs. 4.00)]	(9,075.31)	(9,075.31)
Tax on interim dividend	(1,847.52)	(1,897.02)
Proposed final dividend [amount per share (March 31, 2016: Rs. 6.00)]	-	(13,612.96)
Tax on proposed dividend	-	(2,771.28)
Total appropriations	(32,777.79)	(79,399.96)
Net surplus in Statement of Profit and Loss	511,702.28	418,745.82
Total	1,107,532.20	992,720.78

	As at March 31, 2017		As at March 31, 2016	
	Non-current portion	Current maturities*	Non-current portion	Current maturities*
				(Rs. in lacs)
5 LONG-TERM BORROWINGS				
Subordinated debts (unsecured)	311,209.15	36,396.28	330,198.40	21,427.42
Redeemable non-convertible debentures				
Secured	1,420,223.18	414,542.93	1,057,917.41	554,685.49
Less: Unamortised discount	-	(0.08)	(0.08)	(27.67)
	1,420,223.18	414,542.85	1,057,917.33	554,657.82
Senior secured notes	135,000.00	-	-	-
Term loans from banks				
Unsecured	-	10,000.00	10,000.00	12,000.00
Secured	823,545.81	595,885.87	938,402.76	755,728.36
Fixed deposits (unsecured)#	521,278.08	326,095.20	582,030.05	197,625.47
Term loans from financial institutions/corporates				
Secured	158,333.33	59,666.67	108,000.00	77,566.67
Loans and advances from related parties				
Subordinated debts (unsecured)				
from Subsidiary	157.06	3.55	67.64	11.00
from Relative of key management personnel	0.80	-	0.80	0.30
from Enterprises having significant influence over the Company	262.80	48.34	311.14	28.80
Redeemable non-convertible debentures (secured)				
from Key management personnel	-	-	-	3.00
from Relative of key management personnel	1.70	0.50	2.20	9.75
from Enterprises having significant influence over the Company	-	-	-	5.00
Fixed deposits (unsecured)				
from Relative of key management personnel	6.40	38.51	37.06	4.09
Total	3,370,018.31	1,442,677.77	3,026,967.38	1,619,067.68

*Amount disclosed under the note 6-Other current liabilities

#Includes deposits from corporates Rs. 12,589.67 lacs (March 31, 2016: Rs. 28,161.91 lacs).

5 LONG-TERM BORROWINGS (Contd.)

A) Subordinated debt -unsecured

i) Privately placed subordinated debts of Rs. 100,000/- each

Terms of repayment as on March 31, 2017

Long-term borrowing

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
36-48 months	-	7,300.00	-	7,300.00
24-36 months	-	6,469.00	-	6,469.00
12-24 months	-	-	4,541.00	4,541.00
Total	-	13,769.00	4,541.00	18,310.00

Current maturity

Outstanding as at March 31, 2017 : Rs. Nil.

Terms of repayment as on March 31, 2016

Long-term borrowing

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
48-60 months	-	7,300.00	-	7,300.00
36-48 months	-	6,469.00	-	6,469.00
24-36 months	-	-	4,541.00	4,541.00
Total	-	13,769.00	4,541.00	18,310.00

Current maturity

Upto 12 months

Upto 12 months	-	5,000.00	-	5,000.00
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ii) Privately placed subordinated debts of Rs. 1,000,000/- each

Terms of repayment as on March 31, 2017

Long-term borrowing

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
Over 60 months	17,500.00	71,210.00	-	88,710.00
48-60 months	-	-	5,000.00	5,000.00
36-48 months	-	45,000.00	-	45,000.00
24-36 months	-	7,000.00	-	7,000.00
12-24 months	2,500.00	25,630.00	6,670.00	34,800.00
Total	20,000.00	148,840.00	11,670.00	180,510.00

Current maturity

Upto 12 months

Upto 12 months	25,000.00	500.00	-	25,500.00
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5 LONG-TERM BORROWINGS (Contd.)

Terms of repayment as on March 31, 2016

Long-term borrowing				(Rs. in lacs)
Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
Over 60 months	-	71,210.00	5,000.00	76,210.00
48-60 months	-	45,000.00	-	45,000.00
36-48 months	-	7,000.00	-	7,000.00
24-36 months	2,500.00	25,630.00	6,670.00	34,800.00
12-24 months	-	25,500.00	-	25,500.00
Total	2,500.00	174,340.00	11,670.00	188,510.00
Current maturity				
Upto 12 months	-	5,000.00	2,500.00	7,500.00

iii) Privately placed subordinated debts of Rs. 1,000/- each

Terms of repayment as on March 31, 2017

Long-term borrowing				(Rs. in lacs)
Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
36-48 months	-	34,263.46	-	34,263.46
24-36 months	-	31,431.66	-	31,431.66
12-24 months	5.40	47,109.29	-	47,114.69
Total	5.40	112,804.41	-	112,809.81
Current maturity				
Upto 12 months	1,481.88	6,589.06	-	8,070.94

Terms of repayment as on March 31, 2016

Long-term borrowing				(Rs. in lacs)
Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
48-60 months	-	34,263.46	-	34,263.46
36-48 months	-	31,431.66	-	31,431.66
24-36 months	5.40	47,109.29	-	47,114.69
12-24 months	1,481.88	6,589.06	-	8,070.94
Total	1,487.28	119,393.47	-	120,880.75
Current maturity				
Upto 12 months	46.99	3,487.45	-	3,534.44

iv) Public issue of subordinated debt of Rs. 1,000/- each (2010)-quoted

Long-term borrowing				(Rs. in lacs)
Option detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on
Option -IV	10.40%	-	91.00	June 1, 2017
Option -V	10.25%	-	110.30	June 1, 2017
	10.75%	-	204.32	June 1, 2017
	11.00%	-	2,471.61	June 1, 2017
Total		-	2,877.23	

5 LONG-TERM BORROWINGS (Contd.)

Current maturity		(Rs. in lacs)		
Option detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on
Option -IV	10.40%	91.00	-	June 1, 2017
	10.81%	-	1,687.00	March 1, 2017
	11.25%	-	3,746.08	December 1, 2016
Option -V	10.25%	110.30	-	June 1, 2017
	10.75%	204.32	-	June 1, 2017
	11.00%	2,471.61	-	June 1, 2017
Total		2,877.23	5,433.08	

Total subordinated debts	As at March 31, 2017		As at March 31, 2016	
	Non-current portion	Current maturities	Non-current portion	Current maturities
Privately placed (i+ii+iii)	311,629.81	33,570.94	327,700.75	16,034.44
Public issue (iv)	-	2,877.23	2,877.23	5,433.08
Total subordinated debts	311,629.81	36,448.17	330,577.98	21,467.52
Less: issued to related parties	420.66	51.89	379.58	40.10
Total	311,209.15	36,396.28	330,198.40	21,427.42

B) Non-convertible debenture (NCD) -secured

i) Privately placed redeemable non-convertible debentures of Rs. 1,000/- each

Terms of repayment as on March 31, 2017

Long-term borrowing (Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest				Total *
	< 10%	>= 10% < 12%	>= 12% < 14%	>= 14% < 16%	
12-24 months	-	1,965.83	-	-	1,965.83
Total	-	1,965.83	-	-	1,965.83

Current maturity

Upto 12 months	-	9,277.07	939.52	-	10,216.59
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Terms of repayment as on March 31, 2016

Long-term borrowing (Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest				Total *
	< 10%	>= 10% < 12%	>= 12% < 14%	>= 14% < 16%	
24-36 months	-	1,965.83	-	-	1,965.83
12-24 months	-	9,278.37	939.52	-	10,217.89
Total	-	11,244.20	939.52	-	12,183.72

Current maturity

Upto 12 months	1.84	47,004.19	719.40	0.88	47,726.31
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Nature of security

Secured by equitable mortgage of immovable property. Further secured by charge on plant and machinery, furniture and other fixed assets of the Company, charge on Company's hypothecation loans, other loans, advances and investments of the Company subject to prior charges created or to be created in favour of the Company's bankers, financial institutions and others.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

* Amount pertains to debentures issued prior to notification of the RBI Circular DNBD(PD) CC No. 330/03.10.001/2012-13 dated June 27, 2013.

5 LONG-TERM BORROWINGS (Contd.)

ii) Privately placed redeemable non-convertible debenture of Rs. 1,000,000/- each

Terms of repayment as on March 31, 2017

Long-term borrowing (gross of unamortised discount on debenture of Rs. Nil)

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest				Total
	< 10% *^¥	>= 10% < 12% ^	>= 12% < 14%	>= 14% < 16%	
Over 60 months	93,210.00	136,720.00	-	-	229,930.00
48-60 months^	239,600.00	13,000.00	-	-	252,600.00
36-48 months ¥^	57,500.00	102,500.00	-	-	160,000.00
24-36 months *^	397,500.00	-	-	-	397,500.00
12-24 months^	233,700.00	37,800.00	-	-	271,500.00
Total	1,021,510.00	290,020.00	-	-	1,311,530.00

* Includes 1 NCD of Rs. 30,000.00 lacs partly paid to the extent of Rs. 500,000/-

^NCD amounting to Rs. 113,000.00 lacs issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

¥ Out of the above NCDs having put/call option are as under

(Rs. in lacs)

Sr No	Rate of interest	Amount	Put/Call option date
1	8.87%	11,000.00	August 7, 2020
2	8.10%	30,000.00	March 23, 2020
Total		41,000.00	

Current maturity (gross of unamortised discount on debenture of Rs. 0.08 lacs)

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest				Total
	< 10% ¥^*	>= 10% < 12% ^	>= 12% < 14% ^	>= 14% < 16%	
Upto 12 months* ¥^	116,130.00	97,000.00	500.00	-	213,630.00

* Includes 1 NCD of Rs. 35,000.00 lacs partly paid to the extent of Rs. 500,000/-

^NCD amounting to Rs. 16,230.00 lacs issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

¥ Out of the above NCDs having put/call option are as under

(Rs. in lacs)

Sr No	Rate of interest	Amount	Put/Call option date
1	8.61%	35,000.00	July 17, 2017
Total		35,000.00	

Terms of repayment as on March 31, 2016

Long-term borrowing (gross of unamortised discount on debenture of Rs. 0.08 lacs)

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest				Total
	< 10%	>= 10% < 12% ^	>= 12% < 14%	>= 14% < 16%	
Over 60 months	116,460.00	136,720.00	-	-	253,180.00
48-60 months	19,000.00	102,500.00	-	-	121,500.00
36-48 months	158,000.00	-	-	-	158,000.00
24-36 months	46,200.00	37,800.00	-	-	84,000.00
12-24 months^	34,130.00	97,000.00	500.00	-	131,630.00
Total	373,790.00	374,020.00	500.00	-	748,310.00

^NCD amounting to Rs. 1,000.00 lacs issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

5 LONG-TERM BORROWINGS (Contd.)

Current maturity (gross of unamortised discount on debenture of Rs. 27.67 lacs) (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest				Total
	< 10% [¥]	>= 10% < 12%* ^{^¥}	>= 12% < 14%	>= 14% < 16%	
upto 12 months* ^{^¥}	196,500.00	165,805.00	-	-	362,305.00

* Includes 1 NCD of Rs. 625.00 lacs partly paid to the extent of Rs. 50,000/-

[^]NCD amounting to Rs. 680.00 lacs issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

¥ Out of the above NCDs having put/call option are as under (Rs. in lacs)

Sr No	Rate of interest	Amount	Put/Call option date
1	10.60%	625.00	August 12, 2016
2	9.85%	20,000.00	July 20, 2016
Total		20,625.00	

Nature of security

Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

iii) Privately placed redeemable non-convertible debenture of Rs. 3,000,000/- each

Terms of repayment as on March 31, 2017

Long-term borrowing (gross of unamortised discount on debenture of Rs. Nil.)

Outstanding as at March 31, 2017 : Rs. Nil.

Current maturity (gross of unamortised discount on debenture of Rs. Nil.) (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest				Total
	< 10%	>= 10% < 12%*	>= 12% < 14%	>= 14% < 16%	
Upto 12 months*	-	1,200.00	-	-	1,200.00
Total	-	1,200.00	-	-	1,200.00

*Partly paid to the extent of Rs. 100,000/-

Terms of repayment as on March 31, 2016

Long-term borrowing (gross of unamortised discount on debenture of Rs. Nil.) (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest				Total
	< 10%	>= 10% < 12%*	>= 12% < 14%	>= 14% < 16%	
12-24 months*	-	1,200.00	-	-	1,200.00
Total	-	1,200.00	-	-	1,200.00

*Partly paid to the extent of Rs. 100,000/-

Current maturity (gross of unamortised discount on debenture of Rs. Nil.)

Outstanding as at March 31, 2016 : Rs. Nil.

Nature of security

Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

5 LONG-TERM BORROWINGS (Contd.)

iv) **Public issue of redeemable non-convertible debentures of Rs. 1,000/- each - (2010)**

Terms of repayment

Long-term borrowing

(Rs. in lacs)

Option detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on	Put and Call option
Option -II	9.50%	-	278.58	June 1, 2017	-
	10.00%	-	453.23	June 1, 2017	-
	10.25%	-	3,157.85	June 1, 2017	-
	10.50%	-	571.77	June 1, 2017	-
Total		-	4,461.43		

Current maturity

(Rs. in lacs)

Option detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on	Put and Call option
Option -II	9.50%	278.58	-	June 1, 2017	June 2, 2015
	10.00%	453.23	-	June 1, 2017	June 2, 2015
	10.25%	3,190.88	-	June 1, 2017	June 2, 2015
	10.50%	538.74	-	June 1, 2017	June 2, 2015
Total		4,461.43	-		

Nature of security

Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

The Company has utilised the entire sum of Rs. 41,689.68 lacs raised from public issue (net off expenses) towards asset financing activities as per the objects stated in the prospectus for the issue.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

Subject to the provisions of The Companies Act, 2013, where the Company has fully redeemed or repurchased any Secured NCD(s), the Company shall have the right to keep such Secured NCDs in effect without extinguishment thereof, for the purpose of resale or reissue.

The Company has bought back NCDs of Rs. 1,000.00 lacs on July 14, 2011, Rs 128.64 lacs on October 28, 2014 and as per the terms of the issue Rs. 7,472.34 lacs were redeemed on June 1, 2013, Rs. 7,472.34 lacs were redeemed on June 1, 2014 and Rs. 10,443.36 lacs were redeemed on June 1, 2015.

Put options were exercised for option I on June 1, 2013 and Rs. 9,019.04 lacs were paid on July 5, 2013 in compliance with the terms of issue.

Put options were exercised for option II on June 1, 2015 and Rs. 1,440.95 lacs were paid on July 2, 2015 and Rs. 251.58 lacs were paid on July 3, 2015 in compliance with the terms of issue.

v) **Public issue of redeemable non-convertible debentures of Rs. 1,000/- each-(2011)**

Terms of repayment

Long-term borrowing

Outstanding as at March 31, 2017 and March 31, 2016: Rs. Nil.

Current maturity

(Rs. in lacs)

Option detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on	Put and Call option
Option -I	11.60%	-	52,241.36	July 11, 2016	July 12, 2015
	11.35%	-	23,254.35	July 11, 2016	July 12, 2015
	11.10%	-	7,264.68	July 11, 2016	July 12, 2015
Total		-	82,760.39		

5 LONG-TERM BORROWINGS (Contd.)

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Company has utilised the entire sum of Rs. 99,999.93 lacs raised from public issue (net off expenses) towards asset financing activities as per the objects stated in the prospectus for the issue.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

Subject to the provisions of The Companies Act, 2013, where the Company has fully redeemed or repurchased any Secured NCD(s), the Company shall have the right to keep such Secured NCDs in effect without extinguishment thereof, for the purpose of resale or reissue.

The Company has bought back NCDs of Rs. 28.73 lacs on October 28, 2014 and as per the terms of the issue Rs. 14,874.96 lacs were redeemed on July 11, 2014.

Put options were exercised for option I on July 12, 2015 and Rs. 225.45 lacs were paid on August 12, 2015 and Rs. 2,110.40 lacs were paid on August 13, 2015 in compliance with the terms of issue.

As per the terms of the issue Rs. 82,760.39 lacs were redeemed on July 11, 2016.

vi) Public issue of redeemable non-convertible debentures of Rs. 1,000/- each-(2012)

Terms of repayment

Long-term borrowing

(Rs. in lacs)

Series detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on	Put and Call option
Series –II	11.40%	-	13,382.08	August 9, 2017	-
	10.50%	-	12,812.18	August 9, 2017	-
Series –IV	11.40%	-	6,288.04	August 9, 2017	-
	10.50%	-	139.09	August 9, 2017	-
Total		-	32,621.39		

Terms of repayment

Current maturity

(Rs. in lacs)

Series detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on	Put and Call option
Series –II	11.40%	13,393.84	-	August 9, 2017	-
	10.50%	12,800.42	-	August 9, 2017	-
Series –IV	11.40%	6,329.07	-	August 9, 2017	-
	10.50%	98.06	-	August 9, 2017	-
Total		32,621.39	-		

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Company has utilised the entire sum of Rs. 60,000/- lacs raised from public issue (net off expenses) towards asset financing activities as per the objects stated in the prospectus for the issue.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

The Company has bought back non-convertible debentures of Rs. 54.85 lacs on October 28, 2014.

As per the terms of the issue Rs. 27,323.76 lacs were redeemed on August 7, 2015.

5 LONG-TERM BORROWINGS (Contd.)

vii) **Public issue of redeemable non-convertible debentures of Rs. 1,000/- each-(2013)-1**

Terms of repayment

Long-term borrowing

(Rs. in lacs)

Series detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on	Put and Call option
Series -II	11.15%	-	11,558.97	July 31, 2017	-
	9.80%	-	3,381.06	July 31, 2017	-
	11.15%	11,549.21	11,558.97	July 31, 2018	-
	9.80%	3,390.83	3,381.07	July 31, 2018	-
Series -III	10.63%	5,812.11	5,822.11	July 31, 2018	-
	9.40%	84.91	74.91	July 31, 2018	-
Series -V	11.15%	-	2,597.72	July 31, 2017	-
	9.80%	-	43.63	July 31, 2017	-
	11.15%	2,619.12	2,597.72	July 31, 2018	-
	9.80%	22.23	43.64	July 31, 2018	-
Total		23,478.41	41,059.80		

Current maturity

(Rs. in lacs)

Series detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on	Put and Call option
Series -I	10.90%	-	12,819.78	August 1, 2016	-
	9.65%	-	13,573.29	August 1, 2016	-
Series -II	11.15%	11,549.21	-	July 31, 2017	-
	9.80%	3,390.83	-	July 31, 2017	-
Series -IV	10.90%	-	6,067.30	August 1, 2016	-
	9.65%	-	49.73	August 1, 2016	-
Series -V	11.15%	2,619.12	-	July 31, 2017	-
	9.80%	22.23	-	July 31, 2017	-
Total		17,581.39	32,510.10		

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Company has utilised the entire sum of Rs. 73,589.04 lacs raised from public issue (net off expenses) towards asset financing activities as per the objects stated in the prospectus for the issue.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

The Company has bought back non-convertible debentures of Rs. 19.14 lacs on October 28, 2014.

As per the terms of the issue Rs. 32,510.10 lacs were redeemed on July 31, 2016.

5 LONG-TERM BORROWINGS (Contd.)

viii) Public issue of redeemable non-convertible debentures of Rs. 1,000/- each-(2013)-2

Terms of repayment

Long-term borrowing

(Rs. in lacs)

Series detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on	Put and call option
Series -II	11.50%	3,165.95	3,165.18	October 24, 2018	-
	10.75%	7,487.57	7,488.34	October 24, 2018	-
Series -III	11.75%	4,695.64	4,703.56	October 24, 2020	-
	10.75%	3,061.91	3,053.99	October 24, 2020	-
Series -V	11.50%	806.75	806.60	October 24, 2018	-
	10.75%	8.22	8.37	October 24, 2018	-
Series -VI	11.75%	1,347.84	1,349.17	October 24, 2020	-
	10.75%	24.68	23.35	October 24, 2020	-
Total		20,598.56	20,598.56		

Current maturity

(Rs. in lacs)

Series detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on	Put and call option
Series -I	11.25%	-	7,749.14	October 24, 2016	-
	10.75%	-	19,386.70	October 24, 2016	-
Series -IV	11.25%	-	2,250.16	October 24, 2016	-
	10.75%	-	15.44	October 24, 2016	-
Total		-	29,401.44		

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Company has utilised the entire sum of Rs. 50,000.00 lacs raised from public issue (net off expenses) towards asset financing activities as per the objects stated in the prospectus for the issue.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

As per the terms of the issue Rs. 29,401.44 lacs were redeemed on October 24, 2016.

5 LONG-TERM BORROWINGS (Contd.)

ix) Public issue of redeemable non-convertible debentures of Rs. 1,000/- each-(2014)

Terms of repayment

Long-term borrowing

Series detail	Rate of interest	(Rs. in lacs)		Redeemable at par on	Put and call option
		As at March 31, 2017	As at March 31, 2016		
Series –I	9.85%	-	111,397.42	July 15, 2017	-
	11.00%	-	6,980.86	July 15, 2017	-
	11.25%	-	7,514.40	July 15, 2017	-
Series –II	10.00%	33,150.36	33,235.44	July 15, 2019	-
	11.25%	3,328.32	3,175.43	July 15, 2019	-
	11.50%	1,932.35	2,000.16	July 15, 2019	-
Series –III	10.15%	5,333.34	5,334.05	July 15, 2021	-
	11.50%	5,834.06	5,765.62	July 15, 2021	-
	11.75%	2,439.47	2,507.20	July 15, 2021	-
Series –IV	9.57%	31.42	45.42	July 15, 2019	-
	10.71%	1,619.62	1,512.84	July 15, 2019	-
	10.94%	1,132.60	1,225.38	July 15, 2019	-
Series –V	9.71%	3.45	2.51	July 15, 2021	-
	10.94%	2,422.77	2,158.80	July 15, 2021	-
	11.17%	1,092.44	1,357.35	July 15, 2021	-
Series –VI	9.85%	-	5,007.91	July 15, 2017	-
	11.00%	-	2,899.34	July 15, 2017	-
	11.25%	-	1,032.70	July 15, 2017	-
Series –VII	10.00%	2.71	6.05	July 15, 2019	-
	11.25%	1,067.94	1,048.43	July 15, 2019	-
	11.50%	449.58	465.75	July 15, 2019	-
Series –VIII	10.15%	25.25	33.57	July 15, 2021	-
	11.50%	1,971.58	1,947.07	July 15, 2021	-
	11.75%	814.82	831.01	July 15, 2021	-
Total		62,652.08	197,484.71		

Current maturity

(Rs. in lacs)

Series detail	Rate of interest	(Rs. in lacs)		Redeemable at par on	Put and call option
		As at March 31, 2017	As at March 31, 2016		
Series –I	9.85%	111,396.77	-	July 15, 2017	-
	11.00%	7,215.46	-	July 15, 2017	-
	11.25%	7,280.45	-	July 15, 2017	-
Series –IV	9.85%	5,506.59	-	July 15, 2017	-
	11.00%	2,466.85	-	July 15, 2017	-
	11.25%	966.51	-	July 15, 2017	-
Total		134,832.63	-		

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Company has utilised the entire sum of Rs. 197,484.71 lacs raised from public issue (net off expenses) towards asset financing activities as per the objects stated in the prospectus for the issue.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

5 LONG-TERM BORROWINGS (Contd.)

(Rs. in lacs)

Total non-convertible debentures- secured	As at March 31, 2017		As at March 31, 2016	
	Non-current portion	Current maturities	Non-current portion	Current maturities
Privately placed (i+ii+iii)	1,313,495.83	225,046.59	761,693.72	410,031.31
Public issue (iv+v+vi+vii+viii+ix)	106,729.05	189,496.84	296,225.89	144,671.93
Total non-convertible debentures- secured	1,420,224.88	414,543.43	1,057,919.61	554,703.24
Less: issued to related parties	1.70	0.50	2.20	17.75
Total	1,420,223.18	414,542.93	1,057,917.41	554,685.49

C) Senior secured notes

Senior secured notes of Rs. 10,000,000/- each-(2017)

Terms of repayment

Long-term borrowing

(Rs. in lacs)

Detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on
Senior secured notes	8.25%	135,000.00	-	February 18, 2020
Total		135,000.00	-	

During the year ended March 31, 2017, the Company has issued Rs. 135,000.00 lacs 8.25 % senior secured notes at the price of 100.18% that are due for repayment on February 18, 2020. The said notes (with ISIN - XS 1549374475) are listed and traded on the Singapore Exchange (SGX-ST) with a minimum board lot size of S\$200,000.

Current maturity

Outstanding as at March 31, 2017 and March 31, 2016: Rs. Nil.

Nature of security

Secured by way of an exclusive fixed charge over receivables of the Company.

D) Term loans from banks-unsecured

As at March 31, 2017

Terms of repayment

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Non-current portion	Current maturities
upto 12 months	13.35%	Bullet	-	10,000.00
Total			-	10,000.00

As at March 31, 2016

Terms of repayment

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Non-current portion	Current maturities
12-24 months	13.45%	Bullet	10,000.00	-
upto 12 months	9.60%	Bullet	-	12,000.00
Total			10,000.00	12,000.00

5 LONG-TERM BORROWINGS (Contd.)

E) Term loans from banks-secured

As at March 31, 2017

Terms of repayment

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Non-current portion #	Current maturities #
48-60 months	8.60% to 9.50%	12 to 20 installments of quarterly and specific frequency	262,371.54	59,875.00
36-48 months	8.10% to 9.95%	15 to 20 installments of quarterly frequency	279,909.74	104,416.67
24-36 months	8.40% to 10.05%	6 to 36 installments of monthly, quarterly, half-yearly and specific frequency	144,256.16	84,225.00
12-24 months	2.59% to 10.65%	1 to 48 installments of bullet, monthly, quarterly, half-yearly, yearly and specific frequency	137,008.37	191,429.00
upto 12 months	8.15% to 10.35%	1 to 48 installments of bullet, monthly, quarterly, half-yearly, yearly and specific frequency	-	155,940.20
Total			823,545.81	595,885.87

Loans are classified in respective time buckets based on option date.

Nature of security

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

As at March 31, 2016

Terms of repayment

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Non-current portion#	Current maturities #
48-60 months	9.40% to 9.95%	16 to 20 installments of quarterly frequency	361,106.87	96,187.50
36-48 months	9.45% to 10.25%	16 to 20 installments of quarterly frequency	190,066.72	70,225.00
24-36 months	9.25% to 10.65%	3 to 48 installments of monthly, quarterly, half-yearly and yearly frequency	285,536.33	175,512.33
12-24 months	9.34% to 10.60%	1 to 48 installments of bullet, monthly, quarterly, half-yearly, yearly and specific frequency	101,692.84	131,893.67
upto 12 months	9.20% to 11.00%	1 to 60 installments of bullet, monthly, quarterly, half-yearly, yearly and specific frequency	-	281,909.86
Total			938,402.76	755,728.36

Loans are classified in respective time buckets based on option date.

Nature of security

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

5 LONG-TERM BORROWINGS (Contd.)

F) Fixed deposits- unsecured -Refer note 26

Terms of repayment as on March 31, 2017

Long-term borrowing

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	65,937.10	-	65,937.10
36-48 months	59,236.65	-	59,236.65
24-36 months	134,410.83	23,718.74	158,129.57
12-24 months	225,173.55	12,807.61	237,981.16
Total	484,758.13	36,526.35	521,284.48

Current maturity

Upto 12 months	69,607.65	256,526.06	326,133.71
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Terms of repayment as on March 31, 2016

Long-term borrowing

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	37,146.33	-	37,146.33
36-48 months	8,224.08	24,046.33	32,270.41
24-36 months	206,850.56	12,876.90	219,727.46
12-24 months	33,110.82	259,812.09	292,922.91
Total	285,331.79	296,735.32	582,067.11

Current maturity

Upto 12 months	63,311.06	134,318.50	197,629.56
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(Rs. in lacs)

Particulars	As at March 31, 2017		As at March 31, 2016	
	Non-current portion	Current maturities	Non-current portion	Current maturities
Total fixed deposits	521,284.48	326,133.71	582,067.11	197,629.56
Less: issued to related parties	6.40	38.51	37.06	4.09
Total	521,278.08	326,095.20	582,030.05	197,625.47

5 LONG-TERM BORROWINGS (Contd.)

G) Term loans from financial institutions/corporates-secured

As at March 31, 2017

Terms of repayment

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Non-current portion	Current maturities
Over 60 months	8.60% to 8.85%	11 to 20 installments of quarterly and specific frequency	46,500.00	13,500.00
36-48 months	9.50%	20 installments of quarterly frequency	43,000.00	16,000.00
24-36 months	9.10% to 9.50%	1 to 20 installments of bullet and quarterly frequency	60,500.00	6,000.00
12-24 months	10.50%	6 installments of half-yearly frequency	8,333.33	16,666.67
upto 12 months	9.50%	20 installments of specific frequency	-	7,500.00
Total			158,333.33	59,666.67

Nature of security

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

As at March 31, 2016

Terms of repayment

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Non-current portion	Current maturities
48-60 months	9.70%	20 installments of quarterly frequency	59,000.00	16,000.00
36-48 months	9.70%	20 installments of quarterly frequency	16,500.00	6,000.00
24-36 months	10.50%	6 installments of half-yearly frequency	25,000.00	16,666.67
12-24 months	9.70%	20 installments of specific frequency	7,500.00	10,000.00
upto 12 months	9.70% to 10.00%	1 to 12 installments of bullet and specific frequency	-	28,900.00
Total			108,000.00	77,566.67

Nature of security

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

(Rs. in lacs)

Total long-term borrowings	As at March 31, 2017		As at March 31, 2016	
	Non-current portion	Current maturities	Non-current portion	Current maturities
Secured borrowings	2,537,104.02	1,070,095.89	2,104,322.29	1,387,970.60
Unsecured borrowings	832,914.29	372,581.88	922,645.09	231,097.08
Total long-term borrowings	3,370,018.31	1,442,677.77	3,026,967.38	1,619,067.68

(Rs. in lacs)

6	OTHER LIABILITIES	As at March 31, 2017		As at March 31, 2016	
		Long-term	Short-term	Long-term	Short-term
	Current maturities of long-term debts [Refer note 5]	-	1,442,677.77	-	1,619,067.68
	Interest accrued but not due on loans	66,136.39	141,585.23	69,421.52	106,312.92
	Investor education and protection fund shall be credited by the following amounts (as and when due)				
	- Unclaimed dividend	-	1,083.21	-	923.26
	- Unclaimed matured deposits and interest accrued thereon	-	15,530.53	-	6,553.91
	- Unclaimed matured debentures and interest accrued thereon	-	5,755.28	-	9,327.74
	- Unclaimed matured subordinate debts and interest accrued thereon	-	1,140.75	-	2,028.85
	Temporary credit balance in bank accounts	-	8,125.98	-	4,069.14
	Tax deducted at source	-	3,118.83	-	2,547.59
	Service tax payable	-	4.12	-	11.77
	Statutory dues pertaining to employees	-	542.75	-	523.72
	Value added tax	-	517.22	-	520.49
	Works contract tax payable	-	0.27	-	2.29
	Unrealised gain on securitisation*	49,131.34	88,432.02	30,657.73	66,307.82
	Payable on account of forward contracts	752.68	553.49	-	-
	Retention and others	15,065.25	-	16,271.38	-
	Total	131,085.66	1,709,067.45	116,350.63	1,818,197.18

* Unrealised gain on securitisation comprises of future interest receivable under par structure of securitisation/assignment.

(Rs. in lacs)

7	PROVISIONS	As at March 31, 2017		As at March 31, 2016	
		Long-term	Short-term	Long-term	Short-term
	For employee benefits				
	For gratuity [Refer note 23]	-	42.12	-	228.26
	For leave encashment and availment	-	1,994.51	-	2,044.25
	For others				
	For non-performing assets [Refer note (f) of note 2.1]	374,944.43	-	272,654.14	-
	For standard assets [Refer note (f) of note 2.1]	14,449.40	6,858.03	11,617.54	6,015.51
	For service tax-contested	-	8,793.99	-	8,793.99
	For value added tax	-	575.66	-	575.66
	For income tax [net of advance tax Rs. 361,010.26 lacs (March 31, 2016: Rs. 293,427.70 lacs)]	-	21,451.69	-	16,918.04
	Proposed dividend	-	-	-	13,612.96
	Corporate dividend tax	-	-	-	2,771.28
	Total	389,393.83	39,716.00	284,271.68	50,959.95

		(Rs. in lacs)	
		As at March 31, 2017	As at March 31, 2016
8	SHORT-TERM BORROWINGS		
	Secured		
	Redeemable non-convertible debentures	75,000.00	25,000.00
	Term loans from banks	157,346.93	102,625.00
	Loans repayable on demand (secured)		
	Cash credit	247,076.82	201,410.34
	Unsecured		
	Inter-corporate deposits from subsidiary	2,890.00	-
	Term loan from banks	16,000.00	4,000.00
	Total	498,313.75	333,035.34

A) Non-convertible debenture (NCD)-secured

i) Privately placed redeemable non-convertible debenture of Rs. 1,000,000/- each

Terms of repayment as on March 31, 2017

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest	Total
	<=10%	
Upto 12 months	75,000.00	75,000.00
Total	75,000.00	75,000.00

Out of the above NCDs having put/call option are as under

(Rs. in lacs)

Sr No	Rate of interest	Amount	Put/Call option date
1	8.06%	50,000.00	November 1, 2017
2	8.11%	25,000.00	March 29, 2018
Total		75,000.00	

Terms of repayment as on March 31, 2016

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest	Total
	<=10%	
Upto 12 months	25,000.00	25,000.00
Total	25,000.00	25,000.00

Nature of security

Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

B) Term loans from banks-secured

Terms of repayment

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2017
upto 12 months	8.15% to 9.52%	1 to 16 installments of bullet, monthly and quarterly frequency	157,346.93
Total			157,346.93

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

Terms of repayment

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2016
Upto 12 months	9.30% to 9.80%	1 to 16 installments of bullet and quarterly frequency	102,625.00
Total			102,625.00

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

8 SHORT-TERM BORROWINGS (Contd.)

C) Term loans from bank-unsecured

			(Rs. in lacs)
Terms of repayment			
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2017
upto 12 months	9.00%	Bullet	16,000.00
Total			16,000.00

			(Rs. in lacs)
Terms of repayment			
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2016
Upto 12 months	9.60%	Bullet	4,000.00
Total			4,000.00

D) Cash credit from bank

			(Rs. in lacs)
	Rate of interest		As at March 31, 2017
Secured by hypothecation of specific assets covered under hypothecation loan agreements	8.60% to 11.95%		247,076.82
Total			247,076.82

			(Rs. in lacs)
	Rate of interest		As at March 31, 2016
Secured by hypothecation of specific assets covered under hypothecation loan agreements	9.55% to 12.55%		201,410.34
Total			201,410.34

E) Inter-corporate deposits from subsidiary

			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2017
Upto 12 months	9.50%	Bullet	2,890.00
Total			2,890.00

Outstanding as at March 31, 2016 : Rs. Nil.

			(Rs. in lacs)	
Total short-term borrowings		As at March 31, 2017	As at March 31, 2016	
Secured borrowings		479,423.75	329,035.34	
Unsecured borrowings		18,890.00	4,000.00	
Total short-term borrowings		498,313.75	333,035.34	

Particulars	Property, plant and equipment							Intangible assets
	Land-freehold	Buildings	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvement	
9 FIXED ASSETS								
Gross block								
As at April 1, 2015	14.15	412.86	7,713.17	2,301.65	2,615.75	97.10	9,009.52	22,164.20
Addition on amalgamation as at April 1, 2015 (Refer note 33)	1.27	-	187.13	2.52	7.64	-	78.52	277.08
Additions	-	-	1,057.44	405.89	400.72	38.26	1,582.45	3,484.76
Deletions	-	2.13	482.99	37.58	59.75	16.30	243.20	841.95
Adjustment*	-	-	(25.61)	25.61	-	-	-	-
As at March 31, 2016	15.42	410.73	8,449.14	2,698.09	2,964.36	119.06	10,427.29	25,084.09
Additions	-	-	594.20	197.87	271.56	6.32	557.94	1,627.89
Deletions	-	-	403.97	53.67	54.09	1.39	312.73	825.85
Adjustment*	-	-	0.87	-	0.81	-	(1.68)	-
As at March 31, 2017	15.42	410.73	8,640.24	2,842.29	3,182.64	123.99	10,670.82	25,886.13
Depreciation								
As at April 1, 2015	-	100.19	4,670.40	929.99	1,607.22	65.92	4,845.98	12,219.70
Addition on amalgamation as at April 1, 2015 (Refer note 33)	-	-	115.76	1.63	2.57	-	4.62	124.58
Charge for the year	-	7.99	1,293.37	416.10	173.11	5.27	1,637.56	3,533.40
Deletions	-	2.13	433.39	32.16	49.25	13.24	224.43	754.60
Adjustment*	-	-	(8.64)	8.64	-	-	-	-
As at March 31, 2016	-	106.05	5,637.50	1,324.20	1,733.65	57.95	6,263.73	15,123.08
Charge for the year	-	6.49	996.66	468.07	198.08	7.95	1,620.85	3,298.10
Deletions	-	-	368.90	42.94	45.67	1.32	293.26	752.09
Adjustment*	-	-	0.28	0.36	0.71	-	(1.35)	-
As at March 31, 2017	-	112.54	6,265.54	1,749.69	1,886.77	64.58	7,589.97	17,669.09
Net block								
As at March 31, 2016	15.42	304.68	2,811.64	1,373.89	1,230.71	61.11	4,163.56	9,961.01
As at March 31, 2017	15.42	298.19	2,374.70	1,092.60	1,295.87	59.41	3,080.85	8,217.04

* Adjustment is on account of regrouping of fixed assets

	Year ended	
	March 31, 2017	March 31, 2016
Depreciation and amortisation		
on property, plant and equipment	3,298.10	3,533.40
on intangible assets	90.44	94.97
on investment property	2.24	2.24
Total	3,390.78	3,630.61

(Rs. in lacs)

	As at March 31, 2017	As at March 31, 2016
10 NON-CURRENT INVESTMENTS		
1 Investment property (net of depreciation)	190.75	192.99
2 Non trade :		
A. Investment in equity shares-unquoted	3,067.20	3,067.20
B. Investment in government securities	141,215.85	115,126.15
C. Investment in subordinated debts	5,000.00	5,000.00
D. Investment in venture capital fund	65.09	1,655.64
E. Investment in mutual fund	200.00	200.00
Less : Aggregate provision for diminution in value of investments	(25.37)	(25.00)
Total	149,713.52	125,216.98

(Rs. in lacs)

Particulars	Face value	Quantity	Amount	Quantity	Amount
		As at March 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2016
1. Investment property (at cost less accumulated depreciation)					
Cost of land and building given on operating lease			211.66		211.66
Less: accumulated depreciation			20.91		18.67
Net Block			190.75		192.99
2. Non trade (valued at cost unless stated otherwise)					
A. Shares : Fully paid up					
Unquoted-Equity shares					
Investment in wholly owned subsidiaries					
Shriram Automall India Limited	10	30,000,000	3,000.00	30,000,000	3,000.00
Investment in other companies					
State Industrial Investment Corporation of Maharashtra Limited	10	50,000	40.00	50,000	40.00
Credential Finance Limited (At cost less provision for other than temporary diminution in value of Rs. 25.00 lacs (March 31, 2016: Rs. 25.00 lacs))	10	25,000	-	25,000	-
The Zoroastrian Co-operative Bank Limited	25	100	0.03	100	0.03
Freight Commerce Solutions Private Limited (At cost less provision for other than temporary diminution in value of Rs. 0.37 lacs (March 31, 2016: Rs. Nil))	10	3,705	-	3,705	0.37
Shriram Seva Sankalp Foundation	10	18,000	1.80	18,000	1.80

10 NON-CURRENT INVESTMENTS (Contd.)

Particulars	Face value	(Rs. in lacs)			
		Quantity	Amount	Quantity	Amount
		As at March 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2016
B. Government securities [Refer note 26]					
Quoted					
6.13% GOI Loan 2028	100	176,000	177.16	176,000	177.26
6.35% GOI Loan 2020	100	2,500,000	2,445.24	2,500,000	2,425.39
6.90% GOI Loan 2019	100	5,000,000	4,910.87	5,000,000	4,871.87
7.16% GOI Loan 2023	100	12,500,000	12,025.10	12,500,000	11,947.76
7.80% GOI Loan 2020	100	2,500,000	2,497.62	2,500,000	2,496.84
8.13% GOI Loan 2022	100	2,500,000	2,501.49	2,500,000	2,501.76
8.24% GOI Loan 2027	100	500,000	497.91	500,000	497.70
8.26% GOI Loan 2027	100	7,500,000	7,395.14	7,500,000	7,385.00
8.28% GOI Loan 2027	100	15,000,000	14,399.22	15,000,000	14,341.91
8.33% GOI Loan 2026	100	7,500,000	7,492.22	7,500,000	7,491.38
8.60% GOI Loan 2028	100	7,500,000	7,936.73	7,500,000	7,975.80
8.83% GOI Loan 2023	100	10,000,000	10,059.99	10,000,000	10,069.00
8.97% GOI Loan 2030	100	2,500,000	2,638.05	2,500,000	2,648.14
8.15% GOI Loan 2026	100	10,000,000	10,074.37	10,000,000	10,082.07
7.88% GOI Loan 2030	100	22,200,000	22,118.28	22,200,000	22,111.98
8.20% GOI Loan 2025	100	8,000,000	8,091.51	8,000,000	8,102.29
7.88% GOI Loan 2030 (Purchased during the year)	100	6,500,000	6,608.41	-	-
7.73% GOI Loan 2034 (Purchased during the year)	100	9,500,000	10,137.28	-	-
8.24% GOI Loan 2033 (Purchased during the year)	100	3,500,000	3,933.06	-	-
7.61% GOI Loan 2030 (Purchased during the year)	100	5,000,000	5,276.20	-	-
C. Unquoted-Investment in subordinated debts					
Yes Bank Limited	1,000,000	500	5,000.00	500	5,000.00
D. Unquoted-Venture capital fund					
ICICI Investment Management Company Limited (Subscribed during the year Rs. 62.81 lacs (March 31, 2016: Rs. Nil) and redeemed during the year is Rs. 1,653.36 lacs (March 31, 2016: Rs. Nil))	10,000	5,519	65.09	16,556	1,655.64
E. Unquoted-Investment in mutual fund					
Shriram Equity & Debt Opportunities Fund Direct -Growth	10	2,000,000	200.00	2,000,000	200.00
Total			149,713.52		125,216.98
Aggregate value of quoted investments					
Cost of acquisition			141,215.85		115,126.15
Market value			147,662.58		117,783.14
Aggregate value of unquoted investments					
Cost of acquisition			8,332.29		9,922.84
Aggregate provision for diminution in value of investments			25.37		25.00

(Rs. in lacs)

	As at March 31, 2017	As at March 31, 2016
11 DEFERRED TAX ASSETS (NET)		
Deferred tax asset		
Fixed asset: Impact of difference between tax depreciation and depreciation/amortisation charged for financial reporting period	1,717.27	1,382.54
Impact of expenditure charged to the Statement of Profit and Loss in the current year but claimed as expense for tax purpose on payment basis	4,322.94	4,364.14
Provision for securitisation	23,017.97	19,497.03
Provision for standard assets	7,374.07	6,102.45
Gross deferred tax assets (A)	36,432.25	31,346.16
Deferred tax liability		
Debenture issue expenses	204.09	575.90
Gross deferred tax liability (B)	204.09	575.90
Net deferred tax assets (A-B)	36,228.16	30,770.26

(Rs. in lacs)

	As at March 31, 2017		As at March 31, 2016	
	Non-current portion	Current portion #	Non-current portion	Current portion #
12 LOANS AND ADVANCES				
Unsecured, considered good				
Capital advances	172.86	-	222.70	-
Security deposits	2,380.87	1,248.48	2,903.59	790.85
Secured, considered good				
Hypothecation loans	4,067,633.77	1,829,435.86	3,800,745.73	1,847,547.58
Retained interest on securitisation	36,677.33	36,520.69	28,365.13	37,830.80
Other loans	153.27	434.22	280.89	78.89
Securitisation deferred consideration receivable*	49,131.34	88,432.02	30,657.73	66,307.82
Unsecured, considered good				
Unsecured loans	18,934.21	87,635.98	38,122.56	111,822.99
Advance - hypothecation loans	-	1,519.09	-	2,410.94
Unsecured, considered good				
Advance recoverable from subsidiaries [Refer note 27]\$	-	15.53	-	183.97
Doubtful				
Secured hypothecation loans	513,127.72	-	367,627.98	-
Unsecured loan	27,413.04	-	19,199.82	-
Advances recoverable in cash or in kind or for value to be received	274.39	-	196.04	-
Security deposits	28.43	-	-	-

12 LOANS AND ADVANCES (Contd.)

	(Rs. in lacs)			
	As at March 31, 2017		As at March 31, 2016	
	Non-current portion	Current portion #	Non-current portion	Current portion #
Unsecured, considered good				
Advances recoverable in cash or in kind or for value to be received	6,444.10	3,081.78	4,190.99	5,613.78
Service tax credit (input) receivable	-	4,376.83	-	2,857.60
Prepaid expenses	110.33	431.84	100.00	541.49
Advance income tax (net of provision for taxation) [net of provision for income tax Rs. 235,687.55 lacs (March 31, 2016: Rs. 235,687.55 lacs)]	8,405.89	-	8,405.89	-
Total	4,730,887.55	2,053,132.32	4,301,019.05	2,075,986.71

Includes current maturities of long-term loans and advances

\$ Advance given to subsidiary M/s. Shriram Automall India Limited Rs. 15.53 lacs (March 31, 2016: Rs. 183.97 lacs)

\$ Maximum advance given to subsidiary M/s. Shriram Automall India Limited at anytime during the year : Rs. 1,372.93 lacs (March 31, 2016: Rs. 1,519.63 lacs)

* Securitisation deferred consideration receivable comprises of Company's share of future interest strip receivables in case of a par structure securitised/assigned deals.

	(Rs. in lacs)			
	As at March 31, 2017		As at March 31, 2016	
	Non-current portion	Current portion	Non-current portion	Current portion
13 OTHER ASSETS				
Unsecured, considered good				
Margin money deposit with banks (Refer note 15)	7,150.08	-	340.03	-
Interest accrued on investments	-	2,347.81	-	2,031.82
Interest accrued on fixed deposits with banks	73.44	2,824.10	40.96	1,799.22
Public issue expenses for non-convertible debentures	27.29	562.42	589.71	1,074.35
Issue expenses for equity shares	264.03	152.78	416.81	152.77
Total	7,514.84	5,887.11	1,387.51	5,058.16

(Rs. in lacs)

	As at March 31, 2017	As at March 31, 2016
14 CURRENT INVESTMENTS		
1 Investment in government securities	-	399.52
2 a) Investments in non-convertible debentures	5,220.97	-
b) Investment in mutual fund	-	10,000.00
Total	5,220.97	10,399.52

(Rs. in lacs)

Particulars	Face value	Quantity	Amount	Quantity	Amount
		As at March 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2016
Current portion of long-term investments (valued at cost unless otherwise mentioned)					
1 Quoted: Government securities [Refer note 26]					
7.02% GOI Loan 2016 (Redeemed during the year at par)	100	-	-	400,000	399.52
2 Current investments (at lower of cost and fair value)					
a) Quoted-Investments in non-convertible debentures					
Dewan Housing Fin Corp Ltd (Purchased during the year)	1,000	500,000	5,220.97	-	-
b) Unquoted-Investment in mutual fund					
Kotak Liquid Scheme Plan A - Direct Plan - Growth (Sold during the year)	10	-	-	325,651	10,000.00
Total			5,220.97		10,399.52
Aggregate value of quoted investments					
Cost of acquisition			5,220.97		399.52
Market value			5,314.19		399.53
Aggregate value of unquoted investments					
Cost of acquisition			-		10,000.00
Aggregate provision for diminution in value of investments			-		-

		(Rs. in lacs)			
		As at March 31, 2017		As at March 31, 2016	
		Non-current portion	Current portion	Non-current portion	Current portion
15	CASH AND BANK BALANCES				
	Cash and cash equivalents				
	i) Balances with scheduled banks in:				
	Current accounts	-	102,039.50	-	59,641.88
	Unclaimed dividend accounts	-	1,083.21	-	923.26
	Deposits with original maturity of less than three months	-	-	-	5,036.28
	ii) Cheques on hand	-	3,175.11	-	4,698.24
	iii) Cash on hand	-	7,865.26	-	10,079.91
		-	114,163.08	-	80,379.57
	Other bank balances				
	Deposits with original maturity for more than 12 months	-	-	-	10.38
	Deposits with original maturity for more than 3 months but less than 12 months	-	152,518.52	-	30,295.16
	Margin money deposit #	7,150.08	177,386.93	340.03	125,700.58
		7,150.08	329,905.45	340.03	156,006.12
	Amount disclosed under non-current assets [Refer note 13]	(7,150.08)	-	(340.03)	-
	Total	-	444,068.53	-	236,385.69

Includes deposits of Rs. 182,678.72 lacs (March 31, 2016: Rs. 124,055.99 lacs) pledged with Banks as margin for credit enhancement, Rs. 1,275.92 lacs (March 31, 2016: Rs. 1,527.60 lacs) as margin for guarantees and Rs. 582.38 lacs (March 31, 2016: Rs. 457.02 lacs) pledged as lien against loans taken.

		(Rs. in lacs)	
		Year ended March 31, 2017	Year ended March 31, 2016
16	REVENUE FROM OPERATIONS		
	Interest income on:-		
	- loan portfolio and related charges	958,392.55	923,117.10
	- direct assignment	10,950.06	15,470.00
	- securitisation including interest on pass through certificates*	84,370.04	53,224.28
	- margin money on securitisation/assignments	9,377.02	8,466.80
	- deposits with banks	892.39	2,263.76
	- long-term investments	10,876.00	8,093.20
	- current investments	17.44	321.37
	Other financial services		
	Income from commission services	6,579.14	6,190.42
	Bad debt recovery	618.00	870.08
	Profit on sale of current investments (net)	802.50	10,960.78
	Total	1,082,875.14	1,028,977.79

* Includes Rs. 571.71 lacs (March 31, 2016: Rs. 2,832.11 lacs) of income on pass through certificates where distribution tax has been deducted by the trustees as per section 115TA of Income Tax Act.

		(Rs. in lacs)	
		Year ended March 31, 2017	Year ended March 31, 2016
17	OTHER INCOME		
	Income from operating lease	7.20	10.14
	Miscellaneous income	178.89	360.19
	Total	186.09	370.33

		(Rs. in lacs)	
		Year ended March 31, 2017	Year ended March 31, 2016
18	EMPLOYEE BENEFIT EXPENSES		
	Salaries, other allowances and bonus	49,702.71	53,837.69
	Gratuity expenses [Refer note 23]	611.16	658.75
	Contribution to provident and other funds	3,241.44	3,285.61
	Staff welfare expenses	1,267.63	1,125.98
	Total	54,822.94	58,908.03

		(Rs. in lacs)	
		Year ended March 31, 2017	Year ended March 31, 2016
19	FINANCE COST		
	Interest expense on:-		
	- Debentures	176,235.11	179,322.04
	- Senior secured notes	1,908.70	-
	- Subordinated debts	40,443.73	43,652.90
	- Fixed deposits	85,699.94	69,966.24
	- Loans from banks	175,041.71	185,254.97
	- Loans from institutions and others	17,842.79	15,245.20
	- Commercial paper	7,691.49	866.28
	Other borrowing costs		
	Professional charges-resource mobilisation	7,672.05	3,709.84
	Processing charges on loans	338.95	604.99
	Brokerage	4,792.93	5,867.05
	Amortisation of public issue expenses for non-convertible debentures	1,074.35	1,303.09
	Total	518,741.75	505,792.60

		(Rs. in lacs)	
		Year ended March 31, 2017	Year ended March 31, 2016
20	OTHER EXPENSES		
	Rent	9,195.17	8,683.95
	Electricity expenses	1,449.68	1,349.55
	Repairs and maintenance		
	- Others	562.32	667.85
	Rates and taxes	167.78	90.55
	Printing and stationery	906.98	1,384.54
	Travelling and conveyance	11,295.41	12,469.46
	Advertisement	43.37	155.21

		(Rs. in lacs)	
		Year ended March 31, 2017	Year ended March 31, 2016
20	OTHER EXPENSES (Contd.)		
	Business promotion	3,613.38	5,904.59
	Royalty	10,955.37	10,055.28
	Directors' sitting fees	27.39	16.29
	Insurance	93.04	59.61
	Communication expenses	4,256.49	4,488.62
	Payment to auditor [Refer note 30]		
	As Auditor:		
	- Audit fees	153.65	154.02
	- Tax audit fees	8.65	7.64
	- Out of pocket	8.38	7.57
	In any other manner:		
	- Certification	13.03	52.02
	Bank charges	3,273.06	2,948.87
	Professional charges on securitisation	2,391.89	2,162.18
	Legal and professional charges	2,811.35	3,181.76
	Loss on sale of fixed assets (net)	27.26	36.37
	Issue expenses for equity shares	152.78	152.78
	Service charges	5,162.04	5,016.04
	CSR expenses [Refer note 32]	1,193.15	1,863.73
	Miscellaneous expenses	11,519.54	11,285.80
	Total	69,281.16	72,194.28

		(Rs. in lacs)	
		Year ended March 31, 2017	Year ended March 31, 2016
21	PROVISIONS AND WRITE-OFFS		
	Provision for non-performing assets [Refer note (f) of note 2.1]	106,479.02	90,446.24
	Provision for standard assets [Refer note (f) of note 2.1]	3,674.37	4,990.48
	Provision for credit loss on securitisation	10,173.79	4,821.98
	Provision for diminution in value of investments	0.37	-
	Bad debts written off	124,104.50	110,420.78
	Total	244,432.05	210,679.48

Particulars		Year ended March 31, 2017	Year ended March 31, 2016
22	EARNINGS PER SHARE		
	Net Profit after tax as per Statement of Profit and Loss (Rs. in lacs) (A)	125,734.25	117,819.76
	Weighted average number of equity shares for calculating basic EPS (in lacs) (B)	2,268.83	2,268.83
	Weighted average number of equity shares for calculating diluted EPS (in lacs) (C)	2,268.83	2,268.83
	Basic earnings per equity share (in Rupees) (face value of Rs. 10/- per share) (A) / (B)	55.42	51.93
	Diluted earnings per equity share (in Rupees) (face value of Rs. 10/- per share) (A) / (C)	55.42	51.93

23 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

The Company has an defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for a gratuity on separation at 15 days basic salary (last drawn salary) for each completed year of service. The scheme is funded with the insurance companies in the form of qualifying insurance policy.

The Company has funded Rs. 267.54 lacs during the financial year 2016-17 and Rs. 217.82 lacs during the financial year 2015-16. Consequent to the adoption of revised AS 15 'Employee Benefits' issued under the Companies (Accounts) Rules, 2014, as amended, the following disclosures have been made as required by the standard:

Statement of Profit and Loss

Particulars	Gratuity	
	(Rs. in lacs)	
	Year ended March 31, 2017	Year ended March 31, 2016
Net employee benefit expense (recognised in employee cost)		
Current service cost	375.56	363.99
Interest cost on benefit obligation	258.08	202.48
Expected return on plan assets	(223.33)	(200.50)
Net actuarial (gain)/loss recognised in the year	200.85	306.37
Past service cost	Nil	Nil
Net benefit expense*	611.16	672.34
Actual return on plan assets	249.78	240.89

*Gratuity expenses as per note 18 of Statement of Profit and Loss is after netting of Rs. Nil (March 31, 2016: Rs. 13.60 lacs) on account of gratuity transferred from other company.

Balance sheet

Particulars	Gratuity	
	(Rs. in lacs)	
	March 31, 2017	March 31, 2016
Benefit asset/(liability)		
Present value of defined benefit obligation	3,527.72	3,460.20
Fair value of plan assets	3,493.92	2,980.67
Surplus/(deficit)	(33.80)	(479.53)
Less: Unrecognised past service cost	Nil	Nil
Plan asset/(liability)*	(33.80)	(479.53)

*Gratuity liability disclosed under note 7 - Provisions is after netting off amount paid to trust on account of relieved employees Rs. 8.32 lacs (March 31, 2016: Rs. 234.11 lacs) and gratuity transferred to other company Rs. Nil (March 31, 2016: Rs. 17.16 lacs).

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

Particulars	Gratuity	
	(Rs. in lacs)	
	March 31, 2017	March 31, 2016
Opening defined benefit obligation	3,460.20	2,439.01
Interest cost	258.08	202.48
Current service cost	375.56	363.99
Liability transferred in/on account of amalgamation (Refer note 33)	Nil	107.95
Benefits paid	(793.42)	Nil
Actuarial (gains)/losses on obligation	227.30	346.77
Closing defined benefit obligation	3,527.72	3,460.20

Changes in the fair value of the plan assets are as follows:

Particulars	Gratuity	
	(Rs. in lacs)	
	March 31, 2017	March 31, 2016
Opening fair value of plan assets	2,980.67	2,422.78
Expected return	223.33	200.50
Contributions by employer	1,056.89	217.82
Assets transferred in/on account of amalgamation (Refer note 33)	Nil	99.18
Benefits paid	(793.42)	Nil
Actuarial gains/(losses)	26.45	40.39
Closing fair value of plan assets	3,493.92	2,980.67

The Company's best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards gratuity is Rs. 441.74 lacs (March 31, 2016, Rs. 885.30 lacs).

23 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS (Contd.)

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

Particulars	Gratuity	
	March 31, 2017	March 31, 2016
	%	%
Investments with insurer	100	100

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

Particulars	Gratuity	
	March 31, 2017	March 31, 2016
Discount rate	7.22%	7.80%
Expected rate of return on assets	7.22%	7.80%
Increase in compensation cost	5.00%	5.00%
Employee turnover*	7.50% and 20.00%	7.50% and 20.00%

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

*7.50% in case of employees with service period of 5 years and above and 20.00% for all other employees for the current year.

*7.50% in case of service greater than 5 years and 20.00% for all other employees for the previous year.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Amounts for the current year and previous four years are as follows: (Rs. in lacs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Defined benefit obligation	3,527.72	3,460.20	2,439.01	1,941.59	1,760.07
Plan assets	3,493.92	2,980.67	2,422.78	1,896.63	NA
Surplus/(deficit)	(33.80)	(479.53)	(16.23)	(44.96)	(1,760.07)
Experience adjustments on plan liabilities (gains)/losses	79.78	172.80	(236.30)	56.98	72.75
Experience adjustments on plan assets (losses)/gains	26.45	40.39	53.28	46.75	NA

24 SEGMENT INFORMATION

The Company operates in a single reportable segment that is financing, which has similar risks and returns for the purpose of AS-17 on 'Segment Reporting' notified under the Companies (Accounting Standard) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. The Company operates in a single geographical segment i.e. domestic.

25 LEASES

In case of assets taken on lease

The Company has taken various office premises, furniture and fixtures, computers and plant and machinery under operating lease. The lease payments recognised in the Statement of Profit and Loss are Rs. 9,195.17 lacs (March 31, 2016: Rs. 8,683.95 lacs). Certain agreements provide for cancellation by either party or certain agreements contains clause for escalation and renewal of agreements. The non-cancellable operating lease agreements are ranging for a period 11 to 180 months. There are no restrictions imposed by lease arrangements.

The future minimum lease payments in respect of non-cancellable operating lease as at the Balance Sheet date are summarized below :

Particulars	Year ended	
	March 31, 2017	March 31, 2016
Minimum lease payments:		
Not later than one year	2,482.34	3,222.16
Later than one year but not later than five years	5,300.09	6,570.19
Later than five years	2,280.51	3,331.56

26

In accordance with the Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 dated August 25, 2016, the Company has created a floating charge on the statutory liquid assets comprising of investment in government securities to the extent of Rs. 140,376.00 lacs (March 31, 2016: Rs. 116,276.00 lacs) in favour of trustees representing the public deposit holders of the Company.

27 RELATED PARTY DISCLOSURE

Related party where control exists

Subsidiary : Shriram Automall India Limited (SAIL)

Other related parties

Enterprises having significant influence over the Company : Shriram Capital Limited
Shriram Ownership Trust
Shriram Financial Ventures (Chennai) Private Limited
Piramal Enterprises Limited

Related parties as per AS 18 with whom transactions have taken place during the year

Key management personnel : Mr. Umesh Revankar, Managing Director & CEO
(till April 29, 2016 & from October 26, 2016 onwards)

Mr. Jasmit Singh Gujral, Managing Director & CEO
(from April 30, 2016 to October 25, 2016)

Relatives of key management personnel : Mrs. Suchita U. Revankar (spouse of Managing Director) @
Master Shirish U. Revankar (son of Managing Director) @
Mr. Shreyas U. Revankar (son of Managing Director) @
Mrs. Geeta G. Revankar (mother of Managing Director) @
Mr. Anil G. Revankar (brother of Managing Director) @

Related parties as per Companies Act, 2013 with whom transactions have taken place during the year

Key management personnel : Mr. Vivek Achwal, Company Secretary
Mr. Parag Sharma, Chief Financial Officer

Relatives of key management personnel : Mrs. Ranjana Achwal (spouse of Company Secretary)
Mr. Anish Achwal (son of Company Secretary)
Mrs. Shelly Sharma (spouse of Chief Financial Officer)
Ms. Atibhi Sharma (daughter of Chief Financial Officer)
Mr. Amit Sharma (brother of Chief Financial Officer)
Mrs. Rama Sharma (mother of Chief Financial Officer)
Mr. Madan Mohan Sharma (father of Chief Financial Officer)

@ (till April 29, 2016 & from October 26, 2016 onwards)

27 RELATED PARTY DISCLOSURE (Contd.)

Particulars	Enterprises having significant influence over the Company		Subsidiary		Key management personnel (Managing director, whole time director, manager and other management personnel)		Relative of key management personnel		Total	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016		
	(Rs. in lacs)									
Payments/Expenses										
Employee benefits for key management personnel \$	-	-	-	-	162.64	117.66	-	-	162.64	117.66
Royalty paid to Shriram Ownership Trust @	10,955.37	10,055.28	-	-	-	-	-	-	10,955.37	10,055.28
Service charges paid to Shriram Capital Limited @	5,162.04	5,016.04	-	-	4.25	3.57	-	-	5,162.04	5,016.04
Equity dividend paid Ω	-	-	-	-	-	-	0.01	0.01	4.26	3.58
- Shriram Capital Limited	5,910.32	5,910.32	-	-	-	-	-	-	5,910.32	5,910.32
- Piramal Enterprises Limited	2,260.00	2,260.00	-	-	-	-	-	-	2,260.00	2,260.00
Car hire charges	-	-	-	-	-	-	6.60	6.47	6.60	6.47
Non-convertible debenture matured	-	-	-	-	-	-	1.89	2.38	1.89	2.38
- Shriram Capital Limited	5.00	-	-	-	-	-	-	-	5.00	-
Fixed deposit matured Ω	-	-	-	-	-	-	2.74	3.00	2.74	3.00
Subordinated debt matured Ω	-	-	-	-	-	-	0.30	-	0.30	-
- Shriram Capital Limited	28.80	28.09	-	-	-	-	-	-	28.80	28.09
- Shriram Automall India Limited	-	-	45.83	-	-	-	-	-	45.83	-
Interest on fixed deposit	-	-	-	-	-	-	4.71	4.51	4.71	4.51
Interest on subordinated debt	-	-	-	-	-	-	0.07	0.16	0.07	0.16
- Shriram Automall India Limited	-	-	13.61	5.37	-	-	-	-	13.61	5.37
- Shriram Capital Limited	42.51	42.16	-	-	-	-	-	-	42.51	42.16
Interest on non-convertible debenture	-	-	-	-	0.03	0.39	0.32	1.59	0.35	1.98
- Shriram Capital Limited	0.30	0.54	-	-	-	-	-	-	0.30	0.54
Rent paid @	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	458.89	456.01	-	-	-	-	458.89	456.01
- Shriram Capital Limited	377.75	224.68	-	-	-	-	-	-	377.75	224.68
Business mobilisation expenses paid to Shriram Automall India Limited@	-	-	261.86	253.39	-	-	-	-	261.86	253.39
Other administrative expenses @	-	-	-	-	-	-	-	-	-	-
- Shriram Capital Limited	182.96	94.58	-	-	-	-	-	-	182.96	94.58
- Shriram Automall India Limited	-	-	90.43	97.34	-	-	-	-	90.43	97.34



27 RELATED PARTY DISCLOSURE (Contd.)

Particulars	Enterprises having significant influence over the Company		Subsidiary		Key management personnel (Managing director, whole time director, manager and other management personnel)		Relative of key management personnel		Total
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	
	(Rs. in lacs)								
Unsecured loan and advances received from Ω									
- Shriram Automall India Limited	-	-	1,110.04	-	-	-	-	-	1,110.04
Interest paid on inter-corporate deposit	-	-	161.91	-	-	-	-	-	161.91
Inter-corporate deposit repaid to Shriram Automall India Limited	-	-	1,015.00	-	-	-	-	-	1,015.00
Receipts/Income									
Recovery of common sharing expenses									
- Shriram Automall India Limited	-	-	26.18	41.75	-	-	-	-	26.18
- Shriram Capital Limited	2.39	-	-	-	-	-	-	-	2.39
Recovery of rent and electricity									
- Shriram Capital Limited	30.16	26.03	-	-	-	-	-	-	30.16
- Shriram Automall India Limited	-	-	217.39	183.60	-	-	-	-	217.39
Recovery of other administrative expenses									
- Shriram Automall India Limited	-	-	90.27	68.75	-	-	-	-	90.27
Fixed deposit μ									
Unsecured loan and advances repaid by μ									
- Shriram Automall India Limited	-	-	1,641.79	267.29	-	-	-	-	1,641.79
Inter-corporate deposit received from Shriram Automall India Limited	-	-	3,905.00	-	-	-	-	-	3,905.00
Balance outstanding at the year end									
Share capital									
- Shriram Capital Limited	5,917.30	5,910.32	-	-	-	-	-	-	5,917.30
- Piramal Enterprises Limited	2,260.00	2,260.00	-	-	-	-	-	-	2,260.00
Investment in equity shares									
- Shriram Automall India Limited	-	-	3,000.00	3,000.00	-	-	-	-	3,000.00
Unsecured loan and advances recoverable from subsidiary company									
- Shriram Automall India Limited	-	-	15.53	183.97	-	-	-	-	15.53

27 RELATED PARTY DISCLOSURE (Contd.)

(Rs. in lacs)

Particulars	Enterprises having significant influence over the Company		Subsidiary		Key management personnel (Managing director, whole time director, manager and other management personnel)		Relative of key management personnel		Total	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Non-convertible debenture	-	-	-	-	-	3.00	2.20	11.95	2.20	14.95
- Shriram Capital Limited	-	5.00	-	-	-	-	-	-	-	5.00
Interest payable on non-convertible debenture	-	-	-	-	-	0.96	0.15	0.92	0.15	1.88
Rent receivable from Shriram Capital Limited	2.68	2.17	-	-	-	-	-	-	2.68	2.17
Rent payable to Shriram Capital Limited	-	42.14	-	-	-	-	-	-	-	42.14
Outstanding expenses										
- Shriram Capital Limited	1,404.60	283.42	-	-	-	-	-	-	1,404.60	283.42
- Shriram Ownership Trust	2,151.55	1,140.93	-	-	-	-	-	-	2,151.55	1,140.93
Fixed deposit	-	-	-	-	-	-	44.92	41.15	44.92	41.15
Interest payable on fixed deposit	-	-	-	-	-	-	10.14	5.99	10.14	5.99
Subordinated debt	-	-	-	-	-	-	0.80	1.10	0.80	1.10
- Shriram Automall India Limited	-	-	160.61	78.64	-	-	-	-	160.61	78.64
- Shriram Capital Limited	311.14	339.94	-	-	-	-	-	-	311.14	339.94
Interest payable on subordinated debt	-	-	-	-	-	-	0.34	0.48	0.34	0.48
- Shriram Automall India Limited	-	-	21.98	3.74	-	-	-	-	21.98	3.74
- Shriram Capital Limited	79.11	65.57	-	-	-	-	-	-	79.11	65.57
Expenses recoverable from Shriram Capital Limited	0.10	-	-	-	-	-	-	-	0.10	-
Unclaimed debenture	-	-	-	-	-	-	0.36	-	0.36	-
Inter-corporate deposit received	-	-	2,890.00	-	-	-	-	-	2,890.00	-
Interest payable on inter-corporate deposit	-	-	56.50	-	-	-	-	-	56.50	-
Guarantee given by company										
- Shriram Automall India Limited	-	-	200.00	200.00	-	-	-	-	200.00	200.00

Ω Denotes payments

μ Denotes receipts

\$ As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, the amounts pertaining to the key management personnel are not included above.

@ Denotes expenses including service tax

(Rs. in lacs)

	As at March 31, 2017	As at March 31, 2016
28 CONTINGENT LIABILITIES NOT PROVIDED FOR		
a. In respect of Income tax demands where the Company has filed appeal before various authorities	15,085.63	14,284.36
b. VAT demand where the Company has filed appeal before various Appellates	10,925.05	7,843.00
c. Service tax liability pertaining to HP/Lease where the Company has filed appeal before CESTAT	12,833.93	12,833.93
d. Guarantees and counter guarantees	150,560.62	153,309.05
e. Guarantees given for subsidiaries	200.00	200.00

Future cash outflows in respect of (a), (b) and (c) above are determinable only on receipt of judgements/decisions pending with various forums/authorities. The Company is of the opinion that above demands are not sustainable and expects to succeed in its appeals. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

The Company has received show cause notice demanding service tax on services rendered towards provision of collection of receivables and liquidity facilities in respect of securitisation/direct assignments for the period 2008-09 to 2014-15, the same are contested by the Company.

(Rs. in lacs)

	As at March 31, 2017	As at March 31, 2016
Disputed income tax demands are on account of		
a. Royalty	2,735.15	2,094.69
b. Disallowance of ESOP expenses, 14A, derivatives etc.	1,198.16	1,146.38
c. Interest as per assessment orders, etc.	11,152.32	11,043.29
Total	15,085.63	14,284.36

(Rs. in lacs)

	As at March 31, 2017	As at March 31, 2016
Commitments not provided for		
a. Estimated amount of contracts remaining to be executed on capital account	491.66	422.56
b. Uncalled amount in investment in ICICI Investment Management Company Limited	747.02	809.83
c. Commitments related to loans sanctioned but undrawn	846.72	1,056.07

29 Based on the intimation received by the Company, some of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid /payable are furnished below:

(Rs. in lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
The principal amount remaining unpaid to supplier as at the end of the year	-	-
The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

- 30** In addition to the auditors remuneration shown in operating and other expenses, the Company has also incurred auditors remuneration in connection with audit and related statutory services to be performed by auditors in connection with issue of senior secured notes of Rs. 126.37 lacs (March 31, 2016: Rs. Nil) [including out-of-pocket expenses of Rs. 2.45 lacs (March 31, 2016 : Rs. Nil)] shown under professional charges-resource mobilisation in note 19.

(Rs. in lacs)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
31 EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)		
Computer software	-	14.24
Resource mobilisation	1,351.05	27.18
Membership fees	0.17	0.10
Advertisement	-	20.20
Listing fees	16.77	-
Total	1,367.99	61.72

(Rs. in lacs)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
32 DETAILS OF CSR EXPENSES		
a) Gross amount required to be spent by the Company during the year	3,632.97	3,789.53
b) Amount spent during the year		
- On purposes other than construction/ acquisition of any asset		
Paid in cash	1,193.15	1,863.73
Yet to be paid in cash	-	-
Total	1,193.15	1,863.73

33 DETAILS OF NET ASSETS TAKEN OVER ON AMALGAMATION

Pursuant to the scheme of amalgamation ('the Scheme') of erstwhile Shriram Equipment Finance Company Limited (SEFCL) with the Company under Sections 391 to 394 of the Companies Act, 1956 sanctioned by Hon'ble High Court of Madras on March 31, 2016 entire business and all assets and liabilities of Shriram Equipment Finance Company Limited were transferred and vested in the Company effective from April 1, 2015. Accordingly the Scheme has been given effect to in these financial statements.

SEFCL was non-banking finance Company 'NBFC' engaged in business of equipment financing.

The amalgamation has been accounted for under the "Pooling of Interest" method as prescribed by the Accounting Standard 14 "Accounting for Amalgamations" notified under the Companies (Accounts) Rules, 2014. Accordingly, the accounting treatment has been given as under:-

- (i) The assets and liabilities as at April 1, 2015 were incorporated in the financial statement of the Company at its book value.
- (ii) Debit balance in the Statement of Profit and Loss of SEFCL as at April 1, 2015 amounting to Rs. 3,503.89 lacs was adjusted in "Surplus in Statement of Profit and Loss".
- (iii) Credit balance in the Statutory Reserve pursuant to section 45-IC of the RBI Act, 1934 of SEFCL as at April 1, 2015 amounting to Rs. 4,655.65 lacs was adjusted in "Statutory Reserve pursuant to section 45-IC of the RBI Act, 1934".
- (iv) SEFCL being wholly owned subsidiary, the entire share capital i.e. 10,000,000 Equity Shares of Rs.10/- each fully paid and 25,000,000 0.01% Preference Share of Rs.100/- each in Shriram Equipment Finance Company Limited, held as investment by the Company stands cancelled.



34 DISCLOSURE OF RESTRUCTURED ACCOUNTS

Sr. No.	Type of restructuring Financial year	Others																				
		Year ended March 31, 2017					Year ended March 31, 2016															
		Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total											
1	Restructured accounts as on April 1	No. of borrowers	13,854	244	37	14,135	-	4,454	-	12	4,466	Amount outstanding	31,852.10	1,757.92	286.09	33,896.11	-	13,832.01	-	110.11	13,942.12	
		Provision thereon	18,102.03	1,757.92	286.09	20,146.04	-	5,079.26	-	110.11	5,189.37	No. of borrowers	9,062	-	-	9,062	-	11,667	-	-	-	11,667
2	Fresh restructuring during the year	Amount outstanding	31,079.35	-	-	31,079.35	-	26,515.10	-	-	26,515.10	Provision thereon	5,018.77	-	-	5,018.77	-	13,054.52	-	-	-	13,054.52
3	Upgradation	No. of borrowers	611	(398)	(55)	-	632	(631)	-	(1)	-	Amount outstanding	984.19	(369.73)	(55.08)	-	1,674.94	(1,666.55)	-	(8.39)	-	-
		Provision thereon	429.15	(4.34)	(55.08)	0.01	438.48	(430.09)	-	(8.39)	-	No. of borrowers	(611)	-	-	(611)	-	(632)	-	-	-	(632)
4	Restructured standard advances which cease to attract higher provisioning and/or additional risk weight at the end of the year and hence need not be shown as restructured advances at the beginning of the next year	Amount outstanding	(984.19)	-	-	(984.19)	(1,674.94)	-	-	-	(1,674.94)	Provision thereon	(429.15)	-	-	(429.15)	(438.48)	-	-	-	-	(438.48)
5	Downgradation of restructured accounts during the year	No. of borrowers	(2,420)	2,069	351	-	-	(271)	244	27	-	Amount outstanding	(6,761.62)	5,674.62	1,087.00	-	(1,965.18)	1,757.92	207.26	-	-	-
		Provision thereon	(6,761.62)	5,674.62	1,087.00	-	-	(1,965.18)	1,757.92	207.26	-	No. of borrowers	(2,821)	(917)	(1,070)	(4,808)	-	(1,365)	-	(1)	(1,366)	
6	Write-offs of restructured accounts during the year	Amount outstanding	(7,142.42)	(2,105.88)	(283.49)	(9,531.79)	-	(4,863.28)	-	(22.89)	(4,886.17)	Provision thereon	5,528.78	(2,113.15)	(283.49)	3,132.14	-	2,363.55	-	(22.89)	-	2,340.66
7	Restructured accounts as on March 31	No. of borrowers	17,277	1,238	(737)	17,778	-	13,854	244	37	14,135	Amount outstanding	48,468.03	4,956.93	1,034.52	54,459.48	-	31,852.10	1,757.92	286.09	33,896.11	
		Provision thereon	21,883.62	4,949.66	1,034.52	27,867.80	-	18,102.03	1,757.92	286.09	20,146.04	No. of borrowers	21,883.62	4,949.66	1,034.52	27,867.80	-	18,102.03	1,757.92	286.09	20,146.04	

The outstanding amount and number of borrowers as at March 31, 2017 and March 31, 2016 is after considering recoveries during the year.

Additional facilities availed by borrowers in existing restructured accounts and partial repayments in existing restructured accounts are disclosed under "Write-offs of restructured accounts", however, for the purpose of arithmetical accuracy the number of existing borrowers availing additional facility or partial repayments have been ignored.

For the purpose of arithmetical accuracy as required by Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, movement in provisions in the existing restructured account as compared to opening balance is disclosed under write-off/sale/recovery (for any change in provision) during the year and are not comparable with the additional facilities availed and partial recovery disclosed under the respective columns.

Since the disclosure of restructured advance account pertains to section "Others", the first two sections, namely, "Under CDR Mechanism" and "Under SME Debt Restructuring Mechanism" as per format prescribed in the guidelines are not included above.

Additional disclosures required by Reserve Bank of India

35 CREDIT RATING			
Instruments	Credit rating agency	As on March 31, 2017	As on March 31, 2016
Bank Loan Long-term	CRISIL	CRISIL AA+/ Stable	CRISIL AA+/ Stable
Bank Loan Short-term	CRISIL	CRISIL A1+	CRISIL A1+
Fixed deposit	CRISIL	CRISIL FAAA/Stable	CRISIL FAAA/Stable
Fixed deposit	ICRA	MAA+ with Stable outlook	MAA+ with Stable outlook
Long-Term Issuer Credit Rating	Standard & Poor's Ratings	BB+/Stable	BB+/Stable Outlook
Long-Term Issuer Default Rating	Fitch Ratings	BB+/Stable Outlook	BB+/Stable Outlook
Non-convertible debenture	CARE	CARE AA+	CARE AA+
Non-convertible debenture	CRISIL	CRISIL AA+/Stable	CRISIL AA+/ Stable
Non-convertible debenture	India Ratings & Research Private Limited (Formerly known as "FITCH")	IND AA+/Stable Outlook	IND AA+/Stable Outlook
Offshore Rupee Denominated Bond (Masala Bond)	Standard & Poor's Ratings	BB+	-
Short term debt	CRISIL	CRISIL A1+	CRISIL A1+
Short-Term Issuer Credit Rating	Standard & Poor's Ratings	B	B
Short-Term Issuer Default Rating	Fitch Ratings	B	B
Subordinated debt	CARE	CARE AA+	CARE AA+
Subordinated debt	India Ratings & Research Private Limited (Formerly known as FITCH")	IND AA+/Stable Outlook	IND AA+/Stable Outlook
Subordinated debt	CRISIL	CRISIL AA+/Stable	CRISIL AA+/ Stable

(Rs. in lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
36 CAPITAL		
i) CRAR (%)	16.94	17.56
ii) CRAR - Tier I Capital (%)	15.20	14.71
iii) CRAR - Tier II Capital (%)	1.74	2.85
iv) Amount of subordinated debt raised as Tier-II capital*	348,077.98	352,045.50
v) Amount raised by issue of Perpetual Debt Instruments	-	-

*** Note:**

Discounted value of Rs. 179,899.48 lacs (March 31, 2016: Rs. 214,273.07 lacs) considered for Tier II capital against the book value is Rs. 348,077.98 lacs (March 31, 2016: Rs. 352,045.50 lacs).

(Rs. in lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
37 INVESTMENTS		
(1) Value of investments		
(i) Gross value of investments		
(a) In India	154,959.86	135,641.50
(b) Outside India,	-	-
(ii) Provisions for depreciation		
(a) In India	25.37	25.00
(b) Outside India,	-	-
(iii) Net value of investments		
(a) In India	154,934.49	135,616.50
(b) Outside India,	-	-
(2) Movement of provisions held towards depreciation on investments		
(i) Opening balance	25.00	25.00
(ii) Add : Provisions made during the year	0.37	-
(iii) Less : Write-off/write-back of excess provisions during the year	-	-
(iv) Closing balance	25.37	25.00

38 DERIVATIVES

38.1 Forward rate agreement/Interest rate swap

(Rs. in lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
(i) The notional principal of swap agreements	90,718.37	41,725.00
(ii) Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	Nil	Nil
(iii) Collateral required by the NBFC upon entering into swaps	Nil	Nil
(iv) Concentration of credit risk arising from the swap	Nil	Nil
(v) The fair value of the swap book	90,718.37	41,725.00

38.2 Exchange Traded interest rate (IR) derivatives : Nil

38.3 Disclosures on risk exposure of derivatives

Qualitative disclosures

The Company has a Board approved policy in dealing with derivative transactions. Derivative transaction consists of hedging of foreign exchange transactions, which includes interest rate and currency swaps, interest rate options and forwards. The Company undertakes derivative transactions for hedging on-balance sheet assets and liabilities. Such outstanding derivative transactions are accounted on accrual basis over the life of the underlying instrument. The Asset Liability Management Committee and Risk Management Committee closely monitors such transactions and reviews the risks involved.

(Rs. in lacs)

Particulars	As at March 31, 2017		As at March 31, 2016	
	Currency derivatives	Interest rate derivatives	Currency derivatives	Interest rate derivatives
(i) Derivatives (Notional principal amount) For hedging	90,718.37		41,725.00	
(ii) Marked to market positions [1]				
a) Asset (+)	Nil	Nil	Nil	Nil
b) Liability (-)	Nil	Nil	Nil	Nil
(iii) Credit exposure [2]	Nil	Nil	Nil	Nil
(iv) Unhedged exposures	Nil	Nil	Nil	Nil

39 DISCLOSURES RELATING TO SECURITISATION

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

(Rs. in lacs)

Sr. No.	Particulars	As at March 31, 2017	As at March 31, 2016
1	No of SPVs sponsored by the NBFC for securitisation transactions* (in No.)	51	35
2	Total amount of securitised assets as per books of the SPVs sponsored	1,288,049.92	964,926.71
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of Balance Sheet		
	(a) Off-Balance Sheet exposures		
	First loss	-	-
	Others	-	-
	(b) On-Balance Sheet exposures		
	First loss	114,952.94	93,086.83
	Others	68,213.22	47,721.45

39 DISCLOSURES RELATING TO SECURITISATION (Contd.)

		(Rs. in lacs)	
Sr. No.	Particulars	As at March 31, 2017	As at March 31, 2016
4	Amount of exposures to securitisation transactions other than MRR		
	(a) Off-Balance Sheet exposures		
	(i) Exposure to own securitisations		
	First loss	-	-
	Loss	71,921.05	76,122.94
	(ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
	(b) On-Balance Sheet exposures		
	(i) Exposure to own securitisations		
	First loss	-	-
	Others	67,725.77	30,969.18
	(ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-

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

		(Rs. in lacs)	
Sr. No.	Particulars	As at March 31, 2017	As at March 31, 2016
1	No. of transactions assigned by the Company	24	25
2	Total amount outstanding	41,424.24	166,539.92
3	Total amount of exposures retained by the Company to comply with MRR as on the date of Balance Sheet		
	(a) Off-Balance Sheet exposures		
	First loss	-	-
	Others	-	-
	(b) On-Balance Sheet exposures		
	First loss	-	-
	Others	4,984.80	18,474.48
4	Amount of exposures to assigned transaction other than MRR		
	(a) Off-Balance Sheet exposures		
	(i) Exposure to own securitisations		
	First loss	-	407.00
	Loss	-	271.00
	(ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
	(b) On-Balance Sheet exposures		
	(i) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	(ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-

39 DISCLOSURES RELATING TO SECURITISATION (Contd.)

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

		(Rs. in lacs)	
Sr. No.	Particulars	As at March 31, 2017	As at March 31, 2016
1	No. of transactions assigned by the Company	-	-
2	Total amount outstanding	-	-
3	Total amount of exposures retained by the Company to comply with MRR as on the date of Balance Sheet		
	(a) Off-Balance Sheet exposures		
	First loss	-	-
	Others	-	-
	(b) On-Balance Sheet exposures		
	First loss	-	-
	Others	-	-
4	Amount of exposures to assigned transaction other than MRR		
	(a) Off-Balance Sheet exposures		
	(i) Exposure to own securitisations		
	First loss	-	-
	Loss	-	-
	(ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
	(b) On-Balance Sheet exposures		
	(i) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	(ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-

39.2 No financial assets are sold to securitisation/reconstruction company for asset reconstruction as on March 31, 2017 and March 31, 2016.

39.3 Details of assignment transactions undertaken by NBFCs

		(Rs. in lacs)	
Particulars	Year ended March 31, 2017	Year ended March 31, 2016	
i) No. of accounts	902	170,931	
ii) Aggregate value (net of provisions) of accounts sold	4,863.89	237,630.14	
iii) Aggregate consideration *	5,038.54	248,497.50	
iv) Additional consideration realised in respect of accounts transferred in earlier years	10,775.41	4,590.78	
v) Aggregate gain/loss over net book value	10,950.06	15,458.15	

* Includes income on assignment transactions realised in respect of accounts transferred in current year.

39.4 The Company has not purchased/sold non-performing assets for the year ended March 31, 2017 and March 31, 2016.

40 ASSET LIABILITY MANAGEMENT MATURITY PATTERN OF CERTAIN ITEMS OF ASSETS AND LIABILITIES AS AT MARCH 31, 2017

(Rs. in lacs)

Particulars	Upto 30/31 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	46,847.65	31,272.78	31,427.46	96,198.55	172,125.75	417,622.34	129,430.37	-	924,924.89
Advances	226,385.01	158,429.03	156,671.66	474,452.63	939,607.52	2,968,958.67	1,194,126.17	126,212.88	6,244,843.56
Investments	5,220.97	-	-	-	-	7,356.11	2,497.62	139,859.79	154,934.49
Borrowings	45,987.60	130,143.41	146,786.93	531,825.71	513,037.43	2,022,741.99	752,328.66	320,740.00	4,463,591.72
Foreign currency assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	200.00	-	-	553.49	-	752.68	-	-	1,506.16

41 EXPOSURE TO REAL ESTATE SECTOR

The Company has no exposure to real estate sector as on March 31, 2017 and as on March 31, 2016.

(Rs. in lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
42 EXPOSURE TO CAPITAL MARKET		
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	3,241.83	3,242.20
(ii) Advances against shares/bonds/debentures or other securities on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/convertible debentures/units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) Loans sanctioned to corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) Bridge loans to companies against expected equity flows/issues;	-	-
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	65.09	1,655.64
Total exposure to capital market	3,306.92	4,897.84

43 ADDITIONAL DISCLOSURES

43.1 Provisions and contingencies		(Rs. in lacs)
Break up of 'Provisions and contingencies' shown under the head expenditure in Profit and Loss account	Year ended March 31, 2017	Year ended March 31, 2016
Provisions for depreciation on investment	0.37	-
Provision towards NPA	106,479.02	90,446.24
Provision made towards income tax	66,658.30	60,323.36
Other Provision and contingencies (with details)		
Provision for leave encashment	1,105.09	1,190.23
Provision for gratuity	90.00	369.45
Provision for value added tax	126.65	108.15
Provision for credit loss on securitisation	10,173.79	4,821.98
Provision for standard assets	3,674.37	4,990.48

43.2 Draw down reserve

During the year ended March 31, 2017, the draw down from reserves was Rs. Nil.

44 CONCENTRATION OF DEPOSITS, ADVANCES, EXPOSURES AND NPAs

44.1 Concentration of deposits (for deposit taking NBFCs)		(Rs. in lacs)
	As at March 31, 2017	
Total deposits of twenty largest depositors	49,584.26	
Percentage of deposits of twenty largest depositors to total deposits of the NBFC	5.36%	

44.2 Concentration of advances		(Rs. in lacs)
	As at March 31, 2017	
Total advances to twenty largest borrowers *	17,633.49	
Percentage of advances to twenty largest borrowers to total advances of the NBFC *	0.27%	

* Excludes retained interest on securitisation Rs. 73,198.02 lacs

44.3 Concentration of exposures		(Rs. in lacs)
	As at March 31, 2017	
Total exposure to twenty largest borrowers/customers *	82,119.10	
Percentage of exposures to twenty largest borrowers/customers to total exposure of the NBFC on borrowers/customers *	1.24%	

* Excludes retained interest on securitisation Rs. 73,198.02 lacs

44.4 Concentration of NPAs		(Rs. in lacs)
Particulars	As at March 31, 2017	
Total exposure to top four NPA accounts	4,534.24	

44 CONCENTRATION OF DEPOSITS, ADVANCES, EXPOSURES AND NPAs

44.5 Sector-wise NPAs *

Sr. No.	Sector	Percentage of NPAs to Total Advances in that sector
1	Agriculture & allied activities	-
2	MSME	-
3	Corporate borrowers	-
4	Services	-
5	Unsecured working capital loans	19.98%
6	Auto loans	7.91%
7	Others	55.34%

* The loans mentioned above include loans given to corporates.

Particulars	(Rs. in lacs)	
	Year ended March 31, 2017	Year ended March 31, 2016
45 MOVEMENT OF NPAs		
(i) Net NPAs to net advances (%)	2.66%	1.91%
(ii) Movement of NPAs (Gross)		
(a) (i) Opening balance	387,023.84	189,413.90
(a) (ii) Transfer from SEFC on account of amalgamation	-	47,185.08
(b) Additions during the year	358,346.87	322,592.68
(c) Reductions during the year	204,527.13	172,167.82
(d) Closing balance	540,843.58	387,023.84
(iii) Movement of Net NPAs		
(a) (i) Opening balance	114,369.70	37,912.06
(a) (ii) Transfer from SEFC on account of amalgamation	-	18,930.62
(b) Additions during the year	114,609.13	184,907.14
(c) Reductions during the year	63,079.68	127,380.12
(d) Closing balance	165,899.15	114,369.70
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) (i) Opening balance	272,654.14	151,501.84
(a) (ii) Transfer from SEFC on account of amalgamation	-	28,254.46
(b) Provisions made during the year	243,737.74	137,685.54
(c) Write-off/write-back of excess provisions	141,447.45	44,787.70
(d) Closing balance	374,944.43	272,654.14

46 OVERSEAS ASSETS (FOR THOSE WITH JOINT VENTURES AND SUBSIDIARIES ABROAD)

The Company does not have any joint venture or subsidiary abroad, hence not applicable.

Off-balance sheet SPVs sponsored

The Company has not sponsored any off-balance sheet SPV.

		Year ended March 31, 2017
47	CUSTOMER COMPLAINTS	
	(a) Number of complaints pending at the beginning of the year	825
	(b) Number of complaints received during the year	7,715
	(c) Number of complaints redressed during the year	8,387
	(d) Number of complaints pending at the end of the year	153

48 PENALTIES

During the year ended March 31, 2017, no penalties have been levied by any regulator on the Company.

49 INFORMATION ON INSTANCES OF FRAUD

Instances of fraud for the year ended March 31, 2017: (Rs. in lacs)

Nature of fraud	No. of cases	Amount of fraud	Recovery*	Amount written-off
Fraud committed by staff and customers	14	90.78	26.50	-

* Amount recovered against cases reported during the year ended on March 31, 2016.

Instances of fraud for the year ended March 31, 2016: (Rs. in lacs)

Nature of fraud	No. of cases	Amount of fraud	Recovery	Amount written-off #
Fraud committed by staff and customers	10	81.49	-	44.43

Amount written-off against cases reported during the year ended on March 31, 2015.

50 THE DETAILS OF SPECIFIED BANK NOTES (SBN) HELD AND TRANSACTED DURING THE PERIOD FROM NOVEMBER 8, 2016 TO DECEMBER 30, 2016 AS PROVIDED IN THE TABLE BELOW:

(Rs. in lacs)			
Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	9,882.36	231.75	10,114.11
(+) Permitted receipts	-	34,544.43	34,544.43
(-) Permitted payments	-	1,346.58	1,346.58
(-) Amount deposited in Banks	9,882.36	31,840.30	41,722.66
Closing cash in hand as on 30.12.2016	-	1,589.30	1,589.30

In the ordinary course of business, loan borrowers of the Company have directly deposited cash as part of their loan repayments in the collection bank accounts of the Company with various banks, aggregating to Rs. 60,639.52 lacs during the period November 9, 2016 to December 30, 2016 the denomination wise details of which are currently not available with the Company and hence not included in the above table.

Explanation : For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the November 8, 2016.

51 PREVIOUS YEAR COMPARATIVES

Previous year's figures have been regrouped/reclassified wherever necessary, to conform to current year's classification.

As per our report of even date
For **S.R. BATLIBOI & Co. LLP**
ICAI Firm Registration No. 301003E/E300005
Chartered Accountants

per Shrawan Jalan
Partner
Membership No. 102102

Mumbai
April 27, 2017

For **G. D. Apte & Co.**
ICAI Firm Registration No. 100515W
Chartered Accountants

Ameya D. Tambekar
Partner
Membership No. 128355

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

S. Lakshminarayanan **Umesh Revankar**
Chairman Managing Director & CEO
DIN: 02808698 DIN: 00141189

Parag Sharma **Vivek M. Achwal**
Chief Financial Officer Company Secretary

As required in terms of paragraph 18 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016
Schedule to the Balance Sheet (Rs. in lacs)

Particulars	As at March 31, 2017	
	Amount outstanding	Amount overdue
Liabilities side :		
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
(a) Debenture : Secured	2,013,062.15	5,755.28 #
: Unsecured (other than falling within the meaning of public deposits*)	Nil	Nil
(b) Deferred Credits	Nil	Nil
(c) Term Loans	1,822,294.59	Nil
(d) Inter-corporate loans and borrowing	2,946.50	Nil
(e) Commercial Paper	Nil	Nil
(f) Public Deposits* @	911,817.58	15,489.74 #
(g) Other Loans - Subordinated debts	393,556.74	1,140.75 #
- Cash Credit	247,114.70	Nil
- Deposits from corporates	13,107.32	40.79
- Senior secured notes	137,258.44	Nil
@ excludes deposits from corporates		
*Please see note 1 below		
# Represent amounts unclaimed		

(Rs. in lacs)

	Amount	
	outstanding	overdue
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
(a) In the form of Unsecured debentures	Nil	Nil
(b) In the form of partly secured debentures i.e debentures where there is a shortfall in the value of security	Nil	Nil
(c) Other public deposits @	911,817.58	15,489.74
@ excludes deposits from corporates		
*Please see note 1 below		
# Represent amounts unclaimed		

(Rs. in lacs)

Assets side :	Amount
	outstanding
(3) Break-up of loans and advances including bills receivables (other than those included in (4) below):	
(a) Secured	587.49
(b) Unsecured	133,983.23

(Rs. in lacs)

Category	Amount (Net of provisions)		
	Secured	Unsecured	Total
(6) Borrower group-wise classification of assets, financed as in (3) and (4) above :			
Please see note 2 below			
1. Related Parties **			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties	6,065,189.81	107,286.94	6,172,476.75

(Rs. in lacs)

Category	Market Value / Break up or fair value or NAV*	Book Value (Net of Provisions)
(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):		
Please see note 3 below		
1. Related Parties **		
(a) Subsidiaries	5,970.33	3,000.00
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	163,373.37	151,743.73

* Disclosure is made in respect of available information.

** As per Accounting Standard of ICAI (Please see note 3)

(Rs. in lacs)

Particulars	Amount
(8) Other information	
(i) Gross non-performing assets	
(a) Related parties	Nil
(b) Other than related parties	540,843.58
(ii) Net non-performing assets	
(a) Related parties	Nil
(b) Other than related parties	165,899.15
(iii) Assets acquired in satisfaction of debt	Nil

Notes :

- As defined in point xix of paragraph 3 of Chapter -2 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
- Provisioning norms shall be applicable as prescribed in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (5) above.

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

PART A: Subsidiaries

(Rs. in lacs)

Sr. No.	Particulars	Shriram Automall India Limited
1	Capital	3,000.00
2	Reserves	2,970.33
3	Total assets	10,164.61
4	Total liabilities	4,194.28
5	Investment included in total assets	257.87
6	Turnover	8,283.86
7	Profit before taxation	1,412.42
8	Provision for taxation	583.27
9	Profit after taxation	829.15
10	Dividend including dividend distribution tax	-
11	% of shareholding	100.00

PART B: ASSOCIATES AND JOINT VENTURE

The Company does not have any joint venture or associate, hence not applicable.

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

S. Lakshminarayanan
Chairman
DIN: 02808698

Parag Sharma
Chief Financial Officer

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Vivek M. Achwal
Company Secretary

Mumbai
April 27, 2017



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To the Members of
Shriram Transport Finance Company Limited

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of Shriram Transport Finance Company Limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of

the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at March 31, 2017, their consolidated profit/loss, and their consolidated cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by section 143 (3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and except for the matter referred to in para g (iv) below, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India, refer to our separate report in "Annexure 1" to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, – Refer Note 30 to the consolidated financial statements;
 - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2017.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries, incorporated in India during the year ended March 31, 2017.
 - iv. The Holding Company and its subsidiary have provided disclosures in Note 37 in the consolidated

financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 9, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including those in Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Group as produced to us by the management of the Holding Company. However, as stated in Note 37 in the consolidated financial statements, the borrowers of the Holding Company and its subsidiary have directly deposited cash in the Company's bank accounts and we report that we were not made available sufficient and appropriate audit evidence to report on the matter of denomination wise details of such deposits, the details of which, as represented to us, are not available with the Company.

OTHER MATTER

(a) The accompanying consolidated financial statements include total assets of Rs. 10,165 lacs as at March 31, 2017, and total revenues and net cash outflows of Rs. 8,284 lacs and Rs. 7 lacs for the year ended on that date, in respect of Shriram Automall India Limited, subsidiary which have been audited by G.D. Apte & Co., Chartered Accountant, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of such other auditors. Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the financial statements and other financial information certified by the Management.

For **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

per Shrawan Jalan

Partner

Membership No. 102102

Place: Mumbai

Date: April 27, 2017

For **G. D. Apte & Co.**

Chartered Accountants

ICAI Firm Registration No. 100515W

Ameya D. Tambekar

Partner

Membership No. 128355

Place: Mumbai

Date: April 27, 2017

Annexure 1 to The Independent Auditor's Report of Even Date On The Consolidated financial Statements of Shriram Transport Finance Company Limited**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of Shriram Transport Finance Company Limited as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Shriram Transport Finance Company Limited (hereinafter referred to as the "Holding Company") and its subsidiary Company, which is Company incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company, its subsidiary Company, which is Company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Holding Company, its subsidiary Company, which is Company incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Holding 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.

OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to the subsidiary Company, which is Company incorporated in India, is based on the corresponding reports of the auditors of such subsidiary Company incorporated in India.

For **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

per Shrawan Jalan

Partner

Membership No. 102102

Place: Mumbai

Date: April 27, 2017

For **G. D. Apte & Co.**

Chartered Accountants

ICAI Firm Registration No. 100515W

Ameya D. Tambekar

Partner

Membership No. 128355

Place: Mumbai

Date: April 27, 2017

Particulars	Note No	(Rs. in lacs)	
		As at March 31, 2017	As at March 31, 2016
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	22,690.67	22,690.67
(b) Reserves and surplus	4	1,110,502.52	994,857.66
		1,133,193.19	1,017,548.33
(2) Non-current liabilities			
(a) Long-term borrowings	5	3,369,861.25	3,026,888.74
(b) Other long-term liabilities	6	131,064.17	116,346.89
(c) Long-term provisions	7	389,393.83	284,271.68
		3,890,319.25	3,427,507.31
(3) Current liabilities			
(a) Short-term borrowings	8	495,423.75	333,044.38
(b) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditor other than micro enterprises and small enterprises		176,936.11	153,657.67
(c) Other current liabilities	6	1,709,089.24	1,818,370.04
(d) Short-term provisions	7	40,092.72	51,218.95
		2,421,541.82	2,356,291.04
Total		7,445,054.26	6,801,346.68
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	9		
(i) Property, plant and equipment		13,246.45	15,052.81
(ii) Intangible assets		176.33	158.43
(b) Non-current investments	10	146,792.40	122,251.16
(c) Deferred tax assets (net)	11	36,348.80	30,887.14
(d) Long-term loans and advances	12	4,731,203.23	4,301,326.73
(e) Other non-current assets	13	7,518.23	1,389.01
		4,935,285.44	4,471,065.28
(2) Current assets			
(a) Current investments	14	5,225.25	11,699.19
(b) Trade receivables	15	867.85	1,009.48
(c) Cash and bank balances	16	444,531.15	236,555.03
(d) Short-term loans and advances	12	2,053,237.66	2,075,953.30
(e) Other current assets	13	5,906.91	5,064.40
		2,509,768.82	2,330,281.40
Total		7,445,054.26	6,801,346.68
Significant accounting policies	2.1		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date
For **S.R. BATLIBOI & Co. LLP**
ICAI Firm Registration No. 301003E/E300005
Chartered Accountants

per **Shrawan Jalan**
Partner
Membership No. 102102

Mumbai
April 27, 2017

For **G. D. Apte & Co.**
ICAI Firm Registration No. 100515W
Chartered Accountants

Ameya D. Tambekar
Partner
Membership No. 128355

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

S. Lakshminarayanan
Chairman
DIN: 02808698

Parag Sharma
Chief Financial Officer

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Vivek M. Achwal
Company Secretary

STATEMENT OF CONSOLIDATED **PROFIT AND LOSS**
FOR THE YEAR ENDED MARCH 31, 2017

CONSOLIDATED ACCOUNTS

Particulars	Note No	(Rs. in lacs)	
		Year ended March 31, 2017	Year ended March 31, 2016
INCOME			
Revenue from operations	17	1,090,271.46	1,035,858.80
Other income	18	175.61	338.20
Total		1,090,447.07	1,036,197.00
EXPENDITURE			
Employee benefit expenses	19	58,320.25	62,373.31
Finance cost	20	518,570.24	505,792.37
Depreciation and amortisation	9	3,487.35	3,763.16
Other expenses	21	71,832.20	74,660.84
Provisions and write-offs	22	244,432.05	210,679.48
Total		896,642.09	857,269.16
Profit before taxation		193,804.98	178,927.84
Provision for taxation			
Current tax		72,703.23	65,674.83
Deferred tax		(5,461.66)	(5,108.81)
Total tax expense/(income)		67,241.57	60,566.02
Profit after tax from operations		126,563.41	118,361.82
Net profit after taxes and share of profit of associate		126,563.41	118,361.82
Earnings per share	23		
Basic (Rs.)		55.78	52.17
Diluted (Rs.)		55.78	52.17
Nominal value of equity share (Rs.)		10.00	10.00
Significant accounting policies	2.1		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date

For **S.R. BATLIBOI & Co. LLP**

ICAI Firm Registration No. 301003E/E300005
Chartered Accountants

per **Shrawan Jalan**

Partner

Membership No. 102102

Mumbai

April 27, 2017

For **G. D. Apte & Co.**

ICAI Firm Registration No. 100515W
Chartered Accountants

Ameya D. Tambekar

Partner

Membership No. 128355

For and on behalf of the Board of Directors of

Shriram Transport Finance Company Limited

S. Lakshminarayanan

Chairman

DIN: 02808698

Parag Sharma

Chief Financial Officer

Umesh Revankar

Managing Director & CEO

DIN: 00141189

Vivek M. Achwal

Company Secretary

Particulars	(Rs. in lacs)	
	Year ended March 31, 2017	Year ended March 31, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxes	193,804.98	178,927.84
Depreciation and amortisation	3,487.35	3,763.16
Loss/(profit) on sale of fixed assets (net)	27.18	35.36
Provision for diminution in value of investments	0.37	-
Employees stock option compensation cost	4.28	(38.70)
Premium on government securities	124.17	82.30
Amortisation of discount on government securities	(227.97)	(221.42)
Amortisation of issue expenses for equity shares	152.78	152.78
Amortisation of public issue expenses for non-convertible debentures	1,074.35	1,303.09
Provision for credit loss on securitisation	10,173.79	4,821.98
Provisions for Non-performing Assets and bad debt written off	230,583.52	200,867.02
Provisions for standard assets	3,674.37	4,990.48
Provision for gratuity	(162.77)	190.74
Provision for leave encashment	(54.71)	301.61
Operating profit before working capital changes	442,661.69	395,176.24
Movements in working capital:		
Increase/(decrease) in trade payables	23,278.44	30,823.43
Increase/(decrease) in provisions	(14,362.52)	(2,370.38)
Increase/(decrease) in other liabilities	81,829.94	47,045.44
Decrease/(increase) in trade receivables	141.63	(710.62)
(Increase)/decrease in investments	(17,966.11)	169,905.15
Decrease/(increase) in loans and advances	(531,259.23)	(1,110,571.68)
Decrease/(increase) in bank deposits (having original maturity of more than three months)(net)	(181,009.46)	(25,816.52)
Decrease/(increase) in other assets	(1,395.21)	984.20
Cash generated from operations	(198,080.83)	(495,534.74)
Direct taxes paid (net of refunds)	(68,070.26)	(55,183.14)
Net cash flow used in operating activities (A)	(266,151.09)	(550,717.88)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed including intangible assets	(1,770.76)	(3,654.73)
Proceeds from sale of fixed assets	46.93	72.94
Net cash used in investing activities (B)	(1,723.83)	(3,581.79)

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

CONSOLIDATED ACCOUNTS

Particulars	(Rs. in lacs)	
	Year ended March 31, 2017	Year ended March 31, 2016
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received from institutional borrowing	2,798,406.98	2,109,331.46
Amount received from senior secured notes	135,000.00	-
Increase/(decrease) in retail borrowings	16,377.50	97,664.77
Amount redeemed for public issue of non-convertible debentures	(150,105.01)	(41,795.50)
Repayment of institutional borrowing	(2,470,721.02)	(1,855,651.85)
Dividend paid	(22,688.27)	(22,688.27)
Tax on dividend	(4,618.80)	(4,618.80)
Net cash from financing activities (C)	301,651.38	282,241.81
Net increase/(decrease) in cash and cash equivalents (A + B + C)	33,776.46	(272,057.86)
Cash and cash equivalents at the beginning of the year	80,547.20	352,605.06
Cash and cash equivalents at the end of the year	114,323.66	80,547.20

Components of cash and cash equivalents	(Rs. in lacs)	
	As at March 31, 2017	As at March 31, 2016
Cash and cash equivalents at the end of the year		
i) Cash on hand	7,910.29	10,124.16
ii) Cheques on hand	3,175.11	4,698.24
iii) Balances with scheduled banks in:		
Current accounts	102,155.05	59,765.26
Unclaimed dividend accounts *	1,083.21	923.26
Deposits with original maturity of less than three months	-	5,036.28
Total cash and cash equivalents (note 16)	114,323.66	80,547.20

Significant accounting policies (note 2.1)

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

Notes

- The above cash flow statement have been prepared under the indirect method set out in Accounting Standard (AS)-3, 'Cash Flow Statement' notified pursuant to the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.
- All figures in brackets indicate outflow.
- Direct tax paid is treated as arising from operating activities and are not bifurcated between investment and financing activities.
- *4) These balances are not available for use by the Company as they represent corresponding unclaimed dividend liability.

As per our report of even date

For **S.R. BATLIBOI & Co. LLP**

ICAI Firm Registration No. 301003E/E300005

Chartered Accountants

per Shrawan Jalan

Partner

Membership No. 102102

Mumbai

April 27, 2017

For **G. D. Apte & Co.**

ICAI Firm Registration No. 100515W

Chartered Accountants

Ameya D. Tambekar

Partner

Membership No. 128355

For and on behalf of the Board of Directors of

Shriram Transport Finance Company Limited

S. Lakshminarayanan

Chairman

DIN: 02808698

Parag Sharma

Chief Financial Officer

Umesh Revankar

Managing Director & CEO

DIN: 00141189

Vivek M. Achwal

Company Secretary

1 BASIS OF PREPARATION

The consolidated financial statements relates to M/s. Shriram Transport Finance Company Limited (the Company) and its subsidiary company. The Company and its subsidiary company constitute the Group. The financial statements have been prepared in conformity with generally accepted accounting principles to comply in all material respects with the notified Accounting Standards ('AS') under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014, and the Companies (Accounting Standards) Amendment Rules, 2016 and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non-Banking Finance Company ('NBFC'). The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year except for the change in accounting policy explained below. The complete financial statements have been prepared along with all disclosures.

2 BASIS OF CONSOLIDATION

- (i) The financial statements of the subsidiary company used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended March 31, 2017 and are prepared based on the accounting policies consistent with those used by the Company.
- (ii) The financial statements of the Group have been prepared in accordance with the AS 21- 'Consolidated Financial Statements' notified under the provision of the Companies Act, 2013 (the 'Act') read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and other generally accepted accounting principles in India.
- (iii) The consolidated financial statements have been prepared on the following basis :
 - 1 The financial statements of the Company and its subsidiary company has been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions have been fully eliminated except where losses are realised.
 - 2 The excess of cost to the Company of its investments in the subsidiary company over its share of equity of the subsidiary company, at the dates on which the investments in the subsidiary company is made, is recognised as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary company as on the date of investment is in excess of cost of investment of the Company, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.
 - 3 Minority interest, if any, in the net assets of consolidated subsidiary consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary company and further movements in their share in the equity, subsequent to the dates of investments as stated above.
- (iv) The following subsidiary company is considered in the consolidated financial statements:

Sr. No.	Name of the subsidiary company	Country of incorporation	Share of ownership interest as at March 31, 2017	Share of ownership interest as at March 31, 2016
1	Shriram Automall India Limited (SAIL) (w.e.f. February 11, 2010)	India	100%	100%

2.1 Significant accounting policy

(a) Change in accounting policy

Accounting for proposed dividend

As per the requirements of pre-revised AS 4, the Company used to create a liability for dividend proposed/declared after the Balance Sheet date if dividend related to periods covered by the financial statements. Going forward, as per AS 4(R), the Company cannot create provision for dividend proposed/declared after the Balance Sheet date unless a statute requires otherwise. Rather, Company will need to disclose the same in notes to the financial statements. Accordingly, the Company has disclosed dividend proposed by board of directors after the Balance Sheet date in the notes.

Had the Company continued with creation of provision for proposed dividend, its surplus in the Statement of Profit and Loss would have been lower by Rs. 16,384.24 lacs and current provision would have been higher by Rs. 16,384.24 lacs (including dividend distribution tax of Rs. 2,771.28 lacs).

(b) Current/non-current classification of assets/liabilities

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

(c) Use of estimates

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

results could differ from these estimates. Any revisions to the accounting estimates are recognised prospectively in the current and future years.

(d) Fixed assets, depreciation/amortisation and impairment

Property, plant and equipment

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is provided on Straight Line Method ('SLM') using the rates arrived at based on the useful lives estimated by the management. The Group has used the following useful life to provide depreciation on its fixed assets:

Particulars	Useful life as prescribed by Schedule II of the Companies Act, 2013	Useful life estimated by Group
Building	60 years	60 years
Building - fence	5 years	5 years
Carpeted road	10 years	10 years
Plant and machinery	15 years	15 years
Electrical equipment	10 years	10 years
Generator	10 years	10 years
Furniture and fixture	10 years	10 years
Air conditioner	5 years	5 years
Electronic equipment	5 years	5 years
Office equipment	5 years	5 years
Refrigerator	5 years	5 years
Motor car	8 years	8 years
Vehicles	10 years	10 years
Server and networking	6 years	6 years
Computer	3 years	3 years

Leasehold improvement is amortised on SLM over the lease term subject to a maximum of 60 months.

Depreciation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss till the date of acquisition/sale.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Amortisation is provided on Straight Line Method ('SLM'), which reflect the management's estimate of the useful life of the intangible asset.

Particulars	Rates (SLM)
Computer software	33.33%
Trade marks	10.00%

Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss till the date of acquisition/sale.

Impairment of fixed assets

The carrying amount of assets is reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

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

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment. The reversal of impairment is recognised in Statement of Profit and Loss, unless the same is carried at revalued amount and treated as revaluation reserve.

(e) Investments

Investments intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of the investments.

An investment in buildings, which is not intended to be occupied substantially for use by, or in the operations of, the Group, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Depreciation on building component of investment property is calculated on a straight-line basis using the rate arrived at based on the useful life as prescribed as per the Schedule II of the Companies Act, 2013.

(f) Provisioning/Write-off of assets

Non-performing loans are written off/provided for, as per management estimates, subject to the minimum provision required as per Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as and when amended. Delinquencies on assets securitised/assigned are provided for based on management estimates.

Provision on standard assets is made as per Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as and when amended.

Pursuant to Reserve Bank India (RBI) notification no. DNBR 011/CGM (CDS) dated March 27, 2015, the Company has revised its recognition norms of Non-Performing Assets (NPA) from 150 days to 120 days and increased provision on standard assets from 0.30% to 0.35%. Had the Company continued to use the earlier policy of classification of NPA and provision for standard asset, provisions and write-offs for and year ended March 31, 2017 would have been lower by Rs. 36,867.13 lacs, income from operations for the same period would have been higher by Rs. 1,769.38 lacs and profit before tax for the same period would have been higher by Rs. 38,636.51 lacs (net of tax Rs. 25,265.19 lacs).

(g) Loans

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

(h) Leases

Where the Company is the lessor

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

Where the Company is the lessee

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

(i) Foreign currency translation

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences

All exchange differences are dealt with including differences arising on translation settlement of monetary items in the Statement of Profit and Loss.

Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/liability

The premium or discount arising at the inception of forward exchange contract is amortised and recognised as an expense/income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or expense for the period.

(j) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- i. Income from financing activities is recognised on the basis of internal rate of return on time proportion basis. All other charges relating to financing activities are recognised on accrual basis.
- ii. Subvention income is recognised as income over the tenor of the loan agreements. For the agreements foreclosed/transferred through assignment, balance of subvention income is recognised as income at the time of such foreclosure/transfer through assignment.
- iii. Income recognised and remaining unrealised after installments become overdue for 120 days or more in case of secured/unsecured loans are reversed and are accounted as income when these are actually realised.
- iv. Additional finance charges/additional interest are treated to accrue only on realisation, due to uncertainty of realisation and are accounted accordingly.

- v. Income apportioned on securitisation/direct assignment of loan receivables arising under premium structure is recognised over the tenure of securities issued by SPV/agreements. Interest spread under par structure of securitisation/direct assignment of loan receivables is recognised on realisation over the tenure of the 'securities issued by SPV' /agreements. Loss, if any/expenditure for securitisation/direct assignment is recognised upfront.
- vi. Interest income on fixed deposits/margin money, call money (Collateralised borrowing and lending obligation), certificate of deposits, pass through certificates, subordinated debts, non-convertible debentures, government securities, inter-corporate deposits and treasury bills is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Discount, if any, on government and other securities acquired as long-term investments is recognised on a time proportion basis over the tenure of the securities.
- vii. Dividend is recognised as income when right to receive payment is established by the date of Balance Sheet.
- viii. Profit/loss on the sale of investments is computed on the basis of weighted average cost of investments and recognised at the time of actual sale/redemption.
- ix. Income from services (for eg. facilitation fees) is recognised as per the terms of contracts on accrual basis.
- x. Income from operating lease is recognised as rentals, as accrued on straight line basis over the period of the lease.

(k) Retirement and other employee benefits

Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. All the employees of the Group are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employee and the Group contribute monthly at a stipulated rate. The Group has no liability for future provident fund benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

The Group provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation at each Balance Sheet Date using the Projected Unit Credit Method. The Group fully contributes all ascertained liabilities to The Trustees- Shriram Transport Finance Company Limited Employees Group Gratuity Assurance Scheme. Trustees administer contributions made to the trust and contributions are invested in a scheme of insurance with the IRDA approved Insurance Companies. The group recognises the net obligation of the gratuity plan in the Balance Sheet as an asset or liability, respectively in accordance with AS-15 'Employee Benefits'. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss in the period in which they arise.

Leave encashment

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

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

The Group presents the entire leave as a current liability in the Balance Sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(l) Income tax

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

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

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

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Group recognises MAT credit available as an asset only to the extent that there is convincing evidence that the group will pay normal income tax during the specified period i.e the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for credit available in respect of MAT under the Income tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT credit entitlement". The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

(m) Segment reporting policies

Identification of segments:

The Group's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

Unallocated items:

Unallocated items include income, expenses, assets and liabilities which are not allocated to any reportable business segment.

Segment policies :

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the group as a whole.

(n) Earnings per share

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

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

(o) Provisions

A provision is recognised when the Group has a present obligation as a result of past event; it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

(p) Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand, cheques on hand, remittances in transit and short-term investments with an original maturity of three months or less.

(q) Equity shares and debentures issue expenses

Expenses incurred on issue of equity shares are charged to Statement of Profit and Loss on a straight line basis over a period of 10 years.

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

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

(r) Borrowing costs

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

(s) Employee stock compensation costs

In accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, issued by The Institute of Chartered Accountants of India, the Group measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortised over the vesting period of the option on a straight line basis.

(t) Contingent liabilities

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

		(Rs. in lacs)	
		As at March 31, 2017	As at March 31, 2016
3	SHARE CAPITAL		
Authorised			
	647,000,000 (March 31, 2016: 647,000,000)	64,700.00	64,700.00
	Equity shares of Rs.10/- each		
	95,000,000 (March 31, 2016: 95,000,000)	95,000.00	95,000.00
	Preference shares of Rs.100/- each		
		159,700.00	159,700.00
Issued and subscribed share capital			
	226,936,877 (March 31, 2016: 226,936,877) equity shares of Rs. 10/- each	22,693.69	22,693.69
Paid up (fully paid up)			
	Equity shares		
	226,882,736 (March 31, 2016: 226,882,736) equity shares of Rs. 10/- each	22,688.27	22,688.27
		22,688.27	22,688.27
	48,000 equity shares of Rs.10/- each (Rs 5/- each paid up forfeited)	2.40	2.40
	Total	22,690.67	22,690.67

	As at March 31, 2017		As at March 31, 2016	
	Number of shares	Rs. in lacs	Number of shares	Rs. in lacs
a. Reconciliation of the equity shares outstanding at the beginning and at end of reporting period				
Shares outstanding at the beginning of the year	226,882,736	22,688.27	226,882,736	22,688.27
Movement during the year	-	-	-	-
Shares outstanding at the end of the year	226,882,736	22,688.27	226,882,736	22,688.27

b. Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend is subject to the approval of the shareholders in the ensuing annual general meeting.

During the year ended March 31, 2017, the amount of per equity share dividend recognised as distributions to equity shareholders was Rs. 10.00 (March 31, 2016 : Rs. 10.00). Out of the total dividend declared during the year ended March 31, 2017, amount of interim dividend paid was Rs. 4.00 per equity share (March 31, 2016: Rs. 4.00) and amount of final dividend proposed was Rs.6.00 per equity share (March 31, 2016: Rs. 6.00).

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

c. Shares reserved for issue under options

During the year ended March 31, 2017 Nil (March 31, 2016: Nil) equity shares were vested and exercised.

d. Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

The Company has issued total 582,168 equity shares (March 31, 2016 : 722,068) during the period of five years immediately preceding the reporting date on exercise of options granted under the employee stock option plan (ESOP) wherein part consideration was received in form of employee service and includes 500,868 (March 31, 2016 : 500,868) equity shares issued on account of merger of Shriram Holdings (Madras) Private Limited.

3 SHARE CAPITAL (Contd.)
e. Details of shareholders holding more than 5% equity shares in the Company

Details of shareholding	As at March 31, 2017		As at March 31, 2016	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Equity shares of Rs. 10/- each				
Shriram Capital Limited	59,173,023	26.08%	59,103,162	26.05%
Piramal Enterprises Limited	22,600,000	9.96%	22,600,000	9.96%

As per the records of the Company, including its register of shareholders/members, the above shareholding represents legal ownerships of shares.

f. Proposed dividends on equity shares:

Particulars	(Rs. in lacs)	
	As at March 31, 2017	As at March 31, 2016
The board proposed dividend on equity shares after the Balance Sheet date		
Proposed dividend on equity shares for the year ended on March 31, 2017: Rs. 6.00 per share (March 31, 2016: Rs. 6.00 per share)	13,612.96	13,612.96
Tax on proposed dividend	2,771.28	2,771.28
Total	16,384.24	16,384.24

Particulars	(Rs. in lacs)	
	As at March 31, 2017	As at March 31, 2016
4 RESERVES AND SURPLUS		
Capital reserve	2,761.83	2,761.83
Capital redemption reserve	5,388.35	5,388.35
Securities premium account	175,481.06	175,481.06
Debenture redemption reserve		
Balance as per last account	78,834.65	62,791.26
Add: Transfer from surplus balance in the Statement of Profit and Loss	23,710.34	31,310.86
Less: Transfer to Statement of Profit and Loss on account of redemption	(39,655.38)	(15,267.47)
Closing balance	62,889.61	78,834.65
Stock option outstanding		
Employee stock option outstanding	31.14	31.14
Less : Deferred employee compensation outstanding	-	(4.28)
Closing balance	31.14	26.86
Other reserves		
Statutory reserve pursuant to Section 45-IC of The RBI Act, 1934		
Balance as per last account	208,855.44	184,855.44
Add: Transfer from surplus balance in the Statement of Profit and Loss	25,200.00	24,000.00
Closing balance	234,055.44	208,855.44
General reserve		
Balance as per last account	102,653.63	90,653.63
Add: Transfer from surplus balance in the Statement of Profit and Loss	12,600.00	12,000.00
Closing balance	115,253.63	102,653.63

4 RESERVES AND SURPLUS (Contd.)

	(Rs. in lacs)	
	As at March 31, 2017	As at March 31, 2016
Surplus in Statement of Profit and Loss		
Balance as per last account	420,855.84	381,893.98
Add: Profit for the current year	126,563.41	118,361.82
Less: Appropriations		
Transfer to statutory reserve as per Section 45-IC of The RBI Act, 1934	(25,200.00)	(24,000.00)
Transfer to general reserve	(12,600.00)	(12,000.00)
Transfer to/from debenture redemption reserve	15,945.04	(16,043.39)
Interim dividend [amount per share Rs. 4.00 (March 31, 2016: Rs. 4.00)]	(9,075.31)	(9,075.31)
Tax on interim dividend	(1,847.52)	(1,897.02)
Proposed final dividend [amount per share (March 31, 2016: Rs. 6.00)]	-	(13,612.96)
Tax on proposed dividend	-	(2,771.28)
Total appropriations	(32,777.79)	(79,399.96)
Net surplus in Statement of Profit and Loss	514,641.46	420,855.84
Total	1,110,502.52	994,857.66

	(Rs. in lacs)			
	As at March 31, 2017		As at March 31, 2016	
	Non-current portion	Current maturities*	Non-current portion	Current maturities*
5 LONG-TERM BORROWINGS				
Subordinated debts (unsecured)	311,209.15	36,396.28	330,187.40	21,438.42
Redeemable non-convertible debentures				
Secured	1,420,223.18	414,542.93	1,057,917.41	554,683.97
Less: Unamortised discount	-	(0.08)	(0.08)	(27.67)
	1,420,223.18	414,542.85	1,057,917.33	554,656.30
Senior secured notes	135,000.00	-	-	-
Term loans from banks				
Unsecured	-	10,000.00	10,000.00	12,000.00
Secured	823,545.81	595,885.87	938,402.76	755,728.36
Fixed deposits (unsecured) #	521,272.51	326,095.20	582,024.48	197,625.47
Term loans from financial institutions/corporates				
Secured	158,333.33	59,666.67	108,000.00	77,566.67
Loans and advances from related parties				
Subordinated debts (unsecured)				
from Relative of key management personnel	0.80	-	0.80	0.30
from Enterprises having significant influence over the Company	262.80	48.34	311.14	28.80
Redeemable non-convertible debentures (secured)				
from Key management personnel	-	-	-	4.38
from Relative of key management personnel	1.70	0.50	2.20	9.89
from Enterprises having significant influence over the Company	-	-	-	5.00
Fixed deposits (unsecured)				
from Relative of key management personnel	11.97	38.51	42.63	4.09
Total	3,369,861.25	1,442,674.22	3,026,888.74	1,619,067.68

* Amount disclosed under the Note 6-Other current liabilities

Includes deposits from corporates Rs. 12,589.67 lacs (March 31, 2016 Rs. 28,161.91 lacs).

5 LONG-TERM BORROWINGS (Contd.)
A) Subordinated debt -unsecured
i) Privately placed subordinated debts of Rs. 100,000/- each
Terms of repayment as on March 31, 2017
Long-term borrowing

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
36-48 months	-	7,300.00	-	7,300.00
24-36 months	-	6,469.00	-	6,469.00
12-24 months	-	-	4,541.00	4,541.00
Total	-	13,769.00	4,541.00	18,310.00

Current maturity
Outstanding as at March 31, 2017 : Rs. Nil.
Terms of repayment as on March 31, 2016
Long-term borrowing

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
48-60 months	-	7,300.00	-	7,300.00
36-48 months	-	6,469.00	-	6,469.00
24-36 months	-	-	4,541.00	4,541.00
Total	-	13,769.00	4,541.00	18,310.00

Current maturity
Upto 12 months

	-	5,000.00	-	5,000.00
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ii) Privately placed subordinated debts of Rs. 1,000,000/- each
Terms of repayment as on March 31, 2017
Long-term borrowing

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
Over 60 months	17,500.00	71,210.00	-	88,710.00
48-60 months	-	-	5,000.00	5,000.00
36-48 months	-	45,000.00	-	45,000.00
24-36 months	-	7,000.00	-	7,000.00
12-24 months	2,500.00	25,630.00	6,670.00	34,800.00
Total	20,000.00	148,840.00	11,670.00	180,510.00

Current maturity
Upto 12 months

	25,000.00	500.00	-	25,500.00
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5 LONG-TERM BORROWINGS (Contd.)

Terms of repayment as on March 31, 2016

Long-term borrowing (Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
Over 60 months	-	71,210.00	5,000.00	76,210.00
48-60 months	-	45,000.00	-	45,000.00
36-48 months	-	7,000.00	-	7,000.00
24-36 months	2,500.00	25,630.00	6,670.00	34,800.00
12-24 months	-	25,500.00	-	25,500.00
Total	2,500.00	174,340.00	11,670.00	188,510.00

Current maturity

Upto 12 months	-	5,000.00	2,500.00	7,500.00
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iii) Privately placed subordinated debts of Rs. 1,000/- each

Terms of repayment as on March 31, 2017

Long-term borrowing (Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
36-48 months	-	34,238.00	-	34,238.00
24-36 months	-	31,365.52	-	31,365.52
12-24 months	5.40	47,043.83	-	47,049.23
Total	5.40	112,647.35	-	112,652.75

Current maturity

Upto 12 months	1,479.73	6,587.66	-	8,067.39
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Terms of repayment as on March 31, 2016

Long-term borrowing (Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
48-60 months	-	34,247.99	-	34,247.99
36-48 months	-	31,421.52	-	31,421.52
24-36 months	5.40	47,058.41	-	47,063.81
12-24 months	1,479.73	6,589.06	-	8,068.79
Total	1,485.13	119,316.98	-	120,802.11

Current maturity

Upto 12 months	46.99	3,487.45	-	3,534.44
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iv) Public issue of subordinated debt of Rs. 1,000/- each (2010)-quoted

Long-term borrowing (Rs. in lacs)

Option detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on
Option -IV	10.40%	-	91.00	June 1, 2017
Option -V	10.25%	-	110.30	June 1, 2017
	10.75%	-	204.32	June 1, 2017
	11.00%	-	2,471.61	June 1, 2017
Total		-	2,877.23	

5 LONG-TERM BORROWINGS (Contd.)

Current maturity		(Rs. in lacs)		
Option detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on
Option -IV	10.40%	91.00	-	June 1, 2017
	10.81%	-	1,687.00	March 1, 2017
	11.25%	-	3,746.08	December 1, 2016
Option -V	10.25%	110.30	-	June 1, 2017
	10.75%	204.32	-	June 1, 2017
	11.00%	2,471.61	-	June 1, 2017
Total		2,877.23	5,433.08	

(Rs. in lacs)

Total subordinated debts	As at March 31, 2017		As at March 31, 2016	
	Non-current portion	Current maturities	Non-current portion	Current maturities
Privately placed (i+ii+iii)	311,472.75	33,567.39	327,622.11	16,034.44
Public issue (iv)	-	2,877.23	2,877.23	5,433.08
Total subordinated debts	311,472.75	36,444.62	330,499.34	21,467.52
Less: issued to related parties	263.60	48.34	311.94	29.10
Total	311,209.15	36,396.28	330,187.40	21,438.42

B) Non-convertible debenture (NCD) -secured
i) Privately placed redeemable non-convertible debentures of Rs. 1,000/- each

Terms of repayment as on March 31, 2017

Long-term borrowing

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest				Total *
	< 10%	>= 10% < 12%	>= 12% < 14%	>= 14% < 16%	
12-24 months	-	1,965.83	-	-	1,965.83
Total	-	1,965.83	-	-	1,965.83

Current maturity

Upto 12 months	-	9,277.07	939.52	-	10,216.59
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Terms of repayment as on March 31, 2016

Long-term borrowing

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest				Total *
	< 10%	>= 10% < 12%	>= 12% < 14%	>= 14% < 16%	
24-36 months	-	1,965.83	-	-	1,965.83
12-24 months	-	9,278.37	939.52	-	10,217.89
Total	-	11,244.20	939.52	-	12,183.72

Current maturity

upto 12 months	1.84	47,004.19	719.40	0.88	47,726.31
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Nature of security

Secured by equitable mortgage of immovable property. Further secured by charge on plant and machinery, furniture and other fixed assets of the Company, charge on Company's hypothecation loans, other loans, advances and investments of the Company subject to prior charges created or to be created in favour of the Company's bankers, financial institutions and others.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

* Amount pertains to debentures issued prior to notification of the RBI Circular DNBD(PD) CC No. 330/03.10.001/2012-13 dated June 27, 2013.

5 LONG-TERM BORROWINGS (Contd.)

ii) Privately placed redeemable non-convertible debenture of Rs. 1,000,000/- each

Terms of repayment as on March 31, 2017

Long-term borrowing (gross of unamortised discount on debenture of Rs. Nil)

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest				Total
	< 10% *^¥	>= 10% < 12% ^	>= 12% < 14%	>= 14% < 16%	
Over 60 months	93,210.00	136,720.00	-	-	229,930.00
48-60 months^	239,600.00	13,000.00	-	-	252,600.00
36-48 months ¥^	57,500.00	102,500.00	-	-	160,000.00
24-36 months *^	397,500.00	-	-	-	397,500.00
12-24 months^	233,700.00	37,800.00	-	-	271,500.00
Total	1,021,510.00	290,020.00	-	-	1,311,530.00

* Includes 1 NCD of Rs. 30,000.00 lacs partly paid to the extent of Rs. 500,000/-

^NCD amounting to Rs. 113,000.00 lacs issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

¥ Out of the above NCDs having put/call option are as under

(Rs. in lacs)

Sr No	Rate of interest	Amount	Put/Call option date
1	8.87%	11,000.00	August 7, 2020
2	8.10%	30,000.00	March 23, 2020
Total		41,000.00	

Current maturity (gross of unamortised discount on debenture of Rs. 0.08 lacs)

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest				Total
	< 10% ¥^*	>= 10% < 12% ^	>= 12% < 14% ^	>= 14% < 16%	
Upto 12 months* ¥^	116,130.00	97,000.00	500.00	-	213,630.00

* Includes 1 NCD of Rs. 35,000.00 lacs partly paid to the extent of Rs. 500,000/-

^NCD amounting to Rs. 16,230.00 lacs issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

¥ Out of the above NCDs having put/call option are as under

(Rs. in lacs)

Sr No	Rate of interest	Amount	Put/Call option date
1	8.61%	35,000.00	July 17, 2017
Total		35,000.00	

Terms of repayment as on March 31, 2016

Long-term borrowing (gross of unamortised discount on debenture of Rs. 0.08 lacs)

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest				Total
	< 10%	>= 10% < 12% ^	>= 12% < 14%	>= 14% < 16%	
Over 60 months	116,460.00	136,720.00	-	-	253,180.00
48-60 months	19,000.00	102,500.00	-	-	121,500.00
36-48 months	158,000.00	-	-	-	158,000.00
24-36 months	46,200.00	37,800.00	-	-	84,000.00
12-24 months^	34,130.00	97,000.00	500.00	-	131,630.00
Total	373,790.00	374,020.00	500.00	-	748,310.00

^NCD amounting to Rs. 1,000.00 lacs issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

5 LONG-TERM BORROWINGS (Contd.)

Current maturity (gross of unamortised discount on debenture of Rs. 27.67 lacs) (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest				Total
	< 10% [¥]	>= 10% < 12%* ^{^¥}	>= 12% < 14%	>= 14% < 16%	
Upto 12 months ^{^¥}	196,500.00	165,805.00	-	-	362,305.00

* Includes 1 NCD of Rs. 625.00 lacs partly paid to the extent of Rs. 50,000/-

[^]NCD amounting to Rs. 680.00 lacs issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

¥ Out of the above NCDs having put/call option are as under (Rs. in lacs)

Sr No	Rate of interest	Amount	Put/Call option date
1	10.60%	625.00	August 12, 2016
2	9.85%	20,000.00	July 20, 2016
Total		20,625.00	

Nature of security

Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

iii) Privately placed redeemable non-convertible debenture of Rs. 3,000,000/- each

Terms of repayment as on March 31, 2017

Long-term borrowing (gross of unamortised discount on debenture of Rs. Nil.)

Outstanding as at March 31, 2017 : Rs. Nil.

Current maturity (gross of unamortised discount on debenture of Rs. Nil) (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest				Total
	< 10%	>= 10% < 12%*	>= 12% < 14%	>= 14% < 16%	
Upto 12 months*	-	1,200.00	-	-	1,200.00
Total	-	1,200.00	-	-	1,200.00

*Partly paid to the extent of Rs. 100,000/-

Terms of repayment as on March 31, 2016

Long-term borrowing (gross of unamortised discount on debenture of Rs. Nil.) (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest				Total
	< 10%	>= 10% < 12%*	>= 12% < 14%	>= 14% < 16%	
12-24 months*	-	1,200.00	-	-	1,200.00
Total	-	1,200.00	-	-	1,200.00

*Partly paid to the extent of Rs. 100,000/-

Current maturity (gross of unamortised discount on debenture of Rs. Nil.)

Outstanding as at March 31, 2016 : Rs. Nil.

Nature of security

Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

5 LONG-TERM BORROWINGS (Contd.)

iv) **Public issue of redeemable non-convertible debentures of Rs. 1,000/- each - (2010)**

Terms of repayment

Long-term borrowing

(Rs. in lacs)

Option detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on	Put and Call option
Option -II	9.50%	-	278.58	June 1, 2017	-
	10.00%	-	453.23	June 1, 2017	-
	10.25%	-	3,157.85	June 1, 2017	-
	10.50%	-	571.77	June 1, 2017	-
Total		-	4,461.43		

Current maturity

(Rs. in lacs)

Option detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on	Put and Call option
Option -II	9.50%	278.58	-	June 1, 2017	June 2, 2015
	10.00%	453.23	-	June 1, 2017	June 2, 2015
	10.25%	3,190.88	-	June 1, 2017	June 2, 2015
	10.50%	538.74	-	June 1, 2017	June 2, 2015
Total		4,461.43	-		

Nature of security

Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

The Company has utilised the entire sum of Rs. 41,689.68 lacs raised from public issue (net off expenses) towards asset financing activities as per the objects stated in the prospectus for the issue.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

Subject to the provisions of The Companies Act, 2013, where the Company has fully redeemed or repurchased any Secured NCD(s), the Company shall have the right to keep such Secured NCDs in effect without extinguishment thereof, for the purpose of resale or reissue.

The Company has bought back NCDs of Rs. 1,000.00 lacs on July 14, 2011, Rs 128.64 lacs on October 28, 2014 and as per the terms of the issue Rs. 7,472.34 lacs were redeemed on June 1, 2013, Rs. 7,472.34 lacs were redeemed on June 1, 2014 and Rs. 10,443.36 lacs were redeemed on June 1, 2015.

Put options were exercised for option I on June 1, 2013 and Rs. 9,019.04 lacs were paid on July 5, 2013 in compliance with the terms of issue.

Put options were exercised for option II on June 1, 2015 and Rs. 1,440.95 lacs were paid on July 2, 2015 and Rs. 251.58 lacs were paid on July 3, 2015 in compliance with the terms of issue.

v) **Public issue of redeemable non-convertible debentures of Rs. 1,000/- each-(2011)**

Terms of repayment

Long-term borrowing

Outstanding as at March 31, 2017 and March 31, 2016: Rs. Nil.

Current maturity

(Rs. in lacs)

Option detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on	Put and Call option
Option -I	11.60%	-	52,241.36	July 11, 2016	July 12, 2015
	11.35%	-	23,254.35	July 11, 2016	July 12, 2015
	11.10%	-	7,264.68	July 11, 2016	July 12, 2015
Total		-	82,760.39		

5 LONG-TERM BORROWINGS (Contd.)
Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Company has utilised the entire sum of Rs. 99,999.93 lacs raised from public issue (net off expenses) towards asset financing activities as per the objects stated in the prospectus for the issue.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

Subject to the provisions of The Companies Act, 2013, where the Company has fully redeemed or repurchased any Secured NCD(s), the Company shall have the right to keep such Secured NCDs in effect without extinguishment thereof, for the purpose of resale or reissue.

The Company has bought back NCDs of Rs. 28.73 lacs on October 28, 2014 and as per the terms of the issue Rs. 14,874.96 lacs were redeemed on July 11, 2014.

Put options were exercised for option I on July 12, 2015 and Rs. 225.45 lacs were paid on August 12, 2015 and Rs. 2,110.40 lacs were paid on August 13, 2015 in compliance with the terms of issue.

As per the terms of the issue Rs. 82,760.39 lacs were redeemed on July 11, 2016.

vi) Public issue of redeemable non-convertible debentures of Rs. 1,000/- each-(2012)
Terms of repayment
Long-term borrowing

(Rs. in lacs)

Series detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on	Put and Call option
Series -II	11.40%	-	13,382.08	August 9, 2017	-
	10.50%	-	12,812.18	August 9, 2017	-
Series -IV	11.40%	-	6,288.04	August 9, 2017	-
	10.50%	-	139.09	August 9, 2017	-
Total		-	32,621.39		

Current maturity

(Rs. in lacs)

Series detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on	Put and Call option
Series -II	11.40%	13,393.84	-	August 9, 2017	-
	10.50%	12,800.42	-	August 9, 2017	-
Series -IV	11.40%	6,329.07	-	August 9, 2017	-
	10.50%	98.06	-	August 9, 2017	-
Total		32,621.39	-		

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Company has utilised the entire sum of Rs. 60,000/- lacs raised from public issue (net off expenses) towards asset financing activities as per the objects stated in the prospectus for the issue.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

The Company has bought back non-convertible debentures of Rs. 54.85 lacs on October 28, 2014.

As per the terms of the issue Rs. 27,323.76 lacs were redeemed on August 7, 2015.

5 LONG-TERM BORROWINGS (Contd.)

vii) Public issue of redeemable non-convertible debentures of Rs. 1,000/- each-(2013)-1

Terms of repayment

Long-term borrowing

(Rs. in lacs)

Series detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on	Put and Call option
Series -II	11.15%	-	11,558.97	July 31, 2017	-
	9.80%	-	3,381.06	July 31, 2017	-
	11.15%	11,549.21	11,558.97	July 31, 2018	-
	9.80%	3,390.83	3,381.07	July 31, 2018	-
Series -III	10.63%	5,812.11	5,822.11	July 31, 2018	-
	9.40%	84.91	74.91	July 31, 2018	-
Series -V	11.15%	-	2,597.72	July 31, 2017	-
	9.80%	-	43.63	July 31, 2017	-
	11.15%	2,619.12	2,597.72	July 31, 2018	-
	9.80%	22.23	43.64	July 31, 2018	-
Total		23,478.41	41,059.80		

Current maturity

(Rs. in lacs)

Series detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on	Put and Call option
Series -I	10.90%	-	12,819.78	August 1, 2016	-
	9.65%	-	13,573.29	August 1, 2016	-
Series -II	11.15%	11,549.21	-	July 31, 2017	-
	9.80%	3,390.83	-	July 31, 2017	-
Series -IV	10.90%	-	6,067.30	August 1, 2016	-
	9.65%	-	49.73	August 1, 2016	-
Series -V	11.15%	2,619.12	-	July 31, 2017	-
	9.80%	22.23	-	July 31, 2017	-
Total		17,581.39	32,510.10		

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Company has utilised the entire sum of Rs. 73,589.04 lacs raised from public issue (net off expenses) towards asset financing activities as per the objects stated in the prospectus for the issue.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

The Company has bought back non-convertible debentures of Rs. 19.14 lacs on October 28, 2014.

As per the terms of the issue Rs. 32,510.10 lacs were redeemed on July 31, 2016.

5 LONG-TERM BORROWINGS (Contd.)

viii) Public issue of redeemable non-convertible debentures of Rs. 1,000/- each-(2013)-2

Terms of repayment

Long-term borrowing

(Rs. in lacs)

Series detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on	Put and call option
Series –II	11.50%	3,165.95	3,165.18	October 24, 2018	-
	10.75%	7,487.57	7,488.34	October 24, 2018	-
Series –III	11.75%	4,695.64	4,703.56	October 24, 2020	-
	10.75%	3,061.91	3,053.99	October 24, 2020	-
Series –V	11.50%	806.75	806.60	October 24, 2018	-
	10.75%	8.22	8.37	October 24, 2018	-
Series –VI	11.75%	1,347.84	1,349.17	October 24, 2020	-
	10.75%	24.68	23.35	October 24, 2020	-
Total		20,598.56	20,598.56		

Current maturity

(Rs. in lacs)

Series detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on	Put and call option
Series –I	11.25%	-	7,749.14	October 24, 2016	-
	10.75%	-	19,386.70	October 24, 2016	-
Series –IV	11.25%	-	2,250.16	October 24, 2016	-
	10.75%	-	15.44	October 24, 2016	-
Total		-	29,401.44		

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Company has utilised the entire sum of Rs. 50,000.00 lacs raised from public issue (net off expenses) towards asset financing activities as per the objects stated in the prospectus for the issue.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

As per the terms of the issue Rs. 29,401.44 lacs were redeemed on October 24, 2016.

5 LONG-TERM BORROWINGS (Contd.)

ix) Public issue of redeemable non-convertible debentures of Rs. 1,000/- each-(2014)

Terms of repayment

Long-term borrowing

(Rs. in lacs)

Series detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on	Put and call option
Series -I	9.85%	-	111,397.42	July 15, 2017	-
	11.00%	-	6,980.86	July 15, 2017	-
	11.25%	-	7,514.40	July 15, 2017	-
Series -II	10.00%	33,150.36	33,235.44	July 15, 2019	-
	11.25%	3,328.32	3,175.43	July 15, 2019	-
	11.50%	1,932.35	2,000.16	July 15, 2019	-
Series -III	10.15%	5,333.34	5,334.05	July 15, 2021	-
	11.50%	5,834.06	5,765.62	July 15, 2021	-
	11.75%	2,439.47	2,507.20	July 15, 2021	-
Series -IV	9.57%	31.42	45.42	July 15, 2019	-
	10.71%	1,619.62	1,512.84	July 15, 2019	-
	10.94%	1,132.60	1,225.38	July 15, 2019	-
Series -V	9.71%	3.45	2.51	July 15, 2021	-
	10.94%	2,422.77	2,158.80	July 15, 2021	-
	11.17%	1,092.44	1,357.35	July 15, 2021	-
Series -VI	9.85%	-	5,007.91	July 15, 2017	-
	11.00%	-	2,899.34	July 15, 2017	-
	11.25%	-	1,032.70	July 15, 2017	-
Series -VII	10.00%	2.71	6.05	July 15, 2019	-
	11.25%	1,067.94	1,048.43	July 15, 2019	-
	11.50%	449.58	465.75	July 15, 2019	-
Series -VIII	10.15%	25.25	33.57	July 15, 2021	-
	11.50%	1,971.58	1,947.07	July 15, 2021	-
	11.75%	814.82	831.01	July 15, 2021	-
Total		62,652.08	197,484.71		

Current maturity

(Rs. in lacs)

Series detail	Rate of interest	As at March 31, 2017	As at March 31, 2016	Redeemable at par on	Put and call option
Series -I	9.85%	111,396.77	-	July 15, 2017	-
	11.00%	7,215.46	-	July 15, 2017	-
	11.25%	7,280.45	-	July 15, 2017	-
Series -IV	9.85%	5,506.59	-	July 15, 2017	-
	11.00%	2,466.85	-	July 15, 2017	-
	11.25%	966.51	-	July 15, 2017	-
Total		134,832.63	-		

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Company has utilised the entire sum of Rs. 197,484.71 lacs raised from public issue (net off expenses) towards asset financing activities as per the objects stated in the prospectus for the issue.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

5 LONG-TERM BORROWINGS (Contd.)

Total non-convertible debentures- secured	As at March 31, 2017		As at March 31, 2016	
	Non-current portion	Current maturities	Non-current portion	Current maturities
Privately placed (i+ii+iii)	1,313,495.83	225,046.59	761,693.72	410,031.31
Public issue (iv+v+vi+vii+viii+ix)	106,729.05	189,496.84	296,225.89	144,671.93
Total non-convertible debentures- secured	1,420,224.88	414,543.43	1,057,919.61	554,703.24
Less: issued to related parties	1.70	0.50	2.20	19.27
Total	1,420,223.18	414,542.93	1,057,917.41	554,683.97

C) Senior secured notes

Senior secured notes of Rs. 10,000,000/- each-(2017)

Terms of repayment

Long-term borrowing

Detail	Rate of interest	(Rs. in lacs)		
		As at March 31, 2017	As at March 31, 2016	Redeemable at par on
Senior secured notes	8.25%	135,000.00	-	February 18, 2020
Total		135,000.00	-	

During the year ended March 31, 2017, the Company has issued Rs. 135,000.00 lacs 8.25 % Senior Secured Notes at the price of 100.18% that are due for repayment on February 18, 2020. The said notes (with ISIN - XS 1549374475) are listed and traded on the Singapore Exchange (SGX-ST) with a minimum board lot size of S\$200,000.

Current maturity

Outstanding as at March 31, 2017 and March 31, 2016: Rs. Nil.

Nature of security

Secured by way of an exclusive fixed charge over receivables of the Company.

D) Term loans from banks-unsecured

As at March 31, 2017

Terms of repayment

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	(Rs. in lacs)	
			Non-current portion	Current maturities
upto 12 months	13.35%	Bullet	-	10,000.00
Total			-	10,000.00

As at March 31, 2016

Terms of repayment

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	(Rs. in lacs)	
			Non-current portion	Current maturities
12-24 months	13.45%	Bullet	10,000.00	-
upto 12 months	9.60%	Bullet	-	12,000.00
Total			10,000.00	12,000.00

5 LONG-TERM BORROWINGS (Contd.)

E) Term loans from banks-secured

As at March 31, 2017

Terms of repayment

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Non-current portion #	Current maturities #
48-60 months	8.60% to 9.50%	12 to 20 installments of quarterly and specific frequency	262,371.54	59,875.00
36-48 months	8.10% to 9.95%	15 to 20 installments of quarterly frequency	279,909.74	104,416.67
24-36 months	8.40% to 10.05%	6 to 36 installments of monthly, quarterly, half-yearly and specific frequency	144,256.16	84,225.00
12-24 months	2.59% to 10.65%	1 to 48 installments of bullet, monthly, quarterly, half-yearly, yearly and specific frequency	137,008.37	191,429.00
upto 12 months	8.15% to 10.35%	1 to 48 installments of bullet, monthly, quarterly, half-yearly, yearly and specific frequency	-	155,940.20
Total			823,545.81	595,885.87

Loans are classified in respective time buckets based on option date.

Nature of security

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

As at March 31, 2016

Terms of repayment

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Non-current portion#	Current maturities #
48-60 months	9.40% to 9.95%	16 to 20 installments of quarterly frequency	361,106.87	96,187.50
36-48 months	9.45% to 10.25%	16 to 20 installments of quarterly frequency	190,066.72	70,225.00
24-36 months	9.25% to 10.65%	3 to 48 installments of monthly, quarterly, half-yearly and yearly frequency	285,536.33	175,512.33
12-24 months	9.34% to 10.60%	1 to 48 installments of bullet, monthly, quarterly, half-yearly, yearly and specific frequency	101,692.84	131,893.67
upto 12 months	9.20% to 11.00%	1 to 60 installments of bullet, monthly, quarterly, half-yearly, yearly and specific frequency	-	281,909.86
Total			938,402.76	755,728.36

Loans are classified in respective time buckets based on option date.

Nature of security

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

5 LONG-TERM BORROWINGS (Contd.)

F) Fixed deposits- unsecured -Refer note 28

Terms of repayment as on March 31, 2017

Long-term borrowing

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	65,937.10	-	65,937.10
36-48 months	59,236.65	-	59,236.65
24-36 months	134,410.83	23,718.74	158,129.57
12-24 months	225,173.55	12,807.61	237,981.16
Total	484,758.13	36,526.35	521,284.48
Current maturity			
Upto 12 months	69,607.65	256,526.06	326,133.71

Terms of repayment as on March 31, 2016

Long-term borrowing

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	37,146.33	-	37,146.33
36-48 months	8,224.08	24,046.33	32,270.41
24-36 months	206,850.56	12,876.90	219,727.46
12-24 months	33,110.82	259,812.09	292,922.91
Total	285,331.79	296,735.32	582,067.11
Current maturity			
Upto 12 months	63,311.06	134,318.50	197,629.56

(Rs. in lacs)

Particulars	As at March 31, 2017		As at March 31, 2016	
	Non-current portion	Current maturities	Non-current portion	Current maturities
Total fixed deposits	521,284.48	326,133.71	582,067.11	197,629.56
Less: issued to related parties	11.97	38.51	42.63	4.09
Total	521,272.51	326,095.20	582,024.48	197,625.47

5 LONG-TERM BORROWINGS (Contd.)

G) Term loans from financial institutions/corporates-secured

As at March 31, 2017

Terms of repayment

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Non-current portion	Current maturities
Over 60 months	8.60% to 8.85%	11 to 20 installments of quarterly and specific frequency	46,500.00	13,500.00
36-48 months	9.50%	20 installments of quarterly frequency	43,000.00	16,000.00
24-36 months	9.10% to 9.50%	1 to 20 installments of bullet and quarterly frequency	60,500.00	6,000.00
12-24 months	10.50%	6 installments of half-yearly frequency	8,333.33	16,666.67
upto 12 months	9.50%	20 installments of specific frequency	-	7,500.00
Total			158,333.33	59,666.67

Nature of security

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

As at March 31, 2016

Terms of repayment

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Non-current portion	Current maturities
48-60 months	9.70%	20 installments of quarterly frequency	59,000.00	16,000.00
36-48 months	9.70%	20 installments of quarterly frequency	16,500.00	6,000.00
24-36 months	10.50%	6 installments of half-yearly frequency	25,000.00	16,666.67
12-24 months	9.70%	20 installments of specific frequency	7,500.00	10,000.00
upto 12 months	9.70% to 10.00%	1 to 12 installments of bullet and specific frequency	-	28,900.00
Total			108,000.00	77,566.67

Nature of security

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

(Rs. in lacs)

Total long-term borrowings	As at March 31, 2017		As at March 31, 2016	
	Non-current portion	Current maturities	Non-current portion	Current maturities
Secured borrowings	2,537,104.02	1,070,095.89	2,104,322.29	1,387,970.60
Unsecured borrowings	832,757.23	372,578.33	922,566.45	231,097.08
Total long-term borrowings	3,369,861.25	1,442,674.22	3,026,888.74	1,619,067.68

(Rs. in lacs)

	As at March 31, 2017		As at March 31, 2016	
	Long-term	Short-term	Long-term	Short-term
6 OTHER LIABILITIES				
Creditors other than micro, small and medium enterprises				
- for fixed assets	-	0.86	-	1.82
Current maturities of long-term debts [Refer note 5]	-	1,442,674.22	-	1,619,067.68
Interest accrued but not due on loans	66,114.90	141,528.24	69,417.78	106,312.92
Investor education and protection fund shall be credited by the following amounts (as and when due)				
- Unclaimed dividend	-	1,083.21	-	923.26
- Unclaimed matured deposits and interest accrued thereon	-	15,530.53	-	6,553.91
- Unclaimed matured debentures and interest accrued thereon	-	5,755.28	-	9,327.74
- Unclaimed matured subordinate debts and interest accrued thereon	-	1,140.75	-	2,028.85
Temporary credit balance in bank accounts	-	8,137.03	-	4,097.72
Tax deducted at source	-	3,144.39	-	2,568.66
Service tax payable	-	21.19	-	105.69
Statutory dues pertaining to employees	-	570.54	-	551.17
Value added tax	-	517.22	-	520.49
Works contract tax payable	-	0.27	-	2.31
Unrealised gain on securitisation *	49,131.34	88,432.02	30,657.73	66,307.82
Payable on account of forward contracts	752.68	553.49	-	-
Retention and others	15,065.25	-	16,271.38	-
Total	131,064.17	1,709,089.24	116,346.89	1,818,370.04

*Unrealised gain on securitisation comprises of future interest receivable under par structure of securitisation/assignment.

(Rs. in lacs)

	As at March 31, 2017		As at March 31, 2016	
	Long-term	Short-term	Long-term	Short-term
7 PROVISIONS				
For employee benefits				
For gratuity [Refer note 24]	-	65.49	-	228.26
For leave encashment and availment	-	2,106.75	-	2,161.46
For others				
For non-performing assets [Refer note (f) of note 2.1]	374,944.43	-	272,654.14	-
For standard assets [Refer note (f) of note 2.1]	14,449.40	6,858.03	11,617.54	6,015.51
For service tax- contested	-	8,793.99	-	8,793.99
For value added tax	-	575.66	-	575.66
For income tax [net of advance tax Rs. 362,038.61 lacs (March 31, 2016: Rs. 293,968.34 lacs)]	-	21,692.80	-	17,059.83
Proposed dividend	-	-	-	13,612.96
Corporate dividend tax	-	-	-	2,771.28
Total	389,393.83	40,092.72	284,271.68	51,218.95

		(Rs. in lacs)	
		As at March 31, 2017	As at March 31, 2016
8	SHORT-TERM BORROWINGS		
	Secured		
	Redeemable non-convertible debentures	75,000.00	25,000.00
	Term loans from banks	157,346.93	102,625.00
	Loans repayable on demand (secured)		
	Cash credit	247,076.82	201,419.38
	Unsecured		
	Term loan from banks	16,000.00	4,000.00
	Total	495,423.75	333,044.38

A) Non-convertible debenture (NCD)-secured

i) Privately placed redeemable non-convertible debenture of Rs. 1,000,000/- each

Terms of repayment as on March 31, 2017 (Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest	Total
	<=10%	
Upto 12 months	75,000.00	75,000.00
Total	75,000.00	75,000.00

Out of the above NCDs having put/call option are as under (Rs. in lacs)

Sr No	Rate of interest	Amount	Put/Call option date
1	8.06%	50,000.00	November 1, 2017
2	8.11%	25,000.00	March 29, 2018
Total		75,000.00	

Terms of repayment as on March 31, 2016 (Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest	Total
	<=10%	
Upto 12 months	25,000.00	25,000.00
Total	25,000.00	25,000.00

Nature of security

Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

B) Term loans from banks-secured

Terms of repayment (Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2017
upto 12 months	8.15% to 9.52%	1 to 16 installments of bullet, monthly and quarterly frequency	157,346.93
Total			157,346.93

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

Terms of repayment (Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2016
Upto 12 months	9.30% to 9.80%	1 to 16 installments of bullet and quarterly frequency	102,625.00
Total			102,625.00

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

8 SHORT-TERM BORROWINGS (Contd.)

C) Term loans from bank-unsecured

Terms of repayment			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2017
upto 12 months	9.00%	Bullet	16,000.00
Total			16,000.00

Terms of repayment			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2016
Upto 12 months	9.60%	Bullet	4,000.00
Total			4,000.00

D) Cash credit from bank

			(Rs. in lacs)
	Rate of interest		As at March 31, 2017
Secured by hypothecation of specific assets covered under hypothecation loan agreements	8.60% to 11.95%		247,076.82
Total			247,076.82

			(Rs. in lacs)
	Rate of interest		As at March 31, 2016
Secured by hypothecation of specific assets covered under hypothecation loan agreements	9.55% to 12.55%		201,419.38
Total			201,419.38

			(Rs. in lacs)
Total short-term borrowings	As at March 31, 2017	As at March 31, 2016	
Secured borrowings	479,423.75	329,044.38	
Unsecured borrowings	16,000.00	4,000.00	
Total short-term borrowings	495,423.75	333,044.38	

Particulars	Property, plant and equipment							Intangible assets			
	Land - freehold	Buildings	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvement	Total property, plant and equipment	Trade-marks	Computer software	Total intangible assets
9 FIXED ASSETS											
Gross block											
As at April 1, 2015	4,460.79	669.79	8,450.27	2,355.47	2,772.91	100.74	9,509.39	28,319.36	4.64	1,448.90	1,453.54
Additions	-	1.14	1,108.56	413.71	403.69	38.26	1,582.45	3,547.81	-	106.92	106.92
Deletions	-	2.13	496.40	47.15	76.04	16.30	300.25	938.27	-	-	-
Adjustment*	-	-	(25.61)	25.61	-	-	-	-	-	-	-
As at March 31, 2016	4,460.79	668.80	9,036.82	2,747.64	3,100.56	122.70	10,791.59	30,928.90	4.64	1,555.82	1,560.46
Additions	13.30	-	610.07	200.80	271.72	6.32	557.94	1,660.15	-	110.61	110.61
Deletions	-	-	404.92	53.85	54.09	1.39	312.73	826.98	-	-	-
Adjustment*	-	-	0.87	-	0.81	-	(1.68)	-	-	-	-
As at March 31, 2017	4,474.09	668.80	9,242.84	2,894.59	3,319.00	127.63	11,035.12	31,762.07	4.64	1,666.43	1,671.07
Depreciation											
As at April 1, 2015	-	106.40	5,153.53	955.17	1,671.13	68.64	5,088.05	13,042.92	2.12	1,302.13	1,304.25
Charge for the year	-	12.73	1,351.59	428.35	184.80	5.95	1,679.72	3,663.14	0.46	97.32	97.78
Deletions	-	2.13	442.43	39.63	58.60	13.24	273.94	829.97	-	-	-
Adjustment*	-	-	(8.64)	8.64	-	-	-	-	-	-	-
As at March 31, 2016	-	117.00	6,054.05	1,352.53	1,797.33	61.35	6,493.83	15,876.09	2.58	1,399.45	1,402.03
Charge for the year	-	11.39	1,046.62	475.56	208.76	8.00	1,642.07	3,392.40	0.47	92.24	92.71
Deletions	-	-	369.64	42.98	45.67	1.32	293.26	752.87	-	-	-
Adjustment*	-	-	0.28	0.36	0.71	-	(1.35)	-	-	-	-
As at March 31, 2017	-	128.39	6,731.31	1,785.47	1,961.13	68.03	7,841.29	18,515.62	3.05	1,491.69	1,494.74
Net block											
As at March 31, 2016	4,460.79	551.80	2,982.77	1,395.11	1,303.23	61.35	4,297.76	15,052.81	2.06	156.37	158.43
As at March 31, 2017	4,474.09	540.41	2,511.53	1,109.12	1,357.87	59.60	3,193.83	13,246.45	1.59	174.74	176.33

* Adjustment is on account of regrouping of fixed assets

(Rs. in lacs)

	Year ended	
	March 31, 2017	March 31, 2016
Depreciation and amortisation	3,392.40	3,663.14
on property, plant and equipment	92.71	97.78
on intangible assets	2.24	2.24
on investment property	3,487.35	3,763.16
Total		

(Rs. in lacs)

	As at March 31, 2017	As at March 31, 2016
10 NON-CURRENT INVESTMENTS		
1 Investment property (net of depreciation)	190.75	192.99
2 Non trade :		
A. Investment in equity shares-unquoted	67.20	67.20
B. Investment in government securities	141,215.85	115,126.15
C. Investment in subordinated debts	5,078.88	5,034.18
D. Investment in venture capital fund	65.09	1,655.64
E. Investment in mutual fund	200.00	200.00
Less : Aggregate provision for diminution in value of investments	(25.37)	(25.00)
Total	146,792.40	122,251.16

(Rs. in lacs)

Particulars	Face value	Quantity		Amount	
		As at March 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2016
1. Investment property (at cost less accumulated depreciation)					
Cost of land and building given on operating lease			211.66		211.66
Less: accumulated depreciation			20.91		18.67
Net Block			190.75		192.99
2. Non trade (valued at cost unless stated otherwise)					
A. Shares : Fully paid up					
Unquoted-Equity shares					
Investment in other companies					
State Industrial Investment Corporation of Maharashtra Limited	10	50,000	40.00	50,000	40.00
Credential Finance Limited (At cost less provision for other than temporary diminution in value of Rs. 25.00 lacs (March 31, 2016: Rs. 25.00 lacs))	10	25,000	-	25,000	-
The Zoroastrian Co-operative Bank Limited	25	100	0.03	100	0.03
Freight Commerce Solutions Private Limited (At cost less provision for other than temporary diminution in value of Rs. 0.37 lacs (March 31, 2016: Rs. Nil))	10	3,705	-	3,705	0.37
Shriram Seva Sankalp Foundation	10	18,000	1.80	18,000	1.80
B. Government Securities [Refer note 28]					
Quoted					
6.13% GOI Loan 2028	100	176,000	177.16	176,000	177.26
6.35% GOI Loan 2020	100	2,500,000	2,445.24	2,500,000	2,425.39
6.90% GOI Loan 2019	100	5,000,000	4,910.87	5,000,000	4,871.87
7.16% GOI Loan 2023	100	12,500,000	12,025.10	12,500,000	11,947.76
7.80% GOI Loan 2020	100	2,500,000	2,497.62	2,500,000	2,496.84
8.13% GOI Loan 2022	100	2,500,000	2,501.49	2,500,000	2,501.76
8.24% GOI Loan 2027	100	500,000	497.91	500,000	497.70
8.26% GOI Loan 2027	100	7,500,000	7,395.14	7,500,000	7,385.00
8.28% GOI Loan 2027	100	15,000,000	14,399.22	15,000,000	14,341.91
8.33% GOI Loan 2026	100	7,500,000	7,492.22	7,500,000	7,491.38
8.60% GOI Loan 2028	100	7,500,000	7,936.73	7,500,000	7,975.80
8.83% GOI Loan 2023	100	10,000,000	10,059.99	10,000,000	10,069.00
8.97% GOI Loan 2030	100	2,500,000	2,638.05	2,500,000	2,648.14
8.15% GOI Loan 2026	100	10,000,000	10,074.37	10,000,000	10,082.07
7.88% GOI Loan 2030	100	22,200,000	22,118.28	22,200,000	22,111.98

10 NON-CURRENT INVESTMENTS (Contd.)

Particulars	Face value	(Rs. in lacs)			
		Quantity	Amount	Quantity	Amount
		As at March 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2016
8.20% GOI Loan 2025	100	8,000,000	8,091.51	8,000,000	8,102.29
7.88% GOI Loan 2030 (Purchased during the year)	100	6,500,000	6,608.41	-	-
7.73% GOI Loan 2034 (Purchased during the year)	100	9,500,000	10,137.28	-	-
8.24% GOI Loan 2033 (Purchased during the year)	100	3,500,000	3,933.06	-	-
7.61% GOI Loan 2030 (Purchased during the year)	100	5,000,000	5,276.20	-	-
C. Unquoted -Investment in subordinated debts					
Yes Bank Limited	1,000,000	500	5,000.00	500	5,000.00
Shriram City Union Finance Limited	1,000	7,259	78.88	2,920	34.18
D. Unquoted-Venture capital fund					
ICICI Investment Management Company Limited (Subscribed during the year Rs. 62.81 lacs (March 31, 2016: Rs. Nil) and redeemed during the year is Rs. 1,653.36 lacs (March 31, 2016: Rs. Nil))	10,000	5,519	65.09	16,556	1,655.64
E. Unquoted-Investment in mutual fund					
Shriram Equity & Debt Opportunities Fund Direct -Growth	10	2,000,000	200.00	2,000,000	200.00
Total			146,792.40		122,251.16
Aggregate value of quoted investments					
Cost of acquisition			141,215.85		115,126.15
Market value			147,662.58		117,783.14
Aggregate value of unquoted investments					
Cost of acquisition			5,411.17		6,957.39
Aggregate provision for diminution in value of investments			25.37		25.00

(Rs. in lacs)

11 DEFERRED TAX ASSETS (NET)

	As at March 31, 2017	As at March 31, 2016
Deferred tax asset		
Fixed asset: Impact of difference between tax depreciation and depreciation/amortisation charged for financial reporting period	1,780.45	1,454.68
Impact of expenditure charged to the Statement of Profit and Loss in the current year but claimed as expense for tax purpose on payment basis.	4,380.40	4,408.88
Provision for securitisation	23,017.97	19,497.03
Provision for standard assets	7,374.07	6,102.45
Gross deferred tax assets (A)	36,552.89	31,463.04
Deferred tax liability		
Debenture issue expenses	204.09	575.90
Gross deferred tax liability (B)	204.09	575.90
Net deferred tax assets (A-B)	36,348.80	30,887.14

		As at March 31, 2017		As at March 31, 2016	
		Non-current portion	Current portion #	Non-current portion	Current portion #
12	LOANS AND ADVANCES				
	Unsecured, considered good				
	Capital advances	172.86	-	237.74	-
	Security deposits	2,525.44	1,250.23	3,047.08	794.25
	Secured, considered good				
	Hypothecation loans	4,067,633.77	1,829,435.86	3,800,745.73	1,847,547.58
	Retained interest on securitisation	36,677.33	36,520.69	28,365.13	37,830.80
	Other loans	153.27	434.22	280.89	78.89
	Securitisation deferred consideration receivable *	49,131.34	88,432.02	30,657.73	66,307.82
	Unsecured, considered good				
	Unsecured loans	18,934.21	87,635.98	38,122.56	111,822.99
	Advance - hypothecation loans	-	1,519.09	-	2,410.94
	Doubtful				
	Secured hypothecation loans	513,127.72	-	367,627.98	-
	Unsecured loan	27,413.04	-	19,199.82	-
	Advances recoverable in cash or in kind or for value to be received	274.39	-	196.04	-
	Security deposits	28.43	-	-	-
	Other loans and advances -Unsecured, considered good				
	Advances recoverable in cash or in kind or for value to be received	6,473.32	3,155.30	4,198.69	5,741.27
	Service tax credit (input) receivable	-	4,378.16	-	2,858.91
	Prepaid expenses	110.77	476.11	100.00	559.85
	Advance income tax (net of provision for taxation)	8,547.34	-	8,547.34	-
	[net of provision for income tax Rs. 236,191.09 lacs (March 31, 2016: Rs. 236,191.09 lacs)]				
	Total	4,731,203.23	2,053,237.66	4,301,326.73	2,075,953.30

Includes current maturities of long-term loans and advances

* Securitisation deferred consideration receivable comprises of Company's share of future interest strip receivables in case of a par structure securitised/assigned deals.

		As at March 31, 2017		As at March 31, 2016	
		Non-current portion	Current portion	Non-current portion	Current portion
13	OTHER ASSETS				
	Unsecured, considered good				
	Fixed deposits with banks (Refer note 16)	-	-	0.25	-
	Margin money deposit with banks (Refer note 16)	7,150.08	-	340.03	-
	Interest accrued on investments	3.39	2,348.09	1.23	2,031.82
	Interest accrued on fixed deposits with banks	73.44	2,843.62	40.98	1,799.29
	Plan Asset - gratuity	-	-	-	6.17
	Public issue expenses for non-convertible debentures	27.29	562.42	589.71	1,074.35
	Issue expenses for equity shares	264.03	152.78	416.81	152.77
	Total	7,518.23	5,906.91	1,389.01	5,064.40

(Rs. in lacs)

		As at March 31, 2017	As at March 31, 2016
14	CURRENT INVESTMENTS		
1	a) Investment in government securities	-	399.52
	b) Investment in subordinated debt	4.28	1.00
2	a) Investments in non-convertible debentures	5,220.97	-
	b) Investment in mutual fund	-	11,298.67
	Total	5,225.25	11,699.19

(Rs. in lacs)

Particulars	Face value	Quantity	Amount	Quantity	Amount
		As at March 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2016
1	Current portion of long-term investments (valued at cost unless otherwise mentioned)				
a)	Quoted: Government securities [Refer note 28]				
	7.02% GOI Loan 2016 (Redeemed during the year at par)	100	-	400,000	399.52
b)	Unquoted: Investment in subordinated debt				
	Shriram City Union Finance Limited	1,000	265	100	1.00
2	Current Investments (at lower of cost and fair value)				
a)	Quoted- Investments in non-convertible debentures				
	Dewan Housing Fin Corp Ltd (Purchased during the year)	1,000	500,000	-	-
b)	Unquoted: Investment in mutual fund				
	Kotak Liquid Scheme Plan A - Direct Plan -Growth (Sold during the year)	10	-	325,651	10,000.00
	Axis Liquid Fund - Direct Growth (Sold during the year)	1,000	-	77,414	1,298.67
	Total		5,225.25		11,699.19
	Aggregate value of quoted investments				
	Cost of acquisition		5,220.97		399.52
	Market value		5,314.19		399.53
	Aggregate value of unquoted investments				
	Cost of acquisition		4.28		11,299.67
	Aggregate provision for diminution in value of investments		-		-

(Rs. in lacs)

		As at March 31, 2017	As at March 31, 2016
		Current portion	Current portion
15	TRADE RECEIVABLES		
	Unsecured, considered good		
	Outstanding for a period exceeding six months from the date they are due for payment	-	-
	Other receivables (Unsecured, considered good)		
	Other receivables	867.85	1,009.48
	Total	867.85	1,009.48

		(Rs. in lacs)			
		As at March 31, 2017		As at March 31, 2016	
		Non-current portion	Current portion	Non-current portion	Current portion
16	CASH AND BANK BALANCES				
	Cash and cash equivalents				
	i) Balances with scheduled banks in:				
	Current accounts	-	102,155.05	-	59,765.26
	Unclaimed dividend accounts	-	1,083.21	-	923.26
	Deposits with original maturity of less than three months	-	-	-	5,036.28
	ii) Cheques on hand	-	3,175.11	-	4,698.24
	iii) Cash on hand	-	7,910.29	-	10,124.16
		-	114,323.66	-	80,547.20
	Other bank balances				
	Deposits with original maturity for more than 12 months	-	300.25	0.25	10.38
	Deposits with original maturity for more than 3 months but less than 12 months @	-	152,520.31	-	30,296.87
	Margin money deposit #	7,150.08	177,386.93	340.03	125,700.58
		7,150.08	330,207.49	340.28	156,007.83
	Amount disclosed under non-current assets [Refer note 13]	(7,150.08)	-	(340.28)	-
	Total	-	444,531.15	-	236,555.03

@ Includes deposits of Rs. 0.71 lacs (March 31, 2016 Rs. 0.71 lacs) pledged with VAT authorities.

Includes deposits of Rs. 182,678.72 lacs (March 31, 2016: Rs. 124,055.99 lacs) pledged with Banks as margin for credit enhancement, Rs. 1,275.92 lacs (March 31, 2016: Rs. 1,527.60 lacs) as margin for guarantees and Rs. 582.38 lacs (March 31, 2016: Rs. 457.02 lacs) pledged as lien against loans taken.

		(Rs. in lacs)	
		Year ended March 31, 2017	Year ended March 31, 2016
17	REVENUE FROM OPERATIONS		
	Interest income on:-		
	- loan portfolio and related charges	958,396.40	923,123.19
	- direct assignment	10,950.06	15,470.00
	- securitisation including interest on pass through certificates*	84,370.04	53,224.28
	- margin money on securitisation/assignments	9,377.02	8,466.80
	- deposits with banks	913.50	2,288.03
	- long-term investments	10,883.60	8,095.82
	- current investments	17.44	321.37
	Other financial services		
	Income from commission services	6,579.14	6,190.42
	Bad debt recovery	618.00	870.08
	Profit on sale of long-term investments (net)	0.11	-
	Profit on sale of current investments (net)	831.95	11,028.08
	Facilitation fees	7,334.20	6,780.73
	Total	1,090,271.46	1,035,858.80

* Includes Rs. 571.71 lacs (March 31, 2016: Rs. 2,832.11 lacs) of income on pass through certificates where distribution tax has been deducted by the trustees as per section 115TA of Income Tax Act.

		(Rs. in lacs)	
		Year ended March 31, 2017	Year ended March 31, 2016
18	OTHER INCOME		
	Income from operating lease	7.20	7.12
	Miscellaneous income	168.41	331.08
	Total	175.61	338.20

		(Rs. in lacs)	
		Year ended March 31, 2017	Year ended March 31, 2016
19	EMPLOYEE BENEFIT EXPENSES		
	Salaries, other allowances and bonus	52,918.88	57,005.67
	Gratuity expenses [Refer note 24]	660.57	704.30
	Contribution to provident and other funds	3,403.36	3,465.73
	Staff welfare expenses	1,337.44	1,197.61
	Total	58,320.25	62,373.31

		(Rs. in lacs)	
		Year ended March 31, 2017	Year ended March 31, 2016
20	FINANCE COST		
	Interest expense on:-		
	- Debentures	176,235.11	179,322.04
	- Senior secured notes	1,908.70	-
	- Subordinated debts	40,430.12	43,647.53
	- Fixed deposits	85,699.94	69,966.24
	- Loans from banks	175,042.28	185,256.81
	- Loans from institutions and others	17,684.32	15,248.50
	- Commercial paper	7,691.49	866.28
	Other borrowing costs		
	Professional charges - resource mobilisation	7,672.05	3,709.84
	Processing charges on loans	338.95	604.99
	Brokerage	4,792.93	5,867.05
	Amortisation of public issue expenses for non-convertible debentures	1,074.35	1,303.09
	Total	518,570.24	505,792.37

		(Rs. in lacs)	
		Year ended March 31, 2017	Year ended March 31, 2016
21	OTHER EXPENSES		
	Rent	8,910.43	8,346.60
	Lease rent for parking yards	345.01	323.07
	Electricity expenses	1,547.26	1,440.13
	Repairs and maintenance		
	- Plant & machinery	14.59	37.74
	- Others	625.23	740.85
	Rates and taxes	173.05	126.06
	Printing and stationery	967.54	1,485.84
	Travelling and conveyance	11,916.92	13,191.95
	Advertisement	47.20	156.72
	Business promotion	3,679.83	5,972.77

		(Rs. in lacs)	
		Year ended March 31, 2017	Year ended March 31, 2016
21	OTHER EXPENSES (Contd.)		
	Buyer and seller facilitation expense	757.70	789.80
	Royalty	11,030.10	10,096.80
	Directors' sitting fees	30.42	18.48
	Insurance	129.45	89.09
	Communication expenses	4,427.25	4,680.83
	Payment to auditor [Refer note 33]		
	As Auditor:		
	- Audit fees	163.22	163.55
	- Tax audit fees	12.68	11.15
	- Out of pocket	8.86	8.39
	In any other manner:		
	- Certification	15.04	52.02
	Bank charges	3,324.70	2,981.59
	Professional charges on securitisation	2,391.89	2,162.18
	Legal and professional charges	3,154.18	3,519.14
	Loss on sale of fixed assets (net)	27.18	35.36
	Issue expenses for equity shares	152.78	152.78
	Security charges	135.32	78.97
	Service charges paid	5,162.04	5,016.04
	CSR expenses [Refer note 35]	1,194.65	1,863.73
	Miscellaneous expenses	11,487.68	11,119.21
	Total	71,832.20	74,660.84

		(Rs. in lacs)	
		Year ended March 31, 2017	Year ended March 31, 2016
22	PROVISIONS AND WRITE-OFFS		
	Provision for non-performing assets [Refer note (f) of note 2.1]	106,479.02	90,446.24
	Provision for standard assets [Refer note (f) of note 2.1]	3,674.37	4,990.48
	Provision for credit loss on securitisation	10,173.79	4,821.98
	Provision for diminution in value of investments	0.37	-
	Bad debts written off	124,104.50	110,420.78
	Total	244,432.05	210,679.48

		(Rs. in lacs)	
		Year ended March 31, 2017	Year ended March 31, 2016
23	EARNINGS PER SHARE		
	Net Profit after tax as per Statement of Profit and Loss (Rs. in lacs) (A)	126,563.41	118,361.82
	Weighted average number of equity shares for calculating basic EPS (in lacs) (B)	2,268.83	2,268.83
	Weighted average number of equity shares for calculating diluted EPS (in lacs) (C)	2,268.83	2,268.83
	Basic earnings per equity share (in Rupees) (face value of Rs. 10/- per share) (A) / (B)	55.78	52.17
	Diluted earnings per equity share (in Rupees) (face value of Rs. 10/- per share) (A) / (C)	55.78	52.17

24 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

The Group has defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for a gratuity on separation at 15 days basic salary (last drawn salary) for each completed year of service. The scheme is funded with the insurance companies in the form of qualifying insurance policy.

The Group has funded Rs. 267.54 lacs during the financial year 2016-17 and Rs. 235.39 lacs during the financial year 2015-16.

Consequent to the adoption of revised AS 15 'Employee Benefits' issued under Companies (Accounts) Rules, 2014, as amended, the following disclosures have been made as required by the standard:

Statement of Profit and Loss

Net employee benefit expense (recognised in employee cost) (Rs. in lacs)

Particulars	Gratuity	
	Year ended March 31, 2017	Year ended March 31, 2016
Current service cost	400.28	387.34
Interest cost on benefit obligation	275.93	215.29
Expected return on plan assets	(239.10)	(213.46)
Net actuarial (gain)/loss recognised in the year	185.64	328.71
Past service cost	Nil	Nil
Net benefit expense*	622.74	717.88
Actual return on plan assets	264.50	256.62

*Gratuity expenses as per note 18 of Statement of Profit and Loss is net off benefit obligation of Rs. 37.65 lacs, short provision of relieved employees of Rs. 0.17 lacs and Rs. Nil (March 31, 2016: Rs. 13.60 lacs) on account of gratuity transferred from other company.

Balance sheet

Benefit asset/(liability) (Rs. in lacs)

Particulars	Gratuity	
	March 31, 2017	March 31, 2016
Present value of defined benefit obligation	3,761.17	3,683.62
Fair value of plan assets	3,705.99	3,178.01
Surplus/(deficit)	(55.20)	(505.61)
Less: Unrecognised past service cost	Nil	Nil
Plan asset/(liability) *	(55.20)	(505.61)

*Gratuity liability for the year ended March 31, 2017 disclosed under note 7 – Provisions and note 13- Other assets is after netting off amount paid to trust on account of relieved/transferred employees Rs. 10.29 lacs (March 31, 2016: Rs. 271.76 lacs) lacs and gratuity transferred to other company Rs. Nil (March 31, 2016: Rs. 11.76 lacs)

Changes in the present value of the defined benefit obligation are as follows: (Rs. in lacs)

Particulars	Gratuity	
	March 31, 2017	March 31, 2016
Opening defined benefit obligation	3,683.62	2,709.10
Interest cost	275.93	215.29
Current service cost	400.28	387.34
Benefits paid	(809.70)	Nil
Actuarial (gains)/losses on obligation	211.04	371.89
Closing defined benefit obligation	3,761.16	3,683.62

Changes in the fair value of the plan assets are as follows: (Rs. in lacs)

Particulars	Gratuity	
	March 31, 2017	March 31, 2016
Opening fair value of plan assets	3,178.01	2,685.99
Expected return	239.10	213.46
Contributions by employer	1,073.17	235.39
Benefits paid	(809.70)	Nil
Actuarial gains/(losses)	25.40	43.17
Closing fair value of plan assets	3,705.99	3,178.01

The Group's best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards gratuity is Rs. 489.47 lacs (March 31, 2016: Rs. 936.09 lacs).

24 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS (Contd.)

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

Particulars	Gratuity	
	March 31, 2017	March 31, 2016
	%	%
Investments with insurer	100	100

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

Particulars	Gratuity	
	March 31, 2017	March 31, 2016
Discount Rate	7.22%	7.80%
Expected rate of return on assets	7.22%	7.80%
Increase in compensation cost	5.00%	5.00%
Employee turnover*	7.50% and 20.00%	7.50% and 20.00%

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

*7.50% in case of employees with service period of 5 years and above and 20.00% for all other employees for the current year.

*7.50% in case of service greater than 5 years and 20.00% for all other employees for the previous year.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Amounts for the current year and previous four years are as follows:

(Rs. in lacs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Defined benefit obligation	3,761.16	3,683.62	2,709.10	2,128.54	1,927.94
Plan assets	3,705.99	3,178.01	2,685.99	2,073.77	Not applicable
Surplus/(deficit)	(55.20)	(505.61)	(23.11)	(54.77)	(1,927.94)
Experience adjustments on plan liabilities (gains)/losses	49.00	200.11	(271.95)	58.31	94.64
Experience adjustments on plan assets (losses)/gains	25.40	43.17	59.37	51.10	Not applicable

25 SEGMENT REPORTING

The Group has two reportable segment viz. providing finance to commercial vehicles, other loans (financing activities) and facilitating the buyers/sellers to sell their vehicles (facilitation service division) which have been identified in line with the Accounting Standard 17 on Segment Reporting, taking into the account organisational structure as well as differential risk and return of these segments. Each of the above activity is restricted to a common single geographical segment. Hence, no disclosure on geographic segment is warranted.

Year ended March 31, 2017

(Rs. in lacs)

Particulars	Financing activities	Facilitation service division	Total
Segment revenue	1,083,035.06	7,412.01	1,090,447.07
Segment results (Profit before tax and after interest on financing segment)	192,921.26	887.73	193,808.99
Less: Unallocated reconciling items	-	4.01	4.01
Net profit before tax			193,804.98
Less: Income taxes			67,241.57
Net profit after tax			126,563.41
Add: Share of profit of associate			-
Net profit after taxes and share of loss of associate			126,563.41
Other information:			
Segment assets	7,392,700.25	6,451.35	7,399,151.60
Unallocated corporate assets	44,634.05	262.09	44,896.14
Total assets	7,437,334.30	6,713.44	7,444,047.74
Segment liabilities	6,286,230.63	3,937.64	6,290,168.27
Unallocated corporate liabilities	21,451.69	241.11	21,692.80
Total liabilities	6,307,682.32	4,178.75	6,311,861.07
Capital expenditure	1,733.61	37.15	1,770.76
Depreciation	3,390.78	96.57	3,487.35
Other non cash expenditure	248,022.20	1,202.48	249,224.68

25 SEGMENT REPORTING (Contd.)

Year ended March 31, 2016			(Rs. in lacs)
Particulars	Financing activities	Facilitation service division	Total
Segment revenue	1,029,306.36	6,890.64	1,036,197.00
Segment results (Profit before tax and after interest on financing segment)	178,497.99	434.99	178,932.98
Less: Unallocated reconciling items	-	5.14	5.14
Net profit before tax			178,927.84
Less: Income taxes			60,566.02
Net profit after tax			118,361.82
Add: Share of profit of associate			-
Net profit after taxes and share of loss of associate			118,361.82
Other information:			
Segment assets	6,751,778.70	7,899.87	6,759,678.57
Unallocated corporate assets	39,176.16	258.32	39,434.48
Total assets	6,790,954.86	8,158.19	6,799,113.05
Segment liabilities	5,763,918.76	2,819.76	5,766,738.52
Unallocated corporate liabilities	16,918.04	141.79	17,059.83
Total liabilities	5,780,836.80	2,961.55	5,783,798.35
Capital expenditure	3,589.97	64.76	3,654.73
Depreciation	3,630.61	132.55	3,763.16
Other non cash expenditure	213,858.26	196.31	214,054.57

26 EMPLOYEE STOCK OPTION PLAN

	Series I (SAIL)
Date of grant	January 28, 2014
Date of board/committee approval	May 6, 2013
Date of shareholder's approval	November 11, 2013
Number of options granted	100,000
Method of settlement (cash/equity)	Equity
Graded vesting period	
After 1 year of grant date	20% of options granted
After 2 years of grant date	30% of options granted
After 3 years of grant date	50% of options granted
Exercisable period	10 years from vesting date
Vesting Conditions	on achievement of pre-determined targets

26 EMPLOYEE STOCK OPTION PLAN (Contd.)

The details of Series I have been summarized below:

Shriram Automall (India) Limited

	As at March 31, 2017		As at March 31, 2016	
	Number of Shares	Weighted Average Exercise Price (Rs.)	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the period	100,000	10.00	100,000	10.00
Add: Granted during the period	-	-	-	-
Less: Forfeited during the period	-	-	-	-
Less: Exercised during the period	-	-	-	-
Less: Expired during the period	-	-	-	-
Outstanding at the end of the period	100,000	10.00	100,000	10.00
Exercisable at the end of the period	-	-	-	-
Weighted average remaining contractual life (in years)	-	3.84	-	4.84
Weighted average fair value of options granted	-	27.40	-	27.40

The share price Shriram Automall India Limited is Rs. 33.51 as per the share valuation derived by Black Scholes Model as on March 31, 2017

The details of exercise price for stock options outstanding for Series I at the end of the year are:

Shriram Automall (India) Limited

As at	Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price
March 31, 2017	Rs. 10/-	100,000	3.84	Rs. 10/-
March 31, 2016	Rs. 10/-	100,000	4.84	Rs. 10/-

Effect of the employee share-based payment plans on the Statement of Profit and Loss and on its financial position:

(Rs. in lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
Total compensation cost pertaining to employee share-based payment plan (entirely equity-settled)	4.28	9.07
Liability for employee stock options outstanding as at year end	31.14	31.14
Deferred compensation cost	0.00	4.28

26 EMPLOYEE STOCK OPTION PLAN (Contd.)

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

In March 2005, ICAI has issued a guidance note on "Accounting for Employees Share Based Payments" applicable to employee based share plan the grant date in respect of which falls on or after April 1, 2005. The said guidance note requires that the proforma disclosures of the impact of the fair value method of accounting of employee stock compensation accounting in the financial statements. Applying the fair value based method defined in the said guidance note, the impact on the reported net profit and earnings per share would be as follows:

	Year ended March 31, 2017	Year ended March 31, 2016
Profit as reported (Rs. in lacs)	126,563.41	118,361.82
Add: Employee stock compensation under intrinsic value method (Rs. in lacs)	4.28	9.07
Less: Employee stock compensation under fair value method (Rs. in lacs)	3.81	8.08
Proforma profit (Rs. in lacs)	126,563.88	118,362.81
Less: Preference dividend	-	-
Proforma net profit for equity shareholders	126,563.88	118,362.81
Earnings per share		
Basic (Rs.)		
- As reported	55.78	52.17
- Proforma	55.78	52.17
Diluted (Rs.)		
- As reported	55.78	52.17
- Proforma	55.78	52.17
Nominal Value (Rs.)	10.00	10.00

27 LEASES

In case of assets taken on lease

The Group has taken various office premises, furniture and fixtures, computers and plant and machinery under operating lease. The lease payments recognised in the Statement of Profit and Loss are Rs. 8,910.43 lacs (March 31, 2016: Rs.8,346.60 lacs). Certain agreements provide for cancellation by either party or certain agreements contains clause for escalation and renewal of agreements. The non-cancellable operating lease agreements are ranging for a period 11 to 180 months. There are no restrictions imposed by lease arrangements.

The future minimum lease payments in respect of non-cancellable operating lease as at the Balance Sheet date are summarized below :

	As at March 31, 2017	As at March 31, 2016
(Rs. in lacs)		
Minimum lease payments:		
Not later than one year	2,482.34	3,222.16
Later than one year but not later than five years	5,300.09	6,570.19
Later than five years	2,280.51	3,331.56

28

In accordance with the Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 dated August 25, 2016, the Company has created a floating charge on the statutory liquid assets comprising of investment in government securities to the extent of Rs. 140,376.00 lacs (March 31, 2016: Rs. 116,276.00 lacs) in favour of trustees representing the public deposit holders of the Company.

29 RELATED PARTY DISCLOSURE

Related party where control exists

Other related parties

Enterprises having significant influence over the Company : Shriram Capital Limited
Shriram Ownership Trust
Shriram Financial Ventures (Chennai) Private Limited
Piramal Enterprises Limited

Related parties as per AS 18 with whom transactions have taken place during the year

Key management personnel : Mr. Umesh Revankar, Managing Director & CEO (till April 29, 2016 & from October 26, 2016 onwards)
Mr. Jasmit Singh Gujral, Managing Director & CEO (from April 30, 2016 to October 25, 2016)
Mr. Sameer Malhotra, Whole Time Director of SAIL

Relatives of key management personnel : Mrs. Suchita U. Revankar (spouse of Managing Director)@
Master Shirish U. Revankar (son of Managing Director) @
Mr. Shreyas U. Revankar (son of Managing Director) @
Mrs. Geeta G. Revankar (mother of Managing Director) @
Mr. Anil G.Revankar (brother of Managing Director) @
Mrs. Kamini Malhotra (spouse of Mr. Sameer Malhotra)

Related parties as per the Companies Act, 2013 with whom transactions have taken place during the year

Key management personnel : Mr. Vivek Achwal, Company Secretary
: Mr. Parag Sharma, Chief Financial Officer
Mr. Nitin Lokhande, Company Secretary of SAIL
Mrs. Harshita Phophalia, Chief Financial Officer of SAIL

Relatives of key management personnel : Mrs. Ranjana Achwal (spouse of Company Secretary)
Mr. Anish Achwal (son of Company Secretary)
Mrs. Shelly Sharma (spouse of Chief Financial Officer)
Ms. Atibhi Sharma (daughter of Chief Financial Officer)
Mr. Amit Sharma (brother of Chief Financial Officer)
Mrs. Rama Sharma (mother of Chief Financial Officer)
Mr. Madan Mohan Sharma (father of Chief Financial Officer)

@ (till April 29, 2016 & from October 26, 2016 onwards)

29 RELATED PARTY DISCLOSURE (Contd.)

Particulars	(Rs. in lacs)									
	Enterprises having significant influence over the company		Key management personnel (Managing director, whole time director, manager and other management personnel)		Relative of key management personnel		Total			
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Payments/Expenses										
Employee benefits for key management personnel \$	-	-	255.62	221.35	-	-	-	-	255.62	221.35
Royalty paid to Shriram Ownership Trust @	11,030.10	10,096.80	-	-	-	-	-	-	11,030.10	10,096.80
Service charges paid to Shriram Capital Limited @	5,162.04	5,016.04	-	-	-	-	-	-	5,162.04	5,016.04
Equity dividend paid Ω	-	-	4.25	3.57	0.01	0.01	0.01	0.01	4.26	3.58
- Shriram Capital Limited	5,910.32	5,910.32	-	-	-	-	-	-	5,910.32	5,910.32
- Piramal Enterprises Limited	2,260.00	2,260.00	-	-	-	-	-	-	2,260.00	2,260.00
Car hire charges	-	-	-	-	10.68	10.55	10.68	10.55	10.68	10.55
Non-convertible debenture matured Ω	-	-	1.38	-	1.90	2.38	1.90	2.38	3.28	2.38
- Shriram Capital Limited	5.00	-	-	-	-	-	-	-	5.00	-
Fixed deposit matured Ω	-	-	-	-	2.74	3.00	2.74	3.00	2.74	3.00
Subordinated debt matured Ω	-	-	-	-	0.30	-	0.30	-	0.30	-
- Shriram Capital Limited	28.80	28.09	-	-	-	-	-	-	28.80	28.09
Interest on fixed deposit	-	-	-	-	4.71	5.05	4.71	5.05	4.71	5.05
Interest on subordinated debt	-	-	-	-	0.58	0.16	0.58	0.16	0.58	0.16
- Shriram Capital Limited	42.51	42.16	-	-	-	-	-	-	42.51	42.16
Interest on non-convertible debenture	-	-	0.03	0.55	0.32	1.61	0.32	1.61	0.35	2.16
- Shriram Capital Limited	0.30	0.54	-	-	-	-	-	-	0.30	0.54
Rent paid @	-	-	-	-	-	-	-	-	-	-
- Shriram Capital Limited	377.75	224.68	-	-	-	-	-	-	377.75	224.68
Other administrative expenses @	-	-	-	-	-	-	-	-	-	-
- Shriram Capital Limited	182.96	94.58	-	-	-	-	-	-	182.96	94.58
Receipts/Income										
Recovery of common sharing expenses	-	-	-	-	-	-	-	-	-	-
- Shriram Capital Limited	2.39	-	-	-	-	-	-	-	2.39	-
Recovery of rent and electricity	-	-	-	-	-	-	-	-	-	-
- Shriram Capital Limited	30.16	26.03	-	-	-	-	-	-	30.16	26.03
Fixed deposit μ	-	-	-	-	7.86	7.17	7.86	7.17	7.86	7.17

(Rs. in lacs)

	As at March 31, 2017	As at March 31, 2016
30 CONTINGENT LIABILITIES NOT PROVIDED FOR		
a. In respect of Income tax demands where the Company has filed appeal before various authorities	15,105.47	14,285.88
b. VAT demand where the Company has filed appeal before various appellates	11,112.10	8,019.55
c. Service tax liability pertaining to HP/Lease where the Company has filed/in the process of filing appeal before CESTAT. The amount of interest on the said demand is yet to be determined by the department.	12,882.57	12,833.93
d. Guarantees and Counter Guarantees	150,760.62	153,509.05

Future cash outflows in respect of (a), (b) and (c) above are determinable only on receipt of judgements/decisions pending with various forums/authorities. The Group is of the opinion that above demands are not sustainable and expects to succeed in its appeals. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Group's financial position and results of operations.

The Company has received show cause notice demanding service tax on services rendered towards provision of collection of receivables and liquidity facilities in respect of securitisation/direct assignments for the period 2008-09 to 2014-15, the same are contested by the Company. Shriram Automall India Limited, (wholly owned subsidiary) has received show cause notice demanding service tax on income from refurbishment of vehicles for the periods April 2011 upto June 2012 amounting to Rs. 39.28 lacs, irregular availment of input tax credit amounting to Rs. 25.80 lacs for the period April 2011 to March 2015, service tax on reimbursement expenses received amounting to Rs. 4.83 lacs for the period April 2013 to May 2014 and the same is contested by the Company. The Company has provided for service tax demands on refurbishment income and reimbursement of expenses including interest thereon. The Management believes that the ultimate outcome of this proceeding will not have a material effect on the Company's financial position and results of operations.

(Rs. in lacs)

	As at March 31, 2017	As at March 31, 2016
Disputed income tax demands are on account of		
a. Royalty	2,754.99	2,096.21
b. Disallowance of ESOP expenses, 14A, derivatives etc.	1,198.16	1,146.38
c. Interest as per assessment orders, etc.	11,152.32	11,043.29
Total	15,105.47	14,285.88

(Rs. in lacs)

	As at March 31, 2017	As at March 31, 2016
Commitments not provided for		
a. Estimated amount of contracts remaining to be executed on capital account	492.24	424.36
b. Uncalled amount in investment in ICICI Investment Management Company Limited	747.02	809.83
c. Commitments related to loans sanctioned but undrawn	846.72	1,056.07

31 DISCLOSURES RELATING TO SECURITISATION

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

		(Rs. in lacs)	
Sr. No.	Particulars	As at March 31, 2017	As at March 31, 2016
1	No of SPVs sponsored by the NBFC for securitisation transactions* (in No.)	51	35
2	Total amount of securitised assets as per books of the SPVs sponsored	1,288,049.92	964,926.71
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of Balance Sheet		
	(a) Off-Balance Sheet exposures		
	First loss	-	-
	Others	-	-
	(b) On-Balance Sheet exposures		
	First loss	114,952.94	93,086.83
	Others	68,213.22	47,721.45
4	Amount of exposures to securitisation transactions other than MRR		
	(a) Off-Balance Sheet exposures		
	(i) Exposure to own securitisations		
	First loss	-	-
	Loss	71,921.05	76,122.94
	(ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
	(b) On-Balance Sheet exposures		
	(i) Exposure to own securitisations		
	First loss	-	-
	Others	67,725.77	30,969.18
	(ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-

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

		(Rs. in lacs)	
Sr. No.	Particulars	As at March 31, 2017	As at March 31, 2016
1	No. of transactions assigned by the Company	24	25
2	Total amount outstanding	41,424.24	166,539.92
3	Total amount of exposures retained by the Company to comply with MRR as on the date of Balance Sheet		
	(a) Off-Balance Sheet exposures		
	First loss	-	-
	Others	-	-
	(b) On-Balance Sheet exposures		
	First loss	-	-
	Others	4,984.80	18,474.48
4	Amount of exposures to assigned transaction other than MRR		
	(a) Off-Balance Sheet exposures		
	(i) Exposure to own securitisations		
	First loss	-	407.00
	Loss	-	271.00
	(ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
	(b) On-Balance Sheet Exposures		
	(i) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	(ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-

31 DISCLOSURES RELATING TO SECURITISATION

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

		(Rs. in lacs)	
Sr. No.	Particulars	As at March 31, 2017	As at March 31, 2016
1	No. of transactions assigned by the Company	-	-
2	Total amount outstanding	-	-
3	Total amount of exposures retained by the Company to comply with MRR as on the date of Balance Sheet		
	(a) Off-Balance Sheet exposures		
	First loss	-	-
	Others	-	-
	(b) On-Balance Sheet exposures		
	First loss	-	-
	Others	-	-
4	Amount of exposures to assigned transaction other than MRR		
	(a) Off-Balance Sheet exposures		
	(i) Exposure to own securitisations		
	First loss	-	-
	Loss	-	-
	(ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
	(b) On-Balance Sheet Exposures		
	(i) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	(ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-

32 Based on the intimation received by the Group, some of the suppliers have confirmed to be registered under “The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006”. Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid /payable are furnished below:

(Rs. in lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
The principal amount remaining unpaid to supplier as at the end of the year	-	-
The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

33 In addition to the auditors remuneration shown in operating and other expenses, the Company has also incurred auditors remuneration in connection with audit and related statutory services to be performed by auditors in connection with issue of senior secured notes of Rs. 126.37 lacs (March 31, 2016: Rs. Nil) [including out-of-pocket expenses of Rs. 2.45 lacs (March 31, 2016: Rs. Nil)] shown under professional charges-resource mobilisation in note 20.

(Rs. in lacs)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
34 EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)		
Computer software	-	14.24
Resource mobilisation	1,351.05	27.18
Membership fees	0.17	0.10
Advertisement	-	20.20
Listing fees	16.77	-
Total	1,367.99	61.72

(Rs. in lacs)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
35 DETAILS OF CSR EXPENSES		
a) Gross amount required to be spent by the Company during the year	3,654.40	3,815.28
b) Amount spent during the year		
- On purposes other than construction/ acquisition of any asset		
Paid in cash	1,194.65	1,863.73
Yet to be paid in cash	-	-
Total	1,194.65	1,863.73

36 DETAILS OF NET ASSETS TAKEN OVER AND TRANSFER TO CAPITAL RESERVE IS AS UNDER

Pursuant to the scheme of amalgamation ('the Scheme') of erstwhile Shriram Equipment Finance Company Limited (SEFCL) with the Company under Sections 391 to 394 of the Companies Act, 1956 sanctioned by Hon'ble High Court of Madras on March 31, 2016 entire business and all assets and liabilities of Shriram Equipment Finance Company Limited were transferred and vested in the Company effective from April 1, 2015. Accordingly the Scheme has been given effect to in these financial statements.

SEFCL was non banking finance Company 'NBFC' engaged in business of equipment financing.

The amalgamation has been accounted for under the "Pooling of Interest" method as prescribed by the Accounting Standard 14 "Accounting for Amalgamations" notified under the Companies (Accounts) Rules, 2014. Accordingly, the accounting treatment has been given as under:-

- (i) The assets and liabilities as at April 1, 2015 were incorporated in the financial statement of the Company at its book value
- (ii) Debit balance in the Statement of Profit and Loss of SEFCL as at April 1, 2015 amounting to Rs. 3,503.89 lacs was adjusted in "Surplus in Statement of Profit and Loss".
- (iii) Credit balance in the Statutory Reserve pursuant to section 45-IC of the RBI Act, 1934 of SEFCL as at April 1, 2015 amounting to Rs. 4,655.65 lacs was adjusted in "Statutory Reserve pursuant to section 45- IC of the RBI Act, 1934".
- (iv) SEFCL been wholly owned subsidiary, the entire share capital i.e. 10,000,000 Equity Shares of Rs.10/- each fully paid & 25,000,000 0.01% Preference Share of Rs. 100/- each in Shriram Equipment Finance Company Limited, held as investment by the Company stands cancelled.

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The details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016 as provided in the Table below:

Particulars			(Rs. in lacs)
	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	10,000.79	234.17	10,234.96
(+) Permitted receipts	-	35,535.26	35,535.26
(-) Permitted payments	-	1,813.40	1,813.40
(-) Amount deposited in Banks	10,000.79	32,341.19	42,341.98
Closing cash in hand as on 30.12.2016	-	1,614.84	1,614.84

In the ordinary course of business, loan borrowers and customers of the Group have directly deposited cash as part of their loan repayments/dues in the collection bank accounts of the Company with various banks, aggregating to Rs. 60,729.41 lacs during the period November 9, 2016 to December 30, 2016 the denomination wise details of which are currently not available with the Company and hence not included in the above table.

Explanation : For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the November 8, 2016.

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PREVIOUS YEAR COMPARATIVES

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

As per our report of even date

For **S.R. BATLIBOI & Co. LLP**

ICAI Firm Registration No. 301003E/E300005

Chartered Accountants

per Shrawan Jalan

Partner

Membership No. 102102

Mumbai

April 27, 2017

For **G. D. Apte & Co.**

ICAI Firm Registration No. 100515W

Chartered Accountants

Ameya D. Tambekar

Partner

Membership No. 128355

For and on behalf of the Board of Directors of

Shriram Transport Finance Company Limited

S. Lakshminarayanan

Chairman

DIN: 02808698

Parag Sharma

Chief Financial Officer

Umesh Revankar

Managing Director & CEO

DIN: 00141189

Vivek M. Achwal

Company Secretary

(Rs. in lacs)

Name of the entity in the Group	Net Asset, i.e, total assets minus total liabilities		Shares in profit or loss	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount
1	2	3	4	5
Parent				
Shriram Transport Finance Company Limited	99.74%	1,130,222.87	99.34%	125,734.25
Subsidiaries				
Indian				
Shriram Automall (India) Limited	0.53%	5,970.33	0.66%	829.15
Foreign	Not applicable	Not applicable	Not applicable	Not applicable
Minority interests in all subsidiaries, associates (Investment as per the equity method)				
Indian	Not applicable	Not applicable	Not applicable	Not applicable
Foreign	Not applicable	Not applicable	Not applicable	Not applicable
Inter-company adjustment	-0.26%	(3,000.00)	-	-
Total	100.00%	1,133,193.19	100.00%	126,563.41



Shriram Transport Finance Company Limited
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